



ANNUAL
REPORT | 2024

**Annual Report
For the Year Ending December 31st, 2024.**



His Majesty
King Abdullah II bin Al-Hussein



HRH Crown Prince
Al-Hussein bin Abdullah II

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Bank's Mission

Bank's Mission

Our Vision:

We strive to develop Jordan Commercial Bank to be become a leader in providing banking services that fulfils its customers' needs, in line with the best banking practices.

Our Mission:

Our mission is to provide our corporate, retail, and investment clients with customized, high quality and competitively priced financial solutions. Through both our ever-increasing, regularly enhanced range of cutting-edge banking solutions and our efficient distribution channels, we are committed to delivering world-class products and services that reward our stakeholders and customers, as well as our personnel.

Our Values:

- The Bank's employees are our greatest asset.
- The Bank's clients are our utmost priority.
- Transparency is the foundation of our credibility.
- A sense of responsibility is the guide to our customer service.
- Our commitment to continuous improvement.
- Our responsibility lies firmly with our society.



Board of Directors

JCB's Board of Directors



Mr. Michael Faiq Ibrahim Sayegh

Chairman of the Board of Directors (non-independent)



H.E. Mr. Ayman H. B. Al-Majali

Vice-Chairman (non-independent)



Mr. Fa'eq M. F. Sayegh

Board Member (non-independent)
As of 29/04/2024



Mr. Abdelnour Nayef Abdelnour Abdelnour

Board Member (non-independent)



Social Security Corporation (first seat)

Represented by: **Mr. Yahia Mohammad Oshub Obeidat**

Board Member (non-independent)



Social Security Corporation (second seat)

Represented by: **Mr. Rami Adam Anaaz Titi**

Board Member (non-independent)



First Jordan Investment Company
Represented by: Mr. Saleh Mohammad Saleh "Zeid Kilani"

Board Member (non-independent)
Till 29/04/2024



First Jordan Investment Company
Represented by: Mr. Omar Samir Mustafa Khalifeh

Board Member (non-independent)
From 29/04/2024 till 01/10/2024



Mr. Shareef Tawfiq Hamad Al Rawashdeh

Board Member (non-independent)
Till 29/04/2024



Miss Lina Najib Albakhit Aldababneh

Board Member (independent)



Mr. Osama O. A. Hamad

Board Member (independent)



Mr. MOHD JAMAL Bisher Mustafa Anoubani

Board Member (independent)

As of 29/04/2024



Mr. Omar Kheir Eddin Omar Maani

Board Member (independent)

As of 29/04/2024



Dr. Henry Toufic Ibrahim Azzam

Board Member (independent)
Till 29/04/2024



Mr. Nasser H. M. Saleh

Board Member (independent)
Till 29/04/2024



JCB's Chairman's Message



JCB's Chairman's Message

The year 2024 marks a pivotal moment in the era of rapid economic and technological transformations, alongside the challenges posed by the climate crisis and geopolitical conflicts. These factors contribute to shaping an unstable global system, intensifying economic pressures, particularly in terms of the cost of living, which has a significant impact on many regions, amidst persistently high inflation, elevated interest rates, and continued economic uncertainty. Governments, businesses, and individuals face growing challenges in navigating this complex landscape. At the same time, some positive signs have emerged, with interest rate cuts in certain economies aimed at easing economic pressures, boosting investment, and stimulating consumption. Within this context, the focus remains on advancing technological transformations, accelerating innovation across various fields such as technology and renewable energy. This opens new horizons for economic growth, highlighting investments in sectors that support sustainable development. Such investments will enhance the ability of nations and institutions to adapt to future changes and anticipated challenges.

Despite the intensity of economic and technological shifts, Jordan has successfully kept pace with these changes by intensifying efforts to launch initiatives aimed at promoting financial literacy and the role of fintech, which has become a key driver in expanding access

to and utilization of financial services in support of the national economy. A series of national initiatives have been introduced, including reduced interest rates to support the housing sector, an initiative that reflects the government's commitment to enhancing economic stability. Additionally, the Jordanian banking sector has played a pivotal role in this regard, actively contributing to the country's improved credit rating, which underscores the effectiveness of financial management and the overall efficiency of the macroeconomy. These efforts reflect the Kingdom's firm commitment to strengthening economic stability and addressing challenges arising from external shocks and geopolitical conflicts in the region. This, in turn, enhances prospects and contributes to achieving sustainable economic stability and inclusive prosperity for Jordanian society.

Unified in our approach, we are convinced that this transformation will have a profound impact and that we possess the necessary capabilities to lead this change. This is driven by the Bank's credit policies and its longstanding focus on maintaining high liquidity levels and exercising prudence in fund allocations. These strategic approaches enhance our ability to achieve sustainable growth and deliver added value to our shareholders and customers. We fully recognize the responsibility entrusted to us in achieving financial leadership, and we have no doubt that our outstanding team will always be at the forefront of innovation, driving this transformation forward. Through continuous efforts and investment in advanced digital infrastructure, we will remain prepared to navigate any future challenges, strengthening our ability to consistently deliver the highest levels of service and innovation.

The Bank's Holistic Strategy for a Leading Position:

JCB places great emphasis on its clients, considering them the core and foundation of the banking process. This commitment stems from a deep strategic philosophy aimed at delivering exceptional banking services that align with their evolving and diverse needs. The Bank continuously strives to develop and enhance its services, focusing on delivering innovative banking solutions through advanced digital channels. This reflects its deep commitment to providing a seamless banking experience that strengthens its relationship with clients across both the corporate and retail sectors. This commitment is not limited to existing clients but also extends to attracting new clients by offering a range of exceptional services that cater to their diverse needs and aspirations.

These strategies have translated into outstanding financial results, directly contributing to significant growth across key financial indicators. Gross income recorded an increase in the past five years, while maintaining a high level of profitability both before and after tax. This reflects the Bank's adaptability to an ever-changing marketplace and reaffirms its commitment to sustainable and continuous growth.

The Bank has maintained its growth trajectory over the past five years, achieving an increase in gross income from JD 42.7 million in 2020 to JD 54.7 million in 2024. On the other hand, net profit after tax recorded remarkable growth, rising from JD 0.5 million in 2020 to JD 11.5 million in 2023, with a moderate increase of %1.7 in 2024, reaching JD 11.7 million. Earnings per share also saw a significant increase, rising from JD 0.004 in 2020 to JD 0.096 in 2023, and continuing its upward trend to JD 0.098 in 2024. This reflects the Bank's strengthened financial performance and commitment to sustainable growth. Total assets also grew by %1.7, reaching JD 1,401 million by the end of 2024, compared to JD 1,378 million at the end of 2023. Meanwhile, customer deposits increased by %2.8, reaching JD 995 million by the end of 2024, compared to JD 967 million in the previous year. Shareholders' equity also increased by %2.8, reaching a total balance of JD 174 million dinars.

Environmental, Social, and Governance (ESG) Sustainability and Climate Change Risks:

ESG standards have become the cornerstone of the modern finance and investment landscape, as institutions and companies aspiring to attract capital can no longer afford to overlook these crucial criteria. The growing interest from investors reflects their deep understanding that sustainable companies represent lower-risk investment options with stable long-term returns. Therefore, companies striving for excellence must go beyond mere compliance with local laws and regulations and seek to adopt international standards in this field, in line with the directives of Jordan Securities Commission (JSC). This approach contributes to creating real commercial value and generating a lasting positive impact for all stakeholders. This approach ensures the enhancement of the Bank's position and its clients both locally and internationally, in line with Jordan's Vision 2025 for sustainability and the United Nations' Sustainable Development Goals (SDGs).

Acknowledging the critical significance of sustainability in sustainable finance and ESG practices, the Bank has taken numerous steps over the years, by forging partnerships with leading institutions to finance projects that support the agricultural and social sectors. In addition, the Bank has incorporated the highest standards of environmental and social practices across all its internal activities and operations. These steps reaffirm the Bank's deep and sustained commitment to promoting environmental and social principles at both the sector and community levels, as well as its active contribution to mitigating climate change risks.

Dear Shareholders,

Our Bank's commitment to achieving financial and operational excellence, along with its accelerated growth across all areas, not only reflects our distinction in a competitive market environment but also embodies our broader mission of serving the community to the highest standards. We consider our societal role a fundamental duty and obligation, striving to make it an integral part of our strategy. We believe that the benefits of this role extend to all members of society and the institutions operating within it.

We would like to extend our sincere thanks and gratitude to our valued customers and shareholders for their trust, which is a source of pride for us and a motivation to continue excelling. We also express our appreciation to the official authorities, particularly the Central Bank, for their fruitful and ongoing cooperation. Special thanks are due to the Hashemite Royal Leadership, whose visionary insights and wise directives play a significant role in driving progress and prosperity in our beloved country.

Peace be Upon You, so as Allah's Mercy and Blessings

Michael Sayegh
Chairman of the Board of Directors



Executive Management:

Members of the Senior Executive Management		
Number	Title	Name
1	Chief Executive Officer (CEO)	Mr. Caesar Hani Aziz Qulajen
2	Deputy CEO - Chief Operation Officer (COO)	Mr. Alaa "Mohammad Salim" Abdulghani Qahef
3	Deputy CEO- Chief Business Officer (CBO) as of (2024/9/8)	Mr. Rakan M. A. Al Tarawneh
4	AGM, Head of Credit	Mr. Mohammad Ali Mohammad Al-Quran
5	AGM, Head of Retail	Mr. Salim Nayef Salim Sawalha
6	AGM Finance , Chief Financial Officer (CFO)	Mr. Abdallah Mahfouz Theodore Kishk
7	AGM, Corporate & SMEs Banking	Mr. Wael "Mohammad Yousef" Aref Rabieh
8	Executive Manager, Treasury and Investment	Mr. Anas Maher Radi Ayesh
9	Chief Information Officer*	Mr. Antonio Antonios Antoun Abdel Massih
10	Executive Manager, Financial Institutions Department	Mr. Sami Nimer Salem Al-Nabulsi
11	Head of Legal Department/BOD Secretary	Mr. Walid Khaled DaifAllah Al-Qhewi
12	Corporate Communications Department Manager	Mr. Jamal Hussein Abtan Al-Raqqad
Managers of the Regulatory Departments**		
1	Compliance, AML & CFT Department Manager	Mr. Mahmoud Ibrahim Mahmoud Mahmoud
2	The General Auditor	Mr. Ajoud Sharafaldeen Ali ALRousan
3	Risk Department Manager	Miss Nadia Fahed Fareed Kanan
Responsible of the Investors' Relations Unit		
1	Head of Investor's Relationship Department*	Mr. Haitham Amin Khaleel Hammouri

* Non-Senior Executive Management members

**Managers of the Regulatory Departments

Departments' Managers:

Managers of the Bank's Departments	
Title	Name
Collections Department Manager	Mr. Ibrahim Omar Ibrahim Al-Alami
Retail Credit Department Manager	Miss Ruba Jihad Atieh Shihab
Strategic Planning Department Manager (Resigned 2024/12/23)	Mr. Ziad Ahmad Daoud Al-Ramahi
Corporate Banking Department Manager	Mr. Sajed Mahmoud Husni Abu Touq
Direct Sales Department Manager	Mr. Salam Fawaz Suleiman Mezher
Branches Department Manager	Mr. Ibrahim Abdullah Mohammad Al-Harthi
Credit Remedial and Debts Recovery Department Manager	Mr. Alaa Saber Ahmad Shobaki
Central Operations Department Manager	Mrs. Lana Mohammad Shaban Abu Khadra
Administration Department Manager (Resigned 2024/11/23)	Mr. Ehab Saliem Badawi Al-Saheb
Executive Manager Credit Review Department	Mr. Muhammad Ahmad Muhammad Obeidat
Human Resources Department Manager	Miss Noura Waleed Muhammad Al-Jitan
Treasury Department Manager	Mr. Hani Abdul-Rahman Mahmoud Darwish
Operations Engineering Department Manager (Resigned 2024/12/16)	Mr. Haytham Faisal Muhammad Al-Shamaileh
Engineering Department Manager	Mr. Yaser Fouzi Yousef Al-Qsous
Credit Control and Documentation Department Manager	Mrs. Faten Karim FAsfour
SME's Banking Department Manager	Mr. Tariq Ali Husni AL Zubeidi
Liabilities and Cash Management Department Manager	Mr. Noor Abbas Mahmoud Irshaid



JCB's Board of Directors Report

B. Board of Directors Report

The Bank adheres to corporate governance provisions in accordance with the requirements of the Central Bank of Jordan (CBJ) and the Corporate Governance Instructions for publicly listed companies. It ensures disclosure in the annual report as per disclosure instructions, accounting standards, and the provisions of the 2017 Corporate Governance Regulations for publicly listed companies. All required data mandated by these regulations have been incorporated into the annual report, reflecting the Bank's commitment to full compliance with corporate governance principles and their implementation at the highest levels of efficiency and transparency. Below, we present the disclosure data and the approved governance report:

(1)/A: The Bank's Main Activities:

The Bank is distinguished by offering a comprehensive and integrated range of banking services targeting the corporate, retail, treasury, and investment sectors, with a commitment to providing the highest quality standards and competitive pricing that meet the diverse financial needs of customers. The Bank also continuously works on developing and expanding its portfolio of products and services in line with the latest innovations in the banking sector. At the same time, the Bank continues to strengthen its geographical presence across the Kingdom, aiming to expand its customer base and reinforce its leading position in the market.

(1)/B: The Bank's geographical locations and the Number of Employees in Each of Them:

The address of the Head Office: King Abdullah II St – 8th Circle – Al Rawnaq District – Building No. (384)

The total number of Bank employees reached (710) by 31/12/ 2024, divided as follows and according to geographical presence:

Branch	No. of Employees	Branch	No. of Employees
Head Office	509	Jubeiha	5
Main Branch	11	Fuheis	3
Dahyet AL Yasmine	4	Wasfi Al Tal	9
Dahyet Al Nakheel Express	2	Al Salt	5
Abu Al Sous Express	2	Mua'di	5
Marj Al Hamam	5	Al Zarqa	5
Almadina Alryadiah	4	New Zarqa Express	4
Commercial Complex	8	Russeifa	6
Jabal Amman	4	Um Uthina	13
Jabal Hussein	6	Madaba	7
Shmeisani	8	Aqaba	5
Jordan Radio & TV Branch	8	Karak	5
Marka	6	Irbid	14
Tabarbour Express	3	Hai Sharki Express	3
Abdali Express	3	Hai Janobi Express	3
Abdoun Express	3	Ramtha	6
Shafa Badran Express	3	Ibn Sina University Express	2
Al Hashemi	4	JODDB	2
Sahab	4	Al Mafraq	11
Total		710	

The Bank has no branches outside Jordan.

There are (20) branch reserve staff (both male and female).

The Jordanian Design and Development Center (JODDB) and the Sahab branch have been opened.

(1)/C: The Volume of the Bank's Capital Investment: The Bank's capital investment amounts to JD 23,709,391, which includes fixed assets, systems, and software.

(2):JCB does not have any subsidiary companies.

(3) /A: The Names and Profiles of the Board Members

Names of current and resigned Board members during the year, along with their memberships on the boards of publicly traded companies, with confirmation that all Board Members of the Bank are non-executive:

1- Mr. Michael Faiq Ibrahim Sayegh**Chairman of the Board of Directors (non-independent)****Date of Membership: 16/02/2004**

He was born on 01/01/1946, he obtained a bachelor's degree in public administration and political science from the University of Jordan in 1971. He has served as the Chairman of the Board of Directors of Sayegh Group since its establishment. The group operates in various sectors, including lubricants, metal packaging, foam and mattresses, aerosol can fill, real estate investments, banking services, media, and mineral production. It provides a wide range of services, products, and goods to consumers, and employs a workforce of 1,500 employees.

- **Mr. Sayegh obtained the Order of the Holy Sepulcher of Metropolitan Vindictus of the Greek Orthodox Patriarchate in 2002.**
- **Mr. Sayegh obtained the King Hussein First Class Medal for Distinguished Contributions in 2007.**

Professional Experience:

- Mr. Sayegh is the Chairman of the board, board member and honorary president of several companies, associations, and clubs, including:
- Chairman, Sayegh Group's companies.
- Chairman, Arab Company for Paints Products – Palestine.
- Board Member, First Jordan Investment Company.
- Vice-Chairman, Arab Paints & Producers Association.
- Chairman, Medical Aid for Palestinians -MAP Jordan.
- Board Member, Al Jazeera Sudanese Jordanian Bank – Sudan.
- Vice Chairman of Brinsley Enterprises.
- Member of the Board of Trustees of Institute for Palestine Studies.
- Chairman, Yaffa Society for Social Development.
- Board Member, Aqaba Education Company.
- Board Member, Aqaba University of Technology.
- Vice Chairman, Trustees of Aqaba University of Technology.
- Vice Chairman, Aqaba Medical University.
- Board Member, University College of Technology.
- Board Member, Al-Quds University, Abu Dis, Palestine.
- Honorary President, the Orthodox Club – Fuheis.
- Chairman, the Central Orthodox Council.
- Board Member, Welfare Association – Taawon.
- Chairman of Arab International Investor Forum

Mr. Micheal Al-Sayegh is the Chairman/Member of the following JCB's Board Committees:

- Chairman, Credit Facilities Committee.
- Member, Corporate Governance Committee.
- Member, Nominations and Remuneration Committee.

2- H.E. Mr. Ayman H. B. AL-Majali**Vice Chairman (Non-independent)****Date of Membership: 16/02/2004**

He was born on 20/02/1949, he obtained a bachelor's degree in History in 1972. He worked at the Ministry of Foreign Affairs and was appointed Chief of Royal Protocol in 1993. In 1999, he was appointed Deputy Prime Minister and later held the positions of Minister of Youth and Sports and Minister of Information. In 2008, he was appointed Vice Chairman of the Board of Directors of Solidarity – First Insurance Company. In 2002, he became a member of the Board of Directors of Jordan Gulf Bank and was re-elected in 2004 to serve as Vice Chairman of the Board of Directors of JCB. He was elected as a Member of the Jordanian Parliament and was appointed Chairman of the Financial Committee in the House of Representatives from 2010 to 2012. He has been a member of the Jordanian Parliament since 10/11/2020.

Professional Experience :

- He serves as Chairman and Vice Chairman of the Board in several companies:
- Chairman, First Jordan Investment Company PLC.
- Chairman, Al Jazeera Sudanese Jordanian Bank.
- Chairman, Al Quds Ready Mix PLC.
- Chairman, International Company for Outsourcing Services (CrysTelCall).

HE. Mr. Al-Majali is the Chairman/Member of the following JCB's Board Committees:

- Chairman, Debt Settlement Committee.
- Member, Audit Committee.

3- Mr. Fa'eq M. F. Sayegh**Board Member (Non-independent)****Date of Membership: 29/04/2024 - No-objection letter from the CBJ dated 08/10/2024.**

He was born on 19/08/1976, he holds a Bachelor's degree in Industrial Engineering and Systems from Ohio State University, USA in 1999.

Professional Experience :

- Al-Sayegh Group, Jordan – Board Member and Executive Director (2013 – Present).
- National Paints Holding, United Arab Emirates – Board Member (2013–2018).
- JCB, Jordan - Board Member (2005-2011).
- Al-Mutaliqa for Computers and Electronics, Jordan – Co-Founder (2005–2013).
- National Paints Factories Company, Egypt – General Manager (2006–2016).
- Sayegh Brothers for Engineering Industries, Jordan – General Manager (2001–2017).
- Jordan and UAE Dimensions for Commercial Investment – Board Member (2020–2024).
- Jordan Projects for Tourism Development (Tala Bay) – Board Member (2018–2022).
- Jordan First Investment Company – Board Member (2020–Present).
- Aqaba Medical Sciences Company – Board of Directors Member (2021–Present).
- Aqaba University of Medical Sciences – Board of Trustees Member (2022–Present).
- East Amman Industrial Investors Association – Board Member (2020–Present).

Mr. Fa'eq M. F. Sayegh is the Chairman/Member of the following JCB's Board Committees:

- Chairman, IT Governance and Cybersecurity Committee since 30/05/2024.
- Member, Credit Facilities Committee since 30/5/2024.
- Member, Compliance Committee since 30/5/2024.

4- Mr. Abdelnour Nayef Abdelnour Abdelnour**Board Member (Non-independent)****Date of Membership: 09/07/2020, on his personal capacity**

Mr. Abdelnour nayef Abdelnour Abdelnour was appointed as a representative of the National Paints Factories Company Ltd. on 25/10/2015 until 09/07/2020.

He was born on 14/09/1972, he obtained an MBA in International Business from the University of Leeds, UK in 1997. He also obtained a bachelor's degree in Business Administration and Accounting from the University of Jordan in 1994. He is a certified board member accredited by the International Finance Corporation (IFC) and holds a certification from the Jordan Institute of Directors.

He holds the Certified Board Member Certificate from IFC/JIOD.

Professional Experience :

- Acting General Manager of Princely Enterprise from 2010 until now.
- Partner, Tadribat for Skills Development Company.
- Partner, Al-Wodoh Communications Technology Company.
- Chairman, Bio Scan Radiology Center.
- Board Member, Bio lab Medical Laboratories.
- Board Member, of the United Insurance Company from March 2022 until now.
- Board Member, First Jordan Investment Company.
- Board Member, Al-Alawneh Exchange Company.

He has completed several key training courses, including:

- Fintech Course Harvard Business School.
- Strategic Planning in Banking, Euro money, London.
- Certified Board Member from the World Bank.
- Financial and administrative analysis and estimate budgets.
- Negotiation skills and time and crisis management.
- Several courses at the Institute of Banking Studies on banking and corporate businesses.
- A training course in AML/CTF .

Mr. Abdelnour Nayef Abdelnour is the Chairman/Member of the following JCB's Board Committees:

- Chairman, Strategic Planning Committee.
- Member, Risk Committee.
- Member, Debt Settlement Committee till 9/10/2024.
- Member, IT Governance and Cyber Security committee.

5- Social Security Corporation (first seat)**Board Member (Non-independent)****Date of Membership: 10/05/2004**Represented by: **Mr. Yahia Mohammad Oshub Obeidat**

He was born on 09/04/1981, he holds a Master's degree in Financial Management from the University of Financial and Banking Sciences – Jordan (2010) and a Bachelor's degree in Financial and Banking Sciences from Yarmouk University (2003). He is also a Certified Board Member (Qualified Board of Director) accredited by the International Finance Corporation (IFC) in collaboration with the Jordan Institute of Directors (JIoD).

Professional Experience :

- He joined the Social Security Investment Fund in 2005 and currently serves as the Head of the Tourism Portfolio Department in the Project Financing Directorate, a position he has held since 2018 to date.
- Sr. Financial Analyst/ Project Finance & Private Equity Dep. Social Security Investment Fund (2010 – 2018).
- Financial Analyst/Project Finance & Private Equity Dep. Social Security Investment Fund (2008 – 2010).
- Treasury Department Trader (2005 - 2008).

Board of Director Memberships:

- Vice-Chairman of the National Company for Investment in Infrastructure Projects Co. (from 16/8/2021 till 1/10/2023).
- Board Member, Al Daman for investment and agricultural industries Co. (from 16/9/2020 till 15/8/2021).
- Board Member, Saraya al Aqaba for real estate development Co. (from 23/4/2017 till 15/9/2020).
- Chairman of the Board of Directors of AL Daman for Hotel Transportation Services Co. (from 10/10/2016 till 22/4/2017).

Mr. Yahia Mohammad Oshub Obeidat is the Chairman/Member of the following JCB's Board Committees:

- Member, Audit Committee.
- Member, Strategic Planning Committee till 30/5/2024.
- Member, Compliance Committee since 11/12/2024.

6- Social Security Corporation (second seat)**Board Member (Non-independent)****Date of Membership: 25/10/2015**Represented by: **Mr. Rami Adam Anaaz Titi**

- He was born on 31/January/1979.
- He obtained a bachelor's degree in accounting from Irbid University in 2000.
- Received membership in the Arab Society of Certified Accountants in 2003.
- In addition to several professional certificates.

Professional Experience :

- He possesses experience in the field of investment in the financial markets, where he held the position of Financial Director for the investment sector in Rashid Abdul Rahman Al-Rashed and Sons Company - Saudi Arabia, UAE, from 2010 until 4/2017.
- He held the position of Accounts Manager and Deputy Financial Director in the Investment Department - Rashid Abdul Rahman Al-Rashed and Sons Company - Saudi Arabia from 2005 until 2010.
- From 5/2017 to 11/2018, he held the position of financial analyst in the Portfolio Management Department - Equity Investment Directorate - Social Security Investment Fund.
- Since 12/2018 until now, he has held the position of Financial Analyst in the Contribution Support Directorate\ Corporate Affairs Section - Social Security Investment Fund.
- He served as a member of the Board of Directors of the Unified Launch Center Company LLC from 8/2022 - 8/2023.

Mr. Rami Adam Anaaz Titi is the Chairman/Member of the following JCB's Board Committees:

- Member, Credit Facilities Committee.
- Member, Nominations and Remuneration Committee till 30/5/2024.
- Member, Risk Committee since 30/5/2024.

7- First Jordan Investment Company**Board Member (Non-independent)****Date of Membership: 20/04/2011**Represented by: **Mr. Saleh Mohammad Saleh "Zeid Kilani"**

Mr. Saleh Muhammad Saleh "Zeid Kilani" was appointed as a representative of First Jordan Investment Company on 29/07/2018, and he was reappointed as a representative of First Jordan Investment Company on 09/07/2020 till 24/9/2024.

He was born on 15/10/1966. He holds an MBA from the United States in 1989 and BA in Political Science and International Administration from the United States in 1988. He holds the Certified Board Member Certificate by IFC/JIOD. He obtained a Board Member Certificate from the International Finance Corporation (IFC) / International Monetary Fund (IMF).

Professional Experience :

- Chief Commissioner Development Zones Commission (2008-2010).
- Commissioner for Investment and Economic Development Affairs Aqaba Special Economic Zone Authority (2005-2008).
- Former Chairman of the Dead Sea Development Company.
- Held several positions in both the public and private sectors.
- Member of the Board of Directors of JCB as a representative of the Social Security Corporation on 15/02/2010.
- Member of the Board of Directors of JCB as an independent member on 28/06/2012.
- Program Development & Impact Advisor to Abdul Hameed Shoman Foundation (04/2013 -9/2020).
- Member of the Board of Directors of the Arab Jordanian Insurance Group Company, as of 29/07/2020.
- Vice Chairman of Al Bilad Securities & Investment Co. since 24/04/2022.

Mr. Saleh Mohammad Saleh "Zeid Kilani" is the Chairman/Member of the following JCB's Board Committees:

- Member, Credit Facilities Committee till 29/4/2024.
- Member, Compliance Committee till 29/4/2024.
- Member, Strategic Planning Committee till 29/4/2024.
- Member, Debt Settlement Committee till 29/4/2024.
- Member, IT Governance and Cyber Security Committee till 29/4/2024.

First Jordan Investment Company**Board Member (Non-independent)****Date of Membership: 20/04/2011**Represented by: **Mr. Omar Samir Mustafa Khalifeh, replacing Mr. Saleh Mohammad Saleh "Zeid Kilani".**

Noting that Mr. Omar Samir Mustafa Khalifeh was appointed as a representative of Jordan First Investment Company on 29/04/2024 and submitted his resignation on 01/10/2024.

He was born on 10/09/1976, he obtained a Master's degree in Economics from Carleton University, Canada, in 2001, and a Bachelor's degree in Political Science from the University of Ottawa in 1998.

Professional Experience :

- A seasoned professional with over 25 years of experience across multiple sectors.
- Chief Executive Officer of Arab Phoenix Holding (Public Shareholding Company) since 05/2023 to present.
- Chief Investment Officer at AFA Capital (UAE), responsible for asset and global investment portfolio management 2016-2023.
- Chief Investment Officer at Black Pearl Capital Fund (UAE), responsible for global asset and investment portfolio management (2012-2016).
- Founder and CEO of Sasse Facility Management (Jordan & UAE) from 2008 to 2012.
- General Manager at Arabia Group Holding (Jordan) from 2004 to 2008.
- General Manager at Saatchi & Saatchi (Jordan) from 2002 to 2004.
- Assistant General Manager at Canada Post Corporation (Canada) from 2001 to 2003.

Mr. Omar Samir Mustafa Khalifeh is the Chairman/Member of the following JCB's Board Committees:

- Chairman, Compliance Committee from 30/5/2024 till 1/10/2024.
- Member, Strategic Planning Committee from 30/5/2024 till 1/10/2024.
- Member, Debt Settlement Committee from 30/5/2024 till 1/10/2024.

8- Miss Lina Najib Albakhit Aldababneh**Board Member (independent)****Date of Membership: 18/04/2022**

She was born on 28/04/1963. She holds BA in Political Science & Public Administration from American University of Beirut, Lebanon 1984.

Professional Experience :

- 36 years of banking experience with Jordanian banks in all areas of business sectors from 1985 until 2021.
- Held the position of Business Sector Manager/Executive Vice President at Jordan Ahli Bank from 2018 until 07/31/2021.
- Director of the Treasury, Investment and Financial Institutions Department/Executive Vice President at the Jordan National Bank from 1998-2018.
- Held the position of Treasury and Investment Department Manager at INVESTBANK during the period (1990 - 1998).
- Petra Bank Treasury & Investments (1985-1989).
- Held the position of Deputy Chairperson of Ahli Microfinance Co. 2015-2022.
- Held the position of Chairperson of Ahli Brokerage Co. 2010-2015.
- Held the position of Board member of Ahli Microfinance Co. (2001 -2010).
- Member of the Board of Directors at Modern Flour Mills & Macaroni Factory since 2004 till April 2024.

Ms. Lina Najib Albakhit Aldababneh is the Chaorperson/Member of the following JCB's Board Committees:

- Chairperson, Audit Committee.
- Member, Risk Committee.
- Member, Corporate Governance Committee.
- Member, Strategic Planning Committee till 30/5/2024.
- Member, Nominations and Remuneration Committee.

9- Mr."MOHD JAMAL" Bisher Mustafa Anoubani**Board Member (independent)****Date of Membership: 29/04/2024.**

He was born on 09/05/1958, he holds a Bachelor's degree in Accounting from Damascus University (1980). He is an associate member of the Jordanian Association of Certified Public Accountants, the Arab Federation of Accountants and Auditors, and the Institute of Management Consultants (IMC). Additionally, he is a Certified Trainer from the International Finance Corporation (IFC) (Business Edge) and the International Labor Organization (ILO) (EYB Training). He has been awarded the title of Management Development Consultant by the International Trade Centre and holds a Quality Control (Peer Reviewers) certification from the AICPA in Beirut, Lebanon.

Professional Experience :

- A certified financial and tax expert accredited by the judicial (economic) courts and courts of appeal in financial and tax-related cases.
- Financial consultant specializing in corporate restructuring, contract analysis, and providing financial advisory services related to disputes arising between partners or between the company and third parties (such as banks, suppliers, and clients).
- Execution of external and internal audit projects, management and supervision of multiple outsourcing service projects, feasibility studies, strategic planning, as well as project management, corporate restructuring, financial evaluation, and assistance in valuation projects locally, globally, and regionally. Expertise in developing internal and external financial control systems, financial verification and business valuation, tax consulting and planning, and serving as a certified trainer in finance and auditing.
- Managing Partner at one of the world's leading financial advisory firms, with over 44 years of extensive experience across both public and private sectors, providing comprehensive and practical expertise in financial consulting and business advisory services. This expertise has also been enhanced through presentation skills and public relations, developed by delivering specialized consulting services.
- The development of Anoubani Company's departments and services over the past years has led to the formation of Anoubani & Partners, a well-regarded provider of financial and management consulting services, not only in Jordan but also across the Middle East. We have successfully obtained accreditation with all active support programs in the Hashemite Kingdom of Jordan.
- Managing Partner – Anoubani & Partners (2012 – Present).
- General Manager – Anoubani & Ma'rouf Auditing Company LLC (Mutadeya), affiliated with Praxity, The Hashemite Kingdom of Jordan.
- Multinational Accounting Firms (1980 – 2011).
- Coopers & Lybrand (merged later to become PricewaterhouseCoopers) – Audit Manager (1980 – 1993).
- BDO Jordan (Member of BDO International) – Managing Partner (1994 – 2011).

Mr. "MOHD JAMAL" Bisher Mustafa Anoubani is the Chairman/Member of the following JCB's Board Committees:

- Chairman, Risk Committee since 30/5/2024.
- Member, Audit Committee since 30/5/2024.
- Member, Strategic Planning Committee since 30/5/2024.

10- Mr. Osama O. A. Hamad**Board Member (independent)****Date of Membership: 11/06/2019**

He was born on 21/09/1974, he holds a Master of International Banking and Finance Law from King's College London in 2000. He also obtained International Practice Diploma in International Joint Ventures from the College of Law of England and Wales - UK 2001. He obtained a Bachelor's degree in Law from Amman Al-Ahliyya University, Jordan (1996). He has completed numerous training courses from various universities and international centers. Currently, he is a lawyer and legal consultant and serves as the Managing Partner of Hamad & Partners – Attorneys and Legal Consultants.

Professional Experience :

He has extensive experience in banking operations, financing transactions, project financing, energy and infrastructure projects, public-private partnership (PPP) projects, corporate mergers, and investment fund activities in Jordan, the region, and globally.

Mr. Osama O. A. Hamad is the Chairman/Member of the following JCB's Board Committees:

- Member, Nominations and Remuneration Committee.
- Member, Credit Facilities Committee till 30/5/2024.
- Member, Compliance Committee.
- Member, Risk Committee since 30/5/2024.
- Member, Corporate Governance Committee since 30/5/2024.

11- Mr. Omar Kheir Eddin Omar Maani**Board Member (independent)****Date of Membership: 29/04/2024 - No-objection letter from the CBJ dated 08/10/2024.**

He was born on 05/04/1956, he holds a Master's degree in Project Management from the University of Southern California in 1979 and a Bachelor's degree in Civil Engineering from the University of Birmingham, UK in 1977.

Professional Experience :

- Founder of Ma'ani Investment Group in 1986.
- Board Member of the Social Security Investment Fund in 2002.
- Board Member of the Amman Chamber of Industry in 1998.
- Mayor of Amman in 2006.
- Member of the Senate in 2016.
- Vice Chairman of the Board of Trustees of the Crown Prince Foundation in 2016.
- Vice Chairman of the Board of Trustees of Al Hussein Technical University in 2016.

Mr. Omar Kheir Eddin Omar Maani is the Chairman/Member of the following JCB's Board Committees:

- Member, Corporate Governance Committee since 30/5/2024.
- Member, Credit Facilities Committee since 30/5/2024.
- Member, Nominations and Remuneration Committee since 30/5/2024.
- Member, IT Governance and Cyber Security Committee, since 30/5/2024.

12- Dr. Henry Toufic Ibrahim Azzam**Board Member (independent)****Date of Membership: from 09/07/2020 till 29/4/2021.**

He was born on 01/01/1949, Dr. Henry Azzam is currently a Professor of Finance and the Director of the Master's Program in Finance at the Olayan School of Business (OSB), American University of Beirut, since January 2014. He holds a PhD in Economics and Finance from the University of Southern California, Los Angeles (1977), a Master's degree in Economics and Finance from the American University of Beirut (1972), and a Bachelor's degree in Economics and Finance from the American University of Beirut (1970).

Professional Experience:

- He is the Chairman of the Board of Directors of Rasmala Investment Company (Dubai).
- He was Chairman and CEO of The Social Security Investment Fund of Jordan during the period August 2012 – September 2013.

- He served as the Chief Executive Officer of Deutsche Bank for the Middle East and North Africa region from May 2007 to October 2010, overseeing a team of 250 employees across the bank's branches in Dubai, Abu Dhabi, Riyadh, Doha, Bahrain, Cairo, and Algiers.
- He also served as the Chairman of the Board of Directors of Deutsche Bank for the Middle East and North Africa region from November 2010 until 31 July 2012.
- Founder and CEO of Amwal Invest, (2005-2006).
- He served as the Chief Executive Officer of Jordan Invest from 2001 to 2004.
- He served as the Chairman of the Dubai International Financial Exchange (DIFX) from 2001 to 2004.
- He served as the Chairman of MobileCom (Amman) from 1998 to 2003.
- Mr. Azzam served as the Managing Director of Middle East Investment Group, Amman, from 1998 to 2001.
- He served as the Assistant General Manager and Chief Economist at the National Commercial Bank (NCB), Jeddah, Saudi Arabia, from 1990 to 1998.
- He served as Vice President and Chief Economist at Gulf International Bank, Bahrain, from 1983 to 1990.
- He served as an independent board member at Jordan Arab Investment Bank in 2017.
- He served as an independent board member at Iqbal Investment (Amman), Jordan Investment Bank (Amman), Royal Jordanian Airlines (Amman), Nuql Group (Amman), Aramex (Dubai), Majid Al Futtaim (Dubai), and Arabtec (Dubai).
- He served as a member of the Advisory Council of the Saudi Stock Exchange (Tadawul).

Dr. Henry Toufic Ibrahim Azzam is the Chairman/Member of the following JCB's Board Committees:

- Chairman, Risk Committee till 29/4/2024.
- Member, Audit Committee till 29/4/2024.
- Member, Corporate Governance Committee till 29/4/2024.
- Member, Strategic Planning Committee till 29/4/2024.
- Member, Nominations and Remuneration Committee till 29/4/2024.
- Member, IT Governance and Cyber Security Committee till 29/4/2024.

13- Mr. Shareef Tawfiq Hamad Al Rawashdeh

Board Member (Non-independent)

Date of Membership: 28/06/2012 till 29/4/2024.

He was born on 1/8/1958. He obtained a Bachelor's degree in Economics from Yarmouk University in 1986. He worked as an internal auditor at the Jordan Kuwait Bank (1987-1981). He worked as loans manager at Al Mashreq Bank, United Arab Emirates (1988-1987). He worked as group head of Retail Banking Services, Private Banking Services and the manager of the head office branch at the Saudi Investment Bank, Riyadh, Kingdom of Saudi Arabia from 1988 to 2010. A former member of the 16th Jordanian Parliament and member of Health Committee Environment and Energy Committee (2011-2010). Mr. Al-Rawashdeh holds the Certified Board Member Certificate by IFC/JIOD

Professional Experience:

- He serves as Chairman and Vice Chairman of the Board in several companies:
- Chairman, Arab Jordanian Insurance Group since 28/07/2022.
- Chairman, Al Bilad Securities & Investment Co. since 2006 until 01/04/2019.
- Chairman, National Chlorine Industries Company Ltd. (from 04/2016 until 01/07/2020).
- Chairman, International Arabian Development & Investment Trading Co. (since 2012 until 2015).
- Vice Chairman, Arab Jordanian Insurance Group since 2012 until 6/2016.
- Board member, Arab Jordanian Insurance Group. (from 29/07/2020 until 28/07/2022).
- Board member, Al Bilad Securities & Investment Co. since 01/04/2019.
- Board member, Al-Bilad Medical Services P.L.C from 2002 to April 2014.
- Board member, of the Arab Aluminum Industry (ARAL) as of 04/30/2017.
- Board member, National Chlorine Industries Company P.L.C from 4/2012 to 4/2014.
- Member of the Board of Trustees at Mutah University till 2018.
- Chairman of Management Board of Directors at Canadian International Schools.
- Member of Management Board at the Jordanian-Canadian Businessmen Association.
- Member at Royal Jordanian Gliding Club.
- Member of the Board of Trustees at Al-Albeit University since 27/06/2022.

Mr. Shareef Tawfiq Hamad Al Rawashdeh is the Chairman/Member of the following JCB's Board Committees:

- Member, Compliance Committee till 29/4/2024.
- Member, Credit Facilities Committee till 29/4/2024.
- Member, Debt Settlement Committee till 29/4/2024.
- Member, IT Governance and Cyber Security Committee till 29/4/2024.

14- Mr. Nasser H. M. Saleh**Member of the Board of Directors - independent****Date of Membership: from 09/07/2020 till 29/4/2021.**

He was born on 4/12/1972. He holds a B.Sc. in Electrical Engineering from the University of Jordan in 1995.

He was awarded the King Abdullah II Bin Al Hussein Medal of Distinguished Excellence in 2017 and Sheikh Mohammad Bin Rashid Award, for the best service project category in the Arab World in Dubai in 2018. He was selected as an Endeavor Entrepreneur in 2014. He is a member of the American Entrepreneurs' Organization (EO) in Jordan. He is also a Member and founder of the Jordanian Entrepreneurship and Creativity Association. He won EY Entrepreneur of The Year Award for 2013. He was also awarded the Queen Rania National Entrepreneurship Award in 2012.

Professional Experience :

- He is currently the Chairman of Board of MadfooatCom for ePayments.
- He is currently the Chairman of the British Technology Board for developing expertise in the payment and cyber security solutions.
- He held several positions as Executive Vice President, Head of Information Technology and consultant in several Arab and foreign companies and banks (Accenture, Microsoft, eDATA, AlRajhi Bank, USAID...).

Mr. Nasser H. M. Saleh is the Chairman/Member of the following JCB's Board Committees:

- Member, IT Governance and Cyber Security Committee till 29/4/2024.
- Member, Corporate Governance Committee till 29/4/2024.
- Member, Audit Committee till 29/4/2024.

(3)/B: The Names and Profiles of Senior Management:**1- Mr. Caesar Hani Aziz Qulajen****Chief Executive Officer (CEO)****Appointment Date:** 01/04/2015.**Date of Birth:** 22/08/1964.**Academic Certificates and Year of Graduation:**

- MBA in Finance from the University of Dallas, Texas - USA in 1999.

Professional Experience :

- Deputy CEO of The Housing Bank for Trade and Finance – (2012-2015).
- Assistant General Manager of The Housing Bank for Trade and Finance – (2008-2012).
- CEO of Ebram Company Investment Group, Kingdom of Saudi Arabia – (2006-2008).
- Assistant General Manager - Saudi Financial Group (Samba) – (2004-2006).
- Senior Manager - Arthur Andersen & Co. Saudi Arabia – (1999-2004).
- Social Security Corporation – (1989 – 1997).

2- Mr. Alaa "Mohammad Salim" Abdulghani Qahef**Deputy CEO - Chief Operation Officer (COO)****Appointment Date:** 01/07/2004.**Date of Birth:** 17/03/1973.**Academic Certificates and Year of Graduation:**

- MBA from the German Jordanian University in (2012).

Professional Experience :

- Director of Customer Services and Products - DHL International since (1995 – 2004).

3- Mr. Rakan M. A. Al Tarawneh
Deputy CEO- Chief Business Officer (CBO)

Appointment Date: 08/09/2024.

Date of Birth: 11/12/1975.

Academic Certificates and Year of Graduation:

- - Bachelor's degree in economics - Yarmouk University in 1998.
- He holds a master's degree in accounting and finance from the Arab Academy for Banking and Financial Sciences in 2000.
- He obtained the Chartered Financial Analyst (CFA) certification in 2012.

Professional Experience:

- General Manager - London Levantine Express Limited- (2022- 2024).
- Chief Executive Officer - Jordan International Bank (London) – (2017-2021).
- Board Member – Arab Bankers Association (London) – (2020-2021).
- Deputy Chief Executive Officer –Jordan International Bank (London) – (2011–2017).
- Director of the Investment Services Center – Housing Bank for Trade and Finance – (2006–2011).
- Assistant Head of the Treasury and Financial Markets Department – Jordan Ahli Bank – (2005–2006).
- Financial Broker – National Portfolio Securities Company – (2004–2005).
- HSBC Bank – Treasury Department – (2000–2004).

4- Mr. Mohammad Ali Mohammad Al-Quran
AGM, Head of Credit

Appointment Date: 19/06/2007.

Date of Birth: 20/10/1971.

Academic Certificates and Year of Graduation:

- Bachelor's degree in Economics - Yarmouk University in 1995.
- Professional Experience :
- Industrial Development Bank – (2003–2004).
- Dar Al-Khibrah Consulting Company – (2002–2003).
- Jordan Loan Guarantee Corporation – (2000–2002).
- Egyptian Real Estate Bank – (1997–2000).
- Al-Arabah International Company – (1996–1997).

5- Mr. Salim Nayef Salim Sawalha
AGM, Head of Retail

Appointment Date: 01/03/2016.

Date of Birth: 20/09/1975.

Academic Certificates and Year of Graduation:

- Bachelor's degree in economics from Yarmouk University in (1997).
- Double major MBA in Entrepreneurship and Marketing from California State University, East Bay in the United States of America (2001).
- Certified Management Accountant (2014).

Professional Experience:

- Regional Manager - Visa International - Jordan, Iraq and Palestine – (2014-2016).
- Head of domestic Branches - Bank Al Etihad – (2008-2014).
- Branch Manager - Wachovia Bank – (2007-2008).
- Branch Manager - Washington Mutual- (2004-2007).



**6- Mr. Abdallah Mahfouz Theodore Kiskek
AGM Finance, Chief Financial Officer (CFO)****Appointment Date:** 14/06/2015.**Date of Birth:** 05/08/1967.**Academic Certificates and Year of Graduation:**

- Bachelor's degree in accounting from Walsh College - United States of America (1990).
- Certified Public Accountant (CPA) from Michigan, USA, in 1991.
- Certified Public Accountant and a member of the Jordanian Association of Certified Public Accountants (License No. 679) since 1997.

Professional Experience :

- Assistant General Manager/Finance at Bank Al-Etihad, Jordan – (2009-2015).
- Assistant General Manager/Finance at Bank Aljazira, Kingdom of Saudi Arabia – (2003-2009).
- Senior Manager Financial Advisory Services at Arthur Andersen, Saudi Arabia – (1993-2003).
- Accountant at Shredder Porter Engineering Company, America – (1992).

7- Mr. Wael «Mohammad Yousef» Aref Rabieh**AGM, Corporate & SMEs Banking****Appointment Date:** 24/08/2014.**Date of Birth:** 07/11/1977.**Academic Certificates and Year of Graduation:**

- Bachelor's degree in accounting from Al-Zaytoonah University in (1999).
- Master's degree in Banking and Financial Sciences from the Arab Academy for Financial Sciences (2004).

Professional Experience:

- Arab Banking Corporation – (2006-2014).
- Jordan Ahli Bank – (2004-2006).
- Bank of Jordan – (2000-2004).

8- Mr. Anas Maher Radi Ayesh**Executive Manager, Treasury and Investment****Appointment Date:** 12/11/2017.**Date of Birth:** 12/10/1979.**Academic Certificates and Year of Graduation:**

- Bachelor's degree in economics, Financial and Banking sciences from Yarmouk University in (2001).

Professional Experience:

- Senior Manager, Head of Investment - Safwa Islamic Bank – (2011-2017).
- Director of Treasury Department - Arab Jordan Investment Bank (Qatar) – (2007-2011).
- Director of Treasury Department - Arab Jordan Investment Bank (Jordan) – (2006-2007).
- Treasury Officer - Societe Generale Bank (Jordan) – (2005-2006).
- Jordan Capital Bank (formerly the Export and Finance Bank) – (2001-2005).

9- Mr. Antonio Antonios Antoun Abdel Massih
Chief Information Officer (CIO)

Appointment Date: 02/01/2022.

Date of Birth: 20/10/1974.

Academic Certificates and Year of Graduation:

- Bachelor's degree in computer science from Princess Sumaya University for Technology (1995).

Professional Experience:

- Director of the Information Technology Department - Societe Generale Bank of Jordan - (2021).
- Director of the Information Technology Department - Bank Audi (Jordan branches) - (2004 - 2021).
- Alia Company/Royal Jordanian Airlines - (2002 - 2004).
- Royal Jordanian - (1998 - 2002).
- British Bank of the Middle East HSBC - (1995 - 1998).

10- Mr. Sami Nimer Salem Al-Nabulsi
Executive Manager, Financial Institutions Department

Appointment Date: 20/10/2013.

Date of Birth: 20/12/1976.

Academic Certificates and Year of Graduation:

- Master's degree in Banking and Finance from Sheffield Hallam University in 2001.
- Bachelor's degree in economics from the University of Jordan in (1998).

Professional Experience:

- Director of Financial Institutions and Correspondent Banking Department - The Investment Bank – (2010-2013).
- Senior Relationship Manager - Arab Bank – (2003-2010).
- Senior Officer - Jordan National Bank – (2001 – 2003).

11- Mr. Walid Khaled DaifAllah Al-Qheiwi
Head of Legal Department/BOD Secretary

Appointment Date: 14/06/2016.

Date of Birth: 24/04/1974.

Academic Certificates and Year of Graduation:

- Master's degree in international business law, Western Sydney University (2005).
- Diploma in Legal Language - Westmead Institute - Sydney - Australia in (2003).
- Bachelor's degree in law from the University of Jordan in (1996).

Professional Experience:

- Senior Legal Adviser - Arab National Bank - Kingdom of Saudi Arabia (2013-2016).
- Part-time legal advisor - The Specialized Leasing Company – (2008-2013).
- Lead Attorney - The Housing Bank for Trade and Finance – (2005-2013).
- The company's lawyer and legal advisor - Amman Resources Group – (1999-2003).

12- Mr. Mahmoud Ibrahim Mahmoud Mahmoud
Compliance, AML & CFT Department Manager**Appointment Date:** 26/05/2013.**Date of Birth:** 10/08/1980.**Academic Certificates and Year of Graduation:**

- Bachelor's degree in management and accounting (B.com) from Mysore University - India in (2002).
- Master's degree in accounting and information systems (MSC.AIS) from Kingston University - London in (2007).

Professional Experience:

- Compliance Officer - Bank of Jordan – (2009-2013).
- Audit Supervisor - Brothers Auditing Company - Members of INPECT – (2007-2009).
- Team Leader - Ibrahim Hamdan Office for Auditing and Consulting – (2002-2005).

13- Mr. Ajoud Sharafaldeen Ali ALRousan**The General Auditor****Appointment Date:** 02/04/2017.**Date of Birth:** 18/08/1969.**Academic Certificates and Year of Graduation:**

- Bachelor's degree in accounting from the University of Aleppo/Syria in (1992).
- Master's degree in financial accounting from the Arab Academy for Banking and Financial Sciences in (1997).
- CPA Certified Auditor Certified by the Illinois State Board of Accountants – USA in (1999).
- Certified (CISA) Information Systems Auditor certified by the Information Systems Audit and Control Association - USA in (2001).

Professional Experience:

- Head of Internal Auditing - Standard Chartered Bank - Jordan – (2016-2017).
- Head of Internal Audit - Jordan Dubai Islamic Bank – (2009-2016).
- Director of Performance and Risk Review - Abu Dhabi Accountability Authority – (1997-2009).
- Budget Analyst - General Budget Department - Ministry of Finance – (1993-1997).

14- Miss Nadia Fahed Fareed Kanan**Risk Department Manager****Appointment Date:** 25/09/2005.**Date of Birth:** 26/07/1977.**Academic Certificates and Year of Graduation:**

- Bachelor's degree in accounting from Jerash National University / year (2000).

(3)/A, I. The names of Board members and senior executive management who resigned during the year:**Board Member (Non-independent)****Mr. Shareef Tawfiq Hamad Al Rawashdeh**

Board Member till 29/04/2024

Representative of First Jordan Investment Company**Mr. Saleh Mohammad Saleh "Zeid Kilani"**

Representative of the Company - since 29/7/2018 and was reappointed on 09/07/2020 till 29/4/2024.

Mr. Omar Samir Mustafa Khalifeh

Representative of the Company - since 29/04/2024 till 01/10/2024.

Board Member (Independent)**Dr. Henry Toufic Ibrahim Azzam**

Board Member till 29/04/2024

Mr. Nasser H. M. Saleh

Board Member till 29/04/2024

(3)/B, II.-The names of Board members and senior executive management who resigned during 2024:

There were no resignations among the senior executive management during the year

(4): The names of major shareholders, the number of shares owned by each holding 1% or more, compared to the previous year, and the ultimate beneficiary of these shares.

SN	Shareholder's Name	Nationality	Beneficiary	No. of Shares owned		Pledging Agency	Percentage of Total Contribution Pledged Shares of 2024/12/31	No. of Pledged Shares	Percentage of Total Contribution Pledged Shares of 2023/12/31	Pledging Agency	Percentage of Total Contribution Pledged Shares of 2023/12/31
				No. of Shares owned as of 2024/12/31	%						
1	Al Saleh Investment Company Ltd.	Saudi	Reem Bint Nasser Mohammad Al-Saleh (25%)	-	-	-	-	-	-	-	-
			Norah Bint Nasser Mohammad Al-Saleh (25%)	-	-	-	-	-	-	-	-
			Maha Bint Nasser Mohammad Al-Saleh (25%)	31,800,000	26.5%	-	-	-	-	-	-
			Sarah Bint Nasser Mohammad Al-Saleh (25%)	-	-	-	-	-	-	-	-
2	The Social Security Corporation	Jordanian	23,808,021	19.84%	-	-	-	23,808,021	19.84%	-	-
			Itself	-	-	-	-	-	-	-	-
			Michael Faiq Ibrahim Sayegh (30.235%)	-	-	-	-	-	-	-	-
			Nazi Tawfiq Nakhliah Copti (10.292%)	-	-	-	-	-	-	-	-
			JCB (9.968%)	-	-	-	-	-	-	-	-
			Faris Michael Faiq Al Sayegh (9.333%)	14,273,286	11.89%	-	-	-	-	-	-
			Faiq Michael Faiq Sayegh (7.024%)	-	-	-	-	-	-	-	-
			The Social Security Corporation (1.900%)	-	-	-	-	-	-	-	-
			Faten Michael Faiq Sayegh (1.527%)	-	-	-	-	-	-	-	-
3	First Jordan Investment Company	Jordanian	13,786,839	11.49%	12,600,000	91.39%	-	13,583,652	11.32%	12,600,000	92.76%
			Himself	-	-	-	-	-	-	-	-
4	Mr. Michael Faiq Ibrahim Sayegh	Jordanian	7,800,000	6.5%	7,400,000	94.87%	-	7,514,596	6.26%	7,400,000	98.48%
			Himself	-	-	-	-	-	-	-	-
5	Mrs.Nazi Tawfiq Nakhliah Copti	Jordanian	7,800,000	6.5%	5,200,000	66.67 %	-	7,500,000	6.25%	5,200,000	69.33%
			Himself	-	-	-	-	-	-	-	-
6	Mr.Farid Michael Faiq Al Sayegh	Jordanian	7,790,000	6.49%	-	-	-	7,490,000	6.24%	-	-
			Herself	-	-	-	-	-	-	-	-
7	Mrs.Faten Michael Faiq Sayegh	Jordanian	7,644,394	6.37%	7,250,000	94.84%	-	7,459,149	6.22%	7,250,000	97.20%
			Himself	-	-	-	-	-	-	-	-
8	Mr.Faiq Michael Faiq Sayegh	Jordanian	-	-	-	-	-	Capital Bank of Jordan	-	-	Capital Bank of Jordan

(5): The Bank's competitive position within the market segments it operates in .

Description	2024	2023
Market Share/Facilities	2.46%	2.45%
Market Share/Deposits	2.13%	2.21%
Market Share/Assets	2.13%	2.22%

The table presents the credit rating assigned to the Bank by Capital Intelligence:

Credit Rating	B+	Foreign currency risk rating (short term)	B
Outlook for Credit rating	Stable	Foreign currency risk rating (long term)	B+
Financial strength rating	BB-	Outlook for foreign currency risks	Positive
Support Rating	Medium	Business environment risks	B+

(6): There is no reliance on specific suppliers or key clients, either locally or internationally, that constitute 10% or more of total purchases, sales, or revenues.

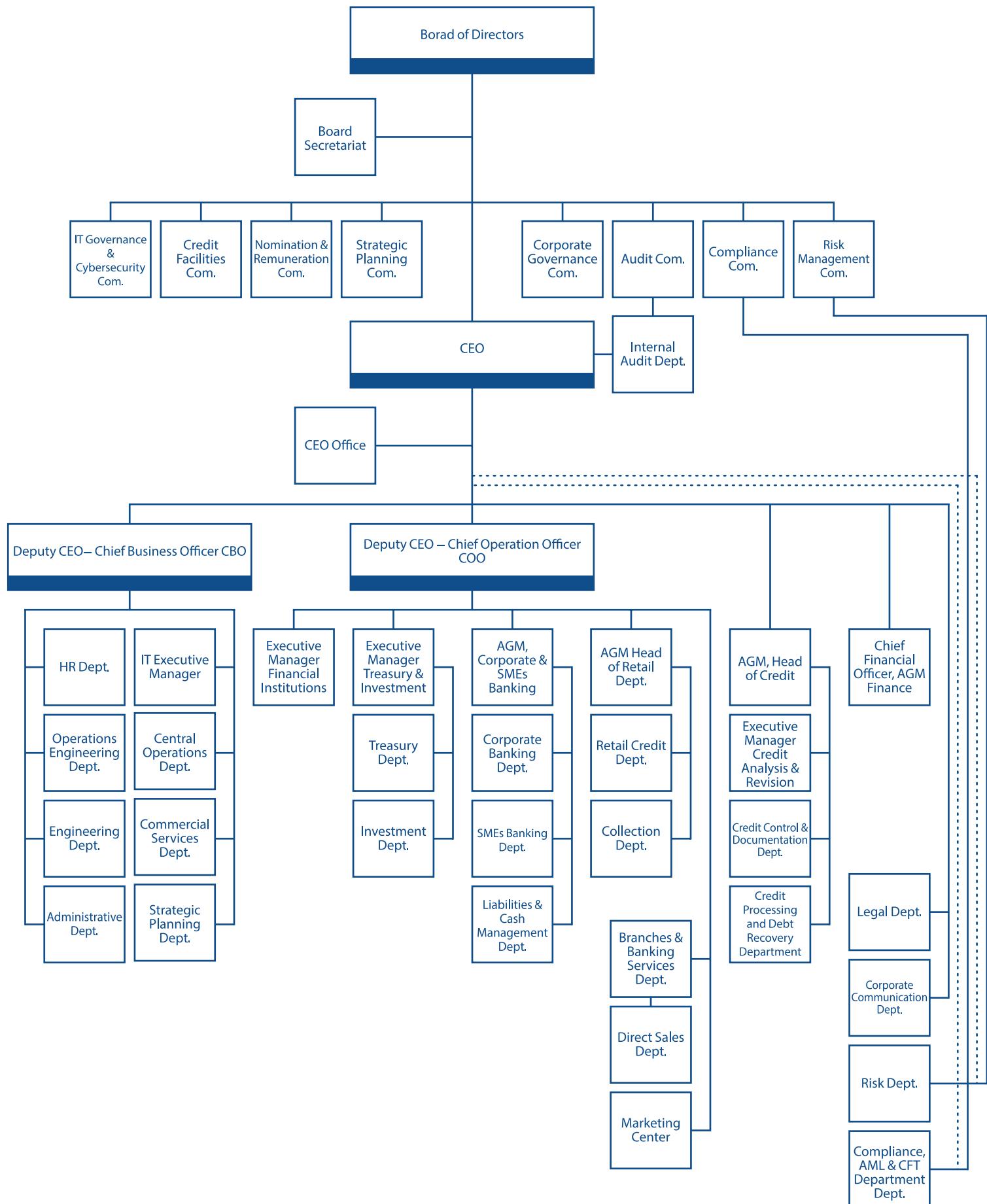
(7): Government protection or privileges enjoyed by the Bank or any of its products in 2024 under laws, regulations, or otherwise:

- JCB does not receive any government protection, privileges, or special treatment for its banking products under any laws, regulations, or other provisions.
- JCB has not obtained any patents or franchise rights from any local or international organizations.

(8): Government or international organization decisions, or any other resolutions that have a material impact on the Bank's operations, products, or competitive ability:

- As part of enhancing the security and protection levels of the Bank's systems, a series of operations, controls, and security solutions continued to be implemented in 2024 to comply with cybersecurity requirements. These measures have contributed to strengthening the security framework and mitigating cyber risks considering the evolving nature of cyber threats.
- Completion of the COBIT project implementation to comply with the requirements of the CBJ in the field of IT governance, ensuring the optimal use of IT resources and effective risk management
- Renewal of the PCI-DSS V.04 compliance certificate, enhancing security levels on card systems.
- Meeting the requirements of the Bank's Information Security Management System (ISO 27001).
- Meeting the compliance requirements of the SWIFT Customer Security Program (CSP).
- Meeting the requirements of the CBJ's instructions for the General Data Protection Regulation (GDBR).
- Implementation of the ISO 22301 international standard for business continuity management.

(9)/A: The Bank's organizational structure, number of employees, their qualification categories, and training and development programs



(9)/B: Number of Bank Employees and Their Qualification Categories:

Academic qualification	Figures as of 31/12/2024				Total	Percentage %		
	Number		Number					
	Males	Percentage %	Females	Percentage %				
PhD	0	0.00	0	0.00	0	0.00		
Masters	44	6.20	27	3.80	71	10.00		
Higher Diploma	2	0.28	0	0.00	2	0.28		
Bachelor	287	40.42	208	29.30	495	69.72		
2-Year Diploma	14	1.97	25	3.52	39	5.49		
1-Year Diploma	0	0.00	8	1.13	8	1.13		
High School (Tawjih) (Pass)	21	2.96	7	0.99	28	3.94		
Below High School (Tawjih)	67	9.44	0	0.00	67	9.44		
Total	435	61.27	275	38.73	710	100		

(9)/C: Qualification and Training Programs for Bank Employees:

Building on the Bank's vision of human capital as a key driver for business success and sustainability, and in line with its continuous commitment to improving and developing employees' skills to keep pace with market developments and business requirements, the Bank has made dedicated efforts to enhance the return on investment in this area. Through the provision of diverse training and development opportunities, whether via the Bank's dedicated e-learning platforms or other innovative training channels, the Bank successfully delivered 6398 training opportunities across various fields. These programs covered the latest developments in the banking sector, regulations, and guidelines, in addition to enhancing managerial and behavioral skills that contribute to improved performance and operational efficiency.

The Bank continued implementing its comprehensive onboarding program for new employees, with 107 employees completing the program during the year. Additionally, the Bank carried out career development programs for employees assigned to higher positions in the Head-Office and branches, which included specialized courses aimed at enhancing their skills and knowledge. In addition, the Bank participated in training programs conducted by the Institute of Banking Studies, both in-person and online, with a total of (45) training courses attended by (289) employees.

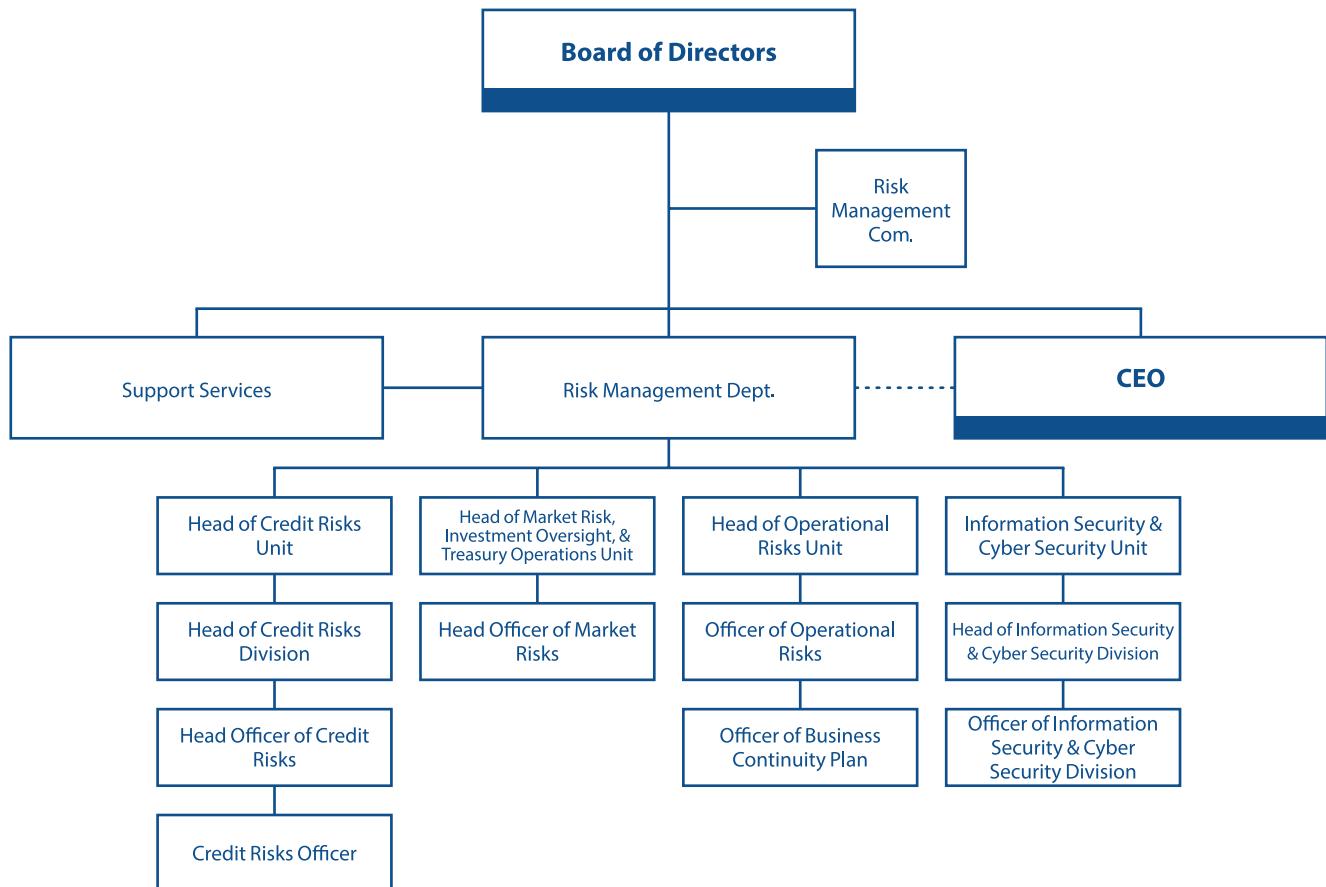
Below is a summary of the number of participants in training courses and the number of courses conducted, categorized by the training provider for the year 2024 compared to the year 2023:

Internal and External Courses From 01/01/2024 till 31/12/2024								
Location of training courses	No. of courses		No. of Participants		Males		Females	
	2023	2024	2023	2024	2023	2024	2023	2024
Institute of Banking Studies	32	45	132	289	71	149	61	140
Training institutes (courses, conferences, seminars) within Jordan	147	155	910	936	548	532	362	404
Internal training courses (Training Center)	128*	58*	9087*	2140*	5085	1192	4002	948
International training (Overseas training)	3	2	3	2	2	2	1	0
Conferences and Seminars – Senior Management, Both International and Domestic	0	7	0	14	0	9	0	5

*Internal training courses are duplicated.

(10): Risks to which the Bank is Exposed:

- **Credit Risks:** Credit risk is one of the most significant risks to which the Bank is exposed. It arises from the possibility of a financial instrument not being repaid on time, leading to a financial loss or a potential loss that impacts the Bank's profitability. These risks arise from the inability of the borrowing client or the counterparty to fulfill the terms of the financial instrument within the specified deadlines, as outlined in the maturity date stated in the contractual agreement terms.
- **Market Risks:** These risks include potential losses arising from on-balance sheet or off-balance-sheet financial positions due to market price movements. These risks encompass those associated with interest rate instruments, equities, as well as foreign exchange rate risks and commodity price fluctuations.
- **Liquidity Risks:** These risks represent the inability to secure the necessary liquidity to meet the Bank's obligations as they become due, particularly concerning withdrawal requests on deposits. This may compel the Bank to borrow to meet its cash needs, negatively impacting its profits.
- **Operational Risks:** These risks arise from failures or deficiencies in internal processes, people, or systems, or due to events, including legal and regulatory risks, as well as risks related to regulatory authorities.
- **Compliance Risks:** These risks pertain to legal or regulatory penalties, financial losses, or reputational damage that the Bank may face due to non-compliance with applicable laws and regulations or violations of local and international banking agreements, including the Bank's internal policies, codes of conduct, and sound banking standards.
- **Information Security Risks:** These risks refer to losses or damage that the Bank may incur due to internal or external attacks threatening the security of banking information, whether in electronic or other forms.





The Bank's Vision and Achievements for 2024: A Journey of Leadership and Sustainable Development



(11): The Bank's Achievements During the Financial Year:

❖ Business Sectors:

■ The Corporate Sector:

The Corporate sector offers a comprehensive range of banking services tailored to meet customer requirements by providing innovative and advanced solutions aligned with global trends. This approach is in line with the Bank's marketing strategy, aiming to expand its customer base while strengthening and developing relationships with existing clients. The Corporate sector is committed to delivering banking and financial services that cater to clients' financing needs, considering the specific nature of each sector and the client's business activities. Additionally, the sector maintains the quality of the credit portfolio through a highly skilled banking team capable of addressing market challenges. The Bank continues to enhance and develop the marketing capabilities of its teams while preserving its market share.

■ Financial Performance of the Corporate Banking Sector in 2024:

JCB achieved a notable growth of approximately 8.8% in its corporate credit portfolio, reflecting its firm commitment to strategic policies aimed at maximizing returns on assets. This growth resulted in a significant increase in corporate deposits, current accounts, and savings accounts, recording a growth rate of approximately 5.4% compared to 2023. The Bank also successfully attracted several leading companies in the market from various economic sectors, significantly enhancing the quality of the corporate credit portfolio and diversifying revenue sources in line with the acceptable level of credit risk. In achieving these results, the Bank provided financing facilities through low-cost funding sources while maintaining its prudent policy of reducing reliance on high-cost funding. Additionally, it aligned with global trends in sustainability and climate change by entering strategic partnerships and granting medium-term advances through the CBJ amounting to JD 37.6 million in 2024, as well as International Fund for Agricultural Development (IFAD) loans amounting to JD 1.7 million. The Bank also focused on securing lower-cost funding sources through current and savings accounts while expanding its customer base.

Cooperation with the Jordan Loan Guarantee Corporation was also strengthened through a diverse range of programs that effectively contributed to improving the quality of the credit portfolio. By diversifying revenue sources, the Bank was able to generate additional returns from fees associated with indirect credit facilities granted to clients. This reflects the Bank's comprehensive and integrated approach to providing the best services to its corporate clients.

■ Digital Banking Services Offered to Corporate Clients:

In line with the digital transformation and the enhancement of digital banking services within the corporate sector, and with a commitment to improving and streamlining transaction processes for corporate clients through the Bank's electronic platforms, the Bank has achieved a significant milestone by completing the second phase of the corporate online banking services upgrade project. This phase included the addition of mobile banking services, the introduction of new payment methods and services, as well as enhancements to the user experience. Since one of the most important and widely used services by our corporate clients is internal and local fund transfers, we have worked on developing APIs for outgoing transfers to enable direct integration between client systems and the Bank through Host-to-Host Integration. This includes internal transfers, local ACH and RTGS transfers, as well as enabling our corporate clients to make transfers using the CliQ service, as they are among the fastest and most widely used local transfers by users of banking platforms and applications. In another step toward enhancing customer experience, an integrated platform for corporate card management has been developed, along with a dedicated mobile application for cardholders. This enables customers to easily issue and manage their physical and virtual cards.

Innovative cash management solutions have also been designed to meet the specific needs of clients, in addition to introducing new collection services that enhance the efficiency of banking operations. This reflects the Bank's commitment to providing advanced and value-added digital banking services to its clients.

❖ With the commencement of the digital transformation process for the Bank's corporate clients through its dedicated electronic platform, financial transactions were successfully executed for a number of corporate clients in 2024, totaling 917 out of 5000 clients.



The percentage of corporate clients subscribed to total subscribers

%18



The number of financial transactions executed by corporate clients

56 Thousand



The total value of executed transactions

159 Million



■ The Retail Sector:

The retail banking sector is a key driver in expanding the Bank's customer base, reducing credit risks, and increasing profitability by attracting low-cost customer deposits and savings accounts. These funds are then invested in a diverse range of credit products, including personal loans, mortgage loans, auto financing, and credit cards, catering to a broad segment of society.

This sector is distinguished by its high flexibility in meeting customer needs through the provision of innovative and new banking solutions. Additionally, the Bank continuously strives for digital transformation by updating and enhancing the electronic services offered to customers, in line with the latest technological developments in the local and international banking market.

As part of the Bank's strategy for planned expansion and strengthening its presence across various regions of the Kingdom, the Retail Sector made significant progress in 2024. Two new branches were opened—the Jordan Design and Development Bureau (JODDB) branch and the Sahab branch—bringing the total number of JCB branches to 37 across the Kingdom. Additionally, six new ATMs were installed in strategic locations, bringing the total number of external ATMs to 47.

By the end of 2024, the Retail Banking sector achieved a 1.66% growth in the deposit portfolio compared to 2023. Meanwhile, the shortfall in the loan portfolio was reduced to -1.1%, marking an improvement of 3.31% compared to the previous year, thanks to intensive loan marketing campaigns and interest rate reductions. Additionally, the collection rate of due loan and credit card installments was enhanced by 0.33% compared to the previous year.

On the other hand, the culture of digital transformation and the enhancement of electronic banking services contributed to a notable increase in the number of users of the "Tejari Mobile» application, with a growth rate of 3% compared to the previous year. Additionally, ATM usage saw a significant increase of 19.7%, along with a 7.9% rise in the use of the instant cash deposit feature via ATMs. These improvements positively contributed to reducing the number of financial transactions conducted through branches by 11.3% compared to 2023.

■ Management of the Bank's Branches:

As part of enhancing the Bank's branch network and expanding its services, two new branches were opened in 2024: the Jordanian Design and Development Center (JODDB) branch and the Sahab branch. Additionally, the Advanced Workflow System for Account Opening and Data Updates (Customers' Account Opening & KYC Workflow) was implemented, ensuring improved operational efficiency and streamlined processes for customers.

Moreover, the Karak branch was renovated, and its services were expanded through the relocation of certain branches. Additionally, the working hours at the Irbid and Radio & Television branches were extended to include Fridays and Saturdays, reflecting the Bank's ongoing commitment to meeting customer needs. In the context of developing employee capabilities, comprehensive training programs were organized for all branch employees across various areas and job levels. These initiatives aimed to enhance skills and knowledge, aligning with the Bank's vision of delivering exceptional and innovative services.

■ E-Services Provided to the Retail Sector:

JCB has made significant progress in innovation and digital transformation, reflecting its commitment to providing advanced and high-quality banking solutions. The updated version of the "Tejari Mobile» app was launched, enhancing card management efficiency while improving security features and control options. Thanks to these updates, customers can now set limits on the amount and number of daily transactions for all types of cards, including cash withdrawals, purchases at POS terminals, and contactless payments. Additionally, the app offers a quick navigation feature allowing seamless switching between different types of cards. To enhance security and align with the cybersecurity policy, a new feature has been introduced to prevent fraud by limiting the number of registered devices to a maximum of three for receiving verification codes. This ensures user authentication and strengthens account protection. These initiatives fall within the Bank's policies to mitigate technological risks and enhance digital security, keeping pace with rapid technological advancements.

Updates were made to the ATM network in Jordan, which reached (85) ATMs by the end of 2024. These updates included the addition of a contactless cash withdrawal feature for Off-Us» cards, allowing both the Bank's customers and customers of other banks to easily withdraw cash using contactless payment technology or digital wallets. The "Tejari Pay" application has also been updated to be compatible with Android operating systems.

■ Provision of Electronic Services:

We continuously develop and enhance digital services in the retail banking sector, while monitoring and analyzing the performance of various channels and platforms to expand the reach of our products. This directly contributes to improving the balance of payments and increasing the Bank's market share in the payment channels sector across the kingdom. From this standpoint, the Bank places special emphasis on managing electronic banking channels, whether through online banking or mobile banking services. In this context, the key results of banking operations in the field of electronic services and payment systems for 2024 highlight significant progress in enhancing digital innovation and expanding the customer base using digital platforms. This has contributed to increasing operational efficiency and improving customer experience, reflecting the Bank's commitment to providing outstanding banking solutions that meet the growing needs of customers amid rapid digital transformations.

- ↳ The number of subscribers to the "Tejari Mobile" service in 2024, relative to the total customers base of the Bank.



No. of subscribers
45 thousand



The percentage of subscribers to the total number of the Bank's customers
65%

- ↳ The growth in financial transactions processed through the payment systems for JCB customers in 2024, versus 2023.



Tejari Pay



e-FAWATEERcom



CliQ

Number of executed
Transactions

%96

%12

%132

Value of executed
transactions

%32

%20

%94

■ Banking Contact Services

This initiative aims to enhance customer experience by integrating the new AMEYO system with banking systems, ensuring a seamless and efficient service. Additionally, the Bank has launched the Outbound Auto Dialer system, enabling automated customer communication. This system also facilitates sending voice messages for data updates and notifying customers about credit obligations, ensuring timely payments without delays.

■ Retail Sector Facilities:

In enhancing credit performance and customer services, a series of pioneering policies and updates were implemented in 2024. The Credit Policy was amended in line with the regulatory requirements of the CBJ, in addition to reviewing and enhancing retail facilities programs to meet market needs. We also approved new companies within the list of accredited companies (TML), as a step to strengthen the Bank's partnerships with trusted institutions. On another note, the Loan Origination System (LOS) for the retail sector was launched for housing and auto loans, enhancing the speed and efficiency of transactions in real-time operations. We also have a Customer Retention Policy aimed at enhancing the loyalty of existing customers and reducing Buy-Out loans. In support of housing finance, the Bank participated in the Association of Banks' Housing Loan Initiative with a competitive interest rate of 4.99%. Additionally, innovative promotional campaigns are being launched for personal and housing loans. Moreover, a car loan program covering up to 70% financing based on ID verification has been introduced in collaboration with an insurance company, allowing our valued customers to access flexible and convenient financing. These steps reflect the Bank's ongoing commitment to providing the best financing solutions in line with the aspirations of our valued customers.

■ **Developing the Bank's Products:**

With the aim of enhancing integration and improving the quality of services provided, the Bank has restructured the Micro-SMEs sector to become part of the retail banking sector. Accordingly, the Bank has introduced an interest-bearing current account tailored for this segment, along with several other benefits, including preferential rates on point-of-sale (POS) devices, the issuance of checkbooks and prepaid cards, as well as a suite of advanced digital solutions designed to meet the needs of this customer group.

Furthermore, the Bank has launched a fixed-rate personal and housing loan program, enabling customers to obtain financing that meets their needs at competitive interest rates. In addition, the Bank continuously updates its policies and lending programs to meet the needs of its target customer segments.

In this context, the classification criteria for the Bank's premium customers under the «JAH» segment have been adjusted to align with the target customer segments. This comes in addition to the numerous benefits offered to this group across all Bank products, reinforcing the Bank's distinction in service excellence. To promote the concept and importance of saving, the Bank launched a savings reward program for the "Tejari Tawfeeri" account in 2024. The rewards, exclusively in cash prizes, included grand prizes, quarterly prizes, and weekly prizes. These prizes received highly positive feedback from customers.

■ **Promotion and Marketing Center for Banking Services:**

As part of its efforts to strengthen the Bank's brand image and increase awareness of its identity, the Bank launched several promotional campaigns and actively participated in sponsorship programs and corporate social responsibility initiatives throughout the year. This included promoting the «Ya Cash Ya Blash» campaign for the "Tejari Tawfeeri" account rewards in 2024, as well as a cash rewards campaign with Mastercard and an installment plan campaign for purchases using Tejari credit cards during "Tejari Friday." The Bank also sponsored several prominent events, including the Second International Business Conference and Forum at the University of Jordan and the Union of Arab Banks Forum on «Environmental, Social, and Governance (ESG) Standards in the Financial Sector.» The Bank also co-sponsored the Jordan Youth Cup, organized by the Black Iris Academy, and participated in the charitable Iftar event hosted by the American Community School to support underprivileged students.

- Furthermore, the Bank initiated a breast cancer awareness campaign during the designated awareness month, providing free mammogram and ultrasound screenings for its customers in partnership with BioScan. Additionally, the Bank sponsored several sports events, including the fishing and open-water swimming championship at Tala Bay, Aqaba, and the Zarqa Cup under the theme «Towards a Greener Jordan and a More Beautiful Zarqa.» It also co-sponsored the Sixth Medical Conference in Karak.
- As part of its engagement with the local community, the Bank organized celebrations for national occasions and holidays, including Independence Day and the Silver Jubilee of His Majesty King Abdullah II's assumption of constitutional powers. It also participated in national tourism events such as the Jerash Festival. The Bank also launched a blood donation campaign and held financial awareness sessions in collaboration with INJAZ at its Karak and Mafraq branches to enhance financial literacy among customers.
- Furthermore, the Bank participated in the «Financial Sector Career Day» in collaboration with INJAZ for public school students and contributed to promoting financial literacy during global events such as World Savings Day. The Bank also took part in the Arab Financial Inclusion Day, targeting university students in the southern region (Karak, Ma'an, and Aqaba). Additionally, it organized awareness seminars for school and university students, promoting financial literacy at Middle East University, Princess Sumaya University, the University of Jordan, the Baptist School, and Al-Ittihad Schools (AAJ).
- We have experienced significant growth in our follower base and engagement across social media platforms. In addition, we have expanded our presence on social media platforms to reach the digital audience and establish new communication channels with our customers.



INSTAGRAM
32.7K



FACEBOOK
280K



LINKED IN
31K



YOUTUBE
4.2K

❖ Treasury and Investment:

- The Treasury and Investment sector at JCB plays a pivotal role in achieving the Bank's strategic objectives and fortifying its position in the local and regional banking sector. The sector is responsible for key functions, including asset and liability management, investments in financial markets, and treasury sales, in addition to overseeing liquidity management and overall funding in alignment with the Bank's operational and strategic requirements. The year 2024 was marked by both challenges and achievements, as the sector successfully navigated volatile market conditions and delivered strong performance despite economic pressures stemming from interest rate fluctuations at both the local and global levels.
- In 2024, the Treasury and Investment sector effectively managed the challenges posed by declining interest rates by adopting proactive risk management strategies and analyzing the economic changes' impact on the investment portfolio. The sector also focused on enhancing its internal operations by leveraging the latest technologies to ensure the security and efficiency of financial transactions. Close coordination with other departments within the Bank has strengthened operational integration, resulting in positive outcomes in liquidity management and maintaining a balanced asset-liability structure.
- The sector also achieved significant milestones in enhancing the resilience of the investment portfolio and improving asset quality, enabling the Bank to navigate challenges with confidence. Additionally, the dedicated team continued to provide innovative services to clients, including lending and borrowing in the money market, as well as effective hedging solutions against currency fluctuations. The Bank's strong relationships with a wide network of local and international banks have enabled it to offer advanced services that meet the needs of financial institutions and banks. This has strengthened the customer base and contributed to attracting more clients.
- In 2025, the Treasury and Investment sector aspires to maintain its leadership role in achieving the Bank's aspirations and enhancing shareholder value. The sector will focus on updating its investment strategies to align with economic and financial changes while ensuring sustainable growth in returns. It will also continue to enhance the cost management of funds and closely monitor local and global financial markets to identify investment opportunities and efficiently address challenges.
- The sector places great importance on digital transformation as part of its future vision, continuing to offer innovative banking services that leverage modern technologies and provide flexible solutions tailored to customer needs. The team will work to strengthen coordination among the Bank's various departments to ensure operational integration and achieve the Bank's financial objectives. The sector also plans to develop new investment services that strengthen the Bank's portfolio and enhance its position in local and regional markets.
- With this integrated and sustainable approach, the Treasury and Investment sector remains committed to achieving milestones that strengthen JCB's position and ensure its continued success and growth in an ever-evolving economic environment.

❖ Financial Institutions and International Banking Transactions:

In 2024, the Bank successfully built and strengthened its global banking relationships through active participation in numerous regional and international conferences. These efforts aimed to promote its services and products while expanding the volume of mutual trade transactions. As part of our efforts to mitigate credit and operational risks resulting from regional and global market fluctuations, the Financial Institutions Department has demonstrated high professionalism and efficiency. This has contributed to increased revenue from international banking operations and trade finance. Additionally, the Bank has implemented periodic reviews of the credit standing of the banks and financial institutions it deals with, while also considering political and economic developments in the countries where these institutions operate.

❖ The Support Sector:

■ Strategic Planning:

JCB aims to establish a robust and comprehensive strategic foundation by ensuring the flexibility and effectiveness of its strategic plans, adaptable for seamless implementation in the coming years. The strategy features a clear execution plan that translates objectives into well-structured, actionable policies and procedures across all administrative levels, ensuring full alignment with the Bank's operations. This aligns with the Bank's ongoing pursuit of success and excellence through solid and cohesive management policies that adapt to global economic and geopolitical challenges, enhancing its ability to navigate change and achieve its strategic objectives.

JCB continues to implement its strategic pillars, focusing on achieving leadership in providing innovative banking solutions that meet customer needs and deliver real value. The Bank places great emphasis on enhancing its banking services to remain at the forefront of the financial sector, leveraging innovation and technology to ensure an exceptional banking experience. Through its ambitious strategy, the Bank strives to achieve sustainable excellence in line with future developments, with a steadfast commitment to delivering excellence across all its operations.

Growth opportunities are carefully identified and evaluated, including both organic expansion and unconventional growth options, with the most suitable choices selected in alignment with the Bank's strategic direction. Additionally, the strategic function is responsible for regularly overseeing the implementation of strategic directions and decisions by monitoring the Bank's financial and administrative performance on a quarterly basis to achieve optimal results. It also prepares annual reports and the Sustainability Report in alignment with local and international regulations and standards to ensure full compliance.

■ Trade Finance Services:

The Bank offers a comprehensive range of specialized banking solutions for corporate and commercial clients, designed to meet diverse business needs in financing and trade. In line with the highest standards and best banking practices, and supported by a wide network

of correspondent banks, these services include innovative payment solutions and both local and international fund transfers. This has resulted in significant growth in outbound local transfers (ACH), which recorded an 18.2% increase compared to 2023, while inbound transfers experienced a decline of 9%. Regarding SWIFT transfers, the Bank achieved exceptional results compared to the previous year, with inbound transfers increasing by 7.7% and outbound transfers showing impressive growth of 19%. This reflects a significant improvement in the payment system efficiency and the effectiveness of financial transactions. Additionally, the Bank provides letters of credit, documentary collections, and bank guarantees to empower corporate clients to expand and grow in dynamic business environments while encouraging both domestic and international investments. The department also provides flexible and secure solutions that help companies improve their operational efficiency, enhance their competitiveness in local and international markets, and drive national economic growth.

■ **Human Resources:**

We are committed to our strategic role in workforce planning and attracting qualified talents by adopting a recruitment and selection policy based on equal opportunity. Additionally, we focus on training and developing employees, providing them with opportunities for career growth and advancement into administrative and supervisory roles through the implementation of succession and replacement plans. The principle of merit and competency is strictly followed in filling these positions. In this context, 26 employees were promoted to higher positions, contributing to both individual career objectives and the operational goals of various departments, ultimately supporting the Bank's strategic objectives. To enhance and ensure effective communication between the Bank and its employees, several programs, initiatives, and campaigns were launched and activated. In line with the Bank's and the Human Resources strategy, a Team Building Program was developed and launched on the e-learning platform for all employees, providing a practical extension of their training. Furthermore, to promote employee health awareness, the Bank regularly offers educational workshops on various topics, including occupational diseases affecting office workers, drug allergies, and men's health. Additionally, a Free Medical Day is organized, during which the Bank hosts leading medical institutions across various specialties to provide free consultations and treatment services for employees. The Bank also implements several programs and participates in initiatives aimed at enhancing employee well-being, such as blood donation campaigns. The Human Resources Department has collaborated with various departments to ensure compliance with the requirements of the Ministry of Labor and the Social Security Corporation regarding occupational health and safety. Additionally, efforts have been made to enhance the work environment, enabling employees to perform their duties in a healthy and safe setting that fosters a sense of security and well-being. The work environment is a key determinant of employee health. This has driven the Bank to take the necessary measures and provide all essential resources to ensure the safety and well-being of its employees. The Bank is committed to maintaining a safe, accident-free workplace, free from illnesses, serious injuries, and their causes. These efforts contribute to enhancing both physical and mental health, improving employee efficiency, and boosting overall productivity. In alignment with relevant regulations and laws, these efforts have included specialized training and awareness programs for employees, as well as the designation of supervisors.

■ **The Bank's Engineering and Logistics Role in Supporting the Work Environment and Enhancing Institutional Excellence:**

The engineering and logistics role is pivotal in providing support to the employees of the Bank's Head Office and branches spread across Amman and other governorates. We are committed to providing innovative and efficient engineering solutions through our specialized team in the Engineering Department while ensuring a healthy and safe work environment for all employees across various work locations. Additionally, we strive to enhance the Bank's modern and positive image by executing outstanding projects and initiatives in 2024 across multiple fields, such as:

- Providing engineering support to the Bank's buildings and branches through the implementation of pre-planned programs related to periodic and emergency maintenance, aiming to ensure the sustainability of buildings and facilities.
- The implementation of a number of new branches or those that have been relocated, in addition to "Tejari Express" branches, where the Engineering Department has fully supervised the execution of the following projects: Karak Branch, Sahab Branch, KADDB Branch, in addition to the implementation of the new Call Center location under the supervision of the Engineering Department.
- Preparing new ATM locations at the following sites: Al-Badiya Al-Shamaliya, Ajloun, KADDB Al-Dhulail, Jopetrol Al-Hashimiyya.
- Completion of the project for retaining backup copies of surveillance camera recordings for branches and ATMs.
- Implementation of the Energy Project - Phase Two, which serves a group of branches in the Greater Amman Municipality area and aims to achieve a 75% reduction in electricity bills.

■ **Compliance with Occupational Safety and Health Standards and Regulations:**

The Occupational Safety and Health Department was established in compliance with the requirements of external entities, primarily the Social Security Corporation and the Ministry of Labor. Additionally, an Occupational Safety and Health Committee was formed, and the Bank's Occupational Safety and Health Policy was approved by the Board of Directors in accordance with the national strategy adopted to implement the objectives and pillars related to the health and safety of employees in financial institutions.

In this context, the Bank is exerting efforts in implementing a series of notable activities that reflect its deep commitment to fostering a safe and sustainable occupational health and safety work environment throughout 2024.

The Bank obtained official certifications for its occupational health and safety officers from the Ministry of Labor and organized regular meetings for the Occupational Health and Safety Committee. Additionally, it closely monitored the implementation of the Committee's decisions in alignment with Labor Law No. 33/2023 and the regulations of the Social Security Corporation. The Bank also conducted a comprehensive risk assessment and implemented the necessary preventive measures to ensure a safe work environment, with a focus on reducing workplace injuries and protecting assets. Additionally, the Bank ensured the continuous operation of fire suppression

systems in all branches and equipped all its facilities with first aid kits, in compliance with the Medical Care Regulation No. 32/2023 issued by the Ministry of Labor. Additionally, mandatory forms were introduced to ensure that contractors and companies comply with safety regulations within the Bank's facilities. Precise emergency evacuation plans were implemented at multiple locations, alongside regular inspection visits to branches to promote and ensure a strong safety culture. As part of strengthening preventive measures, safety policies and instructions were translated into guidance signs at high-risk locations, in addition to monitoring periodic medical examinations and health certificates for relevant employees. Three workplace injury cases were professionally handled during the year, with investigations conducted to determine their causes and appropriate corrective measures taken accordingly. The Department also ensured the provision of specialized personal protective equipment and organized a series of occupational health and safety training workshops for all employees, in line with social security requirements. Finally, advanced emergency response teams were formed in collaboration with the Civil Defense Directorate to ensure prompt and effective responses in emergency situations.

Based on the ongoing efforts and outstanding activities carried out during 2024, the Bank remains fully committed to strengthening the culture of occupational health and safety, contributing to a safe and sustainable work environment that ensures the protection of its employees and assets.

Under the guidance of the national strategy, the Bank will continue to develop and enhance all safety-related systems and procedures in line with global best practices and standards. This reflects its steadfast commitment to the health and safety of its employees and to achieving sustainable development goals in this field.

■ **Provision and Assurance of Administrative Services:**

The Bank focuses on providing and ensuring all administrative and logistical services for employees and customers across all workstations while monitoring and controlling expenses to optimize costs, thereby contributing to enhancing the Bank's profitability. Among the key tasks undertaken by the Bank during 2024 were:

- **Enhancing the Institutional Work Environment:** Continuous and direct communication with all workstations to create a comfortable and safe work environment that enhances employee well-being and customer satisfaction. This approach reflects the Bank's commitment to providing an ideal work environment that supports superior performance.
- **Comprehensive Logistical Support:** Providing full logistical support by equipping and efficiently operating new and temporary branches during 2024, including the permanent Karak branch after renovation, the JODDB, and Sahab branches, through the execution of evacuation and relocation processes for branches that have been renovated or closed, including the permanent Karak branch after its renovation, in alignment with the Bank's expansion strategies.
- **Effective Expense Management:** Close monitoring of operational and capital expenditures, with a focus on cost optimization and maximizing the efficient use of available resources. A furniture rotation policy was implemented, achieving significant savings through productive negotiations with suppliers and landlords of leased properties to secure the best deals and discounts. Additionally, the network of local suppliers was expanded by onboarding new vendors, enhancing operational sustainability.
- **Management of Warehouses and Archives:** Renting new warehouses and currently working on equipping them optimally, in collaboration with the relevant departments, to provide additional specialized spaces for storing archives and documents, in line with the Bank's administrative expansion needs.
- **Leases Management:** Comprehensive supervision of all branch and ATM rental contracts and agreements, ensuring support for the Bank's sustainable expansion strategy and achieving its expansion goals for 2024.
- **Occupational Safety and Health:** Meeting all the needs of branch employees, head office, and central operations regarding occupational safety and health equipment, while ensuring the cleanliness and sanitation of water sources. Efforts were also made to maintain the overall cleanliness and security appearance of all the Bank's buildings, in collaboration with specialized companies, to ensure a safe and healthy work environment, reflecting the Bank's commitment to the highest safety standards.
- **Emergency Management:** Activating a strategic emergency plan to ensure business continuity during exceptional weather emergencies and snowstorms, through organizing 24-hour shifts to protect assets and enhance customer rights.
- **Logistical Support for Events:** Providing all logistical support services (hospitality, security, stationery, cleanliness, transportation, etc.) for all events, meetings, and activities organized by the Bank, ensuring the highest levels of service for the Bank's guests, reflecting professionalism and attention to the smallest details.

↳ Providing Support to the Relevant Roles Involved in Enhancing and Developing Corporate Social Responsibility (CSR) Initiatives

- **Ramadan Charity Initiative:** The Bank purchased and distributed charity packages during the blessed month of Ramadan in 2024, supporting deserving families and charitable organizations. This initiative aims to enhance social solidarity and contribute to improving the conditions of the most vulnerable groups in the community.
- **Donation of Electronic Devices:** The Bank donated nearly 344 computers and related electronic equipment to the Talal Abu-Ghazaleh Computer Refurbishment Center, as part of its corporate social responsibility efforts aimed at empowering individuals and communities with access to modern technology and supporting the development of digital skills.
- **«Green Imprints» Initiative:** The Bank continues its active participation in the Memorandum of Understanding for the «Green Imprints» initiative, in collaboration with the Princess Alia Foundation and the Ministry of Education. The Bank purchased A4 paper using the proceeds from the sale of wastepaper and donated approximately 192 cartons of A4 paper to the Ministry of Education schools, in support of the environment and encouragement for sustainable resource usage.

■ **Operations Engineering:**

We assess the banking operations and redesign them within a systematic framework to meet business requirements, the requirements of the CBJ, and other regulatory bodies in all banking areas. In addition to automation, organization, work procedures, and providing products and services to the Bank with high quality and efficiency according to the best banking practices, we also aim to reduce operational costs. These initiatives are achieved through the Operations Engineering Department. Among the key achievements in this area during 2024 are the revision of the work policies and procedures manuals to meet the business requirements of the Bank and regulatory bodies, as well as the issuance of circulars, instructions, and forms that align with regulatory standards and regulatory changes. The Bank's organizational structure was also updated to align with the actual business needs and reflect global best banking practices. In this context, job descriptions for certain positions were reviewed and adjusted to align with the new organizational structure, along with updating the authority matrix to meet operational and regulatory requirements.

The redesign of process workflows for centralizing operations and introducing new products and services played a pivotal role in improving process quality and minimizing standard processing times. Additionally, major automation projects and system upgrades were implemented, with rigorous testing conducted to ensure seamless integration across the Bank. This was complemented by the management and review of access permissions for all banking systems, ensuring full compliance with operational needs and regulatory requirements to uphold sustainability and excellence in performance.

■ **Information Technology:**

In 2024, the information technology sector served as a strategic partner in strengthening the Bank's ability to provide secure and innovative banking services, demonstrating its continuous commitment to adopting cutting-edge technological solutions for superior client services. This was accomplished through significant advancements in enhancing service efficiency and quality, delivering comprehensive support to business sectors, and implementing innovative technological solutions encompassing devices, servers, systems, and networks. Additionally, a strong emphasis was placed on upholding the highest security and protection standards to support the Bank's objectives and ensure their long-term sustainability. The following are the key achievements realized:

- **Completing the implementation of the EDR (Endpoint Detection and Response) project:** The advanced EDR technology has been successfully implemented, focusing on enhancing comprehensive protection for devices (desktops, laptops, and servers) from cyber threats. This system aims to promptly detect threats and respond quickly to them, enhancing the institution's ability to combat attacks and protect the work environment from potential damage.
- **The launch and management of the Mobile Device Management (MDM) project:** The MDM project was launched and activated within the work environment, providing the necessary tools and infrastructure to manage the mobile devices used by employees, whether bank-owned or personal, ensuring complete and secure control over these devices.
- **Expanding the Network of Branches of JCB:**

- ↳ Opening of the Sahab Branch and the Jordanian Center for Design and Development Branch (JODDB): The new Sahab branch has been completed and operationalized, reflecting the Bank's commitment to expanding its services and meeting the needs of its customers in various regions.
- ↳ Updating the Devices at Karak Branch All the technical devices at the Karak branch have been updated, enhancing work efficiency and supporting the development of the Bank's existing branches.
- **Development and Updating of the Technical Infrastructure:** We successfully completed the project of updating and upgrading the employees' devices at the head office and branches, as well as upgrading the operating systems to Windows 11, in line with the best global standards and practices in the field of information security. Additionally, the communication networks and lines have been updated to align with the latest technologies.
- **IT Governance Project (COBIT):** As part of enhancing security and protection levels for the Bank, we continued to implement the COBIT framework to ensure full alignment with the standards of the CBJ in IT governance. This enhances the optimal and effective use of IT resources. In addition to renewing the compliance certificate for the global PCI-DSS 3.2.1 standards related to card protection.

■ **Compliance with International Standards:**

- We obtained the compliance certificate for the SWIFT CSP 2024 program, in line with global standards in the field of electronic payments.
- The Automated Clearing House (ACH) system has been updated to the latest version to comply with the requirements of the CBJ and JOPAC.
- The SWIFT message standards have been updated to align with the latest global developments in this field.
- The implementation of the Compliance Monitoring System: A comprehensive Compliance Monitoring System has been implemented, ensuring full compliance with all requirements of the CBJ and keeping up with the latest updates and regulatory circulars.
- Enhancing ATM services: The OFFUS Contactless & Tokenization service has been implemented on ATMs, allowing customers of other banks to withdraw funds without the need for a card, reflecting our commitment to providing innovative banking services.
- Development of the Tejari Mobile App: New updates and modifications were released for the Tejari Mobile App to provide an exceptional and easy banking experience for customers.
- The implementation of the Asset and Liability Management (ALM) framework: The AVATI Asset and Liability Module project



was implemented, aiming to apply best practices in the framework of Asset and Liability Management in accordance with the guidelines of the CBJ.

- Upgrading the Risk Classification System: The risk classification system has been upgraded to the latest version to enhance the accuracy and efficiency of the risk assessment process at the Bank.
- Development of integration through MuleSoft Middleware: A number of APIs were developed to integrate the Bank's internal systems with external systems, which helps improve the integration of banking operations.
- Updating the Core banking system: The Core Update 4 was applied, which includes important improvements and modifications to the banking system to ensure compatibility with the latest versions of banking systems.
- Automation of Account Opening Procedures: The account opening workflow system (Workflow BPM) has been implemented, which helps speed up and improve the efficiency of the account opening process in branches.
- Issuance of new banking certificates: New banking certificates were issued in accordance with the requirements of the Central Operations Department, reflecting the Bank's commitment to providing flexible and advanced solutions to its clients.

■ **Central Operations:**

In 2024, the Bank achieved significant milestones in central operations by automating banking processes using advanced technologies such as RPA (Robotic Process Automation). This contributed to improving operational efficiency and reducing human errors. Internal systems and infrastructure are also being developed to accelerate processes and reduce turnaround times, with a focus on improving banking operations and enhancing operational performance. Additionally, policies and procedures are being reviewed and updated to ensure compliance with best practices and enhance risk management, using advanced control tools that support sustainability and operational efficiency.

The Bank, through the Central Operations Department, has ensured compliance with the requirements of the CBJ and other regulatory authorities. The Department has applied the best banking practices and extended CBJ's initiative to reduce interest rates on loans and maintain them until the beginning of August 2025. This reflects the Department's commitment to providing high-quality services that meet customer expectations. Additionally, the Department has completed a wide range of projects that contributed to reducing regulatory gaps related to risks and addressed a number of observations from the regulatory body.

❖ **Control Sector:**

■ **Risk Management:**

The Bank continues, through its Risk Management Department, to adopt the best global methodologies and practices in risk management, focusing on identifying all current and potential risks. This is achieved through effective monitoring and management, as well as developing strategic solutions to mitigate risks. Among the key achievements accomplished in 2024, the Bank obtained a number of internationally recognized certifications, including the ISO 22301 certification for Business Continuity Management, the PCI v.04 certification for Payment Card Security, the SWIFT CSP compliance certification, and the ISO 27001 certification for Information Security. The internal Capital Adequacy Assessment Process (ICAAP) was also implemented to address all potential risks, and stress testing scenarios were developed to ensure continuous performance under all circumstances.

The focus is on a comprehensive assessment of institutional risks, ensuring that the system covers all major risks that could impact the Bank as a whole, while implementing appropriate controls and ensuring their effectiveness in mitigating these risks. The Bank has also updated and developed its risk appetite levels and implemented a dedicated reporting system to monitor any deviations and assess their impact on capital. The achievements also included a comprehensive review of the liquidity contingency plan, as well as an audit of the Business Continuity Plan to ensure the Bank's preparedness to face any challenges. In addition, penetration testing was conducted on the Bank's environment to verify the integrity and effectiveness of the security systems applied to its assets.

Additionally, the IT governance instructions (COBIT 5) related to risk management and information security were implemented, ensuring full compliance with the CBJ's instructions regarding security standards, particularly in areas such as ATMs and large exposures in Treasury and Investment Departments. As part of enhancing information security protection, existing security systems were updated and continuously strengthened, with 24/7 monitoring of the security event logs across all the Bank's systems.

Finally, the Bank continues to promote a risk culture at all levels, regularly updating the policies for each type of risk in line with the best international and local practices, reinforcing the Bank's commitment to the highest standards of governance and compliance.

■ **Compliance and Anti-Money Laundering and Counter Terrorism Financing:**

Compliance plays a vital and fundamental role in ensuring the Bank's adherence to established standards and regulatory guidelines. This role is crucial in protecting the Bank from risks associated with non-compliance in its banking transactions. It also helps prevent the Bank from incurring penalties or violations from the relevant regulatory authorities. This is achieved through a set of tasks that include:

- Periodic disclosures, where the Department monitors the relevant parties within the Bank and meets the regulatory requirements provided to the Bank within a sufficient timeframe, ensuring compliance with disclosure obligations.
- Implementing instructions for fair and transparent customer dealings, addressing customer complaints, and establishing procedures to minimize their recurrence in the future. The complaint handling system is defined as the institution's response to any disruption or failure in delivering services to customers.
- The Bank has a specialized unit for managing and handling customer complaints, which serves as a fundamental pillar in strengthening customer relationships and improving the quality of services provided. This unit is responsible for receiving complaints from various communication channels, addressing them promptly and effectively, ensuring that customer needs are met, and their issues are

resolved with the highest levels of quality and professionalism.

- The unit continuously works on enhancing customer trust and improving satisfaction by taking the necessary actions to enhance the banking experience and provide appropriate solutions in a timely manner. Comprehensive periodic reports on the complaint handling process are also prepared and submitted to the Board of Directors and the CBJ, ensuring transparency and accountability in addressing complaints. This reflects the Bank's commitment to enhancing service levels and complying with the best regulatory standards.
- Effective communication with customers, with a focus on phone calls as the most frequently used and preferred method of communication among the Bank's clients, whether directly with the complaints department or through the contact center.
- Compliance with global tax laws has been ensured through the implementation of the established plan, which includes monitoring all updates related to the FATCA law, proceeding with the reporting and registration procedures according to the requirements of the U.S. tax authorities, and tracking clients regarding the implementation of the Common Reporting Standard (CRS). In addition, efforts have been made to combat financial crimes and tax evasion, preparing relevant regulatory reports, establishing a dedicated department, holding regular meetings, and following up with the involved parties.
- As part of enhancing the compliance function, the Department worked on developing and strengthening related policies. It reviewed and approved the Compliance Monitoring Policy and the Anti-Money Laundering and Counter Terrorism Financing (AML/CFT) policy. The GOAML reporting system is an integrated system aimed at enhancing effective oversight and combating illicit financial activities, in line with the highest global standards and local regulations.
- Corporate governance: has been aligned with the corporate governance instructions issued by the CBJ, and our corporate governance manual has been adjusted accordingly. The Bank has also met the requirements of the IT governance instructions and implemented them under COBIT 2019 framework, as well as the corporate governance instructions for listed joint-stock companies issued by JSC.

■ **Internal Audit:**

Internal audit is considered an important source of information and helps the Bank's management in identifying and efficiently managing risks.

To enhance the regulatory environment within the Bank, the Internal Audit department implements value-added programs and activities that help the Bank achieve its goals. It also provides independent consulting and assurance services aimed at improving governance, risk management, and oversight within the Bank.

The Audit Committee of the Board of Directors oversees the internal audit activities and defines its responsibilities and tasks in coordination with relevant parties, as it is part of its duties. The General Auditor is responsible for managing the internal audit activities and supervising its operations in accordance with the standards and principles set forth by the Institute of Internal Auditors (IIA).

■ **Corporate Communication:**

We are always striving to enhance the Bank's position through playing an active role in the community, through implementing various initiatives that contribute to serving the local community in different areas. The Department adopts a comprehensive strategy aimed at building strong and sustainable relationships with all segments of society, achieving a positive impact in the social, cultural, educational, and health fields. The Department continuously works on implementing responsible projects and programs that meet the community's needs and support sustainable development, reflecting the Bank's commitment to social responsibility values and contributing to improving the lives of individuals across the kingdom.

- Donating to community projects and events: The Bank continues its ongoing support for projects and events that contribute to serving the local community in the areas of charity, social, cultural, and artistic work, with the aim of enhancing community development and having a positive impact on various groups.
- Supporting the health sector: As part of its commitment to public health, the Bank contributes donations to medical institutions and healthcare centers, thereby enhancing the healthcare system's ability to effectively meet the community's needs.
- Social initiatives: The Bank adopts several purposeful social initiatives, such as distributing «Goodness Packages» during the holy month of Ramadan and «Christmas Packages» in the areas most in need across the kingdom, in order to provide in-kind support to beneficiary families.
- Support for Cooperative and Charitable Associations: The Bank is committed to supporting local cooperative and charitable associations, aiming to strengthen their role in providing community services and benefiting the largest number of individuals.
- Enhancing support for national institutions: The Bank works on supporting national institutions and websites that contribute to the development of the local community and expanding access to opportunities in various fields.
- Social responsibility support: The Bank is committed to supporting initiatives related to corporate social responsibility in relevant institutions and organizations, aiming to promote a culture of responsibility and sustainable growth within the community.
- Supporting orphanages and elderly care centers: The Bank provides continuous support to orphanages and elderly care centers, believing in the importance of providing a healthy and safe environment that ensures their rights and supports their well-being.
- Supporting the education sector: The Bank contributes to enhancing the role of education by providing support to students in need at various educational stages and donating to educational institutions, reflecting its commitment to providing equal educational opportunities for all.
- Supporting sport clubs: The Bank supports various sport clubs and activities, contributing to the promotion of physical activity and the development of sports talents within the community.
- Supporting people with special needs: The Bank places special emphasis on supporting organizations that care for individuals with special needs, aiming to empower them to actively integrate into society and contribute to its development on various levels.

(12): There is no financial impact from operations of a non-recurring nature that occurred during the financial year and do not fall within the Bank's core activities.

(13): Chronological order of realized profits (losses), dividends, shareholders' net equity, and share price for the years 2020- 2024 (JD):

Description	2024	2023	2022	2021	2020
Net profit	11,717,701	11,484,784	11,340,183	7,004,775	513,503
Shareholders' equity	173,690,038	168,908,981	162,116,116	147,171,725	139,466,787
Cash dividends (proposed)	7,200,000	6,000,000	6,000,000	-	-
Dividend payout ratio (proposed)	6.0%	5.0%	5.00%	-	-
Bonus distribution (proposed)	-	-	-	-	-
Bonus issue ratio (proposed)	-	-	-	-	-
Closing price/share	1.11	1.01	1.00	1.03	0.69

(14): Analysis of the Bank's Financial Position and Operating Results During the Financial Year

Summary of Key Financial Indicators:	Rounded to the nearest million (JD)				
	2024	2023	2022	2021	2020
Main Items of the Income Statement					
Net interest income	46.4	48.3	41.2	35.8	33.5
Net interest and commission	50.6	51.8	45.3	40.0	37.8
Gross income	54.7	59.9	51.4	44.4	42.7
Profit before tax	17.7	16.9	18.0	12.5	6.7
Net profit after tax	11.7	11.5	11.3	7.0	0.5
Earnings (Loss) per share/JD	0.098	0.096	0.095	0.058	0.004
Main Items of the Balance Sheet					
Total assets	1,401.3	1,377.7	1,364.1	1,444.9	1,352.0
Shareholders' equity	173.7	168.9	162.1	147.2	139.5
Direct credit facilities, Net	775.7	732.4	701.9	773.9	713.9
Securities Portfolio	371.9	394.9	417.4	396.1	312.9
Cash on hand and at banks	144.7	137.0	117.7	144.8	176.2
Customer deposits	994.9	967.5	896.8	969.4	935.7
Cash Collaterals	46.5	40.2	37.8	40.8	41.8
Banks' deposits at JCB	36.2	48.4	82.1	111.3	102.7
Key Financial Ratios					
Return on assets	0.84%	0.84%	0.83%	0.48%	0.04%
Return on equity	6.84%	6.94%	7.33%	4.89%	0.37%
Capital adequacy	13.34%	13.41%	13.29%	11.78%	11.43%
Net credit portfolio/customer deposits	77.97%	75.70%	78.26%	79.83%	76.30%
Coverage ratio for net non-performing loans	84.28%	97.03%	89.14%	81.71%	83.66%
Statutory liquidity ratio	122.83%	130.04%	114.06%	109.97%	117.75%

(15): Important future developments and strategic plan:

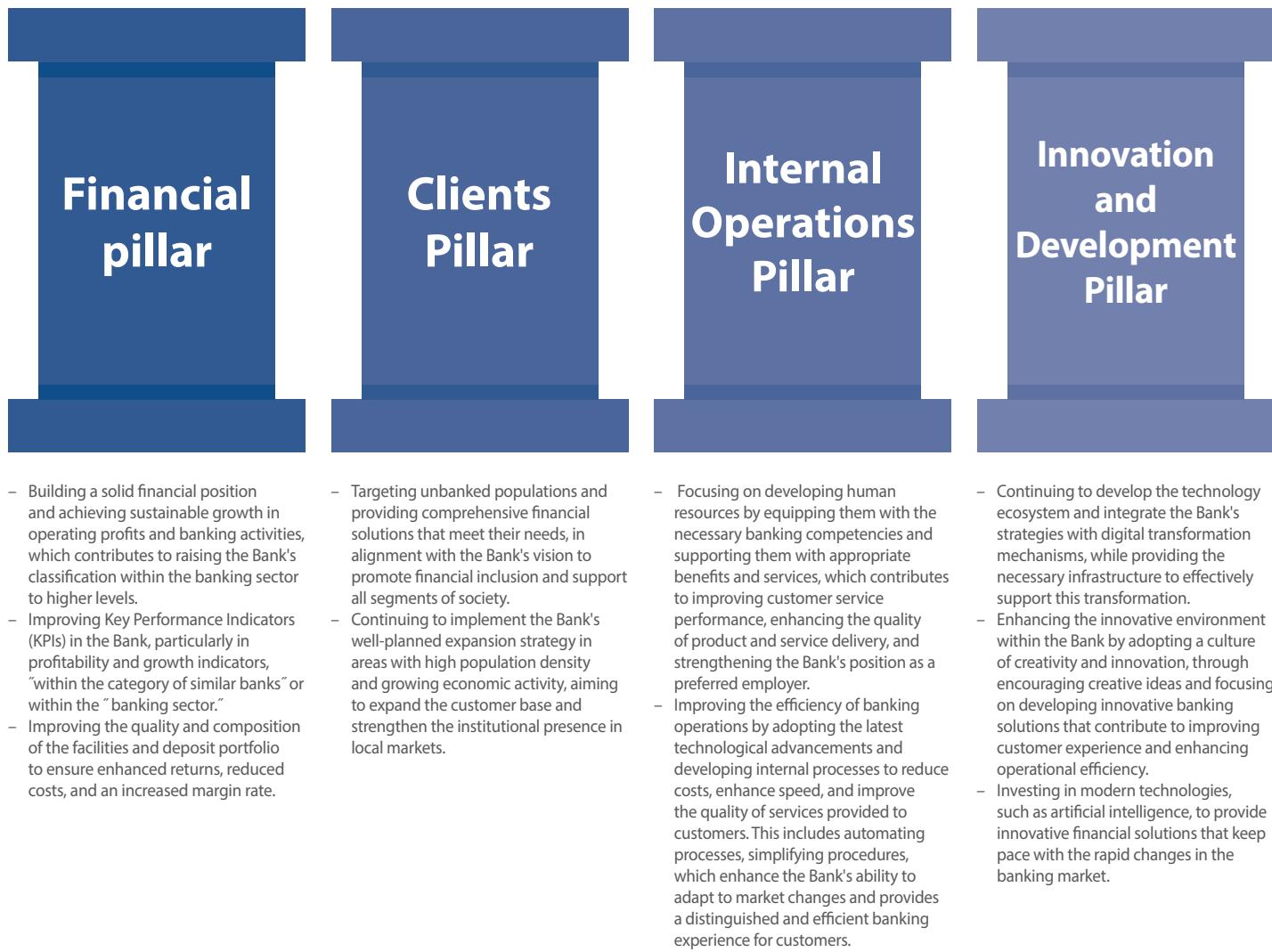
■ JCB's Strategic Objectives

- Achieving significant growth in assets, which enhances the Bank's position and leads it to advance from the third tier to become one of the best second-tier Banks within the Jordanian banking sector, aligning with the vision of the Senior Management and its ambitious strategies for leadership and sustainable growth.
- Enhancing the Bank's prestigious reputation and elevating its distinguished image among its clients, making it a leading reference in the banking sector, through a strong corporate identity and solid credibility that reflect the Bank's commitment to high values and continuous innovation.
- The bank continues to accelerate the pace of digital transformation, with a constant focus on making this strategic direction a top priority in the long term, enhancing its leadership in providing innovative banking solutions that align with customer expectations and contribute to improving operational efficiency.

■ Main Pillars of the Strategy

To achieve the Bank's comprehensive strategic vision, the following core areas have been highlighted:

Main Pillars of the Strategy



(16): The total amount received by the auditor, inclusive of sales tax, is JD 139,200.

(17)/A: Number of Securities Owned by Board Members

SN	Name	Nationality	No. of Securities		Companies Controlled by Them		
			31/12/2024	31/12/2023	Controlled entities	2024	2023
1	Mr. Michael Faiq Ibrahim Sayegh Chairman of the Board of Directors	Jordanian	13,786,839	13,583,652	Terzonia Management Consulting Company	10,000	10,000
2	H.E. Mr. Ayman H. B. Al-Majali Vice-Chairman	Jordanian	1,144,546	1,144,546		N/A	
3	The Social Security Corporation Member of the Board of Directors Represented by two seats: Mr. Yahia Mohammad Oshub Obeidat Mr. Rami Adam Anaz Al Titi	Jordanian Jordanian	23,808,021 — —	23,808,021 — —		N/A	
4	First Jordan Investment Company Member of the Board of Directors Represented by Mr. Omar Samir Mustafa Khalifeh From 29/04/2024 till 01/10/2024 Represented by Mr. Saleh Mohammad Saleh "Zeid Kilani" Till 29/04/2024	Jordanian	14,273,286	14,320,302		N/A	
5	Mr. Faiq Michael Fayeq Sayegh Board Member As of 29/4/2024.	Jordanian	7,644,394	7,459,149		N/A	
6	Mr. Abdelnour Nayef Abdelnour Abdelnour Member of the Board of Directors	Jordanian	10,000	10,000		N/A	
7	Mr. Osama O. A. Hamad Board Member	Jordanian	10,000	10,000		N/A	
8	Miss Lina Najib Albakht Aldababneh Member of the Board of Directors	Jordanian	10,000	10,000		N/A	
9	Mr. "MOHD JAMAL" Bisher Mustafa Anoubani Board Member As of 29/04/2024	Jordanian	10,000	-		N/A	
10	Mr. Omar Kheir Eddin Omar Maani Board Member As of 29/04/2024	Jordanian	10,000	-		N/A	
11	Mr. Shareef Tawfiq Hamad Al Rawashdeh Member of the Board of Directors Till 29/04/2024	Jordanian	10,000	1,073,754		N/A	
12	Dr. Henry Toufic Ibrahim Azzam Member of the Board of Directors Till 29/04/2024	Jordanian	-	10,000		N/A	
13	Mr. Nasser H. M. Saleh Member of the Board of Directors Till 29/04/2024	Jordanian	-	10,000		N/A	

(17)/B: Number of Securities Owned by Members of Executive Management

SN	Name	Position	Nationality	No. of securities on 31/12/2024	Companies Controlled by Them
1	Mr. Caesar Hani Aziz Qulajen	Chief Executive Officer (CEO)	Jordanian	0	N/A
2	Mr. Alaa "Mohammad Salim" Abdulghani Qahef	Deputy CEO - Chief Operation Officer (COO)	Jordanian	0	N/A
3	Mr. Rakan M. A. Al Tarawneh As of 08/09/2024	Deputy CEO- Chief Business Officer (CBO)	Jordanian	0	N/A
4	Mr. Mohammad Ali Mohammad Al-Quran	AGM, Head of Credit	Jordanian	0	N/A
5	Mr. Salim Nayef Salim Sawalha	AGM, Head of Retail	Jordanian	0	N/A
6	Mr. Abdallah Mahfouz Theodore Kishik	AGM Finance, Chief Financial Officer (CFO)	Jordanian	0	N/A
7	Mr. Wael "Mohammad Yousef" Aref Rabieh	AGM, Corporate & SMEs Banking	Jordanian	0	N/A
8	Mr. Anas Maher Radi Ayesh	Executive Manager, Treasury and Investment	Jordanian	0	N/A
9	Mr. Antonio Antonios Antoun Abdel Massih*	Chief Information Officer	Jordanian	0	N/A
10	Mr. Sami Nimer Salem Al-Nabulsi	Executive Manager, Financial Institutions Department	Jordanian	0	N/A
11	Mr. Walid Khaled DaifAllah Al-Qhewi	Head of Legal Department/BOD Secretary	Jordanian	0	N/A
12	Mr. Jamal Hussein Abtan Al -Raqqad	Corporate Communications Department Manager	Jordanian	0	N/A
13	Mr. Mahmoud Ibrahim Mahmoud Mahmoud	Compliance, AML & CFT Department Manager	Jordanian	0	N/A
14	Mr. Ajoud Sharafaldeen Ali ALRousan	The General Auditor	Jordanian	0	N/A
15	Miss .Nadia Fahed Fareed Kanan	Risk Department Manager	Jordanian	0	N/A

*Non-Executive Managers

(17)/C: Number of Securities Owned by Relatives of Board Members, and Relatives of Senior Executives

SN	Name	Relationship	Nationality	No. of securities on 31/12/2024	No. of securities on 31/12/2023	Companies Controlled by Them
1	Nazi Tawfiq Nakhleh Copti	Chairman's Wife	Jordanian	7,800,000	7,514,596	N/A

(17)/D: Number of securities owned by relatives of Senior Executives and companies controlled by any of them:

N/A.

(18)/A: Remunerations and Benefits of the Members of the Board of Directors (01/01/2024-31/12/2024):

Name	Transportation allowance for Board members	BOD Members' annual remuneration	Travel, training and other expenses	Total
Mr. Michael Sayegh	60,000	5,000	-	65,000
H.E. Mr. Ayman H. B. Al-Majali	60,000	5,000	-	65,000
The Social Security Corporation (represented by two seats)	120,000	10,000	4,222	134,222
First Jordan Investment Company - Mr. Saleh Mohammad Saleh "Zeid Kilani"	20,000	5,000	-	25,000
First Jordan Investment Company- Mr. Omar Samir Mustafa Khalifeh	25,000	-	-	25,000
Mr. Shareef Al Rawashdeh	20,000	5,000	-	25,000
Mr. Abdelnour Abdelnour	60,000	5,000	-	65,000
Mr. Osama Hamad	60,000	4,500	-	64,500
Dr. Henry Toufic Ibrahim Azzam	20,000	5,000	-	25,000
Mr. Nasser H. M. Saleh	20,000	4,500	-	24,500
Miss. Lina Najib Albakhit Aldababneh	60,000	5,000	2,111	67,111
Mr. Faiq Michael Fayeq Sayegh	40,000	-	-	40,000
Mr. "MOHD JAMAL" Bisher Mustafa Anoubani	40,000	-	-	40,000
Mr. Omar Kheir Eddin Omar Maani	40,000	-	-	40,000
Total	645,000	54,000	6,334	705,334

(18)/B: Remunerations and Benefits of the Members of the Executive Management for the period from 1/1/2024 till 31/12/2024:

Senior Executive Management	Transportation allowance for Board members	BOD Members' annual remuneration	Travel, training and other expenses	Total
Mr. Caesar Hani Aziz Qulajen	508,082	371,622	7,542	887,245
Mr. Alaa "Mohammad Salim" Abdulghani Qahef	165,874	19,842	-	185,716
Mr. Rakan Al Tarawneh (as of 8/9/2024)	62,708	-	-	62,708
Mr. Mohammad Ali Mohammad Al-Quran	143,144	25,704	100	168,948
Mr. Salim Nayef Salim Sawalha	147,320	8,817	-	156,136
Mr. Abdallah Mahfouz Theodore Kishk	250,928	44,951	2,612	298,491
Mr. Wael Rabieh	135,263	16,198	-	151,461
Mr. Anas Maher Radi Ayesh	98,823	17,718	-	116,542
Mr. Antonio Abdel Massih	122,055	21,867	-	143,922
Mr. Sami Al-Nabulsi	70,998	12,750	5,876	89,623
Mr. Walid Khaled DaifAllah Al-Qhewi - Secretary of the BOD	99,337	41,500	700	141,537
Mr. Jamal Al -Raqqad	109,519	6,536	-	116,055
Mr. Mahmoud Mahmoud	68,865	12,365	900	82,131
Mr. Ajoud ALRousan	150,544	27,026	-	177,569
Miss Nadia Kanan	64,447	11,576	400	76,423
Total	2,197,906	638,472	18,130	2,854,508

(19): Bank's Donations and Support during 2024 :

Domain	Donation Value/JOD
Education	73,153
Sports	5,000
Health	30,420
Charitable organizations, social, cultural, and artistic fields	49,500
Support for national institutions	258,126
Poverty	70,580
Orphan and elderly care	9,950
Special needs	1,500
Total	498,229

(20): Contracts, projects, and arrangements entered into by the issuing company with its subsidiaries, sister companies, affiliates, the Chairman of the Board, Board Members, the CEO, any company employee, or their relatives:

	SN	Member's Name	Direct Facilities (Credit Limits) as of 31/12/2024	Direct Facilities (Credit Balances) as of 31/12/2024	Indirect Facilities (Credit Limits) as of 31/12/2024	Indirect facilities (credit balances) as of 31/12/2024
As Associated Parties	1	Mr. Michael Sayegh	16,183,104	15,474,574	1,050,000	830,756
	2	Mr. Fa'eq Sayegh	7,244,292	6,112,057	1,050,000	697,036
	3	H.E. Mr. Ayman Majali	11,049,973	9,529,415	1,700,000	781,217
	4	Mr. Abdelnour Nayef Abdelnour	220,000	160,134	-	-
	5	First Jordan Investment Company	6,538,952	6,841,159	-	17,500
	6	The Social Security Corporation	16,062	16,062	-	-
As Individuals	1	Mr. "MOHD JAMAL" Bisher Mustafa Anoubani	8,550	144	-	-
	2	Mr. Omar Kheir Eddin Omar Maani	15,000	10	-	-
	3	Miss Lina Najib Albakhit Aldababneh	-	-	-	-
	4	Mr. Osama O. A. Hamad	363,460	363,460	-	-

(21)/A: Bank's Contribution to Environmental Protection:

Environmental issues and protection are strategic priorities that require collective efforts at both individual and institutional levels to ensure the sustainability and preservation of natural resources for future generations. In this context, the Bank is committed to taking a leading role in promoting environmental awareness by supporting initiatives aimed at protecting the environment and mitigating the impact of climate change. Through its active participation in various environmental and community initiatives, the Bank reaffirms its strong commitment to sustainable development, underscoring its ongoing dedication to social responsibility and its vital role in fostering a healthy and sustainable environment for future generations.

In line with its commitment to social responsibility and its dedication to promoting environmental awareness and ensuring the sustainability of resources for future generations, the Bank sponsored the «Towards a Greener Jordan and a More Beautiful Zarqa» campaign, organized by the Jordanian American Academy in Zarqa Governorate. A team from the Bank joined the students in a tree-planting initiative and a cleanup campaign around the Zarqa River, reflecting the Bank's ongoing commitment to environmental protection and sustainability.

As part of our ongoing commitment to adopting modern technologies that support environmental protection and reduce carbon emissions to mitigate the effects of climate change, the Bank has successfully completed the solar energy project for its Head Office. This project has contributed to increasing the savings rate from 70% in 2023 to 89% in 2024, achieving a significant cost reduction of JD 410,512. This reflects the Bank's steadfast commitment to environmental sustainability and enhancing economic efficiency.

%89 Energy Consumption Savings in 2024

(21) /B: Bank's Contribution to Community Service

JCB is one of the institutions that firmly believes in the importance of social responsibility, placing great emphasis on providing support and contributing to initiatives that enhance the quality of life within the local community. By promoting social awareness, participating in health and environmental awareness campaigns, and leveraging its resources to support vital causes, the Bank strives to be a role model in achieving sustainable development and making a meaningful contribution to society. As part of its steadfast commitment to enhancing financial literacy among its clients, JCB, in collaboration with INJAZ, organized a specialized financial awareness training course in the Karak and Mafraq governorates. This course aims to empower clients with a deeper understanding of financial fundamentals and enhance their awareness of the importance of sound financial planning. By doing so, it enables them to make informed financial decisions that contribute to long-term financial stability and improved economic well-being.

JCB reaffirms its commitment to social responsibility and its strong dedication to the health and well-being of its employees by implementing outstanding health and humanitarian initiatives. In this context, the Bank's clinic, "Tejari Clinic," organized a Free Medical Day at the Head Office, featuring a distinguished group of healthcare centers and specialized laboratories. The event offered comprehensive medical check-ups focusing on sensory and heart health, with the participation of specialist doctors in dentistry, audiology, dermatology, ENT, nutrition, and ophthalmology. This initiative was conducted in collaboration with Jusante Healthcare Center and Telescope Eye Medical Center.

As part of its ongoing commitment to fostering social responsibility, the Bank organized a blood donation campaign under the slogan «Let Your Heart Be Big—A Drop from You Means So Much.» This initiative aims to encourage employees to donate blood, ensuring its availability when needed for themselves or their families. It also contributed to maintaining a sustainable blood supply in both public and private hospitals that collaborate with the Bank.

Believing in the importance of health issues and with a special focus on women's health and the well-being of its female employees, the Bank launched a distinguished health awareness campaign in collaboration with King Hussein Cancer Center. The initiative aims to raise awareness and encourage employees to undergo early breast cancer screening. Launched in October, the global Breast Cancer Awareness Month, this initiative reaffirms the Bank's commitment to public health and its dedication to raising awareness among employees. It reflects the Bank's core values of social responsibility and its commitment to the well-being of its community.

These initiatives are a true reflection of the JCB's deep commitment to social responsibility. The Bank remains dedicated to driving sustainable development and enhancing community well-being, with a strong focus on promoting the health of its employees and clients while supporting vital humanitarian and health causes.





Audited Annual Financial Statements

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

Notes	December 31 2024	December 31 2023
	JD	JD

ASSETS

Cash and balances at central bank of Jordan	4	116,981,502	68,319,687
Balances and deposits at banks and financial institutions, net	5	27,718,182	68,716,784
Direct credit facilities, net	6	775,730,731	732,427,089
Financial assets at fair value through income statement	7	1,372,063	1,372,783
Financial assets at fair value through other comprehensive income	8	50,963,194	50,322,563
Financial assets at amortized cost, net	9	319,584,621	343,210,421
Property and equipment, net	10	21,070,281	22,321,642
Intangible assets, net	11	2,639,110	2,858,126
Right-of-use assets	12	5,595,402	6,041,037
Deferred tax assets	18/d	8,947,666	10,551,901
Other assets	13	70,732,848	71,537,058
Total Assets		1,401,335,600	1,377,679,091

LIABILITIES AND SHAREHOLDERS' EQUITY**LIABILITIES**

Banks' and financial institutions' deposits	14	36,166,663	48,428,024
Customers' deposits	15	994,890,214	967,495,655
Cash margins	16	46,455,844	40,213,578
Borrowed funds	17	93,969,080	91,667,450
Income tax provision	18/a	3,133,918	5,303,391
Sundry provisions	19	907,359	1,237,500
Deferred tax liabilities	18/d	552,498	698,411
Lease liabilities	12	5,378,409	5,800,708
Other liabilities	20	46,191,576	47,925,393
Total Liabilities		1,227,645,561	1,208,770,110

SHAREHOLDERS' EQUITY**BANK SHAREHOLDERS' EQUITY**

Authorized and paid in capital	21	120,000,000	120,000,000
Statutory reserve	22	22,476,830	20,705,562
Fair value reserve, net	23	2,992,742	3,924,952
Retained earnings	24	28,220,467	24,278,467
Total Bank Shareholders' Equity		173,690,039	168,908,981

Total Liabilities and Shareholders' Equity		1,401,335,600	1,377,679,091
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THE ACCOMPANYING NOTES FROM 1 TO 47 FORM PART OF THESE FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM



INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024	Notes	2024	
		JD	2023 JD
Interest income	25	94,676,445	92,184,587
Less: interest expense	26	(48,297,187)	(43,928,075)
Net interest income		46,379,258	48,256,512
Net commissions income	27	4,203,309	3,532,099
Net interest and commissions income		50,582,567	51,788,611
Foreign exchange income, net	28	1,490,659	1,305,936
Gains (losses) from financial assets at fair value through income statement	29	7,894	(131,409)
Dividends from financial assets at fair value through other comprehensive income	8	176,257	281,263
Gains from sale of financial assets at amortized cost	9	-	649,440
Other income	30	2,397,037	6,038,805
Gross income		54,654,414	59,932,646
Employees' expenses	31	16,398,624	15,468,703
Depreciation and amortization	10, 11, 12	4,081,656	3,909,562
Provision for expected credit losses, net	32	7,497,298	11,618,848
(Recovered from) sundry provisions	19	(209,789)	664,842
(Recovered from) provision for assets seized by the Bank against due debts	13	(3,444,519)	23,089
Other expenses	33	12,618,462	11,306,036
Total expenses		36,941,732	42,991,080
Profit for the year before income tax		17,712,682	16,941,566
Income tax for the year	18/a	(5,994,981)	(5,456,782)
Profit for the year		11,717,701	11,484,784
Earnings per share for the year attributable to the Bank's shareholders		JD/Fils	JD/Fils
Basic and diluted	34	0/098	0/096

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

Notes	2024		2023	
	JD	JD	JD	JD
Profit for the year			11,717,701	11,484,784
Other comprehensive income items:				
Other comprehensive income items that will not be reclassified to the income statement in subsequent periods				
Change in fair value reserve of financial assets through other comprehensive income after tax		23	(936,643)	1,308,081
Total comprehensive income for the year			10,781,058	12,792,865

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Authorized and paid in capita	Reserves		Retained earnings	Total Shareholders' equity
		Statutory	Fair value, net		
	JD	JD	JD	JD	JD
For the year ended 31 December 2024					
Balance as at the beginning of the year	120,000,000	20,705,562	3,924,952	24,278,467	168,908,981
Profit for the year	-	-	-	11,717,701	11,717,701
Other comprehensive income items	-	-	(936,643)	-	(936,643)
Total comprehensive income for the year	-	-	(936,643)	11,717,701	10,781,058
Fair value reserve released due to the sale of financial assets at fair value through other comprehensive income (Note 8)	-	-	4,433	(4,433)	-
Dividends distributed to shareholders *	-	-	-	(6,000,000)	(6,000,000)
Transferred to statutory reserve	-	1,771,268	-	(1,771,268)	-
Balance as at 31 December 2024	120,000,000	22,476,830	2,992,742	28,220,467	173,690,039
For the year ended 31 December 2023					
Balance as at the beginning of the year	120,000,000	19,011,405	2,621,695	20,483,016	162,116,116
Profit for the year	-	-	-	11,484,784	11,484,784
Other comprehensive income items	-	-	1,308,081	-	1,308,081
Total comprehensive income for the year	-	-	1,308,081	11,484,784	12,792,865
Fair value reserve released due to the sale of financial assets at fair value through other comprehensive income (Note 8)	-	-	(4,824)	4,824	-
Dividends distributed to shareholders *	-	-	-	(6,000,000)	(6,000,000)
Transferred to statutory reserve	-	1,694,157	-	(1,694,157)	-
Balance as at 31 December 2023	120,000,000	20,705,562	3,924,952	24,278,467	168,908,981

- According to the instructions of Jordan Securities Commission and Central Bank of Jordan, the retained earnings balance includes JD 8,947,666 restricted against the deferred tax assets as at 31 December 2024 (JD 10,551,901 as at 31 December 2023).
- According to the instructions of Jordan Securities Commission and Central Bank of Jordan, the retained earnings balance includes JD 2,992,742 restricted against the credit balance of the financial assets fair value reserve as at 31 December 2024 (credit balance of JD 3,924,952 as at 31 December 2023) (including JD 311,112 against the implementation of International Financial Reporting Standard No (9)).
- According to the instructions of Jordan Securities Commission and Central Bank of Jordan, the retained earnings balance includes JD 579,471 restricted against the unrealized gains of financial assets through income statement as at 31 December 2024 (JD 537,044 as at 31 December 2023).

* The Bank's General Assembly approved in its meeting held on 29 April 2024 the recommendation of the Board of Directors to distribute 5% of the capital as cash dividends to the shareholders for the year 2023, which is equivalent to JD 6,000,000 (The Bank's General Assembly approved in its meeting held on 13 April 2023 the recommendation of the Board of Directors to distribute 5% of the capital as cash dividends to the shareholders for the year 2022, which is equivalent to JD 6,000,000).

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024	2023
		JD	JD
Operating Activities			
Profit for the year before income tax		17,712,682	16,941,566
Adjustments			
Depreciation and amortization of property and equipment and intangible assets	10, 11	3,022,075	2,827,111
Provision for expected credit losses	32	7,497,298	11,618,848
(Recovered from) sundry provisions	19	(209,789)	664,842
(Gains) losses from financial assets at fair value through income statement	29	(7,894)	131,409
(Recovered from) provision for assets seized by the bank against due debts	13	(3,444,519)	23,089
Losses (gains) from sale of property and equipment		38,244	(196)
Depreciation of right-of-use assets	12	1,059,581	1,082,451
Interest expense on lease liabilities	12	152,537	159,335
Dividends income on financial assets at fair value through other comprehensive income	8	(176,257)	(281,263)
Effect of exchange rate fluctuations on cash and cash equivalents		(391,987)	(350,981)
Gains from sale of financial assets at amortized cost	9	-	(649,440)
Income from prior year income tax adjustments		19,110	(276,494)
Cash flows from operating activities before changes in net assets		25,271,081	31,890,277
Increase (decrease) in restricted balances at central bank of Jordan		5,000,000	(5,000,000)
Decrease in balances and deposits at banks and financial institutions' maturing within a period of more than three months		30,000,000	-
Increase in direct credit facilities		(51,154,576)	(42,360,452)
Decrease in other assets		4,264,189	16,107,944
Decrease in banks and financial institutions' deposits maturing within a period of more than three months		(30,000,000)	(25,000,000)
Increase in customers' deposits		27,394,559	70,694,928
Increase in cash margins		6,242,266	2,439,503
(Decrease) increase in other liabilities		(1,400,551)	21,715,878
Net cash flows from operating activities before income tax and provisions paid		15,616,968	70,488,078
Income tax paid	18/a	(6,563,206)	(6,391,949)
Sundry provisions paid	19	(120,352)	(308,701)
Net cash flows from operating activities		8,933,410	63,787,428
Investing Activities			
Decrease in financial assets at amortized cost		23,629,790	17,162,654
Sale of financial assets at fair value through income statement		7,264	44,447
Increase in financial assets at fair value through other comprehensive income		(1,739,310)	(494,861)
Dividends income received on financial assets at fair value through other comprehensive income		176,257	281,263
Dividends income received on financial assets at fair value through income statement		1,350	2,700
Purchases of property and equipment and advances on purchases of property and equipment	10	(1,320,137)	(2,659,033)
Purchases of intangible assets and advances on purchases of intangible assets	11	(279,110)	(1,129,769)
Proceeds from sale of property and equipment		9,305	16,599
Proceeds from sale of financial assets at amortized cost	9	-	6,586,610
Net cash flows from investing activities		20,485,409	19,810,610
Financing Activities			
Increase (decrease) in borrowed funds		2,301,630	(53,653,899)
Dividends distributed to shareholders		(6,000,000)	(6,000,000)
Lease contracts paid	12	(1,188,782)	(1,271,170)
Net cash flows used in financing activities		(4,887,152)	(60,925,069)
Effect of exchange rate fluctuations on cash and cash equivalents		391,987	350,981
Net increase in cash and cash equivalents		24,923,654	23,023,950
Cash and cash equivalents at the beginning of the year		83,610,228	60,586,278
Cash and cash equivalents at the end of the year	35	108,533,882	83,610,228

(1) General

Jordan Commercial Bank (the "Bank") was established as a Jordanian Public Shareholding Limited Company under registration number of (113) on 3 May 1977 in accordance with the Jordanian Companies Law No. (12) for the year 1964 with paid in capital of JD 5 million divided into 5 million shares at par value of one Jordanian Dinar per share. The Bank's Head Office address is Amman, P.O. Box 9989, Amman 11191 - The Hashemite Kingdom of Jordan.

During the year 1993, Al Mashrek Bank (Jordan branches) was merged into Jordan and Gulf Bank. Consequently, Jordan and Gulf Bank replaced Al Mashrek Bank (Jordan branches) in terms of its rights and obligations.

At the beginning of the year 2004, the Bank was restructured after taking the necessary procedures required by the concerned legal parties and on 28 June 2004, procedures relating to changing the Bank's name from Jordan and Gulf Bank to Jordan Commercial Bank were completed.

The Bank's capital was increased gradually, last of which was during 2017, where the General Assembly in its extraordinary meeting held on 30 April 2017, resolved to approve the increase in the Bank's capital by 7.125 million JD/share, so that the authorized and paid in capital would become 120 million JD/share, the increase was through capitalizing part of the retained earnings and distributing the capitalized amount to shareholders as stock dividends. The procedures for the capital increase were completed on 7 June 2017.

The Bank is engaged in Banking and related financial operations through its 37 branches inside Jordan.

Jordan Commercial Bank shares are listed and being traded on Amman Stock Exchange.

The financial statements have been approved by the Bank's Board of Directors in their meeting held on 26 February 2025 and are subject to the approval of the General Assembly of Shareholders.

(2) Basis of Preparation of the Financial Statements

The accompanying financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board (IASB) and their related interpretations issued by IASB committee and as adopted by Central Bank of Jordan.

The main differences between the International Financial Reporting Standards Accounting Standard as issued by the International Accounting Standards Board (IASB) that should be applied and what was adopted by the Central Bank of Jordan are the following:

- A. Expected credit losses provision is recorded in accordance with IFRS (9) and in accordance with the Central Bank of Jordan instructions, whichever is more conservative. The material differences are as follows:
 - Debt instruments issued by the government of Jordan or guaranteed by the government, in addition to any other credit exposures with the government of Jordan or guaranteed by it, are excluded from the calculation of expected credit losses provision. Accordingly, no expected credit losses calculated on any of these exposures.
 - When calculating the expected credit losses against credit exposures, the results of the calculation in accordance with the International Financial Reporting Standard No. (9) are compared with the results of the calculation in accordance with instructions of the Central Bank of Jordan (No. 47/2009) dated 10 December 2009, for each stage individually, and whichever is more conservative is recorded. In addition, the Central Bank of Jordan sometimes requests recording specific provisions against certain facilities, according to what the Central Bank sees as risks related to customers.
- B. Interest, fees, and commission income are suspended on non-performing credit facilities granted to customers in accordance with the instructions of the Central Bank of Jordan.
- C. Assets seized by the Bank against due debts are shown in the statement of financial position among other assets at the value as at the date it has been obtained by the Bank or its fair value, whichever is lower. The assets are revalued individually at the date of the financial statements and any impairment is recorded in the income statement. Gains are not recorded as income as these gains are recorded later in the statement of comprehensive income without exceeding the impairment value. As requested at the beginning of 2015, a provision is recorded for assets seized against debts that have been seized for more than 4 years in accordance with Central Bank of Jordan instructions (No. 15/1/4076) dated 27 March 2014 and (No. 10/1/2510) dated 14 February 2017. The Central Bank of Jordan issued a circular (No. 10/1/13967) on 25 October 2018; approving an extension of circular (No.10/1/16607) dated 17 December 2017 that confirmed the extension of a provision to be recorded until the end of 2020. Furthermore, according to Central Bank's circular (No. 10/1/16239) dated 21 November 2019, booking a provision against seized assets will continue. As per circular (No.10/3/13246) dated 2 September 2021 Central Bank of Jordan approved an extension of circular (No. 10/1/16239) dated 21 November 2019 at a rate of 5% of the total book value of these assets starting from the year 2022. According to circular (No. 10/3/16234) dated 10 October 2022, the Central Bank of Jordan has decided to repeal item No. 2 from circulation (No. 10/1/4076) dated 27 March 2014 which is related to the deduction of breached seized assets provisions, and maintaining the recorded provisions, while releasing the recorded provisions against disposed seized assets.
- D. The Central Bank has agreed in its letter dated 20 February 2020 to book a provision for a specific customer over 5 years under the condition of classifying the related credit facility as non-performing and suspending its interest and commission in accordance with the instructions of the Central Bank of Jordan.

- The financial statements are prepared on the historical cost basis except for financial assets at fair value through the income statement and financial assets at fair value through other comprehensive income, which have been measured at fair value at the date of the financial statements.
- The financial statements have been presented in Jordanian Dinars ("JD"), which is the functional currency of the Bank.
- The Bank presents the items of the statement of financial position in order of liquidity based on the Bank's intention and expected ability to recover/settle most assets/liabilities. Details of the analysis of the distribution of assets and liabilities according to expectations of recovery/settlement of assets and liabilities within 12 months after the date of the financial statements (current) or more than 12 months after the date of the financial statements (non-current) are shown in Note (42).

(2-1) Changes in Accounting Policies

The accounting policies adopted in the preparation of the financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2023, except for the adoption of the following new standards effective 1 January 2024:

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments had no material impact on the Bank's financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no material impact on the Bank's financial statements.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no material impact on the Bank's financial statements.

(2-2) Material Accounting Policies Information

Segment Information

Business sectors represent a group of assets and operations that jointly provide products or services subject to risks and returns different from those of other business sectors which are measured in accordance with the reports used by the General Manager 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.

Direct Credit Facilities

Direct credit facilities are financial assets with fixed or determinable payments which are provided basically by the Bank or have been acquired and has no market price in the active markets. which are measured at amortized cost.

A provision for the impairment in direct credit facilities is recognized through the calculation of the expected credit loss in accordance with International Financial Reporting Standard (9) as adopted by Central bank of Jordan.

Interest and commission earned on non-performing granted credit facilities are suspended in accordance with the instructions of the Central Bank of Jordan.

When direct credit facilities are uncollectible they are written off against the provision account. Any surplus in the provision is reversed through the income statement and subsequent recoveries of amounts previously written off are credited to revenue.

Recognition of Revenues and Expenses

Recognition of Interest Income

According to IFRS (9), interest income is recorded using the effective interest rate (EIR) method for all financial instruments and financial assets measured at FVTPL recorded at amortized cost. Interest income on interest bearing financial assets measured at FVOCI in accordance with IFRS (9). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

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

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the statement of financial position with an increase or reduction in interest income. The adjustment is subsequently amortized through interest and similar income in the statement of comprehensive income.

Interest and Similar Incomes and Expenses

For all financial instruments measured at amortized cost, financial instruments designated at FVOCI and FVTPL, interest income or expense is recorded using the EIR.

The calculation considers all the contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

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

Expenses are recognized at accrual basis.

Fees and Commission Income

Fees income can be divided into the following two categories:

1. Fees income earned from services that are provided over a certain period.
Fees earned for the provision of services over a period are accrued over that period. Such fees include "commission income and private wealth and asset management" fees, "custody and other management" fees.
2. Fee income forming an integral part of the corresponding financial instrument.
Fees that the Bank considers to be an integral part of the corresponding financial instruments include loan origination fees, loan commitment fees for loans that are likely to be drawn down and other credit related fees.

Financial Guarantees, Letters of Credit and Unutilized Loan Commitments

The Bank issues financial guarantees, letters of credit and loan commitments.

Financial guarantees are initially recognized in the financial statements (within other liabilities) at fair value, being the premium received. Subsequent to initial recognition, the Bank's liability under each guarantee is measured at the higher of the amount initially. Recognized less cumulative amortization recognized in the income statement and an expected credit losses provision.

The premium received is recognized in the statement of income net of fees and commission income on a straight-line basis over the life of the guarantee.

Undrawn loan commitments and letters of credits are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. Similar to financial guarantee contracts, these contracts are in the scope of the ECL requirements.

The nominal contractual value of financial guarantees, letters of credit and undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded on in the statement of financial position.

The Bank occasionally issues loan commitments at below market interest rates drawdown. Such commitments are subsequently measured at the higher of the amount of the ECL and the amount initially recognized less, when appropriate, the cumulative amount of income recognized.

Financial Assets at Amortized Cost

Are the assets that the Bank's management intends to hold for the purpose of collecting the contractual cash flows which represents the cash flows that are solely payments of principal and interest on the outstanding principal.

Financial assets are recorded at cost upon purchase plus acquisition expenses. Moreover, the issue premium\ discount is amortized using the effective interest associated with the decline in value of these investments leading to the inability to recover the investment or parts thereof are deducted. any impairment is registered in the income statement and should be presented subsequently at amortized cost less any impairment losses.

The amount of impairment loss recognised at amortized cost is the expected credit loss of the financial assets at amortized cost.

Financial assets may not be reclassified to or from this category except as permitted under International Financial Reporting Standards (IFRS). (If any of these assets are sold before their maturity date, the resulting gain or loss shall be recognized in the income statement as a separate line item and disclosed in accordance with the specific requirements of IFRS).

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Bank commits to purchase or sell the asset.

Financial Assets at Fair Value through Other Comprehensive Income

These financial assets represent the investments in equity instruments held for the long term.

These financial assets are recognized at fair value plus transaction costs at purchase date and are subsequently measured at fair value in the statement of comprehensive income and within owner's equity including the changes in fair value resulting from translation of non-monetary assets stated in foreign currency. Gain or loss from the sale of these investments or part of them should be recognized in the statement of comprehensive income and within owner's equity and the balance of the revaluation reserve for these assets should be transferred directly to the retained earnings not to the income statement.

No impairment testing is required for these assets. Unless classified debt instrument as financial assets at fair value through other comprehensive income. In that case. the impairment is calculated through the expected credit loss model.

Dividends are recorded in the income statement.

Upon initial recognition, the Bank occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of definition of equity under IAS (32) Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Bank benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular trades) are recognised on the trade date, i.e., the date that the Bank commits to purchase or sell the asset.

Impairment in Financial Assets

Overview of the Expected credit losses

The Bank has been recording the provision for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, in this section all referred to as "financial instruments".

Equity instruments are not subject to impairment under IFRS (9).

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the provision is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Bank classifies its financial assets into the categories Stage 1, Stage 2 and Stage 3, as described below:

- **Stage 1:** When financial assets are first recognized, the Bank recognizes an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.
- **Stage 2:** When a financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.
- **Stage 3:** Financial assets considered credit impaired (default). The Bank records an allowance for the LTECLs. For financial assets for which the Bank has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Modified Loans

The Bank sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, (rather than taking possession or to otherwise enforce collection of collateral.) The Bank considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Bank would not have agreed to them if the borrower had been financially healthy. (Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department). Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. (Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms). It is the Bank's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off.

When restructuring a loan or modifying its terms without cancellation, the Bank reassesses whether there is a substantial increase in credit risks. The Bank also reassess its classification.

Rent Contracts

The Bank evaluates the contracts when they are effective, to determine whether the contract is a lease or contains a rent. That is, if the contract transfers the right to control the use of the definite asset for a period of time in exchange for payments.

The Bank applies a unified approach to recognize and measure all leases, except short-term leases and low-value asset leases. The Bank recognizes lease obligations for rental payments and right-of-use assets representing the right to use leased assets.

Right-of-use assets

The Bank recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease obligations recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Bank is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating a lease, if the lease term reflects the Bank exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

Short-term rental contracts and low-value assets

The Bank applies the exemption related to the recognition of short-term lease contracts on some short-term lease contracts, i.e.: lease contracts that last for 12 months or less from the start date and do not include an asset purchase option. The Bank also applies the exemption for leasing contracts for low-value assets to some leasing contracts for assets that are considered low-value.

The payments for short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

Property and Equipment

Property and equipment are stated at cost net of accumulated depreciation and any impairment loss in its value. Moreover, property and equipment (except for land) are depreciated according to the straight-line method over the estimated useful lives when ready for use of these assets using the following rates.

2%	10-15%	15%	15%	20%
Buildings	Machines and office equipment	Decorations	Vehicles	Computers

When the carrying amount of property and equipment exceeds their recoverable value, assets are written down and impairment loss is recorded in the income statement.

The useful lives of property and equipment are reviewed at the end of each year, in case the expected useful life is different from what was determined before the change in estimate is recorded in the following years being a change in estimates.

Property and equipment are derecognized when disposed or when there is no expected future benefit from their use or disposal.

Impairment of Non-Financial Assets

The Bank assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Bank makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

Intangible Assets

Intangible assets acquired through mergers are stated at fair value at the date of acquisition, while intangible assets (not acquired through mergers) are recorded at cost.

Intangible assets are to be classified based on either definite or indefinite useful life. Intangible assets with definite useful economic lives are amortized over their useful lives and recorded as an expense in the income statement. Intangible assets with indefinite lives are reviewed in statement income for impairment as at the financial statements date, and impairment loss is recorded in the income statement.

Intangible assets resulting from the Bank's operations are not capitalized. They are rather recorded in the statement of income in the same period.

Any indications of impairment in the value of intangible assets as at the financial statements date are reviewed. Furthermore, the estimated useful lives of the impaired intangible assets are reassessed, and any adjustment is made in the subsequent period.

Intangible assets with definite useful economic lives at cost net of accumulated amortization. Intangible assets are amortized over their useful lives using the straight-line method using a 20% rate.

Provisions

Provisions are recognized when the Bank has an obligation as at the date of the financial statements as a result of past events, the obligation is likely to be settled, and a reliable estimate can be made of the amount of the obligation.

Provision for employees' end-of-service indemnities

Provision for end of service indemnity is established by the Bank to fare any legal or contractual obligations at the end of employees' services and is calculated based on the service terms as at the financial statements date.

Income Taxes

Income tax expenses represent current and deferred taxes.

Income tax expense is measured based on taxable income. Taxable income differs from income reported in the financial statements, as the latter includes non-taxable revenue, tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses approved by tax authorities and items not accepted for tax purposes or subject to tax.

Taxes are calculated based on the enacted tax rates according to the prevailing laws, regulations, and instructions of countries where the Bank operates.

Taxes expected to be incurred or recovered as a result of temporary timing differences between the value of the assets and liabilities in the financial statements and their respective tax bases. Deferred taxes are calculated based on the liability method, and according to the rates expected to be enacted when it is anticipated that the liability will be settled or when tax assets are recognized.

Deferred tax assets and liabilities are reviewed as at the date of the financial statements and reduced in case it is expected that no benefit will arise from payment or the elimination of the need for deferred tax liabilities partially or totally.

Cost of Shares Issuance or Buying the Bank's Shares

Cost arising from the issuance or purchase of the Bank's shares are charged to retained earnings (net of the tax effect of these costs if any). If the shares issuance or purchase process is incomplete these costs are recorded as expenses in the income statement.

Assets Under Management on Behalf of Customers

These represent the accounts managed by the Bank on behalf of its customers, but do not represent part of the Bank's assets. The fees and commissions on managing these accounts are taken to the income statement. Moreover, a provision is taken for the decline in the value of capital-guaranteed portfolios managed on behalf of its customers.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position only when there is a legal right to offset the recognized amounts, and the Bank intends to either settle them on a net basis or to realize the assets and settle the liabilities simultaneously.

Seized Assets by the Bank Against Due Debts

Such assets are those that have been the subject of foreclosure by the Bank and are initially recognized among «other assets» at the foreclosure value or fair value whichever is least. At the date of the financial statements, seized assets are revalued individually (fair value less selling cost); any decline in fair value is recognized in the income statement. Any subsequent increase in value is recognized only to the extent that it does not exceed the previously recognized impairment losses.

Repurchase and Resale Agreements

Assets sold with a simultaneous commitment to repurchase them at a future date continue to be recognized in the financial statements as a result of the Bank's continuous control over these assets and as the related risk and benefits are transferred to the Bank upon occurrence. They also continue to be measured in accordance with the adopted accounting policies. Amounts received against these contracts are recorded within liabilities under borrowed funds. The difference between the sale price and the repurchase price is recognized as an interest expense amortized over the contract period using the effective interest rate method.

Purchased assets with corresponding commitment to sell at a specific future date are not recognized in the financial statements because the Bank has no control over such assets and the related risks and benefits are not transferred to the Bank upon occurrence. Payments related to these contracts are recorded under deposits with Banks and other financial institutions or loans and advances in accordance with the nature of each case. The difference between the purchase price and resale price is recorded as interest revenue amortized over the life of the contract using the effective interest rate method.

The Calculation of Expected Credit Losses

The Bank calculates expected credit losses based on the weighted average of three scenarios to measure the expected cash deficit, after discounting an approximate rate of effective interest rates. The cash deficit is the difference between the Bank's cash flows in accordance with the contract and the expected cash flows.

The mechanism for calculating expected credit losses, along with its key components, is outlined as follows:

- PD** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period.
- EAD** The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

When estimating expected credit losses, the Bank takes into account three scenarios (the base scenario, the best-case scenario, and the worst-case scenario). Each of these is associated with different weights of default probability, credit exposure at default, and loss given default. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will be remediated and the value of collateral or the amount that might be received for selling the collaterals.

With the exception of credit cards and other revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanism of the ECL method is summarized below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the four scenarios, as explained above.

Stage 2: When a financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For financial assets which are considered credit-impaired, the Bank recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100% and with higher LGD than the first two stages. Afterwards, the provision is calculated in accordance with Central Bank of Jordan instructions no (47/2009) for each stage individually and whichever is more conservative is recorded.

Loan commitments

When estimating LTECLs for undrawn loan commitments, the Bank estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. ECL is also calculated on all types of un-utilized limits and all indirect facilities.

Foreign Currencies

Transactions in foreign currencies during the year are recorded at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the date of the financial statements using the exchange rate prevailing at the date of the financial statement announced by the Central Bank of Jordan.

Non-monetary items measured at historical cost are translated according to the exchange at fair value rate prevailing at the transaction date, using the exchange rate prevailing at the date of evaluation.

Gains or losses resulting from foreign currency translation are recorded in the income statement.

Differences resulting from the translation of non-monetary assets and liabilities at fair value denominated in foreign currency, such as equity shares, are recorded as part of the change in the fair value using the exchange rates prevailing at the date of evaluation.

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

Fair Value

The Bank measures financial instruments at fair value at each financial statement date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Bank has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Impairment is calculated through the difference between the book value of financial assets at amortized cost and the present value of expected future cash flows discounted using the original effective interest rate.

The book value of financial assets is reduced by the amortized cost by the impairment loss through the impairment reserve account. The change is recognized in the income statement.

Cash and Cash Equivalent

Cash and cash equivalents comprise cash and balances at central bank of Jordan and balances with Banks and financial institutions maturing within three months, less Banks and financial institutions deposits maturing within three months and restricted balances.

(3) Use of estimates

Preparation of the financial statements and application of the accounting policies require management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities and to disclose potential liabilities. Moreover, these estimates and judgments affect revenues, expenses, provisions, in general, expected credit losses, as well as changes in fair value that appear in the 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.

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

Impairment of seized property

Impairment in value of properties possessed is recognized based on recent real estate valuations by qualified independent evaluators for calculating the asset impairment, which is reviewed periodically.

Useful lives of tangible assets and intangible assets

The Bank estimates the productive life of properties, machines, equipment, and intangible assets for the purposes of calculating depreciation and amortization, taking into account the expected use of the assets. Management reviews the residual values and productive lifespans annually, and future depreciation and amortization expense is adjusted if management believes that the productive lifespans differ from previous estimates.

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.

Litigations provision

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

Provision of expected credit losses

Expected credit loss is measured as a 12-months expected credit loss for assets classified as stage 1, or as a lifetime expected credit loss for stage 2 or stage 3 classified assets.

Significant increase in credit risk

The asset moves from stage one to the stage two or stage three in case there is a significant increase in credit risk since initial recognition based on CBJ instructions and IFRS (9). Credit risk is evaluated whether it increases significantly for any of the assets through current and future quantitative and qualitative information used by the Bank's management related to assessing whether the credit risk of any asset has increased significantly that result in a change in the classification within the three stages (1, 2 and 3), the expected credit loss is measured as a 12-months expected credit loss for stage 1 assets or lifetime credit losses over the life of the assets classified as stage 2 or 3. The details of assets reclassified between stages are mentioned in note (38).

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 note (38). 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 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 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 Tier (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 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.

Key Sources of Uncertainty Estimates

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

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

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

Probability of Default

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

Loss Given Default

Loss given default is an estimate of the loss arising from default. It is based on the difference between the contractual cash flows due and those that the financer expects to collect, considering 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.

Risk management

In light of the importance of managing the various risks surrounding the Bank's business activities that it is exposed to or may be exposed to in the future, the Bank has continued its work by following a risk management strategy in line with the directives of the Board of Directors, executive management, legislation and laws issued by the Central Bank of Jordan, where best practices have been applied and the latest means and methods used in risk management.

The risk management process includes identifying, measuring, evaluating and monitoring financial and non-financial risks that can negatively affect the overall performance of the Bank, the Risk Department is responsible for managing risks (credit, operational, market, liquidity and information security) within the framework of the Bank's organizational structure and the risk department evaluates and controls risks and recommends mitigating them and submitting the necessary reports to executive management and Risk Committee.

The Bank's risk management provides independent oversight and support that aims to establish and spread the concept of risk management as a whole on all levels of management and helps proactively in realizing potential losses and sets out the plan and procedures to take to confront these risks in the event of their occurrence.

The executive management is responsible for defining the main principles of risks and the level of risks that can be accepted, as well as an optimal distribution of them according to the various activities and segment of the Bank where executive management exercises its role in ensuring that the Bank manages various risks and adopts policies and procedures governing risk management in the Bank.

The Bank management also gives great importance to the requirements of Basel and best international practices for risk management, as it is considered as a framework to enhance the Bank's ability to improve the control environment and confront various types of risks.

Acceptable risks level (Risk Appetite)

The Bank's philosophy in determining the level of acceptable risks is the method by which the Bank has determined the levels of acceptable risks with, given that capital planning is the basis for determining the levels of acceptable risks.

The bottom-up approach methodology was used to determine acceptable levels of risk through the concerned departments within the Bank from the bottom of the organizational structure and then raise it to the top organizational structure for each of the risks (credit, concentrations, liquidity, interest rates, reputation, strategy, operation, market and capital structure).

The Objectives of Risk Appetite

The Bank aims to determine the acceptable levels of risk to the following:

1. Knowing the acceptable level of risk for each type of risk to which the Bank is exposed.
2. Protecting the Bank from risks that it might face and negatively affect its business.
3. Achieving strategic goals.
4. Ensuring that acceptable proportions of capital adequacy are maintained.
5. Control risks and work to reduce them.
6. Determining the capital needed to face all kinds of risks (economic capital).
7. Developing measures to monitor the acceptable level of risks in addition to the capital, asset quality, liquidity, and fluctuation in profits.

Stress testing

In accordance with the instructions issued by the Central Bank related to stress testing, the Bank has prepared a methodology for applying these stress tests and adopting a policy and work procedures by the Risk Committee from the Board of Directors where stress tests are an integral and essential part of the institutional governance and risk management system of the Bank as it has an impact on decision-making at the appropriate administrative level, including strategic decisions of the Board of Directors and Executive Management. To ensure this, the Board of Directors and Executive Management must have a key role in these tests, including setting test goals, defining scenarios, evaluating results, and defining measures to take based on the results of these. The tests at various levels are considered:

- A key tool to understand the Bank's risk matrix and its ability to withstand shocks and the high risks it may face.
- It is considered an important part of the capital planning process through the internal evaluation process of the capital adequacy (ICAPP) and improving the Bank's management of its capital.
- It helps the Bank in estimating the size of future capital that must be available in the coming years, in accordance with its strategy.
- An important part in the process of identifying, measuring, and controlling liquidity risk, in order to assess the Bank's liquidity and the adequacy of liquidity shock mitigators and improve the Bank's liquidity.

The mechanism by which stress situations are chosen

Scenarios of stressful situations are chosen to cover all the risks which the Bank is exposed to in accordance with the instructions issued by the Central Bank of Jordan, and a different set of scenarios are applied that range from the least influential to the most influential but are possible to occur are selected and identified by the Bank according to the different risks which it is exposed to such as (size, type, repetition and importance) in coordination with the various department where these tests aim to assess the Bank's financial position and adequacy, where necessary reports are prepared and applied to stress tests and present them to the Risk Committee from the Board of Directors, which in turn approves assumptions and scenarios used and discuss the results of the tests and approve the measures to be taken based on these results. The impact of stress testing on different financial assets is measured, whether at the level of the facilities or investment portfolio, as follows:

- Measuring the impact of stress testing on the Bank's credit portfolio in terms of the increase of non-performing loans as a result of several factors, including the concentration in credit granting, the decline of economic sectors as a result of financial crises, the quality of the credit portfolio, the decrease in the value of guarantees provided and other factors. The impact of these scenarios is assessed for these risks on the income statement and the capital adequacy.
- Measuring the impact of stress testing on the Bank's investments in terms of low liquidity of the markets invested in and a decrease in the value of investments due to financial and economic crises. The impact of scenarios for these risks is assessed on the income statement and the capital adequacy.
- Measuring the impact of stress testing on the Bank's assets and liabilities in the event of changing the Dinar exchange rates against foreign currencies.
- Measuring the impact of stress testing on the Bank's liquidity as a result of several factors, including the loss of our deposits with correspondent Banks, the concentration of Bank customer deposits and Bank deposits with us, extensive withdrawals of deposits, change of the Dinar exchange rates against foreign currencies and other factors. The impact of the scenarios of these risks is assessed based on statutory and liquidity ratios and based on a maturity scale.

Governance of stress testing

- Stress tests are an integral and essential part of corporate governance with the Bank by enhancing the Bank's ability to identify and control its risks and its major role in providing both the Board and Executive Management with indicators on the amount of capital required to meet the resultant losses on shocks or changes that affect the Bank's financial position and solvency.

Board of Directors' responsibility:

- Ensuring that there is an effective framework for stress testing to assess the Bank's ability to withstand shocks and face high risks, as the Board has the ultimate responsibility for the stress testing program, and the adoption of work policies in this regard.
- Ensure that the Risk Department conducts stress tests on a regular basis, and that the Board has a key role in approving the assumptions and scenarios used, analyzing the results of the tests, and adopting the procedures to be taken based on these results.

Senior executive management responsibility:

- Implementing and monitoring the stress testing program, and in accordance with the methodology approved by the Board of Directors, which was originally based on the specific stress tests according to the instructions of the Central Bank of Jordan.
- Ensure that a qualified personal is available in the Risk Management Department to conduct stress tests and that the department has the appropriate tools and means for that.
- Ensuring that an appropriate number of possible scenarios related to the Bank's business are available, provided that these scenarios are understood and documented.
- Use the results of stress testing in setting and determining the degree of risk tolerance of the Bank and in the process of planning for capital and liquidity.
- Setting the appropriate remedial procedures based on the results of the tests carried out by the Executive Management and submitting them to the Risk Committee and presenting them to the Board of Directors.

Responsibility of the Internal Audit department:

- The Internal Audit Department is responsible for reviewing and evaluating the framework of stress testing, at least annually, and for evaluating and reviewing results to be submitted to the Board of Directors.

Risk Department responsibility:

1. Designing a program of stress testing and using models and methodologies to test its impact on the Bank, so that it covers the following aspects and is not limited to them:
 - Stress testing includes scenarios that range from least to most severe.
 - Covering all complex financial products, if any.
 - It considers potential changes in market conditions that may negatively affect the Bank's exposure to concentration risk.

- Including stress tests to some scenarios related to reputational risks, by reflecting the results of risks that affect the Bank's reputation, which may be reflected on the Bank's liquidity and liquid assets through customers withdrawing their deposits.
- The tests used are consistent with the degree of risk tolerance that the Bank has set for itself, so that the chosen scenarios are commensurate with the size, nature and complexity of the Bank's business and the risks associated with it.
- The stress testing program includes quantitative and qualitative methods to improve the comprehensiveness of these tests and make them supportive and complementary to the models and methods of risk management used in the Bank.
- It includes different types of tests, such as the simple sensitivity analysis based on changes in one risk factor and between scenarios based on statistical methods that take into account the relationships between the causes of systemic risks in times of crisis, knowing that the part related to these scenarios is determined by the Central Bank of Jordan on an annual basis.

2. Organizing an appropriate line of communication between the various parties concerned to take their views on the shocks and potential stressful situations if they occur with the aim of identifying assumptions and scenarios that are appropriate to the internal and external risks that the Bank may be exposed to so that all the parties involved with the Bank participate in this line of communication when determining these tests annually.

3. Submitting the results of the tests to the Basel Committee, and internal evaluation of the capital adequacy, and then to the Risk Management Committee derived from the Bank's Board of Directors annually.

The Bank's application for defaulting and the defaulting mechanism

The Bank follows and applies the instructions of the Central Bank of Jordan (the regulatory body) related to the International Financial Reporting Standard No. (9) to classify credit facilities into three stages.

1. The Bank's application to default:

The instructions of the Central Bank of Jordan regarding the classification of defaulting loans and the suspension of interest are applied according to the requirements of IFRS (9). As for provisioning, instructions No. (47/2009) and (13/2018) related to the International Financial Reporting Standard (9) are adopted. The most conservative and severe results are taken, except in special cases and with prior approval by the Central Bank of Jordan.

2. The defaulting mechanism:

The Bank follows up with a client before their default with the aim of not reaching the point of classifying the facilities granted to them. In case the classification is made, a provision is recorded against this loan in accordance with the adopted standards, among the mechanisms used to treat default by the Bank as following:

- 1- Debt scheduling according to the scheduling principles as per the instructions of the Central Bank of Jordan.
- 2- Taking legal measures to collect what is owed to the Bank.

Definition of default:

The definition of default used in the measurement of expected credit losses and the assessment to determine movement between stages will be consistent with the definition of default used for internal credit risk management purposes, IFRS 9 does not define default, but contains a rebuttable presumption that default has occurred when an exposure is greater than 90 days past due.

- The weighted probabilities are measured according to the best estimate and related to historical probability and current situations. The weighted scenarios are evaluated every three months.
- The Bank uses 3 scenarios to reach a probable value when to estimate the expected credit losses as follows:
 1. Main scenario (**Baseline**) weighted 50%
 2. Best scenario (**V shape**) weighted 25%
 3. Worst case scenario 1 (**U shape**) weighted 25%

The internal credit rating system of the Bank and its mechanism:

The Bank has implemented a credit risk rating system based on Standard and Poor's (S&P) classification models to measure the credit risk of large companies, small and medium-sized companies which would positively reflect on the quality of the credit portfolio and help in making appropriate credit decisions as the following is extracting through the system:

Obligor Risk Rating (ORR) is divided into measuring the activity standards (qualitative) and the financial standards (quantitative) by:

- Qualitative standards:
 - 1- Measuring the risks of the countries in which the client practices their activity
 - 2- Measuring the risks of the economic sectors that represent the client's activities
 - 3- Measuring the client's competitive position in detail
 - 4- Measuring the client's financial risks by assessing cash flows, receivables, capital structure, and others.

■ Quantitative standards:

Classification models include (modifier's) quality rates that enhance credit rating accuracy as follows:

- 1-The impact of the various activities of the client
- 2-The capital structure
- 3- Approved financing policy
- 4- Liquidity assessment
- 5- Management and governance

Clients are classified on the system to ten levels, where the classification grades are distributed from (1) high quality clients (few risks) to (10) high risk customers.

As a result of assessing the client's credit rating through the system, the probability of default (PD) is determined.

The approved mechanism for calculating expected credit losses on financial instruments:

1- The basic components of calculating the credit loss of financial instruments:

- Clients' staging
- Probability of default ratio stage -12) 1month projected credit losses) and stage 2 (expected credit losses over the life of the financial instrument).
- Loss given default (LGD).
- Exposure at default (EAD).

2- Criteria for classifying client according to the stages:

The criterion for classifying the stages is one of the important parameters used to determine the expected credit losses according to the International Financial Reporting Standard No. (9), where financial instruments were classified into three stages in addition to a statement of the credit limitations for the transfer of the financial instrument / exposures between the stages according to the instructions issued by the Central Bank of Jordan No. (13/2018).

3- Probability of default – PD

Corporate portfolio

Based on the probability of default resulting from the analysis of all quantitative and qualitative data of the client through the credit rating system as this is done through the approved models of the company (S&P) and based on historical data, a future probability of default is calculated and linking it to the macroeconomic indicators.

Individual portfolio

Individual risk is measured at the level of each product separately (personal loans / housing loans / credit cards / car loans) through the evaluation of the product Roll Rate Approach, through customer behavior records and their commitment to pay on the historical agreed upon times to link them to all variables of macroeconomic factors to determine the future probability of default.

Debt portfolio and money market

The default probability of debt instruments classified under the amortized cost portfolio (AC) and other comprehensive income statement (OCI) is calculated on an individual basis based on the probability of default according to external classification.

Debt instruments issued by the Jordanian government, or guaranteed by it, and current accounts are excluded from calculating the expected credit losses.

4- Loss Given Default - LGD

The percentage of loss is measured on the assumption of default, based on the present value of the guarantees provided by the client based on historical ratios of financial recoveries and converting the guarantees into cash as a result of implementation of the guarantees due to default, taking into account the time dimension and credit dilution, which includes the part covered and not covered by the guarantees according to the requirements of the Central Bank of Jordan.

5- Exposure at Default – EAD

It is defined as the size of the indebtedness to which the Bank may be exposed to the possibility of non-payment if the customer defaults as follows:

- It is the current balance in relation to direct and indirect facilities.
- In the case of ceilings, the value of the amount exposed to default: it is the used balance in addition to a percentage of the unutilized ceiling (direct and indirect) based on a historical study of the extent of utilization of these ceilings.

Governance of implementing the requirements of IFRS (9):

The Bank is adherent to the instructions of institutional governance, including the instructions of the Central Bank of Jordan and the best international practices that were included in the Basel Committee in this regard in a manner that achieves the rule of implementation of the International Financial Reporting Standard. The following are the responsibilities of the Board of Directors, the Executive Management, the concerned committees, and departments to ensure the appropriateness of applying the financial reporting standard:

Board Responsibilities:

- Approving the policies, assumptions and models used for the application of the standard.
- Approving the expected credit losses in the Bank's financial statements.
- Ensuring proper application of the standard by defining the roles of committees, departments and work units in the Bank and ensuring complementarity of work among them and providing the appropriate infrastructure.
- Overseeing, through the committees of the Board, the Executive Management to develop the necessary systems to provide adequate information in an accurate and safe manner so that it provides the accurate capability of the Bank to record through the participation of all relevant business units in the Bank and under the supervision of the Bank's Board of Directors and its related committees.
- Approving of amendments that could affect the business model, the Bank's strategy, measurement and evaluation methodologies for the credit process, pricing and guarantees mechanism for credit products or assets that fall within the standard.
- Ensuring that the Bank manages its credit risk within the appropriate best practices, including effective control systems within the credit process that includes a clear determination of the amount of provisions required for all of its risks.
- Ensuring that the supervisory units in the Bank, specifically risk management, manage the internal audit of all necessary processes to verify the validity and integrity of the methodologies and systems used within the framework of the application of IFRS (9) and work to provide the necessary support for these control units.

Executive Management Responsibilities:

- Providing the appropriate infrastructure and providing recommendations regarding required changes or improvements that help to implement the standard in an accurate and comprehensive manner that includes qualified personnel and an adequate database in terms of accuracy and comprehensiveness.
- Reviewing the policies, work procedures, regulations and any other relevant standards and explaining their suitability for implementing the standard.
- Distributing tasks and responsibilities and ensuring the participation of all relevant business units in the proper application of the standard.
- Monitoring the periodic reports related to the results of calculating and applying the standard and determine the impact of the application of the standard on the financial position of the Bank.
- Applying corrective measures approved by the Board of Directors.
- Reflecting the impact of the application of the standard on the Bank's strategy and pricing policy.
- It is responsible for any exceptions of the results of the system outputs, the specific procedures, and the documented forms of the calculation process.
- Reviewing the staging rules process and make the necessary recommendations.
- View the calculation of expected credit losses and recommend their approval.
- Recommend any exception or amendment to the results of calculating the expected credit losses required and in accordance with clear and documented justifications.

Risks Management Committee Responsibilities:

- Reviewing the framework and assumptions for calculating expected credit losses and recommend their approval.
- Supervising the efficiency and effectiveness of the process of calculating the expected credit losses.

Responsibilities of the Audit Committee:

- Ensuring that the methodologies and systems used in the application of IFRS (9) have been verified.
- Monitoring the compliance with the framework for calculating expected credit losses in accordance with IFRS (9) and ensuring that the internal audit fulfills its duty in this regard.
- Reviewing the financial statements after implementing the standard, in particular verifying the implementation of the instructions of the Central Bank of Jordan regarding the adequacy of provisions and expressing an opinion on the Bank's non-operating loans before submitting them to the Board of Directors.
- Reviewing the observations in the Central Bank's reports and the external auditor's reports and following up on the measures taken in their regard.
- Reviewing the accounting issues that have a material impact on the Bank's financial statements and ensure the accuracy of the accounting and control procedures and its safety and adherence to them.
- Ensuring through the Internal Audit Department that all financial instruments/ credit exposures have been measured for expected credit losses.

Compliance Department Responsibilities:

- Ensuring compliance with applicable laws and instructions related to preparing the financial statements and applying the required standard and disclosures.

Risk Department Responsibilities

- Calculating the expected credit losses.
- Reviewing the models and assumptions used for calculating the provision and recommending any required adjustments.
- Evaluating the credit rating systems, their parameters, and results.
- Preparing periodic, qualitative and detailed quantitative disclosures required by the Central Bank of Jordan for the purposes of complying with the requirements of the standard.
- Reviewing the transferring process between the different stages and comparing it with the policy of transferring requirements between stages and reviewing these limitations periodically.

Finance Department Responsibilities:

- Participating with departments in developing and building the business model, including the classification of the Bank's financial assets in accordance with the principles of IFRS (9).
- Make the necessary accounting adjustments and restrictions after approving the results and verifying that all financial instruments have been accounted for.
- Reviewing the necessary disclosures in cooperation with the relevant departments of the Bank in accordance with the requirements of the standard and the instructions of the Central Bank.

The following are the most prominent determinants used to measure the significant change in credit risk:

- There is a decrease or a decline in the actual internal credit rating of the borrower according to the internal evaluation system applied by the Bank compared to the degree of the internal rating of the borrower at the time of granting.
- The presence of unpaid dues on a client or borrower account exceeding a certain period.
- Knowing that the borrower faces difficulties affecting the cash flow
- Violating debt covenants or conditions in a manner that affects the obligation to repay.
- The market value of collaterals declines significantly.
- The possibility of a borrower entering Bankruptcy procedures.

Macroeconomic Factors, Forward Looking Information (FLI) and Multiple Scenarios

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk must consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information will require significant judgment from the bank's management.

PD, Loss Given Default (LGD) and Exposure at Default (EAD) inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio.

Each macroeconomic scenario used in calculating the expected credit losses is linked to changing macroeconomic factors. Our estimates are used to calculate expected credit losses for stage 1 and stage 2 using discounted weighted scenarios that include future macroeconomic information for the next three years.

The following macroeconomic variables are used when performing futuristic forecasts:

1. Gross Domestic Product.
2. Unemployment rate.
3. Stock market index price.
4. Inflation rate.

(4) Cash and Balances at Central Bank of Jordan

Item	December 31	December 31
	2024	2023
	JD	JD
Cash in vaults	25,136,413	22,945,295
Balances at central bank of Jordan:		
Current and call accounts	41,317,396	12,283,680
Statutory cash reserve	33,627,693	33,090,712
Certificates of deposits	16,900,000	-
Total balances at central bank of Jordan*	91,845,089	45,374,392
Total cash and balances at central bank of Jordan	116,981,502	68,319,687

- The statutory cash reserve is amounted to JD 33,627,693 as at 31 December 2024 (JD 33,090,712 as at 31 December 2023).
- The restricted cash balances are amounted to JD 33,627,693 as at 31 December 2024 (JD 38,090,712 as at 31 December 2023).
- There are no balances maturing within a period of more than three months as at 31 December 2024 and 2023.
- The certificates of deposits are amounted to JD 16,900,000 as at 31 December 2024, those deposits matured on 7 January 2025 (Zero as at 31 December 2023).

Set out below is the movement in the balances at central bank of Jordan for the years ended 31 December 2024 and 2023:

Item	Stage 1	Stage 2	Stage 3	Total	
	31 December 2024	31 December 2023	JD	JD	JD
Total balance at the beginning of the year	45,374,392	-	-	45,374,392	42,436,174
New balances during the year	16,925,859	-	-	16,925,859	-
Changes due to adjustments	29,544,838	-	-	29,544,838	2,938,218
Total balance at the end of the year	91,845,089	-	-	91,845,089	45,374,392

- There are no transfers between the stages (stage 1, stage 2, and stage 3) or any written off balances for the year ended 31 December 2024 and 2023.

(5) Balances and Deposits at Banks and Financial Institutions, Net

Item	Banks and Financial Institutions				Total	
	Inside Jordan		Outside Jordan			
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	JD	JD	JD	JD	JD	JD
Current and call accounts	-	-	10,905,957	9,736,311	10,905,957	9,736,311
Deposits maturing within a period of three months or less	16,537,600	26,138,000	275,486	2,844,254	16,813,086	28,982,254
Deposits maturing within a period of more than three months	-	-	-	30,000,000	-	30,000,000
Total	16,537,600	26,138,000	11,181,443	42,580,565	27,719,043	68,718,565
Less: Provision for expected credit losses *	(668)	(1,278)	(193)	(503)	(861)	(1,781)
	16,536,932	26,136,722	11,181,250	42,580,062	27,718,182	68,716,784

- The non-interest-bearing balances and deposits at banks and financial institutions amounted to JD 10,905,957 as at 31 December 2024 (JD 9,736,311 as at 31 December 2023).
- There are no restricted balances as at 31 December 2024 and 2023.

Set out below is the classification of the balances and deposits at banks and financial institutions -gross, according to the Bank's internal credit rating as at 31 December 2024 and 2023:

Classification	2024				2023
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
-5	27,719,043	-	-	27,719,043	68,718,565
Total	27,719,043	-	-	27,719,043	68,718,565

Set out below is the movement in the balances and deposits at banks and financial institutions for the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	68,718,565	-	-	68,718,565	46,289,524
New balances and deposits during the year	17,724,777	-	-	17,724,777	15,181,975
Settled balances and deposits during the year	(57,676,300)	-	-	(57,676,300)	(2,336,490)
Changes due to adjustments	(1,047,999)	-	-	(1,047,999)	9,583,556
Balance at the end of the year	27,719,043	-	-	27,719,043	68,718,565

There were no transfers between the stages (stage 1 stage 2, and stage 3) or any written off balances for the year ended 31 December 2024 and 2023.

Set out below is the movement in the provision for expected credit losses (ECL) for balances and deposits at banks and financial institutions during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	1,781	-	-	1,781	412
ECL for new balances during the year	667	-	-	667	1,077
Recovered from ECL on settled balances	(1,456)	-	-	(1,456)	(115)
Changes due to adjustments	(131)	-	-	(131)	407
Balance at the end of the year	861	-	-	861	1,781

(6) Direct Credit Facilities, Net

Item	31 December	31 December
	2024	2023
	JD	JD
Individuals (retail):		
Overdraft accounts	776,437	769,411
Loans and promissory notes *	183,470,565	185,042,272
Credit Cards	6,447,183	6,535,516
Real Estate Loans	103,006,612	101,555,641
Companies:		
A - Large:		
Overdraft accounts	81,249,907	82,453,705
Loans and promissory notes *	404,538,616	365,895,832
B- SMEs:		
Overdraft accounts	16,793,364	15,496,576
Loans and promissory notes *	46,060,619	40,679,607
Government and Public Sector	13,811,600	20,488,783
Total	856,154,903	818,917,343
(Less): provision for expected credit losses	(57,828,163)	(63,314,138)
interest in suspense	(22,596,009)	(23,176,116)
Net direct credit facilities	775,730,731	732,427,089

* Net after deducting interest and commissions received in advance, amounted to JD 222,171 as at 31 December 2024 (JD 174,861 as at 31 December 2023).

- Credit facilities classified as stage 3, amounted to JD 91,212,783 representing 10.65% of total direct credit facilities as at 31 December 2024 (JD 88,426,795 representing 10.80% of total direct credit facilities as at 31 December 2023).
- Credit facilities classified as stage 3, net of interest and commissions in suspense amounted to JD 68,616,774 representing 8.23% of total direct credit facilities net of interest and commissions in suspense as at 31 December 2024 (JD 65,250,679 representing 8.20% of total credit facilities net of interest and commissions in suspense as at 31 December 2023).
- Direct credit facilities include facilities guaranteed by the Government of Jordan amounted to JD 3,750,000 as at 31 December 2024 (JD 11,250,000 as at 31 December 2023).

Set out below is the movement in the direct credit facilities collectively during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	583,147,397	147,343,151	88,426,795	818,917,343	770,837,383
Granted credit facilities during the year	74,580,926	8,579,046	207,688	83,367,660	74,950,951
Fully settled credit facilities during the year	(26,051,766)	(1,477,014)	(1,131,257)	(28,660,037)	(49,683,274)
Transferred to stage 1	10,100,159	(9,207,103)	(893,056)	-	-
Transferred to stage 2	(69,931,931)	70,651,490	(719,559)	-	-
Transferred to stage 3	(13,494,340)	(8,806,711)	22,301,051	-	-
Changes due to adjustments	611,635	(1,102,819)	4,482,125	3,990,941	23,753,581
Written-off facilities *	-	-	(789,948)	(789,948)	(941,298)
Credit facilities transferred to off statement of financial position regulatory accounts**	-	-	(20,671,056)	(20,671,056)	-
Balance as at the end of the year	558,962,080	205,980,040	91,212,783	856,154,903	818,917,343

Set out below is the movement in the provision for expected credit losses (ECL) collectively during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	2,269,450	6,469,158	54,575,530	63,314,138	52,030,738
ECL on facilities granted during the year	190,403	122,699	48,863	361,965	408,054
Recovered from ECL during the year	(125,849)	(25,420)	(433,426)	(584,695)	(383,710)
Transferred to stage 1	102,309	(92,630)	(9,679)	-	-
Transferred to stage 2	(359,014)	454,411	(95,397)	-	-
Transferred to stage 3	(132,493)	(711,941)	844,434	-	-
Effect on provision due to reclassification among the three stages	-	926,558	6,913,821	7,840,379	6,069,538
Changes due to adjustments	(174,071)	(2,170,901)	2,578,257	233,285	5,693,867
Written-off facilities *	-	-	(201,859)	(201,859)	(504,349)
ECL provision transferred to off statement of financial position regulatory accounts **	-	-	(13,135,050)	(13,135,050)	-
Balance at the end of the year	1,770,735	4,971,934	51,085,494	57,828,163	63,314,138

Set out below is the movement in the provision for expected credit losses (ECL) by facility type during the years ended 31 December 2024 and 2023:

For the year ended 31 December 2024	Individuals	Real estate	Corporate	SME's	Government and public sector	Total
	JD	JD	JD	JD	JD	JD
Balance as at the beginning of the year	16,737,148	3,964,388	35,748,449	6,843,302	20,851	63,314,138
ECL on granted facilities during the year	232,619	11,275	98,482	19,589	-	361,965
Recovered from ECL on fully settled facilities during the year	(249,705)	(72,485)	(192,822)	(69,683)	-	(584,695)
Transferred to stage 1	(75,388)	(30,845)	(323,690)	40,725	-	(389,198)
Transferred to stage 2	(364,473)	(2,916)	48,196	(30,967)	-	(350,160)
Transferred to stage 3	439,861	33,761	275,494	(9,758)	-	739,358
Effect on provision due to reclassification among the three stages	3,429,530	268,741	4,191,330	(49,222)	-	7,840,379
Changes due to adjustments	586,916	(155,698)	(544,999)	360,436	(13,370)	233,285
Written-off facilities *	(150,231)	(45,437)	-	(6,191)	-	(201,859)
ECL provision transferred to off statement of financial position regulatory accounts **	(806,879)	(1,797,500)	(8,680,884)	(1,849,787)	-	(13,135,050)
Balance as at the end of the year	19,779,398	2,173,284	30,619,556	5,248,444	7,481	57,828,163
Re-allocation:						
Provision on an individual basis	19,779,398	2,173,284	30,619,556	5,248,444	7,481	57,828,163

* During the year 2024 direct credit facilities amounted to JD 789,948 were written-off, with interest in suspense amounted to JD 588,089 and the provision against them amounted to JD 201,859 according to the Board of Directors' decision.

** During the year 2024 direct credit facilities amounted to JD 20,671,056 were transferred to off statement of financial position regulatory accounts and the provision against them amounted to JD 13,135,050 with interest in suspense amounted to JD 7,536,006 according to the Board of Directors' decision.

- Direct credit facilities amounted to JD 185,416,755 with interest in suspense amounted to JD 111,503,935 and a provision against them amounted to JD 73,912,820 as at 31 December 2024, were listed in regulatory accounts off the statement of financial position according to the Board of Directors' decisions, as these accounts are fully covered as at the date of the financial statements.
- The provisions disclosed above are calculated on an individual customer basis.
- The amounts of provisions that are no longer required due to the settlements or repayments of debts that was transferred against other debts is JD 6,144,904 as at 31 December 2024 (JD 5,704,145 as at 31 December 2023).

For the year ended 31 December 2023	Individuals	Real estate	Corporate	SME's	Government and public sector	Total
	JD	JD	JD	JD	JD	JD
Balance as at the beginning of the year	14,369,317	3,409,049	28,044,907	6,180,871	26,594	52,030,738
ECL on granted facilities during the year	257,065	12,580	109,761	28,648	-	408,054
Recovered from ECL on fully settled facilities during the year	(336,324)	(20,398)	(16,185)	(10,803)	-	(383,710)
Transferred to stage 1	(33,862)	(2,224)	(231,424)	(4,480)	-	(271,990)
Transferred to stage 2	(162,917)	(49,707)	(47,353)	9,551	-	(250,426)
Transferred to stage 3	196,779	51,931	278,777	(5,071)	-	522,416
Effect on provision due to reclassification among the three stages	2,209,516	847,636	2,759,190	253,196	-	6,069,538
Changes due to adjustments	302,190	(276,838)	4,850,776	823,482	(5,743)	5,693,867
Written-off facilities	(64,616)	(7,641)	-	(432,092)	-	(504,349)
Balance as at the end of the year	16,737,148	3,964,388	35,748,449	6,843,302	20,851	63,314,138
Re-allocation:						
Provision on an individual basis	16,737,148	3,964,388	35,748,449	6,843,302	20,851	63,314,138

Set out below is the classification of total facilities granted to corporate, according to the Bank's internal credit ratings as at 31 December 2024 and 2023:

Classification	2024				2023	
	Stage 1		Stage 2	Stage 3	Total	
	JD	JD	JD	JD	JD	
-2	778,555		-	-	778,555	6,089
+3	852,531		-	-	852,531	-
3	-		-	-	-	829,372
-3	3,998		-	-	3,998	4,808
+4	86,666,693	8,770,606		-	95,437,299	78,700,253
4	3,419,144		-	-	3,419,144	2,164,236
-4	7,664,521	4,424,951		-	12,089,472	9,626,461
5	90,968,419	66,420,276		-	157,388,695	135,423,408
-5	66,260,561	9,557,911		-	75,818,472	31,832,077
+6	3,954,188	29,900,238		-	33,854,426	33,599,577
6	4,018,906	2,291,402		-	6,310,308	7,069,057
-6	2,921,626	5,695,268		-	8,616,894	8,369,070
+7	-	-	-	-	-	135,493
7	-	44,961,001		-	44,961,001	95,773,681
8	-	-	4,939,054		4,939,054	393,033
9	-	-	8,632,371		8,632,371	7,159,538
10	-	-	32,736,264		32,736,264	36,875,438
Not rated	50,275		-	-	50,275	837,987
Total	267,559,417	172,021,653	46,307,689	485,888,759	448,799,578	

Set out below is the movement in the total facilities granted to corporate during the year ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	284,719,867	119,651,702	44,428,009	448,799,578	385,090,611
Granted facilities during the year	32,865,862	7,738,854	-	40,604,716	43,376,293
Fully settled facilities during the year	(6,156,622)	(219,278)	(485,307)	(6,861,207)	(21,549,760)
Transferred to stage 1	158,279	(158,279)	-	-	-
Transferred to stage 2	(49,572,131)	49,572,131	-	-	-
Transferred to stage 3	(8,813,870)	(4,757,555)	13,571,425	-	-
Changes due to adjustments	14,358,032	194,078	2,158,369	16,710,479	41,882,434
Credit facilities transferred to off statement of financial position regulatory accounts	-	-	(12,949,905)	(12,949,905)	-
Written-off credit facilities	-	-	(414,902)	(414,902)	-
Balance as at the end of the year	267,559,417	172,021,653	46,307,689	485,888,759	448,799,578

Set out below is the movement in the provision for expected credit losses (ECL) for corporate facilities during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	1,028,389	5,018,634	29,701,426	35,748,449	28,044,907
ECL on granted facilities during the year	57,947	40,535	-	98,482	109,761
Recovered from ECL on fully settled facilities during the year	(58,221)	-	(134,601)	(192,822)	(16,185)
Transferred to stage 1	538	(538)	-	-	-
Transferred to stage 2	(253,889)	253,889	-	-	-
Transferred to stage 3	(70,339)	(205,155)	275,494	-	-
Effect on provision due to reclassification among the three stages for the year	-	359,574	3,831,756	4,191,330	2,759,190
Changes due to adjustments	(147,965)	(2,336,173)	1,939,139	(544,999)	4,850,776
Provisions transferred to off statement of financial position regulatory accounts	-	-	(8,680,884)	(8,680,884)	-
Written-off facilities	-	-	-	-	-
Balance as at the end of the year	556,460	3,130,766	26,932,330	30,619,556	35,748,449

Set out below is the classification of total facilities granted to SME's, according to the Bank's internal credit rating as at 31 December 2024 and 2023:

Classification	2024				2023	
	Stage 1		Stage 2	Stage 3	Total	
	JD	JD	JD	JD	JD	
3+	846	-	-	-	846	155
3-	-	3,844	-	-	3,844	3,954
4+	10,937,369	714,829	-	-	11,652,198	10,297,666
4	8,543,454	547,275	-	-	9,090,729	6,449,451
4-	2,033,415	57,666	-	-	2,091,081	3,031,247
5	12,632,754	268,007	-	-	12,900,761	9,628,840
5-	7,808,740	101,892	-	-	7,910,632	3,196,667
6+	2,416,115	146,863	-	-	2,562,978	3,371,664
6	84,580	72,079	-	-	156,659	491,341
6-	1,533,045	449,298	-	-	1,982,343	4,103,442
7+	-	68,140	-	-	68,140	445,216
7	-	4,169,938	-	-	4,169,938	2,590,072
7-	-	111,695	-	-	111,695	141,951
8	-	-	1,076,064	-	1,076,064	863,846
9	-	-	181,139	-	181,139	1,054,712
10	-	-	9,123,088	-	9,123,088	10,791,419
Not rated	50	-	-	-	50	7,036
Total	45,990,368	6,711,526	10,380,291	63,082,185	56,468,679	

Set out below is the movement in the total facilities granted to SMEs during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	35,464,195	8,294,507	12,709,977	56,468,679	56,713,243
Granted facilities during the year	7,857,917	106,117	105,830	8,069,864	5,381,255
Fully settled facilities during the year	(2,119,923)	(308,441)	(153,323)	(2,581,687)	(3,824,250)
Transferred to stage 1	2,985,625	(2,953,907)	(31,718)	-	-
Transferred to stage 2	(2,514,144)	2,704,673	(190,529)	-	-
Transferred to stage 3	(279,153)	(482,648)	761,801	-	-
Changes due to adjustments	4,595,851	(648,775)	308,690	4,255,766	(980,663)
Credit facilities transferred to off statement of financial position regulatory accounts	-	-	(3,038,420)	(3,038,420)	-
Written-off facilities	-	-	(92,017)	(92,017)	(820,906)
Balance as at the end of the year	45,990,368	6,711,526	10,380,291	63,082,185	56,468,679

Set out below is the movement in the provision for expected credit losses (ECL) for SMEs facilities during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	154,478	177,464	6,511,360	6,843,302	6,180,871
ECL on granted facilities during the year	13,352	222	6,015	19,589	28,648
Recovered from ECL on fully settled facilities during the year	(7,641)	(13,002)	(49,040)	(69,683)	(10,803)
Transferred to stage 1	48,720	(48,708)	(12)	-	-
Transferred to stage 2	(5,966)	28,623	(22,657)	-	-
Transferred to stage 3	(2,029)	(10,882)	12,911	-	-
Effect on provision due to reclassification among the three stages for the year	-	(31,172)	(18,050)	(49,222)	253,196
Changes due to adjustments	(74,394)	55,801	379,029	360,436	823,482
Provisions transferred to off statement of financial position regulatory accounts	-	-	(1,849,787)	(1,849,787)	-
Written-off facilities	-	-	(6,191)	(6,191)	(432,092)
Balance as at the end of the year	126,520	158,346	4,963,578	5,248,444	6,843,302

Set out below is the distribution of total facilities granted to individuals, according to type of facility as at 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Credit cards	4,920,584	293,295	904,866	6,118,745	5,792,979
Overdraft account	282,825	13,441	480,171	776,437	769,411
Car loans	8,101,412	893,302	1,059,411	10,054,125	11,876,194
Personal loans	138,986,601	9,203,451	25,226,388	173,416,440	173,166,078
Total	152,291,422	10,403,489	27,670,836	190,365,747	191,604,662

Set out below is the movement in the total facilities granted to individuals during the years ended 31 December 2024 and 2023:

Item	2024			2023	
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	158,866,601	10,387,049	22,351,012	191,604,662	198,444,670
Granted facilities granted during the year	22,163,303	670,718	101,858	22,935,879	19,825,813
Fully settled facilities during the year	(12,510,665)	(430,900)	(255,914)	(13,197,479)	(18,022,768)
Transferred to stage 1	5,008,354	(4,252,759)	(755,595)	-	-
Transferred to stage 2	(7,324,205)	7,778,548	(454,343)	-	-
Transferred to stage 3	(3,367,354)	(3,144,454)	6,511,808	-	-
Changes due to adjustments	(10,544,612)	(604,713)	1,776,220	(9,373,105)	(8,545,675)
Credit facilities transferred to off statement of financial position regulatory accounts	-	-	(1,420,655)	(1,420,655)	-
Written-off facilities	-	-	(183,555)	(183,555)	(97,378)
Balance as at the end of the year	152,291,422	10,403,489	27,670,836	190,365,747	191,604,662

Set out below is the movement in the provision for expected credit losses (ECL) for individual's facilities during the years ended 31 December 2024 and 2023:

Item	2024			2023	
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	944,345	1,128,930	14,663,873	16,737,148	14,369,317
ECL on granted facilities during the year	108,327	81,444	42,848	232,619	257,065
Recovered from ECL on fully settled facilities during the year	(58,535)	(12,356)	(178,814)	(249,705)	(336,324)
Transferred to stage 1	50,619	(41,051)	(9,568)	-	-
Transferred to stage 2	(89,516)	159,177	(69,661)	-	-
Transferred to stage 3	(36,491)	(482,599)	519,090	-	-
Effect on provision due to reclassification among the three stages for the year	-	531,770	2,897,760	3,429,530	2,209,516
Changes due to adjustments	62,578	23,168	501,170	586,916	302,190
Provisions transferred to off statement of financial position regulatory accounts	-	-	(806,879)	(806,879)	-
Written-off facilities	-	-	(150,231)	(150,231)	(64,616)
Balance as at the end of the year	981,327	1,388,483	17,409,588	19,779,398	16,737,148

Set out below is the classification of total real estate loans, according to the Bank's internal credit rating as at 31 December 2024 and 2023:

Classification	2024				2023
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
2	-	-	-	-	179,107
4+	6,794,425	2,042,287	-	8,836,712	3,449,365
4	264,127	-	-	264,127	770,009
4-	97,404	126,427	-	223,831	1,007,970
5	5,309,402	5,072,720	-	10,382,122	22,121,153
5-	22,382,067	-	-	22,382,067	6,422,195
6+	9,826,260	1,413,406	-	11,239,666	987,349
6	61,286	-	-	61,286	9,080,538
6-	-	876,007	-	876,007	881,311
7	-	5,289,130	-	5,289,130	6,058,623
7-	-	150,998	-	150,998	154,549
8	-	-	613,507	613,507	2,185,826
9	-	-	217,025	217,025	230,180
10	-	-	6,023,346	6,023,346	6,521,739
Not rated	34,574,393	1,872,395	-	36,446,788	41,505,727
Total	79,309,364	16,843,370	6,853,878	103,006,612	101,555,641

Set out below is the movement in the real estate loans during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	83,608,005	9,009,891	8,937,745	101,555,641	103,677,524
Granted facilities during the year	11,693,844	63,355	-	11,757,199	6,367,586
Fully settled facilities during the year	(5,264,555)	(518,393)	(236,713)	(6,019,661)	(6,286,495)
Transferred to stage 1	1,947,901	(1,842,158)	(105,743)	-	-
Transferred to stage 2	(10,521,451)	10,596,138	(74,687)	-	-
Transferred to stage 3	(1,033,950)	(422,054)	1,456,004	-	-
Changes due to adjustments	(1,120,430)	(43,409)	238,822	(925,017)	(2,179,960)
Written-off facilities	-	-	(99,474)	(99,474)	(23,014)
Credit facilities transferred to off statement of financial position regulatory accounts	-	-	(3,262,076)	(3,262,076)	-
Balance as at the end of the year	79,309,364	16,843,370	6,853,878	103,006,612	101,555,641

Set out below is the movement in the provision for credit loss (ECL) for real estate loans during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	121,387	144,130	3,698,871	3,964,388	3,409,049
ECL on granted facilities during the year	10,777	498	-	11,275	12,580
Recovered from ECL on fully settled facilities during the year	(1,452)	(62)	(70,971)	(72,485)	(20,398)
Transferred to stage 1	2,432	(2,333)	(99)	-	-
Transferred to stage 2	(9,643)	12,722	(3,079)	-	-
Transferred to stage 3	(23,634)	(13,305)	36,939	-	-
Effect on provision due to reclassification among the three stages for the year	-	66,386	202,355	268,741	847,636
Changes due to adjustments	(920)	86,303	(241,081)	(155,698)	(276,838)
Provisions transferred to off statement of financial position regulatory accounts	-	-	(1,797,500)	(1,797,500)	-
Written-off facilities	-	-	(45,437)	(45,437)	(7,641)
Balance as at the end of the year	98,947	294,339	1,779,998	2,173,284	3,964,388

Set out below is the distribution of total facilities granted to the government and public sector, according to the Bank's internal credit ratings as at 31 December 2024 and 2023:

Classification	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
1	-	2	-	-	2
4+	8,567,845	-	-	8,567,845	6,911,250
4	312,433	-	-	312,433	312,433
5	3,749,999	-	-	3,749,999	11,250,000
6+	1,181,232	-	-	1,181,232	2,015,044
8	-	-	89	89	52
Not rated	-	-	-	-	4
Total	13,811,509	2	89	13,811,600	20,488,783

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Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	20,488,729	2	52	20,488,783	26,911,335
Granted facilities during the year	-	2	-	2	4
Fully settled facilities during the year	(1)	(2)	-	(3)	(1)
Transferred to stage 3	(13)	-	13	-	-
Changes due to adjustments	(6,677,206)	-	24	(6,677,182)	(6,422,555)
Balance as at the end of the year	13,811,509	2	89	13,811,600	20,488,783

Set out below is the movement in the provision for expected credit losses for the government and public sector facilities during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	20,851		-	-	20,851
Changes due to adjustments	(13,370)		-	-	(13,370)
Balance as at the end of the year	7,481		-	-	7,481
					20,851

Interest in suspense

Set out below is the movement in interest in suspense during the years ended 31 December 2024 and 2023:

Item	Individuals	Real estate	Companies		Government and public sector	Total
	JD	JD	Corporate	SME's	JD	JD
For the year ended 31 December 2024						
Balance as at the beginning of the year	5,737,187	2,485,669	11,197,598	3,755,662	-	23,176,116
Add: Interest in suspense during the year	2,826,489	1,021,591	3,135,163	1,293,455	-	8,276,698
Less: Interest transferred to revenues during the year	(304,042)	(47,343)	(275,929)	(105,396)	-	(732,710)
Interests in suspense written-off	(33,324)	(54,037)	(414,902)	(85,826)	-	(588,089)
Interest in suspense transferred to off statement of financial position regulatory accounts	(597,706)	(1,485,342)	(4,269,022)	(1,183,936)	-	(7,536,006)
Balance as at the end of the year	7,628,604	1,920,538	9,372,908	3,673,959	-	22,596,009
For the year ended 31 December 2023						
Balance as at the beginning of the year	4,004,947	1,778,328	8,099,619	3,069,365	-	16,952,259
Add: Interest in suspense during the year	2,142,415	765,680	3,193,142	1,181,723	-	7,282,960
Less: Interest transferred to revenues during the year	(377,413)	(42,966)	(95,163)	(106,612)	-	(622,154)
Interests in suspense written-off	(32,762)	(15,373)	-	(388,814)	-	(436,949)
Balance as at the end of the year	5,737,187	2,485,669	11,197,598	3,755,662	-	23,176,116

(7) Financial Assets at Fair Value Through Income Statement

Item	31 December 2024	31 December 2023
	JD	JD
Quoted shares in financial markets	1,372,063	1,372,783

(8) Financial Assets at Fair Value Through Other Comprehensive Income

Item	31 December 2024	31 December 2023
	JD	JD
Quoted shares in financial markets *	30,919,206	32,236,542
Unquoted shares in financial markets	20,043,988	18,086,021
	50,963,194	50,322,563

- The realized losses from the sale of shares at fair value through other comprehensive income amounted to JD 4,433 for the year ended 31 December 2024 recorded in retained earnings within shareholders' equity (realized gains of JD 4,824 for the year ended 31 December 2023).
- Cash dividends from the above-mentioned financial assets amounted to JD 176,257 for the year ended 31 December 2024 (JD 281,263 for the year ended 31 December 2023).

* The quoted shares include shares in National Bank – Palestine with a total amount of JD 23,906,901. A memorandum of understanding was signed during December 2022 to sell Jordan Commercial Bank's shares in National Bank – Palestine. Sale agreement execution and transfer of shares ownership procedures have not been finalized as final approvals from the regulatory authorities were not obtained up to the date of financial statements preparation as at 31 December 2024.

(9) Financial Assets at Amortized Cost, Net

Item	31 December 2024	31 December 2023
	JD	JD
Treasury bonds and bills	315,843,939	339,473,730
Companies' bonds and debentures	4,194,026	4,193,093
	320,037,965	343,666,823
Less: provision for expected credit losses *	(375,318)	(379,308)
Interest in suspense	(78,026)	(77,094)
Financial assets at amortized cost, net	319,584,621	343,210,421

Set out below is the classification of financial assets at amortized cost, according to the Bank's internal credit rating as at 31 December 2024 and 2023:

Classification	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
5-	318,679,939		-	-	318,679,939
9	-	-	1,358,026	1,358,026	1,357,094
Total	318,679,939		1,358,026	320,037,965	343,666,823

Set out below is the movement in the financial assets at amortized cost during the year ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	342,309,729		-	1,357,094	343,666,823
New investments during the year	45,009,992		-	-	45,009,992
Matured/sold investments	(68,704,791)		-	(123,756)	(68,828,547)
Changes due to adjustments	65,009		-	124,688	189,697
Balance as at the end of the year	318,679,939		-	1,358,026	320,037,965
					343,666,823

- During the year 2023, the Bank sold treasury bonds with a book value of JD 5,937,170 for JD 6,586,610, resulting in gains of JD 649,440. The Bank did not sell any financial assets at amortized cost during the year 2024.

Set out below is the movement in the provision for expected credit losses (ECL) for financial assets at amortized cost during the years ended 31 December 2024 and 2023:

Item	2024				2023	
	Stage 1		Stage 2	Stage 3	Total	
	JD	JD	JD	JD	JD	
Balance as at the beginning of the year	23,205		-	356,103	379,308	373,284
Changes due to adjustments	(3,990)		-	-	(3,990)	6,024
Balance as at the end of the year	19,215		-	356,103	375,318	379,308

(10) Property and Equipment, Net

Item	Land	Buildings	Machines and office equipment	Decorations	Vehicles	Computers	Advance payments on purchases of property and equipment	Total
	JD	JD	JD	JD	JD	JD	JD	JD
2024								
Cost:								
Balance as at the beginning of the year	3,143,110	14,446,561	10,942,861	6,811,655	309,631	6,275,863	1,114,785	43,044,466
Additions	-	-	94,054	32,220	43,000	327,594	823,269	1,320,137
Disposals	-	-	(455,543)	(302,272)	(6,500)	(412,951)	(31,492)	(1,208,758)
Transferred from advance payments on purchases of property and equipment	-	-	334,846	628,075	-	221,961	(1,184,882)	-
Transferred to intangible assets	-	-	-	-	-	-	(114,259)	(114,259)
Balance as at the end of the year	3,143,110	14,446,561	10,916,218	7,169,678	346,131	6,412,467	607,421	43,041,586
Accumulated Depreciation:								
Balance as at the beginning of the year	-	3,532,358	8,328,253	4,653,407	287,875	3,920,931	-	20,722,824
Depreciation for the year	-	278,729	648,097	675,607	12,902	794,355	-	2,409,690
Disposals	-	-	(444,881)	(299,420)	(6,499)	(410,409)	-	(1,161,209)
Balance as at the end of the year	-	3,811,087	8,531,469	5,029,594	294,278	4,304,877	-	21,971,305
Net book value of property and equipment as at the end of the year	3,143,110	10,635,474	2,384,749	2,140,084	51,853	2,107,590	607,421	21,070,281
Depreciation rate %	-	2	15-10	15	15	20	-	-
2023								
Cost:								
Balance as at the beginning of the year	2,893,110	14,446,561	10,533,640	6,210,679	319,010	6,127,770	2,053,238	42,584,008
Additions	-	-	116,349	46,948	-	225,348	2,270,388	2,659,033
Disposals	-	-	(536,405)	(670,429)	(9,379)	(982,362)	-	(2,198,575)
Transferred from advance payments on purchases of property and equipment	250,000	-	829,277	1,224,457	-	905,107	(3,208,841)	-
Balance as at the end of the year	3,143,110	14,446,561	10,942,861	6,811,655	309,631	6,275,863	1,114,785	43,044,466
Accumulated Depreciation:								
Balance as at the beginning of the year	-	3,253,629	8,187,654	4,705,987	286,611	4,143,976	-	20,577,857
Depreciation for the year	-	278,729	672,933	612,221	10,640	752,616	-	2,327,139
Disposals	-	-	(532,334)	(664,801)	(9,376)	(975,661)	-	(2,182,172)
Balance as at the end of the year	-	3,532,358	8,328,253	4,653,407	287,875	3,920,931	-	20,722,824
Net book value of property and equipment as at the end of the year	3,143,110	10,914,203	2,614,608	2,158,248	21,756	2,354,932	1,114,785	22,321,642
Depreciation rate %	-	2	15-10	15	15	20	-	-

- Fully depreciated property and equipment amounted to JD 11,963,027 as at 31 December 2024 (JD 11,441,054 as at 31 December 2023).

(11) Intangible Assets, Net

Item	Computers and Software Programs	
	2024	2023
	JD	JD
Balance as at the beginning of the year	2,858,126	2,228,329
Additions during the year	377,909	763,526
Transferred from advance payments on purchases of property and equipment (Note 10)	114,259	-
Net (transferred to additions) payments on purchases of intangible assets	(98,799)	366,243
Amortization for the year	(612,385)	(499,972)
Balance as at the end of the year	2,639,110	2,858,126
Annual amortization percentage	%20	%20

(12) Right-of-Use Assets / Lease Liabilities

The Bank leases several locations, including land and buildings, with lease terms ranging from 5 to 16 years. Lease liabilities related to the right-of-use asset are discounted in accordance with the Bank's policies at a rate of 2.82%.

Set out below is the movement in the right of use assets / lease liabilities during the years ended 31 December 2024 and 2023:

Item	2024		2023	
	Right-of-use	Lease liabilities	Right-of-use	Lease liabilities
	JD	JD	JD	JD
Balance as at the beginning of the year	6,041,037	5,800,708	5,835,715	5,624,770
Additions during the year	910,629	910,629	1,337,090	1,337,090
Less: Depreciation during the year	(1,059,581)	-	(1,082,451)	-
Terminated contracts	(296,683)	(296,683)	(49,317)	(49,317)
Paid lease liabilities	-	(1,188,782)	-	(1,271,170)
Lease liabilities Interest for the year (Note 26)	-	152,537	-	159,335
Balance as at the end of the year	5,595,402	5,378,409	6,041,037	5,800,708

Set out below are the details of lease liabilities:

Item	2024		2023	
	JD	JD	JD	JD
Less than one year		1,245,735		1,089,352
One to five years		2,888,109		2,155,557
More than five years		1,244,565		2,555,799
Total		5,378,409		5,800,708

(13) Other Assets

Item	2024		2023	
	JD	JD	JD	JD
Assets seized by the Bank against due debts - net *		46,816,268		46,083,302
Accrued interest and revenue		15,427,755		16,310,943
Refundable deposits		1,562,238		1,101,033
Prepaid expenses		1,291,723		1,411,130
Purchased time withdrawals and letters of credit - net **		1,214,090		2,966,630
Clearing cheques		39,650		9,420
Others		4,381,124		3,654,600
Total		70,732,848		71,537,058

Set out below is the movement in the assets seized by the Bank against due debts during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Seized properties	Seized properties sold on instalments	Seized shares	Total	Total
	JD	JD	JD	JD	JD
Balance as at beginning of the year - net	44,107,251	1,449,166	526,885	46,083,302	55,682,898
Additions during the year	3,282,702	-	-	3,282,702	5,730,409
Disposals during the year - net	(3,913,515)	(2,080,740)	-	(5,994,255)	(15,306,916)
Seized properties sold on instalments	(2,151,918)	2,151,918	-	-	-
Losses on valuation of seized shares	-	-	(830,783)	(830,783)	(142,211)
Recovery (impairment) effect for the year	3,454,667	(10,148)	830,783	4,275,302	119,122
Balance as at the end of the year - net	44,779,187	1,510,196	526,885	46,816,268	46,083,302

Set out below is the movement in the impairment losses and provision against breached assets seized by the Bank against due debts during the year ended 31 December 2024 and 2023:

Item	2024				2023
	Seized properties	Seized properties sold on instalments	Seized shares	Total	Total
	JD	JD	JD	JD	JD
Balance as at beginning of the year	5,663,889	146,676	1,478,759	7,289,324	8,427,285
Provision during the year	19,208	10,148	-	29,356	108,198
Released from provision during the year	(3,473,875)	-	(830,783)	(4,304,658)	(227,320)
Utilized from provision	(66,316)	(33,323)	-	(99,639)	(1,018,839)
Balance as at end of the year	2,142,906	123,501	647,976	2,914,383	7,289,324

According to the Instructions of the Central Bank of Jordan, the Bank is required to dispose seized assets in a maximum period of two years from the acquisition date. The Central Bank may approve of an extension up to two executive years at most. According to the Central Bank circular No. 10/3/16234, no more provision should be calculated for assets held for more than four years and restricted the use of previously booked provisions only upon the disposal of the seized assets.

Set out below is the classification of purchased time withdrawals and letters of credit, according to the Bank's internal credit rating as at 31 December 2024 and 2023:

Classification	2024				2023
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
5-	1,222,000	-	-	1,222,000	2,990,000
Total	1,222,000	-	-	1,222,000	2,990,000

Set out below is the movement in the purchased time withdrawals and letters of credit during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	2,990,000		-	-	2,990,000
Settled exposures	(2,990,000)		-	-	(2,990,000)
New exposures	1,222,000		-	-	1,222,000
Balance as at the end of the year	1,222,000		-	-	1,222,000
					2,990,000

Set out below is the movement in the provision for expected credit losses for time withdrawals and letters of credit during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	23,370		-	-	23,370
Settled balances	(23,370)		-	-	(23,370)
New exposures	7,910		-	-	7,910
Balance as at the end of the year	7,910		-	-	23,370
					105,030

- There were no transfers between stages (1, 2 and 3) or written-off balances during the years ended 31 December 2024 and 2023.

(14) Banks' and Financial Institutions' Deposits

Item	2024			2023		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Current and call accounts	-	565,235	565,235	-	2,315,024	2,315,024
Term deposits	26,233,000	9,368,428	35,601,428	16,113,000	30,000,000	46,113,000
Total	26,233,000	9,933,663	36,166,663	16,113,000	32,315,024	48,428,024

- There were no banks' and financial institutions' deposits maturing within a period of more than three months as at 31 December 2024 (JD 30,000,000 as at 31 December 2023).

(15) Customers' Deposits

	Individuals	Companies		Government and public sector	Total
		Corporate	SME's		
		JD	JD		
31 December 2024					
Current and call accounts	32,850,193	61,466,237	39,519,130	10,017,979	143,853,539
Savings deposits	191,890,340	456,619	2,059,448	537,457	194,943,864
Certificates of deposit	48,317,831	-	-	-	48,317,831
Term deposits, and at notice	398,607,750	57,066,037	90,135,981	61,965,212	607,774,980
Total	671,666,114	118,988,893	131,714,559	72,520,648	994,890,214
31 December 2023					
Current and call accounts	34,746,380	43,550,414	34,468,710	12,767,989	125,533,493
Savings deposits	195,807,541	150,448	1,593,306	584,869	198,136,164
Certificates of deposit	34,986,846	-	26,000	-	35,012,846
Term deposits, and at notice	395,250,217	55,139,961	83,380,636	75,042,338	608,813,152
Total	660,790,984	98,840,823	119,468,652	88,395,196	967,495,655

- The Government of Jordan and public sector deposits amounted to JD 72,520,648 representing 7.29% of total customers' deposits as at 31 December 2024 (JD 88,395,196 representing 9.14% of total customers' deposits as at 31 December 2023).
- Non-interest-bearing deposits amounted to JD 141,795,917 representing 14.25% of total customers' deposits as at 31 December 2024 (JD 122,827,540 representing 12.70 % of total customers' deposits as at 31 December 2023).
- Reserved deposits (restricted withdrawals) amounted to JD 2,884,725 representing 0.29% of total customers' deposits as at 31 December 2024 (JD 3,557,903 representing 0.37% of total customers' deposits as at 31 December 2023).
- Dormant deposits amounted to JD 11,100,435 representing 1.12% of total customers' deposits as at 31 December 2024 (JD 9,313,965 representing 0.96% of total customers' deposits as at 31 December 2023).

(16) Cash Margins

Item	2024	2023
	JD	JD
Cash margins on direct credit facilities	30,954,976	25,557,457
Cash margins on indirect credit facilities	15,389,504	14,528,358
Cash margins on margin trading accounts	111,364	127,763
Total	46,455,844	40,213,578

(17) Borrowed Funds

	Loan amount	Balance	Repayment method	Guarantees	Interest rate
	JD	JD	JD	JD	JD
31 December 2024					
World Bank loan	2,000,000	600,000	20 years, including a 5-year grace period; to be settled in semi-annual installments.	-	7,11
Advances from the Central Bank of Jordan	63,379,473	63,379,473	Various installments.	-	0-1
Jordan Mortgage Refinance Company	10,000,000	10,000,000	Bullet payment dated 16/08/2028	Property mortgage	5,1
International Fund for Agricultural Development	750,000	548,077	18 years, including a 3-year grace period; to be settled in semi-annual installments	-	5,18
International Fund for Agricultural Development	617,000	617,000	15 years, including a 2-years grace period to be settled in semi-annual installments	-	5,36
European Investment Bank	23,007,759	18,824,530	7 years, including 2 years grace period to be settled in semi-annual installments	-	5.82
Total		93,969,080			
31 December 2023					
World Bank loan	2,000,000	800,000	20 years, including a 5-year grace period; to be settled in semi-annual installments.	-	7,11
Arab Monetary Fund loan	2,100,000	189,000	10 years, including a 3 -year grace period; to be settled in semi-annual installments.	-	2,5
Advances from the Central Bank of Jordan	36,439,751	36,439,751	Various installments.	-	0-1
Jordan Mortgage Refinance Company	10,000,000	10,000,000	Bullet payment dated 5/2/2024	Property mortgage	8,65
Jordan Mortgage Refinance Company	10,000,000	10,000,000	Bullet payment dated 16/08/2028	Property mortgage	5,1
Jordan Mortgage Refinance Company	10,000,000	10,000,000	Bullet payment dated 26/9/2024	Property mortgage	4,55
International Fund for Agricultural Development	750,000	613,940	18 years, including a 3-year grace period; to be settled in semi-annual installments.	-	5,18
International Fund for Agricultural Development	617,000	617,000	15 years, including a 2-years grace period to be settled in semi-annual installments.	-	5,36
European Investment Bank	23,007,759	23,007,759	7 years, including 2 years grace period to be settled in semi-annual installments.	-	6,9
Total		91,667,450			

- Total re-loaned funds are amounted to JD 65,949,269 as at 31 December 2024 (JD 39,179,628 as at 31 December 2023) with an interest rate ranged between 2% and 12.5% as at 31 December 2024 (2% and 12% as at 31 December 2023).

(18) Income Tax

A. Income tax provision

Set out below is the movement in income tax provision during the years ended as at 31 December 2024 and 2023:

Item	2024	2023
	JD	JD
Balance as at the beginning of the year	5,303,391	5,417,035
Income tax incurred on current year profits	4,393,733	6,512,113
Prior year income tax adjustments	-	(233,808)
Income tax paid	(6,563,206)	(6,391,949)
Balance as at the end of the year	3,133,918	5,303,391

B. Income tax expense

Set out below is the income tax expense shown in the income statement:

Item	2024	2023
	JD	JD
Income tax incurred on current year profits	4,393,733	6,512,113
Prior year income tax expense	(19,110)	42,686
Impact of deferred tax assets	1,604,235	(1,046,877)
Impact of deferred tax liabilities	16,123	(51,140)
Total	5,994,981	5,456,782

C. Tax status

- The Bank has reached a final settlement with the Income and Sales Tax Department until the end of year 2019.
- Regarding the years 2020, 2021, 2022 and 2023, the income tax returns were submitted within the legal period, but they were not reviewed by the Income and Sales Tax Department up to the date of financial statements. In the opinion of the management and the Bank's tax consultant, no liabilities in excess of the provision booked and the advance payments made by the Bank will arise as at the date of the financial statements.

D. Deferred tax assets / liabilities

Item	2024				31 December	
	Balance as at the beginning of the year	Additions	Released	Balance as at the end of the year	2024	2023
	JD	JD	JD	JD	JD	JD
A. Deferred Tax Assets						
Provision for debts before the year 2000	213,417	-	13,460	199,957	75,984	81,098
Provision for impairment on seized properties	4,416,616	29,356	3,559,019	886,953	337,042	1,678,314
Provision for properties seized for more than four years	1,393,948	-	14,495	1,379,453	524,192	529,700
Provision for breached seized shares	1,478,759	-	830,783	647,976	246,231	561,928
Impairment loss on shares seized against debts	473,218	830,783	-	1,304,001	495,520	179,823
Provision for lawsuits against the Bank	622,500	268,509	120,352	770,657	292,850	236,550
Provision for end-of-service indemnity	-	19,132	-	19,132	7,270	-
Provision and expenses for suspended legal fees	4,650,081	859,318	99,921	5,409,478	2,055,601	1,767,031
Other provisions	1,453,105	-	497,430	955,675	363,156	552,180
Provision for employees' bonuses	900,000	900,000	900,000	900,000	342,000	342,000
Provision for expected credit losses	10,527,837	-	2,349,575	8,178,262	3,107,740	4,000,578
Deferred losses against sold seized properties	1,067,429	-	266,857	800,572	304,217	405,623
Accumulated tax losses	1,669,816	-	546,586	1,123,230	146,020	217,076
Provisions and interest in suspense taxed in prior periods	-	1,710,113	-	1,710,113	649,843	-
	28,866,726	4,617,211	9,198,478	24,285,459	8,947,666	10,551,901
B. Deferred tax Liabilities						
Unrealized gains on the shares at fair value through income statement	163,843	8,526	(33,901)	206,270	78,383	62,260
Fair value reserve *	4,561,103	(1,098,679)	(4,433)	3,466,857	474,115	636,151
	4,724,946	(1,090,153)	(38,334)	3,673,127	552,498	698,411

* Deferred tax liabilities resulting from valuation gains of financial assets at fair value through other comprehensive income appear within the valuation reserve for financial assets at fair value in the statement of changes in equity.

Set out below is the movement in the deferred tax assets/ liabilities during the years ended 31 December 2024 and 2023:

Item	31 كانون الأول		31 كانون الأول	
	2024	2023	2024	2023
	Assets		Liabilities	
	JD	JD	JD	JD
Balance at the beginning of the year	10,551,901	9,505,024	698,411	1,720,245
Additions during the year	1,754,540	2,734,485	16,031	200,437
Disposals during the year	(3,358,775)	(1,687,608)	(161,944)	(1,222,271)
Balance at the end of the year	8,947,666	10,551,901	552,498	698,411

- Deferred tax assets for income generated inside Jordan have been calculated using a tax rate of 38%, and 13% for income generated outside Jordan as at 31 December 2024 and 2023 in accordance with the income tax rate for Banks as per the Income Tax Law No (34) for the year 2014 and its amendments, effective beginning on 1 January 2019.

E. Summary of reconciliation between accounting income and taxable Income:

Item	2024	2023
	JD	JD
Accounting income	17,712,682	16,941,566
Add: Non-deductible tax expenses	4,235,337	7,589,425
Less: Non-taxable income	(10,823,457)	(7,458,886)
Adjusted taxable income	11,124,562	17,072,105
Statutory income tax rate	38%	38%
Effective income tax rate	25%	38%

(19) Sundry Provisions

	Balance as at the beginning of the year	(Recovered) expense for the year	Paid during the year	Balance as at the end of the year
	JD	JD	JD	JD
31 December 2024				
Provision for lawsuits against the Bank	622,500	268,509	(120,352)	770,657
Provision for end-of-service indemnity	-	19,132	-	19,132
Others	615,000	(497,430)	-	117,570
Total	1,237,500	(209,789)	(120,352)	907,359
31 December 2023				
Provision for lawsuits against the Bank	266,000	663,071	(306,571)	622,500
Provision for end-of-service indemnity	359	1,771	(2,130)	-
Others	615,000	-	-	615,000
Total	881,359	664,842	(308,701)	1,237,500

(20) Other Liabilities

Item	31 December 2024	31 December 2023
	JD	JD
Refundable and various deposits	32,040,185	29,649,698
Accrued unpaid interests	3,876,763	7,138,127
Acceptable checks	3,410,334	2,824,431
Accrued unpaid expenses	1,905,333	1,645,807
Received amounts on the sale of seized properties*	1,091,439	1,058,339
Expected credit losses on indirect facilities and un-utilized limits**	1,051,502	1,384,768
Transactions in transit among branches	682,918	2,092,742
Income tax and social security deposits	451,246	412,659
Safe deposits boxes	108,036	102,474
Shareholders' deposits	27,262	82,879
Board of Directors' remunerations	55,000	55,000
Others	1,491,558	1,478,469
Total	46,191,576	47,925,393

Set out below is the movement in received amounts on the sale of seized properties during the years ended as at 31 December 2024 and 2023:

Item	2024	2023
	JD	JD
Balance as at the beginning of the year	1,058,339	1,069,621
Received amounts	2,018,850	870,204
Disposals	(1,985,750)	(881,486)
Balance as at the end of the year	1,091,439	1,058,339

Set out below is the movement in the indirect facilities and un-utilized limits during the years ended as at 31 December 2024 and 2023:

Item	2024			2023	
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	268,599,658	9,438,468	5,075,949	283,114,075	286,972,151
New exposures during the year	35,603,460	722,053	2,741	36,328,254	31,336,876
Matured exposures during the year	(25,537,701)	(606,250)	(11,570)	(26,155,521)	(27,185,129)
Transferred to stage 1	1,379,420	(1,358,515)	(20,905)	-	-
Transferred to stage 2	(15,339,150)	15,483,150	(144,000)	-	-
Transferred to stage 3	(31,392)	(15,371)	46,763	-	-
Changes due to adjustments	9,058,487	(853,566)	(96,624)	8,108,297	(8,009,823)
Balance as at the end of the year	273,732,782	22,809,969	4,852,354	301,395,105	283,114,075

Set out below is the movement in provision expected credit losses (ECL) for indirect facilities and un-utilized limits during the years ended as at 31 December 2024 and 2023:

Item	2024			2023	
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	575,718	19,479	789,571	1,384,768	1,479,402
ECL on new exposures during the year	61,616	6,206	516	68,338	55,056
Recovered from ECL on matured exposures during the year	(47,947)	(3,452)	(513)	(51,912)	(69,920)
Transferred to stage 1	1,639	(1,639)	-	-	-
Transferred to stage 2	(55,227)	55,227	-	-	-
Transferred to stage 3	(90)	-	90	-	-
Effect on provision due to reclassification among the three stages	-	3,962	2,158	6,120	12,891
Changes due to adjustments	(67,684)	445	(288,573)	(355,812)	(92,661)
Balance as at the end of the year	468,025	80,228	503,249	1,051,502	1,384,768

Setaaaaa:

Classification	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
2+	-	-	-	-	16,360
2	81,535	-	-	-	2,500
2-	432,939	-	-	-	-
3+	30,000	2,000	-	-	32,000
3	12,500	-	-	-	299,445
3-	50,300	1,000	-	-	51,300
4+	23,100,093	1,774,628	-	-	24,874,721
4	9,432,650	127,915	-	-	9,560,565
4-	10,581,314	189,000	-	-	10,770,314
5	39,846,740	2,233,507	-	-	42,080,247
5-	24,593,786	990,514	-	-	25,584,300
6+	3,726,531	4,724,674	-	-	8,451,205
6	14,983,170	1,035,966	-	-	16,019,136
6-	403,323	523,500	-	-	926,823
7+	-	28,110	-	-	28,110
7	-	22,300	-	-	22,300
7-	-	4,000	-	-	4,000
8	-	-	60,099	-	60,099
9	-	-	14,371	-	14,371
10	-	-	4,764,301	-	4,764,301
Not Rated	8,501	-	-	-	8,501
Total	127,283,382	11,657,114	4,838,771	143,779,267	143,985,356

Set out below is the movement in the letters of guarantee during the years ended as at 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	132,110,222	6,801,060	5,074,074	143,985,356	146,697,452
New exposures during the year	7,157,324	-	-	7,157,324	7,299,018
Matured exposures during the year	(2,522,142)	(109,813)	(10,145)	(2,642,100)	(6,203,429)
Transferred to stage 1	1,321,405	(1,300,500)	(20,905)	-	-
Transferred to stage 2	(6,878,378)	7,022,378	(144,000)	-	-
Transferred to stage 3	(21,000)	(15,371)	36,371	-	-
Changes due to adjustments	(3,884,049)	(740,640)	(96,624)	(4,721,313)	(3,807,685)
Balance as at the end of the year	127,283,382	11,657,114	4,838,771	143,779,267	143,985,356

Set out below is the movement in provision for expected credit losses (ECL) on letters of guarantee during the year ended as at 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	301,892	11,999	789,272	1,103,163	1,235,273
ECL on new facilities during the year	9,553	-	-	9,553	3,676
Recovered from ECL on fully settled facilities during the year	(1,727)	-	(296)	(2,023)	(50,419)
Transferred to stage 1	1,490	(1,490)	-	-	-
Transferred to stage 2	(21,773)	21,773	-	-	-
Transferred to stage 3	(3)	-	3	-	-
Effect on the provision due to reclassification among the three stages during the year	-	18,160	313	18,473	(6,402)
Changes due to adjustments	(69,640)	(2,524)	(288,602)	(360,766)	(78,965)
Balance as at the end of the year	219,792	47,918	500,690	768,400	1,103,163

Set out below is the classification of letters of credit and acceptances, according to the Bank's internal credit rating as at 31 December 2024 and 2023:

Classification	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
4+	8,677,260	-	-	-	8,677,260
4-	345,933	-	-	-	345,933
5	10,760,355	500,472	-	-	11,260,827
5-	5,030,076	-	-	-	5,030,076
6+	50,819	331,391	-	-	382,210
6	-	-	-	-	-
Not Rated	-	-	-	-	-
Total	24,864,443	831,863	-	-	25,696,306
					16,558,474

Set out below is the movement in the letters of credit and acceptances during the years ended as at 31 December 2024 and 2023:

البند	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	16,137,360	421,114	-	-	16,558,474
New facilities during the year	10,584,794	500,472	-	-	11,085,266
Matured facilities during the year	(4,959,274)	-	-	-	(4,959,274)
Changes due to adjustments	3,101,563	(89,723)	-	-	3,011,840
Balance as at the end of the year	24,864,443	831,863	-	-	25,696,306
					16,558,474

Set out below is the movement in provision for expected credit losses (ECL) for letters of credit and acceptances during the years ended as at 31 December 2024 and 2023:

Item	2024				2023	
	Stage 1		Stage 2	Stage 3	Total	
	JD	JD	JD	JD	JD	
Balance as at the beginning of the year	8,177	184	-	-	8,361	6,179
ECL on granted facilities during the year	12,312	27	-	-	12,339	5,166
Recovered from ECL on fully settled facilities during the year	(1,441)	-	-	-	(1,441)	(1,046)
Effect on the provision due to the reclassification among the three stages during the year	-	-	-	-	-	(375)
Changes due to adjustments	(1,467)	578	-	-	(889)	(1,563)
Balance as at the end of the year	17,581	789	-	-	18,370	8,361

Set out below is the classification of un-utilized facilities limits, according to the Bank's internal credit rating as at 31 December 2024 and 2023:

Item	2024				2023	
	Stage 1		Stage 2	Stage 3	Total	
	JD	JD	JD	JD	JD	
2-	1,788,505	-	-	-	1,788,505	1,993,911
3+	744,963	9,959	-	-	754,922	12,950
3	-	-	-	-	-	2,428,740
3-	5,912	-	-	-	5,912	814,816
4+	25,076,936	601,981	-	-	25,678,917	31,520,600
4	4,871,864	126,721	-	-	4,998,585	4,990,878
4-	6,400,548	327,968	-	-	6,728,516	4,816,245
5	46,544,034	2,503,533	-	-	49,047,567	39,084,942
5-	20,745,998	515,771	-	-	21,261,769	11,835,351
6+	4,973,127	5,656,383	-	-	10,629,510	9,472,860
6	629,067	481,600	-	-	1,110,667	2,637,195
6-	218,650	-	-	-	218,650	441,689
7+	-	43,440	-	-	43,440	-
7	-	-	-	-	-	1,067,875
8	-	-	9,769	-	9,769	1,525
9	-	-	2,086	-	2,086	-
10	-	-	1,728	-	1,728	350
Not Rated	9,585,353	53,636	-	-	9,638,989	11,450,318
Total	121,584,957	10,320,992	13,583	-	131,919,532	122,570,245

Set out below is the movement in the un-utilized facilities limits during the years ended as at 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	120,352,076	2,216,294	1,875	122,570,245	111,634,438
Granted facilities during the year	17,861,342	221,581	2,741	18,085,664	21,146,110
Settled facilities during the year	(18,056,285)	(496,437)	(1,425)	(18,554,147)	(13,516,085)
Transferred to stage 1	58,015	(58,015)	-	-	-
Transferred to stage 2	(8,460,772)	8,460,772	-	-	-
Transferred to stage 3	(10,392)	-	10,392	-	-
Changes due to adjustments	9,840,973	(23,203)	-	9,817,770	3,305,782
Balance as at the end of the year	121,584,957	10,320,992	13,583	131,919,532	122,570,245

Set out below is the movement in provision for expected credit losses (ECL) for un-utilized facilities limits during the years ended 31 December 2024 and 2023:

Item	2024				2023
	Stage 1		Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD
Balance as at the beginning of the year	265,649	7,296	299	273,244	237,950
ECL on granted facilities during the year	39,751	6,179	516	46,446	46,214
Recovered from ECL on fully settled facilities during the year	(44,779)	(3,452)	(217)	(48,448)	(18,455)
Transferred to stage 1	149	(149)	-	-	-
Transferred to stage 2	(33,454)	33,454	-	-	-
Transferred to stage 3	(87)	-	87	-	-
Effect on provision due to reclassification between the three stages during the year	-	(14,198)	1,845	(12,353)	19,668
Changes due to adjustments	3,423	2,391	29	5,843	(12,133)
Balance as at the end of the year	230,652	31,521	2,559	264,732	273,244

(21) Authorized and Paid in Capital

The Bank's authorized and paid in capital is JD 120,000,000 divided into 120,000,000 shares (JD 1/share) as at 31 December 2024 (as at 31 December 2023: JD 120,000,000).

(22) Statutory Reserve

This account represents the accumulated amount of the appropriations from income before tax at 10% during the year and previous years according to Banks Law and Jordanian Companies Law. This amount is not distributable to the shareholders.

(23) Fair Value Reserve, Net

Set out below is the movement in the fair value reserve during the years ended 31 December 2024 and 2023:

Item	2024		2023
	JD	JD	JD
Balance as at the beginning of the year	3,924,952	2,621,695	
Unrealized (losses) gains	(936,643)	1,308,081	
Released due to the sale of financial assets at fair value through other comprehensive income	4,433	(4,824)	
Balance as at the end of the year	2,992,742	3,924,952	

- Fair value reserve balance includes JD 311,112 as at 31 December 2024 and 2023 against implementation of International Financial Reporting Standard No. (9).

(24) Retained Earnings

Set out below is the movement in the retained earnings during the years ended 31 December 2024 and 2023:

Item	2024		2023	
	JD	JD	JD	JD
Balance as at the beginning of the year		24,278,467		20,483,016
Profit for the year		11,717,701		11,484,784
Dividends distributed to shareholders *		(6,000,000)		(6,000,000)
Transferred to statutory reserves		(1,771,268)		(1,694,157)
Released due to the sale of financial assets at fair value through other comprehensive income		(4,433)		4,824
Balance as at the end of the year		28,220,467		24,278,467

- According to the instructions of Jordan Securities Commission and Central Bank of Jordan, the retained earnings balance includes JD 8,947,666 restricted against the deferred tax assets as at 31 December 2024 (JD 10,551,901 as at 31 December 2023).
- According to the instructions of Jordan Securities Commission and Central Bank of Jordan, the retained earnings balance includes JD 2,992,742 restricted against the credit balance of the financial assets fair value reserve as at 31 December 2024 (credit balance of JD 3,924,952 as at 31 December 2023) (including JD 311,112 against the implementation of International Financial Reporting Standard No (9)).
- According to the instructions of Jordan Securities Commission and Central Bank of Jordan, the retained earnings balance includes JD 579,471 restricted against the unrealized gains of financial assets through income statement as at 31 December 2024 (JD 537,044 as at 31 December 2023).

* The Bank's General Assembly approved in its meeting held on 29 April 2024 the recommendation of the Board of Directors to distribute 5% of the capital as cash dividends to the shareholders for the year 2023, which is equivalent to JD 6,000,000 (The Bank's General Assembly approved in its meeting held on 13 April 2023 the recommendation of the Board of Directors to distribute 5% of the capital as cash dividends to the shareholders for the year 2022, which is equivalent to JD 6,000,000).

- Subsequent to the financial statements date, the Board of Directors decided to recommend to the Bank's General Assembly to distribute an amount representing 6% of the capital as cash dividends to shareholders for the year 2024, which is equivalent to JD 7,2 million, noting that these distributions are subject to the approval of the Central Bank of Jordan and the General Assembly of Shareholders.

(25) Interest Income

Item	2024		2023	
	JD	JD	JD	JD
Direct credit facilities:				
Individuals (retail)				
Overdraft accounts	61,117		65,604	
Loans and promissory notes	19,297,193		21,867,167	
Credit cards	877,071		917,009	
Real-estate loans	12,047,019		11,138,151	
Companies				
Corporate				
Overdraft accounts	6,807,762		6,008,810	
Loans and promissory notes	27,797,863		26,915,947	
Small and Medium Entities "SME's"				
Overdraft accounts	1,400,494		1,550,979	
Loans and promissory notes	4,926,123		2,690,652	
Government and public sector	1,300,550		1,705,101	
Balances at central bank of Jordan	838,660		207,618	
Balances and deposits at Banks and financial institutions	1,478,103		1,351,089	
Financial assets at amortized cost	17,844,490		17,766,460	
Total	94,676,445		92,184,587	

(26) Interest Expense

Item	2024	2023
	JD	JD
Banks and financial institutions' deposits	2,281,414	2,676,687
Customers' deposits:		
Current and call accounts	1,009,190	532,642
Saving accounts	1,683,495	1,868,051
Certificates of deposit	2,084,226	1,621,118
Term deposits, and at notice	36,565,953	31,317,252
Cash margins	902,711	837,142
Borrowed funds	2,845,060	4,208,604
Lease liabilities interest expense (Note 12)	152,537	159,335
Deposit Insurance Corporation fees	772,601	707,244
Total	48,297,187	43,928,075

(27) Net Commission Income

Item	2024	2023
	JD	JD
Direct credit facilities commissions	1,470,296	1,104,414
Indirect credit facilities commissions	2,733,013	2,427,685
Total	4,203,309	3,532,099

(28) Foreign Exchange Income, Net

Item	2024	2023
	JD	JD
Resulted from trading / transactions	1,082,793	940,382
Resulted from valuation	391,987	350,981
Margin trading accounts	15,879	14,573
Total	1,490,659	1,305,936

(29) Gains (losses) from Financial Assets at Fair Value Through Income Statement

Item	Realized (losses)	Unrealized gains	Dividends	Total
	JD	JD	JD	JD
2024				
Quoted shares in financial markets	(1,982)	8,526	1,350	7,894
2023				
Quoted shares in financial markets	7,883	(141,992)	2,700	(131,409)

(30) Other Income

Item	2024	2023
	JD	JD
Recovery of debts previously written-off*	356,559	2,431,607
Income from account services	773,843	712,165
Income from reversal of sundry provisions	-	1,200,000
Income from transfers	689,550	602,252
Income from cheques	144,945	217,189
Rental income of safe boxes	69,961	76,320
Telecommunication and post income	31,570	37,919
Returns on seized properties	33,434	87,416
Insurance income	12,174	10,851
Gain from sale of property and equipment	-	196
Others	285,001	662,890
Total	2,397,037	6,038,805

* This item represents amounts recovered from written - off debts and suspended interest taken during the previous years to off statement of financial position but recovered during the years ended 31 December 2024 and 2023.

(31) Employees' Expenses

Item	2024	2023
	JD	JD
Salaries, allowances, and employees' benefits	14,036,497	13,202,695
Bank's contribution in social security	1,510,391	1,446,887
Bank's contribution in saving fund	11,975	11,695
Medical expenses	599,649	575,906
Staff training expenses	82,068	97,311
Per diems	87,984	69,270
Employees' life insurance expenses	52,384	48,447
Others	17,676	16,492
Total	16,398,624	15,468,703

(32) Provision for Expected Credit Losses, Net

Item	2024				2023
	Stage 1		Stage 2		Total
	JD	JD	JD	JD	JD
Balances and deposits at banks and financial intuitions (Note 5)	(920)	-	-	(920)	1,369
Direct credit facilities (Note 6)	(109,517)	(1,147,064)	9,107,515	7,850,934	11,787,749
Debt instruments within financial assets at amortized cost (Note 9)	(3,990)	-	-	(3,990)	6,024
Letter of guarantees (Note 20)	(61,814)	15,636	(288,585)	(334,763)	(132,110)
Unutilized credit facilities limits (Note 20)	(1,605)	(9,080)	2,173	(8,512)	35,294
Letters of credit and acceptances (Note 20)	9,404	605	-	10,009	2,182
Purchased time withdrawals and letter of credits (Note 13)	(15,460)	-	-	(15,460)	(81,660)
Total	(183,902)	(1,139,903)	8,821,103	7,497,298	11,618,848

(33) Other Expenses

Item	2024	2023
	JD	JD
Software and computers maintenance	2,028,134	1,698,026
Legal and lawyer fees	1,114,364	1,041,479
Advertisements	1,191,667	852,829
Water, electricity, telecommunication and swift	834,499	900,697
Donations	498,229	855,673
Insurance expenses	960,094	829,328
Subscriptions	953,468	825,489
Maintenance, repair and vehicle expenses	784,828	714,988
Professional and consultancy fees	359,320	503,938
Credit cards expenses - net	652,169	502,045
Cleaning and security services	550,151	485,054
Fees, licenses, and taxes	550,899	469,522
Board of Directors' transportation and attendance of meeting allowances	653,934	406,975
Stationery and publications	392,719	365,610
Rent	183,636	179,379
Losses from the sale of seized assets against debts	258,410	168,681
Losses from the sale of property and equipment	38,244	-
Cash transportation fees	204,651	166,762
Hospitality	86,894	76,987
Board of Directors' remunerations	55,000	55,000
Collection incentives	37,468	35,154
Others	229,684	172,420
Total	12,618,462	11,306,036

(34) Earnings Per Share for the Bank's Shareholders – Basic and Diluted

Item	2024	2023
	JD	JD
Profit for the year (JD)	11,717,701	11,484,784
Weighted average number of shares (share)	120,000,000	120,000,000
	JD/Fils	JD/Fils
Earnings per share for the Bank's shareholders – basic and diluted	0/098	0/096

(35) Cash and Cash Equivalent

Item	2024	2023
	JD	JD
Balances at central bank of Jordan maturing within three months (Note 4)	116,981,502	68,319,687
Add: Balances and deposits at banks and financial institutions maturing within three months (Note 5)	27,719,043	38,718,565
Less: Banks' and financial institutions' deposits maturing within three months (Note 14)	(36,166,663)	(18,428,024)
Less: Restricted withdrawal balances	-	(5,000,000)
Total	108,533,882	83,610,228

(36) Transactions with Related Parties

The Bank entered into transactions with the members of the Board of Directors and related parties and companies represented by the members of the Board of Directors and executive management within the normal Banking practice and according to the normal interest rates and commissions. The provision for expected credit losses on those facilities was calculated in accordance with IFRS (9) requirements as adopted by Central Bank of Jordan.

Financial statements include balances and transactions with related parties as follows:

Item	BOD members	Companies represented by the BOD member	Executive management	Others	Total	
	JD	JD	JD	JD	JD	JD
On- Statement of Financial Position Items:						
Deposits at the Bank	1,172,485	1,258,135	535,505	72,630	3,038,755	60,486,041
Direct credit facilities	1,132,172	24,433,102	1,816,908	3,137,608	30,519,790	29,217,858
Deposits at banks	-	-	-	-	-	30,000,000
Cash margins	-	48,986	-	-	48,986	527,546
Off- Statement of Financial Position Items:						
Letters of guarantee	5,000	1,606,973	-	1,347,100	2,959,073	1,991,380
Letters of credit	-	-	-	-	-	813,223
Income statement items:						
Interest and commission income *	112,024	1,846,733	115,680	688,934	2,763,371	2,447,396
Interest and commission expense **	1,098,455	2,785	10,785	942,000	2,054,025	2,384,163

* Credit interest rates range from 3% to 21%.

** Debit interest rates range from 0% to 5.30 %.

Executive management remunerations and salaries

Executive management and Board of Directors' transportation allowance, meetings attendance allowance, salaries, and remunerations for the Bank amount to JD 3,559,842 for the year 2024 (JD 2,938,686 for the year 2023).

(37) Fair Value of Financial Assets and Financial Liabilities not Shown at Fair Value in the Financial Statements

There are no significant differences between the carrying value and fair value of financial assets and financial liabilities at the end of the year 2024 and 2023. Except for the financial assets and liabilities disclosed in note (43).

(38) Risk Management

The Bank's risk management conducts its activities identification, measurement, management, monitoring and controlling through applying the best international practices in connection with risk management, administrative organization, and risk management's tools in accordance with the size of the Bank, its activities, and types of risk it is exposed to.

The organizational structure of the Bank is integrated by risk management control according to each level. Moreover, the corporate Governance Committee, at the Board of Directors' level, decides on the Bank's risk policy and strategy, and ensures the management of risk. This is to ensure setting up and controlling the policies and instructions at an appropriate level for the types of risks the Bank is exposed to until the achievement of the acceptance return for the shareholders without impacting the Bank's financial strength. In this context, the work of the Risk Management Department is complemented by the work of the committees of executive management such as the Assets and Liabilities Committee and the Credit Facilities' Committee.

(38/A) Credit Risk

The Bank's operations involve the Bank's exposure to many risks such as credit risk relating to the default or inability of the other party to the financial instrument to settle its obligations towards the Bank, which causes losses. An important duty of the Bank and its management is to ensure that these risks do not go beyond the general framework predetermined in the Bank's credit policy and maintain their levels within a balanced relationship among risk, return and liquidity. Credit management at the Bank is conducted by several committees from higher management and executive management. Moreover, credit facilities ceiling that can be granted to one client (individual or corporate) or related parties are specified in compliance with the ratios approved by the Central Bank of Jordan, while relying on the credit facilities distribution method to each credit manager and sector. This is performed by taking into consideration the geographic area in a manner that achieves confluence among risks, returns and the optimal utilization of the available resources and the enhancement of the Bank's ability to diversify lending and allocate it to customers and economic sectors.

The Bank monitors credit risk by periodically evaluating the credit standing of the customers in accordance with the customer's credit valuation

system based on credit risk elements and probabilities of non-payment for financial, managerial, or competition reasons. In addition, the Bank obtains proper guarantees from customers for the cases requiring that according to each customer's risk level and extension of additional facilities.

The Bank's credit risk management policy includes the following:

1. Specifying credit ceilings and concentrations:

The credit policy includes specific and clear ratios for the maximum credit that can be granted to a customer. Moreover, there are different credit ceiling for each administrative level.

2. Determining the risk mitigation methods:

The Bank's risk management activity depends on several methods to mitigate risk as follows:

- Collaterals and their convertibility to cash and coverage of the credit granted.
- Pre-approval of the credit facilities committee on the credit granted.
- Credit approval authority varies from one management level to another based on the customer's portfolio size, maturity, and customer's risk degree.

3. Mitigating the assets and liabilities' concentration risk:

The Bank works effectively to manage this risk as its annual plan includes the well-studied distribution of credit focusing on the most promising sectors. In addition, credit is distributed to several geographic areas inside and outside Jordan.

4. Studying, monitoring, and following up on credit:

The Bank developed the necessary policies and procedures to determine the study method of credit, maintaining the objectivity and integrity of decision making, ensuring that credit risk is accurately evaluated, properly approved, and continuously monitored.

The general framework of the credit policy includes setting up credit approval authorities and clarifying credit limits and the method of determining the risk degree.

The Bank's organizational structure involves segregating the work units responsible for granting credit from the work units responsible for monitoring credit as regards to the credit terms, sounded of the credit decision, implementation for all credit extension terms, adherence to the credit ceiling and determinants in the credit's policy, and other related matters.

Moreover, there are specific procedures for following up on performing credit facilities to maintain them as performing and managing non-performing credit facilities.

The Bank mitigates the assets and liabilities concentration risk through distributing its activities to various sectors and geographic areas inside and outside Jordan. Moreover, the Bank adopts a specific policy that shows the credit ceilings granted to Banks and countries with high credit ratings and reviews them continuously through the assets and liabilities committee, to distribute the risk and utilize the credit evaluation. The investment policy specifies the investment allocation ratios and their determinants in order to distribute them in a way that achieves a high return and lowers the risk.

Set out below is the exposure to credit risk (net of ECL provision, interest in suspense, before collaterals, and other risk mitigations):

Item	31 December	
	2024	2023
	JD	JD
Items within the financial statements		
Balances at central bank of Jordan	91,845,089	45,374,392
Balances and deposits at banks and financial institutions	27,718,182	68,716,784
Credit Facilities:		
Individual	162,957,739	169,130,327
Real-estate loans	98,912,791	95,105,584
Companies		
Corporate	445,896,297	401,853,531
Small and Medium Entities "SME's"	54,159,785	45,869,715
Government and public sector	13,804,119	20,467,932
Bonds and Treasury Bills:		
Financial assets measured at amortized cost	319,584,621	343,210,421
Purchased withdrawals and letters of credit	1,214,090	2,966,630
Total	1,216,092,713	1,192,695,316
Off-statement of financial position items		
Letters of guarantee	143,010,867	142,882,193
Letters of credit and acceptances	25,677,936	16,550,113
Un-utilized facilities limits	131,654,800	122,297,001
Total	300,343,603	281,729,307

Credit Exposures Distribution

Bank's Internal Credit ratings	Category classification according to instructions no. (47/2009)	Total exposure	ECL	PD	EAD	LGD
		JD	JD	%	JD	%
1	Performing	2	-	-	2	-
2	Performing	81,535	-	0.001	40,768	-
2-	Performing	2,999,999	301	0 - 0.001	2,241,751	17.6 - 22
3+	Performing	1,640,299	69	0 - 0.098	1,440,498	0 - 21.6
3	Performing	12,500	-	0 - 0.002	6,250	0 - 21.6
3-	Performing	65,054	78	0 - 0.052	35,443	0 - 27
4+	Performing	183,724,952	195,947	0 - 0.301	159,701,276	0 - 27
4	Performing	27,645,583	12,641	0 - 0.063	20,929,619	0 - 27
4-	Performing	32,249,147	12,357	0 - 0.249	24,296,053	0 - 27
5	Performing	286,810,218	600,845	0 - 0.093	240,744,268	0 - 27
5-	Performing	597,434,720	421,959	0 - 0.719	576,152,874	0 - 27
6+	Performing	68,301,227	393,253	0 - 0.358	60,258,674	0 - 27
6	Performing	23,658,056	138,414	0 - 0.329	15,198,338	0 - 27
6-	Performing	12,620,717	703,140	0.011 - 0.636	12,083,976	0 - 27
7+	Performing	139,690	15,550	0.002 - 0.899	115,644	0 - 27
7	Performing	54,442,369	2,351,568	0 - 0.901	54,431,235	0 - 27
7-	Performing	266,693	25,877	0.040 - 0.900	264,693	3.92 - 27
Not Rated	Performing	208,858,181	2,446,909	0 - 0.907	202,396,062	0 - 30
Total performing loans		1,500,950,942	7,318,908		1,370,337,424	
8	Non-performing	6,698,582	1,483,971	100	6,495,991	0-55
9	Non-performing	10,405,018	3,173,913	100	9,872,909	0-55
10	Non-performing	52,648,727	29,877,374	100	36,017,457	0-100
Not Rated	Non-performing	27,670,836	17,409,588	100	19,966,528	0-100
Total non-performing loans		97,423,163	51,944,846		72,352,885	

Set out below is the credit risk exposures of assets categorized by economic sector:

Item	2024										
	Financial	Industrial	Trading	Real estates	Construction	Agricultural	Shares	Individuals	Government and public sector	Others	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central bank of Jordan	91,845,089	-	-	-	-	-	-	-	-	-	91,845,089
Balances and deposits at banks and financial institutions	27,718,182	-	-	-	-	-	-	-	-	-	27,718,182
Direct credit facilities	50,548,998	132,810,060	161,780,971	98,912,791	33,699,175	7,804,248	3,230,706	162,957,739	13,804,119	110,181,924	775,730,731
Financial assets at amortized cost	3,740,682	-	-	-	-	-	-	-	315,843,939	-	319,584,621
Purchased withdrawals and letters of credit	-	-	1,214,090	-	-	-	-	-	-	-	1,214,090
Total	173,852,951	132,810,060	162,995,061	98,912,791	33,699,175	7,804,248	3,230,706	162,957,739	329,648,058	110,181,924	1,216,092,713
Letters of guarantee	11,615,334	3,646,381	10,824,560	19,806,360	-	331,419	7,701,231	19,471,919	-	69,613,663	143,010,867
Letters of credit and acceptances	-	259,805	17,397,245	-	-	-	-	739,567	-	7,281,319	25,677,936
Unutilized credit facilities limits	14,668,968	7,321,145	23,997,873	17,463,201	-	68,019	1,592,310	30,441,934	-	36,101,350	131,654,800
Grand total	200,137,253	144,037,391	215,214,739	136,182,352	33,699,175	8,203,686	12,524,247	213,611,159	329,648,058	223,178,256	1,516,436,316

Set out below is the credit risk exposures categorized by stages according to IFRS (9) as at 31 December 2024:

Item	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Financial	192,464,008	6,686,101	987,144	200,137,253
Industrial	102,129,252	39,072,019	2,836,120	144,037,391
Trading	122,843,654	87,954,073	4,417,012	215,214,739
Real estates	111,303,173	20,570,875	4,308,304	136,182,352
Construction	12,180,272	21,489,408	29,495	33,699,175
Agricultural	4,709,015	3,350,353	144,318	8,203,686
Shares	11,525,576	305,551	693,120	12,524,247
Individuals	200,078,992	10,348,648	3,183,519	213,611,159
Government and public sector	329,647,967	2	89	329,648,058
Others	183,012,215	33,960,817	6,205,224	223,178,256
Total	1,269,894,124	223,737,847	22,804,345	1,516,436,316

Set out below is the credit risk exposures categorized by geographical distribution:

Item	2024							
	Inside Jordan	Middle East	Europe	Asia	Africa	America	Others	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central bank of Jordan	91,845,089	-	-	-	-	-	-	91,845,089
Balances and deposits at Banks and financial institutions	16,536,932	1,418,920	6,334,004	537,037	33,233	2,486,359	371,697	27,718,182
Direct credit facilities	775,730,731	-	-	-	-	-	-	775,730,731
Financial assets at amortized cost	319,584,621	-	-	-	-	-	-	319,584,621
Purchased withdrawals and letters of credit	1,214,090	-	-	-	-	-	-	1,214,090
Total	1,204,911,463	1,418,920	6,334,004	537,037	33,233	2,486,359	371,697	1,216,092,713
Letters of guarantee	143,010,867	-	-	-	-	-	-	143,010,867
Letters of credit and acceptances	8,260,123	937,632	345,915	8,198,495	-	4,736,594	3,199,177	25,677,936
Unutilized credit facilities limits	131,654,800	-	-	-	-	-	-	131,654,800
Grand total	1,487,837,253	2,356,552	6,679,919	8,735,532	33,233	7,222,953	3,570,874	1,516,436,316

Set out below is the credit exposure categorized by stages in accordance with IFRS (9) as at 31 December 2024:

Item	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Inside Jordan	1,242,126,135	222,906,773	22,804,345	1,487,837,253
Middle east	1,525,478	831,074	-	2,356,552
Europe	6,679,919	-	-	6,679,919
Asia	8,735,532	-	-	8,735,532
Africa	33,233	-	-	33,233
America	7,222,953	-	-	7,222,953
Others	3,570,874	-	-	3,570,874
Total	1,269,894,124	223,737,847	22,804,345	1,516,436,316

Set out below is the distribution of the fair value of collaterals against total credit exposures within stage (1) and (2) as at 31 December 2024:

Item	Total exposure value	Collaterals' fair value							Net exposure after collaterals	Expected credit losses
		Total exposure value	Cash margins	Traded shares	Acceptable LGs	Real estates	Others	Total collaterals value		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Credit exposures within the statement of financial position items:										
Balances at central bank of Jordan	91,845,089	-	-	-	-	-	-	-	91,845,089	-
Balances and deposits at banks and financial institutions	27,719,043	-	-	-	-	-	-	-	27,719,043	861
Credit facilities:										
Individuals	162,694,911	8,937,055	97,532	-	6,374,714	7,417,174	-	22,826,475	139,868,436	2,369,810
Real Estate Loans	96,152,734	205,810	423,746	-	69,923,075	240,087	525,919	71,318,637	24,834,097	393,286
Corporate	439,581,070	6,187,455	17,379,451	-	83,485,416	1,475,765	17,300,906	125,828,993	313,752,077	3,687,226
SMEs	52,701,894	6,997,483	-	-	22,077,057	742,708	5,781,762	35,599,010	17,102,884	284,866
Government and public sector	13,811,511	-	-	-	-	-	3,750,000	3,750,000	10,061,511	7,481
Financial assets at amortized cost	318,679,939						315,843,939	315,843,939	2,836,000	19,215
Purchased withdrawals and letters of credit	1,222,000	-	-	-	-	-	-	-	1,222,000	7,910
Total exposures within the statement of financial position items	1,204,408,191	22,327,803	17,900,729	-	181,860,262	9,875,734	343,202,526	575,167,054	629,241,137	6,770,655
Letters of guarantee	138,940,496	11,606,578	253,595	-	7,576,196	214,292	14,535	19,665,196	119,275,300	267,710
Letters of credit and acceptances	25,696,306	1,876,005	-	-	309,227	-	-	2,185,232	23,511,074	18,370
Unutilized credit limits	131,905,949	2,073,175	484,539	-	4,584,528	164,700	4,450	7,311,392	124,594,557	262,173
Total exposures related to off-statement of financial position items	296,542,751	15,555,758	738,134	-	12,469,951	378,992	18,985	29,161,820	267,380,931	548,253
Grand total	1,500,950,942	37,883,561	18,638,863	-	194,330,213	10,254,726	343,221,511	604,328,874	896,622,068	7,318,908

Set out below is the distribution of the fair value of collaterals against total credit exposures within stage (3) as at 31 December 2024:

Item	Total exposure value	Collaterals' fair value							Net exposure after collaterals	Expected credit losses
		Total exposure value	Cash margins	Traded shares	Acceptable LGs	Real estates	Others	Total collaterals value		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Credit exposures within the statement of financial position items:										
Balances at central bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances and deposits at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Credit facilities:										
Individuals	27,670,836	-	-	-	334,629	639,341	-	973,970	26,696,866	17,409,588
Real Estate Loans	6,853,878	378,999	-	-	2,974,493	32,337	22,452	3,408,281	3,445,597	1,779,998
Corporate	46,307,689	-	-	-	4,744,074	284,942	-	5,029,016	41,278,673	26,932,330
SMEs	10,380,291	686,029	-	-	885,324	160,218	326,680	2,058,251	8,322,040	4,963,578
Government and public sector	89	-	-	-	-	-	-	-	89	-
Financial assets at amortized cost	1,358,026	-	-	-	-	-	-	-	1,358,026	356,103
Total exposures within the statement of financial position items	92,570,809	1,065,028	-	-	8,938,520	1,116,838	349,132	11,469,518	81,101,291	51,441,597
Letters of guarantee	4,838,771	474,982	-	-	280,100	6,950	-	762,032	4,076,739	500,690
Unutilized credit limits	13,583	-	-	-	-	-	-	-	13,583	2,559
Total exposures related to off-statement of financial position items	4,852,354	474,982	-	-	280,100	6,950	-	762,032	4,090,322	503,249
Grand total	97,423,163	1,540,010	-	-	9,218,620	1,123,788	349,132	12,231,550	85,191,613	51,944,846

The disclosures below are prepared in two phases (The first phase of the total credit exposure and the second of the expected credit losses) as at 31 December 2024:

A- Total re-classified credit exposures:

Item	Stage 2		Stage 3		Total reclassified exposures	Percentage of classified exposures
	Total exposure value	Reclassified exposures	Total exposure value	Reclassified exposures		
	JD	JD	JD	JD		
Direct credit facilities	205,980,040	70,651,490	91,212,783	22,301,051	92,952,541	10,86
Financial assets at amortized cost	-	-	1,358,026	-	-	-
Total exposures within statement of financial position	205,980,040	70,651,490	92,570,809	22,301,051	92,952,541	
Letters of guarantee	11,657,114	7,022,378	4,838,771	36,371	7,058,749	4.91
Letters of credit and acceptances	831,863	-	-	-	-	-
Unutilized credit limits	10,320,992	8,460,772	13,583	10,392	8,471,164	6,42
Grand total	228,790,009	86,134,640	97,423,163	22,347,814	108,482,454	

B- Expected credit losses of reclassified exposures:

Item	Reclassified exposures			ECL on reclassified exposures		
	Total exposures reclassified from Stage 2	Total exposures reclassified from Stage 3	Total reclassified exposure	Stage 2	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Direct credit facilities	70,651,490	22,301,051	92,952,541	454,411	844,434	1,298,845
Total for the year	70,651,490	22,301,051	92,952,541	454,411	844,434	1,298,845
Letters of guarantee	7,022,378	36,371	7,058,749	21,773	3	21,776
Unutilized credit limits	8,460,772	10,392	8,471,164	33,454	87	33,541
Grand total	86,134,640	22,347,814	108,482,454	509,638	844,524	1,354,162

Types of collaterals against credit facilities are as the followings:

- Real estate mortgages
- Financial assets mortgages such as equity shares
- Banks guarantees
- Cash margins
- Government guarantees
- Cars and machinery

The Bank's Management monitors the collaterals market value periodically and in case the value of the collaterals declines, the Bank requests additional collaterals in order to cover the deficit. Additionally, the Bank regularly reevaluates collaterals held against non-performing facilities.

Rescheduled loans:

Rescheduled loans classified previously as non-performing credit facilities and was classified as watchlist loans according to proper scheduling. Total rescheduled loans as at 31 December 2024 are amounted to JD 935,868 (JD 11,312,679 as at 31 December 2023).

Restructured loans:

Restructuring means to rearrange facilities instalments or increasing their duration or postpone some instalments or increase the grace period...etc. Total restructured loans during the year 2024 are amounted to JD 184,923,046 (JD 120,227,458 as at 31 December 2023).

Bonds and debentures:

The table below shows the classification of bonds and debentures according to external rating agencies before considering its related provisions and interest in suspense:

As at 31 December 2024			
Rating grade	Rating institution	Within financial assets at amortized cost	Total
		JD	JD
Unclassified	-	4,194,026	4,194,026
Governmental	Governmental guarantee and bonds	315,843,939	315,843,939
		320,037,965	320,037,965

As at 31 December 2023			
Rating grade	Rating institution	Within financial assets measured at amortized cost	Total
		JD	JD
Unclassified	-	4,193,093	4,193,093
Governmental	Governmental guarantee and bonds	339,473,730	339,473,730
		343,666,823	343,666,823

(38/B) Market risks

Market risks are the risks of losses that may result from exposures on-and off statement of financial position from changes in market prices, including interest rate risks, equity instruments prices, foreign currency exchange rates, and Bank's services prices.

Within the Bank's investment policy approved by the Board of Directors, market risks should be monitored through the following:

- Monitor money market instruments.
- Monitor the investment in capital market (fixed income instruments).
- Monitor the equity instruments (shares and investments funds).
- Monitor the foreign currencies positions.
- Liquidity.
- Interest rate sensitivity.
- Shares prices sensitivity analysis.

Interest rate risks

Interest rate risk is defined as risks that may result from interest rate fluctuations lower and/or higher that affect all assets and liabilities that (incur/pay) interest.

The Bank's interest risk management is based on achieving the principle of matching assets and liabilities that are sensitive to interest rates fluctuations, matching the maturities of them, and maintaining an appropriate interest margin rate between the money expenditures and money issuance to achieve the best return.

Sensitivity analysis

Interest rate risks:

31 December 2024			
Currency	Change increase in interest rate (percentage)	Sensitivity of interest revenue (income statement)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	1	5,097	-
Euro	1	(394)	-
Sterling Pounds	1	(921)	-
Other currencies	1	3,223	-

Currency	Change (decrease) in interest rate (percentage)	Sensitivity of interest revenue (income statement)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	1	(5,097)	-
Euro	1	394	-
Sterling Pounds	1	921	-
Other currencies	1	(3,223)	-

31 December 2023			
Currency	Change increase in interest rate (percentage)	Sensitivity of interest revenue (income statement)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	1	44,096	-
Euro	1	(1,460)	-
Sterling Pounds	1	(817)	-
Other currencies	1	5,866	-

Currency	Change (decrease) in interest rate (percentage)	Sensitivity of interest revenue (income statement)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	1	(44,096)	-
Euro	1	1,460	-
Sterling Pounds	1	817	-
Other currencies	1	(5,866)	-

Currency risk:**Exchange rate risk**

The risks arising from the change in the exchange rate of one currency against another, as a result of deviation from the expected movements in foreign exchange currencies markets.

31 December 2024

Currency	Change in currency exchange rate	Sensitivity of interest revenue (income statement)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	5	25,484	-
Euro	5	(1,971)	-
Sterling Pounds	5	(4,604)	-
Other currencies	5	16,114	-

31 December 2023

Currency	Change in currency exchange rate	Sensitivity of interest revenue (income statement)	Sensitivity of shareholders' equity
	%	JD	JD
US Dollar	5	220,481	-
Euro	5	(7,300)	-
Sterling Pounds	5	(4,087)	-
Other currencies	5	29,329	-

Within its approved investment policy, the Bank's Board of Directors sets up limits for the positions of all currencies at the Bank. These positions are monitored daily through the Treasury and Investment Department which report to the executive management to ensure that they are within the accepted limit. The Bank also follows a hedging policy to reduce foreign exchange risk using derivatives if needed.

Risks of Changes in Shares Prices:

This represents the risk resulting from the decline in the fair value of the investment portfolio of the shares due to the changes in the value of the shares' indicators and the change in the value of shares individually.

31 December 2024

Indicator	Change in Index	Effect on income statement	Effect on shareholders' equity
	%	JD	JD
Amman Stock Exchange, Khartoum market, and Palestine Securities Exchange	5	68,603	1,545,960
Amman Stock Exchange, Khartoum market, and Palestine Securities Exchange	(5)	(68,603)	(1,545,960)

31 December 2023

Indicator	Change in Index	Effect on income statement	Effect on shareholders' equity
	%	JD	JD
Recovered	5	68,639	1,611,827
Recovered	(5)	(68,639)	(1,611,827)

Shares prices risk

The Board of Directors adopts a specific policy in diversifying investments of the shares based on geographic and sectors distribution at predetermined percentages that are monitored daily. According to this policy, it is recommended to invest in listed shares of well-reputed international markets that have a high liquidity rate to face any risks that might arise therefrom.

Interest repricing gap:

The Banks follows a policy to match the amounts of assets and liabilities and align the maturities and to decrease the gap through dividing the assets and liabilities to various periodic maturities or review the interest rates in order to decent the interest rates risk and study the gaps in the related interest rate or by using advanced hedging tools.

Classification is done according to interest re-pricing or maturity whichever is closer.

Interest rate sensitivity:

Item	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	Over 3 years	Non-interest bearing Items	Total
	JD	JD	JD	JD	JD	JD	JD	JD
As at 31 December 2024								
Assets								
Cash and balances at central bank of Jordan	16,900,000	-	-	-	-	-	100,081,502	116,981,502
Balances and deposits at banks and financial institutions	16,778,850	33,375	-	-	-	-	10,905,957	27,718,182
Direct credit facilities, net	51,358,103	85,571,732	67,733,787	97,435,168	231,498,433	242,133,508	-	775,730,731
Financial assets at fair value through the income statement	-	-	-	-	-	-	1,372,063	1,372,063
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	50,963,194	50,963,194
Financial assets at amortized cost, net	6,940,497	8,333,828	18,815,544	55,523,153	102,790,661	127,180,938	-	319,584,621
Property and equipment, net	-	-	-	-	-	-	21,070,281	21,070,281
Intangible assets, net	-	-	-	-	-	-	2,639,110	2,639,110
Right-of- use asset	-	-	-	-	-	-	5,595,402	5,595,402
Deferred tax assets	-	-	-	-	-	-	8,947,666	8,947,666
Other assets	-	1,214,090	-	-	-	-	69,518,758	70,732,848
Total Assets	91,977,450	95,153,025	86,549,331	152,958,321	334,289,094	369,314,446	271,093,933	1,401,335,600
Liabilities								
Banks' and financial institutions' deposits	35,601,428	-	-	-	-	-	565,235	36,166,663
Customers' deposits	263,461,616	132,904,234	166,091,280	203,100,037	87,510,130	27,000	141,795,917	994,890,214
Cash margins	12,351,574	4,924,522	3,896,763	9,446,207	335,910	-	15,500,868	46,455,844
Borrowed funds	72,835	4,133,001	444,711	8,542,440	18,562,303	57,818,238	4,395,552	93,969,080
Income tax provision	-	-	-	-	-	-	3,133,918	3,133,918
Sundry provisions	-	-	-	-	-	-	907,359	907,359
Deferred tax liabilities	-	-	-	-	-	-	552,498	552,498
Lease liabilities	88,707	244,874	475,563	436,591	2,127,620	2,005,054	-	5,378,409
Other liabilities	-	-	-	-	-	-	46,191,576	46,191,576
Total Liabilities	311,576,160	142,206,631	170,908,317	221,525,275	108,535,963	59,850,292	213,042,923	1,227,645,561
Interest rate sensitivity gap	(219,598,710)	(47,053,606)	(84,358,986)	(68,566,954)	225,753,131	309,464,154	58,051,010	173,690,039
As at 31 December 2023								
Total Assets	94,470,193	70,049,818	95,482,654	156,274,208	332,954,664	388,353,076	240,094,478	1,377,679,091
Total Liabilities	308,756,777	168,060,307	156,761,578	246,240,714	83,173,800	55,724,919	190,052,015	1,208,770,110
Interest rate sensitivity gap	(214,286,584)	(98,010,489)	(61,278,924)	(89,966,506)	249,780,864	332,628,157	50,042,463	168,908,981

Set out below is the foreign currency concentration risk:

Item	USD	Euro	Sterling Pounds	Others	Total
	JD	JD	JD	JD	JD
As at 31 December 2024					
Assets					
Cash and balances at central bank of Jordan	17,683,843	2,810,674	515,874	227,005	21,237,396
Balances and deposits at banks and financial institutions	3,174,603	19,159,658	3,023,225	2,360,696	27,718,182
Direct credit facilities, net	77,881,090	-	-	-	77,881,090
Financial assets at fair value through other comprehensive income	24,527,633	17,801	-	-	24,545,434
Financial assets at amortized cost	121,689,966	-	-	-	121,689,966
Other assets	1,871,747	58,563	1,926	74,814	2,007,050
Total Assets	246,828,882	22,046,696	3,541,025	2,662,515	275,079,118
Liabilities and shareholders' equity					
Banks' and financial institutions' deposits	32,337,292	10,690	-	36,330	32,384,312
Customers' deposits	156,066,934	20,652,703	3,386,170	2,309,253	182,415,060
Cash margins	7,706,934	1,388,680	226,526	3,404	9,325,544
Borrowed funds	18,824,530	-	-	-	18,824,530
Other liabilities	28,017,817	26,583	20,405	(8,748)	28,056,057
Shareholders' equity	3,365,697	7,465	-	-	3,373,162
Total Liabilities and Shareholders' Equity	246,319,204	22,086,121	3,633,101	2,340,239	274,378,665
Net concentration on - statement of financial position	509,678	(39,425)	(92,076)	322,276	700,453
Contingent liabilities off - statement of financial position	27,691,304	5,094,143	-	480,690	33,266,137
As at 31 December 2023					
Total Assets	228,095,747	19,198,247	1,956,831	3,712,400	252,963,225
Total Liabilities	223,686,127	19,344,252	2,038,563	3,125,814	248,194,756
Net concentration on - statement of financial position	4,409,620	(146,005)	(81,732)	586,586	4,768,469
Contingent liabilities off - statement of financial position	13,843,999	9,322,574	-	81,635	23,248,208

(38/C) Liquidity risk

The risk of the Bank's inability to finance the increase in assets or to meet its obligations upon maturity without incurring unacceptable losses, which may occur due to the Bank's inability to liquidate and liquefy assets or obtain financing to meet liquidity needs.

The Bank's liquidity management policy aims to achieve the following:

- Enhance the pourability of liquidity at the lowest costs possible. Through managing liquidity,
- The Bank seeks to maintain reliable and stable funding sources at a reasonable cost rate.

The Bank follows certain methods to measure liquidity risks that are in line with the instructions and regulations issued by the Central Bank and the Basel Committee through different financial ratios, legal liquidity ratio and liquidity coverage ratio in addition to maturities of assets and liabilities through the preparation of the maturity ladder and the preparation of stressful conditions tests.

Fund sources:

The Bank diversifies its funding sources to achieve financial flexibility and to lower funding costs.

The existence of the Bank in most of the cities of the Hashemite Kingdom of Jordan enables the Bank to strengthening its customers base and to diversify its funding sources..

Set out below is the distribution of liabilities based on the remaining period until maturity:

Liabilities	As at 31 December 2024							
	Up to 1 month	More the 1 to 3 months	More than 3 to 6 months	More than 6 months to 1 year	More than 1 to 3 years	Over 3 years	Without maturity	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Banks' and financial institutions' deposits	36,166,663	-	-	-	-	-	-	36,166,663
Customers' deposits		155,438,981	184,310,420	217,003,571	122,682,024	27,000	-	994,890,214
Cash margins	2,322,792	4,645,584	6,968,377	9,291,169	23,227,922	-	-	46,455,844
Borrowed funds	72,835	7,083,001	444,711	11,492,440	27,412,303	47,463,790	-	93,969,080
Income tax provision	1,485,490	-	1,648,428	-	-	-	-	3,133,918
Sundry provisions	-	-	-	907,359	-	-	-	907,359
Deferred tax liabilities	-	-	552,498	-	-	-	-	552,498
Lease liabilities	88,707	244,874	475,563	436,591	2,127,620	2,005,054	-	5,378,409
Other liabilities	8,967,192	4,645,024	26,518,840	825,179	4,680,300	555,041	-	46,191,576
Total liabilities	364,531,897	172,057,464	220,918,837	239,956,309	180,130,169	50,050,885	-	1,227,645,561
Total assets according to expected maturities	91,978,319	119,831,354	88,092,222	156,644,519	345,088,388	369,314,442	230,386,356	1,401,335,600

Liabilities	As at 31 December 2023							
	Up to 1 month	More the 1 to 3 months	More than 3 to 6 months	More than 6 months to 1 year	More than 1 to 3 years	Over 3 years	Without maturity	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Banks' and financial institutions' deposits	18,428,024	-	-	30,000,000	-	-	-	48,428,024
Customers' deposits		168,662,494	172,660,307	210,720,021	101,347,734	2,248,000	-	967,495,655
Cash margins	2,010,678	4,021,357	6,032,039	8,042,715	20,106,789	-	-	40,213,578
Borrowed funds	194,520	10,768,872	511,312	12,399,845	15,641,399	52,151,502	-	91,667,450
Income tax provision	2,575,118	-	2,728,273	-	-	-	-	5,303,391
Sundry Provisions	-	-	-	1,237,500	-	-	-	1,237,500
Deferred tax liabilities	698,411	-	-	-	-	-	-	698,411
Lease liabilities	56,100	138,000	235,068	660,184	2,155,557	2,555,799	-	5,800,708
Other liabilities	8,033,714	26,204,129	3,089,281	5,537,463	4,524,257	536,549	-	47,925,393
Total liabilities	343,853,664	209,794,852	185,256,280	268,597,728	143,775,736	57,491,850	-	1,208,770,110
Total assets according to expected maturities	94,470,229	94,772,407	97,114,172	160,093,526	344,371,831	388,353,073	198,503,853	1,377,679,091

In order to comply with the instructions of the regulatory authorities, the Bank maintains part of its customers' deposits at the central Banks as a restricted cash reserve that cannot be utilized unless under specified regulations. In addition, the liquidity ratios are kept at levels higher than the minimum imposed by the central bank of Jordan.

The contractual maturity dates of the assets and liabilities in the schedule have been determined based on the remaining year from the date of the statement of financial position until the contractual maturity date regardless of the actual maturities reflected by historical events relating to maintaining deposits and the availability of liquidity.

Off- statement of financial position items

Item	31 December 2024		
	Up to 1 year		More than 1 year to 5 years
	JD	JD	JD
Letters of guarantee	143,779,267	-	143,779,267
Letters of credit and acceptances	22,493,169	-	22,493,169
Enhanced incoming letter of credit	3,203,137	-	3,203,137
Unutilized direct facilities	79,190,444	-	79,190,444
Total	248,666,017	-	248,666,017

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Item	Up to 1 year		More than 1 year to 5 years		Total JD	
	JD		JD			
Letters of guarantee	143,985,356		-		143,985,356	
Letters of credit and acceptances	15,858,094		-		15,858,094	
Enhanced incoming letter of credit	700,380		-		700,380	
Unutilized direct facilities	68,030,338		-		68,030,338	
Total	228,574,168		-		228,574,168	

(39) Bank's Segment Information

A. Information on the key business segments

The Bank is organized for managerial purposes, into four major sectors, which are measured according to reports used by the General Manager and key decision makers at the Bank, through the following major sectors:

- Individual accounts:** includes following up on individual customers deposits, and granting them credit facilities, credit cards and other services.
- Corporate accounts:** includes following up on deposits, credit facilities, and Banking services related to corporations.
- Treasury:** This segment includes providing dealing services and managing the Banks' funds.
- Others:** This segment includes the activities which do not meet the definition of the Banks above business segments.

The following table represents information on the Bank's sectors according to activities:

Item	Individuals	Corporate	Treasury	Others	Total	
	JD	JD	JD		JD	2023
Gross income for the year	19,850,850	32,749,051	1,983,847	70,666	54,654,414	59,932,646
Less: Expected credit losses	(3,613,851)	(3,888,357)	4,910	-	(7,497,298)	(11,618,848)
Segment results	16,236,999	28,860,694	1,988,757	70,666	47,157,116	48,313,798
Less: Distributed segment expenses	(19,859,245)	(9,929,623)	(3,309,874)	3,654,308	(29,444,434)	(31,372,232)
Profit for the year before income tax	(3,622,246)	18,931,071	(1,321,117)	3,724,974	17,712,682	16,941,566
Less: Income tax for the year	-	-	-	(5,994,981)	(5,994,981)	(5,456,782)
(Loss) profit for the year	(3,622,246)	18,931,071	(1,321,117)	(2,270,007)	11,717,701	11,484,784
Capital expenditures	-	-	-	1,599,247	1,599,247	3,788,802
Depreciation and amortization	-	-	-	4,081,656	4,081,656	3,909,562
Total Assets	242,331,632	605,593,244	461,144,810	92,265,914	1,401,335,600	1,377,679,091
Total Liabilities	697,752,110	428,352,009	84,120,648	17,420,794	1,227,645,561	1,208,770,110

B. Geographical distribution information

This disclosure represents the geographical distribution of the Banks operation. The Bank operates mainly in Jordan.

The following table shows the distribution of the Bank's income, assets, and capital expenditures by geographical area:

Item	Inside Jordan		Outside Jordan		Total	
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
Gross income	56,971,123	62,128,545	(2,316,709)	(2,195,899)	54,654,414	59,932,646
Capital expenditures	1,599,247	3,788,802	-	-	1,599,247	3,788,802
Total Assets	1,361,415,755	1,308,987,040	39,919,845	68,692,051	1,401,335,600	1,377,679,091

(40) Capital Management

A. Description of Capital.

Capital is categorized into various categories, such as paid in capital, economic capital, and regulatory capital. Moreover, regulatory capital is defined, according to the banks Law, as the total value of the items determined by the Central Bank of Jordan for control purposes to meet the requirements of the capital adequacy ratio prescribed in the Central Bank of Jordan instructions.

- Furthermore, regulatory capital consists of two parts: (1) primary capital (Tier 1) made up of paid-in capital, declared reserves (including statutory reserve, voluntary reserve, share premium, and treasury share premium), and retained earnings after excluding restricted amounts and non-controlling interests net of loss for the year (if any), costs of the acquisition of treasury shares, deferred provisions approved by the Central Bank of Jordan, restructuring balance and goodwill Support capital; and
- (2) additional paid-in capital (Tier 2) which consists of foreign currencies translation differences, general Banking risks reserve, instruments with debt-equity shared characteristics, support debts and %45 of the financial assets' valuation reserve, if positive, and is deducted in full, if negative.
- A third part of capital (Tier 3) might be formed in case the capital adequacy ratio goes below %12 due to factoring capital adequacy ratio into market risks.
- Investments in the capitals of banks, insurance companies and other financial institutions are deducted.

B. The requirements of the regulatory parties concerning capital and the way they are met.

Instructions of the Central Bank of Jordan require that paid-in capital not to be less than JD 100 million and shareholders' equity-to-assets ratio not to be less than 6%. Moreover, the Central Bank of Jordan instructions require that the ratio of regulatory capital to assets weighted by risks and market risks (capital adequacy ratio) be not less than 12% which the Bank considers meeting. Furthermore, the Bank increased its paid-in capital during the year 2017 to become JD/share 120,000,000 as at 31 December 2017, whereby the capital increase procedures were completed on 7 June 2017.

The Bank complies with Article (62) of the Banks Law, which requires the Bank to appropriate 10% of its annual pre-tax profits in Jordan and continue to do so until the reserve equals the Bank's paid-in capital. This meets the requirements of the statutory reserve prescribed by the Companies Law.

The Bank complies with Article (41) of the Banks Law, which requires adherence to the limits set by the Central Bank of Jordan relating to:

1. The percentage of risks relating to its assets and assets weighted by risks, elements of capital, reserves, and contra accounts.
2. The ratio of total loans to permitted regulatory capital granted by the Bank to one person, its affiliates, or to related stakeholders.
3. Ratio of total loans granted to the major ten customers of the Bank to total loans extended by the Bank.

C. Method of achieving capital management goals.

The Bank considers the compatibility of the size of its capital with the size, nature, and complexity of the risk the Bank is exposed to in a manner that does not contradict the prevailing regulations and instructions. This is reflected in its strategic plans and annual budgets.

When entering investments, the impact on capital adequacy ratio is considered. Moreover, capital and its adequacy are monitored periodically as capital adequacy ratio is monitored at the Bank level every quarter. Furthermore, capital adequacy is reviewed by internal audit, and capital ratios are monitored monthly. Such ratios are financial leverage, shareholders' equity to assets, shareholders' equity to customers' deposits, internal growth of capital, provisions, and free capital. This should achieve the appropriate financial leverage, and consequently, the targeted return on shareholders' equity not less than 10% as prescribed by the Bank's strategy.

No dividends are paid to shareholders out of the regulatory capital if such payment leads to non-adherence to the minimum capital requirement.

The Bank concentrates on the internal growth of capital and can resort to public subscriptions to meet expansionary needs and future plans, or the requirements of the regulatory bodies according to specified studies.

Capital Adequacy

Capital adequacy ratio is calculated according to the Central Bank of Jordan instructions based on Basel Committee resolutions III:

Item	31 December 2024		31 December 2023	
	JD	JD	JD	JD
Primary capital items:				
Authorized and paid-in capital	120,000,000		120,000,000	
Retained earnings	28,220,467		24,278,467	
Other comprehensive income items				
Fair value reserve - net	2,992,742		3,924,952	
Statutory reserve	22,476,830		20,705,562	
Total primary capital before regulatory amendments	173,690,039		168,908,981	
Less:				
Intangible assets - net	(2,639,110)		(2,858,126)	
Deferred tax assets - net	(8,395,168)		(9,853,490)	
Dividends to be distributed	(7,200,000)		(6,000,000)	
Deferred provisions with the approval of the central bank	(905,774)		(2,284,975)	
Investing in the capital of banks and financial companies outside the scope of consolidation, in which the Bank owns more than 10%	(8,451,903)		(9,115,662)	
Total regulatory amendments	(27,591,955)		(30,112,253)	
Net primary capital	146,098,084		138,796,728	
Secondary capital items:				
Provision required against credit facilities in stage 1	2,266,747		2,893,524	
Total regulatory capital	148,364,831		141,690,252	
Assets weighted by risks-continuous operations				
Credit risk	1,005,056,145		951,143,470	
Market risk	3,645,356		7,807,240	
Operational risk	103,744,824		97,342,911	
Net assets weighted by risks	1,112,446,325		1,056,293,621	
Regulatory capital adequacy ratio	13,34%		13,41%	
Primary capital ratio	13,13%		13,14%	

Liquidity Coverage Ratio (LCR):

Item	31 December 2024		31 December 2023	
	JD	JD	JD	JD
Total high quality liquid assets after adjustments	395,644,196		374,702,706	
Net cash outflow	179,389,455		125,871,799	
Liquidity coverage ratio (LCR)	220,6		297,7	
Liquidity coverage ratio according to the average end of each month	275,7		288,4	

NET STABLE FUNDING RATIO (NSFR):

Item	31 December 2024		31 December 2023	
	Book value before weighting	Value after available stable conversion factor	Book value before weighting	Value after available stable conversion factor
	JD	JD	JD	JD
Total stable funding available (after available stable funding factor)	1,402,581,820	1,105,338,566	1,379,298,487	1,065,686,940
Total stable funding required (after the required stable funding factor)	1,396,665,938	746,724,522	1,343,604,046	718,938,895
Total stable funding required for off-balance sheet items (after the required stable funding factor)	287,450,470	14,372,524	122,570,202	6,128,510
Total stable funding required	1,684,116,408	761,097,046	1,466,174,248	725,067,405
Net stable funding ratio		145,23%		146,98%

(41) Accounts managed by the Bank on behalf of its customers

The investment portfolios managed on behalf of clients amounted to JD 348,636 as at 31 December 2024 (JD 143,626 as at 31 December 2023). These portfolios are not presented as assets and liabilities in the Bank's statement of financial position; instead, the fees and commissions for managing these accounts are reflected in the income statement.

(42) Assets and liabilities maturity analysis:

The following table illustrates the analysis of assets and liabilities according to the expected period of their recoverability or settlement:

Item	Up to one year	More than one year	Total
	JD	JD	JD
31 December 2024			
Assets:			
Cash and balances at central bank of Jordan	116,981,502	-	116,981,502
Balances and deposits at banks and financial institutions, net	27,718,182	-	27,718,182
Direct credit facilities, net	302,098,790	473,631,941	775,730,731
Financial Assets at fair value through income statement	1,372,063	-	1,372,063
Financial assets at fair value through other comprehensive income	23,906,901	27,056,293	50,963,194
Financial assets at amortized cost, net	68,704,790	250,879,831	319,584,621
Properties and equipment, net	-	21,070,281	21,070,281
Intangible assets, net	-	2,639,110	2,639,110
Right-of-use assets	-	5,595,402	5,595,402
Deferred tax assets	-	8,947,666	8,947,666
Other assets	5,842,552	64,890,296	70,732,848
Total Assets	546,624,780	854,710,820	1,401,335,600
Liabilities:			
Banks' and financial institutions' deposits	36,166,663	-	36,166,663
Customers' deposits	872,181,190	122,709,024	994,890,214
Cash margins	23,227,922	23,227,922	46,455,844
Borrowed funds	19,092,987	74,876,093	93,969,080
Income tax provision	3,133,918	-	3,133,918
Sundry provisions	907,359	-	907,359
Deferred tax liabilities	552,498	-	552,498
Lease liabilities	1,245,735	4,132,674	5,378,409
Other liabilities	40,956,235	5,235,341	46,191,576
Total Liabilities	997,464,507	230,181,054	1,227,645,561
Net Assets	(450,839,727)	624,529,766	173,690,039
31 December 2023			
Assets:			
Cash and balances at central bank of Jordan	68,319,687	-	68,319,687
Balances and deposits at banks and financial institutions, net	68,716,784	-	68,716,784
Direct credit facilities, net	285,624,980	446,802,109	732,427,089
Financial Assets at fair value through income statement	1,372,783	-	1,372,783
Financial assets at fair value through other comprehensive income	23,906,901	26,415,662	50,322,563
Financial assets at amortized cost, net	68,704,790	274,505,631	343,210,421
Properties and equipment, net	-	22,321,642	22,321,642
Intangible assets, net	-	2,858,126	2,858,126
Right-of-use assets	-	6,041,037	6,041,037
Deferred tax assets	-	10,551,901	10,551,901
Other assets	60,119,893	11,417,165	71,537,058
Total Assets	576,765,818	800,913,273	1,377,679,091
Liabilities:			
Banks' and financial institutions' deposits	48,428,024	-	48,428,024
Customers' deposits	863,899,921	103,595,734	967,495,655
Cash margins	20,106,789	20,106,789	40,213,578
Borrowed funds	23,874,549	67,792,901	91,667,450
Income tax provision	5,303,391	-	5,303,391
Sundry provisions	1,237,500	-	1,237,500
Deferred tax liabilities	698,411	-	698,411
Lease liabilities	1,089,352	4,711,356	5,800,708
Other liabilities	42,864,587	5,060,806	47,925,393
Total Liabilities	1,007,502,524	201,267,586	1,208,770,110
Net Assets	(430,736,706)	599,645,687	168,908,981

(43) Fair Value Measurement

A. Fair value of Banks' financial assets that are measured at fair value on a recurring basis:

Some of the financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair value of these financial asset are determined (valuation techniques & key inputs):

Item	Fair value		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs
	2024	2023			
	JD	JD			
Financial assets at fair value through the income statement					
Quoted shares	1,372,063	1,372,783	Level 1	Quoted prices in financial market	Not applicable
Financial assets at fair value through other comprehensive income					
Quoted shares	30,919,206	32,236,542	Level 1 & Level 2	Quoted prices in financial market	Not applicable
Unquoted shares	20,043,988	18,086,021	Level 3	Through equity method and latest available financial information	Not applicable
Total	50,963,194	50,322,563			

B. Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis:

Except for what is detailed in the following table, we believe that the carrying amounts of financial assets and financial liabilities recognized in the Bank's financial statements approximate their fair values, this is because the Bank's management believes that the book value of the items shown below is approximately equivalent to their fair values, either because of their short-term maturity or that their interest rates are repriced during the year.

Item	2024		2023		Fair value Hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
Financial assets not measured at fair value					
Deposits at central bank of Jordan	91,845,089	91,848,099	45,374,392	45,374,392	Level 2
Balances and deposits at Banks and financial institutions	27,718,182	27,745,864	68,716,784	69,668,289	Level 2
Direct credit facilities, net	775,730,731	787,906,762	732,427,089	744,478,772	Level 2 & 3
Financial assets at amortized cost, net	319,584,621	322,805,384	343,210,421	346,517,906	Level 2
Total financial assets not measured at fair value	1,214,878,623	1,230,306,109	1,189,728,686	1,206,039,359	
Financial liabilities not measured at fair value					
Banks' and financial institutions' deposits	36,166,663	36,230,864	48,428,024	51,930,109	Level 2
Customers' deposits	994,890,214	998,033,142	967,495,655	970,581,616	Level 2 & 3
Cash margins	46,455,844	46,751,759	40,213,578	40,507,340	Level 2 & 3
Borrowed funds	93,969,080	94,342,803	91,667,450	91,923,772	Level 2
Financial liabilities not measured at fair value	1,171,481,801	1,175,358,568	1,147,804,707	1,154,942,837	

(44) Commitments and Contingent Liabilities (off-Statement of Financial Position)

Item	31 December 2024		31 December 2023	
	JD	JD	JD	JD
Letters of credit	8,544,968		5,361,560	
Enhanced incoming letters of credit	3,203,136		700,380	
Acceptances	13,948,202		10,496,534	
Letters of guarantee:				
Payment	23,148,925		23,530,804	
Performance	49,917,850		47,344,093	
Others	70,712,492		73,110,459	
Unutilized direct credit facilities limits	79,190,444		68,030,338	
Total	248,666,017		228,574,168	

(45) Lawsuits Against the Bank

Lawsuits raised against the Bank are amounted to JD 2,990,673 as at 31 December 2024 (JD 17,980,216 as at 31 December 2023). In the opinion of the Bank's management and the legal advisor, no further liabilities exceeding the provision of JD 770,657 is required as at 31 December 2024 (JD 622,500 as at 31 December 2023).

(46) Standards Issued but not yet Effective

The standards and interpretations that are issued but not yet effective, up to the date of the Bank's financial statements are disclosed below. The Bank intends to adopt these standards, if applicable, when they become effective.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only.

The Bank is in the process of determining the full impact of the amendments on the financial statements and related notes.

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Bank's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

This standard will result in new presentation of the income statement with some new required totals, in addition to the disclosure of management-defined performance measures.

IFRS 19 Subsidiaries without Public Accountability: **Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The standard is not expected to have a material impact on the Bank's financial statements.

(47) Comparative figures

Some of the year 2023 financial statements figures have been reclassified in order to conform with the financial statement presentation of the year 2024 figures. The reclassification did not have any effect on profit or equity of the year 2024.





Independent Auditor's Report on the Bank's Annual Financial Statements



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Jordan Commercial Bank – Public Shareholding Limited Company**
Amman – Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jordan Commercial Bank (the Bank), which comprise the statement of financial position as at 31 December 2024, income statement, statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the Central Bank of Jordan.

Basis for Opinion

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



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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. 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. For each matter below, our description of how our audit addressed the matter provided in that context.

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

1. Adequacy of expected credit losses provision for credit facilities

Note (6) to the financial statements

Key Audit Matter	How our audit addressed the key audit matter
<p>This matter was considered as a key audit matter in the audit, as the calculation of expected credit losses provision for credit facilities requires management to use significant judgements and to exercise assumptions to determine the extent and timing of recognition of impairment loss.</p> <p>The expected credit losses provision for credit facilities is calculated based on the Bank's provisions and impairment policy which complies with the requirements of IFRS (9) as adopted by the Central Bank of Jordan.</p> <p>Credit facilities form a major portion of the Bank's assets, there is a probability that inaccurate expected credit losses provision is calculated, whether from the use of inaccurate underlying data, or the use of unreasonable assumptions. Due to the significance of the judgments used in classifying credit facilities into various stages stipulated in IFRS (9) as adopted by Central Bank of Jordan, this matter was considered a key audit matter.</p> <p>The Bank's gross credit facilities was amounted to JD 856 million and the related expected credit losses provision was amounted to JD 57.8 million as at 31 December 2024.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Gained an understanding of the Bank's key credit processes, including granting, booking, and credit monitoring, and tested the effectiveness of key controls related to granting and booking of the facilities. • Read the Bank's expected credit losses policy and compared it with the requirements of the International Financial Reporting Standards as well as relevant regulatory guidelines and pronouncements. • Tested and assessed the Bank's expected credit losses model, and in particular focusing on its alignment with the requirements of IFRS (9) as adopted by Central Bank of Jordan and related instructions. • Tested a sample of facilities on an individual basis to evaluate the following: <ul style="list-style-type: none"> - Appropriateness of the Bank's staging. - Appropriateness of the process of determining Exposure at Default, including the consideration of the cash flows from repayments and the related arithmetical calculations.





	<ul style="list-style-type: none">- Appropriateness of the Probability of Default, Exposure at Default and Loss Given Default used for different stages.- Appropriateness of the internal rating and the objectivity, competence and independence of the experts involved in this process.- Accuracy and appropriateness of expected credit losses calculation.- For exposures moved between stages we have checked the appropriateness of the Bank's determination of significant increase in credit risk and the basis for classification of exposures into different stages. We also checked the timely identification of exposures with a significant increase in credit risks. <ul style="list-style-type: none">- For exposures determined to be individually impaired we recalculated the expected credit losses. We also obtained an understanding of the latest developments in the counterparty's situation and the latest developments in relation to future cash flows, any and any rescheduling or restructuring agreements.- For forward looking assumptions used by the Bank in the expected credit losses calculation, we held discussions with management and corroborated the assumptions using publicly available information. <p>We assessed the financial statements disclosures to ensure compliance with IFRS (9). The accounting policies, judgments and critical accounting estimates, disclosures of credit facilities and credit risk management are disclosed in notes (2), (3), (6) and (38) to the financial statements.</p>
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Other information included in the Bank's 2024 annual report

Other information consists of the information included in the Bank's 2024 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Bank's 2024 Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as adopted by the Central Bank of Jordan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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's 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.



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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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's to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

The Bank maintains proper books of accounts which are in agreement with the financial statements.

Ernst & Young – Jordan

Ali Hasan Samara
License No. 503

Amman – Jordan
27 February 2025

ERNST & YOUNG
Amman - Jordan

(21/E) - Declarations of the Board Members

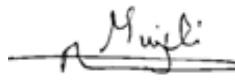
- 1- The Board of Directors of Jordan Commercial Bank (JCB) confirms, to the best of its knowledge and belief, that there are no material matters that could affect the Bank's continuity as a going concern in the upcoming financial year. The Board also affirms that its members have not received any financial or in-kind benefits other than those disclosed in the remuneration and benefits table.
- 2- The Board of Directors of Jordan Commercial Bank acknowledges its responsibility for preparing the financial statements and ensuring the implementation of an effective control system within the Bank.

The signatures of the Board members below cover all the above declarations, items 1 and 2

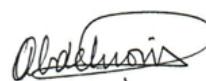
Chairman of the Board
Michael Sayegh



Vice-Chairman
Ayman Majali



Board Member
Abdelnour Abdelnour



Board Member
First Jordan Investment

Vacant Position

Board Member
Osama Hamad



Board Member
The Social Security Corporation
(the first seat)
Represented by: Yahia Obeidat



Board Member
The Social Security Corporation
(the second seat)
Represented by: Rami Titi



Board Member
Lina Albakhit Aldababneh



Board Member
MOHD JAMAL Anoubani



Board Member
Omar Maani



Board Member
Faiq Sayegh



- 3- We, the undersigned, certify the accuracy, completeness, and validity of the information and data presented in the Annual report and confirm the implementation of internal control and oversight systems.

Chairman of the Board
Michael Sayegh



Chief Executive officer (CEO)
Caesar Hani Aziz Qulajen



Chief Financial Officer (CFO)
Abdallah Kiskek





Corporate Governance

Introduction

Jordan Commercial Bank is committed to maintaining its financial stability and upholding the integrity of the Jordanian banking system as a whole. As a member of this system, the Bank adheres to international standards for sound banking practices. This commitment requires adopting the highest standards of corporate governance, ensuring that the Bank operates within an institutional framework, complies with laws and regulations issued by supervisory authorities, and implements the policies, directives, and procedures set by the Board of Directors and Executive Management.

Corporate governance is founded on several key principles, the most important of which include a clear distinction between the responsibilities of the Board of Directors and the General Manager (Chief Executive Officer), ensuring that the Chairman of the Board is a non-executive member, and establishing well-defined organizational and administrative structures with clearly assigned roles and authorities. It also requires effective oversight frameworks that are transparent and well-structured. Additionally, all stakeholders should be treated fairly, with full transparency and disclosure that allow them to assess the Bank's financial position and performance. Moreover, members of the Board of Directors and Senior Executive Management must demonstrate the necessary academic and professional qualifications, integrity, honesty, and a strong reputation.

Good corporate governance strengthens the relationship between shareholders, the Board of Directors, Executive Management, and the Bank's stakeholders (including other banks, depositors, and regulatory authorities). It also ensures accountability, with Executive Management being answerable to the Board of Directors, and the Board itself being accountable to shareholders and relevant stakeholders.

This Manual and its associated corporate governance policies have been developed to reinforce Jordan Commercial Bank's identity and affirm the independence of its Board members, ensuring the absence of conflicts of interest. It also underscores their ability to select an Executive Management team capable of overseeing the Bank's operations in alignment with the highest local and international standards and best practices in corporate governance.

Part I: Definitions, Aspects, and Importance of Corporate Governance

First: Definitions:

Non-executive Board Member:	A member who is not a full-time managing officer or employee at the Bank and does not receive a salary from it.
Authorized Person:	A person who is authorized to access internal information by virtue of their position or function at the Bank, including the Chairman and Members of the Board of Directors, Financial Director, Internal Auditor, External Auditor, representatives of legal entities, Board Secretary and relatives of the aforementioned parties.
Cumulative voting:	The voting mechanism for electing the Bank's Board of Directors allows each shareholder the option to distribute their votes according to the number of shares they hold. Shareholders have the right to use all their votes for a single candidate or distribute them among multiple candidates, with each share receiving one vote, without any duplication of votes.
Governance Report:	A report outlining the Bank's corporate governance applications and practices, and it is incorporated into the Annual Report of the Bank and is signed by the Chairman of the Board.
Relatives:	Father, mother, brother, sister, spouse and offspring.
Corporate Governance:	The system that governs and manages the bank, aimed at defining its institutional objectives and achieving them, managing the bank's operations securely, protecting depositors' interests, complying with due responsibility towards investment account holders, shareholders, and other stakeholders, and adhering to prevailing legislation and internal bank policies.
Stakeholders:	Any entity with an interest in the Bank, such as depositors, investment account holders, shareholders, employees, creditors, customers, or relevant regulatory authorities.
Independent member:	A Board member of the Bank who is not a major shareholder, and who is not under the control of any of them, and who possesses the qualifications or financial and banking expertise as outlined in chapter 3 / Section Two (Paragraph D).
Senior Executive Management:	Senior Executive Management includes the bank's General Manager or Regional Manager, Deputy General Manager or Deputy Regional Manager, Assistant General Manager or Assistant Regional Manager, Financial Manager, Operations Manager, Facilities Manager, Treasury (Investment) Manager, Risk Management Manager, Internal Audit Manager, Compliance Manager, in addition to any bank employee holding the same job title and possessing executive authority parallel to any of the aforementioned authorities and/or directly reporting functionally to the General Manager.
Suitability:	Specific requirements related to integrity, honesty, reputation, competence, and qualifications that must be met, in accordance with the in the Corporate Governance Instructions, for individuals nominated for membership in the Bank's Board of Directors and Senior Executive Management.
Consulting position:	A position where the occupant has a contract or agreement with the Bank to provide temporary consulting services or under an annual contract.
External Auditor:	The audit firm, partners at the audit firm, and members of the audit team. Includes the audit office, the partners in the audit office, and the members of the audit team.
Audit Firm:	The firm through which the audit team practices its profession, registered with the Companies Control Department at the Ministry of Industry, Trade, and Supply as a civil company authorized to practice the profession in accordance with applicable legislation.
Auditing partner:	A licensed partner in the audit firm in charge of the audit engagement and the report issued on its behalf. The partner has the experience, academic qualifications, and professional certifications required to sign the audit report.
Audit Team:	Team members conducting audit procedures under the supervision of the audit engagement partner; this does not include non-audit services team members outside the scope of audit services.

Second: Corporate Governance:

It is the set of relationships between the Bank's Board of Directors, Executive Management, shareholders, and other stakeholders with an interest in the Bank. It defines the mechanisms for setting corporate objectives, the methods for achieving them, and the processes for monitoring their fulfillment. Therefore, good corporate governance provides both the Board of Directors and Executive Management with the appropriate incentives to achieve goals that serve the best interests of the institution, facilitates the establishment of effective monitoring processes, and helps the institution utilize its resources efficiently.

In addition, it is the system that defines how powers are exercised within the Bank, how decisions are made, ensures the secure management of the Bank's operations, protects the interests of depositors, fulfills the due responsibilities towards shareholders and other stakeholders, and ensures the Bank's compliance with regulations and internal policies.

Third: Aspects of Corporate Governance:

1. Internal Factors:

Corporate Governance is represented in the effective interaction between the shareholders, the Board of Directors, the Executive Management of the bank and other relevant parties. Proper Corporate Governance facilitates the Bank's ability to define and achieve the objectives set forth by the Board of Directors and the strategies developed by Executive Management to reach those objectives.

2. External Factors:

External factors include the following:

- Compliance with laws, regulations, and instructions that protect the rights of shareholders and other relevant parties, such as depositors and other creditors of the Bank.
- The availability of the appropriate control environment provided by the regulatory authorities.
- The availability of capital market infrastructure, which increases the ability of shareholders to hold the Bank's management accountable.
- Adherence to accounting standards related to the accurate and timely presentation of financial statements, as well as setting the proper methodology of disclosure.
- The presence of a third-party monitoring the Bank's performance, such as financial markets, central banks, international rating agencies, professional and commercial associations, and others.
- The availability of an appropriate legal, legislative and supervisory environment that clarifies the rights of the Bank's stakeholders.
- Corporate Governance requires the provision of both internal and external environments, noting that the availability of one does not necessarily mean the availability of the other. In both cases, the following elements are considered guiding principles for achieving good corporate governance:

- **Fair Treatment:**

Minority shareholders and related parties are treated fairly, and their interests are taken into consideration.

- **Transparency:**

The Bank discloses to stakeholders, the financial and organizational information, as well as the remuneration of the Executive Management in a manner that enables shareholders and depositors to evaluate the Bank's performance in accordance with the instructions of the Central Bank of Jordan (CBJ) issued under the Banking Law. The Bank also stays up to date with changes that occur in international financial reporting practices and the scope of transparency required by institutions. The Bank is committed to providing quality information about all its activities to the supervisory authorities, shareholders, depositors, other banks, and the general public through various types of reports and communication tools.

- **Accountability:**

The Executive Management is committed to responding to any inquiries when held accountable by the Board of Directors regarding the implementation of plans and the application of approved policies, with the aim of ensuring the protection of the Bank's assets and the soundness of its financial position. The Board of Directors, in turn, is committed to being prepared when held accountable by shareholders and other authorized parties.

- **Responsibility:**

The Bank's organizational structure, approved by the Board of Directors, defines the channels of communication and limits of responsibility. Additionally, the authority matrices approved by the Board of Directors specify and clarify the boundaries of responsibility.

The Board of Directors oversees Executive Management, while Executive Management is responsible for the Bank's daily operations. The Board is committed to establishing clear limits of responsibility and accountability, ensuring that all levels of management within the Bank adhere to these boundaries. The Board must also ensure that the organizational structure clearly reflects lines of responsibility and authority, with multiple levels of oversight. Additionally, the Board ensures that Senior Executive Management fulfills its responsibility for managing the Bank's daily operations, contributes to implementing corporate governance, delegates authority to employees, creates an effective administrative environment that promotes accountability, and executes tasks in various business areas and activities in line with the policies and procedures approved by the Board. The Board also adopts appropriate control measures that allow it to hold Senior Executive Management accountable.

Fourth: The Significance of Corporate Governance for the Bank:

- 1) The Jordanian banking sector, including Jordan Commercial Bank, is one of the most important components of the Jordanian economy. This sector is subject to comprehensive oversight and auditing, and it utilizes the government's financial safety networks. Therefore, it is essential for the Bank to have a robust corporate governance system in place.
- 2) The primary source of funds for the Bank comes from third parties, especially depositors. Given the fierce competition in Jordan's financial market, having a robust corporate governance system in place will help the Bank increase its market share.
- 3) To maintain the integrity and robustness of the Bank's financial position, the members of the Board of Directors play an active and vital role in the Bank's corporate governance through their oversight responsibilities. They ensure the provision of a robust risk management system that aligns returns with risks within the limits permitted by the Bank's position and strategy, while also ensuring compliance with laws and regulations at all administrative levels.
- 4) Corporate Governance enhances the bank's performance by providing a mechanism to link the interests of shareholders and other relevant bodies in the Bank.

Part II: Standards Pertaining to the Board of Directors

First: Board of Directors and Board Meeting Structure:

It is the set of relationships between the Bank's Board of Directors, Executive Management, shareholders, and other stakeholders with an interest in the Bank. It defines the mechanisms for setting corporate objectives, the methods for achieving them, and the processes for monitoring their fulfillment. Therefore, good corporate governance provides both the Board of Directors and Executive Management with the appropriate incentives to achieve goals that serve the best interests of the institution, facilitates the establishment of effective monitoring processes, and helps the institution utilize its resources efficiently.

In addition, it is the system that defines how powers are exercised within the Bank, how decisions are made, ensures the secure management of the Bank's operations, protects the interests of depositors, fulfills the due responsibilities towards shareholders and other stakeholders, and ensures the Bank's compliance with regulations and internal policies.

- The Board of Directors of the Bank shall consist of no fewer than eleven (11) members, unless the Bank is owned by a single shareholder, in which case the minimum number of board members shall be seven (7). The Board may consist of no more than thirteen (13) members who possess practical professional experience and specialized skills. The Chairman or any member of the Board shall not hold an executive position, be involved in the daily management of the Bank, or hold any advisory position within the Bank.
- The number of independent members must not be fewer than four (4).
- Members are elected according to the cumulative vote by the General Assembly of the Bank through a secret ballot.
- Jordan Commercial Bank takes into account the diversity and complementarity of skills and expertise among its Board members, ensuring a broad range of perspectives and viewpoints that align with the size, nature, and strategy of the Bank. Additionally, it is required that Board members reside permanently in the Hashemite Kingdom of Jordan.
- The Bank ensures the representation of women in the membership of the Board and Senior Executive Management.
- The Board of Directors establishes several committees to monitor and oversee the Bank's operations and report their findings to the Board. The Board defines the responsibilities, duties, and powers of these committees upon their formation, through a specific charter for each committee.
- The positions of the Chairman of the Board and the General Manager (or CEO) are not combined. The Chairman of the Board or any of the Board members or major shareholders has no relationship with the General Manager, up to the third degree. The General Manager (CEO) must assume the following duties:
 - Developing the Bank's strategic direction.
 - Implementing the Bank's strategies and policies.
 - Implementing the decisions of the Board of Directors.
 - Providing guidance for the implementation of short- and long-term operational plans.
 - Communicating the Bank's vision, mission, and strategy to employees.
 - Informing the Board of all significant aspects of the Bank's operations.
 - Managing the Bank's daily operations.
 - Approving a detailed description of the tasks for each organizational unit (excluding control departments, which must be approved by the competent committee), and ensuring that all Bank employees are informed of their respective responsibilities.
- The Board of Directors convenes its meetings upon a written invitation from the Chairman or their deputy in the event of the Chairman's absence, or at the request of at least one-quarter of the Board members, provided that the majority of members are present. Board members allocate sufficient time to fulfill their duties and responsibilities, including the preparation for meetings in advance. The Board is required to meet at least six times per year, and the Bank ensures that no more than two months pass without a meeting.
- Board members may attend meetings of the Board and its committees through any means of videoconferencing. The Chairman of the Board and the Secretary must approve the minutes of the Board meeting and its quorum, while the Committee Chair and the Secretary must approve the minutes of the committee meeting and its quorum.
- The quorum for any committee meeting must not be less than three (3) members, including the Committee Chair, except for the Credit Facilities Committee. Additionally, a substitute member cannot be appointed in place of an absent member for any committee meeting.

The Chairman of the Board consults with other members and the General Manager when preparing a specific agenda of topics to be presented to the Board. The agenda, along with relevant documents, is sent to the members well in advance of the meeting. Meetings of the Board of Directors and its committees are recorded in official minutes, which include the actions taken by the Board and the decisions made by both the Board and its committees. These minutes serve as legal proof of the actions undertaken by the Board or its committees and provide a record of the events that occurred during the meetings to avoid any ambiguity. The minutes are written with accuracy, including a precise record of any voting that took place during the meetings, attaching any relevant documents or referencing materials consulted during the meetings, and noting any reservations raised by members. The Bank keeps all these minutes in an appropriate manner.

The term of service for each elected member is four (4) years, which may be renewed. There is no maximum limit to the number of terms a Board member may serve. However, reappointment is based on an evaluation of the member's ongoing ability to perform the essential duties assigned to them while maintaining sufficient objectivity in the execution of their responsibilities.

Second: Duties and Responsibilities of the Board of Directors:

In accordance with the Bank's Articles of Association, relevant laws and regulations, and instructions from the CBJ, the Board of Directors exercises its duties and upholds its responsibilities, which include the following:

1. Setting the Bank's strategic objectives and directing Executive Management to develop a strategy to achieve these objectives. The Board also approves this strategy, which Executive Management is committed to implementing, and approves action plans that align with this strategy.
2. Selecting an Executive Management team capable of efficiently and effectively managing the Bank's affairs.
3. Supervising the higher Executive Management and follow up on its performance and ensure the safety of the Bank's financial conditions and its solvency. It shall adopt appropriate policies, plans, and procedures to supervise and control the Bank's performance
4. Approving a policy to monitor and review the performance of the Executive Management by establishing Key Performance Indicators (KPIs) to identify, measure, and monitor performance and progress toward achieving the corporate goals.
5. The board is responsible for ensuring that the bank's credit policy includes an assessment of the quality of corporate governance for its clients from public joint-stock companies, whereby client risks are evaluated based on strengths and weaknesses according to their level of corporate governance
6. Ensuring that comprehensive policies, plans, and work procedures are developed for all Bank activities, and they meet the relevant laws and regulations. Additionally, ensuring that they have been circulated to all administrative levels and are reviewed regularly. Moreover, it shall monitor policy implementation and verify the validity of adopted procedures in this regard.
7. Defining the Bank's corporate values, establishing clear lines of responsibility and accountability for all the Bank's activities, and approving an organizational structure that outlines the administrative hierarchy, including the Board's committees and Executive Management.
8. Ensuring that no member of the Board of Directors, Executive Management, or employees of the Bank obtain any personal benefit at the expense of the Bank's interests.
9. Taking the necessary measures to ensure the accuracy of the information provided to the regulatory authorities.
10. The board is responsible for implementing Central Bank's requirements, as well as the requirements of other regulatory and supervisory authorities relevant to its operations, while keeping stakeholders' interests in mind. It ensures that the bank is managed in accordance with its internal policies and legislation, and that effective supervision is always available over the bank's activities, including those delegated to external entities.
11. Approving the Bank's internal instructions and systems, defining the responsibilities and authorities, and establishing communication channels between all administrative levels to ensure effective administrative and financial control over the Bank's operations.
12. Ensuring the independence of the external auditor initially and throughout
13. Approving the duties and responsibilities of the Compliance Management Department.
14. Ensuring the Risk Management Department's independence by granting the department the necessary authority to obtain information from other bank departments and collaborate with other committees to carry out its tasks.
15. Adopting and overseeing the implementation of a risk management strategy that articulates the acceptable risk appetite levels and ensuring that the Bank is not exposed to high risks. The Board shall be familiar with the Bank's operational work environment and its associated risks, ensuring that there are appropriate risk management tools and infrastructure in place at the Bank to identify, measure, control and monitor all types of risks to which the Bank may be exposed.
16. Approving the Bank's Risk Appetite document.
17. Ensuring that there are adequate and reliable management information systems in place covering all the Bank's activities.
18. Establishing a policy outlining the Bank's responsibility towards environmental protection and social responsibility (Environmental and Social Policy). This Policy includes the Bank's disclosures in its annual report and/or sustainability report, detailing the initiatives the Bank undertakes in this regard, including:
 - Social initiatives in environmental protection, health, and education.
 - Social initiatives to combat poverty and unemployment.
 - Encouraging micro and small-scale financing.
 - Participation in initiatives that added economic value to the community.
19. Taking the necessary actions to establish a clear segregation between the powers of the major shareholders on one hand and the Senior Executive Management on the other, with appropriate mechanisms in place to mitigate the influence of major shareholders. The Senior Executive Management derives its authority solely from the Board and operates within the scope of the delegation granted to it by the Board.
20. Determining the banking operations that require its approval. However, in doing so, it shall seek to limit the scope of such operations so as to maintain its supervisory role. The Board shall not grant executive powers, including the power to extend credit, to a single member of the Board, including the Chairman.
21. Appointing a Secretary for the Board, terminating their services, and determining their remuneration. The Secretary's duties



include the following:

- Attending all Board Meetings and recording all deliberations, proposals, objections, reservations and voting on draft resolutions of the Board accurately.
- Setting the dates for Board meetings in coordination with the Chairman of the Board.
- Ensuring that Board members sign the meeting minutes and resolutions.
- Following up on the implementation of decisions taken by the Board and addressing any topics postponed from previous meetings.
- Keeping records and documents of Board meetings.
- Taking the necessary measures to ensure that draft resolutions to be issued by the Board comply with legislation, including those issued by the CBJ.
- Preparing for General Assembly meetings and cooperating with the Board committees.
- Providing the CBJ with the suitability declarations, duly signed by the Board members.

22. Members of the Board and its committees shall communicate with the Executive Management and the Board's Secretary to facilitate the performance of the tasks assigned to them, including outsourcing of certain tasks, as needed, at the expense of the Bank and in coordination with the Chairman. No Board member may influence the decisions of the Executive Management in any way, except through deliberations that take place in the meetings of the Board or Board Committees.

23. Approving the succession plans for the Bank's executive directors, which outline the qualifications and requirements to be met by candidates for these positions and reviewing the plan at least once a year.

24. Approving the Bank's overall organizational structure, ensuring that it clearly reflects the lines of responsibility and authority, in accordance with the Executive Management's duties as outlined in the organizational structure.

25. Ensuring that the Senior Executive Management fulfills its responsibility for managing the daily operations of the Bank and contributes to the implementation of corporate governance, delegates authority to employees, creates an effective administrative environment that fosters accountability, and carries out tasks in various business areas in accordance with the policies and procedures adopted by the Board. Additionally, adopting appropriate control measures that enable accountability of Senior Executive Management.

26. Adopting a policy to ensure the suitability of the Senior Executive Management members of the Bank. This policy should include the minimum standards, requirements, and conditions that must be met by a member of the Senior Executive Management. The Board shall review this policy periodically and establish sufficient procedures and systems to ensure that all members of Senior Executive Management meet and maintain the suitability standards.

27. Verifying that the General Manager possesses integrity, technical competence, and banking experience.

28. The Internal Audit Department is responsible for establishing the Internal Audit Charter and having it approved by the Board based on the recommendation of the Audit Committee. This Charter should include the duties, powers, and working methodology of the Internal Audit Department.

29. Approving the appointment of the General Manager, Chief Auditor, Risk Manager, and Compliance Manager, as well as accepting their resignations or terminating their services, subject to CBJ's approval and the recommendation of the relevant committee. The CBJ reserves the right to summon any Bank Executive and investigate the reasons for resignation or termination of services.

30. Approving the appointment of the Executive Management or the acceptance of their resignation or termination of services should be based on ensuring that the required expertise and skills are available. This should be done in accordance with the recommendation of the Nomination and Remuneration Committee.

31. Ensuring the independence of the Compliance Department and approving its responsibilities, as well as ensuring that it is continuously staffed with sufficient and trained personnel.

32. Approving a policy to ensure the Bank's compliance with all relevant regulations, periodically reviewing this policy, and ensuring its effective implementation.

33. Establishing the necessary procedures to ensure that all shareholders, including non-Jordanians, receive their rights and are treated in a manner that ensures fairness and equality without discrimination.

34. Ensuring that the financial, accounting, and administrative matters of the Bank are organized in accordance with specific internal regulations.

35. Appointing a liaison officer entrusted with overseeing the implementation of governance practices in the Bank in coordination with the Securities Commission.

36. Approving the Bank's Disclosure and Transparency Policy and ensuring its implementation in accordance with the requirements of regulatory authorities and applicable legislation.

37. Approving the Succession Plan Policy and the HR and Training Policies within the Bank.

38. Establish a mechanism that allows shareholders holding at least 5% of the Bank's subscribed shares to add items to the agenda of the Bank's ordinary general assembly meeting before sending it in its final form to the shareholders and providing the Securities Commission with this mechanism.

39. Adopting a risk management policy to address the potential risks to which the Bank may be exposed.

40. The Board may appoint an advisor if deemed necessary and for clear and specific justifications, provided that the advisor's tasks align with the nature of the advisor's work and do not include any supervisory or executive responsibilities. This should happen within a certain time frame and without jeopardizing the board's supervisory mission over the bank's operations in accordance with its legislative duties, which include banking regulations. This appointment requires a non-objection from the Central Bank.

41. The Board must exercise due diligence when deliberating on any matters related to the Bank's operations. This entails considering

sound principles to reach decisions that ensure the highest professional standards are met when carrying out its duties.

42. Taking the necessary steps to improve internal auditing effectiveness by prioritizing and integrating auditing activities into the bank's overall framework. Ensure and reinforce internal auditors' independence by granting them appropriate status within the bank's organizational hierarchy and ensuring they have the necessary knowledge, skills, and competence to perform their duties. Guaranteeing their right to access all records and information, as well as communicate with any bank administrator, so that they can complete their assigned tasks and prepare their reports without interference.
43. Evaluating the performance of the General Manager annually, according to the system prepared by the Nomination and Remuneration Committee. This system, which must be approved by the Board, outlines the KPIs as specified in the duties of the Nomination and Remuneration Committee.
44. Approving the governance report and ensuring that it is included in the Bank's annual report.
45. Notifying the CBJ of any material information that could negatively affect the suitability of any of its Senior Executive Management members.
46. In addition to the Board of Directors' tasks and responsibilities for Information Management and Technology, as outlined in the attached Information Technology Governance Guide.
47. Each Board Member shall, at minimum, be required to:
 - Have knowledge of the legislation and principles pertaining to the banking activities and the Bank's operational environment and keep pace with all developments therein as well as external developments related to its business, including requirements for appointments in Senior Executive Management positions.
 - Attend Board meetings, committee meetings, and General Assembly Meetings as required.
 - Not disclose the Bank's confidential information or use such information for their own benefit or for the benefit of others.
 - Prioritize the Bank's interests in all dealings with any other company in which they have a personal interest; avoid exploiting the Bank's commercial business opportunities for their own benefit; avoid conflicts of interest and disclose to the Board, in detail, any potential conflict of interest that may arise; and not attend, or participate in the decisions made at a meeting discussing subjects that may involve a suspected conflict of interest. Such disclosures shall be recorded in the minutes of the Board meeting.
 - Allocate sufficient time to perform their duties as a Board member.

Third: Role of the Chairman of the Board:

The Chairman of the Board shall undertake the following responsibilities, as a minimum requirement:

1. Ensuring the establishment of a constructive relationship between the Board and the Bank's Executive Management.
2. Encouraging the expression of opinions on issues being discussed, especially those where there are differing viewpoints among members, and fosters discussions and voting on those matters.
3. Thoroughly discussing strategic and critical issues during Board meetings.
4. Ensuring that high standards of corporate governance are in place at the Bank.
5. Ensuring that all Board Members receive and sign minutes of previous meetings as well as receive detailed meeting agendas and any additional information about the topics that will be discussed during the Board meetings prior to the meeting through the Board's secretary.
6. Ensuring that there is a charter that describes and organizes the work of the Board.
7. Ensuring that each Board member, upon their election, is provided with the relevant banking laws, regulations from the CBJ pertaining to the Board's operations, and corporate governance guidelines. Additionally, the members should receive a booklet outlining their rights, responsibilities, and duties, as well as the roles and duties of the Secretary of the Board.
8. Providing each member with a sufficient summary of the Bank's operations upon appointment or upon request.
9. Holding discussions with any new member with the assistance of the legal advisor / head of Legal Department and the Bank's Secretary regarding the Board's duties, especially concerning legal and regulatory requirements to clarify the tasks, authorities, and other matters related to membership, including the tenure, meeting schedules, committee duties, remuneration, and the possibility of obtaining independent specialized technical advice when necessary.
10. Inviting the CBJ to attend General Assembly meetings, providing sufficient advance notice to allow the CBJ to designate its representative.
11. Providing the CBJ with the minutes of General Assembly Meetings within a period not exceeding five (5) working days from the date of approval of the minutes by the Companies Controller or their representative.
12. Ensuring that the CBJ is informed of any material information that could negatively impact the suitability of any Board member, as well as the suitability of the representative of a legal entity.
13. Ensuring that Board members receive ongoing training and development, and that new Board members are provided with an Orientation Program that considers their banking knowledge. This program should consider the member's banking background and cover, at minimum, the following topics:
 - The Bank's organizational structure, corporate governance, and code of professional conduct.
 - The Bank's corporate objectives, strategic plan, and approved policies.
 - The financial status of the Bank.
 - The Bank's risk structure and risk management framework.

Fourth: Executive Management Responsibilities:

- Executing and managing the Bank's activities in line with the strategies and policies approved by the Board, along with the systems, risk management, operations, and controls required to manage all types of risks to which the Bank may be exposed. This includes ensuring that risks do not exceed the acceptable levels approved by the Board and that all applicable legislation and the Bank's internal policies are complied with.
- Verifying that the Bank has clear and comprehensive operating procedures covering all its activities, in alignment with applicable regulations, policies/ strategies approved by the Board. These procedures must be approved by the General Manager or the Regional Manager in the case of foreign Bank branches, (except for control departments, where approval must be obtained from the competent committee), in addition to ensuring the effective implementation of these procedures.
- Preparation of financial statements.
- Setting the Bank's general organizational structure and having it approved by the Board, as well as preparing the sub-organizational structures for all operational units within the Bank and having them approved by the General Manager or Regional Manager. However, for control departments in local banks, the sub-organizational structures must be approved by the Board based on a recommendation from the relevant committee. These structures should clearly outline the administrative hierarchy and reflect lines of responsibility and authority in a detailed and transparent manner. The general organizational structure must, at a minimum, include the following:
 - The Board and its committees.
 - Executive Management and its committees.
 - Separate departments for Risk Management, Compliance, Internal Audit, and Internal Sharia Audit, ensuring complete independence in carrying out their responsibilities. These departments should not engage in any executive functions and should have a direct reporting line to the relevant committee and an indirect reporting line to the General Manager.
 - Units that do not engage in executive functions, such as credit review staff and the Middle Office.
 - Subsidiaries and foreign branches (if any).
- Preparing an annual budget and obtaining Board approval, as well as submitting periodic reports to the Board showing deviations between actual performance and estimates, along with their reasons.
- Refraining from any practices that could compromise the independence and objectivity of the control departments. Cooperation between these departments, various bank units, and executive management is essential for fulfilling their responsibilities. These departments must inform Senior Executive Management of any significant issues requiring immediate action upon their identification. However, this does not prevent them from also reporting such matters to the relevant committee.
- Providing the regulatory authority, External Auditors, Internal Auditor, and any relevant entities with the required information and statements necessary for them to perform their tasks optimally, within the timeframe specified by those entities.
- Ensuring the establishment of appropriate regulatory controls for each activity or process and confirming the administrative and operational separation between approval and execution functions.

Fifth: Shareholders and Their Role in Corporate Governance

Legal sovereignty and supreme authority are vested in the shareholders who convene through the General Assembly to review and deliberate on the Bank's matters. It should be noted that the interest of shareholders is not limited to just monitoring the prices of shares and receiving dividends, but it goes beyond that to monitoring the Bank's performance through financial statements and continuously communicate with the Bank's Management to stay abreast of the latest developments. Shareholders also attend General Assembly meetings, participate in voting on decisions, and discuss all aspects of the Bank's business and outcomes with Board members. Moreover, shareholders play a key supervisory role in monitoring the performance of Board Members and in obtaining information that enables them to exercise their rights to the fullest.

Sixth: Stakeholder Rights:

- The Board provides a specific mechanism to ensure communication with stakeholders through disclosure and the provision of meaningful information regarding the Bank's activities, including the following:
 1. General Assembly meetings.
 2. Annual report.
 3. Quarterly reports contain financial information, in addition to the Board's report on the trading of the Bank's shares and its financial position during the year.
 4. The Bank's website.
 5. Shareholder Relations Department.
- The Bank allocates a section of its website to clarify shareholders' rights and encourage them to attend and vote in General Assembly meetings. It also publishes relevant meeting information, including the full text of invitations and meeting minutes, in a manner that does not conflict with the law or banking confidentiality rules.
- Ensuring the timely publication of financial and non-financial information relevant to stakeholders.
- Ensuring that the Bank's annual report includes a statement affirming the Board's responsibility for the accuracy and adequacy of the Bank's financial statements and the information included in the report, as well as the adequacy of internal control and oversight systems.

Part III: Suitability, Qualifications and Evaluation of Board Members

First: Suitability:

Board members and Senior Executive Management should possess the highest levels of credibility, integrity, reputation, competence, qualifications, and experience necessary for their roles, in addition to dedicating adequate time to the Bank's operations. This is in accordance with the Suitability Policy of Jordanian Commercial Bank, which outlines the conditions that must be met for each individual. The responsibility for ensuring this lies with the Board and the Nomination and Compensation Committee.

The Senior Executive Management includes the Bank's General Manager, Regional Manager, Deputy General Manager, Deputy Regional Manager, Assistant General Manager or Assistant Regional Manager, Chief Financial Officer, Operations Manager, Facilities Manager, Treasury (Investment) Manager, Risk Manager, Internal Audit Manager, and Compliance Manager. It also includes any Bank employee possessing an executive authority corresponding to the authorities of any of the aforementioned persons and directly reporting to the General Manager.

Second: Required Qualifications of Board Members:

Certain conditions must be met for those who hold the position of Chairman or Board Member of the Bank, in terms of work, character, and financial suitability. The Board members should possess the following experience, qualifications, and traits:

A. Experience and Qualifications:

- The ability to exercise independence in making judgments and participating in sound decision-making.
- Knowledge of financial statements and a reasonable understanding of the financial ratios used to measure performance.
- Reasonable experience or skills in accounting, finance, banking, or other related banking expertise.
- Commitment to learning the Bank's operations, fulfilling the contribution requirements, and dedicating sufficient time and effort to the Bank.
- Willingness to resign from the Board of Directors in the event of any change in professional responsibilities.
- Understanding and knowledge of international best practices in management and their application in fast-evolving business environments.
- The ability to handle and manage crises in both the short and long term.
- Knowledge in the field of global markets.
- The ability for strategic guidance and a clear prospective vision.

B. Board Membership Requirements:

The Board of Directors adopts a Suitability Policy that includes the criteria, requirements, and conditions that must be met by the nominated member. The Policy is reviewed as needed, and sufficient procedures and regulations are in place to ensure that members meet the suitability standards and keep in compliance with them. The following conditions must be met for individuals holding the position of Chairman or Board Member of the Bank:

- The individual must be at least 25 years old.
- They must not be a member of the board of directors of any other bank within the Kingdom, nor serve as its General Manager, Regional Director, or employee, unless that other bank is a subsidiary of Jordan Commercial Bank.
- They must not be a lawyer, legal advisor, auditor for the Bank, or a consultant for any other bank within the Kingdom.
- The individual must hold at least a bachelor's degree in economics, finance, accounting, business administration, or any similar discipline. The Nomination and Remuneration Committee may consider other specializations (such as law or information technology) if accompanied by sufficient experience relevant to banking operations or related activities. The aim is to ensure a diverse range of skills and experiences that provide a broad spectrum of perspectives and viewpoints, in alignment with the size, nature, and strategy of the Bank.
- They must not be an employee of the government or any official public institution unless they are a representative thereof.
- They must have at least five years of experience in banking operations, finance, economics, or other disciplines related to banking activities.
- The individual must not have any connection, including familial ties up to the third degree, with the Bank's General Manager, or with any other members of the Senior Executive Management team up to the first degree.

C. Diligence and Loyalty:

Members of the Bank's Board of Directors are expected to fulfill their responsibilities with diligence and loyalty, ensuring the following:

1. Honesty:

A Board member's relationship with the Bank must be founded on honesty. Like any other Bank employee, the member is required to disclose any relevant information before engaging in any deal or business transaction with the Bank.

2. Loyalty:



If a conflict of interest arises between a Board member and the Bank, the member will be subject to the same terms as any unrelated party. To ensure this, the Board member must act with integrity, prioritize the Bank's interests, avoid conflicts of interest, and refrain from leveraging their position or any confidential information obtained through the Bank for personal gain. Additionally, they are obliged to disclose any potential conflicts of interest to the Board and abstain from voting on related decisions.

3. **Diligence:**

A Board member is committed to fulfilling all duties outlined by applicable laws and regulations and seeks to obtain all necessary information to ensure that all decisions made are in the best interest of the Bank.

To uphold the expected level of diligence, a Board member should be well-informed about the Bank's operations, markets, and the sectors it serves. They must actively participate in Board meetings, thoroughly prepare, especially for key decisions, and diligently fulfill their assigned responsibilities. This includes identifying warning signs, following up on critical matters with the Bank's management, seeking impartial advice when needed, and ensuring compliance with all relevant laws governing the Board of Directors.

D. **Independence:**

1. The Board of Directors exercises effective leadership independently from the Bank's management, with no executive members within the Board. The number of independent members shall not be less than four (4).

The key relationships that may compromise a member's independence at the Bank include conflicts arising from serving on multiple boards, advisory roles with entities associated with the Bank, direct or indirect business relationships with the Bank, or any new relationship that emerges and develops as a result of the member's position on the Board.

2. To ensure the independence of a Board member, they must regularly disclose in writing any personal interest in any transaction or contract with the Bank, whether for themselves, their spouse, or any relatives up to the third degree, if any of them has a material interest in a company involved in that transaction or contract. The Board member should not participate in any meeting where such a transaction or contract is discussed. Additionally, the impact of the member's other activities on their independence as a Board member of the Bank is evaluated.

An independent member is defined as a Board member of the Bank who is not a major shareholder and is not under the control of any major shareholder. This member should possess financial or banking qualifications or experience and meet the following conditions:

1. The member must be a natural person.
2. The member must not have been employed by the Bank or any of its subsidiaries, nor have served as a consultant to the Bank or any of its subsidiaries, during the three (3) years prior to their nomination.
3. The member must not have any familial relationship up to the second degree with any other member of the Board, or with any member of the board of directors or management bodies of the Bank's subsidiaries, or with any of the Bank's major shareholders.
4. The member must not have any familial relationship up to the second degree with any of the Senior Executive Management members of the Bank (except the General Manager) or with any Senior Executive Management members of the Bank's subsidiaries.
5. The member must not be a partner or employee of the Bank's External Auditor and must not have been a partner or employee during the three (3) years prior to their nomination.
6. The member must not be a major shareholder or an ally of a major shareholder in the Bank, or hold shares that, combined with those of an ally, constitute a major shareholding, or be a major shareholder in any of the Bank's subsidiaries, or a major shareholder in the group to which the Bank belongs.
7. The member must not have served on the Board of Directors of the Bank or any of its subsidiaries, or as a member of the board of directors of any of its subsidiaries, for more than eight (8) consecutive years. If any member loses their independence for this reason, the Bank, after the member's departure, may, after a cooling-off period of at least four (4) years, submit a request to the CBJ for approval to consider the member as independent, provided there are sufficient justifications.
8. The member, their spouse, or their first-degree relatives, or any company in which the member is a board member, owner, or major shareholder, or holds an executive management position, must not have credit from the Bank exceeding 5% of the Bank's regulatory capital. Additionally, they must not be a guarantor for credit from the Bank exceeding the same percentage. The CBJ has the discretion to review certain cases related to individuals nominated for positions who hold memberships in public shareholding companies.
9. The member, or any of their relatives, must not have a direct or indirect interest in contracts, projects, or agreements made with the Bank or any affiliated or subsidiary company, where the value equals or exceeds JOD 50,000.
10. The member must not own 5% or more of the shares subscribed to by the Bank or its affiliated or subsidiary companies.
11. The member's relatives must not be shareholders of the Bank holding 5% or more of the subscribed shares of the Bank.
12. The member must possess high qualifications or expertise in finance or banking.

E. **Knowledge:**

Board Members shall be knowledgeable of banking operations, risks to which the Bank may be exposed, and financial statements reflecting the Bank's financial position. In addition, they shall be familiar with the laws, legislation and instructions with which the Bank must comply, stay abreast of new developments in the financial services sector, attend Board Meetings and Board Committee Meetings, and review the reports and recommendations presented by the Bank's Executive Management, Internal Auditor, External Auditor and regulatory authorities.

F. Code of Professional Conduct:

- The Executive Management is responsible for preparing the Bank's code of professional conduct, getting it approved by the Board, and disseminating it to all Bank staff. Additionally, they are tasked with developing the skills and professional behavior of the Bank's employees to align with the latest standards of ethics and professional conduct guidelines.
- The Board has approved and issued a Code of Professional Conduct, which the Senior Executive Management circulates at all administrative levels and ensures that the Bank's personnel adhere to the contents thereof. This includes, for example but not limited to, a ban on the use of inside information by executive officers for personal gains; rules and procedures regulating transactions with relevant related parties; and situations that may give rise to a conflict of interest.
- The Board of Directors adopts a code of professional conduct to ensure that the Bank conducts its business with high integrity. It includes, at a minimum, situations that may lead to conflicts of interest, and ensures that it has been disseminated across all administrative levels within the Bank.
- The Board is committed to ensuring that the Executive Management maintains high integrity in performing its duties, avoids conflicts of interest, and implements the approved policies and procedures with objectivity.
- The Board is committed to adopting controls for the transfer of information between various departments to prevent its use for personal gain.

Third: Evaluation of Executive Officers' Performance:

1. The Board has introduced a system to evaluate its performance and the performance of its members. This system includes the following:
 - Setting specific objectives and defining the Board's role in achieving those objectives in a measurable manner.
 - Defining KPIs that can be derived from the strategic plans and objectives and using them to measure the Board's performance.
 - Ensuring regular communication between the Board and shareholders, and the frequency of this communication.
 - Holding regular meetings between the Board and the Senior Executive Management.
 - Reviewing the role of a Board Member in Board meetings and comparing their performance to other members. Feedback shall be obtained from the concerned Board Member to improve the evaluation process.
 - Monitoring the extent to which the member has enhanced their knowledge of banking operations through participation in training programs.
2. The Board adopts a system to measure the performance of Executive Management at the Bank, which includes the following:
 - Giving appropriate weighted measures of performance in abiding by the risk management framework and implementation of internal controls and regulatory requirements
 - Performance evaluation should not be based solely on total income or profit. Instead, it should incorporate additional factors when assessing Senior Executives, such as risks associated with core operations, the accomplishment of departmental objectives and annual plans, customer satisfaction, and other relevant metrics where applicable.
 - The Bank must obtain the Board's approval when appointing, transferring, promoting, assigning, accepting the resignation or terminating the services of any member of the Bank's Senior Executive Management.

Fourth: Remuneration and Compensation for Board Members:

The Bank's regulations shall determine the way by which Board Members are remunerated. Such remuneration and compensation shall be in the form of meeting attendance allowance, transportation allowance, in-kind benefits, and specific percentage of profits, and as set forth in the Board Member Suitability Policy approved by the Bank.

Part IV: Control Systems

First: Selection of Management Members and Their Oversight Role:

1. Selection of Management:

The Board of Directors approves the appointment of the Bank's General Manager or any of the Senior Executive Management members, provided that the following conditions are met (noting that the CBJ has the right to object to the appointment):

- Must be of good conduct and reputation.
- Must not be a member of the board of directors of any other bank unless it is a subsidiary of Jordan Commercial Bank.
- Must be fully dedicated to managing the Bank's operations.
- Must exhibit the banking expertise and competency required to carry out the Bank's activities.
- Must hold at least a bachelor's degree in economics, finance, accounting, business administration, or any discipline related to the Bank's operations.
- Must have experience in the field of banking operations (mainly in the role the member is nominated for) or related fields for no less than five (5) years, except for the position of General Manager or Regional Director, for which the required experience in the banking field should be no less than ten (10) years.
- Must not be a major shareholder, and should not have any relationship, including family ties up to the third degree in the case of the General Manager or up to the first degree in the case of any member of the Senior Executive Management, with the Chairman of the Board, any Board members, or any major shareholders in the Bank.

Other requirements stipulated in the Executive Management Suitability Policy shall be observed.

2. Management's Oversight Role

The Bank's Executive Management, through its various departments and divisions, provides the Board of Directors with periodic reports, data, and information, as needed, to ensure the Board fulfills its supervisory role over the Bank's operations and evaluates current and potential risks, in order to manage these risks efficiently and effectively.

3. External Communications:

The Board shall ensure that related parties receive accurate and timely information, enabling them to oversee the Board and Executive Management and hold them accountable for managing the Bank's assets. This shall be achieved through reports requested by the CBJ, periodic financial reports issued to shareholders, and the disclosure of the following in accordance with the applicable Disclosure Policy:

- 1- Names of the members of the Board of Directors and Executive Management.
- 2- The organizational structure and the Corporate Governance Manual.
- 3- Incentives and remuneration of members of the Board and Executive Management.
- 4- The nature and volume of operations with affiliate companies and related parties of the Bank.
- 5- The definition of key risks in the Bank and the Risk Management Policy.

4. Planning:

One of the main tasks entrusted to the Board of Directors is to formulate the general strategies of the Bank and approve the working policies through participation and approval of long-term strategic plans, annual work plan, and budget estimates. Therefore, the Board of Directors performs the following:

- Providing a mechanism for planning and appropriate action plans, ensuring their implementation, and monitoring their results.
- Measuring the extent to which the Bank achieves its objectives and goals through the development of the Bank's systems.
- Identifying the strengths, weaknesses, opportunities, and threats to which the Bank is exposed.
- Ensuring the presence of an appropriate management team.
- Verifying the management's compliance with capital adequacy ratios, liquidity ratios, and the availability of sources of funds, including capital, in a way that ensures the achievement of the Bank's established goals and objectives.

5. Policies:

Since the Board of Directors is the primary body responsible for managing the risks to which the Bank may be exposed, the Bank maintains the policies mentioned below, which cover all the Bank's activities. Executive Management ensures that these policies are in place, reviews them periodically and works on issuing unavailable policies:

- A. Credit Policy.
- B. Investment Policy.
- C. Fund Sources Management/Asset and Liabilities Management Policy.
- D. Code of Business Conduct adopted by Jordan Commercial Bank.
- E. Personnel Affairs Policy
- F. Other policies:
 - Risk Management Policy's.

- Compliance Control Policy.
- Anti-Money Laundering and Terrorism Financing Policy.
- Policy on Compliance with the requirements of the Foreign Account Tax Compliance Act (FATCA).
- Policy on Fair and Transparent Dealing with Customers. In addition to any other approved policies. And other approved policies

Second: Internal Control Systems

The Board is responsible for overseeing the activities of Senior Executive Management in order to verify the effectiveness and efficiency of operations, the credibility of financial reports, and compliance with applicable laws, regulations, and instructions. The Senior Executive Management is committed to implementing the following fundamental principles for internal control systems:

- Providing a supervisory environment reflected in an organizational structure that clearly outlines communication lines and responsibilities.
- Establishing an independent Risk Management Department, supported by a Risk Policy, to identify and assess the risks to which the Bank may be exposed and determine the necessary economic capital to address them.
- Providing control measures and separating responsibilities, including the segregation between the responsibilities of 'risk takers' and 'risk controllers'.
- Adhering to the principle of dual control when establishing control measures.
- Establishing procedures that ensure decision-makers receive timely information, allowing for the quick activation of the emergency plan when needed.
- Regularly reviewing the internal control and governance system approved by the Board of Directors, conducted by both Internal and External Auditors, to assess its effectiveness and ensure its alignment with applicable laws, regulations, and directives.
- Observing the independence of Risks, Internal Audit and Compliance departments and divisions.
- Providing financial and accounting systems capable of reflecting the Bank's actual financial position and providing the necessary information for decision-making, enabling the preparation of periodic and annual financial statements in accordance with International Financial Reporting Standards (IFRS).
- Ensuring the effectiveness and security of IT management by establishing efficient internal control and oversight systems.
- Providing the necessary security, safety, and protection requirements for the Bank.

The following are the key themes of administrative control:

1. Internal Audit:

Internal auditing is a vital source of information and assists the Bank's management in identifying and managing risks efficiently.

A. The Audit Department at the Bank is committed to performing the following tasks, at a minimum:

- Verifying the adequateness of internal control systems for the Bank's activities and its subsidiaries and ensuring compliance with them.
- Verifying compliance with the Bank's internal policies, international standards, and relevant regulations.
- Auditing financial and administrative matters to ensure that key information regarding financial and administrative issues is accurate, reliable, and provided in a timely manner.
- Reviewing compliance with the Corporate Governance Manual, related policies, and charters on an annual basis, preparing a separate report and submitting it to the Audit Committee, with a copy to the Corporate Governance Committee.
- Establishing the Internal Audit Charter and having it approved by the Board based on the recommendation of the Audit Committee, ensuring it includes the responsibilities, authority, and methodology of the Internal Audit Department.
- Developing an audit plan that includes the Bank's activities, including those of other control departments and outsourced activities, based on the risk level of those activities, to be approved by the Audit Committee.
- Auditing the financial and administrative operations.
- Monitoring violations and observations identified in reports from the regulatory authority and External Auditor, ensuring their resolution, and confirming that Executive Management has implemented effective controls to prevent their recurrence.
- Ensuring the establishment of necessary procedures for receiving, processing, and retaining customer complaints, as well as observations related to the accounting system, internal controls, and audit operations, and submitting periodic reports on these matters.
- Retaining audit reports and working papers for a period consistent with applicable legislation, ensuring they are organized, securely stored, and readily accessible for review by the regulatory authority and the External Auditor.
- Reviewing the accuracy and comprehensiveness of stress testing, in line with the methodology approved by the Board.
- Ensuring the accuracy of the procedures followed for the Internal Capital Adequacy Assessment Process (ICAAP).

- B. The Board is committed to ensuring that the Internal Audit Department is under the direct supervision of the Audit Committee, and that it reports directly to the Audit Committee with a copy to the General Manager. The General Manager, with the approval of the Chair of the Audit Committee, may assign assurance or advisory tasks to the Internal Audit Department, provided that such assignments do not affect the independence of the Internal Audit Department.
- C. The Board is committed to ensuring and enhancing the independence of internal auditors, providing them with an appropriate position within the Bank's organizational structure, and ensuring they are qualified to carry out their duties. This includes granting them the right to access all records and information and to communicate with any employee within the Bank, enabling them to perform their assigned tasks and prepare their reports without any external interference.
- D. The Board takes the necessary actions to enhance the effectiveness of internal auditing by giving due importance to the auditing process, embedding it within the Bank, and following up on addressing audit findings.
- E. The Internal Audit Department is subject to the direct supervision of the Audit Committee, where:
 - It reports directly to the Board's Audit Committee.
 - The Internal Auditor and the Audit Committee review the External Auditor's reports and the reports from the CBJ and follow up on the actions taken in response.
 - Both the Internal Auditor and External Auditor shall cooperate and deliberate to enhance the efficiency of internal controls.
- F. The Bank does not assign any executive tasks or responsibilities to the Internal Audit personnel.
- G. Internal Audit functions are conducted following a risk-based approach.
- H. Reviewing the Bank's financial reporting processes, ensuring that key information related to financial, administrative, and operational matters is accurate, reliable, and timely.
- I. Ensuring compliance with the implementation of all internal policies, instructions, and procedures of the Bank, as well as those issued by regulatory authorities and related standards and procedures.
- J. Conducting an annual review, at a minimum, to ensure that all transactions with related parties have been executed in accordance with applicable regulations, the Bank's internal policies, and approved procedures. Reports and recommendations from these reviews are submitted to the Audit Committee, which must notify the CBJ immediately upon identifying any violations of applicable regulations or internal policies in this regard.
- K. The performance of Internal Audit Department employees is evaluated by the Internal Audit Manager in accordance with the Performance Evaluation Policy approved by the Board.

2. External Audit:

- The Bank has an External Audit Policy approved by the Board, which is amended as needed. At a minimum, this Policy includes the following:
 - A mechanism of nomination and engagement of the audit firm.
 - A mechanism of fees determination for the audit firm.
 - The periodic rotation of the audit firm and audit team.
 - The External Auditor's independence requirements stipulated in paragraph (D) of this document, at minimum.
 - The duties and responsibilities of the audit firm and audit team.
 - The relationship between the Audit Committee and the audit team.
 - Additional services other than audit services that may be assigned to the audit firm.
 - Criteria for selecting the audit firm and the engagement partner.
- The General Assembly elects a licensed External Auditor to carry out the Bank's external audit in accordance with the approved international auditing standards (ISAs), professional best practices, and applicable regulations.
- The External Auditor provides the Audit Committee with a copy of their report and meets with the Committee at least once a year without the presence of the Executive Management.
- The External Auditor attends the General Assembly meetings of the Bank.
- The External Auditor audits the Bank's accounts in accordance with international standards and recognized professional practices. They also examine the Bank's administrative, financial, control, and internal audit systems to assess their effectiveness and ensure the credibility and fairness of the financial statements generated by the Bank's accounting and information systems. Additionally, the External Auditor reports any legal violations or financial or administrative issues that may negatively impact on the Bank's position to the relevant authorities.
- The Bank is committed to rotating the External Auditor regularly, with a maximum tenure of seven (7) years. Any change of the External Auditor during the contract period requires prior approval from the CBJ and must be based on substantial reasons.
- The former audit firm may not be reappointed until at least three (3) years have elapsed since the date of its last engagement by the Bank.
- The Audit Committee must annually verify the independence of the External Auditor.
- The Board must take appropriate measures to address weaknesses in internal control and oversight systems or any other issues identified by the External Auditor.
- The Bank is committed, when appointing an External Auditor, to ensure that the Auditor is not a founder, shareholder, member of the Board of Directors, a partner of any Board member, or an employee of the Bank.

- The External Auditor must not be a partner with any member of the Board/ Senior executive Management of the Bank, or any member of the Board or Senior Executive Management of any of the Bank's subsidiaries.
- No kinship up to the second degree is allowed between the engagement partner or any member of the audit team, any member of the Board, any member of the board of trustees, any Senior Executive Management member, or any member of the Senior Executive Management of the Bank or any of its subsidiaries.
- The External Auditor must not own, trade, or speculate in the shares of the Bank or any of its subsidiaries, either directly or indirectly.
- The External Auditor is not allowed to combine auditing the Bank's accounts with any additional services outside the scope of the audit services assigned to the firm.
- When appointing an External Auditor, the Bank is committed to ensuring that the auditor is among those registered with Jordan Securities Commission (JSC).
- The External Auditor shall not, during the audit engagement, permanently perform any technical, administrative, or advisory work for the Bank or any of its subsidiaries.
- The Bank is committed to ensuring that the External Auditor maintains independence in accordance with ISAs when appointed.
- The Bank ensures that the Auditor carries out their work impartially, without any interference from the Board of Directors or Senior Executive Management.
- The Bank ensures that no employee from the External Auditor's firm is appointed to the Senior Executive Management of the Bank until at least one year has passed since they last audited the Bank's accounts.
- The External Auditor performs the tasks assigned to them with independence and impartiality.
- The External Auditor examines the Bank's administrative and financial systems, as well as its internal control systems, and expresses an opinion on their effectiveness, ensuring their adequacy for the smooth operation of the Bank and safeguarding its assets.
- The External Auditor confirms the Bank's ownership of its assets and ensures the legality of its obligations.
- The External Auditor attends the General Assembly meetings of the Bank.
- The External Auditor responds to shareholders' questions and inquiries regarding the financial statements and final accounts during the General Assembly meetings.
- The External Auditor expresses an opinion on the fair representation of the Bank's financial statements and requests modifications if there are any factors that affect their fairness.
- The External Auditor reports any violations of applicable regulations or any financial or administrative matters that negatively impact on the Bank's position to the relevant authorities.
- The CBJ has the right to convene with the External Auditor for supervisory purposes and to access the working papers related to audit engagement, should the need arise.

3. Risk Management:

The tasks and responsibilities of the Risk Management Department in the Bank include the following:

1. Submitting its reports to the Board through the Risk Management Committee, with a copy to the General Manager. These reports include information on the actual risk framework for all Bank activities, compared to the accepted risk document, and monitor the resolution of any negative deviations. The Executive Management may request special reports from the Risk Management Department as needed.
2. Preparing the Risk Management Policy/s that should cover all Bank activities and establishing clear measures and limits for each type of risk. It is essential to ensure that all employees, according to their administrative level, are fully aware and knowledgeable about these policies. These policies should be reviewed periodically and must be approved by the Board of Directors.
3. Preparing a comprehensive document for all acceptable risks of the Bank and obtaining its approval from the Board.
4. Preparing a business continuity plan, ensuring it is reviewed periodically and approved by the Board.
5. Ensuring, before launching/introducing any new (product/service/process/system), that it aligns with the Bank's strategy and that all associated risks, including operational/information security/cybersecurity risks, have been identified. It must also ensure that new control measures and procedures or modifications to them have been implemented in a manner consistent with the Bank's acceptable risk limits.
6. Studying and analyzing all the risks to which the Bank may be exposed, including credit, market, liquidity, and operational risks.
7. Developing methodologies for measuring and controlling all types of risks.
8. Establishing risk appetite limits in coordination with relevant parties within the Bank, approved by the Board of Directors, and submitting reports. Recording any exceptions to these limits and presenting them to the Board of Directors, while following up on the resolution of any negative deviations.
9. Providing the Board and Executive Management with information on risk measurement and the Bank's risk profile and following up on addressing negative deviations.
10. Providing information on the Bank's risks to be used for disclosure and public reporting purposes.
11. Some Executive Management committees, such as the Credit Committees, Asset and Liability Management, Treasury, and Investment Committees, assist the Risk Management Department in carrying out its duties within the scope of

authority assigned to these committees.

12. Monitoring the compliance of the Bank's Executive Departments with the defined levels of acceptable risks.
13. The Board of Directors ensures that breaches of acceptable risk levels are addressed, including holding the relevant Senior Executive Management accountable for these breaches.
14. The Board must ensure that the Risk Management Department conducts periodic stress tests to assess the Bank's ability to withstand shocks and handle elevated risks. The Board plays a key role in approving the assumptions and scenarios used, discussing the results of the tests, and approving the actions to be taken based on those results.
15. The Bank adopts an internal capital adequacy assessment methodology, which is comprehensive, effective, and capable of identifying all potential risks to which the Bank may be exposed. It considers the Bank's strategic and capital plans. This methodology is reviewed periodically to ensure its application and to verify that the Bank maintains sufficient capital to cover all the risks it faces.
16. The Board takes into consideration the risks associated with any expansion of the Bank's activities and the capabilities and qualifications of the risk management staff before expanding and approving new activities.
17. The Board is committed to ensuring the independence of the Bank's Risk Management Department by requiring it to report directly to the Risk Management Committee. Furthermore, the Department is granted the necessary authority to obtain information from other departments within the Bank and to collaborate with other committees in the execution of its duties.
18. Reviewing the Bank's Risk Management Framework, as approved by the Board.
19. Implementing the risk management strategy, in addition to developing policies and procedures to manage all types of risks.
20. Verifying the integration of risk measurement mechanisms with the management information systems in use.
21. Submitting recommendations to the Risk Management Committee regarding the Bank's risk exposures and documenting exceptions to the Risk Management Policy.
22. The Risk Management Department is directly responsible for the process of «ensuring the prudent management of IT risks» and the process of «risk management.»

4. Compliance:

The Compliance Monitoring and Anti-Money Laundering Department has been established at the Bank, reporting directly to the Board of Directors and its committees, and maintaining direct communication with the General Manager. The Department is staffed with trained personnel. It develops an effective methodology to ensure the Bank's compliance with all applicable laws, regulations, and relevant guidelines and directives. The Department's tasks, powers, and responsibilities are outlined and disseminated within the Bank to all employees. The Board is committed to approving the following tasks for the Compliance Department:

- Preparing a Compliance Policy to ensure the Bank's adherence to all relevant regulations, and ensuring that all employees, according to their respective management levels, are fully informed and aware of it. This policy must be approved by the Board of Directors.
- Preparing a compliance annual plan, to be approved by the Compliance Committee.
- Monitoring the adherence of all administrative levels within the Bank to all regulatory requirements, applicable legislation, and international standards, including the recommendations of the Financial Action Task Force (FATF).
- Preparing periodic reports that include an assessment of non-compliance risks, violations, deficiencies, and the corrective actions taken. These reports should be submitted to the Compliance Committee, with copies sent to the General Manager.

Part V: Board Committees

- The Board forms committees from among its members and approves a charter for each committee that includes, at minimum, the committee's composition, its duties and powers, the frequency and quorum of its meetings, the appointment of a secretary for each committee, and the secretary's responsibilities, including recording all discussions, suggestions, objections, reservations, and the method of voting on committee resolutions accurately. These committees submit periodic reports to the Board. The existence of these committees does not relieve the Board from its overall responsibilities.
- No member of the Board is allowed to chair more than one committee as outlined in the Corporate Governance Instructions (Corporate Governance Committee, Audit Committee, Nominations and Remuneration Committee, Risk Committee, Compliance Committee). Furthermore, no member is allowed to chair more than two committees from all of the Board Committees.
- The Board shall form the following committees as a minimum, with the restriction that no Board member may chair more than one of the committees listed below, nor may they serve as chairs of more than two committees from all committees of the Board. Additionally, it is prohibited to delegate any of the powers of any committee of the Board to any other authority. The Bank is also prohibited from forming any committee with executive powers, except for the Credit Facilities Committee:

First: Corporate Governance Committee:

The Committee shall be composed of at least three (3) members, the majority of whom must be independent, with one member serving as the chair. The Chairman of the Board shall also be a member. The Committee shall convene regularly, holding a minimum of two meetings per year, with accurate documentation of meeting minutes. Duties of the Committee are summarized as follows:

1. Overseeing the preparation of the Corporate Governance Manual and ensuring its approval by the Board. This Manual should reflect the Bank's perspective on corporate governance, including its concept, importance, and key principles, in a manner that at least aligns with applicable regulations and ensures the implementation of best practices in the field. It should be updated whenever necessary.
2. Providing the CBJ with a letter signed by all its members confirming that the Manual is in compliance with the corporate governance instructions, within two months of any subsequent amendments to the Corporate Governance Manual.
3. Ensuring compliance with the implementation of what is stated in the Corporate Governance Manual.
4. Reviewing and updating the Corporate Governance Manual whenever necessary.
5. The Committee has the right to invite any person within the Bank, at all administrative levels, to seek their opinion or question them about any matter.
6. Submitting a report to the Bank's Board of Directors at least once a year, which includes its opinion on the extent of compliance with the provisions of the Corporate Governance Manual.
7. Preparing the governance report and presenting it to the Board of Directors.
8. Studying the observations of Jordan Securities Commission regarding the application of governance in the Bank and following up on the actions taken in response.
9. Notifying the CBJ immediately upon identifying any violations of the provisions and requirements of the Corporate Governance Instructions.
10. Verifying the correction of the observations mentioned in the Internal Audit Department's report – or any other relevant entity – regarding the Bank's compliance with the Corporate Governance Manual.

Second: Audit Committee:

The majority of Audit Committee members shall be independent members of the Board, including the Committee Chairman who shall not be the Chairman of the Board or the Chairman of any other Board Committee. Furthermore, the majority of committee members hold practical qualifications in accounting, finance, or professional certifications in these fields, possessing professional and practical experience in accounting, finance, external auditing, internal auditing, or banking operations, in addition to a thorough knowledge of the instructions of the CBJ and regulatory authorities. The Bank shall ensure that no activities of any other committee are combined with those of the Audit Committee. The Bank's Audit Committee shall assume the following duties and authorities:

- Recommending the appointment or termination of auditors and ensuring that they meet the required conditions set by Jordan Securities Commission's instructions. The Committee also provides recommendations to the Board regarding the appointment of External Auditors, the termination of their services, their fees, and any contractual conditions, including any additional tasks the Committee intends to assign to them. Additionally, the Committee is tasked with evaluating the Auditor's independence.
- Reviewing the auditors' fees and recommending the fair determination of these fees in light of the scope of the required audit work.
- Recommending the appointment or termination of the services of the Internal Auditor, alongside conducting a comprehensive evaluation of both internal and external audits. This evaluation should review the scope, findings, and adequacy of key accounting issues with a material impact on the Bank's financial statements, as well as the Bank's control and internal oversight systems, and consider potential improvements. Additionally, it should include providing the necessary support to key internal audit personnel to ensure their independence and address their employment conditions.
- Approving an audit plan that covers the Bank's activities, including those of other control departments and outsourced functions, in alignment with the risk levels associated with these activities.
- Approving any amendments made to the approved audit plan.
- Examining and monitoring the reports from the Internal Audit Department, the Bank's auditors, CBJ inspectors, or any other audit

reports applicable to the Bank from time to time, reviewing their findings, observations, and recommendations, considering management's responses, and taking appropriate actions accordingly.

- The Committee shall have the authority to obtain any information directly from Executive Management or through the Director of the Internal Audit Department, and it reserves the right to summon any executive to attend any of its meetings, as stipulated in its charter.
- The Committee reviews and monitors the procedures that allow employees to confidentially report (whistle blow) any errors in financial statements or other issues. It also ensures that appropriate arrangements are in place for independent verification, and that the verification results are objectively followed up and addressed.
- Following up on the implementation of any significant audit findings, regardless of their source, in an effective and timely manner, ensuring that appropriate and timely corrective actions are taken.
- Reviewing the auditors' reports regarding internal control systems or other matters and examining the Bank's responses to these reports. This includes reviewing the Bank's correspondence with the auditors to evaluate the content and provide observations and recommendations accordingly.
- Reviewing the Bank's interim and annual financial statements before they are presented to the Board of Directors, with special attention to any disagreements that may arise between management and the auditors during the preparation of the financial statements or their results. Additionally, the Committee ensures compliance with the CBJ's instructions regarding the adequacy of provisions made for doubtful debts and securities portfolios and provides an opinion on the Bank's non-performing loans or those proposed to be considered bad debts.
- Ensuring that the Internal Audit Department adheres to the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA), including conducting an independent external assessment of the internal audit activity at least once every five (5) years and providing the CBJ with a copy of this assessment.
- Reviewing any material amendments or significant issues related to the audit engagement or the accounting principles applied by the Bank in the preparation of the annual financial statements. It ensures that these statements comply with the instructions of the CBJ, Jordan Securities Commission, other legal requirements, and applicable accounting standards.
- Assessing, in consultation with the auditors, if necessary, the adequacy, accuracy, and appropriateness of the Bank's internal control systems, particularly in terms of ensuring their compliance and sufficiency in accurately and truthfully disclosing the Bank's annual financial statements in accordance with the applicable accounting standards.
- Conducting regular meetings with the internal and external auditors, as well as the Compliance and AML Manager, at least once a year, without the presence of any members of the Senior Executive Management.
- Ensuring full compliance with the laws, regulations, and directives governing the Bank's operations.
- Expressing opinions on other matters referred to the Committee by the Board from time to time.
- Ensuring the availability of adequate resources and a sufficient number of qualified personnel to oversee internal auditing, while also providing them with specialized training programs, including those related to corporate governance.
- Ensuring the rotation of internal audit staff by auditing the Bank's activities every three (3) years at most. In case of inability to achieve this in certain areas, the Committee's approval must be obtained for the justification of non-compliance, especially in specialized fields such as audits related to information technology and cybersecurity.
- Ensuring that Internal Audit staff are not assigned any executive tasks.
- Ensuring that all Bank activities, including those outsourced to external parties (Outsourced Activities), are subject to auditing using the risk-based approach.
- Verifying the qualifications and effectiveness of the External Auditor and ensuring that the engagement letter clearly outlines the scope of the audit, fees, contract duration, and any other terms, in a manner consistent with the nature of the Bank, the size of its operations, the complexity of its activities, and the risks to which it may be exposed.
- Reviewing the External Auditor's reports to ensure they fully cover the Bank's operations. In addition to reviewing reports from the CBJ and monitoring the actions taken in response to those reports.
- The detailed duties and responsibilities of the Audit Committee related to information management and the associated technology are outlined in the approved IT Governance Manual.
- The Committee operates under the supervision of the Board of Directors and submits its reports and recommendations on the results of its duties to the Board.
- Reviewing all matters related to the External Auditor's work, including their observations, suggestions, and reservations, and monitoring the Bank's management's response to them, providing recommendations to the Board of Directors accordingly.
- Reviewing the External Auditor's evaluation of internal control and audit procedures.
- Reviewing internal control and audit reports, particularly those related to any violations identified through the Internal Auditor's work.
- Recommending to the Board of Directors on matters related to internal control procedures, internal audit activities, and the work of the internal auditor.
- Ensuring that the Internal Audit Department conducts an annual review, at least once, to verify that all transactions with related parties have been conducted in accordance with applicable regulations, the Bank's internal policies, and approved procedures. The Department shall submit its reports and recommendations on this matter to the Audit Committee, which in turn must inform the CBJ immediately upon identifying any violations of applicable regulations or internal policies in this regard.
- The Audit Committee convenes upon the invitation of its Chair, with a minimum of four (4) meetings per year, or as needed, upon the decision of the Board of Directors, or at the request of any of its members, or at the request of the External Auditor. The minutes of

these meetings are duly documented, and the Committee's recommendations are made by a majority vote.

- Evaluating the performance of the Internal Auditor and determining their compensation in alignment with the Performance Evaluation Policy approved by the Board.
- The Manager of the Internal Audit Department/Auditor-General of the Bank is invited to attend the Committee's meetings, and the Committee has the right to invite any individual to provide their opinion on a specific matter.

Third: Nominations and Remunerations Committee:

The Nomination and Renumeration Committee consists of at least three (3) members, with the majority of members, including the chairman, being independent members. The Committee meets regularly, with a minimum of two meetings per year or as needed. The minutes of these meetings are recorded properly. The Committee is responsible for performing the following tasks and responsibilities:

1. Assessing the suitability of individuals nominated for membership in the Board, considering their qualifications and capabilities. It then presents the appropriate recommendations to the Board. In the case of re-nomination, the Committee also considers the frequency of the nominee's attendance and their active participation in Board meetings.
2. Informing any individual (including a representative of a legal entity) who applies for Board membership in writing of the Board's decision regarding their failure to meet the requirements of the Corporate Governance Instructions.
3. Nominating qualified individuals for joining the Senior Executive Management.
4. Establish a clear methodology to verify that a Board member allocates sufficient time to fulfill their duties, including assessing, for example, their involvement in other board memberships, bodies, forums, and similar commitments.
5. Identifying the strengths and weaknesses within the Board of directors and proposing solutions that align with the Bank's best interests, by following established and approved criteria for evaluating the Board's effectiveness. The performance evaluation should be objective, including a comparison with other Banks and similar financial institutions, as well as standards for the integrity and accuracy of the Bank's financial statements and compliance with regulatory requirements.
6. Ensuring that Board members attend workshops or seminars on banking-related topics, particularly risk management, corporate governance and the latest banking developments.
7. Providing Board members with important background information and briefs on the Bank at their request and ensuring they are always updated on the latest banking developments.
8. Ensuring that a succession plan for Senior Executive Management is in place.
9. Conducting an annual review of the required skills for Board membership and the preparation of a description of the necessary qualifications for such membership, including the determination of the time that must be allocated by a member to Board duties.
10. Annually ensuring the independence of independent members, and to verify that there are no conflicts of interest if a member holds a board membership in another company, while also providing the CBJ with any updates regarding the independence of any of the independent members.
11. Establishing a Performance Evaluation and Compensation Policy for the Bank's executives, and reviewing it periodically. This policy should include a mechanism for determining the salaries, bonuses, and benefits for the General Manager and other members of the Executive Management. The Committee is not permitted to delegate this task to Executive Management, and the Policy must be approved by the Board.
12. Ensuring that clear policies for the Remunerations of Board Members and Senior Executives are in place, using performance-related criteria to determine these remunerations. Furthermore, the salaries should be competitive enough to attract qualified individuals to join the Bank and retain their services. The Policy aims to achieve compliance with the following provisions:
 - Maintaining, attracting, motivating, and enhancing the performance of Executives with the necessary competencies, skills, and experience.
 - Setting controls related to the remuneration of the Chairman, members of the Board, and its committees in return for the tasks they perform. These remunerations may be variable according to the assessment of the performance of the Board/committees/members and the soundness and performance of the Bank.
 - The policy should be designed to ensure that executives are motivated to achieve the Bank's objectives without leading to high risks that may negatively affect the Bank's soundness, reputation, or expose it to legal risks.
 - The Policy should address risks, liquidity, profits, and their timing, and reflect the Bank's objectives, values, and strategy.
 - The remuneration component is based on the performance of employees over the medium-to-long term (5-3 years), rather than solely on the performance of the current year.
 - The Policy should specify the structure of remuneration, which may include fees, salaries, allowances, bonuses, stock options, or other benefits, while ensuring compliance with relevant regulatory guidelines.
 - The Policy should include the possibility of deferring a reasonable portion of the remuneration (excluding salaries), with the percentage and deferral period determined based on the nature of the work, its associated risks, and the activities of the concerned executive.
 - The policy should include a mechanism to claw back deferred remuneration granted to a manager if it is later revealed that there were issues with their performance or if their decisions, within their authority, exposed the Bank to avoidable high risks.
 - No financial remunerations are granted to executives in control departments (such as Risk Management, Audit, Compliance, etc.) based on the results of the departments they oversee but rather based on their performance and achievements in their respective job functions.
13. Approving the remuneration system and determining the executive management remunerations, including the salary of the General Manager and other benefits, in addition to approving employee remuneration tables based on the General Manager's

recommendation, and approving the Annual Salary Increase Policy for employees based on the General Manager's recommendation.

14. Reporting its decisions, directives, and results of work to the Bank's Board of Directors.
15. Conducting annual evaluations of the performance of the Board as a whole, its committees, and each of its members. The Committee follows specific and approved criteria in the evaluation process to ensure the performance assessment is objective. The result of this evaluation is communicated to the CBJ. Additionally, board members (except those on the Nomination and Remuneration Committee) assess the performance of the Nomination and Remuneration Committee and its individual members annually.
16. Conducting annual evaluations of the performance of the General Manager based on an evaluation system developed by the Committee and approved by the Board. This system includes setting KPIs and considers both the financial and administrative performance of the Bank in relation to the level of risk. It also assesses the General Manager's success in achieving the Bank's medium- and long-term plans and strategies. Weighting is assigned to each evaluation criterion, and the result of this evaluation is communicated to the CBJ.
17. Establishing the Policy for granting remunerations, benefits, incentives, and salaries within the Bank and reviewing it annually. The Policy must be approved by the Board, and a copy of it should be provided to the CBJ within a maximum of seven (7) working days from the date of its approval by the Board.
18. Determining the Bank's needs for competencies at the Senior Executive Management level and among employees, along with the criteria for selecting them.

Fourth: Risk Management Committee:

The Risk Management Committee is formed by a decision of the Bank's Board of Directors and consists of three (3) members, with the majority, including the chairman, being independent members. The Committee meets at least once every three (3) months and whenever necessary. The Committee continues its work throughout the duration of the Board of Directors' membership and is responsible for performing the following tasks and authorities:

- Ensuring the existence of a comprehensive Risk Management Strategy at the Bank, which includes the types and levels of acceptable risks for all of the Bank's activities.
- Verifying the availability of policies and tools for identifying, measuring, analyzing, assessing, and monitoring risks, with an annual review at a minimum to ensure their effectiveness and adjusting if necessary.
- Verifying the availability of a risk management system that ensures the accuracy and adequacy of data used to identify, measure, analyze, assess, and monitor risks and the potential losses arising from them, as well as maintaining the necessary capital to address these risks.
- Verifying the effectiveness of the Risk Management Department's procedures and assessing the extent to which the Executive Management adheres to the approved policies and procedures.
- Providing the Board with periodic reports on the risks to which the Bank is exposed, including breaches of acceptable risk levels and the measures taken to address them.
- Keeping up with developments that impact risk management at the Bank.
- Verifying the availability of tools that assist in risk management, including but not limited to:
 - a. Self-assessment of risks and establishing risk indicators.
 - b. Developing a historical database of losses, identifying the sources of those losses, and classifying them according to the type of risk.
 - c. Ensuring the availability of necessary equipment, appropriate automated systems, and quantitative tools.
- Verifying that the Risk Management Department has sufficient resources and an adequate number of qualified personnel.
- Evaluating the performance of the Manager of the Risk Management Department and determining their remuneration in line with the Performance Evaluation Policy approved by the Board, after consulting the General Manager.

Fifth: Compliance Committee:

The Committee consists of at least three (3) members, one of whom must be an independent member. The Committee meets at least once every three (3) months, or more frequently if needed. The Committee is responsible for the following tasks:

- Ensuring that a Compliance Policy for the Bank is in place, along with derived procedures, to establish a compliance function capable of performing its duties effectively. The Committee is also responsible for conducting an annual evaluation of the Bank's management of non-compliance risks at least once a year.
- Approving the annual plan and reviewing the periodic reports prepared by the Compliance Department, which include the evaluation of non-compliance risks, violations, deficiencies, and the corrective actions taken.
- Overseeing the implementation of the Compliance Policy in the Bank, and ensuring that Executive Management resolves all compliance-related matters in a timely and effective manner.
- Overseeing the operations of the Compliance Department and ensuring the establishment of appropriate mechanisms to monitor the adherence of all administrative levels within the Bank to regulatory requirements, applicable legislation, international standards, and the recommendations of the FATF.
- Ensuring the availability of sufficient resources and a qualified team for the Compliance Department and confirming that they receive specialized training programs.
- Evaluating the performance of the Manager of the Compliance Department and determining their remuneration in line with the Performance Evaluation Policy approved by the Board, after consulting the General Manager.

Sixth: Credit Facilities Committee:

The Committee was established by a resolution of the Board of Directors, comprising no fewer than five (5) members, including at least one independent member who shall not serve on the Audit Committee. Members of Senior Executive Management may attend meetings to present their recommendations. The Committee is exclusively responsible for reviewing credit facilities that exceed the authority of the highest executive management committee. The legal quorum for its meetings is set at a minimum of four (4) members, with decisions made by a majority vote of all Committee members, regardless of the number of attendees. The Committee is entrusted with overseeing the Bank's strategic investments and approving credit facilities and/or the settlement of non-performing loans. Its authority in matters of credit and investment is defined in accordance with the authority matrix as approved by the Board of Directors. The Committee's primary duties and responsibilities include the following:

- Making credit decisions in accordance with the general terms and conditions for exercising credit authorities as outlined in the Credit Authorities Manual regarding the following:
 1. Facility requests recommended for approval by the Senior Executive Management Committee.
 2. Requests for the settlement of non-performing loans referred to the Committee through the Executive Management.
- Defining upper limits for the authorities assigned to this Committee regarding the granting, modification, renewal, restructuring, rescheduling, or settlement of credit facilities, ensuring that clear authorities are established for the Board of Directors in this regard.
- Submitting details of the credit facilities approved by the Committee to the Board on a periodic basis.
- Making decisions in exceptional cases within the authority framework, in accordance with proper conditions, sound principles, and the established administrative hierarchy.
- Approving credit transactions in accordance with the Bank's authority structure and the Committee's Charter as approved by the Board of Directors.

Seventh: Strategic Planning Committee:

The Committee is formed by a resolution of the Board of Directors and consists of no fewer than four (4) Board members, one of whom serves as the Chairman. Members must possess financial and administrative expertise, as well as experience in banking and markets. Additionally, the Committee has a rapporteur appointed by the Board of Directors. The Committee meets periodically and as needed. Decisions and recommendations are made by a majority of at least three (3) members, including the Chairman, and reports and recommendations are submitted to the Board of Directors promptly. The Committee holds a minimum of two meetings per year. Its key responsibilities include:

- Recommending to the Board of Directors appropriate strategic directions for the Bank in light of the economic conditions, investment climate, competitive banking environment, and the surrounding factors influencing its development.
- Informing the General Manager of the strategic directions, plans, and decisions of the Board of Directors so that they can develop the execution plans and procedures for the various departments within the Bank. These strategic directions will then be adopted in the preparation of the annual work plans and budgets.
- Reviewing the General Manager's proposals regarding business strategies to discuss them and prepare the necessary recommendations for the Board of Directors.
- Discussing the Bank's strategic plan and submitting recommendations, which should include (an analysis of the local economic environment, the opportunities and threats it faces, their impact on the Bank, identification of the Bank's strengths and weaknesses, and how it deals with external opportunities and threats through a SWOT Analysis).
- Discussing the Bank's annual budget estimates and making decisions on them, in preparation for presenting them to the Board of Directors.
- Reviewing the performance of annual work plans and budget estimates by comparing actual achievements with projected goals and evaluating the reasons for any deviations from the set objectives.
- The General Manager is invited to attend the Committee's meetings, along with anyone the Committee deems appropriate. It is appropriate to schedule the Committee meetings in coordination with its chairman, or whenever requested, with the General Manager being notified of these dates through the Committee's rapporteur.
- The Committee's Rapporteur is responsible for preparing the invitations for its meetings, the agendas, the meeting minutes, and following up on the implementation of its recommendations in accordance with the approvals granted by the Board of Directors.
- Any other duties assigned to the Committee by the Board of Directors.

Eighth: IT Governance and Cybersecurity Committee:

The IT Governance and Cybersecurity Committee is composed of three (3) members from the Board of Directors. The Committee meets at least quarterly and submits periodic reports to the Board. Additionally, it carries out the duties outlined in the IT Governance Manual.

Decisions of the Board and those issued by its committees are voted on by a majority. In the event of a tie, the Chairman's vote is decisive. The Committees have the following powers:

- Requesting any data or information from the Bank's employees, who are required to cooperate in providing this information fully and accurately.
- Requesting legal, financial, administrative, or technical advice from any external consultant.
- Requesting the attendance of any employee of the Bank to provide any necessary clarifications.

Part VI: Conflict of Interest, Disclosure, and Transparency

First: Conflict of Interest within the Board of Directors:

The Bank shall ensure that no Board member has any direct or indirect interest in the business and contracts concluded by the Bank. However, if this is necessary, the matter shall be subject to the approval of the General Assembly, which is to be renewed annually. Any business carried out via public tenders shall be exempt from such requirement if that Board member has offered the best proposal and in a manner that does not conflict with the Companies Law. A Board member is committed to notifying the Board of any personal interest they may have in the transactions or contracts carried out on behalf of the Bank. This notification is recorded in the meeting minutes, and the members with the conflict of interest will not participate in voting on the decision in question. The Chairman of the Board is required to inform the General Assembly at its meeting about any transactions or contracts in which a Board member has a personal interest, accompanied by a special report from the External Auditor. Furthermore, a Board member ensures that they do not engage in any activity that may compete with the Bank, and takes steps to avoid any conflicts of interest by adhering to the following:

The Board adopts a policy governing conflicts of interest in all its forms, along with the necessary procedures to ensure adequate controls and internal oversight to monitor compliance with this Policy and prevent any violations. This policy includes, at a minimum, the following:

- Avoiding activities that create a conflict between the interests of the Bank and those of any executive or Board member in any form.
- Immediately disclosing any matter that has resulted or may result in a conflict between the interests of the Bank and those of any Executive or member of the Board in any form.
- A Board member shall not disclose confidential information related to the Bank or use it for personal gain or the benefit of others. Similarly, a representative of a legal entity shall not disclose any confidential information discussed during Board or committee meetings to any individual, including any executive within that legal entity.
- A Board member must prioritize the interests of the Bank in all transactions involving any company in which they have a personal interest. They must not exploit business opportunities of the Bank for personal gain and must avoid conflicts of interest. In the event of a conflict, the members must disclose it to the Board in detail, refrain from attending and participating in the decision-making process during the meeting where such matters are discussed and ensure that this disclosure is recorded in the minutes of the Board or committee meeting.
- The Policy outlines examples of situations that may lead to a conflict of interest, including conflicts between the interests of a Board member and the Bank's, between the interests of an executive member and the Bank's, or between the interests of any company within the banking group, its affiliates, or subsidiaries and the Bank's.
- The Policy defines related parties to the Bank in accordance with the applicable regulations and sets out the terms for transactions with those parties, ensuring that no related party receives better terms than those offered to other non-related customers of the Bank. This includes all transactions the Bank conducts with any companies within the banking group to which the Bank belongs.
- Specifying the nature of transactions with related parties to encompass all types of transactions, rather than limiting them solely to credit facilities.
- Specifying the procedures followed by the Bank when instances of non-compliance with the above policy are identified.

Second: Disclosure and Transparency:

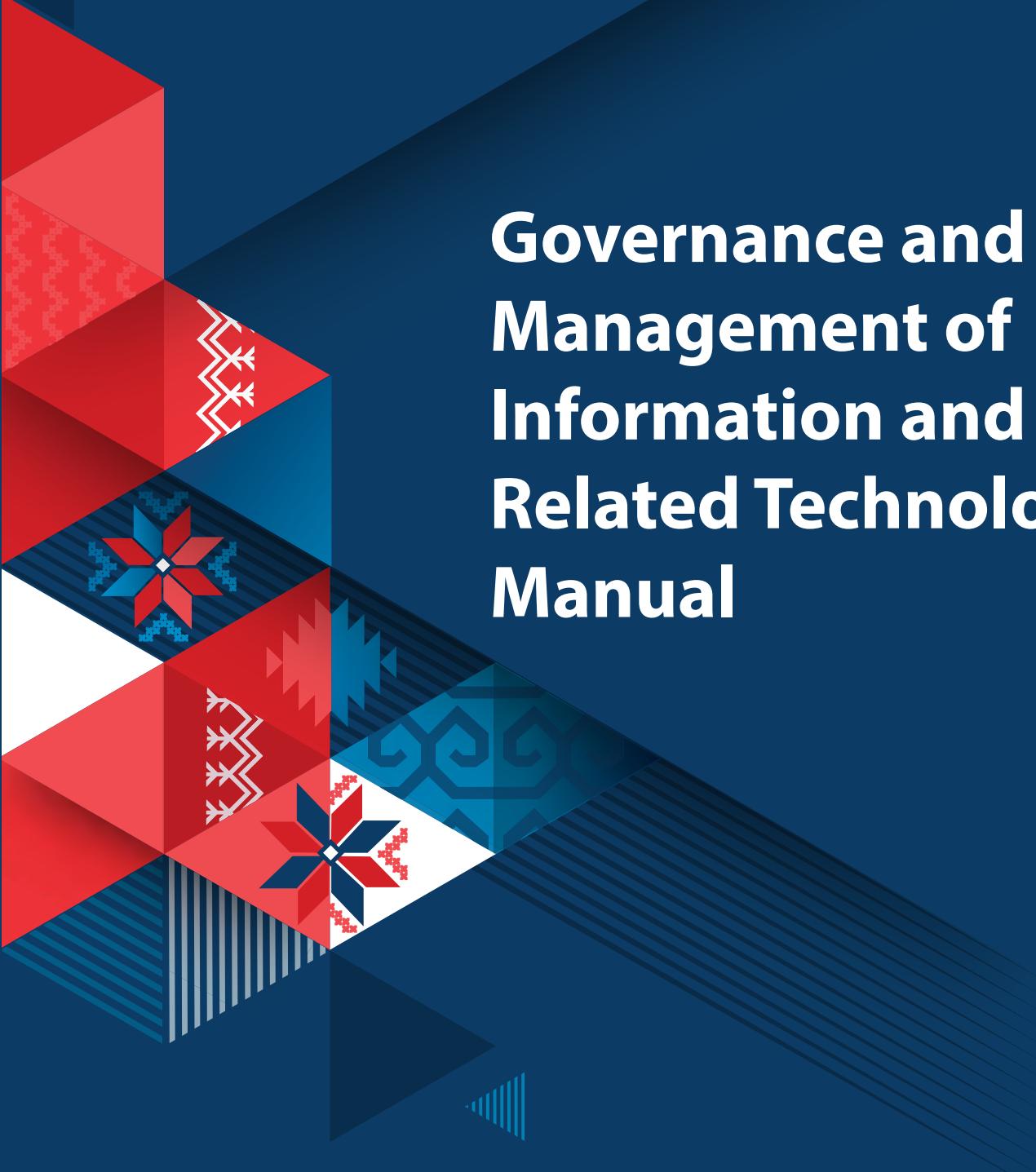
- The Board ensures the publication of both financial and non-financial information that is relevant to stakeholders.
- Ensuring the Corporate Governance Manual is made available on the Bank's website and through other suitable channels for public access. The Bank must disclose, in its annual report, the availability of the Corporate Governance Manual and the extent to which it complies with its provisions.
- The Bank's annual report shall include a statement affirming that the Board is responsible for the accuracy and adequacy of the Bank's financial statements and the information included in the report, as well as the adequacy of internal control and monitoring systems.
- The Board ensures that the Bank complies with the disclosures set forth in the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), CBJ's instructions, and other relevant regulations. It also ensures that the Executive Management is aware of any changes to the IFRS.
- The Bank provides the CBJ with the number of pledged shares held by shareholders who own 1% or more of the Bank's capital, along with the entity to which these shares are pledged.
- The Board assures that the Bank's annual report and quarterly reports include disclosures that allow current or potential shareholders to review the Bank's operational results and financial position.
- The Bank obtains the CBJ's no-objection for the nomination of any Board member prior to the date of the Bank's General Assembly meeting, with sufficient time of at least one month in advance. Consequently, individuals wishing to be nominated are informed of the necessity of obtaining the CBJ's no-objection.
- The Bank provides CBJ with its organizational structure whenever any modifications are made, along with an explanation of those changes.
- The Bank must obtain the CBJ's no-objection before appointing, transferring, promoting, or assigning any member of Senior Executive Management. The request for no-objection must be accompanied by the Board's decision, the recommendation of the relevant committee, the approved organizational structure, the member's declaration and documents approved by the CBJ, the CV, academic certificates, work experience certificates, a certificate of no criminal record, and a copy of the national ID (or passport for non-Jordanians). The CBJ will not consider any request for no-objection unless it is complete with the required attachments listed above.
- The Board of Directors assures that the annual report includes the following, at minimum:

- A summary of the organizational structure.
- A summary of the tasks and responsibilities of the Board's Committees, as well as any authorities delegated by the Board to those Committees.
- The information relevant to stakeholders outlined in the Bank's Corporate Governance Manual, and the extent to which the Bank complies with the provisions therein.
- Information about each Board member including their qualifications, experiences, level of contribution to the Bank's capital, whether they are independent or not, their membership in the Board's committees, their appointment date, any directorship positions they hold in other companies, the rewards and benefits they received from the Bank during the past year, as well as any loans granted to them by the Bank. Additionally, any other transactions between the Bank and the member or related parties should also be disclosed.
- Information about the Risk Management Department, including its structure, the nature of its operations, and any updates thereof.
- The number of meetings held by the Board, its committees, as well as the attendance record of each member at these meetings.
- The names of all Board members and Senior Executive Management who resigned during the year.
- A summary of the Bank's Remuneration Policy, with disclosures of all forms of remuneration granted to each Board member individually, and all forms of remuneration granted to each member of the Senior Executive Management individually, for the past year.
- The names of shareholders holding %1 or more of the Bank's capital, along with the identification of the ultimate beneficial owners (UBOs) of these shares or any part thereof, in addition to clarifications of whether any of these shares are pledged, either partially or fully.
- Declarations from all Board members confirming that they have not received any undisclosed benefits, whether material or in-kind, for themselves or any related parties, through their work at the Bank during the past year.
- The CBJ has the right to object to the nomination of any individual for membership of the Board of Directors if it finds that the individual does not meet the conditions set out in its instructions. The Bank must adhere to the following:
 - The Bank must obtain the CBJ's no-objection to the nomination of any individual (including the designation of a representative for a legal entity, or a temporary representative for any government entity or public or official institution) for membership on the Board. The request for no-objection must be accompanied by a decision from the Board of Directors, a recommendation from the Nomination and Remuneration Committee, including its assessment of the added value that the nominated member will bring to the Board's duties, the member's declaration including a declaration from the independent member (approved by the CBJ, Form No. 6/1), the CV, academic qualifications, experience certificates, criminal record certificate, and a copy of the national ID card (passport for non-Jordanians). The CBJ will not consider any no-objection request unless it is complete with the above attachments.
 - The Chairman of the Board of Directors shall invite the CBJ to attend the General Assembly meetings, providing adequate time in advance to allow for the designation of its representative.
 - The Bank shall inform the CBJ at least thirty (30) days before the date of the General Assembly meeting of its intention to nominate or re-nominate the External Auditor for election by the General Assembly.
 - The Bank shall provide the CBJ with information and declarations related to the members of the Board, its committees, and Senior Executive Management members, according to the approved forms within the requirements outlined in the Corporate Governance Instructions. This also applies in the event of any amendments.
 - The Bank shall provide the CBJ with information related to the members of the Boards of Directors, the executive management bodies, and the Senior Executive Management of its subsidiaries both inside and outside the Kingdom, according to the forms attached in the Corporate Governance Instructions, on a semi-annual basis, and whenever any amendments occur.
 - The Chairman of the Board shall provide the CBJ with the minutes of the General Assembly meetings within a period not exceeding five (5) working days from the date of approval of the minutes by the Companies Controller or their representative.
 - The CBJ has the right to summon any person nominated for a position in the Senior Executive Management for a personal interview prior to the appointment. Additionally, the CBJ may, in cases it deems necessary, summon any member or nominee of the Board of Directors of the Bank for an interview.
 - The CBJ has the right to appoint an external entity to evaluate the governance of any bank, at that bank's expense.
 - CBJ has the right to invite members of the Audit Committee, the Director of the Internal Audit Department, members of the Compliance Committee, or the Compliance Officer at any time to discuss any matters related to their work.
 - The CBJ has the authority to set up a higher number of independent members in the composition of the Board when it deems necessary.
 - The CBJ has the right to convene with the External Auditor for supervisory purposes and to access the working papers related to audit engagement, should the need arise.
 - The CBJ may consider any member as being non-independent as per certain data, despite that member fulfilling all requirements stipulated in the effective Corporate Governance Instructions, as set forth in Part Three "Suitability, Qualifications and Evaluation of Board Members" of the Corporate Governance Manual.
 - The provisions of the Companies Law, along with all relevant laws, regulations, and instructions issued by other regulatory authorities, are to be adhered to, provided they do not conflict with the provisions of the Corporate Governance Instructions.
 - The duties of the Rapporteurs of the Board committees are defined to include attending all committee meetings, documenting all discussions, proposals, objections, and reservations, coordinating with the committee chair and members regarding the meetings, ensuring the committee members sign the minutes and decisions, maintaining records and documents of the committee meetings, and preparing for the meetings. The committee Rapporteur has no voting authority.

Part VII: General Provisions

The Bank prepares a Governance Report and includes it in the annual report, which is signed by the Chairman of the Board. This report primarily includes the following:

- Information and details related to the implementation of the provisions of these instructions and the corporate governance rules within the Bank.
- List of the names of the current and resigned Board members during the year, specifying whether each member is executive or non-executive, and whether they are independent or non-independent.
- List of the names of the legal representatives of the Board, specifying whether each representative is executive or non-executive, and whether they are independent or non-independent.
- Executive positions at the Bank and the names of the persons occupying such positions.
- All Board memberships held by the Board member in public joint-stock companies, if any.
- List of the names of the Board Committees.
- List of the names of the Chairman and members of the Audit Committee, along with an overview of their qualifications and experience related to financial or accounting matters.
- List of the names of the Chairman and members of the Nominations and Remunerations Committee, Corporate Governance Committee, Risk Committee, and Compliance Committee.
- The number of meetings held by each committee during the year, along with a list of the members who attended.
- The number of meetings of the Audit Committee with the External Auditor during Year.
- The number of Board meetings held during the year, along with a list of the members who attended.



Governance and Management of Information and Related Technology Manual

Introduction

Out of Jordan Commercial Bank's commitment to ensuring the soundness of its operations and adhering to the best international practices in managing IT resources, projects, and services, enabling it to conduct its business and achieve its strategic objectives effectively and efficiently, which in turn positively reflects on the quality of the Bank's products and services on one hand, and on decision-making mechanisms and risk management on the other, as well as out of respect for the integrity of the banking system as a whole and in compliance with international standards for sound banking practices, the Bank recognizes the necessity of adhering to the best standards in the field of information and related technology.

The Board of Directors and the Executive Management have recognized the need to adopt successful products that require the efficient and effective application of information technology, alongside various business practices and procedures within the Bank. This necessitates the establishment of a framework and principles for the governance and management of information and related technologies. Therefore, the separation of operations, tasks, and responsibilities of the Board in the field of governance from those within the scope of Executive Management's responsibilities regarding information and related technologies is essential. The implementation of proper governance principles, based on international best practices such as the COBIT framework, aims to mitigate risks and meet stakeholder expectations. This approach helps in avoiding engaging in unproductive investments and unnecessary expenditure that could lead to significant losses, which in some cases might impact on the Bank's reputation and performance.

To reinforce the unique identity of Jordan Commercial Bank, this Manual has been prepared and attached to the Corporate Governance Manual. It reflects the Bank's specific perspective on the governance and management of information and related technologies, in terms of its concept, importance, and fundamental principles. The Manual is designed in accordance with relevant legislation and best international practices and emphasizes the Bank's commitment to complying with all applicable laws and regulations in this regard.

The provisions of this Manual apply to the branches of Jordan Commercial Bank in Jordan. The Bank publishes the IT Governance Manual on its official website and is committed to disclosing it in its annual report, along with its adherence to the implementation of the guidelines outlined therein.

Part I: Information Technology Governance, Scope and Objectives

First: Governance:

Information management and related technologies encompass ongoing activities under the responsibility of the Executive Management. These activities include planning to achieve strategic objectives—such as alignment and organization—along with development and implementation processes, procurement and execution, operational functions, service delivery, and support. Additionally, monitoring activities, including measurement and evaluation, ensure the sustained achievement of the Bank's objectives and strategic direction. In this context, information and technology governance involves defining roles and responsibilities, establishing relationships among various stakeholders, and structuring interactions between relevant entities. The objective is to maximize value for the Bank by adopting an optimal approach that balances risks with expected returns. This is accomplished through the implementation of essential rules, principles, and decision-making mechanisms, as well as setting strategic directions and objectives within the Bank. Furthermore, governance ensures compliance and continuous improvement through structured oversight of operations, integrating best practices and policies essential for effective management of information and related technological. These objectives, derived from the corporate objectives, are classified into main and sub-objectives necessary to meet the needs of stakeholders.

It should be noted that the term «stakeholders» refers to any individual or entity with an interest in the Bank, such as shareholders, employees, creditors, customers, external suppliers, or regulatory bodies related to the Bank's activities.

Second: Scope of Information Technology Governance and the Concerned Parties:

The implementation of Information Technology Governance Instructions extends to all Bank operations reliant on information technology across its branches and departments. All relevant parties and stakeholders are actively involved in the application process. To facilitate this, the Bank has initiated a project aimed at establishing the necessary environment and fulfilling the requirements of Information Technology Governance in alignment with the COBIT framework. This initiative includes clearly defined roles for each of the following:

- The Chairman, Board members, and external experts for the purpose of providing overall guidance for the project, approving the tasks and responsibilities, offering support, and authorizing the necessary funding.
- The General Manager, their deputies, assistants, and operations managers for the purpose of appointing eligible individuals with expertise in the Bank's operations to represent them in the project and define their tasks and responsibilities.
- The Manager and the Information Technology Steering Committees, along with project managers, provide guidance, submitting the necessary reports to the Information Technology and Cybersecurity Governance Committee of the Board of Directors, and overseeing the role of project managers. They must ensure the availability of sufficient resources and a clear understanding of the corporate objectives for Information Technology Governance.
- Internal Auditing is tasked with providing independent advice and oversight to ensure the successful implementation of the framework. This includes acting as an independent advisor and monitor in executive matters to facilitate and ensure the completion of the Corporate Governance Framework. This is achieved by reviewing information technology audit reports, taking necessary actions to address deviations, and monitoring the level of technical and technological services while continuously working to enhance and improve them through recommendations and suggestions. The Board's Audit Committee and the External Auditor are responsible for providing the CBJ with an annual internal audit report and an external audit report, respectively. These reports include the Executive Management's response and the Board's recommendations, and they are submitted during the first quarter of each year.
- The Risk Management, Information Security, Compliance, and Legal departments, involved in the project, are committed to their respective roles in implementing the framework. They are responsible for monitoring requirements, ensuring adherence to objectives and policies, and ensuring the presence of an appropriate control environment.
- The Bank relies on specialists and holders of technical and professional certifications related to the COBIT framework (Foundation COBIT, COBIT Design and Implementation), both from within the Bank and externally, to take on the roles of guidance and evaluation throughout the implementation phases. They are also responsible for disseminating knowledge of the framework and facilitating the compliance process.
- When entering into outsourcing agreements for human resources, services, software, and information technology infrastructure to support its operations, the Bank ensures that third parties comply, either fully or partially, with the Information Technology Governance instructions, based on the significance and nature of the provided operations, services, software, and infrastructure. This compliance must be maintained both before and throughout the contract period. However, the Board of Directors and Senior Executive Management remain ultimately accountable for fulfilling the requirements outlined in this Manual, including the specified audit obligations.

Third: Objectives of Governance and Information Management and Related Technology:

The primary goal of Information Technology Governance is to maximize the Bank's added value by optimizing the use of information and related technologies. This involves preserving and enhancing the value of existing technological investments while discontinuing IT initiatives and assets that fail to generate sufficient value. It also ensures the efficient use of resources while managing associated risks, including those related to the ownership, operation, adoption, and integration of IT within the Bank. Additionally, it guarantees the availability of the necessary capabilities to implement the strategic plan, secures adequate and effective resources, and balances decision-making by considering stakeholder interests, weighing risks against expected returns, and ensuring the optimal allocation of resources.

Therefore, the objectives that the Bank seeks to achieve through adopting the IT Governance framework are:

1. Meeting the needs of stakeholders by achieving the objectives of information and related technologies, ensuring the following:
 - Providing high-quality information as a foundation that supports decision-making mechanisms within the Bank.
 - Prudent management of information technology resources and projects, maximizing the benefit from these resources while minimizing waste.
 - Providing outstanding and supportive technological infrastructure that enables the Bank to achieve its objectives.
 - Enhancing the Bank's various operations by employing an efficient technological system with a high level of reliability.
 - Prudent management of information technology risks to ensure the necessary protection of the Bank's assets.
 - Assisting in achieving compliance with legal, regulatory, and instructional requirements, in addition to compliance with the Bank's internal strategies, policies, and procedures, by enhancing the Bank's control and internal monitoring systems.
 - Improving the internal control and monitoring system.
 - Maximizing user satisfaction with information technology by efficiently and effectively meeting business needs.
 - Managing the services of external parties entrusted with executing operations, tasks, services, and products.
2. Providing the necessary components to achieve comprehensiveness in the governance and management of information and related technology.
3. Adopting globally recognized standards and best practices as a foundation for governing, managing operations, executing projects, and overseeing information technology resources and their development.
4. Separating the operations, tasks, and responsibilities of the Board in the field of governance from those within the scope of Executive Management's responsibilities regarding information and related technologies.
5. Enhancing self-monitoring mechanisms, independent oversight, and compliance audits in the areas of governance and management of information and related technologies, contributing to continuous performance improvement and development.

The governance and management objectives, along with the other components related to activities concerning cybersecurity, risk management, data privacy and protection, compliance, monitoring, auditing, and strategic alignment, are considered high-priority and important focus areas.

Part II: The Bank's Governance and Information Management Framework and related Technology (COBIT) and Components

First: Principles of Information Technology Governance:

The fundamental principles of Information Technology Governance enable the Bank to build an effective governance and management framework that optimizes the use of information and investments in technologies. Below are the main principles of governance and management of information and associated technologies, in accordance with the COBIT framework:

1. **Provide Stakeholder Value:**
The primary purpose of the Bank is to create added value for stakeholders and, consequently, achieve benefits at the optimal cost of resources.
2. **Holistic Approach:**
A comprehensive system of corporate governance and IT management system is implemented.
3. **Dynamic Governance System:**
The Bank's governance system is dynamic and adaptable to change.
4. **Tailored to Enterprise Needs:**
The Bank's governance system is designed to meet the enterprise's needs by setting priorities.
5. **Separating Governance from Management:**
The Board of Directors is responsible for implementing sound corporate governance within the Bank, ensuring the separation of the Board's role from that of Executive Management. The responsibility of the Executive Management lies in tasks assigned to the General Manager and other Executive team members, including planning, building, operating, and monitoring activities, while aligning them with the strategic direction set by the Board of Directors to achieve the Bank's strategic objectives.
6. **Covering Enterprise End-to-End:**
Ensuring that information technology governance creates integration between IT governance and corporate governance, covering all functions and operations within the Bank.

Second: Components:

A comprehensive approach to governing and managing information and associated technologies goes beyond technology itself, incorporating seven (7) key components that support and enhance information technology services. These components include:

1. Principles, policies, and frameworks, which serve as tools to translate desired behaviors into practical guidelines for daily management.

2. Processes, which represent an organized set of practices and activities aimed at achieving specific objectives.
3. Organizational Structures.
4. Culture, ethics, and behavior, through the Bank's system of values, ethics, and behavioral standards.
5. Information, which includes all the data produced and used by the Bank, essential for its operations and effective governance.
6. Services, infrastructure, and applications, which are concerned with providing IT processing and facilitating the delivery of services.
7. People, skills, and competencies, which are essential for the successful completion of all activities and for making the right decisions and actions.

To ensure the success of the overall Information Technology Governance framework, the Bank is committed to activating the seven components to achieve the desired comprehensiveness.

When implementing and refining the seven components, attachments, processes, and sub-goals, the Bank tailors them to align with its specific circumstances, ensuring they serve the objectives and requirements of the Information Technology Governance Instructions and the COBIT framework. To facilitate implementation, the Bank undertakes the necessary changes to establish and prepare the required environment, following a Gap Analysis Approach that compares the current state with standard requirements to ensure compliance. Additionally, the Bank is committed to submitting a semi-annual progress report to the CBJ, outlining the level of compliance with COBIT implementation requirements.

Third: Information Technology Governance Operations:

The general framework for the application of information technology governance (COBIT) consists of two main areas of operations:

1. **The Board of Directors Operations Scope:** It can be divided into five processes, each of which defines the evaluation (Evaluate), direction (Direct), and monitoring (Monitor) practices, known as EDM5. This ensures the establishment and maintenance of the IT governance framework, achieving benefits, managing risks, ensuring optimal resource utilization, and maintaining transparency with stakeholders.
2. **Executive Management's Operations Scope:** It includes four areas aligned with the planning (Plan), building (Build), operating (Operate), and monitoring (Monitor) responsibilities, commonly abbreviated as (PBRM). These areas provide comprehensive coverage of the IT governance scope, and the names of the areas were chosen to align with their main connotations, which are:
 - Alignment, Planning, and Organization (APO): It involves formulating IT policies, IT strategy, establishing organizational structures within the Bank, financial management, and managing investment portfolios.
 - Building, Acquisition, and Implementation (BAI): It involves conducting business analysis, project management, evaluating use case scenarios, defining and managing requirements, programming, systems engineering, decommissioning systems, and capacity management.
 - Delivery, Service, and Support (DSS): It involves managing availability, problem management, service desk and incident management, security management, IT operations, and database management.
 - Monitoring, Evaluation, and Assessment (MEA): It involves conducting compliance (conformance) reviews, monitoring efficiency, and auditing control mechanisms.

■ The Bank is committed to ensuring the optimal implementation of the outlined areas and processes to ensure the proper application of information technology governance.

Fourth: Levels of Maturity and Capacity of Actions:

The use of maturity levels aims to improve procedures, assess process maturity, determine the target level, and identify deviations. There are six levels through which procedures can be classified, as follows:

- **Level (0), (Incomplete process):** The complete absence of any clear processes, meaning the Bank has not recognized that there is a problem that needs to be addressed.
- **Level (1), Initial Process:** There is evidence that the Bank has recognized the existence of problems that need to be addressed. However, there are no standardized procedures; rather, there are purpose-specific approaches applied on an individual or case-by-case basis. As a result, the Bank's overall management approach is unstructured.
- **Level (2), Performed Process:** The processes develop to a point where different individuals performing the same task follow similar procedures. However, there is no formal training or standardized procedure dissemination, leaving each person responsible for their own approach. This results in a heavy reliance on individual knowledge, increasing the likelihood of errors.
- **Level (3), Well-Defined Process:** Procedures have been documented and defined as standard procedures, then disseminated within the Bank through training. The documentation mandates adherence to these procedures, but deviations are unlikely to be detected.
- **Level (4), Measured Process:** Management monitors and measures the level of compliance with policies and takes action where processes appear ineffective. Procedures are subject to continuous improvement and provide a mature experience for others. Additionally, automation and tools are used in a limited or fragmented manner.
- **Level (5), Continuous Process:** At this stage, procedures have been optimized to align with best practices, driven by continuous improvement efforts and maturity modeling in collaboration with other institutions. Information technology is seamlessly integrated to automate workflows, offering tools that enhance quality and efficiency, allowing the Bank to adapt swiftly.

The maturity level (Capability Level) of activities related to IT governance objectives and the other six associated components correspond directly to their importance and priority, based on quantitative and qualitative study results. The Bank aims to ensure that the maturity level for high-priority and important activities does not fall below level (3) (Fully Achieved) according to the COBIT* maturity scale. The Bank consistently strives to reach higher maturity levels beyond the required standard.

* A maximum of 26% of governance and management objectives (up to 9 out of 35) may be classified as having lower importance, priority, or being disregarded.

Part III: The Board of Director's Role in Information and Technology Management

The roles, activities, and relationships represent the elements that define the stakeholders in governance and how they are engaged in the implementation process. One of the key principles of IT governance is the separation of the Board's responsibilities from those of the Executive Management. The distinction between the Board's role and the Executive Management's activities is established by defining how communication occurs between stakeholders and Executive Management. Below are the tasks and responsibilities of the relevant entities:

1. Duties and Responsibilities of the Board of Directors:

- Overseeing the activities of the Senior Executive Management to ensure the effectiveness and efficiency of operations, the reliability of financial reports, and compliance with applicable laws, regulations, and instructions. Senior Management is committed to implementing the fundamental principles of internal control and oversight systems. The Board is directly responsible for evaluation, direction, and monitoring activities, as well as for ensuring prudent IT risk management and overall risk management.
- Allocating sufficient budgets and providing the necessary tools and resources, including qualified human resources, through specialized IT audit departments. Ensuring that both the Bank's Internal Audit Department and External Auditors can review and audit the employment and management of IT resources and projects, as well as the Bank's operations that rely on them. Additionally, ensuring the presence of specialized IT audits conducted by professionally qualified and internationally certified personnel holding valid professional certifications such as (CISA) from internationally recognized organizations accredited under (ISO/IEC 17024) or other equivalent standards.
- The Board, through the IT Governance and Cybersecurity Committee, is responsible for approving the system of principles, policies, and frameworks necessary to establish, manage, and oversee IT resources and projects. This ensures alignment with the objectives and processes of IT governance, including IT risk management, IT security and protection management, and human resource management, all of which support the governance of IT operations and the system of necessary policies in this regard. The governance policies must be integrated with the Bank's other regulatory policies, aligning objectives and operational mechanisms. Compliance requires defining ownership, scope of application, review and update frequency, access and distribution permissions, objectives, responsibilities, operational procedures, penalties for non-compliance, and compliance assessment mechanisms. When developing these policies, input from internal and external stakeholders must be considered, and international best practices and updates must be adopted.
- Approving the organizational structures (hierarchical and committees) related to managing IT resources, operations, and projects, as well as IT risk management, information security management, and human resource management. These structures must align with IT governance processes to efficiently and effectively achieve the Bank's objectives. Additionally, the segregation of duties and dual control mechanisms must be ensured as a minimum requirement. The job descriptions should also be sufficient and updated whenever the Bank's organizational structures are approved or modified.
- Developing the infrastructure and information systems necessary to provide users with the information and reports that serve as a foundation for decision-making within the Bank. The Information Quality Criteria must be met, including Integrity, Completeness, Accuracy, and Validity or Currency), along with confidentiality based on the Bank's Data Classification Policy, availability, and compliance with relevant information and reports. Additionally, all other requirements outlined in COBIT must be adhered to, ensuring Information Enabling for optimal utilization.
- The Board of Directors, through the IT Governance and Cybersecurity Committee, is responsible for approving the information and reporting system, considering it as the minimum standard. This includes designating owners for the information and reports, who will define, and delegate access and usage permissions based on business needs and relevant stakeholders. The system is subject to continuous review and development to align with the Bank's evolving objectives and operations, ensuring compliance with international best acceptable practices in this field.
- The Board of Directors, through the IT Governance and Cybersecurity Committee, is responsible for approving the IT services, programs, and infrastructure system that supports and facilitates the implementation of IT governance processes and, consequently, the related IT and corporate objectives. This system is considered the minimum standard and is continuously provided and developed to keep pace with the Bank's evolving objectives and operations, ensuring alignment with internationally accepted best practices in this field.
- The Board of Directors, through the IT Governance and Cybersecurity Committee and the Nominations and Remuneration Committee, is responsible for approving the HR Competency Matrix and HR management policies

necessary to meet the requirements of IT governance processes, based on capabilities. The Board and Executive Management are committed to employing various mechanisms to encourage desired behaviors and discourage undesirable ones by implementing incentives and penalties methods.

- The Board of Directors, through the IT Governance and Cybersecurity Committee and the Audit Committee, is responsible for approving a corporate ethics code that aligns with internationally accepted professional standards for handling information and associated technology. This code clearly defines expected and unacceptable behaviors, along with their consequences.

2. IT and Cybersecurity Governance Committee:

To fulfill the aforementioned responsibilities of the Board of Directors, the IT Governance and Cybersecurity Committee was established by a Board resolution. The Committee consists of at least three (3) Board members with expertise and strategic knowledge in information technology. A Chairman was appointed from among the three (3) members. The Committee meets at least quarterly, maintains documented meeting minutes, and submits periodic reports to the Board. The Committee's key responsibilities include:

- Ensuring alignment and consistency between the overall strategic plan of Jordan Commercial Bank and the strategic plan of the IT Department to support the achievement of the Bank's strategic objectives.
- Ensuring the implementation of IT services in a way that mitigates risks.
- Monitoring performance indicators, overseeing the implementation and achievement of the overall strategy, tracking project progress, optimizing resource utilization, evaluating service quality indicators, and reviewing balanced scorecards that reflect the achievement of strategic objectives.
- Assuring that available resources are best utilized, whether they are sensitive systems, information, IT infrastructure, or employees.
- Approving the strategic objectives for IT and cybersecurity governance, along with appropriate organizational structures, including steering committees at the Executive Management's level—particularly the IT and Cybersecurity Steering Committee. This ensures the achievement of the Bank's strategic objectives and maximizes the added value from IT projects and investments. It also involves using the necessary tools and standards to monitor and verify progress, such as IT Balanced Scorecards, calculating Return on Investment (ROI), and measuring the impact on financial and operational efficiency.
- Approving a general framework for managing, controlling, and monitoring IT resources and projects in alignment with internationally accepted best practices, specifically COBIT 2019 (Control Objectives for Information and Related Technology). This framework ensures compliance with regulations by sustainably achieving corporate objectives, fulfilling the alignment objectives matrix, and covering both governance and management goals.
- Approving the corporate objectives matrix and alignment objectives, considering their data as a minimum standard, and defining the necessary sub-goals to achieve them.
- Approving a responsibility matrix (RACI Chart) for the primary governance and management objectives and their related sub-processes. This Chart defines the entities, individuals, or parties who are Responsible for tasks, those who are Accountable, those who are Consulted, and those who are Informed regarding all processes, guided by the COBIT 2019 standard.
- Ensuring the existence of a comprehensive IT Risk Management Framework that aligns and integrates with the Bank's overall Risk Management Framework, taking into account and fulfilling all governance and management objectives.
- Approving the budget for IT resources and projects in alignment with the Bank's strategic objectives.
- General oversight and monitoring of IT operations, resources, and projects to ensure their adequacy and effective contribution to meeting the Bank's requirements and objectives.
- Reviewing IT audit reports and taking necessary actions to address any deviations.
- Recommending to the Board the necessary actions to correct any deviations.
- Reviewing the cybersecurity policy and program, approving them through the Board of Directors, overseeing their implementation, ensuring compliance, and defining roles and responsibilities related to cybersecurity.
- Ensuring the establishment of a system and mechanism for managing third-party services to support the Bank's service delivery process.
- Ensuring the independence of the Information Security Unit, which reports administratively to the Risk Management Department. The Steering Committee reviews meeting minutes containing periodic reports prepared by the Information Security Unit and submitted to the IT Governance and Cybersecurity Steering Committee. These reports cover cybersecurity-related matters in the Bank, deviations in the implementation of the cybersecurity policy and procedures, results of cybersecurity risk assessments, evaluations of the adequacy and effectiveness of the cybersecurity policy and program, necessary recommendations and actions, and a summary of major cybersecurity threats and breaches during the reporting period.
- Approving the importance and prioritization of governance and management objectives, assessing their connection to corporate goals and alignment objectives, and their relation to the six key components. This is based on a qualitative and/or quantitative study conducted at least annually, considering the Design Factors outlined in the COBIT 2019 – Design Guide.

- Approving the annual audit report assessing the risks and controls related to the Bank's information and associated technology.
- Continuously monitoring and approving the level of cybersecurity risks and assessing the Bank's ability to withstand them, ensuring that overall cyber risks remain within the acceptable threshold.
- Ensuring the availability of a cybersecurity awareness program within the Bank and recognizing the legal and regulatory implications of cyber risks.
- Allocating sufficient budget and resources to meet cybersecurity requirements.
- Supporting and participating in cyber risk resilience assessments and any cybersecurity-related initiatives.

3. Audit Committee:

- The Committee is responsible for including the responsibilities, authorities, and scope of IT auditing within the Audit Charter, as well as within procedures agreed upon with the External Auditor, ensuring compliance with regulatory requirements.
- Ensuring that both the Internal and External Auditors of the Bank, when conducting specialized audits of information and associated technology, adhere to the following:
 1. Information technology audit standards according to the latest update of the international standard (Information Technology Assurance Framework (ITAF)) issued by the Information Systems Audit and Control Association (ISACA), including:
 - Executing audit tasks within an approved plan that considers the relative importance of operations, risk levels, and the level of impact on the Bank's objectives and interests.
 - Providing and adhering to continuous training and education plans for the specialized staff in this field.
 - Adhering to professional and organizational independence standards and ensuring no current or future conflicts of interest.
 - Adhering to objectivity standards and exercising due professional care while continuously maintaining competitiveness and proficiency. This includes possessing the necessary knowledge and skills, having an in-depth understanding of the Bank's IT-driven operations and related audit reports (financial, operational, and legal), the ability to provide appropriate evidence, and general awareness to detect unacceptable practices and violations of laws, regulations, and guidelines.
 2. Reviewing, assessing, and evaluating the deployment and management of IT resources and the Bank's IT-driven operations, providing a reasonable overall audit assurance regarding the overall risk level of information and associated technology. This should be conducted within an audit program that covers at least the required areas. The risk assessment scores are categorized into five descending levels, forming the Composite Risk Rating scale. Strong Performance (Rate 1), Satisfactory Performance (Rate 2), Fair Performance (Rate 3), Marginal Performance (Rate 4), and Unsatisfactory Performance (Rate 5).

At a minimum, audit frequency for all or part of the components should be once per year if the risk is rated as (5 or 4) according to the risk rating scale, once every two years if rated (3), and once every three years if rated (2 or 1). This should be done while continuously monitoring risk levels and considering significant changes in the information and technology environment during the audit periods. The CBJ must be provided with audit reports covering the assessment of these components, including the Bank's strategic planning mechanisms, policy formulation, documented and approved work procedures, resource utilization strategies (including IT and human resources), as well as monitoring, improvement, and development tools. Audit outcomes should be documented and evaluated based on the significance of deficiencies and weaknesses (observations), along with activated controls and an assessment of the residual risks associated with each, using a systematic risk analysis and measurement framework. The report should include agreed upon corrective actions with specified deadlines. A dedicated table should indicate the rank of the official responsible in the Bank for each observation. Additionally, the CBJ should receive an annual Internal and External Audit reports, including Executive Management's responses and Board recommendations, following the Information and Associated Technology (Risk-Control) Audit Report format, no later than the first quarter of each year.
 3. Establish regular procedures to monitor audit outcomes and ensure that the observations and deficiencies noted in the Auditor's Reports are addressed within the specified deadlines. Additionally, escalate the level of importance and risk gradually in case of non-compliance, and inform the Board as necessary.
 4. Including annual performance evaluation mechanisms for IT Audit personnel based on objective measurement standards. The evaluation process should be conducted by the Board, represented by the Audit Committee, following the organizational reporting structure of the Audit Departments.
 5. Adopting the code of ethics and professional practices outlined in the Information Technology Assurance Framework (ITAF) issued by the Information Systems Audit and Control Association (ISACA) and its updates, which must be adhered to by both Internal and External Auditors.

The Bank may outsource the role of Internal IT Audit to an independent external specialized entity, separate from the approved External Auditor, provided that all requirements of IT Governance Instructions and any other relevant regulations are met. The Board of Directors and its Audit Committee shall retain their role in reviewing compliance and ensuring that the minimum requirements are met.

Part IV: Executive Management's Role in Managing Information and related Technology

1. Responsibilities and tasks of the Executive Management

- Hiring qualified and well-trained personnel with expertise in IT resource management, risk management, information security management, and IT audit management, based on academic and professional knowledge standards and practical experience recognized by internationally accredited associations under ISO/IEC 17024 certification standards and/or any equivalent standards, as applicable. This should align with the Bank's policies and include continuous training and education programs to ensure that employees maintain the necessary knowledge and skills to support IT governance processes effectively.
- Adopting a framework for IT services, programs, and infrastructure that supports and facilitates the implementation of IT governance processes, thereby achieving information and technology objectives, and ultimately aligning with corporate objectives. Ensuring the continuous availability and development of these services to keep pace with the Bank's evolving objectives and operations, in line with international best practices.
- Incorporating annual performance evaluation mechanisms with objective measurement criteria that take into account employees' contributions, based on their job roles, toward achieving the Bank's objectives.
- Developing the infrastructure and information systems necessary to provide users with information and reports as a foundation for decision-making processes in the Bank. Accordingly, information quality criteria must be met, including Integrity (completeness, accuracy, and validity/currency); confidentiality (according to the Data Classification Policy); availability and compliance with the required standards for information and reports. Additionally, all other relevant requirements stated in (COBIT – Enabling Information) must be adhered to.
- Employing various mechanisms to encourage the adoption of desired behaviors and prevent undesired behaviors by implementing a system of incentives and penalties.

2. IT and Cybersecurity Steering Committee:

A Steering Committee for Information Technology and Cybersecurity has been formed to ensure the strategic alignment of IT with the Bank's strategic objectives in a sustainable manner. The Committee is chaired by the General Manager and includes members of Executive Management, including the IT Director, Risk Management Director, and Chief Information Security Officer. Additionally, one Board member has been elected as an observer, along with the Auditor-General in an observer capacity. The Committee may also invite external participants as needed to attend its meetings. The Committee's meetings are documented in official minutes and are held at least once every three (3) months. The Committee's main responsibilities include:

1. Developing Annual Plans to achieve the strategic objectives approved by the Board of Directors, overseeing their implementation to ensure their fulfillment, and continuously monitoring internal and external factors that may impact them.
2. Linking the corporate objectives matrix with the alignment objectives matrix, approving and continuously reviewing them to ensure the achievement of the Bank's strategic objectives and compliance with governance and management of information and associated technology instructions. This includes defining a set of measurement criteria, reviewing them regularly, and assigning the relevant Executive Management team to monitor them continuously and update the Committee accordingly.
3. Recommending the allocation of financial and non-financial resources necessary to achieve objectives and implement IT governance processes. This includes recruiting qualified and suitable personnel within organizational structures that encompass all necessary operations to support objectives, ensuring segregation of duties and avoiding conflicts of interest; optimizing IT infrastructure and related services to align with strategic goals; overseeing the implementation of IT governance projects and operations to ensure their effectiveness and alignment with objectives.
4. Prioritizing IT projects and programs based on their priority.
5. Monitoring the level of technical and technological services and continuously working on enhancing and improving their efficiency.
6. Submitting the necessary recommendations to the IT Governance and Cybersecurity Committee regarding the following matters:
 - Allocating the necessary resources and mechanisms to ensure the fulfillment of the IT Governance and Cybersecurity Committee's tasks.
 - Any deviations that may negatively impact the achievement of strategic objectives.
 - Any unacceptable risks related to technology, information security, and protection.
 - Performance and compliance reports regarding the requirements of the general framework for managing, controlling, and monitoring IT resources and projects.
7. Providing the IT Governance and Cybersecurity Committee with meeting minutes promptly and obtaining confirmation of their review. The Director of the Operations Engineering Department will be the representative of the Committee.

References:

1. Corporate Governance Instructions No. (2/2023) dated 14/02/2023 issued by the Central Bank of Jordan.
2. Governance and Management of Information and Associated Technology Instructions No. (65/2016) dated 25/10/2016 issued by the Central Bank of Jordan, and the subsequent circular to the instructions No. (984/6/10) dated 21/01/2019 issued by the Central Bank of Jordan.
3. COBIT 2019 Framework – Introduction and Methodology, issued by the Information Systems Audit and Control Association (ISACA) in the United States of America.



Governance Report

A. Information and details related to the implementation of the provisions of these instructions and the corporate governance rules within the Bank:

- JCB is committed to complying with the provisions of the Companies Law and the Jordan Securities Commission Law, as well as the corporate governance instructions issued by the relevant regulatory authorities. Through this commitment, the Bank ensures the optimal implementation of governance principles.
- The current Board of Directors was elected on 29/04/2024, for a four-year term. The Bank has an established Corporate Governance Manual and Governance and Management of Information and Related Technology Manual, both prepared and approved in accordance with the corporate governance instructions issued by the CBJ and JSC's Governance Guidelines for Listed shareholding Companies. These documents are regularly updated to align with regulatory requirements. Additionally, the Bank has a Board Charter, an internal governance framework, and a delegation of authority policy that clearly defines the roles, responsibilities, and powers of the Board of Directors. There are also charters for all Board Committees, ensuring compliance with regulatory guidelines. Board and Committee meetings are conducted in accordance with the applicable governance regulations.
- The Board of Directors consists of (11) members, including (4) independent members. Each of the key Board committees comprises at least (3) members, with the majority being independent members.
- In compliance with the 2017 Corporate Governance Regulations for Listed Public Shareholding Companies issued by JSC, the Bank has approved the Governance Report, which outlines its corporate governance practices and applications. This report includes the following information

B. Names of the current and resigned Board members during the year, specifying whether each member is executive or non-executive and independent or non-independent:

SN	Member's Name	Executive/ nonexecutive	Independent/ non-independent	Status
1	Mr. Michael Faiq Ibrahim Sayegh 16/02/2004	Non-executive	Non-independent	Chairman of the Board of Directors/current
2	H.E. Mr. Ayman H. B. Al-Majali 16/02/2004	Non-executive	Non-independent	Vice-Chairman of the Board of Directors/current
3	Mr. Shareef Tawfiq Hamad Al Rawashdeh 28/06/2012-29/4/2024	Non-executive	Non-independent	Board Member/resigned
4	Mr. Abdelnour Nayef Abdelnour 09/07/2020	Non-executive	Non-independent	Board Member / current
5	Miss Lina Najib Albakhit Aldababneh 18/04/2022	Non-executive	Independent	Board Member /current
6	Mr. Osama O. A. Hamad 11/06/2019	Non-executive	Independent	Board Member /current
7	Dr. Henry Toufic Ibrahim Azzam 09/07/2020-29/4/2024	Non-executive	Independent	Board Member /resigned
8	Mr. Nasser H. M. Saleh 09/07/2020-29/4/2024	Non-executive	Independent	Board Member /resigned
9	Mr."MOHD JAMAL" Bisher Mustafa Anoubani as of 29/4/2024	Non-executive	Independent	Board Member /current
10	Mr. Fa'eq M. F. Sayegh as of 29/4/2024	Non-executive	Non-independent	Board Member /current
11	Mr. Omar Kheir Eddin Omar Maani, as of 29/4/2024	Non-executive	Independent	Board Member /current

C. Names of the legal representatives of corporate Board members, specifying whether each representative is executive or non-executive and independent or non-independent:

SN	Member's Name	Executive/ nonexecutive	Independent/ non-independent	Status
1	Social Security Corporation/ first seat 10/05/2004 Represented by: Mr. Yahia Mohammad Oshub Obeidat	Non-executive	Non-independent	Board Member/current Was appointed on 01/10/2023 Date of non-objection letter of the CBJ: 11/10/2023 Was reappointed on 29/4/2024 Date of non-objection letter of the CBJ 8/10/2024 No. 10/2/16350
2	Social Security Corporation/second seat 25/10/2015 Represented by: Mr. Rami Adam Anaaz Titi	Non-executive	Non-independent	Member of the Board of Directors/current Was appointed on 01/08/2023 Date of non-objection letter of the CBJ: 16/08/2023 Was reappointed on 29/4/2024 Date of non-objection letter of the CBJ 8/10/2024 No. 10/2/16350
3	First Jordan Investment Company 20/04/2011 Represented by: Mr. Saleh Mohammad Saleh "Zeid Kilani" Mr. Omar Samir Mustafa Khalifeh The process of nominating a representative for Jordan First Investment Company is currently underway.	Non-executive	Non-independent	Board Member Mr. Saleh Mohammad Saleh "Zeid Kilani" was appointed as of 29/07/2018 and was reappointed as of 09/07/2020 till 29/4/2024 Mr. Omar Samir Mustafa Khalifeh was appointed as a representative of Jordan First Investment Company on 29/4/2024 and submitted his resignation on 1/10/2024. The CBJ's non-objection was obtained for the resignation

D. Executive Positions in the Bank and the Names of the Individuals Holding Them:

Members of the Senior Executive Management		
SN	Title	Name
1	Chief Executive Officer (CEO)	Mr. Caesar Hani Aziz Qulajen
2	Deputy CEO - Chief Operation Officer (COO)	Mr. Alaa "Mohammad Salim" Abdulghani Qahef
3	Deputy CEO- Chief Business Officer (CBO)	Mr. Rakan M. A. Al Tarawneh
4	AGM, Head of Credit	Mr. Mohammad Ali Mohammad Al-Quran
5	AGM, Head of Retail	Mr. Salim Nayef Salim Sawalha
6	AGM Finance, Chief Financial Officer (CFO)	Mr. Abdallah Mahfouz Theodore Kishek
7	AGM, Corporate & SMEs Banking	Mr. Wael "Mohammad Yousef" Aref Rabieh
8	Executive Manager, Treasury and Investment	Mr. Anas Maher Radi Ayesh
9	Chief Information Officer (CIO)*	Mr. Antonio Antonios Antoun Abdel Massih
10	Executive Manager, Financial Institutions Department	Mr. Sami Nimer Salem Al-Nabulsi
11	Head of Legal Department/BOD Secretary	Mr. Walid Khaled DaifAllah Al-Qheiwi
12	Corporate Communications Department Manager	Mr. Jamal Hussein Abtan Al -Raqqad

Managers of the Regulatory Departments**		
SN	Title	Name
1	Compliance, AML & CFT Department Manager	Mr. Mahmoud Ibrahim Mahmoud Mahmoud
2	The General Auditor	Mr. Ajoud Sharafaldeen Ali ALRousan
3	Risk Department Manager	Miss Nadia Fahed Fareed Kanan

Responsible of the Investors' Relations Unit		
SN	Title	Name
1	Head of Investor's Relationship Department *	Mr. Haitham Amin Khaleel Hammouri

* Non-Executive Managers

SN	Member's Name	Member's Name
1	Mr. Michael Faiq Ibrahim Sayegh Date of Membership - 16/02/2004	Board Member, First Jordan Investment Company.
2	H.E. Mr. Ayman H. B. AL- Majali Date of Membership - 16/02/2004	Chairman, First Jordan Investment Company Chairman, Al Quds Ready Mix PLC.
3	Mr. Shareef Tawfiq Hamad Al Rawashdeh Date of Membership - 28/6/2012 till 29/4/2024.	Chairman, Arab Jordanian Insurance Group since 28/07/2022. Board member, of the Arab Aluminum Industry (ARAL) as of 30/04/2017. Board member, Al Bilad Securities & Investment Co. from 01/04/2019.
4	Mr. Abdelnour Nayef Abdelnour Abdelnour Date of Membership - 09/07/2020	Member, of the United Insurance Company from 3/2022 until now. Member, First Jordan Investment Company/Jordan.
5	Miss Lina Najib Albakhit Aldababneh Date of Membership - 18/04/2022	She has no memberships in other public shareholding companies.
6	Mr. Osama O. A. Hamad Date of Membership - 11/6/2019	He has no memberships in other public shareholding companies.
7	Dr. Henry Toufic Ibrahim Azzam Date of Membership - 09/07/2020 till 29/4/2024.	He has no memberships in other public shareholding companies.
8	Mr. Nasser H. M. Saleh Date of Membership - 09/07/2020 till 29/4/2024	He has no memberships in other public shareholding companies.
9	Mr."MOHD JAMAL" Bisher Mustafa Anoubani as of 29/4/2024	He has no memberships in other public shareholding companies.
10	Mr. Fa'eq M. F. Sayegh Date of Membership - 29/4/2024	Board Member, First Jordan Investment Company/ Jordan.
11	Mr. Omar Kheir Eddin Omar Maani Date of Membership - 29/4/2024	He has no memberships in other public shareholding companies.

E. All Board memberships held by a Board member in public shareholding companies.

F. Governance Officer at the Bank: Mr. Mahmoud Ibrahim Mahmoud, Compliance, AML & CFT Department Manager, who is entrusted with overseeing the implementation of corporate governance practices in the Bank and coordinating with JSC.

G. Board Committees

Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, Risk Committee, Compliance Committee, Credit Facilities Committee, Debt Settlement Committee**, Strategic Planning Committee, and IT Governance & Cybersecurity Committee.

** The Debt Settlement Committee was dissolved on 9/10/2024, during the Board of Directors meeting No. (7/2024) under Resolution No. (69/M7/2024), with its authorized powers transferred to the Credit Facilities Committee, which operates under the Board of Directors.

H. The names of the Chairperson and members of the Audit Committee, along with a brief overview of their qualifications and experience in financial or accounting matters.

SN	Member's Name	Position	A brief overview of qualifications and experience related to financial and accounting matters
1	Miss Lina Najib Albakhit Aldababneh	The Chairperson of the Committee	<p>1- Held the position of Business Sector Manager/Executive Vice President at Jordan Ahli Bank from 2018 until 31/07/2021.</p> <p>2- Director of the Treasury, Investment and Financial Institutions Department/Executive Vice President at the Jordan National Bank from 1998-2018.</p> <p>3- Held the position of Treasury and Investment Department Manager at INVESTBANK during the period (1990 - 1998).</p> <p>4- Petra Bank Treasury & Investments (1985-1989).</p> <p>5- Held the position of Deputy Chairperson of Ahli Microfinance Co. 31/03/2022.</p> <p>6- Held the position of Chairperson of Ahli Brokerage Co. 2010-2015.</p> <p>7- Held the position of Board member of Ahli Microfinance Co. (2001 -2010).</p> <p>8- Member of the Board of Directors at Modern Flour Mills & Macaroni Factory from 2004 till April 2024.</p>
2	H.E. Mr. Ayman H. B. Majali Committee member as of 31/07/2023 till 30/5/2024	Member	<p>1- He Worked in the Ministry of Foreign Affairs.</p> <p>2- He was appointed as Chief of Royal Protocol in 1993.</p> <p>3- He was appointed as Deputy Prime Minister and held the positions of Minister of Youth and Sports and Minister of Information in 1999.</p> <p>4- He became a Board Member of Bank of Jordan and the Gulf in 2002.</p> <p>5- He was re-elected as Vice Chairman of the Board of Directors of JCB in 2004.</p> <p>6- He was elected as a Member of the Jordanian Parliament and was appointed Chairman of the Financial Committee in the House of Representatives from 2010 to 2012.</p> <p>7- He has been a member of the Jordanian Parliament since 10/11/2020.</p> <p>8- He served as Vice Chairman of the Board of Directors of Solidarity – First Insurance from 2008 to 2023.</p> <p>9- Chairman, First Jordan Investment Company.</p> <p>10-Chairman, Al Jazeera Sudanese Jordanian Bank.</p> <p>11-Chairman, Al Quds Ready Mix PLC.</p> <p>12-Chairman, International Company for Outsourcing Services (CrysTelCall).</p>
3	Dr. Henry Toufic Ibrahim Azzam, till 29/4/2024	Member	<p>1. Dr. Henry Azzam is currently a Professor of Finance and the Director of the Master's Program in Finance at the Olayan School of Business (OSB), American University of Beirut, since January 2014.</p> <p>2. He is the Chairman of the Board of Directors of Rasmala Investment Company (Dubai).</p> <p>3. He was the Chairman and CEO of The Social Security Investment Fund of Jordan during the period August 2012 – December 2013.</p> <p>4. He served as the Chief Executive Officer of Deutsche Bank for the Middle East and North Africa region from May 2007 to October 2010, overseeing a team of 250 employees across the bank's branches in Dubai, Abu Dhabi, Riyadh, Doha, Bahrain, Cairo, and Algiers.</p> <p>5. He also served as the Chairman of the Board of Directors of Deutsche Bank for the Middle East and North Africa region from November 2010 until 31 July 2012.</p> <p>6. Founder and CEO of Amwal Invest, (2005-2006).</p> <p>7. He served as the Chief Executive Officer of Jordan Invest from 2001 to 2004.</p> <p>8. He served as the Chairman of the Dubai International Financial Exchange (DIFX) from 2001 to 2004.</p> <p>9. He served as the Chairman of MobileCom (Amman) from 1998 to 2003.</p> <p>10. Mr. Azzam served as the Managing Director of Middle East Investment Group, Amman, from 1998 to 2001.</p> <p>11. He served as the Assistant General Manager and Chief Economist at the National Commercial Bank (NCB), Jeddah, Saudi Arabia, from 1990 to 1998.</p> <p>12. He served as Vice President and Chief Economist at Gulf International Bank, Bahrain, from 1983 to 1990.</p> <p>13. He served as an independent board member at Jordan Arab Investment Bank in 2017.</p> <p>14. He served as an independent board member at Iqbal Investment (Amman), Arab Jordan Investment Bank (AJIB) (Amman), Royal Jordanian Airlines (Amman), Nuql Group (Amman), Aramax (Dubai), Majid Al Futtaim (Dubai), Arabtec (Dubai). He also served as a member of the Advisory Board of the Saudi Stock Exchange (Tadawul).</p>
4	Mr. Nasser H. M. Saleh, till 29/4/2024	Member	<p>1. He is currently the Chairman, and founder, of Board of MadfooatCom for ePayments.</p> <p>2. He held several positions as Executive Vice President, Head of Information Technology and consultant in several Arab and foreign companies and banks (Accenture, Microsoft, eDATA, AlRajhi Bank, USAID...).</p> <p>3. He was selected as an Endeavor Entrepreneur in 2014. He is a member of the American Entrepreneurs' Organization (EO) in Jordan.</p> <p>4. He is also a member and founder of the Jordanian Entrepreneurship and Creativity Association. He won EY Entrepreneur of The Year Award for 2013.</p> <p>5. He was also awarded the Queen Rania National Entrepreneurship Award in 2012</p>
5	Mr. Yahia Mohammad Oshub Obeidat Was appointed on 01/10/2023 Date of non-objection letter of the CBJ: 11/10/2023 Was reappointed on 29/4/2024 Date of non-objection letter of the CBJ: 8/10/2024, No. 10/2/16350	Member	<p>1. He joined the Social Security Investment Fund 19 years ago and currently serves as the Head of the Tourism Portfolio Department in the Project Financing Directorate, a position he has held since 2018 to date.</p> <p>2. Sr. Financial Analyst/Project Finance & Private Equity Dep. Social Security Investment Fund (2010 – 2018).</p> <p>3. Financial Analyst/Project Finance & Private Equity Dep. Social Security Investment Fund (2008 – 2010).</p> <p>4. Treasury Department Trader (2005 - 2008).</p> <p>5. National Company for Investment in Infrastructure Projects Co. (from 16/8/2021 till 1/10/2023).</p> <p>6. Board Member at Al Daman for investment and agricultural industries Co. (from 16/9/2020 till 15/8/2021).</p> <p>7. Board Member at Saraya al Aqaba for real estate development Co. (from 23/4/2017 till 15/9/2020).</p> <p>8. Chairman of the Board of Directors of AL Daman for Hotel Transportation Services Co. (from 10/10/2016 till 22/4/2017).</p>

SN	Member's Name	Position	A brief overview of qualifications and experience related to financial and accounting matters
6	Mr. "MOHD JAMAL" Bisher Mustafa Anoubani, as of 30/05/2024	Member	<ol style="list-style-type: none"> 1. A certified financial and tax expert accredited by the judicial (economic) courts and courts of appeal in financial and tax-related cases. 2. Financial consultant specializing in corporate restructuring, contract analysis, and providing financial advisory services related to disputes arising between partners or between the company and third parties (such as banks, suppliers, and clients). 3. Execution of external and internal audit projects, management and supervision of multiple outsourcing service projects, feasibility studies, strategic planning, as well as project management, corporate restructuring, financial evaluation, and assistance in valuation projects locally, globally, and regionally. Expertise in developing internal and external financial control systems, financial verification and business valuation, tax consulting and planning, and serving as a certified trainer in finance and auditing. 4. Managing Partner at one of the world's leading financial advisory firms, with over 44 years of extensive experience across both public and private sectors, providing comprehensive and practical expertise in financial consulting and business advisory services. This expertise has also been enhanced through presentation skills and public relations, developed by delivering specialized consulting services. 5. The development of the Company's departments and services over the past years has led to the formation of Anoubani & Partners, a well-regarded provider of financial and management consulting services, not only in Jordan but also across the Middle East. We have successfully obtained accreditation with all active support programs in the Hashemite Kingdom of Jordan. 6. Responsible Partner – Anoubani & Partners (2012 – Present). 7. General Manager – Anoubani & Ma'rour Auditing Company LLC (Mutadeya), affiliated with Praxity, The Hashemite Kingdom of Jordan. 8. He worked at various multinational accounting firms from 1980 to 2011, including Coopers & Lybrand, which later merged to become PricewaterhouseCoopers (PwC). He served as an Audit Manager from 1980 to 1993. Coopers & Lybrand, BDO (Jordan), a member firm of BDO International– Responsible Partner (1994–2011), Hashemite Kingdom of Jordan.

I. The names of the Chairman and members of the Nominations and Remuneration Committee, Corporate Governance Committee, Risk Management Committee, and Compliance Committee:

■ Nominations and Remunerations Committee:

Member's Name	Position
Mr. Osama O. A. Hamad	Chairman of the Committee
Dr. Henry Toufic Ibrahim Azzam	Member, till 29/4/2021.
Mr. Michael Faiq Ibrahim Sayegh	Member
Miss Lina Najib AlBakhit AL Dababneh	Member
H.E. Mr. Ayman H. B. Al-Majali	Member as of 30/5/2024.
Mr. Rami Adam Anaaz Titi	Member till 30/5/2024
Mr. Omar Kheir Eddin Omar Maani	Member as of 30/5/2024.

■ Corporate Governance Committee:

Member's Name	Position
H.E. Mr. Ayman H. B. Majali	Chairman of the Committee, as of 30/5/2024.
Mr. Nasser H. M. Saleh	Chairman of the Committee, till 29/4/2021.
Mr. Michael Faiq Ibrahim Sayegh	Member
Miss Lina Najib AlBakhit AL Dababneh	Member
Dr. Henry Toufic Ibrahim Azzam	Member till 29/4/2024
Mr. Omar Kheir Eddin Omar Maani	Member as of 30/5/2024.
Mr. Osama O. A. Hamad	Member as of 30/5/2024.

■ Risk Committee:

Member's Name	Position
Mr. "MOHD JAMAL" Bisher Mustafa Anoubani	Chairman of the Committee, as of 30/5/2024
Dr. Henry Toufic Ibrahim Azzam	Chairman of the Committee, till 29/4/2021.
Mr. Abdelnour Nayef Abdelnour Abdelnour	Member
Mr. Rami Adam Anaaz Titi	Member as of 30/5/2024.
Miss Lina Najib AlBakhit AL Dababneh	Member
Mr. Osama O. A. Hamad	Member, as of 30/5/2024

■ Compliance Committee:

Member's Name	Position
Mr. Yahia Mohammad Oshub Obeidat	Chairman of the Committee, as of 11/12/2024
Mr. Omar Samir Mustafa Khalifeh	Chairman of the Committee, as of 30/5/2024 and submitted his resignation on 1/10/2024
Mr. Shareef Tawfiq Hamad Al Rawashdeh	Chairman of the Committee till 29/4/2024.
Mr. Saleh Mohammad Saleh "Zeid Kilani"	Member till 29/4/2024
Mr. Osama O. A. Hamad	Member
H.E. Mr. Ayman H. B. Majali	Member, as of 30/5/2024
Mr. Fa'eq M. F. Sayegh	Member, as of 30/5/2024

J. The number of meetings held by each committee during the year 2024, along with the attendance details of its members, is as follows:

1- Audit Committee: The Audit Committee held seven (7) meetings during the year. The attendance details for each meeting are as follows:

SN	Name	The 1st meeting 08/02/2024	The 2nd meeting 07/04/2024	The 3rd meeting 28/04/2024	The 4th meeting 30/07/2024	The 5th meeting 4/09/2024	The 6th 30/10/2024	The 7th meeting 15/12/2024
1	Miss Lina Najib Albakhit Aldababneh The Chairperson of the Committee	Attended	Attended	Attended	Attended	Attended	Attended	Attended
2	H.E. Mr. Ayman H. B. Majali - Member, till 30/5/2024	Attended	Attended	Attended	—	—	—	—
3	Dr. Henry Toufic Ibrahim Azzam - Member till 29/4/2024	Attended	Attended	Attended	—	—	—	—
4	Mr. Nasser H. M. Saleh - Member till 29/4/2024	Attended	Attended	Attended	—	—	—	—
5	Mr. Yahia Mohammad Oshub Obeidat - Member	Attended	Attended	Attended	Attended	Attended	Attended	Attended
6	Mr."MOHD JAMAL" Bisher Mustafa Anoubani, from 30/5/2024	—	—	—	Attended	Attended	Attended	Attended

2- Nominations and Remunerations Committee: The Nominations and Remunerations Committee held five (5) meetings during the year. The attendance details for each meeting are as follows:

SN	Name	The 1st meeting 10/03/2024	The 2nd meeting 30/05/2024	The 3rd meeting 14/07/2024	The 4th meeting 28/07/2024	The 5th meeting 27/10/2024
1	Mr. Osama O. A. Hamad - The Chairman of the committee	Attended	Attended	Attended	Attended	Attended
2	Mr. Michael Faq Ibrahim Sayegh - Member	Attended	Attended	Attended	Attended	Attended
3	Miss Lina Najib Albakhit Aldababneh - Member	Attended	Attended	Attended	Attended	Did not attend
4	Dr. Henry Toufic Ibrahim Azzam - Member till 29/4/2024	Attended	—	—	—	—
5	Mr. Rami Adam Anaaz Titi - Member till 30/5/2024	Attended	—	—	—	—
6	H.E. Mr. Ayman H. B. Majali - Member, as of 30/05/2024	—	Attended	Attended	Attended	Attended
7	Mr. Omar Kheir Eddin Omar Maani - Member, as of 30/5/2024	—	Attended	Did not attend	Attended	Did not attend

3- Corporate Governance Committee: The Corporate Governance Committee held two (2) meetings during the year. The attendance details for each meeting are as follows:

SN	Name	The 1st meeting 12/06/2024	The 2nd meeting 27/11/2024
1	Mr. Nasser H. M. Saleh - Member, till 29/4/2021.	—	—
2	Mr. Michael Faq Ibrahim Sayegh - Member	Did not attend	Attended
3	Miss Lina Najib Albakhit Aldababneh - Member	Attended	Attended
4	Dr. Henry Toufic Ibrahim Azzam - Member, till 29/4/2024	—	—
5	H.E. Mr. Ayman H. B. Majali - Chairman of the committee as of 30/5/2024	Attended	Attended
6	Mr. Osama O. A. Hamad - Member, as of 30/5/2024	Attended	Attended
7	Mr. Omar Kheir Eddin Omar Maani - Member, as of 30/5/2024	Attended	Attended

4- Risk Committee: The Risk Committee held four (4) meetings during the year. The attendance details for each meeting are as follows:

SN	Name	The 1st meeting 10/03/2024	The 2nd meeting 12/06/2024	The 3rd meeting 27/06/2024	The 4th meeting 17/09/2024
1	Dr. Henry Toufic Ibrahim Azzam - Chairman of the Committee, till 29/4/2021.	Attended	–	–	–
2	Mr. Abdelnour Nayef Abdelnour - Member	Attended	Attended	Attended	Did not attend
3	Mr. Rami Adam Anaaz Titi - Member, as of 30/5/2024.	–	Attended	Did not attend	Attended
4	Miss Lina Najib Albakhit Aldababneh - Member	Attended	Attended	Attended	Attended
5	Mr. Osama O. A. Hamad - Member, as of 30/5/2024	–	Attended	Attended	Attended
6	Mr."MOHD JAMAL" Bisher Mustafa Anoubani - Chairman of the committee as of 30/5/2024	–	Attended	Attended	Attended

5- Compliance Committee: The Compliance Committee held three (3) meetings during the year. The attendance details for each meeting are as follows:

SN	Name	The 1st meeting 31/03/2024	The 2nd meeting 12/06/2024	Discussion session 14/10/2024	The 4th meeting 18/12/2024
1	Mr. Shareef Tawfiq Hamad Al Rawashdeh - Chairman of the Committee, till 29/4/2024.	Attended	–	–	–
2	Mr. Saleh Mohammad Saleh "Zeid Kilani" - Member, till 29/4/2024	Attended	–	–	–
3	Mr. Osama O. A. Hamad - Member	Attended	Attended	Attended	Attended
4	H.E. Mr. Ayman H. B. Majali - Member, as of 30/5/2024.	–	Attended	Attended	Attended
5	Mr. Fa'eq M. F. Sayegh - Member, as of 30/5/2024.	–	Did not attend	Attended	Attended
6	Mr. Omar Samir Mustafa Khalifeh - Chairman of the committee from 30/5/2024 till 1/10/2024	–	Attended	–	–
7	Mr. Yahia Mohammad Oshub Obeidat - Chairman of the Committee as of 11/12/2024	–	–	–	Attended

6- Credit Facilities Committee: The Credit Facilities Committee held one (1) meeting during the year. The attendance details for each meeting are as follows:

SN	Name	The 1st meeting - 08/02/2024
1	Mr. Michael Faiq Ibrahim Sayegh - The Chairman of the committee	Attended
2	Mr. Osama O. A. Hamad - Member, till 30/5/2024	Attended
3	Mr. Saleh Mohammad Saleh "Zeid Kilani" - Member, till 29/4/2024	Attended
4	Mr. Shareef Tawfiq Hamad Al Rawashdeh - Member, till 29/4/2024	Attended
5	Mr. Rami Adam Anaaz Titi - Member	Attended
6	H.E. Mr. Ayman H. B. Majali - Member, as of 30/5/2024	–
7	Mr. Fa'eq M. F. Sayegh - Member, as of 30/5/2024	–
8	Mr. Omar Kheir Eddin Omar Maani - Member, as of 30/5/2024	–

7- Debt Settlement and Properties Committee*

* No meetings were held during the year, as the Debt Settlement Committee was dissolved on 9/10/2024 during Board Meeting No. (7/2024) under Resolution No. (69/M7/2024). Its approved authorities were transferred to the Credit Facilities Committee of the Board of Directors.

8- Strategic Planning Committee: The Strategic Planning Committee held one (1) meeting during the year. The attendance details for each meeting are as follows:

SN	Name	The 1st meeting - 28/01/2024
1	Mr. Abdelnour Nayef Abdelnour - The Chairman of the committee	Attended
2	Mr. Saleh Mohammad Saleh "Zeid Kilani" - Member, till 29/4/2024	Attended
3	Dr. Henry Toufic Ibrahim Azzam - Member, till 29/4/2024	Attended
4	Miss Lina Najib Albakhit Aldababneh - Member, till 30/5/2024	Attended
5	Mr. Yahia Mohammad Oshub Obeidat - Member till 30/5/2024	Attended
6	Mr."MOHD JAMAL" Bisher Mustafa Anoubani - Member, as of 30/5/2024	–
7	Mr. Omar Samir Mustafa Khalifeh - Member, as of 30/5/2024 till 1/10/2024	–

9- IT and Cybersecurity Governance Committee: The IT and Cybersecurity Governance Committee held four (4) meetings during the year. The attendance details for each meeting are as follows:

SN	Name	The 1st meeting 28/03/2024	The 2nd meeting 10/07/2024	The 3rd meeting 26/11/2024	The 4th meeting 29/12/2024
1	Mr. Nasser H. M. Saleh - Chairman of the Committee, till 29/4/2024	Attended	—	—	—
2	Mr. Shareef Tawfiq Hamad Al Rawashdeh - Member, till 29/4/2024	Attended	—	—	—
3	Mr. Abdelnour Nayef Abdelnour - Member	Attended	Attended	Attended	Attended
4	Dr. Henry Toufic Ibrahim Azzam - Member, till 29/4/2024	Attended	—	—	—
5	Mr. Saleh Mohammad Saleh "Zeid Kilani" - Member, till 29/4/2024	Attended	—	—	—
6	Mr. Fa'eq M. F. Sayegh - Chairman of the committee, as of 30/5/2024	—	Attended	Attended	Attended
7	Mr. Omar Kheir Eddin Omar Maani - Member, as of 30/5/2024	—	Attended	Attended	Attended

K. The Audit Committee held four (4) meetings with the External Auditor during the year.

The Audit Committee also held one (1) meeting with the External Auditor during the year, without the presence of any senior executive management members or their representatives.

L. The Board of Directors held nine (9) meetings during 2024, with the following members in attendance for each meeting:

SN	Name	The 1st meeting 08/02/2024	The 2nd meeting 04/04/2024	The 3rd meeting 28/04/2024	The 4th meeting 29/04/2024	The 5th meeting 30/05/2024	The 6th meeting 31/07/2024	The 7th meeting 09/10/2024	The 8th meeting 30/10/2024	The 9th meeting 01/12/2024
1	Mr. Michael Faiq Ibrahim Sayegh - Chairman of the Board of Directors	Attended	Attended	Attended						
2	H.E. Mr. Ayman H. B. Al- Majali - Vice-Chairman of the Board of Directors	Attended	Attended	Attended						
3	The Board member representing Jordan First Investment Company was Mr. Saleh Al-Kilani till 29/4/2024, when he submitted his resignation. Subsequently, Mr. Omar Samir Mustafa Khalifeh was appointed in his place on 29/4/2024, but later resigned on 1/10/2024.	Attended	Attended	Attended	Did not attend	Attended	Did not attend	Did not attend, awaiting the appointment of a new representative.	Did not attend, awaiting the appointment of a new representative.	Did not attend, awaiting the appointment of a new representative.
4	Mr. Osama O. A. Hamad - Board Member	Attended	Attended	Attended	Attended	Did not attend	Attended	Attended	Attended	Attended
5	The Social Security Corporation (the first seat) Representative Board Member Mr. Yahia Mohammad Oshub Obeidat Was appointed on 01/10/2023 Date of non-objection letter of the CBJ: 11/10/2023 Was reappointed on 29/4/2024 Date of non-objection letter of the CBJ: 8/10/2024	Attended	Attended	Attended						
6	The Social Security Corporation (the second seat) Representative Board Member: Mr. Rami Adam Anaaz Titi Was appointed on 01/08/2023 Date of non-objection letter of the CBJ: 16/08/2023 Was reappointed on 29/4/2024 Date of non-objection letter of the CBJ: 8/10/2024	Attended	Attended	Attended						
7	Mr. Shareef Al Rawashdeh Board Member till 29/4/2024	Attended	Attended	Attended	—	—	—	—	—	—
8	Dr. Henry Toufic Ibrahim Azzam - Board Member - Till 29/4/2024	Attended	Attended	Attended	—	—	—	—	—	—
9	Mr. Nasser H. M. Saleh - Board Member - Till 29/4/2024	Attended	Attended	Attended	—	—	—	—	—	—
10	Mr. Abdelnour Nayef Abdelnour - Board Member	Attended	Attended	Attended						
11	Miss Lina Najib Albakhit Aldababneh - Board Member	Attended	Attended	Attended						
12	Mr. "MOHD JAMAL" Bisher Mustafa Anoubani Board Member - as of 29/4/2024 Date of non-objection letter of the CBJ: dated 8/10/2024, No. 10/2/16350	—	—	—	Attended	Attended	Attended	Attended	Attended	Attended
13	Mr. Omar Kheir Eddin Omar Maani Board Member - as of 29/4/2024 Date of non-objection letter of the CBJ: dated 8/10/2024, No. 10/2/16350	—	—	—	Attended	Attended	Attended	Attended	Did not attend	Attended
14	Mr. Fa'eq M. F. Sayegh Board Member - as of 29/4/2024 Date of non-objection letter of the CBJ: dated 8/10/2024, No. 10/2/16350	—	—	—	Attended	Attended	Attended	Attended	Attended	Did not attend

Chairman of the Board of Directors
Michael Sayegh



Addresses of the Branches

Jordan Branches

SN	Branch	Address	Phone Number	Fax Number
1	Head Office	Al-Bayader - King Abdullah II Street	06 - 5203000	06 - 5664110
2	Main Branch	Al-Bayader - King Abdullah II Street	06 - 5209000	06 - 5203086
3	Shmeisani	Amman - Al-Thaqafa Street - CSC Building	06 - 5209000	06 - 5621878
4	Jabal Amman	Jabal Amman - Prince Mohammad Street - Jordan Insurance Company Public Shareholding Building	06 - 5209000	06 - 5621968
5	Commercial Complex	Housing Bank Complex - Queen Noor Street	06 - 5209000	06 - 5683657
6	Jabal Hussein	Jabal Al-Hussein - Jamal Al-Din Al-Afghani Street	06 - 5209000	06 - 4639519
7	Abdali Express	Abdali Al Jadid - Sheikh Rafiq Al-Hariri Street	06 - 5209000	06 - 5104797
8	Jordan Radio & TV Branch	Al-Sakhra Al-Musharafa Street - At the intersection with Prince Hassan Street - Sanad Madi Commercial Complex - Sanad (2)	06 - 5209000	06 - 4784692
9	Marka	Marka - King Abdullah I Street	06 - 5209000	06 - 4883665
10	Jubeiha	Jubeiha - Yajouz Street - Near Safeway	06 - 5209000	06 - 5356890
11	Fuheis	Fuheis - Hejaz Street	06 - 5209000	06 - 4720520
12	Wasfi Attal St.	Amman - Wasfi Al-Tal Street - Al-Abraj Al-Mihaniyah Building	06 - 5209000	06 - 5525676
13	Al Hashmi	Amman - Al-Batha Street	06 - 5209000	06 - 5057595
14	Al Zarqa	Al Zarqa- Al-Saada Street	06 - 5209000	05 - 3993290
15	Madaba	Madaba - King Abdullah II Street	06 - 5209000	05 - 3246931
16	Karak	Karak - Al-Istiqlal Street (Main Amman Road) - Al-Wuroud Neighborhood - Al-Thaniya Intersection - Next to Al-Hijazin Station	06 - 5209000	03 - 2386967
17	Aqaba	Al-Wehdat Al-Sharqiya - Ibn Rushd Street	06 - 5209000	03 - 2014166
18	Al Salt	As-Salt - Al-Midan Street	06 - 5209000	05 - 3551561
19	Mua'di	Al-Aghwar - Deir Alla - Main Street	06-5209000	05 - 3571761
20	Irbid	Irbid - Al-Rawdah Area – Omar Al-Mukhtar Street (Al-Thalathin Street)	06 - 5209000	02 - 7259407
21	Hai Sharki Express	Irbid - Eastern District - Al-Hashimi Street	06 - 5209000	-
22	Ramtha	Ar-Ramtha - Municipality Building - Al-Wahda Al-Arabiya Street	06 - 5209000	02 - 7381857
23	Al Mafraq	Al Mafraq - Eastern District - Khaled Abu Samaqa Street	06 - 5209000	02 - 6236679
24	Russeifa	Zarqa - Russeifa - Northern Mountain - King Abdullah II Street	06 - 5209000	05 - 3751677
25	Dahyet AL Yasmin	Amman - Al-Yasmin District - Prince Hashim bin Al-Hussein Street	06 - 5209000	06 - 4393956
26	Dahyet Al Nakheel Express	Amman - Al-Nakheel District - Ali Salem Al-Lhiwat Street	06 - 5209000	06 - 5712596
27	Almadina Alryadiah	Amman - Sports City Area - Al-Shaheed Street	06 - 5209000	06 - 5154170
28	Um Uthina	Amman - Mecca Street - Al-Thawabet Building	06 - 5209000	06 - 5527439
29	Abu Al Sous Express	Amman - Wadi Al-Seer - Abu Al-Sous - Al-Sinaa Street	06 - 5209000	06 - 5811231
30	Marj Al-Hamam	Amman - Marj Al-Hamam - Mohammed Saeed Al-Abbadi Street - Building No.89	06 - 5209000	06 - 5716340
31	JODDB	Amman - Jabal Amman - Third Dawar- Al-Sharif Hussein bin Ali Street - Building No. (16)	06 - 5209000	06-4611827
32	Tabarbour Express	Amman - Tabrbour - Tabrbour Street - Limar Complex	06 - 5209000	06-5065404
33	Abdoun Express	Amman - Abdoun - Muhammad Ali Jinnah Street - Opposite the Royal Jordanian Building	06 - 5209000	06 - 5920104
34	Shafa Badran Express	Amman - Shafa Badran - Al-Arab Street - Opposite the main gate of Applied Science University - Al-Shuaik Housing Towers Building	06 - 5209000	06 - 5233834
35	New Zarqa Express	Zarqa - New Zarqa - Al-Karama Street - Building No. 77	06 - 5209000	05-3850474
36	Hai Janobi Express	Irbid - Southern Neighborhood - Hussein District - Al-Rabiya Area - Prince Mohammed Street - Building No. 2	06 - 5209000	-
37	Ibn Sina University Express	Amman - Qastal - Queen Alia International Airport Street - Ibn Sina University for Medical Sciences - Admissions and Registration Building.	06 - 5209000	-
38	Sahab	Amman - Sahab - Sahab Entrance - near Al-Qabda Intersection - Awad and Halima Commercial Complex.	06 - 5209000	06-4024640

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