بنك صفوة الإسلامي
Safwa Islamic Bank

ANNUAL REPORT

A New Digital Era

His Majesty

King Abdullah II Ibin Al Hussein

His Royal Highness

Crown Prince Al Hussein Bin Abdullah II

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Cohesion

Aligning efforts to deliver consistent performance

ANNUAL REPORT 2025

Safwa Islamic Bank is a public joint stock company licensed by the Central Bank of Jordan to practice and provide Islamic business and banking services in accordance with the Banking Law and the Companies Law.

The Bank provide all financial banking and structured investment services on a non-Interest basis in accordance with Islamic shari'a through the Bank's head office and its 45 branches and its subsidiary within the Kingdom, in accordance with the effective Banking Law.

The authorized and paid-up capital of the bank is 150 million dinars, per 150 million shares, with a nominal value of one dinar per share.

Our Vision

Leading Islamic banking to serve all spectrums of the society.

Our Mission

To provide distinctive and innovative services emanating from the divine principles of Islam to build lasting and solid partnerships and to maximize benefits to all stakeholders.

Our Values

Exceptional Services:

- Anticipate clients needs and find solutions
- Respond rapidly and follow through
- Treat others as you want them to treat you
- Sell solutions, not products

"if we serve our clients well, our success will follow"

Teamwork § Harmony across and within units

- Put the bank and clients' interests ahead of your own
- Communicate respectfully
- Create professional culture within the bank

"Working effectively with one team spirit will produce the best outcomes"

Devotion to Work

- Be productive and strive with passion to reach excellence
- Seek continuous improvement
- Be a long life learner
- Recognize outstanding performance by rewards and promotion opportunities

"with best people, we will be the best bank"

Creativity

- Find solutions, not excuses
- Be a change agent.. Think outside the box
- Ask: Is there a better or more efficient way to do this?
- Pursue new opportunities

"Creativity and new initiatives differentiate the bank from other competitors"

Members of the Board of Directors

Dr. “Mohammed Naser” Abu Hammour	Chairman of the Board/Representative of Al Etihad Islamic for Investment Co.
Deema Aqel	Deputy Chairman of the Board/Representative of Al Etihad Islamic for Investment Co.
Ihssan Barakat	Independent
Dr. Khaled Al Zentuti	Independent
Ruslan Deiranieh	Independent
Salem Burqan	Independent
Dr. Anas Bohowish	Representative of Al Etihad Islamic for Investment Co.
Basem Salfiti	Representative of Al Etihad Islamic for Investment Co.
Mohammed Al Agdal	Representative of Al Etihad Islamic for Investment Co.
Dr. Salah Fakroun	Representative of Al Etihad Islamic for Investment Co.
Lana Al-Far	Representative of Social Security Corporation

Members of Shari’a Supervisory Board

His Eminence Dr. Ahmad Melhem	Chairman of the Shari’a Supervisory Board
His Eminence Dr. Ali Musa	Member of the Shari’a Supervisory Board
His Eminence Dr. Safwan Edibat	Member of the Shari’a Supervisory Board

Executive Management members

Samer "Al Saheb Al Tamimi"	General Manager/ Chief Executive Officer
Ziad Kokash	Deputy CEO, Chief Credit Officer
Masoud "Sakf al-Hait"	Chief of Legal and Board Secretarial
Nesfat Taha	Chief of Retail Banking
Wael Al-Bitar	Chief of Treasury and Investment
Ahmad Ghnaim	Chief of Finance & Corporate Strategies
Ahmad Jafar	Head of Risk
Khalid Al-Issa	Head of Internal and Sharia Audit
Muneer Faroneyah	Head of Sharia Compliance
Mohammad Hawari	Head of HCM and Administrative Services
Mohammad Al-Jaouni	Head of Information Technology
Rami Mahmoud	Head of Corporate Banking
Rawand Al Turk	Head of Compliance
Zeina Khirfan	Chief Business Transformation and Operating officer

Name of the external auditor

Ernst & Young/Jordan

Chairman of the Board's Statement

In the name of God, the Most Gracious, the Most Merciful,

Praise be to God, Lord of the Worlds,

And peace and blessings be upon our Prophet Muhammad, the Seal of the Prophets, and upon his family and companions,

Distinguished shareholders,

Peace, mercy, and blessings of God be upon you,

It gives me great pleasure, on my own behalf and on behalf of my fellow Board members and the executive management, to present to you our Annual Report for 2025. We highlight our key financial figures, performance indicators, and the results we have achieved, along with our most important accomplishments and developments. These reflect a continued journey of progress and growth driven by an ambitious vision built on Sharia-compliant banking excellence, financial and digital innovation, and comprehensive sustainability, while enhancing value for our clients and valued shareholders. We also shed light on our future direction.

The year 2025 stood out for delivering strong and sustainable financial performance, despite the economic and geopolitical challenges experienced regionally and globally, including fluctuations in interest and energy prices, supply chain pressures, and increased global oversight of the financial sector. Our well-considered risk management policies, the resilience of our financial position, and the effectiveness of our governance framework have all contributed to maintaining business stability and strengthening our competitive position. This has enabled us to adapt to market changes and continue executing our strategy with confidence.

Strong financial performance and enhanced competitiveness

In this context, our financial results for 2025 demonstrated the strength and soundness of both our financial and operational performance. We continued to record balanced growth across key performance indicators, particularly in net profits, further reinforcing the long-term value of shareholders' equity. This performance was supported by improved operating revenues, efficient asset and resource management, controlled expenses, and the maintenance of high-quality credit portfolios. We also sustained consistent growth in credit facilities and customer deposits, while maintaining strong liquidity levels and capital adequacy ratios. This has supported our ability to withstand economic fluctuations and pursue expansion plans within a disciplined financial and governance framework.

The bank is committed to delivering added value to shareholders

As a result, the Board of Directors recommended the distribution of bonus shares to shareholders at 20% of the subscribed capital of 150 million dinars, equivalent to 30 million dinars, bringing the bank's capital after the increase to 180 million dinars. This reflects the bank's continued commitment to delivering added value to shareholders and supporting their aspirations. It also contributes to strengthening the bank's future growth ambitions, enhancing its capital base, maintaining a solid financial position, and reinforcing its resilience, while boosting its financing capacity and providing additional momentum for expansion across banking and investment activities.

The year 2025 was also rich with activities and diverse achievements aimed at developing our business, strengthening our strategic capabilities, and expanding the scope of our services, reflecting our ongoing commitment to excellence and innovation across all aspects of banking. These achievements have reinforced the bank's foundations and readiness for future opportunities in growth and expansion, while enriching effective partnerships and strengthening our position among leading Islamic banks in the region.

Developing the bank's business was a defining feature of 2025

On the investment front, we took a significant step in advancing our expansion strategy through a strategic partnership with the Iraqi Islamic Bank. This aligns with our long-term vision of entering regional markets, opening new avenues for growth and banking integration, and positioning us to contribute to the development of Iraq's financial sector and lead in Islamic financing. It also enables us to diversify our income sources and enhance returns for our shareholders. Additionally, we maintained our stake in Al-Oula Insurance Company, continuing our balanced and prudent investment approach within a sound governance framework.

In terms of growth and expansion, we continued implementing our plans to strengthen our local geographic presence, bringing to life our slogan "By your side and closer to you." We focused on delivering advanced banking solutions that meet the needs of a broader segment of clients, including youth, entrepreneurs, and low-income individuals. As part of this effort, and to provide a seamless modern banking experience, we expanded our service channels, including the successful launch of our first fully integrated self-service branch, along with the addition of more ATMs.

As part of our commitment to leadership and innovation, we continued advancing our digital transformation journey. This has led to the ongoing development of our operations and the introduction of more modern and accessible banking products and services, enhancing the customer experience and responding to market demands. At the same time, we supported financial inclusion, which we have given significant attention to, expanding its reach through strategic partnerships with both public and private sector institutions. In parallel, we continued to support our clients through a wide range of services and financing offers tailored to different sectors and purposes, as well as solutions designed to facilitate payment management.

Building on the foundations established in 2024, we continued in 2025 to embed sustainability principles within our strategy and operations. Our focus has been on strengthening sound governance, advancing ESG data management, and expanding the integration of sustainability into decision-making and product and service design, alongside ongoing efforts to address climate change and improve resource efficiency. We also supported financing with economic, social, and environmental impact, while continuing to develop human capital internally and within the community, reinforcing our role in supporting social and economic development and strengthening our position as a responsible Islamic banking institution committed to creating sustainable value for all stakeholders.

Continuing the institutional approach and integrating sustainability principles into the bank's strategy and operations

In line with our commitment to social responsibility, we continued to strengthen our role as a responsible development partner, driven by our belief that banking success must be accompanied by a positive and lasting impact on society and the environment. We established a structured framework to fulfill this responsibility in line with global best practices and aligned with national development priorities and the Economic Modernization Vision.

Throughout 2025, we continued supporting a network of civil society organizations working across key development areas, including health, education, environment, and underprivileged groups. We also implemented a comprehensive range of impactful programs and initiatives, spanning empowerment, food security, capacity building, and support for economic activities. In addition, we contributed to national and regional strategic initiatives with a developmental dimension and participated in activities that promote economic integration and expand endowment-based investments.

As part of strengthening both human and institutional connections, we worked to deepen our relationships with clients and the wider community beyond traditional banking, through interactive initiatives aimed at building trust and fostering sustainable partnerships.

Looking ahead, we will continue to focus on expanding our investments locally and regionally, advancing digital transformation, and developing banking products and services to meet the needs of all segments. We will also continue improving operational performance and resource management, while strengthening environmental and social sustainability and sound governance, all in support of achieving sustainable growth in profitability and shareholder value.

In closing, I extend my sincere thanks and appreciation to the Central Bank of Jordan for its continued support, and to our valued shareholders for their trust. I also thank the executive management and all employees for their dedicated efforts and commitment in achieving these accomplishments, which reflect the strong spirit of teamwork that unites us all.

Striving toward sustainable growth to deliver value to shareholders

sustainability principles into the bank's strategy and operations

Peace, mercy, and blessings of God be upon you,
Dr. Mohammed Abu Hammour
Chairman of the Board

CEO's Letter

Dear Shareholders of Safwa Islamic Bank,

Peace, mercy, and blessings of Allah be upon you,

Looking back at 2025, Safwa achieved remarkable outcomes that we can take pride in. We have significantly advanced guided by the expectations of our customers. Safwa ended 2025 in a position of strength. The Bank remains solid, profitable, and on a clear growth path. In a year marked by uncertainty, disciplined execution of our strategy and continued investment in our capabilities translated into measurable results for both customers and shareholders. Hence, we intend to carry this momentum forward.

Jordan continues to benefit from stability and resilience, yet the economy does not operate in isolation. Global volatility, geopolitical tensions, and security developments have become part of the business environment we navigate daily. Encouragingly, inflation stabilized during the past years while interest rates trended lower, providing relief to households and businesses alike. Moreover, economic activity began to show signs of improvement. Throughout this period, Safwa remained focused on execution — delivering on our commitments and reinforcing our role as a dependable financial partner to our customers, investors, and the communities we serve.

The strength we demonstrate today did not emerge overnight. It reflects deliberate groundwork laid since 2018. As we approach the middle phase of our 2024–2028 strategic cycle, it is evident that our direction is yielding results. Strategic investments have expanded our footprint, improved efficiency, and meaningfully enhanced customer experience. Satisfaction levels have increased, reflecting tangible improvements in service quality and accessibility.

Efficient implementation of plans and strengthening the bank position despite the surrounding economic conditions.

Our regional positioning also advanced during the year. The acquisition of a 10% stake in Iraqi Islamic Bank marks an important step in strengthening our presence in Iraq and broadening our growth avenues. While organic expansion remains our primary engine, we continue to assess opportunities that complement our long-term objectives.

Market confidence in Safwa continues to grow. This momentum translated into a substantial expansion of our balance sheet. Total assets increased impressively by 21% during the year to reach JOD 4.3 billion. This milestone reflects not only growth in scale, but also the strength of our funding base, disciplined asset deployment, and sustained customer confidence. Our total market share of assets, facilities, and deposits reached 5.8%, 8.6%, and 6.8% respectively. This progress reflects trust — particularly in our digital platforms, where we have established a leading position. More importantly, we have worked to become a more knowledgeable, responsible, and relationship-focused partner.

Designing fair financial solutions to meet customer's needs .

What sets Safwa apart is not scale alone, but philosophy. We focus on structuring financial solutions that are fair, transparent, and carefully designed to meet real needs. Customers choose Safwa because they see value. We prioritize clarity, responsible pricing, and service quality. We believe sustainable relationships built on trust outweigh short-term numerical achievements. Growth, for us, is a byproduct of credibility and consistency.

Financially, 2025 confirmed the resilience of our model. Return on equity stood at 12%, exceeding 10% for the second consecutive year. Net income increased by 32% to JOD 26.7 million, while operating profit rose by 13% to JOD 95 million. Customers continued to prioritize financial security, driving demand for savings and investment products. Funding grew by 20% overall, with corporate and SME deposits up 32% and retail deposits up 9%. Retail financing increased by 8%, and corporate and SME lending grew by 35% despite a cautious market environment.

Our commitment extends beyond financial metrics. We maintained strong support for entrepreneurship and continued community programs that create lasting social value.

The Bank's diversified portfolio, disciplined credit standards, and balanced sector exposure reinforce our position as a trusted institution. Even amid economic pressures, credit losses remained far below market averages. Capital remains robust, with a capital adequacy ratio of 15.27% at year-end — comfortably above regulatory requirements. Moreover, the Board has proposed a 20% stock dividend for 2025.

We enter 2026, with clear ambition to sustain strong performance and maintain return on equity above 12%. Safwa is well positioned — grounded in prudent management, supported by a resilient economy, and committed to contributing to Jordan's continued progress.

Our approach remains measured yet determined: to support our customers' aspirations, generate sustainable value for shareholders, and play a constructive role in Jordan's economic development.

In closing, 2025 was a year of steady advancement. I would like to express my sincere appreciation to our customers, shareholders, and all stakeholders for their steadfast support and collaboration throughout 2025. A special acknowledgment is due to our employees for their relentless dedication and effort. Each day, we are determinedly focused on gaining the trust and loyalty of all those involved with us while remaining committed to fulfilling our mission of serving both our customers and the communities in which we operate with utmost excellence.

Finally, we sincerely hope to see Jordan on the path of peace and prosperity under his Majesty King Abdullah II ibn Al Hussein.

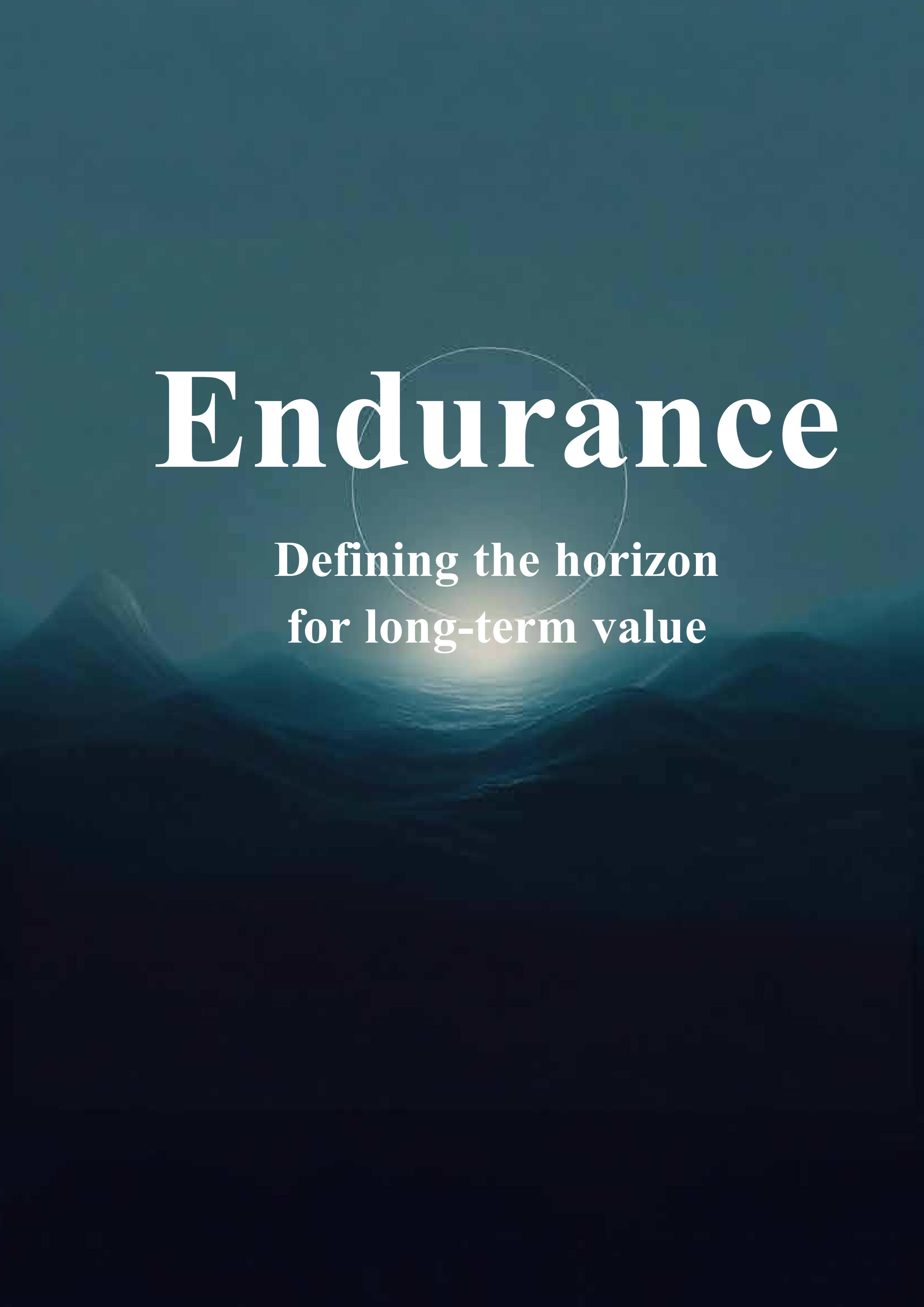
Thank you.

With sincere gratitude,

Samer "Al Saheb Al Tamimi"
Chief Executive Officer

Performance that reflects the robustness of the business model.

Continued upward trend in performance in the future.


Endurance
Defining the horizon
for long-term value

In the Name of Allah

Sharia Supervisory Board Report

For Safwa Islamic Bank For The Year 31/12/2025

Praise be to Allah and peace and blessings be upon our Prophet Mohammad and his family and companions,

To shareholders of Safwa Islamic Bank,

Peace and Allah's mercy and blessings be upon you,

Pursuant to the Jordanian Banking Law No. 28 of 2000 And the law amending the Banking Law of 2019,regarding Islamic banks, the Bank's Articles of Association as well as the controls included in the accounting and auditing standards and the controls for Islamic financial institutions issued by the Audit and Accountancy Organization for Islamic Financial Institutions (AAOIFI) And based on a letter of assignment from the Board of Directors; the Sharia Supervisory Board presents the following report:

The Board has supervised the principles used and the contracts concerning transactions and applications offered by the Bank during the financial period ending on 31/12/2025. It has also carried out due surveillance to give its opinion whether the Bank has been compliant with regulations and principles of the Islamic Sharia, and how far its observance of Fatwas (Sharia decisions) was, as well as the defined resolutions and directions that we had issued, and to make sure of the Bank's observance thereof.

Because the Bank's management is responsible for ensuring that all of the bank's activities are conducted in compliance with the principles and provisions of Islamic Sharia at all times. However, our responsibility is limited to expressing an independent opinion, based on our supervision of the Bank's operations, and issuing this report to you.

We performed supervision which included the inspection of the Bank's documentation and procedures based on testing each type of transactions through Sharia Auditing Department.

We have planned and executed supervision to obtain all information and explanations deemed necessary to provide us with sufficient evidence to give reasonable confirmation that the Bank has not intentionally violated the regulations and principles of the Islamic Sharia. The Board has also continued, through meetings and discussions of the agenda items proposed by the head of Sharia Compliance- Secretary of Sharia Board, to develop required provisions and instructions for emerging topics that arise during the practical application and indicate the Sharia regulations for those topics.

In our opinion:

A. The Sharia Supervisory Board, having reviewed the Bank's operations, including the financial statements for the fiscal year ended on 31 December 2025, together with the statement of income and comprehensive income for the year then ended, and the accompanying notes thereto, as they provide a fair representation of the Bank's activities, has found that they do not conflict with the provisions and principles of Islamic Sharia.B. The contracts, operations and transactions conducted by the Bank during the year ending 31/12/2025, which were reviewed by the Sharia Board and were conducted in a manner that does not conflict with the provisions and principles of Islamic Sharia.

C. The Bank's management enabled the Board to review all books and records it demanded, and has obtained the data it requested to enable it to perform its duty of audit on the Bank's executed transactions.

D. The Board revised the financing structures, their terms and conditions, and the contractual frameworks through which transactions were executed during the current year as of 31/12/2025 , which were reviewed by the Sharia Board and were conducted in a manner that does not conflict with the provisions and principles of Islamic Sharia.
E. The distribution of profits and allocation of losses to investment accounts, and the setting aside of reserves are in accordance with the basis approved by us under the principles and rules of Islamic Sharia.
F. Amounts derived from sources or by means non-compliant with the principles and provisions of Islamic Sharia were credited to the Charity (Khairat) Account to be spent on charitable causes , and were not included in the Bank's revenues.
G. The Board replied to inquiries presented to it and issued the necessary and Fatwa (Sharia opinion); and the Bank's management demonstrated a positive commitment to implementing these fatwas and decisions and complying with them.
H. Paying zakat is not the bank's responsibility, but rather the task of the shareholders. According to the bank's bylaws, the shareholder must pay zakat on his shares when applying the provisions of Sharia and zakat regulations, taking into account the following:

- If shares are purchased for trading, zakat is due on the market value of the shares plus distributed dividends at (2.5%) for the Hijri year or (2.577%) for the Gregorian year.
- If shares are purchased for investment (not trading), Zakat is due at (2.5%) for the Hijri year or (2.577%) for the Gregorian year on the shareholder's proportionate share of the Bank's zakatable assets plus realized profits, whether distributed or not.

In conclusion , the Board extends its thanks to the Board of Directors for its good and continuous cooperation, as well as the executive management and those dealing with the bank, praying to God Almighty to bless dear country.

Praise be to Allah

Date: 29 / 01 /2026

Chairman of the Sharia Supervisory Board

Dr. Ahmad Salem Melhem

Board Member

Dr. Safwan Ali Edibat

Board Member

Dr. Ali M.Mussa

Growth

Measuring expansion while preserving balance


ANNUAL REPORT 2025

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Safwa Islamic Bank – Public Shareholding Company
Amman – Jordan

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Safwa Islamic Bank – Public Shareholding Company (the "Bank") and its subsidiary (together referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2025 and the consolidated statement of income and other comprehensive income, the consolidated statement of income and attribution related to quasi-equity, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Islamic Shari'a rules and principles as determined by the Shari'a Supervisory Board of the Group and in accordance with Financial Accounting Standards as issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International 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 consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EY
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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the 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 consolidated financial statements.

Expected credit losses of deferred sales receivables and other receivables (note 8)	
Key Audit matter	**How the key audit matter was addressed in the audit**
The process of estimating expected credit losses for deferred sales receivables and other receivables in accordance with Islamic Financial Accounting Standard No. (30) is important and complex and requires significant judgement. Financial Accounting Standard No. (30) requires the use of the expected credit loss model which requires the Group's management to use several assumptions and estimates in determining the timing and value of expected credit losses in addition to applying judgment to determine the inputs to the impairment measurement process, including collateral assessment and determining the default date. Due to the importance of the judgements applied in Financial Accounting Standard No. (30) and credit exposures that form a major part of the Group's assets, the expected credit losses are considered a key audit matter.	Our audit procedures included an understanding of the nature of the portfolios of customers' receivables and financings in addition to testing the internal controls used in the granting, recording, credit monitoring, and assessing the effectiveness of main procedures followed in granting and recording. As part of the control testing procedures, we assessed whether the key controls in the above processes were designed, implemented and operated effectively, as well as procedures for assessing the following: - The Group's policy regarding the provision for expected credit losses in accordance with the Financial Accounting Standard No. (30).

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The gross deferred sales receivables and other receivables as of 31 December 2025 amounted to JD 2,294,065,935 and the related provisions amounted to JD 118,030,001. The expected credit losses provision policy is presented in the accounting policies in note (2) to the consolidated financial statements.	- Reviewing and understanding the expected credit loss model used in calculating provisions and its compliance with the requirements of Islamic Financial Accounting Standard No. (30) and the relevant regulatory guidelines and directives. - Key assumptions and judgments related to the significant increase in credit risk, the definition of default, and the use of macroeconomic inputs to verify that the ECL amounts recorded reflect the underlying credit quality and macroeconomic trends. - The appropriateness of stages. - Appropriateness of determining exposure at default, including the consideration of repayments in the cash flows and the resultant arithmetical calculations. - Appropriateness of the propability of default (PD), exposure at default (EAD), and loss given default (LGD) used for the exposures at different stages. - Appropriateness and objectivity of the internal rating of facilities. - Soundness and appropriateness of the process for calculating expected credit losses. - Facilities transferred between stages and the basis for assessing the extent of significant increase in credit risk for facilities in terms of timing, in addition to any deterioration in credit quality. - The process of calculating expected credit losses for facilities individually, in addition to understanding the latest developments in facilities in terms of cash flows and whether there is any rescheduling or restructuring.

	- Legal agreements and related documents to confirm the existence of collaterals and the existence of the legal right related to them. We also assessed whether the consolidated financial statements' disclosures appropriately reflect the requirements of the Accounting Standards for Islamic Financial Institutions issued by the Accounting and Auditing Organization for Islamic Financial Institutions.

Other information included in the Group's 2025 annual report

Other information consists of the information included in the Group's 2025 Annual Report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Islamic Shari'a rules and principles as determined by the Shari'a Supervisory Board of the Group and in accordance with Financial Accounting Standards as issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

The partner in charge of the audit resulting in this auditor's report was Osama Shakhatreh; license number 1079.

ERNST & YOUNG
Amman - Jordan

Amman – Jordan
3 February 2026

Safwa Islamic Bank
(Public Shareholding Limited Company)
Amman-The Hashemite Kingdom of Jordan
Consolidated Statement of Financial Position

Statement «A»

	Notes	as at 31 December	
		2025	2024
		JD	JD
Assets			
Cash and balances at the Central Bank of jordan	4	244,092,528	244,541,023
Balances at banks and the financial institutions	5	19,956,320	16,841,108
International wakala investments - net	6	245,612,315	217,144,756
Financial assets at fair value through statement of income	7	1,466,896	-
Deferred sales receivables and other receivables - net	8	1,895,030,847	1,540,465,378
Financial assets at fair value through other comprehensive income - net	9	110,002,090	46,023,435
Financial assets at fair value through quasi-equity - net	10	405,828,077	450,917,406
Financial assets at amortized cost	11	261,652,000	119,852,000
Investment in associate	12	339,331	332,759
Ijara Muntahia Bittamleek assets - net	13	933,532,662	762,094,570
Al-Qard Al-Hasan - net	14	52,354,010	11,443,367
Investments in real estate	15	1,730,415	-
Property and equipment - net	16	23,548,235	22,323,578
Intangible assets - net	17	2,617,423	1,673,942
Right-of-use assets	51/A	11,281,983	9,698,565
Deferred tax assets	23/C	19,369,777	18,506,502
Other assets	18	60,051,179	72,678,409
Total Assets		**4,288,466,088**	**3,534,536,798**
Liabilities and Quasi-equity and Equity			
Liabilities			
Banks and financial Institutions' accounts	19	17,564,555	30,544,484
Customers' current accounts	20	351,192,050	313,833,370
Cash margins	21	208,290,849	153,061,234
Income tax provision	23/A	18,142,645	20,680,565
Deferred tax liabilities	23/C	31,161	-
Other provisions	22	159,326	163,719
Lease liabilities	51/B	11,381,785	9,851,375
Other liabilities	24	181,965,027	80,462,885
Total Liabilities		**788,727,398**	**608,597,632**
Quasi-equity			
Unrestricted investment accounts	25	3,258,163,271	2,716,418,549
Fair value reserve	26/A	4,054,351	16,942
Total Quasi-equity		**3,262,217,622**	**2,716,435,491**
Equity			
Authority paid-in capital	27	150,000,000	120,000,000
Statutory reserve	29	42,712,902	38,320,046
Fair value reserve - net	26/B	1,538,618	94,068
Retained earnings	30	43,269,548	51,089,561
Total Equity		**237,521,068**	**209,503,675**
Total Liabilities, Quasi-equity and Equity		**4,288,466,088**	**3,534,536,798**

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

Safwa Islamic Bank
(Public Shareholding Limited Company)
Amman-The Hashemite Kingdom of Jordan
Consolidated Statement of Income and other Comprehensive Income

Statement “B”

	Notes	For the year ended 31 December	
		2025	2024
		JD	JD
Deferred sales income	31	111,949,828	94,548,534
Income from Ijara Muntahia Bittamleek assets	32	66,938,401	68,051,329
Income from International wakala investments	33	7,685,737	8,785,237
Income from financial assets at fair value through other comprehensive income	34	3,513,022	859,693
Income from financial assets at fair value through quasi-equity	35	20,881,954	23,730,716
Income from financial assets at fair value through statement of income	36	195,637	7,854
Income from financial assets at amortized cost	37	14,376,298	2,609,377
Net share of results of investment in an associate company	12	11,572	(16,863)
Gains (losses) from foreign currencies revaluation	38	102,736	(84,177)
Income from foreign currencies	39	3,272,793	3,258,872
Banking services income - net	40	13,174,515	12,763,260
Other income - net	41	3,070,718	1,523,055
Gross income		**245,173,211**	**216,036,887**
Provision expense for expected credit losses and other receivables	42	(28,361,127)	(32,980,780)
Deposit insurance fees	43	(5,945,207)	(5,008,487)
Employees’ expenses	44	(23,459,485)	(19,472,549)
Depreciation and amortization	16 & 17	(3,354,325)	(3,180,785)
Depreciation of right of use assets	51	(1,957,045)	(1,803,410)
Finance costs / discount on lease liability	51	(359,606)	(346,719)
Rent expenses		(213,047)	(187,209)
Other expenses	45	(12,572,816)	(10,208,606)
Total expenses		**(76,222,658)**	**(73,188,545)**
Profit for the year before tax and net profit attributable to quasi-equity		**168,950,553**	**142,848,342**
Less : Net profit attributable to quasi-equity	46	(125,021,997)	(110,060,634)
Profit for the year before tax		**43,928,556**	**32,787,708**
Income tax expense	23/B	(17,214,342)	(12,562,797)
Net profit for the year		**26,714,214**	**20,224,911**
Other comprehensive income items :			
Net change in fair value reserve for financial assets		1,503,287	119,137
Total comprehensive income for the year		**28,217,501**	**20,344,048**
		JD/FILS	**JD/FILS**
Basic and diluted earnings per share for the year	48	0/178	0/135

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

Safwa Islamic Bank

(Public Shareholding Limited Company)

Amman-The Hashemite Kingdom of Jordan

Consolidated Statement of Income and Attribution related to Quasi-Equity

Statement "C"

	Notes	For the year ended 31 December	
		2025	2024
		JD	JD
Net profit for the year before tax and net profit attributable to Quasi-Equity		**168,950,553**	**142,848,342**
Less : Unrelated income to quasi-equity		(28,577,836)	(17,894,014)
Add : Unrelated expenses to quasi-equity		45,494,384	39,017,964
Net profit for the year before net profit attributable to Quasi-Equity		**185,867,101**	**163,972,292**
Less : Bank's share as mudarib and rab mal	47	(89,693,600)	(75,666,056)
Add : Bank's contribution to quasi-equity	47	28,848,496	21,754,398
Net profit attributable to Quasi-Equity	46	**125,021,997**	**110,060,634**

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

Safwa Islamic Bank
(Public Shareholding Limited Company)
Amman-The Hashemite Kingdom of Jordan
Consolidated Statement of Changes in Equity

Statement "D"

	Paid-in capital*	Statutory Reserve	Fair value reserve-Net	Retained Earnings**	Total
	JD	JD	JD	JD	JD
For the year ended 31 December 2025					
Balance as at 1 January	**120,000,000**	**38,320,046**	**94,068**	**51,089,561**	**209,503,675**
Capital increase	30,000,000	-	-	(30,000,000)	-
Capital increase fees	-	-	-	(200,108)	(200,108)
Total comprehensive income for the year - (Statement B)	-	-	1,503,287	26,714,214	28,217,501
Released from reserve as a result of the sale of financial assets through other comprehensive income	-	-	(58,737)	58,737	-
Transferred to statutory reserve	-	4,392,856	-	(4,392,856)	-
Balance as ot 31 December	**150,000,000**	**42,712,902**	**1,538,618**	**43,269,548**	**237,521,068**
For the year ended 31 December 2025					
Balance as at 1 January	**100,000,000**	**35,041,275**	**(25,069)**	**54,293,534**	**189,309,740**
Capital increase	20,000,000	-	-	(20,000,000)	-
Capital increase fees	-	-	-	(150,113)	(150,113)
Total comprehensive income for the year - (Statement B)	-	-	119,137	20,224,911	20,344,048
Transferred to statutory reserve	-	3,278,771	-	(3,278,771)	-
Balance as ot 31 December	**120,000,000**	**38,320,046**	**94,068**	**51,089,561**	**209,503,675**

- Retained earnings a balance include of JD 1,729,949 as ot 31 December 2025 (JD 1,351,047 as at 31 December 2025) and it is restricted from use based on the Central Bank of Jordan instructions. Which represents deferred tax assets -self..

* The Bank's capital was increased from JD (120) million to JD (150) million after obtaining the approval of the Central Bank of Jordan in addition to the approval of the Bank's General Assembly at its meeting held on 24 April, 2025.

** Based on Central Bank of Jordan instructions no. (13/2018) that were issued on 6 June 2018 the general banking risks reserve which was transferred to retained earnings, amounted to JD 108,397 is restricted from use without prior approval from the Central Bank of Jordan.

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

Safwa Islamic Bank

(Public Shareholding Limited Company)

Amman-The Hashemite Kingdom of Jordan

Consolidated Statement of Cash Flows

Statement "E"

	Notes	For the ended year at 3 1December 2025	
		2025	2024
		JD	JD
Cash flows from operating activities			
Profit for the year before tax - statement (B)		43,928,556	32,787,708
Adjustments for non-monetary items:			
Depreciation and amortization	16 &17	3,354,325	3,180,785
Depreciation of Ijara Muntahia Bittamleek assets (self & joint)		104,372,780	74,299,224
Depreciation of right of use assets	51	1,957,045	1,803,410
Finance costs (discount on lease liabilities)	51	359,606	346,719
Unrealized gains for financial assets at fair value through statement of Income	36	(58,675)	-
Provision of expected credit losses and other receivables	42	28,361,127	32,980,780
(Recovered from) provision for impairment seized real estates	18	(214,418)	437,446
Net share of (profit) loss from the revaluation of investment in associate company	12	(6,572)	16,863
Gains from sale of property and equipment		(2,169)	(56,047)
Disposal of Intangible assets	17	-	7,061
Gain from sale of seized assets against debts		(1,449,119)	(232,248)
Profit before changes in assets and liabilities		**180,602,486**	**145,571,701**
Changes in assets and liabilities :			
Deferred sales receivables and other receivables		(382,126,859)	(293,817,428)
Ijara Muntahia Bittamleek assets		(275,810,872)	(140,621,026)
Real Estate Investments		(1,042,660)	-
Al Qard Al Hasan		(41,363,423)	22,374,750
Other assets		(14,552,526)	(20,022,266)
Customers' current accounts		37,358,680	(5,886,506)
Cash margin accounts		55,229,615	57,786,323
Other liabilities		101,495,926	(2,133,764)
Paid from the legal provision	22	(4,393)	-
Net cash flows used in operating activities before income tax paid		**(340,214,026)**	**(236,748,216)**
Income tax paid	23	(20,614,017)	(10,041,995)
Net cash flows used in operating activities		**(360,828,043)**	**(246,790,211)**
Cash flows used in investing activities			
Purchase of financial assets at fair value through statement of income - net	8	(1,408,221)	-
Purchase of financial assets at fair value throug other comprehensive income - net	9	(62,909,235)	(45,460,745)
Maturity financial assets at fair value throug other comprehensive income	9	453,707	-
Purchase of financial assets at fair value through quasi-equity - net	10	(17,756,633)	(52,614,699)
Maturity of financial assets at fair value through quasi-equity - net	10	66,218,416	54,173,404
Purchase of financial assets at amortized cost - net	11	(141,800,000)	(119,852,000)
Purchase of intangible assets	17	(1,737,750)	(690,038)
Purchase of property and equipment & payments on purchase of property, equipment and projects under progress	16	(3,794,786)	(4,038,066)
Proceeds from sale of property and equipment		12,242	46,855
Proceeds from sale of seized assets by the bank against debts		28,389,374	1,420,518
Net Increase in International Wakala Investments		(28,367,380)	(132,312,726)
Net cash flows used in investing activities		**(162,700,266)**	**(299,327,497)**
Cash Flows from Financing Activities			
Unrestricted investment accounts		541,744,722	519,890,854
Paid from lease liabilities	51	(2,369,659)	(2,104,296)
Capital increase fees		(200,108)	(150,113)
Net cash flows from financing activities		**539,174,955**	**517,636,445**
Net increase (decrease) in cash and cash equivalents		**15,646,646**	**(28,481,263)**
Cash and cash equivalents at beginning of the year		230,837,647	259,318,910
Cash and cash equivalents at end of the year	49	**246,484,293**	**230,837,647**
Non-cash transactions:			
Transfer to property and equipment from Payments on purchases property, equipment and projects in progress	16	**1,808,433**	**264,926**
Financing transferred to off statement of financial position items or bad debts		**2,575,239**	**-**

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

SAFWA ISLAMIC BANK
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-THE HASHEMITE KINGDOM OF JORDAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(1) GENERAL

Safwa Islamic Bank (the "Bank") is a public shareholding company licensed by the Central Bank of Jordan to practice and provide Islamic business and banking services in accordance with the Banking Law and the Companies Law.

The Bank provides all financial banking and structured investment services on a non-Interest basis in accordance with Islamic shari'a through the Bank's head office and its forty-five branches within the Kingdom and its subsidiary, in accordance with the effective Banking Law.

The Bank's authorized and paid-up capital is JD (150) million consisting of (150) million shares with a nominal value of one JD per share, on 24 April 2025, the General Assembly of Shareholders approved an increase in the Bank's capital from JD (120) million to JD (150) million, with 25% of the subscribed capital after obtaining the approval of the Central Bank of Jordan, the procedures for registering the Bank's capital increase shares were completed on 1 July 2025.

Etihad Islamic Investment Company "the parent" owns 62.37% of the Bank's capital.

The consolidated financial statements were approved by the Bank's Board of Directors in their meeting No. (1/2026) held on 29 January 2026, are subject to the approval of the General Assembly of Shareholders.

The consolidated financial statements were read and reviewed by the Bank's Sharia Supervisory Board, in their meeting No. (1/2026) held on 29 January 2026, and the board issued its Shari'a report thereon.

(2) BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

(2-1) BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Bank and its subsidiary financed from the Bank's funds (the "Group") have been prepared in accordance with the financial accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"). In the absence of standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions related to the items of the consolidated financial statements, the International Financial Reporting Standards and their interpretations are applied in conformity with Sharia' standards until Islamic standards are issued for them.

The Bank complies with the applicable local laws and the instructions of the Central Bank of Jordan.

The consolidated financial statements are prepared on historical cost basis except for the financial assets at fair value through statement of income, financial assets at fair value through other comprehensive income , financial assets at fair value through quasi-equity and investments in real estate which are presented at fair value at the date of the consolidated financial statements

The consolidated financial statements are presented in Jordanian Dinar (JD), which is the functional currency of the Group.

(2-2) BASIS OF CONSOLIDATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements comprise of the financial statements of the Bank and its subsidiary which is financed by the Bank's Self Funds where the Bank has control to govern the operational and financial policies of the subsidiary to obtain benefits from their activities. All intra-company balances, transactions, revenues and expenses between the Bank and its subsidiary are eliminated.

The financial statements of the subsidiary are prepared for the same reporting period as the Bank, using same accounting policies used by the Bank.

The results of the operations of the subsidiary are consolidated in the consolidated statement of income and other comprehensive income from the date of its acquisition, which is the date on which the bank's control is effectively transferred to its subsidiary, and the results of the operations of the subsidiary that were disposed of are consolidated in the consolidated statement of income and other comprehensive income until the date of disposal, which is the date in which the bank loses control of its subsidiary.

The subsidiary owned by the Bank as at 31 December 2025 is as follows:

Company name	Paid up Capital (JD)	Source of Funding	Ownership %	Company Main Activity	Operation location	Acquisition Date
Misc for brokerage company	2,000,000	Self	100%	Brokerage	Amman	2011

When preparing the separate financial statements for the Bank as an independent entity, investments in subsidiary are shown at cost or net proceeds value in case of liquidation.

Control is achieved when the Bank: -

- Has the ability to control the investee.
- Is subject to variable returns or has the right to variable returns arising from its association with the investee; and
- Has the ability to use its power to influence the returns of the investee.

The Bank re-assesses whether it controls the investee companies or whether the facts and circumstances indicate that there are changes to one or more control check points referred to above.

If the voting rights of the Bank are less than the majority of voting rights in any of the investee companies, it shall have the power to control when the voting rights suffice to grant the Bank the ability to direct the activities of the related subsidiary unilaterally. The Bank takes into consideration all the facts and circumstances when assessing whether the Bank has voting rights in the investee so as to grant it the ability to control or not. Among these facts and circumstances are the following:

- The volume of voting rights owned by the Bank in relation to the volume and distribution of other voting right;
- Potential voting rights held by the Bank and any other voting rights holders or third parties;
- Rights arising from other contractual arrangements;
- Any additional facts and circumstances indicating that the Bank has or does not have current responsibility for directing relevant activities at the time of making the required decisions, including how to vote at previous General Assembly meetings.

When the Bank loses control over any of its subsidiaries, the Bank:

- Derecognizes the assets of the subsidiary (including goodwill) and liabilities;
- Derecognizes the carrying amount of any uncontrolled interest;
- Derecognizes the cumulative transfer differences recognized in equity;
- Derecognizes the fair value of the consideration received;
- Derecognizes the fair value of any investment held;
- Derecognizes the surplus or deficit in the statement of income.
- Reclassifies the equity of the previously restricted bank in other comprehensive income to the statement of Profit or loss or retained earnings, as appropriate.

Non-controlling interests if any represent the portion not owned by the Bank in the equity of the subsidiaries.

(2-3) CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2023 except for the impact of the application of the following standards:

Financial Accounting Standard No. (42) “Presentation and Disclosures in the Financial Statements of Takaful Institutions”

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (42) in 2022. This standard replaces Financial Accounting Standard No. (12) “General Presentation and Disclosures in the Financial Statements of Islamic Insurance Companies”. This standard specifies the requirements for the presentation of financial statements and related disclosures for Takaful institutions. This standard aims to improve the presentation of financial statements of Takaful institutions by introducing additional disclosure requirements aimed at enhancing transparency.

This standard has no effect on the Group’s consolidated financial statements as this standard does not apply to the Group.

Financial Accounting Standard No. (43) “Accounting for Takaful: Recognition and Measurement”

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (43) in 2022. This standard replaces Financial Accounting Standard No. (13) “Disclosure of the Basis for Determining and Allocation of Surplus or Deficit in Islamic Insurance Companies”. This standard addresses the principles of recognition and measurement of Takaful arrangements and related transactions. The standard should be read in conjunction with Financial Accounting Standard No. (42) “Presentation and Disclosures in the Financial Statements of Takaful Institutions”.

This standard has no effect on the Group's consolidated financial statements as this standard does not apply to the Group.

New Standard Issued but Not Yet Effective

The following new and amended accounting standard issued but not yet effective up to the date of the consolidated, financial statements is listed below, and the Group will apply this standard when it becomes effective:

Financial Accounting Standard No. (45) "Quasi-equity (including investment accounts)"

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (45) in 2023. This standard describes the principles of financial reporting related to participatory investment instruments (including investment accounts) in which an Islamic financial institution controls the underlying assets (usually as a working partner), on behalf of stakeholders other than the shareholders' equity. Such instruments (including, in particular, unrestricted investment accounts) are usually eligible for accounting in the statement of financial position and are recorded as quasi-equity. This standard also provides general accounting standards in the statement of financial position for participatory investment instruments and quasi-equity, in addition to the aggregation, recognition, derecognition, measurement, presentation and disclosure of quasi-equity. The standard also addresses financial reporting related to quasi-equity instruments. The standard also addresses financial reporting related to other quasi-equity instruments and some specific issues.

This standard is effective for financial reporting periods beginning on or after 1 January 2026. The standard will be applied from 1 January 2026 and is not expected to have a material impact on the Group upon its application.

Financial Accounting Standard (46) "Off-balance Sheet Assets"

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (46) in 2023. This standard replaces Financial Accounting Standard No. (27) "Investment Accounts" in terms of presentation and disclosure. This standard specifies the classification of off-balance sheet assets and the principles related to financial reporting in line with the AAOIFI Conceptual Framework for Financial Reporting. The standard covers aspects of recognition, derecognition, subsequent recognition and measurement of assets related to off-balance sheet assets, in addition to reporting requirements and financial obligations incurred by the institution. The standard also integrates the presentation and disclosure requirements that are specifically aligned with the requirements of Financial Accounting Standard No. (1) "General Presentation and Disclosures in Financial Statements" (as amended in 2021) regarding the disclosure of off-balance sheet assets to management.

This standard is effective for financial reporting periods beginning on or after 1 January 2026 and must be applied simultaneously with Financial Accounting Standard No. (45) "Quasi-equity (including investment accounts)". The standard will be applied as of 1 January 2026 and is not expected to have a material impact on the Group upon its application.

Financial Accounting Standard No. (47) "Transfer of Assets between Investment Groups"

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (47) in 2023 and replaces Financial Accounting Standard No. (21) "Disclosure of Transfer of Assets". This standard describes the financial reporting principles and disclosure requirements applicable to all transfers between different investment groups (and their establishment was permanent, between ownership by equity, equity and quasi-equity and off-balance sheet assets under the management of an entity), and requires the application of accounting policies for such transfers in a consistent manner in line with the principles and rules of Islamic Sharia and describes the general disclosure requirements in this regard.

This standard is effective for financial reporting periods beginning on or after 1 January 2026. The standard will be applied from 1 January 2026 and is not expected to have a material impact on the Group upon its application.

Financial Accounting Standard No. (48) "Promotional Gifts and Prizes"

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (48) in 2025. This standard aims to set out the accounting and financial reporting principles for recognition, measurement, presentation and disclosure that apply to promotional gifts and prizes provided by Islamic financial institutions to their customers, including quasi-equity and other investment account holders.

This standard is effective for financial reporting periods beginning on or after 1 January 2026. The standard will be applied from 1 January 2026 and is not expected to have a material impact on the Group upon its application.

Financial Accounting Standard No. (49) "Financial Reporting for Entities Operating in Hyperinflationary Economies"

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (49) in 2025. The standard sets out the principles of financial reporting for entities that apply financial accounting standards and operate in hyperinflationary economies, taking into account Shariah principles, provisions and their business model. The Accounting Board of AAOIFI recognizes that the economic environment in many countries operating under hyperinflationary conditions sometimes makes financial statements prepared under AAOIFI standard less relevant and not comparable over multiple reporting periods. Accordingly, the Board recognized the need for institutions following AAOIFI standard in such economic environments to apply specific financial reporting requirements that make their financial statements more relevant and comparable. The Board also recognized that some financial reporting requirements under GAAP may not be appropriate for institutions following AAOIFI standard, given the requirements of relevant Shari'a principles and rules and their business models. Accordingly, the Board decided to develop a specific standard on this subject.

This standard is effective for financial reporting periods beginning on or after 1 January 2026. It is recommended that all institutions operating in hyperinflationary economies apply this standard from the date of its issuance to ensure comparability of their results. The standard will be effective from 1 January 2026 and is not expected to have a material impact on the Group upon its application.

Financial Accounting Standard No. (50) “Financial Reporting for Islamic Investment Institutions (Including Investment Funds)”

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (50) in 2025. This standard replaces Financial Accounting Standard No. (14) “Investment Funds”. The standard sets out the principles of financial reporting that apply to Islamic investment institutions and focuses specifically on achieving consistency and providing a unified basis for the format and content of financial statements for Islamic investment institutions. It also sets out the general requirements for presentation and the minimum content and recommended structure of their financial statements to enhance true and fair presentation in accordance with the principles and provisions of Sharia.

This standard is effective for financial reporting periods beginning on or after 1 January 2027. The standard will be applied from 1 January 2027 and is not expected to have a material impact on the Group upon its application.

Financial Accounting Standard No. (51) – Participatory Ventures

The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) has issued Financial Accounting Standard No. (51), which supersedes Financial Accounting Standard No. (4) “Musharakah Financing” and Financial Accounting Standard No. (3) “Mudarabah Financing.”

This standard establishes the accounting principles and financial reporting requirements for participatory venture. It applies to the accounting and financial reporting by investors, managing partners, as well as the participatory venture themselves, in respect of all participatory venture arrangements falling within its scope, including those involving equity or quasi-equity interests.

The standard will become effective on 1 January 2027, and it is not expected to have a material impact on the Group upon adoption.

Financial Accounting Standard No. (52) – Deferred Delivery Sales - Salam and Istisna

The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) has issued Financial Accounting Standard No. (52). This standard establishes the accounting principles and financial reporting requirements relating to deferred delivery sales transactions, including Salam and Istisna arrangements, covering recognition, measurement, presentation, and disclosure.

This standard applies to the accounting and financial reporting of deferred delivery sales transactions executed in accordance with the rules and principles of Shariah, by Islamic financial institutions and other entities applying the Financial Accounting Standards issued by AAOIFI. It applies to both sellers and purchasers, except for Istisna transactions that are specifically excluded from the scope of application under the provisions of this standard.

The standard will become effective on 1 January 2027, and it is not expected to have a material impact on the Group upon adoption.

Segments information

A business is a group of assets and operations that jointly engage in the rendering of products or services subject to risks and rewards different from those of other business segments, and which are measured according to reports used by the chief executive officer and the main decision maker of the Bank. A geographical segment is associated with the provision of products or services in a specific economic environment subject to risks and rewards that differ from those of segments operating in other economic environments.

The basis for the distribution of joint investment profits between shareholders' equity and holders of joint investment accounts

The combined return on investment of equity holders and holders of joint investment accounts for the year 2025 was distributed as follows:

	Percentage
Share of joint investment account holders	67%
Share of shareholders' equity	33%

The Joint Investment Accounts shall participate in the results of the investment profits, and shall be distributed to the depositors each according to their participation rate, taking into consideration the weights of the concerned joint investment accounts and the terms of the account signed between the Bank and the depositor.

The weights of the joint investment accounts are as follows:

- From 11% to 50% of the lowest balance of savings accounts in Jordanian Dinars.
- From 14% to 35% of the lowest balance of savings accounts in foreign currencies.
- From 58% to 97% of the average balance of Jordanian Dinars term accounts.
- From 18% to 61% of the average balance of foreign currency term accounts.
- From 90% to 97% of the average balance of the certificates of deposit in Jordanian Dinars.
- From 80% to 85% of the average balance of the certificates of deposit in foreign currencies.

The Bank shall bear all administrative expenses except for the advertising and marketing expenses of the products. The insurance expenses of the Ijarah Muntahia Bittamleek assets are incurred in the joint investment pool.

The Bank combines (mixes) its funds and any other funds (which were not received by the Bank on the basis of Mudaraba contract) in the Joint Investment Accounts.

Priority Investment / Equal Investment Opportunities and Profit Sharing:

The principle of equal investment opportunities is applied to the shareholders' funds and the funds of the investment account holders in the joint Mudaraba. The Bank's own investments are presented in separate accounts from investments through the rights of the Joint Investment Accounts holders' equity.

Moreover, the joint investment accounts shall share in the results of the investment profits, which shall distribute to the holders of the joint investment accounts according to their participation rate, taking into account the weights of the respective investment accounts concerned and the terms of the account signed between the Bank and the depositor.

The weighting of the joint investment accounts proposed by the Bank's management is approved by the Bank's Shari'a Supervisory Board.

Zakah

Zakah is the responsibility of the shareholders and unrestricted investment accounts holders. In this regard, the Bank is not directly and explicitly authorized to expend it, nor is there a law for its collection. In addition, the Bank's Articles of Association do not prescribe it, nor the General Assembly's decisions do not specify it. There is no related authorization by the shareholders either. Therefore, the shareholders and the unrestricted investment accounts holder shall pay zakat on their shares and funds if the Shari'a conditions and rules are fulfilled.

Revenue, gains, expenses and losses in violation of Islamic Shari'a

The sums devolved to the bank from sources or by means that are inconsistent with the provisions and principles of Islamic Sharia are set aside to the charity account within the other credit balances in the consolidated balance sheet, to be disbursed for charitable causes in accordance with what is decided by the Sharia supervisory board in the bank.

Deferred sales receivable

Murabaha contracts:

Murabaha: is selling commodity for the same purchase plus an agreed predetermined profit margin computed based on a percentage of the price or fixed amount, and it represent one of Boy'ou Amanah types that depend on disclosing the purchase price or cost.

Murabaha to the purchase order: it is the sale of an asset by the Bank to its client (the purchase order) with a specific increase in the asset's price or cost after determining the increase (Murabaha profit in the promise).

The Bank applies the principle of making the promise in Murabaha transactions to the buying manager in accordance with the standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions.

Deferred sales revenue is recognized when the transaction is executed (which paid in one installment after the current financial period or paid in installments over subsequent financial periods). Revenue is allocated to future financial periods for each period, irrespective of whether cash has been paid cash or not.

Deferred sales receivables are recognized when they occur at their nominal value and are measured at the end of the financial period on the basis of net realizable value.

At the end of the financial period, finance assets are carried at cost or at the expected recoverable cash value, whichever is lower.

Deferred sales revenue which was granted to non-performing customers is suspended in accordance with the instructions of the Central Bank of Jordan.

Deferred sales receivable and funds financed from the joint investment accounts are written off in case of the measures taken to collect them are ineffective which will be written off against the joint provisions and suspended profits (if any), the proceeds from the joint provisions (if any) previously written off are transferred to the common pool profits (presented in the Consolidated statement of income and other comprehensive income). On the other hand, deferred sales receivable and financing from the Bank's self-funds for which there is an impairment provision are written off in case the measures for their collection are ineffective. In this respect, they are deducted from the self-provisions and suspended profits (if any), and any provision surplus is transferred to the consolidated statement of income and other comprehensive income/ Prior funding is written off to income, any shortage will be recorded on the consolidated statement of income and other comprehensive income.

Financial instruments

Initial recognition and measurement:

Financial assets and liabilities are recognized in the Bank's consolidated statement of financial position when the Bank becomes a party to the contractual provisions of the instrument. Moreover, funds are recognized to customers since they are credited to the customer's accounts.

Financial assets and financial liabilities are measured initially at fair value, transaction costs directly attributable to the acquisition or issuance of financial assets and liabilities, and are added to the fair value of the financial asset or financial liability or, where appropriate, deducted from the financial asset at initial recognition. Furthermore, transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or loss are recognized directly in the consolidated statement of income and other comprehensive income.

Financial assets

Initial recognition and measurement:

All financial assets are recognized on the trade date when the purchase or sale of a financial asset under a contract that requires the delivery of the financial asset within a time frame determined by the relevant market and is initially measured at fair value plus transaction costs except for those financial assets designated at fair value through statements of income. Transaction costs directly attributable to the acquisition of financial assets designated at fair value through statements of income are recognized in the consolidated statement of income and other comprehensive income.

Subsequent measurement:

The measurement of all recognized financial assets that fall within the scope of AAOIFI (33) is subsequently carried at amortized cost or fair value based on the entity's business model for managing financial assets and contractual cash flow characteristics of financial assets.

Specifically:

- Finance instruments held in a business model intended to collect contractual cash flows that have contractual cash flows and are subsequently measured at amortized cost.
- All other financing instruments, such as:

  - Financial assets managed on a fair value basis through quasi-equity are measured at fair value through quasi-equity.
  - Financial assets at fair value through other statement of comprehensive income-self are subsequently measured at statement of comprehensive income.
  - Financial assets at fair value through the statement of income are subsequently measured at fair value through the statement of income.

Evaluation of the business model

An assessment of the business model for managing the financial assets is essential for their classification. The Bank defines a business model at a level that reflects how the groups of financial assets are managed together to achieve a particular business objective. Moreover, the Bank's business model does not rely on management intentions in relation to an individual instrument, and therefore the business model is assessed at a group level and not on an instrument-by-instrument basis.

The Bank adopts a business model to manage its financial instruments that reflects how the Bank manages its financial assets in order to generate cash flows. In addition, the Bank's business model determines whether cash flows will result from the collection of contractual cash flows or the sale of financial assets or both.

The Bank also takes into consideration all relevant information available when conducting an evaluation of the business model. However, this assessment is not made on the basis of scenarios that the Bank does not reasonably expect, such as the so-called "worst case" or "stress" scenarios. Furthermore, the Bank takes into account all relevant evidence available, such as:

- The stated policies and objectives of the portfolio and the application of those policies whether the management strategy focuses on obtaining contractual revenues, maintaining a specific profit rate, matching the period of financial assets with the period of financial liabilities that finance those assets. or achieving cash flows through the sale of assets;
- How to evaluate the performance of the business model and financial assets held in this business model and to report to key management personnel;
- Risks affecting the performance of the business model (and the financial assets of that model), in particular, the manner in which such risks are managed; and
- How to compensate business managers (for example, whether compensation is based on the fair value of the assets managed or on the contractual cash flows received).

Upon initial recognition of a financial instrument, the Bank determines whether the newly recognized financial asset is part of its existing business model or whether it reflects the beginning of a new business model. In this respect, the Bank evaluates its business model for each reporting period to determine whether the business model needs to be changed from the prior year.

When the sukuk measured at fair value through comprehensive income are derecognized, the cumulative gain / loss previously recognized in other comprehensive income in shareholders equity is reclassified to the consolidated statement of income. On the other hand, for equity investments measured at fair value through shareholders' equity, the cumulative gain / loss previously recognized in other comprehensive income is not subsequently reclassified to the consolidated statement of income but transferred directly to the statement of shareholders equity in retained earnings item.

In respect of Sukuk and equity instruments within joint investments, when these financial assets are derecognized which are measured at fair value through the quasi equity, the cumulative gain / loss previously recognized in the fair value reserve - joint in the quasi equity is reclassified to the consolidated statement of income and other comprehensive income.

Reclassification

If the business model in which the Bank retains financial assets is reclassified, the financial assets that have been affected are reclassified. The classification and measurement requirements relating to the new class are effective from the first day of the first reporting period after the change in the business model resulting in the reclassification of the Bank's financial assets. Moreover, the changes in contractual cash flows are considered. The accounting policy framework for the adjustment and disposal of financial assets is described below:

Financial assets at fair value through the statement of income

Financial assets at fair value through the statement of income are:

- Assets with contractual cash flows that are not payments on assets and returns on the principal outstanding amount; or / and
- Assets held in a business model other than those held to collect contractual cash flows or held for collection and sale; or.

These assets are measured at fair value any gain/loss arising on remeasurement recognized in the consolidated statement of income and other comprehensive income.

Financial assets at fair value through other comprehensive income

These assets represent investments in equity instruments and sukuk instruments financed from the Bank's self funds for the purpose of maintaining them over the long term.

These assets are recognized at fair value, plus acquisition expenses, and subsequently revalued at fair value. The change in fair value is included in the fair value reserve under shareholders' equity.

In case of sale of these assets or part thereof, the resulting gain or loss is recognized in retained earnings within shareholders' equity.

Gains and losses arising from foreign exchange differences on these assets, if any, are recognized in the fair value reserve in shareholders' equity- self financed.

Financial assets at fair value through quasi-equity

These assets represent investments in equity and (Sukuk) instruments financed from the joint investment accounts for the purpose of maintaining them over the long term.

These assets are recognized at fair value, plus acquisition costs, and are subsequently revaluated at fair value. The change in fair value under fair value reserve is shown in quasi-equity.

The impairment loss previously recognized in the consolidated statement of income and other comprehensive income can be reversed if it is objectively determined that the increase in fair value occurred in a subsequent period to record impairment losses through the fair value reserve that is reflected in quasi-equity.

As the quasi-equity on a continuous joint Mudaraba basis are characterized by a discontinuity at the beginning and end of the deposits in the accounts, the profit of the deferred operations over subsequent periods is distributed over the entire term of maturity and proportionality with each period.

Gains and losses arising from the foreign currency translation differences of these assets, if any, are recognized in the fair value reserve within quasi-equity.

Financial assets for which fair value cannot be reliably measured are stated at cost. Impairment test of these assets is carried out at the end of each financial period, and any impairment is recognized in the consolidated statement of income and other comprehensive income. And the impairment loss can't be retrieved on subsequent periods.

Financial assets at amortized cost

These are the financial assets that the Bank's management, in accordance with its business model, intends to maintain to collect contractual cash flows that represent fixed or determinable payments to the capital and profits of such assets.

These assets are recognized at cost, plus acquisition costs, and are revalued at the end of the current period using the effective profit rate method. Moreover, any gain or loss arising from amortization is recognized in the consolidated statement of income and other comprehensive income and comprehensive income. Additionally, any expected credit losses regarding self-finaced instruments are recognized in the consolidated statement of income and other comprehensive income. As for joint investments, the calculated expected credit losses are recognized in the consolidated statement of income and other comprehensive income joint investment pool.

The amount of impairment in value for these assets represents the difference between the carrying amount and the present value of the expected cash flows calculated on the basis of the original effective profit rate and any impairment provisions.

Gain and loss on sale, purchase and valuation of foreign currencies

Transactions in foreign currencies are recorded during the year at the rates prevailing at the transaction date (Trading).

The balances of financial assets and financial liabilities are translated at the average foreign exchange rates prevailing at the consolidated statement of financial position date, as announced by the Central Bank of Jordan.

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

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

Foreign exchange gains and losses are recognized in the consolidated statement of income and other comprehensive income.

Translation differences on non-monetary assets and liabilities in foreign currencies (such as shares) are recorded in the fair value reserve self within the shareholders equity of the financial assets financed by the Bank's own funds and within the fair value reserve)quasi-equity(.

Lease contracts

The Bank applied the Islamic Financial Accounting Standard No. (32) "Ijara and Ijara Muntahia Bittamleek"which defines the principles relating to of recognition, classification, measurement and About the different types of rent as a landlord and tenant and Ijara Muntahia Bitamlik.

The Bank as a lessee

The Bank recognizes the right of use assets and the lease liabilities in relation to all lease arrangements in which the bank is a leasee, except for short-term lease contracts (defined as 12-month or less lease contracts) and low value asset leases contract, and for these contracts,the bank recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease,unless another regular basis is more representative of the time pattern in which the economic benefits from the leased assets are taken advantage of.

The lease obligation is initially measured at the present value of the lease payments that were not paid on the start date of the lease contract, deducted using the additional financing rate.

The lease payments included in the rental obligation measurement include as follow:

- Fixed rental payments (includes fixed pay mentsin the contract), minus receivable rental incentives;
- Variable rental payments that depend on an index or rate, initially measured using the indicator or the rate at the date the contract begins;
- The amount expected to be paid by the lessee under the residual value guarantees;
- The price of the exercise of purchase options, if the tenant is reasonably certain of the exercise of the options; and
- The price of the exercise of purchase options, if the tenant is reasonably certain of the exercise of the options; and
- Paying the contract termination fines, if the lease reflects the exercise of the lease termination option.

Lease obligations are presented as a separate line item in the consolidated statement of financial position.

Lease obligations are subsequently measured by increasing the carrying amount to reflect the costs of the additional financing over the lease obligations (using the incremental cost of financing method) and by reducing the carrying amount to reflect the paid rental payments.

The lease obligations (and a similar adjustment to the related right-to-use assets) are re-measured whenever:

- The lease term has changed or there is an important event or change in the conditions that lead to a change in the exercise of the purchase option assessment, in which case the lease obligations are re-measured by deducting the adjusted lease payment using the adjusted discount rate.
- Lease payments change due to changes in an index, rate, or change in expected payments under the guaranteed residual value. In these cases, the rental obligation is remeasured by deducting the modified rental payments using an unchanged discount rate.
- The lease contract is modified and the lease agreement is not accounted for as a separate lease, in which case the lease obligation is re-measured based on the duration of the modified lease contract by deducting the modified rental payments using the adjusted discount rate at the actual price at the date of the amendment.

The right of use assets are depreciated over the life of the lease or the useful life of the asset (whichever is shorter). If the lease transfers the ownership of the underlying asset or the cost of the right of use, which reflects that the bank expects to exercise the option to purchase, then the relevant value of the right to use is depreciated over the useful life of the asset. Depreciation begins from the start date of the lease.

Right of use assets are presented as a separate line item in the consolidated statement of financial position.

The Bank applies International Accounting Standard (36) to determine whether the value of the right to use has decreased its value and any impairment losses are calculated as described in the “property and equipment” policy.

Variable rents that are not dependent on an index or rate are not included in the measurement of lease obligations and right of use assets. The related payments are recognized as an expense in the period in which the event or condition that leads to these payments occurs and are included in the statement of income and the comprehensive statement of income.

The Bank as a lessor

The bank enters into leases as a lessor in relation to some of its investment properties.

Lease contracts in which the bank is leased are classified as finance or operating leases. In the event that the terms of the lease contract transfer all risks and benefits of ownership to the lessee, the contract is classified as a finance lease and all other leases are classified as operating leases.

When the Bank is an intermediary lease, it represents the main lease and sub-contract as two separate contracts. The sublease contract is classified as finance or operating lease by reference to the original right of use arising from the main lease.

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

The amounts due from the leasee under finance leases are recognized as receivables with the amount of the company's net investment in the lease contracts. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the bank's existing net investment in relation to lease contracts.

Investment in an associate

An associate is a company in which the Bank exercises effective influence over its financial and operating policy decisions, and which is not held for trading. In this respect, the investments in the associate are accounted for using the equity method.

Investments in the associate are included in the consolidated statement of financial position at cost, in addition to the Bank's share of changes in the net assets of the associate. Goodwill arising on investment in an associate is recognized as part of the investment account of the associate and is not amortized. The Bank's share of the associate's income is recognized in the consolidated statement of income and other comprehensive income. If there is a change in the equity of the associate, such a change is recognized in the statement of changes in shareholders' equity. Gains and losses arising from transactions between the Bank and the associate are eliminated to the extent of the Bank's interest in the associate company.

In the separate financial statements of the Bank as an independent entity, investments in the associate are stated at cost.

Ijara and Ijara Muntahia Bittamleek

Ijara is ownership of the benefit of return and is divided into:

Operating Ijara: is an Ijara contract that does not end up with transfer of ownership of leased assets to the leassee.

Ijarah Muntahia Bittamleek: Ijarah which ends with the lessee owning the leased assets and taking several types as stated in the Ijara and Ijara Muntahia Bittamleek standard No. (32) issued by the Accounting and Auditing Organization for Financial and Islamic Institutions.

Assets acquired for the purpose of leasing are measured at historical cost, including direct expenses, to make them usable. The leased assets are depreciated in accordance with the Bank's depreciation policy.

When the recoverable amount of any asset acquired for Ijara is less than its net carrying amount, the amount is reduced to the recoverable amount, and the impairment loss is recognized in the Consolidated statement of income and other comprehensive income.

The income of Ijara shall be distributed in proportion to the financial periods covered by the lease contract.

Basic insurance and maintenance expenses of leased assets are recognized in the financial year in which they arise.

Transfer of assets

Any transfers of tangible and financial assets made between the assets financed from the joint investment accounts, shareholders' equity, restricted investment accounts, investment funds, conversion bases and accounting policies adopted for this purpose shall be disclosed. Disclosure shall also be made of the related financial effect, balances of any assets transferred to the beginning of the financial year, changes that occurred during the financial year, and the balance at the end of the year.

All transfers to related parties are disclosed, and description is made of the nature of the relationship, type of transactions carried out, and total value of the operations at the beginning and end of the financial period, indicating the financial implications.

The Bank's bases for asset valuation are disclosed when transfers are made.

Differences resulting from foreign currency transactions and financial implications are also disclosed.

The nature and terms of the transferred assets are disclosed as to whether they are separable, and any related provisions are disclosed as well.

The reasons and principles governing the transfer of assets between different investment accounts are disclosed.

Obligations and restrictions required by the contractual relationship between investment account holders and equity holders, if any, are disclosed.

Profit equalization reserve

This reserve is created / set up with a view to allocate appropriate and competitive rates of return to the Joint/Restricted Investment Account holders and to the shareholders in the event of exceptional circumstances and sharp fluctuations in the markets that actually make the actual profit rates less than what the holders of the Joint Investment Accounts expect. The same applies to the Bank's shareholders. This reserve is established based on the pre-approval of the Shari'a Supervisory Board and approval of the unrestricted investment accounts holders' equity.

This reserve shall be allocated to the share of the profits of the holders of the Joint Investment Accounts holders' equity and the shareholders equity before the deduction of Mudarib's share. The balance available in the reserve account shall be invested in the aggregated joint money account. The profits from the investment shall be credited to the reserve account.

If the balance in the profit equalization reserve account is insufficient to meet the competition, the shareholders may give part of their share of profits to the holders of the joint investment accounts as a donation.

The bank abides by what is stated in the Financial Accounting Standard No. (35) "Risk Reserve" issued by the Accounting and Auditing Organization for Islamic Financial Institutions when there is a need to create/compose a profit rate reserve.

The profit equalization reserve is transferred to the shareholders and unrestricted investment accounts holders' equity each according to its share of the deduction.

Fair value of financial assets

Fair value is defined as the price at which an asset should be sold or paid to convert any of the liabilities in a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the Bank takes into consideration, upon determining the price of any asset or liability, whether market participants are required to take these factors into account at the measurement date. The fair value for the purposes of measurement and / or disclosure is determined for these financial statements on the same basis.

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

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

Impairment of financial assets

The Bank applies the expected credit loss requirements and the amendments relating to the classification and measurement of financial instruments. The effect of the following instructions of the Central Bank of Jordan related to the application of AAOIFI (30) is recognized by recording the impact on the consolidated statement of income and other comprehensive income in respect of assets and financing (self). The expected credit losses and other provisions for jointly financed and investments, that were classified at fair value through unrestricted investment accounts holders' equity will be charged through statements of income and comprehensive income (common pool).

The expected credit losses provisions are calculated on the following financial instruments:

- International wakala agencies
- Direct credit financing (self and joint).
- Al Qard Al Hasan (self)
- (Sukuk) within financial assets at amortized cost.
- (Sukuk) within financial assets at fair assets at fair value through other comprehensive income-self.
- (Sukuk) within financial assets at fair value through quasi-equity – joint
- Off-balance sheet exposures subject to credit risk (self and joint).

No impairment loss is recognized in equity instruments.

The expected credit losses should be measured through an impairment provision equivalent of:

- The expected (12) -month credit losses, or, the expected life of the expected credit losses resulting from those default events on financial instruments that can be achieved within (12) months after the reporting date, referred to as stage one, or
- Expected life time credit loss, life of expected credit losses arising from all possible default events over the life the financial instrument referred to the stage two and stage three.

A provision for the expected credit loss over the life of a financial instrument is required if the credit risk on that instrument increases substantially since initial recognition.

For all other financial instruments, the expected credit loss is measured at an amount equal to the expected credit loss for a period of (12) months.

The expected credit losses are a possible weighted estimate of the present value of the credit loss. This value is measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Group is expected to receive arising from the weighting of several future economic scenarios, discounted at the effective yield rate of the asset.

For unutilized limits, the expected credit losses are the difference between the present value of the difference between the contractual cash flows payable to the Bank, if the borrower withdraws the financing, and cash flows that the Group expects to receive, if the financing is utilized; and The Group measures the expected credit losses on an individual basis or on a collective basis for funding that shares the characteristics of similar economic risks. The measurement of the provision for loss is based on the present value of the expected cash flows of the asset using the original effective rate of return of the asset, irrespective of whether it is measured on an individual or collective basis.

Credit-impaired financial assets

The financial asset is considered to be “credit- impaired” when one or more events have an adverse effect on the estimated future cash flows of the financial asset. Credit-impaired financial assets are referred to as third stage assets. Evidence of credit impairment includes observable data on the following events:

- The debtor is facing significant financial difficulties (severe weakness in the financial statements).
- Non-compliance with contractual conditions, such as the existence of dues equal to or greater than (90) days.
- The existence of clear indicators indicating the imminent bankruptcy of the debtor.
- Lack of an active market for a financial instrument due to financial difficulties faced by the debtor (source of credit exposure/ non-cash debt instrument).

If a single event cannot be identified, instead, the combined effect of several events may cause the financial assets to turn into assets with a credit-impaired value. The Bank assesses whether there has been a decline in credit of financial instruments measured at amortized cost or fair value through comprehensive income at each reporting date. To assess whether there is credit impairment to corporate debt instruments. Furthermore, a combination of factors such as Sukuk proceeds, credit rating, and the borrower’s ability to increase funding is considered.

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.

To determinate the impairment provision of financial assets, the Group’s management requires to issue important judgments to estimate the amounts of future cash flows and their timing, in addition to estimating any substantial increase in the credit risk of financial assets after their initial recognition, taking into consideration future measurement information for expected credit losses.

Definition of default on payment

The instructions of the Central Bank of Jordan are applied, where credit facilities are considered non-performing if their maturity or the maturity of one of their installments has passed for a period of time equal to or more than 90 days or there are clear indications indicating the possibility of default of credit facilities. The Bank’s concept of default also includes the possibility of non-payment of Sukuk, Wakalat and international murabaha with banks and financial institutions.

The payment of due installments is followed up through the didicated departments within a general framework and approved policies for this purpose.

When assessing whether a customer is unlikely to pay his credit obligation, the group takes into account qualitative and quantitative indicators. Such information includes the type of asset, also the Bank uses various sources of information to assess defaults that are developed internally or obtained from external sources.

Significant increase in credit risk

The group monitors all financial assets, financial liabilities, and financial guarantee contracts that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there is a significant increase in credit risk, the Bank will measure the allowance for loss on a life-long basis rather than the expected (12) month credit loss.

The Bank does not consider financial assets with “low” credit risk at the reporting date if they have not been exposed to a significant increase in credit risk. As a result, the bank monitors all financial assets and liabilities of financing issued and financial guarantees contracts that are subject to impairment for the significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased substantially since initial recognition, the group compares the risk of default of the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of default for the remaining maturity period at the date of the current report when the financial instrument is recognized for the first time. In the assessment process, the Bank considers both quantitative and qualitative information that is reasonable and reliable, including historical experience and future information available at no cost or undue effort, based on the Group's historical experience and the assessment of the credit expert, including future information.

Multiple economic scenarios represent the basis for determining the probability of default on initial recognition and subsequent reporting dates. Various economic scenarios will result in a different probability of default. The weighting of the different scenarios is the basis of the weighted average probability of default that is used to determine whether the credit risk has increased significantly.

The qualitative factors that indicate a marked increase in credit risk are reflected in the probability of default models at the appropriate time. However, the Bank is still looking separately at some qualitative factors to assess whether the credit risk has increased significantly. With regard to corporate finance, there is a particular focus on the assets included in the "watch list" where exposure is included in the watch list when there are concerns about the deterioration of credit worthiness. With regard to individual financing, the Bank takes into account expectations of the non-payment periods and defaults, and signs of low credit.

The Bank uses the same methodologies and data used to measure expected credit loss provisions.

Since the significant increase in credit risk since the initial recognition is a relative measure, a specific change, in absolute terms, in the probability of non-payment will be more important to a financial instrument with a lower initial non-payment probability compared to a financial instrument with a higher non-payment probability.

As a safety valve when an asset's maturity exceeds more than (30) days, the group considers that a significant increase in credit risk has occurred, and the asset is in the second stage of the impairment model, meaning that the loss provision is measured as a credit loss for life expectancy.

Presentation of provision for expected credit loss in the consolidated statement of financial position

The expected credit loss provisions are presented in the consolidated statement of financial position as follows:

For joint financial assets: as a deduction from the total value of the net assets.

Direct and indirect financing – Self: The provision for credit losses is recognized as a deduction from the balance of self-financing, and off-balance sheet items are presented in other liabilities.

Direct and indirect financing – Joint: The provision for credit losses is recognized as a deduction from the balance of joint financing, and off-balance sheet items are presented in other liabilities.

Write-off

Financial assets are derecognized when there is no reasonable expectation of recovery, such as a client's failure to participate in a payment plan with the Group. The group classifies funds or amounts due to be written off after all possible payment methods have been exhausted. However, if the financing or receivables are written off, the Group continues its enforcement activity to attempt to recover the receivable, which is recognized in the consolidated statement of income and other comprehensive income upon recovery.

Investments in real estate

It is the acquisition of real estate or land or part of it for the purpose of obtaining periodic income or the purpose of anticipating an increase in its future value or for both.

Investments in real estate are recorded at cost and include expenditures whose origin can be directly determined, and subsequent measurements of these investments are done at fair value. Unrealized profits resulting from the change in the fair value of investment in real estate are directly recognized in owner's equity under the category of fair value reserve for investments, taking into account the separation between owner's equity and what is related to investment account holders, and unrealized losses resulting from the re-evaluation of the fair value of investments in real estate must be adjusted to the extent that the balance of that reserve permits, and in the event that unrealized losses exceed the reserve balance, what exceeds the reserve balance shall be recorded in the income statement Under the item unrealized losses from the valuation of investments in real estate, taking into account the ownership of the funds invested in the real estate.

In the event that there are unrealized losses that were proven in a previous financial period and evaluation profits (unrealized) occurred in a subsequent financial period, then these profits are recorded in the income statement to the extent that equals the unrealized losses that were recorded in the previous financial periods in the income statement and any surplus in this profit is added to the fair value reserve for investments in real estate.

Periodic income from investments in real estate is recognized in the consolidate income statement according to accrual, taking into account the ownership of the funds invested in real estate.

Maintenance costs for investments in real estate are recorded in the consolidate income statement upon incurring them, taking into account the ownership of the money invested in real estate.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment in value. Property and equipment (excluding lands) are depreciated when they are ready to be used on a straight-line basis over the estimated useful life using the following annual rates:

Item	Annual depreciation rate
Buildings	2%
Equipment, device and furniture	15%
Vehicles	15%
Computers	20%
Others	4% - 10%

Where the estimated recoverable amount of any property and equipment is less than its net carrying amount, the carrying amount of the asset and equipment is written down to its recoverable amount, and the amount of impairment is recognized in the consolidated statement of income and other comprehensive income.

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

Property and equipment are derecognized upon disposal or when no future benefits are expected to arise from its use or disposal.

Intangible assets

Intangible assets are classified on the basis of their estimated useful lives for a specified period or unspecified period. Intangible assets with a finite useful life are amortized over a period of up to four years, and the amortization is recognized in the consolidated statement of income and other comprehensive income. Intangible assets with an indefinite useful life are reviewed for impairment at the consolidated statement of financial position date, and any impairment loss is recognized in the consolidated statement of income and other comprehensive income.

Intangible assets arising from the Bank's business are not capitalized and are recognized in the consolidated statement of income and other comprehensive income for the same period.

Any indications of impairment of intangible assets are reviewed at the date of consolidated statement of financial position date. The life of the asset is reviewed, and any adjustments are made in the subsequent periods.

The amortization rate for the group's intangible assets item is as follows:

Item	Annual depereciation rate
Computer's systems & Software	20%

Impairment in non-financial assets:

The carrying value of the Group's non-financial assets is reviewed at the end of each fiscal year, except for the deferred tax assets, to determine whether there is an indication of impairment. In the event of an indication of impairment, the amount recoverable from those assets is estimated.

If the carrying amount of the assets exceeds the recoverable amount from those assets, the impairment loss is recorded in those assets.

The recoverable amount is the fair value of the asset - less selling costs - or the value of its use, whichever is greater.

All impairment losses are recognized in the consolidated statement of Income and other comprehensive income.

Provisions

Provisions are recognized when the Bank has obligations as of the date of the consolidated statement of financial position arising from past events, and the payment of the liability is probable and can be reliably measured.

Income tax

Tax expenses represent amounts of accrued taxes and deferred taxes.

Due taxes are calculated based on taxable profits, which differ from those declared in the financial statements. In this regard, declared profits include non-taxable income or expenses not deductible in the fiscal year but deductible in subsequent years, deductible accumulated tax losses, or items not subject to tax or tax deductible.

The Bank deducts taxes and establishes a provision for income tax in accordance with Income Tax Law No. (34) of 2014 and IAS (12), which recognizes deferred taxes arising from time differences in the fair value reserve.

Deferred taxes are the taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets or liabilities in the consolidated financial statements and the amount on which the taxable profit is calculated. Deferred taxes are calculated using the method that complies with the consolidated statement of financial position, and they are calculated according to the tax rates expected to be applied when the tax liability is settled or deferred tax assets are realized. A rate of 38% was used to calculate deferred taxes for this year (35% tax rate, 3% national contribution rate), effective from 1 January 2019, to calculate deferred taxes in accordance with the Income Tax Law No. 38 of 2018. As such deferred taxes should be calculated according to the prescribed rate or expected rates for future years.

The balance of deferred tax assets is reviewed at the date of the consolidated financial statements, and is reduced in case that it is not probable that the tax asset will be fully or partially utilized.

Deposit guarantee

On 1 April, 2019, a law amending the Deposit Insurance Corporation Law was issued, which included Islamic banks under the Deposit Insurance Corporation, noting that Islamic banks were not previously covered by the law, and the amended law stipulated that deposit accounts that fall within the bank's trust (credit accounts or the like, The part that does not participate in the profits from the joint investment accounts) entails fees for guaranteeing deposits and the bank bears from its own funds. As for the joint investment accounts, the owners of the joint investment accounts bear the participation fees for these accounts.

Offsetting

Financial assets are offseted against financial liabilities, and the net amount is recognized in the consolidated statement of financial position only when the legally binding rights are available and settled on an offsetting basis, or the asset is realized and the liability settled simultaneously.

Wakala Investment accounts

The accounts managed by the Bank are represented by Wakala within a specific program with the Central Bank of Jordan. Funds invested in the Wakala are shown off-side the consolidated statement of financial position, and the Bank's share of the Wakala (gains) is included in the consolidated statement of income and other comprehensive income.

Realization of revenues and recognition of expenses

Revenues and expenses are recognized on the accrual basis except for non-performing deferred sales revenue and financing which are recognized in the suspended revenue account.

Commission income and expenses

Commissions are recognized as income, when the related services are provided, in the consolidated statement of income and other comprehensive income. Commissions are charged in respect of banking services and financing services when they are met.

Net trading income

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

Dividend income

Dividend income is recognized when the right to receive payment is established, which is the earlier date of the earnings per share and is usually the date on which the shareholders approve the dividend for unquoted equity.

Dividend distribution in the consolidated statement of income and other comprehensive income depends on the classification and measurement of equity investment, i.e.:

- With respect to equity instruments held for trading, dividend income is recognized in the consolidated statement of income and other comprehensive income and comprehensive within item gain (loss) on financial assets at fair value through statement of income; and
- For equity instruments classified at fair value through shareholders' equity, equity is recognized in the consolidated statement of income and other comprehensive income under the Bank's self-financed revenue; and
- For equity instruments that are not classified at fair value through shareholders equity - self and not held for trading, equity gains are recognized in the consolidated statement of income and other comprehensive income and consolidated comprehensive income under other income – self.
- With respect to equity instruments classified at fair value through the joint investment accounts holders' equity, the income from equity is included in the consolidated statement of income and other comprehensive income under profit from financial assets at fair value through unrestricted investment account holders' equity.

Cash and cash equivalents

Cash and cash balances maturing within three months, including: cash and balances with the Central Bank of Jordan, balances with banks and financial institutions, and deposits of banks and financial institutions with maturities of three months and restricted balances.

(3) Significant accounting estimates and key sources of estimation uncertainty

The preparation of the consolidated financial statements and the application of accounting policies require management to make estimates and judgments that affect the amounts of financial assets and liabilities and to disclose potential liabilities. These estimates and judgments also affect profit or loss, comprehensive income, equity and equity holders of joint investment accounts. In particular, the Bank's management is required to issue significant judgments to estimate the amounts and timing of future cash flows. These estimates are necessarily based on assumptions and multiple factors that have varying degrees of estimation and uncertainty and that the actual results may differ from the estimates as a result of changes resulting from the circumstances and circumstances of those estimates in the future.

Judgments, estimates, and assumptions are reviewed periodically. The effect of the change in estimates is recognized in the financial year in which the change occurs if the change affects only the financial year, and the effect of the change in estimates is recognized in the financial year in which the change occurs and in future periods In case the change affects the financial year and future financial periods.

We believe that our estimates in the consolidated financial statements are reasonable, and the estimates are summarized as follows:

Significant Judgments in applying the bank's accounting policies

Evaluation of business model

The classification and measurement of financial assets depends on the test results of the principal amount and profit payment on the principal outstanding and the business model test. The Group defines a business model at a level that reflects how the groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment that reflects all relevant evidence, including how to assess the performance of the asset, measure its performance and the risks that affect the performance of the asset and how it is managed, and how the asset managers are compensated. The Group monitors financial assets measured at amortized cost or fair value through income - equity or fair value through the rights of the holders of the joint investment that have been derecognized before maturity to understand the reasons for derecognition and whether the reasons are consistent with the objective of the business being retained. The control is part of the Group's continuous assessment of whether the business model under which the remaining financial assets are retained is appropriate, and whether it is inappropriate if there is a change in the business model and therefore a future change is made in the classification of those assets.

Significant increase in credit risk

The expected credit loss is measured as an allowance equivalent to the expected credit loss of (12) months for the assets of stage (1), or the credit loss over the life of the assets of the stage (2) and (3). The asset transferred to the stage (2) if credit risk increases significantly since initial recognition. FAS (30) issued by the Accounting and Auditing Organization for Financial and Islamic Institutions. does not specify what constitutes a significant increase in credit risk. In assessing whether the credit risk of any asset has increased significantly, the group takes into account reasonable and reliable quantitative and qualitative information. The estimates and uses by the Group's management of the significant change in credit risk that result in a change in classification within the three stages (1, 2 and 3) are explained in detail in Note (52).

Establishment of groups of assets with similar credit risk characteristics

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

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 (52). 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.

Extension and termination options in lease contracts

Extension and termination options are included in the number of leases, these conditions are used to increase operational flexibility in contract management. Most extension and termination options are exercisable by both the group and the lessor when determining the duration of a lease, management takes into consideration all facts and circumstances that create an economic incentive to exercise the option of extension or not to exercise the option of termination. Extension options (or periods following termination options) are only included in the term of the lease if the lease contract is reasonably confirmed to be extended (or not terminated). An assessment is reviewed if an important event or a significant change occurs in the circumstances affecting the valuation that are under the control of the lessee.

Key sources of estimation uncertainty

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

Impairment in value of seized assets by the bank against debt

Any impairment in value of the seized assets is recorded as a loss in the consolidated statement of income and other comprehensive income however, the increase in value is not recorded as revenue. Subsequent increase is recorded in the consolidated statement of income and other comprehensive income to the extent that it does not exceed the value of the decrease that has been previously recorded.

The useful lives of tangible assets and intangible assets

The management periodically recalculates the useful lives of tangible assets and intangible assets for the purpose of calculating annual depreciation and amortization based on the general condition of these assets and estimated future useful lives. Moreover, impairment losses are recognized in the consolidated statement of income and other comprehensive income for the year.

Income tax provision

The income tax expense is charged to its financial year according to the accounting regulations, laws and standards. Deferred tax assets, liabilities, and required tax provision are recognized and calculated.

Legal Provisions

A provision is taken to meet any potential legal obligations based on the legal study prepared by the Bank's legal counsel and by the Bank legal department, which identifies the risks that may arise in the future and reviews the study periodically.

Assets that are stated at cost

The management periodically reviews financial assets stated at cost to assess any impairment in their value, which is taken to the consolidated statement of income and other comprehensive income.

Provision for expected credit losses

Banks management requires to use significant judgments and estimates to estimate the amounts and timing of future cash flows and to estimate the risks of an increase in credit risk for financial assets after initial recognition and future measurement information for expected credit losses.

Provisions against assets financed by quasi-equity (including provisions against sales receivables and joint financing) are charged to the profit of the joint investment pool, whereas provisions against assets financed by self pool (including provisions against sales receivables and self financing) are charged the consolidated statement of income and other comprehensive income.

Where provisions for expected credit losses were formed in accordance with FAS (30) in accordance with the instructions of the Central Bank of Jordan, whichever is stricter.

The probability of default

It is the possibility of irregular payment, where the probability of default is measured for the purposes of calculating the expected credit loss for each stage of the instructions for the implement of Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) based on historical data that reflects historical default rates in addition to stress testing scenarios related to macroeconomic indicators, where the bank has developed appropriate risk exposures, also the bank has reflected the global and local economic conditions on the probability of default (Macroeconomic Adjusted PD) to be as a basis in the process of calculating expected credit losses for the purpose of precaution and conservation.

Loss given default

LGD is the magnitude of the likely loss if there is a default, which is calculated through a statistical model that analyzes historical payments of debt at the level of each portfolio. Where the loss is measured by assuming default for the purposes of calculating the expected credit loss for each of the stages according to the instructions for the implement of Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) by calculating the recoverable value represented by the different guarantees (cars, real estate, cash insurance, land, machinery, equipment and vehicles) provided to the bank against the facilities granted and legally documented within the credit contracts through a conversion factor for each type of collateral, taking into account The timing of access to collateral and its conversion into cash (expected cash flow and timing).

The main economic variables used by the Bank in calculating the expected credit losses (ECL) :

The main economic variables (macroeconomic variables) were included in the automated system for calculating the expected credit losses. The Bank adopts three scenarios, which are the base scenario, the optimistic scenario, and the pessimistic scenario, which were determined based on economic studies issued by the World Bank and international rating agencies. The weights of the senarios used by the Bank are as follows:

Year	Basic scenario (Baseline)	Best scenario (Optimistic)	Worst case scenario (Pessimistic)
2025	70%	10%	20%
2026	65%	15%	20%
2027	60%	20%	20%
2028-2031	60%	20%	20%

Fair value measurement and valuation procedures

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

Discount of lease payments

Lease payments are discounted using the bank's average finance cost, where the administration has applied judgments and estimates to determine the average financing costs when the lease contract begins.

(4) CASH AND BALANCES AT THE CENTRAL BANK OF JORDAN

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Cash on hand	31,454,847	34,126,657
Balances at the Central Bank of Jordan:		
Current accounts	82,030,530	99,935,812
Statutory cash reserve	130,607,151	110,478,554
Total balances at the Central Bank of Jordan	**212,637,681**	**210,414,366**
Total	**244,092,528**	**244,541,023**

- Except for the statutory cash reserve, there are no other restricted cash balances at the Central Bank of Jordan as at 31 December 2025 and 31 December 2025.
- Provision for expected credit losses has not been calculated on the balances at the Central Bank of Jordan , as they are exposures to the Jordanian government.

The movement on balances at the Central Bank of Jordan is as follows:

	Stage 1 (individual)	Stage 1 (individual)
	for the year ended 31 December 2025	for the year ended 31 December 2024
	JD	JD
Balance at the beginning of the year	**210,414,366**	**228,651,162**
New balances during the year	4,195,778	12,210,985
Settled balances	(1,972,463)	(30,447,781)
Balance at the end of the year	**212,637,681**	**210,414,366**

(5) BALANCES AT BANKS AND FINANCIAL INSTITUTIONS

The details of this item are as follows:

	Local banks and financial institutions		Foreign banks and financial institutions		Total	
	31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024
	JD	JD	JD	JD	JD	JD
Current and on -Demand accounts	1,724,594	1,130,382	18,231,726	15,710,726	19,956,320	16,841,108
Total	**1,724,594**	**1,130,382**	**18,231,726**	**15,710,726**	**19,956,320**	**16,841,108**

- There are no restricted cash balances at banks and financial institutions on which the bank receives returns as at 31 December 2025 and 31 December 2025.
- There are no balances with banks and banking institutions for which the bank charges returns as at 31 December 2025 and 31 December 2025.
- All balances have current accounts that use the bank's operations, and there is no need for calculating financial provisions for them according to Islamic Financial Accounting Standard No. (30).

The movement on balances at banks and banking institutions is as follows:-

	Stage 1 (individual)	Stage 1 (individual)
	For the year ended 31 December 2025	For the year ended 31 December 2024
	JD	JD
Balance at the beginning of the year	**16,841,108**	**26,513,323**
New balances during the year	1,360,614	884,057
Settled balances	(340,871)	(159,731)
Changes resulting from modifications	2,095,469	(10,396,541)
Balance at the end of the year	**19,956,320**	**16,841,108**

(6) INTERNATIONAL WAKALA INVESTMENTS - NET

The details of this item according to the maturity of investments are as follows:

	Joint	
	31 December	
	2025	2024
	JD	JD
Matures:		
Within a month	185,626,138	150,468,333
From a month to three months	28,360,000	49,324,175
From three to six months	22,447,500	17,725,000
More than a year	9,451,250	-
Total International Wakala Investments	**245,884,888**	**217,517,508**
Less: Provision for expected credit losses for international wakala investment	(272,573)	(372,752)
Net International Wakala Investments	**245,612,315**	**217,144,756**

The movement on the gross International Wakala Investments was as follows:

Item	31 December 2025				31 December 2024
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**217,517,508**	**-**	**-**	**217,517,508**	**85,204,782**
New balances and deposits during the year	245,884,888	-	-	245,884,888	217,517,508
Settled balances and deposits	(217,517,508)	-	-	(217,517,508)	(85,204,782)
Total balance at the end of the year	**245,884,888**	**-**	**-**	**245,884,888**	**217,517,508**

- There are no transfers between the stages (First , second and third) or written off balances during the year.

The movement on the provision for expected credit losses for International Wakala Investments was as follows:

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**372,752**	**-**	**-**	**372,752**	**73,463**
Impairment loss of new balances during the year	272,573	-	-	272,573	372,752
Recoverable from impairment loss on repaid balance and deposits	(372,752)	-	-	(372,752)	(73,463)
Total balance at the end of the year	**272,573**	**-**	**-**	**272,573**	**372,752**

(7) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME

	Joint	
	31 December	
	2025	2024
	JD	JD
Islamic Sukuk quoted in financial market	1,466,896	-
Total	**1,466,896**	**-**

(8) DEFERRED SALES RECEIVABLES AND OTHER RECEIVABLES - NET

The details of this item are as follows:

	Joint		Self		Total	
	31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024
	JD	JD	JD	JD	JD	JD
Individuals (retail)						
Murabaha to the purchase orderer	536,862,198	517,383,206	2,518,651	2,224,346	539,380,849	519,607,552
Ijara Muntahia Bittamleek - receivables	5,306,813	3,510,405	1,150	-	5,307,963	3,510,405
Other receivables	12,149,190	11,092,616	12,905	20,391	12,162,095	11,113,007
Real estate financing	15,822,254	18,028,346	-	-	15,822,254	18,028,346
Ijara Muntahia Bittamleek - receivables	4,814,517	2,690,281	-	-	4,814,517	2,690,281
Corporate						
International Murabaha	42,032,160	28,838,192	-	-	42,032,160	28,838,192
Murabaha to the purchase orderer	693,461,856	514,081,207	-	-	693,461,856	514,081,207
Ijara Muntahia Bittamleek - receivables	1,298,037	1,010,419	-	-	1,298,037	1,010,419
Other receivables	126,114	-	18,799	58,147	144,913	58,147
Small and medium enterprises						
Murabaha to the purchase orderer	97,161,595	77,556,590	-	-	97,161,595	77,556,590
Other receivables	117,643	-	122,350	217,191	239,993	217,191
Government and the public sector	882,239,703	677,660,096	-	-	882,239,703	677,660,096
Total	**2,291,392,080**	**1,851,851,358**	**2,673,855**	**2,520,075**	**2,294,065,935**	**1,854,371,433**
Less: Deferred revenue	274,241,810	216,910,367	378,860	346,968	274,620,670	217,257,335
Suspended revenue	6,377,305	4,026,112	7,112	7,112	6,384,417	4,033,224
Provision for expected credit losses	118,005,117	92,583,143	24,884	32,353	118,030,001	92,615,496
Net deferred sales receivable and other receivables	**1,892,767,848**	**1,538,331,736**	**2,262,999**	**2,133,642**	**1,895,030,847**	**1,540,465,378**

- The non- performing deferred sales receivables, Ijara Muntahia Bittamleek receivables , other receivables , facilities and Al-Qard Al-Hasan amounted to JD 93,607,687 as at 31 December 2025, representing 3.99% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al-Qard Al-Hasan (JD 75,554,035 as at 31 December 2025, representing 4.03% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al-Qard Al-Hasan).
- The non- performing deferred sales receivables , Ijara Muntahia Bittamleek receivables, other receivables , facilities and Al Qard Al Hasan after deducting suspended revenue amounted to JD 87,223,270 as at 31 December 2025, representing 3.72% of deferred sales receivables, Ijara Muntahia Bittamleek receivables , other receivables, facilities and Al Qard Al Hasan after deducting suspended revenue amounted (JD 71,520,811 as at 31 December 2025, representing 3.82% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al Qard Al Hasan after deducting the suspended revenue).
- The non- performing and written off facilities or transferred to off consolidated financial position items, amounted to JD 2,575,239 as at 31 December 2025 , Moreover , these financing are fully covered with the suspended interests and provisions (There are no non-performing written off facilities or transferred to off- balance sheet items during the year ended 31 December 2025).
- The provision for impairment of the facilities , which is calculated based on the Central Bank of Jordan's Instructions No.(8/2025) in the (under supervision) portfolio amounted to JD 3,509,961 . Moreover, the provision for impairment office calculated based on the individual customer (non-performing) amounted to JD 69,684,357 as at 31 December 2025 (JD 1,995,109 and JD 51,332,334 , respectively, as at 31 December 2025).
- The deferred sales receivables and other receivables and facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 852,273,479 as at 31 December 2025 representing 36.29% of the balance of deferred sales receivables , other receivables and facilities JD 591,846,287 as at 31 December 2025, representing 31.54% of the balance of deferred sales receivables , Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al-Qard Al-Hasan).

- The movement on credit facilities (after deducting suspended and deferred revenue):

A- Self (Deferred sales receivables , other receivable and Qard hasan)

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	individual	Collective	individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**8,685,398**	**2,712,113**	**1,860,580**	**59,601**	**1,730,441**	**15,048,133**	**37,324,163**
New facilities during the year	49,439,246	1,927,000	795,993	151,923	164,802	52,478,964	12,332,595
Settled facilities	(8,174,364)	(930,028)	(763,931)	(34,250)	(60,401)	(9,962,974)	(34,302,382)
Transfer to Stage 1	2,011	88	(1,911)	(66)	(122)	-	-
Transfer to Stage 2	-	(176)	-	574	(398)	-	-
Transfer to Stage 3	(342)	(55,375)	(3,466)	(25,246)	84,429	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(1,330)	(43)	-	421	18,871	17,919	(34,646)
Changes resulting from modifications	(40)	(383,193)	(650,000)	(1)	(1,744)	(1,034,978)	(271,597)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	(13,620)	(13,620)	-
Total balance at the end of the year	**49,950,579**	**3,270,386**	**1,237,265**	**152,956**	**1,922,258**	**56,533,444**	**15,048,133**

The movement on provision for expected credit losses on credit facilires / Self:

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Corporate	Small and medium enterprises	Retail (individual)	Real estate financing	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	**567,139**	**561,474**	**342,511**	**-**	**-**	**1,471,124**	**908,404**
Impairment loss on new facilities during the year	399,739	40,239	74,780	-	-	514,758	681,796
Recoverable from the loss on settled facilities	(72,912)	(33,135)	(12,307)	-	-	(118,354)	(223,326)
Transfer to Stage 1	100	(4)	(420)	-	-	(324)	(80)
Transfer to Stage 2	(97)	240	(107)	-	-	36	17,704
Transfer to Stage 3	(3)	(236)	527	-	-	288	(17,624)
Effect on the provision as a result of the change in classification between the three stages during the year	10,414	15,713	63,291	-	-	89,418	(4,497)
Changes resulting from modifications	(1,410)	(30,877)	5,396	-	-	(26,891)	108,747
Facilities transferred to off-balance sheet items or written off facilities	(2,699)	-	(10,921)	-	-	(13,620)	-
Total balance at the end of the year	**900,271**	**553,414**	**462,750**	**-**	**-**	**1,916,435**	**1,471,124**
Redistribution:							
Provisions on an individual basis	900,271	551,519	444,188	-	-	1,895,978	1,457,672
Provisions at a collective basis	-	1,895	18,562	-	-	20,457	13,452

The movement on credit facilities (after deducting suspended and deferred revenue):

B- Joint

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	individual	Collective	individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**1,009,450,836**	**441,353,480**	**66,211,112**	**48,255,928**	**65,643,523**	**1,630,914,879**	**1,344,700,348**
New facilities during the year	522,919,339	160,151,211	5,496,054	2,423,959	931,152	691,921,715	522,247,819
Settled facilities	(91,912,539)	(40,995,132)	(4,085,097)	(3,800,228)	(900,372)	(141,693,368)	(110,752,455)
Transfer to Stage 1	20,756,794	14,529,093	(20,756,794)	(14,517,799)	(11,294)	-	-
Transfer to Stage 2	(10,592,031)	(19,524,843)	10,592,031	20,711,368	(1,186,525)	-	-
Transfer to Stage 3	-	(5,444,096)	(3,604,301)	(9,467,916)	18,516,313	-	-
The total impact on the size of exposures as a result of changing the classification between stages	224,029	(2,255,975)	(566,700)	(3,120,662)	(354,344)	(6,073,652)	(7,422,906)
Changes resulting from modifications	(89,661,896)	(65,407,928)	(2,838,315)	(3,597,592)	(657,613)	(162,163,344)	(117,857,927)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	(2,133,265)	(2,133,265)	-
Total balance at the end of the year	**1,361,184,532**	**482,405,810**	**50,447,990**	**36,887,058**	**79,847,575**	**2,010,772,965**	**1,630,914,879**

- The movement on provision for expected credit losses on credit facilities - joint:

Item	For the year ended at 31 December 2025						For the year ended 31 December 2024
	Corporate	Small and medium enterprises	Retail (individual)	Real estate financing	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	**42,787,950**	**3,971,739**	**35,136,148**	**10,687,306**	**-**	**92,583,143**	**60,823,719**
Impairment loss on new facilities during the year	1,809,229	64,650	1,191,601	27,285	-	3,092,765	5,840,320
Recoverable from impairment loss on settled facilities	(639,321)	(85,982)	(908,244)	(210,808)	-	(1,844,355)	(4,254,467)
Transfer to Stage 1	889,921	76,639	673,282	1,216,429	-	2,856,271	2,619,350
Transfer to Stage 2	(2,601,329)	232,744	(1,183,412)	(1,202,406)	-	(4,754,403)	(6,626,818)
Transfer to Stage 3	1,711,408	(309,383)	510,130	(14,023)	-	1,898,132	4,007,468
Effect on the provision as a result of the change in classification between the three stages during the year	564,776	1,435,343	8,660,800	(1,189,045)	-	9,471,874	11,425,843
Changes resulting from modifications	27,753,428	(1,340,635)	(8,220,495)	(1,357,343)	-	16,834,955	18,747,728
Facilities transferred to off-balance sheet items or written off facilities	(724,604)	(49,388)	(1,359,273)	-	-	(2,133,265)	-
Total balance at the end of the year	**71,551,458**	**3,995,727**	**34,500,537**	**7,957,395**	**-**	**118,005,117**	**92,583,143**
Redistribution:							
Provisions on an individual basis	71,551,458	3,277,156	-	7,931,311	-	82,759,925	56,715,303
Provisions at a collective basis	-	718,571	34,500,537	26,084	-	35,245,192	35,867,840

Suspended revenue :

The movement on suspended revenue is as follows:

	31 December 2025				31 December 2024			
	Retail (individual)	Corporate	Small and medium enterprises	Total	Retail (individual)	Corporate	Small and medium enterprises	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year (Self)	**-**	**7,112**	**-**	**7,112**	**-**	**7,112**	**-**	**7,112**
Add: suspended revenue during the year	-	-	-	-	-	-	-	-
Less: suspended revenue transferred to revenue	-	-	-	-	-	-	-	-
Balance at the end of the year (Self)	**-**	**7,112**	**-**	**7,112**	**-**	**7,112**	**-**	**7,112**
Balance at the beginning of the year (Joint)	**1,986,016**	**1,703,299**	**336,797**	**4,026,112**	**1,380,940**	**699,135**	**250,209**	**2,330,284**
Add: suspended revenue during the year	1,941,215	1,449,203	420,156	3,810,574	955,149	1,006,928	131,140	2,093,217
Less: suspended revenue transferred to revenue	629,094	113,020	294,897	1,037,011	350,073	2,764	44,552	397,389
Less: settled revenue / transferred to off-balance sheet items or written off facilities	313,568	100,741	8,061	422,370	-	-	-	-
Balance at the end of the year (Joint)	**2,984,569**	**2,938,741**	**453,995**	**6,377,305**	**1,986,016**	**1,703,299**	**336,797**	**4,026,112**

1) Impairment loss on Credit financing - corporates:

A- Self (Deferred sales receivables and other receivables and ALQard Hassan)

-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue):

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Low risk	46,858,294	-	1,737	46,860,031	6,101,889
Normal risk	2,580,297	-	-	2,580,297	1,406,439
Acceptable risk	958	-	-	958	1,272,471
Acceptable with due care	-	441,273	8,175	449,448	1,150,725
Watch list	20	658,297	-	658,317	-
Substandard	-	-	1,661	1,661	1,277
Doubtful	-	70,000	41	70,041	277
Loss	-	-	334,440	334,440	327,147
Unrated	1,350	67,695	523,833	592,878	589,598
Total	**49,440,919**	**1,237,265**	**869,887**	**51,548,071**	**10,849,823**

- The movement of facilities:-

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**8,175,738**	**1,860,580**	**813,505**	**10,849,823**	**34,544,067**
New facilities during the year	49,439,246	795,993	53,400	50,288,639	10,094,586
Settled facilities	(8,174,364)	(763,931)	(8,556)	(8,946,851)	(33,797,608)
Transfer to Stage 1	2,011	(1,911)	(100)	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	(342)	(3,466)	3,808	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(1,330)	-	6,807	5,477	757
Changes resulting from modifications	(40)	(650,000)	3,722	(646,318)	8,021
Facilities transferred to off-balance sheet items or written off facilities	-	-	(2,699)	(2,699)	-
Total balance at the end of the year	**49,440,919**	**1,237,265**	**869,887**	**51,548,071**	**10,849,823**

- The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**55,668**	**17,535**	**493,936**	**567,139**	**533,253**
Impairment loss on new financing during the year	273,567	72,772	53,400	399,739	193,662
Recoverable from the loss of impairment on reimbursements	(55,662)	(8,694)	(8,556)	(72,912)	(215,092)
Transfer to Stage 1	106	(6)	(100)	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	(6)	(91)	97	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(104)	-	10,518	10,414	1,016
Changes resulting from modifications	-	(5,132)	3,722	(1,410)	54,300
Facilities transferred to off-balance sheet items or written off facilities	-	-	(2,699)	(2,699)	-
Total balance at the end of the year	**273,569**	**76,384**	**550,318**	**900,271**	**567,139**

B-Joint

-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspensed revenue):

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Insignificant risk	1,510,827	-	-	1,510,827	2,573,579
Almost risk free	49,820,352	330	-	49,820,682	22,649,203
Low risk	137,344,272	-	-	137,344,272	33,098,001
Normal risk	96,416,007	-	-	96,416,007	99,576,807
Acceptable risk	272,869,832	-	-	272,869,832	212,502,333
Acceptable with due care	-	15,761,766	-	15,761,766	60,494,813
Watch list	-	23,849,354	-	23,849,354	7,351,828
Substandard	-	-	366,838	366,838	2,454,441
Doubtful	-	-	860,930	860,930	2,887,099
Loss	-	-	43,129,664	43,129,664	36,003,394
Unrated	41,667,274	78,430	306,247	42,051,951	31,032,981
Total	**599,628,564**	**39,689,880**	**44,663,679**	**683,982,123**	**510,624,479**

-The movement on Facilities:

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**413,721,175**	**55,558,370**	**41,344,934**	**510,624,479**	**406,026,050**
New facilities during the year	255,715,319	5,496,054	597,182	261,808,555	164,978,958
Settled facilities	(66,378,182)	(4,085,097)	(159,962)	(70,623,241)	(55,536,621)
Transfer to Stage 1	20,486,736	(20,486,736)	-	-	-
Transfer to Stage 2	(10,592,031)	10,592,031	-	-	-
Transfer to Stage 3	-	(3,603,943)	3,603,943	-	-
The total impact on the size of exposures as a result of changing the classification between stages	261,355	(566,700)	(151,954)	(457,299)	(3,578,967)
Changes resulting from modifications	(13,585,808)	(3,214,099)	154,140	(16,645,767)	(1,264,941)
Facilities transferred to off-balance sheet items or written off facilities	-	-	(724,604)	(724,604)	-
Total balance at the end of the year	**599,628,564**	**39,689,880**	**44,663,679**	**683,982,123**	**510,624,479**

- The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**2,251,018**	**14,121,904**	**26,415,028**	**42,787,950**	**31,589,864**
Impairment loss on new financing during the year	903,804	763,126	142,299	1,809,229	2,094,315
Recoverable from the loss of impairment on reimbursements	(302,500)	(281,575)	(55,246)	(639,321)	(1,378,125)
Transfer to Stage 1	981,437	(981,437)	-	-	-
Transfer to Stage 2	(91,516)	91,516	-	-	-
Transfer to Stage 3	-	(1,711,408)	1,711,408	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(793,124)	375,550	982,350	564,776	4,632,053
Changes resulting from modifications	(219,714)	19,472,356	8,500,786	27,753,428	5,849,843
Facilities transferred to off-balance sheet items or written off facilities	-	-	(724,604)	(724,604)	-
Total balance at the end of the year	**2,729,405**	**31,850,032**	**36,972,021**	**71,551,458**	**42,787,950**

2) Impairment Loss on Credit Financing - Small and Medium Enterprises:

A-Self

-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Not rated	-	408,434	-	30,142	596,097	1,034,673	916,913
Total	**-**	**408,434**	**-**	**30,142**	**596,097**	**1,034,673**	**916,913**

-The movement on Facilities

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**-**	**304,811**	**-**	**28,869**	**583,233**	**916,913**	**442,841**
New facilities during the year	-	380,269	-	29,864	38,357	448,490	630,938
Settled facilities	-	(247,168)	-	(9,612)	(42,991)	(299,771)	(99,755)
Transfer to Stage 1	-	66	-	(66)	-	-	-
Transfer to Stage 2	-	(176)	-	527	(351)	-	-
Transfer to Stage 3	-	(1,845)	-	(19,191)	21,036	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	(26)	-	(249)	7,727	7,452	(36,840)
Changes resulting from modifications	-	(27,497)	-	-	(10,914)	(38,411)	(20,271)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-	-	-
Total balance at the end of the year	**-**	**408,434**	**-**	**30,142**	**596,097**	**1,034,673**	**916,913**

- The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**-**	**1,190**	**-**	**123**	**560,161**	**561,474**	**144,574**
Impairment loss on new financing during the year	-	742	-	1,140	38,357	40,239	380,571
Recoverable from the loss of impairment on reimbursements	-	(1,183)	-	(12)	(31,940)	(33,135)	(1,739)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	351	(351)	-	-
Transfer to Stage 3	-	(4)	-	(111)	115	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	-	-	(341)	16,054	15,713	(10,430)
Changes resulting from modifications	-	-	-	-	(30,877)	(30,877)	48,498
Facilities transferred to off-balance sheet items or written off facilities		-	-	-	-	-	-
Total balance at the end of the year	**-**	**745**	**-**	**1,150**	**551,519**	**553,414**	**561,474**

B-Joint

-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
unrated	-	75,788,156	-	8,797,267	7,715,086	92,300,509	73,872,192
Total	**-**	**75,788,156**	**-**	**8,797,267**	**7,715,086**	**92,300,509**	**73,872,192**

-The movement on facilities:

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Stage 3	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**-**	**58,802,832**	**-**	**10,823,467**	**4,245,893**	**73,872,192**	**59,540,078**
New facilities during the year	-	25,185,395	-	1,141,730	64,679	26,391,804	18,881,262
Settled facilities	-	(6,307,491)	-	(1,044,041)	(70,858)	(7,422,390)	(6,643,382)
Transfer to Stage 1	-	5,749,570	-	(5,749,570)	-	-	-
Transfer to Stage 2	-	(4,873,870)	-	5,276,557	(402,687)	-	-
Transfer to Stage 3	-	(2,998,031)	-	(621,180)	3,619,211	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	(218,936)	-	(847,472)	482,139	(584,269)	134,004
Changes resulting from modifications	-	448,687	-	(182,224)	(173,903)	92,560	1,960,230
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	(49,388)	(49,388)	-
Total balance at the end of the year	-	**75,788,156**	-	**8,797,267**	**7,715,086**	**92,300,509**	**73,872,192**

- The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**-**	**172,425**	**-**	**545,430**	**3,253,884**	**3,971,739**	**3,147,430**
Impairment loss on new financing during the year	-	30,901	-	12,055	21,694	64,650	56,262
Recoverable from the loss of impairment on reimbursements	-	(18,888)	-	(24,150)	(42,944)	(85,982)	(627,863)
Transfer to Stage 1	-	94,046	-	(94,046)	-	-	-
Transfer to Stage 2	-	(12,531)		332,618	(320,087)	-	-
Transfer to Stage 3	-	(4,876)	-	(5,828)	10,704	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	(67,708)	-	(299,791)	1,802,842	1,435,343	(94,269)
Changes resulting from modifications	-	48,386	-	10,528	(1,399,549)	(1,340,635)	1,490,179
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	(49,388)	(49,388)	-
Total balance at the end of the year	**-**	**241,755**	**-**	**476,816**	**3,277,156**	**3,995,727**	**3,971,739**

3) Impairment loss on credit facilities - Individual portfolio (retail):

A-Self

- The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue)

Item	31 December 2025				31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Unrated	2,861,952	122,814	456,274	3,441,040	2,771,737
Total	**2,861,952**	**122,814**	**456,274**	**3,441,040**	**2,771,737**

-The movement on facilities:

Item	31 December 2025				31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**2,407,302**	**30,732**	**333,703**	**2,771,737**	**1,827,595**
New facilities during the year	1,546,731	122,059	73,045	1,741,835	1,607,071
Settled facilities	(682,860)	(24,638)	(8,854)	(716,352)	(405,019)
Transfer to Stage 1	22	-	(22)	-	-
Transfer to Stage 2	-	47	(47)	-	-
Transfer to Stage 3	(53,530)	(6,055)	59,585	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(17)	670	4,337	4,990	1,437
Changes resulting from modifications	(355,696)	(1)	5,448	(350,249)	(259,347)
Facilities transferred to off-balance sheet items or written off facilities	-	-	(10,921)	(10,921)	-
Total balance at the end of the year	**2,861,952**	**122,814**	**456,274**	**3,441,040**	**2,771,737**

- The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**11,107**	**1,032**	**330,372**	**342,511**	**230,577**
Impairment loss on new financing during the year	7,619	6,202	60,959	74,780	107,563
Recoverable from the loss of impairment on reimbursements	(4,589)	(873)	(6,845)	(12,307)	(6,495)
Transfer to Stage 1	22	-	(22)	-	-
Transfer to Stage 2	-	47	(47)	-	-
Transfer to Stage 3	(442)	(154)	596	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(22)	(13)	63,326	63,291	4,917
Changes resulting from modifications	(1,374)	-	6,770	5,396	5,949
Facilities transferred to off-balance sheet items or written off facilities	-	-	(10,921)	(10,921)	-
Total balance at the end of the year	**12,321**	**6,241**	**444,188**	**462,750**	**342,511**

B-Joint

- The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspensed revenue) :

Item	31 December 2025				31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Unrated	404,375,301	26,635,736	26,371,620	457,382,657	434,545,101
Total	**404,375,301**	**26,635,736**	**26,371,620**	**457,382,657**	**434,545,101**

-The movement on facilities:

Item	31 December 2025				31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**379,059,088**	**36,675,051**	**18,810,962**	**434,545,101**	**391,174,841**
New facilities during the year	133,895,459	1,207,242	249,495	135,352,196	148,138,033
Settled facilities	(34,122,257)	(2,740,097)	(624,849)	(37,487,203)	(42,975,188)
Transfer to Stage 1	8,636,366	(8,625,072)	(11,294)	-	-
Transfer to Stage 2	(13,532,609)	14,298,974	(766,365)	-	-
Transfer to Stage 3	(2,446,065)	(8,758,577)	11,204,642	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(1,969,278)	(2,118,399)	(589,617)	(4,677,294)	(4,427,228)
Changes resulting from modifications	(65,145,403)	(3,303,386)	(542,081)	(68,990,870)	(57,365,357)
Facilities transferred to off-balance sheet items or written off facilities	-	-	(1,359,273)	(1,359,273)	-
Total balance at the end of the year	**404,375,301**	**26,635,736**	**26,371,620**	**457,382,657**	**434,545,101**

- The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**13,937,821**	**3,292,434**	**17,905,893**	**35,136,148**	**20,594,586**
Impairment loss on new financing during the year	733,798	245,350	212,453	1,191,601	1,006,391
Recoverable from the loss of impairment on reimbursements	(145,630)	(80,206)	(682,408)	(908,244)	(748,132)
Transfer to Stage 1	748,313	(745,156)	(3,157)	-	-
Transfer to Stage 2	(57,007)	664,141	(607,134)	-	-
Transfer to Stage 3	(18,024)	(1,102,397)	1,120,421	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(705,094)	1,164,890	8,201,004	8,660,800	5,750,054
Changes resulting from modifications	(9,183,803)	(19,096)	982,404	(8,220,495)	8,533,249
Facilities transferred to off-balance sheet items or written off facilities	-	-	(1,359,273)	(1,359,273)	-
Total balance at the end of the year	**5,310,374**	**3,419,960**	**25,770,203**	**34,500,537**	**35,136,148**

4) Impairment loss on credit facilities - Real estate Facilities:

A-Self

-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total	-	-	-	-	-	-	-

-The movement on financing:

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-	-	-
Total balance at the end of the year	-	-	-	-	-	-	-

- The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-	-	-
Total balance at the end of the year	-	-	-	-	-	-	-

B-Joint

-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue):

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Low risk	112,875	-	-	-	-	112,875	35,374
Normal Risk	300,801	-	-	-	-	300,801	539,219
Acceptable risk	1,434,234	-	-	-	-	1,434,234	694,695
Acceptable with due care	-	-	20,409	-	-	20,409	56,803
Watch list	-	-	10,737,701	-	-	10,737,701	10,655,125
Substandard	-	-	-	-	-	-	155,156
Doubtful	-	-	-	-	-	-	434,747
Loss	-	-	-	-	882,029	882,029	327,013
Unrated	278,642	2,242,353	-	1,454,055	215,161	4,190,211	4,847,068
Total	**2,126,552**	**2,242,353**	**10,758,110**	**1,454,055**	**1,097,190**	**17,678,260**	**17,745,200**

-The movement on facilities:

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**1,601,754**	**3,491,560**	**10,652,742**	**757,410**	**1,241,734**	**17,745,200**	**17,871,946**
New facilities during the year	291,538	1,070,357	-	74,987	19,796	1,456,678	4,946,080
Settled facilities	(17,910)	(565,384)	-	(16,090)	(44,703)	(644,087)	(2,674,622)
Transfer to Stage 1	270,058	143,157	(270,058)	(143,157)	-	-	-
Transfer to Stage 2	-	(1,118,364)	-	1,135,837	(17,473)	-	-
Transfer to Stage 3	-	-	(358)	(88,159)	88,517	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(37,326)	(67,761)	-	(154,791)	(94,912)	(354,790)	449,285
Changes resulting from modifications	18,438	(711,212)	375,784	(111,982)	(95,769)	(524,741)	(2,847,489)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-	-	-
Total balance at the end of the year	**2,126,552**	**2,242,353**	**10,758,110**	**1,454,055**	**1,097,190**	**17,678,260**	**17,745,200**

- The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**6,729**	**3,115**	**8,293,680**	**10,722**	**2,373,060**	**10,687,306**	**5,491,839**
Impairment loss on new financing during the year	1,030	5,833	-	1,619	18,803	27,285	2,683,352
Recoverable from the loss of impairment on reimbursements	(79)	(1,237)	(200,060)	(1,187)	(8,245)	(210,808)	(1,500,347)
Transfer to Stage 1	1,217,223	9	(1,217,223)	(9)	-	-	-
Transfer to Stage 2	-	(803)	-	19,165	(18,362)	-	-
Transfer to Stage 3	-	-	(15)	(4,324)	4,339	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(1,214,755)	51	-	(6,224)	31,883	(1,189,045)	1,138,005
Changes resulting from modifications	2,347	641	(1,076,515)	(1,287)	(282,529)	(1,357,343)	2,874,457
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-	-	-
Total balance at the end of the year	**12,495**	**7,609**	**5,799,867**	**18,475**	**2,118,949**	**7,957,395**	**10,687,306**

5) Impairment loss on credit facilities - Government and public sector:

A- Self

-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue):

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Almost free risk	509,660	-	-	509,660	509,660
Total	**509,660**	**-**	**-**	**509,660**	**509,660**

-The movement on facilities:-

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**509,660**	**-**	**-**	**509,660**	**509,660**
Total balance at the end of the year	**509,660**	**-**	**-**	**509,660**	**509,660**

-The movement on provision for expected credit losses on credit facilities:-

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**-**	**-**	**-**	**-**	**-**
Total balance at the end of the year	**-**	**-**	**-**	**-**	**-**

B-Joint

-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Insignificant Risk	759,429,416	-	-	759,429,416	594,127,907
Total	**759,429,416**	**-**	**-**	**759,429,416**	**594,127,907**

-The movement on facilities:

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**594,127,907**	**-**	**-**	**594,127,907**	**470,087,433**
New facilities during the year	266,912,482	-	-	266,912,482	185,303,486
Settled facilities	(25,516,447)	-	-	(25,516,447)	(2,922,642)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-
Changes resulting from modifications	(76,094,526)	-	-	(76,094,526)	(58,340,370)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-
Total balance at the end of the year	**759,429,416**	**-**	**-**	**759,429,416**	**594,127,907**

-The movement on provision for expected credit losses on credit facilities:

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-
Total balance at the end of the year	-	-	-	-	-

The following are credit exposures in accordance to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2025

A- Self

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	49,440,919	273,569	-	-	1,237,265	76,384	-	-	876,999	550,318	7,112	-	51,555,183	900,271	7,112	-
Small and medium enterprises	408,434	745	-	-	30,142	1,150	-	-	596,097	551,519	-	-	1,034,673	553,414	-	-
Retail (Individual)	3,240,812	12,321	-	378,860	122,814	6,241	-	-	456,274	444,188	-	-	3,819,900	462,750	-	378,860
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	-	-	-	-	-	-	-	-	509,660	-	-	-
Total	**53,599,825**	**286,635**	**-**	**378,860**	**1,390,221**	**83,775**	**-**	**-**	**1,929,370**	**1,546,025**	**7,112**	**-**	**56,919,416**	**1,916,435**	**7,112**	**378,860**

-The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (7,116,414), representing Ijara Muntahia Bittamleek.

B - Joint

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	644,256,870	2,729,405	-	44,628,306	42,807,296	31,850,032	-	3,117,416	49,854,001	36,972,021	2,280,642	2,909,680	736,918,167	71,551,458	2,280,642	50,655,402
Small and medium enterprises	79,850,375	241,755	-	4,062,219	9,360,352	476,816	-	563,085	8,068,511	3,277,156	173,061	180,364	97,279,238	3,995,727	173,061	4,805,668
Retail (Individual)	491,739,993	5,310,374	-	87,364,692	30,858,627	3,419,960	-	4,222,891	31,719,581	25,770,203	2,984,568	2,363,393	554,318,201	34,500,537	2,984,568	93,950,976
Real estate financing	4,638,642	20,104	-	269,737	13,961,905	5,818,342	-	1,749,740	2,036,224	2,118,949	939,034	-	20,636,771	7,957,395	939,034	2,019,477
Government and public sector	882,239,703	-	-	122,810,287	-	-	-	-	-	-	-	-	882,239,703	-	-	122,810,287
Total	**2,102,725,583**	**8,301,638**	**-**	**259,135,241**	**96,988,180**	**41,565,150**	**-**	**9,653,132**	**91,678,317**	**68,138,329**	**6,377,305**	**5,453,437**	**2,291,392,080**	**118,005,117**	**6,377,305**	**274,241,810**

-The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (926,416,248) representing Ijara Muntahia Bittamleek.

The following are credit exposures in accordance to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2024

A- Self

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	8,175,738	55,668	-	-	1,860,580	17,535	-	-	820,617	493,936	7,112	-	10,856,935	10,856,935	7,112	-
Small and medium enterprises	304,811	1,190	-	-	28,869	123	-	-	583,233	560,161	-	-	916,913	916,913	-	-
Retail (Individual)	2,754,270	11,107	-	346,968	30,732	1,032	-	-	333,703	330,372	-	-	3,118,705	3,118,705	-	346,968
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	-	-	-	-	-	-	-	-	509,660	509,660	-	-
Total	**11,744,479**	**67,965**	**-**	**346,968**	**1,920,181**	**18,690**	**-**	**-**	**1,737,553**	**1,384,469**	**7,112**	**-**	**15,402,213**	**15,402,213**	**7,112**	**346,968**

-The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (6,820,782), representing Ijara Muntahia Bittamleek.

B - Joint

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	437,987,823	2,251,018	-	24,266,648	59,448,583	14,121,904	-	3,890,213	46,493,412	26,415,028	1,416,746	3,731,732	543,929,818	42,787,950	1,416,746	31,888,593
Small and medium enterprises	61,705,960	172,425	-	2,903,128	11,368,592	545,430	-	545,125	4,482,038	3,253,884	200,457	35,688	77,556,590	3,971,739	200,457	3,483,941
Retail (Individual)	467,069,983	13,937,821	-	88,010,895	42,595,116	3,292,434	-	5,920,065	22,321,128	17,905,893	1,961,776	1,548,390	531,986,227	35,136,148	1,961,776	95,479,350
Real estate financing	5,929,531	9,844	-	836,217	13,100,229	8,304,402	-	1,690,077	1,688,867	2,373,060	447,133	-	20,718,627	10,687,306	447,133	2,526,294
Government and public sector	677,660,096	-	-	83,532,189	-	-	-	-	-	-	-	-	677,660,096	-	-	83,532,189
Total	**1,650,353,393**	**16,371,108**	**-**	**199,549,077**	**126,512,520**	**26,264,170**	**-**	**12,045,480**	**74,985,445**	**49,947,865**	**4,026,112**	**5,315,810**	**1,851,851,358**	**92,583,143**	**4,026,112**	**216,910,367**

-The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (755,273,788) representing Ijara Muntahia Bittamleek.

Disclosure of credit exposures according to the classification (instructions No. (8/2025)and Ijara Instructions No. (13/2025)) and in comparison with Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2025

A- Self

	According to classification instruction. No (8/2024) and ijara instructions No. (13/2025)					According to financial accounting standard (30)												Total			
						1 stage				2 stage				3 stage							
	Total	Deferred revenue	Suspended revenue	Net	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	60,716,239	378,860	-	60,337,379	-	53,599,825	286,635	378,860	-	-	-	-	-	-	-	-	-	53,599,825	286,635	378,860	-
Watch list	1,390,221	-	-	1,390,221	61,124	-	-	-	-	1,390,221	83,775	-	-	-	-	-	-	1,390,221	83,775	-	-
Non-performing debt	1,929,370	-	7,112	1,922,258	1,546,025	-	-	-	-	-	-	-	-	1,929,370	1,025,360	-	7,112	1,929,370	1,025,360	-	7,112
of watch :																					
Substandard	55,963	-	-	55,963	46,854	-	-	-	-	-	-	-	-	55,963	41,226	-	-	55,963	41,226	-	-
Doubtful	115,855	-	-	115,855	112,878	-	-	-	-	-	-	-	-	115,855	75,194	-	-	115,855	75,194	-	-
Loss	1,757,552	-	7,112	1,750,440	1,386,293	-	-	-	-	-	-	-	-	1,757,552	908,940	-	7,112	1,757,552	908,940	-	7,112
Total	**64,035,830**	**378,860**	**7,112**	**63,649,858**	**1,607,149**	**53,599,825**	**286,635**	**378,860**	**-**	**1,390,221**	**83,775**	**-**	**-**	**1,929,370**	**1,025,360**	**-**	**7,112**	**56,919,416**	**1,395,770**	**378,860**	**7,112**

- The finances that are covered according to Instructions No. (8/2025) and Ijara Instructions No. (13/2025) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.

-The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (7,116,414) , representing Ijara Muntahia Bittamleek.

B-joint

	According to classification instruction. No (8/2024) and ijara instructions No. (13/2025)					And ijara instructions No (13/2025)												Total			
						1 stage				2 stage				3 stage							
	Total	Deferred revenue	Suspended revenue	Net	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	3,029,141,831	259,135,241	-	2,770,006,590	-	2,102,725,583	8,301,638	259,135,241	-	-	-	-	-	-	-	-	-	2,102,725,583	8,301,638	259,135,241	-
Watch list	96,988,180	9,653,132	-	87,335,048	3,448,838	-	-	-	-	96,988,180	41,565,150	9,653,132	-	-	-	-	-	96,988,180	41,565,150	9,653,132	-
Non-performing debt	91,678,317	5,453,437	6,377,305	79,847,575	68,138,329	-	-	-	-	-	-	-	-	91,678,317	50,713,108	5,453,437	6,377,305	91,678,317	50,713,108	5,453,437	6,377,305
of watch :																					
Substandard	3,091,169	387,378	36,591	2,667,200	1,341,082	-	-	-	-	-	-	-	-	3,091,169	1,262,286	387,378	36,591	3,091,169	1,262,286	387,378	36,591
Doubtful	10,731,546	822,659	298,921	9,609,966	6,384,484	-	-	-	-	-	-	-	-	10,731,546	3,743,431	822,659	298,921	10,731,546	3,743,431	822,659	298,921
Loss	77,855,602	4,243,400	6,041,793	67,570,409	60,412,763	-	-	-	-	-	-	-	-	77,855,602	45,707,391	4,243,400	6,041,793	77,855,602	45,707,391	4,243,400	6,041,793
Total	**3,217,808,328**	**274,241,810**	**6,377,305**	**2,937,189,213**	**71,587,167**	**2,102,725,583**	**8,301,638**	**259,135,241**	**-**	**96,988,180**	**41,565,150**	**9,653,132**	**-**	**91,678,317**	**50,713,108**	**5,453,437**	**6,377,305**	**2,291,392,080**	**100,579,896**	**274,241,810**	**6,377,305**

-The finances that are covered according to Instructions No. (8/2025) and Ijara Instructions No. (13/2025) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.

- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (926,416,248) representing Ijara Muntahia Bittamleek.

Disclosure of credit exposures according to the classification instructions No. (47/2009) and in comparison with Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2024

A- Self

	According to classification instructions No. (47/2009)					According to financial accounting standard (30)												Total			
						1 stage				2 stage				3 stage							
	Total	Deferred revenue	Suspended revenue	Net	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	19,833,518	346,968	-	19,486,550	-	11,744,479	67,965	346,968	-	1,268,242	12,420	-	-	15	11	-	-	13,012,736	80,396	346,968	-
Watch list	651,939	-	-	651,939	20,744	-	-	-	-	651,939	6,270	-	-	-	-	-	-	651,939	6,270	-	-
Non-performing debt	1,737,538	-	7,112	1,730,426	1,384,469	-	-	-	-	-	-	-	-	1,737,538	861,311	-	7,112	1,737,538	861,311	-	7,112
of watch :																					
Substandard	47,711	-	-	47,711	44,654	-	-	-	-	-	-	-	-	47,711	35,461	-	-	47,711	35,461	-	-
Doubtful	559,504	-	-	559,504	559,243	-	-	-	-	-	-	-	-	559,504	401,857	-	-	559,504	401,857	-	-
Loss	1,130,323	-	7,112	1,123,211	780,572	-	-	-	-	-	-	-	-	1,130,323	423,993	-	7,112	1,130,323	423,993	-	7,112
Total	**22,222,995**	**346,968**	**7,112**	**21,868,915**	**1,405,213**	**11,744,479**	**67,965**	**346,968**	**-**	**1,920,181**	**18,690**	**-**	**-**	**1,737,553**	**861,322**	**-**	**7,112**	**15,402,213**	**947,977**	**346,968**	**7,112**

- The finances that are covered according to Instructions No. (47/2009) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.

-'The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (6,820,782), representing Ijara Muntahia Bittamleek.

B-joint

	According to classification instructions No. (47/2009)					According to financial accounting standard (30)												Total			
						1 stage				2 stage				3 stage							
	Total	Deferred revenue	Suspended revenue	Net	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	2,499,751,188	208,244,075	-	2,291,507,113	-	1,649,943,943	16,368,821	199,512,012	-	93,364,509	14,676,819	8,732,063	-	1,168,948	-	-	-	1,744,477,400	31,045,640	208,244,075	-
Watch list	33,557,461	3,350,482	-	30,206,979	1,974,365	409,450	2,287	37,065	-	33,148,011	11,587,351	3,313,417	-	-	-	-	-	33,557,461	11,589,638	3,350,482	-
Non-performing debt	73,816,497	5,315,810	4,026,112	64,474,575	49,947,865	-	-	-	-	-	-	-	-	73,816,497	38,415,764	5,315,810	4,026,112	73,816,497	38,415,764	5,315,810	4,026,112
of watch :																					
Substandard	2,828,123	340,805	30,918	2,456,400	979,040	-	-	-	-	-	-	-	-	2,828,123	1,221,819	340,805	30,918	2,828,123	1,221,819	340,805	30,918
Doubtful	10,617,483	1,650,702	396,667	8,570,114	6,087,940	-	-	-	-	-	-	-	-	10,617,483	3,422,832	1,650,702	396,667	10,617,483	3,422,832	1,650,702	396,667
Loss	60,370,891	3,324,303	3,598,527	53,448,061	42,880,885	-	-	-	-	-	-	-	-	60,370,891	33,771,113	3,324,303	3,598,527	60,370,891	33,771,113	3,324,303	3,598,527
Total	**2,607,125,146**	**216,910,367**	**4,026,112**	**2,386,188,667**	**51,922,230**	**1,650,353,393**	**16,371,108**	**199,549,077**	**-**	**126,512,520**	**26,264,170**	**12,045,480**	**-**	**74,985,445**	**38,415,764**	**5,315,810**	**4,026,112**	**1,851,851,358**	**81,051,042**	**216,910,367**	**4,026,112**

-The finances that are covered according to Instructions No. (47/2009) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.

- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (755,273,788) representing Ijara Muntahia Bittamleek.

(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPERHENSIVE INCOME-NET:

The details of this item are as follows:

	Self	
	31 December	
	2025	2024
	JD	JD
Quoted financial assets :		
Corporate Shares	2,111,276	572,000
Islamic Sukuk	107,989,424	45,515,882
Total quoted Financial Assets	**110,100,700**	**46,087,882**
Total financial assets at fair value through other comperhensive income	**110,100,700**	**46,087,882**
Less: Provision for expected credit losses on financial assets	(98,610)	(64,447)
Net financial assets at fair value through other comperhensive income	**110,002,090**	**46,023,435**

-The movement of the total financial assets at fair value through other comperhensive income (Sukuk) :

Item	31 December 2025				31 December 2024
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**45,515,882**	**-**	**-**	**45,515,882**	**-**
New investments during the year	62,927,249	-	-	62,927,249	45,515,882
Matured investments	(8,611,295)	-	-	(8,611,295)	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-
Changes resulting from modifications	8,157,588	-	-	8,157,588	-
Total balance at the end of year	**107,989,424**	**-**	**-**	**107,989,424**	**45,515,882**

-Movement on the expected credit losses provision for the financial assets at fair value through other comperhensive income (Sukuk) :

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**64,447**	**-**	**-**	**64,447**	**-**
Impairment loss on new investments during the year	45,985	-	-	45,985	64,447
Recovered from loss of Matured investments	(14,544)	-	-	(14,544)	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	-	-	-	-
Changes resulting from modifications	2,722	-	-	2,722	-
Total balance at the end of year	**98,610**	**-**	**-**	**98,610**	**64,447**

(10) FINANCIAL ASSETS AT FAIR VALUE THROUGH JOINT QUASI-EQUITY- NET

The details of this item are as follows:

	Joint	
	31 December	
	2025	2024
	JD	JD
Quoted financial assets :		
Corporate Shares	21,348,531	2,291,022
Islamic Sukuk	89,101,493	117,978,708
Total quoted financial assets	**110,450,024**	**120,269,730**
Unquoted financial assets:		
Corporate Shares	9,600,322	7,551,544
Islamic Sukuk	285,904,988	323,246,189
Total unquoted financial assets	**295,505,310**	**330,797,733**
Total financial assets at fair value through quasi-equiy	**405,955,334**	**451,067,463**
Less: Provision for expected credit losses for financial assets	(127,257)	(150,057)
Net financial assets at fair value through quasi-equiy	**405,828,077**	**450,917,406**

Unquoted financial assets were presented at cost or in accordance with latest financial statements.

-The movement of the total financial assets at fair value through quasi-equiy (Sukuk) :

Item	31 December 2025				31 December 2024
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**441,224,897**	**-**	**-**	**441,224,897**	**444,044,525**
New investments during the year	-	-	-	-	51,353,776
Matured investments	(42,688,165)	-	-	(42,688,165)	(24,834,772)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-
Changes resulting from modifications	(23,530,251)	-	-	(23,530,251)	(29,338,632)
Total balance at the end of year	**375,006,481**	**-**	**-**	**375,006,481**	**441,224,897**

-Movement on the expected credit losses provision for the financial assets at fair value through quasi-equiy (Sukuk) :

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**150,057**	**-**	**-**	**150,057**	**149,624**
Impairment loss on new investments during the year	-	-	-	-	42,699
Recovered from loss of Matured and sold investments	(29,185)	-	-	(29,185)	(19,504)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	-	-	-	-
Changes resulting from modifications	6,385	-	-	6,385	(22,762)
Total balance at the end of year	**127,257**	**-**	**-**	**127,257**	**150,057**

(11) FINANCIAL ASSETS AT AMORTIZED COST

The details of this item are as follows:

	Joint		Self		Total	
	31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024
	JD	JD	JD	JD	JD	JD
Unquoted Financial Assets:						
Islamic Sukuk	119,852,000	119,852,000	141,800,000	-	261,652,000	119,852,000
Total unquoted Financial Assets	**119,852,000**	**119,852,000**	**141,800,000**	**-**	**261,652,000**	**119,852,000**
Total Financial Assets at Amortized Cost	**119,852,000**	**119,852,000**	**141,800,000**	**-**	**261,652,000**	**119,852,000**

- Matured during the years 2029 &2030.
- No provision for expected credit losses is calculated on financial assets at amortized cost as these Sukuk are issued under the guarantee of the Government of Jordan.

(12) INVESTMENT IN ASSOCIATE

Investment in associated company (joint) :

	Percentage of ownership	Country	Principal activity	31 December	
				2025	2024
				JD	JD
Jordan Blending and Packing of Fertilizers Company	25%	Jordan	Manufacturing	339,331	332,759

- The dividends distributed by the affiliated company amounted to 5,000 JD during the year 2025 (No dividends have been distributed during year 2025).

The movement on the investment in associate was as follows:

	Joint	
	31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	**332,759**	**349,622**
The share of joint funds from the profit (loss) for the year after tax	11,572	(16,863)
Cash dividends received from the associate	(5,000)	-
Balance at the end of year *	**339,331**	**332,759**

*The latest audited and approved financial statements of the associate have been used for the purpose of valuation.

(13) IJARA MUNTAHIA BITTAMLEEK ASSETS - NET

31 December 2025	Joint			Self			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntahia Bittamleek assets-Real Estate	1,041,248,050	(205,246,024)	836,002,026	9,538,414	(2,422,000)	7,116,414	1,050,786,464	(207,668,024)	843,118,440
Ijara Muntahia Bittamleek assets-Machines	104,259,079	(19,160,572)	85,098,507	-	-	-	104,259,079	(19,160,572)	85,098,507
Ijara Muntahia Bittamleek assets-vehicles	8,145,630	(2,829,915)	5,315,715	-	-	-	8,145,630	(2,829,915)	5,315,715
Total	**1,153,652,759**	**(227,236,511)**	**926,416,248**	**9,538,414**	**(2,422,000)**	**7,116,414**	**1,163,191,173**	**(229,658,511)**	**933,532,662**

31 December 2024	Joint			Self			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntahia Bittamleek assets-Real Estate	840,402,208	(159,174,575)	681,227,633	8,902,372	(2,081,590)	6,820,782	849,304,580	(161,256,165)	688,048,415
Ijara Muntahia Bittamleek assets-Machines	88,794,107	(19,151,406)	69,642,701	-	-	-	88,794,107	(19,151,406)	69,642,701
Ijara Muntahia Bittamleek assets-vehicles	5,898,116	(1,494,662)	4,403,454	-	-	-	5,898,116	(1,494,662)	4,403,454
Total	**935,094,431**	**(179,820,643)**	**755,273,788**	**8,902,372**	**(2,081,590)**	**6,820,782**	**943,996,803**	**(181,902,233)**	**762,094,570**

- The accrued Ijara installments amounted to JD 11,420,517 as at 31 December 2025 (JD 7,211,105 as at 31 December 2024). Moreover the due Ijara installments were presented under deferred sales receivables and other receivables-Net (Note 8).

(14) AL-QARD AL-HASAN - NET

The details of this item are as follows :

	31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	**10,186,797**	**34,221,814**
Sources of the fund from :		
Shareholders Equity	(30,860,956)	(75,795,648)
Total Sources of the fund during the year	**(30,860,956)**	**(75,795,648)**
Uses of the fund on :		
Companies	62,917,128	50,173,249
Employees	52,677	68,106
Retail	9,402,851	1,519,276
Total uses during the year	**72,372,656**	**51,760,631**
Gross balance	**51,698,497**	**10,186,797**
Add: exposed accounts	**2,547,064**	**2,695,341**
Less : Provision for expected credit losses	(1,891,551)	(1,438,771)
Balance at the end of the year - Net	**52,354,010**	**11,443,367**

(15) INVESTMENTS IN REAL ESTATE

	JOINT	
	2025	2024
	JD	JD
Investments in Real Estate *	1,730,415	-
Total	**1,730,415**	**-**

* Investments in real estate are shown at fair value, noting that their cost was JD 1,042,660 as of 31 December 2025 (compared to nothing as of 31 December 2024).

The movement on real estate investments is as follows :

	JOINT	
	Lands	
	31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	**-**	**-**
Additions	1,042,660	-
Valuation differences (changes in the fair value of real estate investments)*	687,755	-
Balance at the ending of the year	**1,730,415**	**-**

* The fair value of real estate investments was based on the average valuations as of 31 December 2025.

(16) PROPERTY AND EQUIPMENT - NET

For the year ended 31 December 2025	Lands	Buildings	Equipment, Devices and furniture	Vehicles	Computers	Others	Total
	JD	JD	JD	JD	JD	JD	JD
Cost:							
Beginning balance for the year	**2,747,021**	**12,882,553**	**19,649,834**	**335,931**	**5,308,906**	**1,323,070**	**42,247,315**
Additions / capitalization*	-	-	1,049,020	52,400	714,262	4,407	1,820,089
Disposals	-	(4,575)	(197,406)	(11,000)	-	-	(212,981)
Ending balance for the year	**2,747,021**	**12,877,978**	**20,501,448**	**377,331**	**6,023,168**	**1,327,477**	**43,854,423**
Accumulated depreciation:							
Beginning balance for the year	-	2,960,080	14,931,288	128,002	3,506,683	521,206	22,047,259
Depreciation for the year	-	257,214	1,511,039	50,060	663,322	78,421	2,560,056
Disposals	-	(2,257)	(189,652)	(10,999)	-	-	(202,908)
Ending balance for the year	-	3,215,037	16,252,675	167,063	4,170,005	599,627	24,404,407
Net book value for property and equipment	**2,747,021**	**9,662,941**	**4,248,773**	**210,268**	**1,853,163**	**727,850**	**19,450,016**
Advance payments on purchasing property and equipment	-	-	441,482	-	-	2,369,646	2,811,128
Projects under progress	-	-	1,278,044	-	-	9,047	1,287,091
Net property and equipment at the end of year	**2,747,021**	**9,662,941**	**5,968,299**	**210,268**	**1,853,163**	**3,106,543**	**23,548,235**
For the year ended 31 December 2024							
Cost:							
Beginning balance for the year	**2,747,021**	**12,882,553**	**18,775,229**	**282,131**	**5,241,893**	**1,323,070**	**41,251,897**
Additions / capitalization*	-	-	1,392,985	162,500	900,916	-	2,456,401
Disposals	-	-	(518,380)	(108,700)	(833,903)	-	(1,460,983)
Ending balance for the year	**2,747,021**	**12,882,553**	**19,649,834**	**335,931**	**5,308,906**	**1,323,070**	**42,247,315**
Accumulated depreciation:							
Beginning balance for the year	-	2,702,072	13,874,262	200,301	3,805,201	442,685	21,024,521
Depreciation for the year	-	258,008	1,566,506	36,400	535,094	78,521	2,474,529
Disposals	-	-	(509,480)	(108,699)	(833,612)	-	(1,451,791)
Ending balance for the year	-	2,960,080	14,931,288	128,002	3,506,683	521,206	22,047,259
Net book value for property and equipment	**2,747,021**	**9,922,473**	**4,718,546**	**207,929**	**1,802,223**	**801,864**	**20,200,056**
Advance payments on purchasing property and equipment	-	-	60,303	-	-	1,052,490	1,112,793
Projects under progress	-	-	1,010,729	-	-	-	1,010,729
Net property and equipment at the end of year	**2,747,021**	**9,922,473**	**5,789,578**	**207,929**	**1,802,223**	**1,854,354**	**22,323,578**

-Fully depreciated property and equipment amounted to JD 14,152,110 as at 31 December 2025 (JD 10,467,681 as at 31 December 2024).

-The total estimated cost to complete projects in progress amounted to JD 6,476,666 as at 31 December 2025.

*An amount of JD 1,808,433 was capitalized from payments on the purchase of property, equipment and projects under progress during the year 2025 (JD 264,926 during the year 2024).

(17) INTANGIBLE ASSETS-NET

The details of this item are as follows:

	Computer Systems & Software	
	31 December	
	2025	2024
	JD	JD
Beginning balance for the year	**1,673,942**	**1,697,221**
Additions	1,737,750	690,038
Disposal	-	(7,061)
Amortization for the year	(794,269)	(706,256)
Ending balance for the year	**2,617,423**	**1,673,942**

(18) OTHER ASSETS

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Cheques for collection	179,229	753,075
*Seized assets by the Bank against debts-Net	24,107,575	49,827,080
Prepaid expenses	2,110,080	1,928,440
Accrued and uncollected revenue	12,216,913	9,462,075
Stationery and printing inventory	310,396	280,393
Withholding income tax	27,639	24,389
Transaction in progres	10,212,218	8,963,043
Petty cash	195,389	236,725
Temporary debit accounts	9,905,291	-
Other receivable-Net	198,591	179,058
Others	587,858	1,024,131
Total	**60,051,179**	**72,678,409**

- Other receivables include Legal expenses in the amount of JD 965,491 fully covered by other receivables provision at the same amount as at 31 December 2025(697,265 as at 31 December 2025).

***The movement of the seized assets by the Bank against debts was as follows:**

	31 December 2025			31 December 2024
	Seized real estates -self	Seized real estates- Joint	Total	Total
	JD	JD	JD	JD
Balance at the beginning of the year	**391,729**	**51,308,360**	**51,700,089**	**37,842,657**
Additions	-	1,006,332	1,006,332	15,045,702
Sales and disposal	(6,977)	(26,933,278)	(26,940,255)	(1,188,270)
Total	**384,752**	**25,381,414**	**25,766,166**	**51,700,089**
Provision of seized assets (Central Bank of Jordan Instructions/impairment of real estate)	(159,630)	(1,498,961)	(1,658,591)	(1,873,009)
Balance at the end of the year	**225,122**	**23,882,453**	**24,107,575**	**49,827,080**

- The Central Bank of Jordan's regulations require disposal of seized assets during a maximum period of two years from the date of repossession, and in some cases the Central Bank of Jordan can extend the period for an additional two years at max.

The following is the movement on the provision for expropriated real estate:

	For the year ended 31 December 2025			For the year ended 31 December 2024
	Seized real estates -self	Seized real estates- Joint	Total	Total
	JD	JD	JD	JD
Provision balance at the beginning of the year	**(343,441)**	**(1,529,568)**	**(1,873,009)**	**(1,435,563)**
Additions to the provision for impairment of real estate	-	(439,731)	(439,731)	(474,883)
Additions to the real estate provision (instructions of the Central Bank of Jordan)	-	-	-	-
Disposal from the provision for impairment of real estate	183,811	470,338	654,149	37,437
Disposal from the real estate provision (Central Bank of Jordan instructions)	-	-	-	-
Balance at the end of the year	**(159,630)**	**(1,498,961)**	**(1,658,591)**	**(1,873,009)**

(19) BANKS AND FINANCIAL INSTITUTIONS ACCOUNTS

The details of this item are as follows:

	31 December 2025			31 December 2025
	Inside the Kingdom	Outside the Kingdom	Total	2024
	JD	JD	JD	JD
Current accounts	3,260,438	14,304,117	17,564,555	30,544,484
Total	**3,260,438**	**14,304,117**	**17,564,555**	**30,544,484**

(20) CUSTOMERS' CURRENT ACCOUNTS

The details of this item are as follows:

	31 December 2025				
	Retail	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	216,237,841	16,807,937	114,847,992	3,298,280	351,192,050
Total	**216,237,841**	**16,807,937**	**114,847,992**	**3,298,280**	**351,192,050**
	31 December 2024				
	Retail	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	193,759,853	18,492,606	99,289,984	2,290,927	313,833,370
Total	**193,759,853**	**18,492,606**	**99,289,984**	**2,290,927**	**313,833,370**

- Government and public sector deposits inside the Kingdom as at 31 December 2025 amounted to JD 3,298,280 representing 0.94% of the total customers' current accounts (As at 31 December 2024 amounted to JD 2,290,927 representing 0.73% of the total customers' current accounts) .
- The restricted accounts as at 31 December 2025 amounted to JD 2,661,817 representing 0.76% of the total customers' current accounts (As at 31 December 2024 amounted to JD 4,333,691 representing 1.38% of the total customers' current accounts) .
- The dormant accounts as at 31 December 2025 amounted to JD 4,104,679 (As at 31 December 2024 amounted to JD 9,176,613).

(21) CASH MARGIN ACCOUNTS

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Margins against direct facilities	48,708,975	31,523,135
Margins against indirect facilities	159,456,074	121,418,099
Other margins	125,800	120,000
Total	**208,290,849**	**153,061,234**

(22) OTHER PROVISIONS

The details of this item are as follows:

	31 December 2025				
	Beginning balance	Additions during the year	Used during the year	Reversed to income	Ending balance
	JD	JD	JD	JD	JD
Provision of lawsuits against the Bank	63,719	-	4,393	-	59,326
Provision for contingent liabilities	100,000	-	-	-	100,000
Total	**163,719**	**-**	**4,393**	**-**	**159,326**
	31 December 2024				
	Beginning balance	**Additions during the year**	**Used during the year**	**Reversed to income**	**Ending balance**
	JD	**JD**	**JD**	**JD**	**JD**
Provision of lawsuits against the Bank	63,719	-	-	-	63,719
Provision for contingent liabilities	100,000	-	-	-	100,000
Total	**163,719**	**-**	**-**	**-**	**163,719**

(23) INCOME TAX

A- Income tax provision
The movement of the income tax provision is as follows :

	31 December	
	2025	2024
	JD	JD
Beginning balance for the year	**20,680,565**	**11,919,750**
Accrued income tax	18,077,617	18,843,507
Income tax from the sale of financial assets	22,842	-
Previous years adjustments (setting off tax deposits for the subsidiary)	(24,362)	(40,697)
Less: Income tax paid	(20,614,017)	(10,041,995)
Ending balance for the year	**18,142,645**	**20,680,565**

B- The income tax expense presented in the Consolidated Statement of Income and Comprehensive Income consists of the following :

	For the year ended 31 December	
	2025	2024
	JD	JD
Income tax for the period	18,077,617	18,843,507
Released from deferred tax assets - self	1,101,054	246,772
Released from deferred tax assets - joint	2,272,563	-
Added to deferred tax assets - self	(1,479,956)	(710,176)
Added to deferred tax assets - joint	(2,756,936)	(5,817,306)
Total	**17,214,342**	**12,562,797**

-Income tax has been calculated in accordance with the Income Tax Law No. (34) of 2014 and its amendments. The Bank's statutory income tax rate is 35% plus 3% National Contribution Tax, with a total of 38% implemented from 1 january 2019.

Group tax Status:

The Bank :

- A final settlement of income tax has been reached until the end of 2020, and the Bank submitted its self-assessment statements for the years 2021,2022,2023&2025 within the legal deadline, and the Income and Sales Tax Department has not reviewed the Bank's records until the date of preparing these consolidated financial statements..

The Subsidiary:

Misk for Financial Brokerage Company:

- Tax clearance was obtained until the end of 2023, The company submitted the self-assessment return for the year 2024 within the legal deadline, and the Income and Sales Tax Department has not reviewed the company's records up to the date of preparation of the financial statements.

- In the opinion of managament and its tax consultant, the tax provision recorded for the group is sufficient as at 31 December 2025.

C- Deferred tax assets

1- Deferred tax assets

The details of this item are as follows:

Deferred tax assets	31 December 2025					31 December 2024
	Beginning Balance for the year	Released Amounts	Additional Amounts	Ending Balance for the year	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Deferred tax assets - self						
Provision of lawsuits against the Bank	63,719	4,393	-	59,326	22,544	24,213
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - self	343,441	183,811	-	159,630	60,659	130,507
Provision for expected credit losses for the first and second stages and other receivables - self	1,098,777	-	607,125	1,705,902	648,243	417,535
Difference in the application of Standard (32) Islamic Lease	948,318	-	44,997	993,315	377,460	360,361
Provision for contingent liabilities	100,000	-	-	100,000	38,000	38,000
Unpaid Employee bonuses incentives	1,001,133	2,709,307	3,242,500	1,534,326	583,043	380,431
Total Deferred tax assets - self	**3,555,388**	**2,897,511**	**3,894,622**	**4,552,499**	**1,729,949**	**1,351,047**
Deferred tax assets - joint						
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - joint	1,427,877	30,608	-	1,397,269	530,962	542,593
Provision for expected credit losses for the first, and second and third stages and other receivables - joint	43,718,057	5,949,820	7,255,094	45,023,331	17,108,866	16,612,862
Total Deferred tax assets - joint	**45,145,934**	**5,980,428**	**7,255,094**	**46,420,600**	**17,639,828**	**17,155,455**
Total	**48,701,322**	**8,877,939**	**11,149,716**	**50,973,099**	**19,369,777**	**18,506,502**

2. Deferred tax liabilities

The details of this item are as follows:

Deferred tax liabilities	31 December 2025					31 December 2024
	Beginning Balance for the year	Released Amounts	Additional Amounts	Ending Balance for the year	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Financial asstes at fair value through other comprehensive income- Subsidiary Company (Misc)	-	-	111,289	111,289	31,161	-
Total Deferred tax liabilities - self	**-**	**-**	**111,289**	**111,289**	**31,161**	**-**

The movement on deferred tax assets - self is as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	**1,351,047**	**887,643**
Additions during the year	1,479,956	710,176
Released during the year	(1,101,054)	(246,772)
Balance at the End of the year	**1,729,949**	**1,351,047**

The movement on deferred tax assets - Joint is as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	**17,155,455**	**11,338,149**
Additions during the year	2,756,936	5,817,306
Released during the year	(2,272,563)	-
Balance at the end of the year	**17,639,828**	**17,155,455**

D - Reconciliation summary between taxable income and accounting income were as follow :-

	For the year ended 31 December	
	2025	2024
	JD	JD
Accounting profit for the Bank	**43,928,556**	**32,787,708**
Less: Non-taxable income	(8,937,674)	(704,400)
Add: Non-deductible expenses	11,860,593	17,762,270
Tax income for the Bank	**46,851,475**	**49,845,578**
Attributable to		
Taxable income for the Bank (separated)	45,702,729	48,821,703
Subsidiary's and associate's taxable profit	1,153,746	1,023,875
Statutory tax rate- Bank	38%	38%
Statutory tax rate- Subsidiary	28%	28%
Effective tax rate	36.7%	38.3%

(24) OTHER LIABILITIES

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Accrued and not paid expenses	4,167,639	2,907,389
Banker's certified cheques	12,199,856	9,470,706
Provision of expected credit losses on off balance sheet items - self (Note 59)	183,806	324,155
Provision of expected credit losses on off balance sheet items - joint (Note 59)	959,366	812,801
Shareholders and customers deposits	96,793,507	11,852,676
Customers' share of profits from joint investment	40,575,926	36,592,700
Temporary deposits*	20,065,202	11,658,071
Alkhayrat account deposits**	62,023	24,349
Visa Claims	4,986,356	4,662,045
Others	1,971,346	2,157,993
Total	**181,965,027**	**80,462,885**

*This includes intermediate accounts amounting to JD 12,420,587 as at 31 December 2025 (JD 7,361,632 as at 31 December 2024), which is the value of credits and deferred policies, and the value will be paid when due.

** The net change in this item represents the amounts received by the Bank from sources or in ways that are not in accordance with the provisions and principles of Islamic Sharia, and the profits of which were set aside from the Bank's revenues during the year ended 31 December 2025, amounting to JD (58,943) to the deposits of the Al-Khairat account, and an amount of JD (21,269) was disbursed on charity during the year ended 31 December 2025.

• **Expected credit losses**

Expected credit loss of indirect facilities

A-Self

Movement on indirect facilities :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**196,276,099**	**-**	**45,053,717**	**-**	**649,297**	**241,979,113**	**121,383,874**
New exposures during the year	172,490,441	-	1,038,230	-	-	173,528,671	177,178,270
Settled exposures	(77,409,180)	-	(34,741,473)	-	(500,000)	(112,650,653)	(31,082,559)
Transfer to Stage 1	5,106,381	-	(5,106,381)	-	-	-	-
Transfer to Stage 2	(1,036,700)	-	1,036,700	-	-	-	-
Transfer to Stage 3	-	-	(600)	-	600	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(651,475)	-	(129,704)	-	-	(781,179)	1,835,903
Changes resulting from modifications	(16,044,983)	-	(974,247)	-	-	(17,019,230)	(27,336,375)
Total balance at the end of the year	**278,730,583**	**-**	**6,176,242**	**-**	**149,897**	**285,056,722**	**241,979,113**

Movement on the provision for expected credit losses (indirect facilities) :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**68,247**	**-**	**255,908**	**-**	**-**	**324,155**	**137,628**
Impairment loss on new exposures during the year	75,877	-	12,209	-	-	88,086	143,130
Impairment loss of matured / exposures	(24,436)	-	(110,682)	-	-	(135,118)	(12,701)
Transfer to Stage 1	123,386	-	(123,386)	-	-	-	-
Transfer to Stage 2	(5,518)	-	5,518	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(103,618)	-	(555)	-	-	(104,173)	96,828
Changes resulting from modifications	3,046	-	7,810	-	-	10,856	(40,730)
Total balance at the end of the year	**136,984**	**-**	**46,822**	**-**	**-**	**183,806**	**324,155**

Expected credit loss of indirect facilities / Guarantees

Distribution of total indirect facilities / guarantees

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Insignificant Risk	25,000	-	-	-	-	25,000	55,250
Almost risk free	2,900,200	-	-	-	-	2,900,200	3,205,232
Low risk	7,033,528	-	-	-	-	7,033,528	6,710,926
Normal risk	9,870,013	-	-	-	-	9,870,013	6,192,561
Acceptable risk	15,709,957	-	-	-	-	15,709,957	1,236,053
Acceptable with due care	-	-	2,809,598	-	-	2,809,598	1,180,427
Watch list	15,000	-	93,567	-	-	108,567	4,659,481
Doubtful	-	-	-	-	-	-	11,488
Loss	-		-		149,397	149,397	137,309
Unrated	2,761,495		3,273,077		500	6,035,072	14,019,320
Total	**38,315,193**	**-**	**6,176,242**	**-**	**149,897**	**44,641,332**	**37,408,047**

Movement on indirect facilities / Guarantees :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**25,519,439**	**-**	**11,239,311**	**-**	**649,297**	**37,408,047**	**44,433,697**
New exposures during the year	15,046,930	-	1,038,230	-	-	16,085,160	6,380,003
Settled exposures during the year	(7,721,193)	-	(927,067)	-	(500,000)	(9,148,260)	(2,956,496)
Transfer to Stage 1	5,106,381	-	(5,106,381)	-	-	-	-
Transfer to Stage 2	(1,036,700)	-	1,036,700	-	-	-	-
Transfer to Stage 3	-	-	(600)	-	600	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(651,475)	-	(129,704)	-	-	(781,179)	1,835,903
Changes resulting from modifications	2,051,811	-	(974,247)	-	-	1,077,564	(12,285,060)
Total balance at the end of the year	**38,315,193**	**-**	**6,176,242**	**-**	**149,897**	**44,641,332**	**37,408,047**

Movement on the provision for expected credit loss (indirect facilities / Guarantees) :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**48,584**	**-**	**147,772**	**-**	**-**	**196,356**	**132,796**
Impairment loss on new exposures during the year	42,310	-	12,209	-	-	54,519	15,914
Impairment loss of matured / exposures	(16,931)	-	(2,546)	-	-	(19,477)	(8,914)
Transfer to Stage 1	123,386	-	(123,386)	-	-	-	-
Transfer to Stage 2	(5,518)	-	5,518	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(103,618)	-	(555)	-	-	(104,173)	96,828
Changes resulting from modifications	7,664	-	7,810	-	-	15,474	(40,268)
Total balance at the end of the year	**95,877**	**-**	**46,822**	**-**	**-**	**142,699**	**196,356**

Expected credit loss of indirect facilities / Acceptancess

Distribution of total on indirect facilities /Acceptancess

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Low risk	10,967	-	-	-	-	10,967	13,741,085
Normal risk	11,183,789	-	-	-	-	11,183,789	1,532,089
Acceptable risk	21,128	-	-	-	-	21,128	-
Watch list	-					-	19,623
Unrated	7,700,463	-	-	-	-	7,700,463	7,040,288
Total	**18,916,347**	**-**	**-**	**-**	**-**	**18,916,347**	**22,333,085**

Movement on indirect facilities / Acceptancess :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**16,499,662**	**-**	**5,833,423**	**-**	**-**	**22,333,085**	**7,978,979**
New exposures during the year	18,905,380	-	-	-	-	18,905,380	21,084,816
Settled exposures during the year	(9,803,853)	-	(5,833,423)	-	-	(15,637,276)	(4,457,425)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-	-	-
Changes resulting from modifications	(6,684,842)	-	-	-	-	(6,684,842)	(2,273,285)
Total balance at the end of the year	**18,916,347**	**-**	**-**	**-**	**-**	**18,916,347**	**22,333,085**

Movement on the provision for expected credit loss(indirect facilities / Acceptancess) :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**2,946**	**-**	**18,500**	**-**	**-**	**21,446**	**810**
Impairment loss on new exposures during the year	9,870	-	-	-	-	9,870	21,433
Impairment loss of matured / exposures	(54)	-	(18,500)	-	-	(18,554)	(790)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	-	-	-	-	-	-
Changes resulting from modifications	(2,888)	-	-	-	-	(2,888)	(7)
Total balance at the end of the year	**9,874**	**-**	**-**	**-**	**-**	**9,874**	**21,446**

Expected credit loss of indirect facilities / Letters of credit

Distribution of total on indirect facilities /Letters of credit

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Almost risk free	1,831,661	-	-	-	-	1,831,661	8,824,869
Low risk	113,532,470	-	-	-	-	113,532,470	82,568,068
Normal risk	7,618,328	-	-	-	-	7,618,328	6,943,711
Acceptable risk	11,736,621	-	-	-	-	11,736,621	14,658,990
Watch list	-	-	-	-	-	-	1,356,205
Unrated	86,779,963	-	-	-	-	86,779,963	67,886,138
Total	**221,499,043**	**-**	**-**	**-**	**-**	**221,499,043**	**182,237,981**

Movement on indirect facilities / Letters of credit :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**154,256,998**	**-**	**27,980,983**	**-**	**-**	**182,237,981**	**68,971,198**
New exposures during the year	138,538,131	-	-	-	-	138,538,131	149,713,451
Settled exposures during the year	(59,884,134)	-	(27,980,983)	-	-	(87,865,117)	(23,668,638)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-	-	-
Changes resulting from modifications	(11,411,952)	-	-	-	-	(11,411,952)	(12,778,030)
Total balance at the end of the year	**221,499,043**	**-**	**-**	**-**	**-**	**221,499,043**	**182,237,981**

Movement on the provision for expected credit loss(indirect facilities / Letters of credit) :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**16,717**	**-**	**89,636**	**-**	**-**	**106,353**	**4,022**
Impairment loss on new exposures during the year	23,697	-	-	-	-	23,697	105,783
Impairment loss of matured / exposures	(7,451)	-	(89,636)	-	-	(97,087)	(2,997)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	-	-	-	-	-	-
Changes resulting from modifications	(1,730)	-	-	-	-	(1,730)	(455)
Total balance at the end of the year	**31,233**	**-**	**-**	**-**	**-**	**31,233**	**106,353**

Expected credit loss of indirect facilities

B- joint

Movement on indirect facilities :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**182,134,063**	**-**	**2,348,172**	**-**	**-**	**184,482,235**	**229,713,569**
New exposures during the year	75,728,451	-	1,330,314	-	-	77,058,765	37,306,127
Settled exposures during the year	(30,825,501)	-	(892,753)	-	-	(31,718,254)	(61,699,760)
Transfer to Stage 1	494,968	-	(494,968)	-	-	-	-
Transfer to Stage 2	(174,827)	-	174,827	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(192,941)	-	771,360	-	-	578,419	98,662
Changes resulting from modifications	(9,510,025)	-	552,715	-	-	(8,957,310)	(20,936,363)
Total balance at the end of the year	**217,654,188**	**-**	**3,789,667**	**-**	**-**	**221,443,855**	**184,482,235**

Movement on the provision for expected credit losses (indirect facilities /joint) :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**764,645**	**-**	**48,156**	**-**	**-**	**812,801**	**1,402,126**
Impairment loss on new exposures during the year	267,297	-	43,006	-	-	310,303	137,720
Impairment loss of matured / exposures	(115,020)	-	(33,700)	-	-	(148,720)	(360,659)
Transfer to Stage 1	9,178	-	(9,178)	-	-	-	-
Transfer to Stage 2	(1,876)	-	1,876	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(7,839)	-	33,190	-	-	25,351	16,519
Changes resulting from modifications	(50,460)	-	10,091	-	-	(40,369)	(382,905)
Total balance at the end of the year	**865,925**	**-**	**93,441**	**-**	**-**	**959,366**	**812,801**

Expected credit loss of indirect facilities - Unutilized credit limits

Distribution of total on indirect facilities/Unutilized credit limits

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Insignificant Risk	12,566,039	-	-	-	-	12,566,039	12,526,126
Almost risk free	17,819,300	-	-	-	-	17,819,300	15,193,155
Low risk	82,368,225	-	-	-	-	82,368,225	35,984,537
Normal risk	36,226,087	-	-	-	-	36,226,087	40,527,275
Acceptable risk	57,174,524	-	-	-	-	57,174,524	44,135,085
Acceptable with due care	30,508	-	1,720,537	-	-	1,751,045	3,864,808
Watch list	19,886		1,894,562			1,914,448	860,634
Unrated	11,449,619	-	174,568	-	-	11,624,187	31,390,615
Total	**217,654,188**	**-**	**3,789,667**	**-**	**-**	**221,443,855**	**184,482,235**

Movement on the indirect facilities/credit Unutilized credit limits :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**182,134,063**	**-**	**2,348,172**	**-**	**-**	**184,482,235**	**229,713,569**
New exposures during the year	75,728,451	-	1,330,314	-	-	77,058,765	37,306,127
Settled exposures during the year	(30,825,501)	-	(892,753)	-	-	(31,718,254)	(61,699,760)
Transfer to Stage 1	494,968	-	(494,968)	-	-	-	-
Transfer to Stage 2	(174,827)	-	174,827	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(192,941)	-	771,360	-	-	578,419	98,662
Changes resulting from modifications	(9,510,025)	-	552,715	-	-	(8,957,310)	(20,936,363)
Total balance at the end of the year	**217,654,188**	**-**	**3,789,667**	**-**	**-**	**221,443,855**	**184,482,235**

Movement on the indirect facilities/credit Unutilized credit limits :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	**764,645**	**-**	**48,156**	**-**	**-**	**812,801**	**1,402,126**
Impairment loss on new exposures during the year	267,297	-	43,006	-	-	310,303	137,720
Impairment loss of matured / exposures	(115,020)	-	(33,700)	-	-	(148,720)	(360,659)
Transfer to Stage 1	9,178	-	(9,178)	-	-	-	-
Transfer to Stage 2	(1,876)	-	1,876	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(7,839)	-	33,190	-	-	25,351	16,519
Changes resulting from modifications	(50,460)	-	10,091	-	-	(40,369)	(382,905)
Total balance at the end of the year	**865,925**	**-**	**93,441**	**-**	**-**	**959,366**	**812,801**

(25) URESTRICTED INVESTMENT ACCOUNTS

The details of this item are as follows:

	31 December 2025					
	Individuals	Corporate	Small and Medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	292,079,828	78,863,252	134,765,611	13,030,870	59,512,903	578,252,464
Term accounts / Investing deposits	946,438,275	455,165,416	206,688,238	170,127,957	107,333,226	1,885,753,112
Certificates of investing deposit	540,683,543	11,721,715	30,928,331	65,278,890	20,523,219	669,135,698
Total	**1,779,201,646**	**545,750,383**	**372,382,180**	**248,437,717**	**187,369,348**	**3,133,141,274**
Depositors' share from investments' revenue	72,179,576	20,999,424	11,508,704	10,950,938	9,383,355	125,021,997
Total unrestricted investment accounts	**1,851,381,222**	**566,749,807**	**383,890,884**	**259,388,655**	**196,752,703**	**3,258,163,271**

	31 December 2024					
	Individuals	Corporate	Small and Medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	255,267,788	56,426,024	162,830,521	7,102,750	41,129,999	330,773,452
Term accounts / Investing deposits	907,283,059	265,773,496	98,650,014	144,558,773	46,956,757	1,281,192,619
Certificates of investing deposit	464,874,433	39,519,632	34,925,077	56,318,591	24,741,001	490,327,646
Total	**1,627,425,280**	**361,719,152**	**296,405,612**	**207,980,114**	**112,827,757**	**2,102,293,717**
Depositors' share from investments' revenue	69,809,621	15,101,246	7,959,518	9,869,967	7,320,282	94,233,978
Total unrestricted investment accounts	**1,697,234,901**	**376,820,398**	**304,365,130**	**217,850,081**	**120,148,039**	**2,196,527,695**

- Unrestricted investment accounts share of profit is calculated as follows :
- 11% to 50% of the minimum balance of saving accounts in Jordanian Dinar.
- 14% to 35% of the minimum balance of saving accounts in foreign currencies.
- 58% to 97% of the average term accounts in Jordanian Dinar.
- 18% to 61% of the average term accounts in foreign currencies.
- 90% to 97% of the average balances of investing certificates of deposit in Jordanian Dinar.
- 80% to 85% of average balances of certificates of investing deposit in foreign currencies .
- The general percentage of the profit on the Jordanian Dinar for the year ended 31 December 2025 is (3.99%) (for the year ended 31 December 2024 was (4.49%)).
- The general percentage of the profit on USD for the year ended 31 December 2025 is (3.13%) (for the year ended 31 December 2024 was (3.34%)).
- The unrestricted investment accounts for the Government and Public sector amounted to JD 259,388,655 as at 31 December 2025 which represents 7.96 % of the total Unrestricted investment accounts (As at 31 December 2024 amounted to JD 217,850,081 which represents 8.02 % of the total Unrestricted investment accounts).
- The restricted accounts amounted to JD 1,383,666 as at 31 December 2025 which represents 0.04% of the total Unrestricted investment (As at 31 December 2024 amounted to JD 4,220,528 which represent 0.16% of the total Unrestricted investment).
- The dormant accounts as at 31 December 2025 amounted to JD 11,575,917 (As at 31 December 2024 amounted to JD 7,866,495).

(26) FAIR VALUE RESERVE

The details of this item are as follows:

A- Fair value reserve within quasi-equity - net:

	31 December 2025			31 December 2024		
	Financial assets at fair value	Investments in real estate	Total	Financial assets at fair value	Investments in real estate	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	**16,942**	**-**	**16,942**	**(371,067)**	**-**	**(371,067)**
Unrealized gains / sukuk	1,175,021	-	1,175,021	456,723	-	456,723
Unrealized gains (losses) / shares	2,174,633	-	2,174,633	(68,714)	-	(68,714)
Unrealized gains/investments in real estate	-	687,755	687,755	-	-	-
Balance at the end of the year	**3,366,596**	**687,755**	**4,054,351**	**16,942**	**-**	**16,942**

B- Fair value reserve within equity - net:

fair value reserve for financial assets through quasi-equity	31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	**94,068**	**(25,069)**
Unrealized gains / shares	99,934	64,000
Unrealized gains / sukuk	1,403,353	55,137
Sale financial assets at fair value through other comprehensive income	(58,737)	-
Balance at the end of the year	**1,538,618**	**94,068**

(27) AUTHORITY PAID IN CAPITAL

The authorized and paid-in capital amounted to JD 150,000,000, consisting of 150,000,000 shares, at a par value of JD 1 per share as at 31 December 2025 (JD 120,000,000, consisting of 120,000,000 shares, as at 31 December 2024).

The bank's capital has been increased from JOD (120) million to JOD (150) million, following the approval of the Central Bank of Jordan and the General Assembly's approval during its meeting on 24 April 2025.

(28) SHARES TO BE DISTRIBUTED TO SHAREHOLDERS

The Board of Directors recommended in its meeting held on 29 January 2026 of the General Assembly of Shareholders to approve the increase in the Bank's capital by JD(30) million and 20% of the Banks capital to become JD (180) million, by distributing bonus shares to shareholders (bonus shares were distributed to shareholders during the previous year with percent 25% of the Bank's capital).

(29) RESERVES

Statutory reserve :
The accumulated amounts in this account represent the transferred (10%) of annual profits before taxes during the years, according to the Banks and Companies Laws. This reserve is not available for distribution to shareholders.

The following reserves are restricted:

Reserve name	31 December		Nature of recordly
	2025	2024	
	JD	JD	
Statutory reserve	42,712,902	38,320,046	Law's requirement (Banking and companies)

(30) RETAINED EARNINGS

	31 December	
	2025	2024
	JD	JD
Beginning balance of the year	**51,089,561**	**54,293,534**
Transferred to statutory reserve	(4,392,856)	(3,278,771)
Capital increase	(30,000,000)	(20,000,000)
Capital increase fees	(200,108)	(150,113)
Net gain on sale of financial assets through other comprehensive income	58,737	-
Profit for the year	26,714,214	20,224,911
Ending balance of the year	**43,269,548**	**51,089,561**

-The retained earnings balance as at 31 December 2025 includes an amount to JD 1,729,949 (31 December 2024 amounted to JD 1,351,047) which represent deferred tax assets-self and it is restricted from use in accordance with the Central Bank of Jordan regulations.

-It is prohibited to dispose of the surplus from the balance of the general banking risk reserve, which is transferred to the retained earnings, amounting to JD 108,397 except with the prior approval of the Central Bank of Jordan, where the accumulated balance of the general banking risk reserve has been transferred to the retained earnings based on the instructions of the Central Bank of Jordan No. (13/2018) issued On 6 June 2018.

(31) DEFERRED SALES INCOME

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD		JD	JD	
Individuals (Retail)						
Murabaha to the purchase orderer	38,734,393	143,628	38,878,021	36,268,356	128,289	36,396,645
Real estate facilities	581,286	-	581,286	2,193,042	-	2,193,042
Corporate						
International Murabaha	844,458	-	844,458	733,029	-	733,029
Murabaha to the purchase orderer	30,729,743	-	30,729,743	26,318,507	-	26,318,507
Small and medium enterprises						
Murabaha to the purchase orderer	6,401,712	-	6,401,712	5,149,064	-	5,149,064
Government and the public sector	34,514,608	-	34,514,608	23,758,247	-	23,758,247
Total	**111,806,200**	**143,628**	**111,949,828**	**94,420,245**	**128,289**	**94,548,534**

(32) IJARA MUNTAHIA BELTAMLEEK INCOME

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Ijara Muntahia Beltamleek – real state	163,054,040	1,077,466	164,131,506	134,798,701	805,476	135,604,177
Ijara Muntahia Beltamleek – machines	6,625,177	-	6,625,177	6,182,646	-	6,182,646
Ijara Muntahia Bittamleek assets – vehicles	554,498	-	554,498	563,730	-	563,730
Depreciation for Ijara Muntahia Beltamleek assets	(103,575,685)	(797,095)	(104,372,780)	(73,743,801)	(555,423)	(74,299,224)
Total	**66,658,030**	**280,371**	**66,938,401**	**67,801,276**	**250,053**	**68,051,329**

(33) INTERNATIONAL WAKALA INVESTMENTS INCOME

The details of this item are as follows:

	Joint	
	For the year ended 31 December	
	2025	2024
	JD	JD
International wakala investments income	7,685,737	8,785,237
Total	**7,685,737**	**8,785,237**

(34) INCOME FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMREHENSIVE INCOME

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2025	2024
	JD	JD
Shares dividends	-	44,000
Gains on sale of financial assets (Sukuk)	248,611	78,970
Sukuk profits	3,264,411	736,723
Total	**3,513,022**	**859,693**

(35) INCOME FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH QUASI-EQUITY

The details of this item are as follows:

	Joint	
	For the year ended 31 December	
	2025	2024
	JD	JD
Shares dividends	21,616	108,337
Gains on sale of financial assets (Sukuk & Shares)	386,726	268,576
Sukuk profits	20,473,612	23,353,803
Total	**20,881,954**	**23,730,716**

(36) INCOME FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME

The details of this item are as follows:

	Joint							
	For the year ended 31 December							
	2025				2024			
	Realized gains	Unrealized gains (losses)	Dividends	Total	Realized gains	Unrealized gains	Dividends	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Companies shares	4,749	(5,742)	-	(993)	-	-	-	-
Sukuk	133,672	64,417	-	198,089	7,854	-	-	7,854
Total	**138,421**	**58,675**	**-**	**197,096**	**7,854**	**-**	**-**	**7,854**
Less :								
Commission for holding shares	34	-	-	34	-	-	-	-
Commission for holding sukuk	1,425	-	-	1,425	-	-	-	-
Total	**136,962**	**58,675**	**-**	**195,637**	**7,854**	**-**	**-**	**7,854**

(37) INCOME FROM FINANCIAL ASSETS AT AMORTIZED COST

The details of this item are as follows:

	For the year ended 31 December			For the year ended 31 December		
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Sukuk	7,191,120	7,185,178	14,376,298	2,609,377	-	2,609,377
Total	**7,191,120**	**7,185,178**	**14,376,298**	**2,609,377**	**-**	**2,609,377**

(38) GAINS (LOSSES) FROM FOREIGN CURRENCIES VALUATION

The details of this item are as follows:

	Joint	
	For the year ended 31 December	
	2025	2024
	JD	JD
Gains (losses) foreign currency valuation	102,736	(84,177)
Total	**102,736**	**(84,177)**

(39) INCOME FROM FOREIGN CURRENCIES

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2025	2024
	JD	JD
Resulting from trading/dealing	3,272,793	3,258,872
Total	**3,272,793**	**3,258,872**

This item represents revenue from Murabaha to purchase order within the Restricted Wakala Investment agreement signed with the Central Bank of Jordan.

(40) BANKING SERVICES REVENUE - NET

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2025	2024
	JD	JD
Indirect facilities commissions	5,552,370	5,106,263
Direct facilities commissions	3,110,687	2,375,235
Other commissions	10,080,903	9,803,700
Less : debit commission	(5,569,445)	(4,521,938)
Total	**13,174,515**	**12,763,260**

(41) OTHER INCOME - NET

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Gains from sale of property and equipment	-	2,169	2,169	-	56,047	56,047
Gains from sale of seized assets	1,564,415	11,023	1,575,438	533,487	-	533,487
Breakage deposit commission	1,313,764	-	1,313,764	1,402,115	-	1,402,115
Membership in the Board of Directors of Jordan Fertilizer Processing Company	-	3,348	3,348	-	3,348	3,348
Other revenue	-	10,883	10,883	-	19,029	19,029
Seized assets expenses - Joint	(49,303)	-	(49,303)	(53,525)	-	(53,525)
Recovery from provision (expense provision) for impairment of seized assets	30,608	183,811	214,419	(437,446)	-	(437,446)
Total	**2,859,484**	**211,234**	**3,070,718**	**1,444,631**	**78,424**	**1,523,055**

(42) PROVISION EXPENSE FOR EXPECTED CREDIT LOSSES AND OTHER RECEIVABLES

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
International Wakala Investments	(100,179)	-	(100,179)	299,289	-	299,289
Deferred sales receivables , other receivables , facilities and Qard Al-Hasan	27,555,239	458,931	28,014,170	31,759,424	562,720	32,322,144
Financial assets at fair value through Other Comprehensive Income	-	34,163	34,163	-	64,447	64,447
Financial assets at fair value through Quasi-equity	(22,800)	-	(22,800)	433	-	433
Off-balance sheet items	146,565	(140,349)	6,216	(589,325)	186,527	(402,798)
Other receivables	-	429,557	429,557	-	697,265	697,265
Total	**27,578,825**	**782,302**	**28,361,127**	**31,469,821**	**1,510,959**	**32,980,780**

((43) DEPOSIT INSURANCE FEES

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Deposit insurance fees	3,946,544	1,998,663	5,945,207	3,256,183	1,752,304	5,008,487
Total	**3,946,544**	**1,998,663**	**5,945,207**	**3,256,183**	**1,752,304**	**5,008,487**

(44) EMPLOYEES’ EXPENSES

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Salaries, benefits, allowances and bonuses for employees	20,459,514	16,859,311
Bank’s contribution in social security	1,643,037	1,429,091
Medical expenses	1,144,951	966,876
Employees training	167,274	177,623
Insurance expenses	44,709	39,648
Total	**23,459,485**	**19,472,549**

(45) OTHER EXPENSES

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Stationery and printing	379,043	367,982
Postage, telephone and swift	838,475	663,319
Electricity, water and fuel	718,865	658,716
Travel and transportation expenses	347,381	261,190
Marketing and advertising	1,764,151	2,034,067
Subscriptions and fees	1,226,031	1,012,246
Maintenance and cleaning	718,861	594,479
Licences and fees	1,177,995	747,393
Board of Directors' meetings expenses	775,850	672,812
Information technology expenses	1,598,545	1,389,417
Security and insurance expenses	512,573	501,411
Donations	1,409,899	148,910
Management and consulting fees	349,504	330,513
Professional fees	110,917	114,123
Board of Directors' remunerations	55,000	55,000
Hospitality expenses	106,719	148,863
Money transportation expenses	275,839	296,312
Legal expenses - Self	53,682	101,177
Others	153,486	110,676
Total	**12,572,816**	**10,208,606**

(46) NET PROFIT ATTRIBUTABLE TO QUASI-EQUITY

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Customers		
Saving accounts	4,291,271	4,316,144
Term accounts	75,733,265	65,497,699
Certificates of investment deposit accounts	34,294,229	31,935,946
Cash margin accounts	4,506,665	3,952,009
Total customer revenue	**118,825,430**	**105,701,798**
Banks		
Banks and financial Institutions accounts	6,196,567	4,358,836
Total banks revenue	**6,196,567**	**4,358,836**
Total	**125,021,997**	**110,060,634**

(47) BANK'S SHARE OF REVENUE FROM UNRESTRICTED INVESTMENT ACCOUNTS AS MUDARIB AND RAB MAL

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
As Mudarib	80,692,752	57,042,289
As Rab Mal	9,000,848	18,623,767
Bank's share of revenue from unrestricted investment accounts as mudarib and rab mal before support	**89,693,600**	**75,666,056**
Less : Bank's support (as mudarib)	(28,848,496)	(21,754,398)
Bank's share of revenue from unrestricted investment accounts as mudarib and rab mal after support	**60,845,104**	**53,911,658**

(48) EARNINGS PER SHARE FROM PROFIT FOR THE YEAR

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Profit for the year	26,714,214	20,224,911
	Share	Share
Weighted average number of shares	150,000,000	150,000,000
	JD/Fils	JD/Fils
Basic and diluted earnings per share for the year	0/178	0/135

(49) CASH AND CASH EQUIVALENTS

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Cash and balances with Central Bank of Jordan maturing within three months	244,092,528	244,092,528
Add: cash at banks and financial institutions maturing within three months	19,956,320	19,956,320
Less: banks and financial institutions accounts maturing within three months	(17,564,555)	(17,564,555)
Total	**246,484,293**	**246,484,293**

(50) RELATED PARTY TRANSACTIONS

The Bank entered into transactions with shareholders, board members, and senior management within its normal operations using normal rates of Murabaha and trade commissions , All deferred sales receivables and facilities granted to related parties are performing, and no provisions were taken for these balances. The related parties' transactions are as follows :

	Main shareholders	Senior management	Board of Directors members	Al-Etihad Islamic company for investment*	Sharia directors members	Total	
						31 December	
						2025	2024
	JD	JD	JD	JD	JD	JD	JD
Consolidated statements of financial position items :							
Balances at banks and financial institutions	-	-	-	1,716,299	-	1,716,299	651,208
Unrestricted investments accounts and current accounts	465,360	1,214,391	902,947	11,938,245	44,290	14,565,233	14,591,797
Deferred sales receivables and facilities	-	463,979	6,112	-	-	470,091	439,164
Ijara Muntahia Bittamleek assets	-	1,458,717	-	-	-	1,458,717	1,553,807
Balances at banks and the financial institutions	-	-	-	-	-	-	621,416
Consolidated statement of financial position Off-balance items :							
Letters of guarantee	-	-	-	-	-	-	621,416
Consolidated statement of income and other comprehensive Income items :						For the year ended 31 December	
						2025	2024
Dividends	35	37,789	15,679	506,637	4,037	564,177	609,219
Received profit	-	83,207	-	-	-	83,207	121,046
Salaries and bonuses	-	3,004,108	55,000	-	36,400	3,095,508	2,779,698
Transportation	-	-	734,400	-	45,100	779,500	656,800
Cards Services	-	-	-	8,508	-	8,508	8,508
Cash transportation commissions	-	-	-	68,231	-	68,231	83,931

* Al Etihad Islamic For Investment Company which owns 62.37% of Safwa Islamic Bank..

- The lowest and highest received Murabaha rate were 6.35% and 7.75% respectively.
- 'The lowest and highest rate of Ijara Muntahia Bittamleek received by the Bank were 3.75% and 3.81% respectively.
- The lowest and highest distributed profit rate were 0.30% and 5.64% respectively.
- Executive management salaries and benefits for the year ended 31 December 2025 amounted to JD 3,004,108 (JD 2,672,298 for the year ended 31 December 2024).
- All facilities granted to related parties are performing and no provisions were recorded for it .

(51) RIGHT OF USE ASSETS / LEASE LIABILITIES

The details of this item are as follows:

A- Right of use assets

The Group rents real estate and stores for periods ranging from one to 15 years, the average lease term is 7 years, the following is the movement on the right of use assets during the year:

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	**9,698,565**	**10,188,361**
Add : Additions during the year	3,758,168	1,500,841
Less : Disposals during the year	(217,705)	(187,227)
Less : Depreciation for the year	(1,957,045)	(1,803,410)
Balance at the end of year	**11,281,983**	**9,698,565**

The amounts recorded in the consolidated statement of income and other comprehensive income :

	For the year ended	
	31 December 2025	31 December 2024
	JD	JD
Depreciation of the right of use assets for the year	(1,957,045)	(1,803,410)
Finance costs (discounting of lease liabilities) during the year	(359,606)	(346,719)

B- Lease liabilities

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	**9,851,375**	**10,295,338**
Add : Additions during the year	3,758,168	1,500,841
Less : Disposals during the year	(217,705)	(187,227)
Financing costs - discount of lease liabilities during the year	359,606	346,719
Less : Paid during the year	(2,369,659)	(2,104,296)
Balance at the end of year	**11,381,785**	**9,851,375**

Maturity analysis of lease contract liability

	31 December 2025	31 December 2024
	JD	JD
In less than a year	385,362	111,028
From 1 to 5 years	4,153,206	3,283,812
More than 5 years	6,843,217	6,456,535
Total	**11,381,785**	**9,851,375**

The value of undiscounted rental contract obligations amounted to JD 11,420,850 as at 31 December 2025, and the following is the maturity analysis:

analysis of undiscounted lease contract liabilities:	31 December 2025	31 December 2024
	JD	JD
In less than a year	391,008	111,760
From 1 to 5 years	4,173,342	3,509,109
More than 5 years	6,856,500	7,357,657
Total	**11,420,850**	**10,978,526**

(52) RISK MANAGEMENT

The Bank applies an Enterprise Risk Management (ERM) framework to manage the risks to which the Bank is exposed, based on a proactive approach that emphasizes prevention rather than remediation. The Risk Management Framework is documented and approved by the Board of Directors and serves as the foundation for the Bank's Risk Appetite framework, risk policies, the Internal Capital Adequacy Assessment Process (ICAAP), and stress testing activities.

Risk management is a primary responsibility of the Bank's Board of Directors, exercised through the Board Risk Committee, which reviews and recommends the Risk Management Framework for Board approval.The Risk Management Department role is to facilitate the management process of different types of risks that the Bank is exposed to and evaluating, measuring and developing an appropriate measurement method to mitigate these risks that's affecting the Bank's profitability and Capital Adequacy in line with the approved Risk framework. The Risk Management Department prepares periodic reports to the Board of Directors through the Risk Management Committee to inform them with the latest developments related to risk management for their evaluation and recommendations.

The Internal and Sharia Audit Department also reports to the Board of Directors through Board Audit Committee on the compliance level of all departments with risk management policies and procedures; as well as auditing the Risk Management Department activities and reporting the findings to the concerned parties.

The Bank applies the Central Bank of Jordan instructions related to Risk Management through developing an Internal Capital Adequacy Assessment Plan (ICAAP) and Stress Testing on an annual and regular basis.

Risk Management Department adopts an integrated Risk Management methodology through identifying all risk factor that the Bank exposed to and then managing each type of risk within an integrated cycle that includes the following:

A. Define all types of risk.

B. Determine the strategic objectives for managing this type of risk.

C. Defining the risk appetite.

D. Assess and measure the type risks.

E. Managing the risks.

F. Monitoring and reporting of exposures.

The Bank is exposed to the following risks:

1- Credit risk:

The Bank defines credit risk as the risk arising from a customer's inability or unwillingness to meet its financial obligations (principal and/or profit) in accordance with the agreed terms and maturities, resulting in potential financial losses to the Bank.

Credit risk is managed through the implementation of the Credit Manual, which regulates and governs the lending process for Corporate and Small Business clients. Also, The Retail Credit policy is Directed to govern the lending process for Retail Clients. As for Financial Institutions, the Credit limits are applied.

All these policies are developed aligned with regulation issued by Central Bank of Jordan and Basel Accords.

- **Bank's exposure to credit risk in the Bank arises from its financing and investment operations, including:**

- Risks related to the client and the nature of business.
- Risks related to the granting and implementing of financing.
- Concentration risk.
- Risks related to Islamic financing instruments.

- **In this field, the Bank monitors and controls credit risks through:**

- Managing and controlling portfolio risks through a number of committees such as Board Risk Management committee approved by the Bank Board at director.
- Reviewing and approving credit applications through Credit Committees according to specific authorities that is documented and approved by the Board of Directors, where small amounts are approved by individual authorities.
- Applying credit rating methodologies in line with best practices.
- Monitor credit limits and issuing the needed reports to avoid breach of that limits and monitoring the quality of portfolio.
- Diversifying between financing and investment to avoid the Concentration Risk within individuals, groups or clients of specific geographical regions, specific economic sectors, or specific financing instruments or in the term of financing period.
- Managing nonperforming loans to reduce the expected credit losses.

- Segregation of duties between marketing and credit decision tasks.
- Segregation of duties between implementation and credit control role.
- Setting and updating credit policy, which is responsible of the credit process and decisions.

- **Credit risk measurement:**

The Bank applies the Standardized Approach to measure credit risk by calculating risk-weighted assets (RWA) based on credit exposures reflected in the consolidated balance sheet, in accordance with the Regulatory Capital Instructions and the amended Standard No. (15) issued by the Islamic Financial Services Board (IFSB).

The Bank is taking the necessary steps to apply the Foundation Internal Risk Basis (FIRB), where a corporate credit rating system is periodically applied in addition to a specialized credit rating system for small companies and for individual clients to determine the credit quality for each client when granting the credit and monitoring this quality throughout the financing period to specify any deterioration that may occur and to specify the quality of the whole credit portfolio on a regular basis which will be reflected on credit policy and pricing.

- **Credit Risk mitigation:**

The Bank uses various credit risk mitigation tools (such as real estate guarantees, financial, etc.) accordance to the approved credit risk mitigation policy in order to mitigate the exposure credit risks and the related impact on the Bank, where the volume and value of the required collateral is determined based on approved credit risk mitigation policy.

The systems used by the Bank to manage Credit Risk:

The Bank is currently using advanced technological programs to improve the quality of risk management. Perhaps the most important systems currently used are:

1. Expected Credit Losses System (ECL):

Risk management department with the related Bank's departments successfully implemented the Financial Accounting Standard (FAS 30) through an integrated and automated system to calculate the expected credit loss that is linked with the core Banking system Also, the Bank implemented a new system to Calculate the Expected Credit Losses accordance with CBJ instructions No. (8/2025).

2. Internal Credit Rating system and how it works:

Rating system is a tool that is used to evaluate and improve the quality of the credit decision, in addition to be considered as a primary base to improve and develop the credit risk in line with the Basel requirements and FAS (30) instructions.

Safwa Islamic Bank implements the best international practices related to the internal credit rating on the Corporate Banking clients (Credit Lens: Moody's System), where the classification process is based on qualitative and quantitative credit criteria. Where the credit rating includes two ratings, one at the customer level (Obligor Risk Rating "ORR") and the other at the level of financing (Facility Risk Rating "FRR"). Whereas, the credit rating system is the main focus of calculating the Probability of Default "PD" in addition to calculating losses upon default and within the concept of losses assuming default (Loss Given Default "LGD").

The credit rating system (ORR) is determined by ten degrees and divided as follows:

- From one to five degrees for operating financing, where the first degree is considered the best.
- Grades six and seven for work under watchlist Accounts.
- Degrees eight to ten are for non-performing financing.

The customer is classified on the credit rating system at least once a year in case that no credit event occurs during the year (Credit Events).

In addition, a special system for internal credit rating has been implemented for small business customers, where the classification process is based on qualitative and quantitative criteria. Credit Decisions are made relying mainly on the system output.

The Bank continuously seeks to review and develop the credit rating systems applied for the various Bank's portfolios in accordance with the best international practices that complies with the international and local legislative requirements.

3. Management Information System (MIS)

The management information system is considered a base for the development of credit risk management system in accordance with the requirements of the Basel decisions and the instructions for the application of the Accounting and Auditing Organization for Islamic Financial Institutions FAS (30). Where the system contributes to control risk management related to granted credit by providing periodic oversight reports. Which in turn contributes to control risk within acceptable levels.

Governance of implementation of Financial Accounting Standard (FAS 30):

The Bank applies an integrated corporate governance for the implementation of Financial Account Standard (FAS 30) where the board of directors' responsibility is to ensure compliance with the FAS 30, through adopting methodology and policies for the standard, which include defining the roles of relevant committees, departments, and business units also it includes the adopting of system for

Financial Accounting Standard (FAS 30), implementation and providing the necessary infrastructure.

Also, through the Board committees the Board of Directors' responsibility is to approve the periodic results of expected credit loss in line with (FAS 30) instructions.

Definition of Default Implementation and the Mechanism of Handling the Default

The Bank applied the Central Bank of Jordan instructions regarding the default where the facilities is considered as defaulted (non-performing) if its maturity or the maturity of one of the installments is equal or more than 90 days or there are indicators that the facilities may be defaulted. The possibility of non-payment of financial Sukuk, International Murabaha and International Wakala with the Banking institutions also included into Bank's default concept.

Payment of due installments are monitored through the related departments within approved framework and policies.

The Mechanism of Calculating the Expected Credit Losses (ECL)

The Expected Credit Loss (ECL) is calculated in accordance with Financial Accounting Standard (FAS 30) using the following formula:

Expected Credit Loss = Probability of Default (PD) * Exposure at Default (EAD) * Loss Given Default (LGD)

The calculation of Expected Credit Loss (ECL) depended on the calculation of the following variables:

A.Probability of Default (PD)

Definition of Probability of Default and the Mechanism of Calculation and Controlling (PD):

Probability of Default (PD) represents the likelihood that a borrower will fail to meet its repayment obligations. PD is estimated based on historical default data, adjusted for forward-looking macroeconomic factors and stress testing assumptions. Moreover, the Bank also reflected the global and local economic conditions, in addition to the effects of Covid-19 pandemic on the possibility of default (Macroeconomic Adjusted PD) And adopting it as a basis in the process of calculating expected credit losses, with the aim of precaution.

The probability of default for a period of 12 months is calculated for the funds included in the first phase and the probability of default for the entire life of the financing for the funds included in the second and third stages. Whereas, the Bank adopts a default rate on the level of corporate portfolio clients and investment portfolio clients on an individual basis, while a general ratio for each individual product is based on a collective basis.

B. Exposure at Default (EAD)

Definition of Exposure at Default and Mechanism of Calculating and Controlling (EAD):

It is the amount of potential exposure that is subject to risk - uncovered balance by acceptable collateral - for exposures that fall within the scope of Financial Accounting Standard (FAS 30) through a forward-looking for the period, which the default may occur. Where the exposure at default is measured for the purposes of calculating Expected Credit Loss for each stage of (FAS 30) instruction. An EAD Haircut is used to determine the on-balance exposure that subjected to risk where the off-balance statistical exposure utilization (DDF) is used to determine the potential utilization for those exposures (LGs, LCs and Unutilized Limits). Exposure at Default (EAD) is calculated by the total facilities for the first and second stage and net facilities for the third stage.

C. Loss Given Default (LGD)

Definition of Loss Given Default and Mechanism of Calculating and Controlling (LGD):

It is the amount of loss that arises as a result of defaulted facilities and that is calculated through a statistical model which analyzes the historical collections for each portfolio, where it measured for the purpose of calculating the expected credit loss for each stage of Expected Credit Losses according to the instructions for the implementation of (FAS 30) by calculating the recoverable amount of the different collateral (Cars, Real Estate, Cash, Land, Machinery, Equipment and Vehicles) provided to the Bank against the facilities that granted and legally documented into contracts through a conversion factor for each type of collateral taking into consideration the timing of reaching each type of collateral and turn them into cash (expected cash flow and timing).

The Bank has developed a methodology for calculating loss on default (LGD), according to the following:

1. The loss ratio was taken under the assumption of default for the first and second stage customers, based on updated historical data for the amounts or collaterals recovered from the dealers.
2. The loss on default ratio was considered for the third stage dealers based on the default period, so that the relationship between the loss on default and the default period is positive.
3. The Bank has updated the data related to the loss on default ratio (LGD) and increased it based on economic studies issued by the international rating agencies.

The Bank's policy in Determining the Elements of calculating Credit Risk and Expected Credit Loss on a Collective or Individual Basis

The expected Credit Loss (ECL) methodology is classified into individual or collective basis where the collective basis was adopted for retail portfolio through a general PD ratio for each product and then calculating the expected credit loss for each retail portfolio product. While the individual basis was adopted for corporate portfolio as well as for each investment in the Bank's investment portfolios that are subjected to (FAS 30) instructions through a PD ratio for corporate and investment portfolio then calculating the Expected Credit Loss for corporate and investment portfolio.

Key indicators of credit risk on which the Bank has relied in distributing its credit exposures among the three stages

Bank classified exposures on the Expected Credit Loss automated system in line with Financial Accounting Standard (FAS 30) instructions into three stages depending on a set of determinants such as: corporate client internal credit rating, external credit rating, number of dues installments, restructuring and rescheduling, negative changes in the client behavior, increase credit risk, classifying the client under watching-list stage adjusting the credit terms, negative changes on the guarantees value, negative changes in the customer's economic sector, the Bank's legal follow-up with the client, In addition to the classification criteria mentioned in the CBJ instructions No. (8/2025).

The Main Economic Factors Used by the Bank in Calculating the Expected Credit Loss (ECL)

The main economic factors (macroeconomic factors) were included in the automated system for calculating the expected credit loss. The Bank adopts three scenarios, which are the base scenario, the upturn scenario, and the downturn scenario, which were determined based on economic studies issued by the World Bank and international rating agencies.

2- Market Risk:

The Bank defines market risk as the potential losses that the Bank may be exposed to as a result of the decrease in the prices of the various financial instruments in which it invests, including equity instruments, Sukuk, currency exchange and commodities. The Bank also adopts a conservative policy that aims to identify, assess, measure and manage all types of market risks that may be exposed, which ensures that the Bank's risk factors are reduced and kept within the minimum limits.

3- Operational Risk:

The risk of losses resulting from inadequate or failure of internal processes and/or the human resources and/or systems and/or from external events.

Operational risk factors are managed according to a framework approved by the Board of Directors. This framework includes policies and procedures that clarify the mechanism of identifying and evaluating risk factors and assessing the current controls to determine the adequacy of these controls in mitigating the risk factors and reducing the likelihood of occurrence.

The Bank adopted and applied the Risk & Control Self-Assessment methodology through workshops to define and measure all the Operational Risk factors of operations, activities, products and services of the Bank, and to assess the effectiveness of current controls in mitigating these risks and to develop corrective plans to handle such gaps. As this methodology promotes and enhance the principles of direct responsibility of the business units for managing risk factors of their areas. also, it achieves the principle of continuous monitoring risk factors. Risk profiles were developed for all departments which are monthly examined and providing the results to the Risk Management Department.

Operational risk department reviews the internal audit reports of Bank's business units and includes new operational risks factors within the unit's risk profile in addition to the internal control unit findings.

The Bank applies Loss Data Collection methodology that arise as a result of operational events and the Board of Directors has adopted a detailed policy. The data for these events are currently collected, analyzed, linked with risk factors.

The Bank also applies the Lessons Learned methodology against the Internal and External incidents in order to assess our Internal Control Environment and ensure develop the needed corrective action against control gap(s).

The Bank has adopted a general framework for Key Risk Indicators (KRIs), which provides an important tool in managing operational risk factors and improving the Banks ability to manage these risks even before they occur.

All policies and procedures related to departments and business units are reviewed by Risk Management Department - within the process of approved policies and procedures – for the purpose of assessing the adequacy of controls to mitigate risk factors.

With regard to the Bank wide awareness of risk culture, Risk Department conducted many workshops for Bank employees on an annual basis.

As for capital adequacy purposes, the Operational Risks are measured using the Basic Indicator Approach according to the instructions of the Central Bank of Jordan, and the Bank is working to develop a methodology for transferring to the Standardized Approach in calculating Capital Adequacy against Operational Risks.

Information security and cybersecurity

To maintain the confidentiality and availability of customer information and to provide banking services with the highest levels of protection and security, strategies, standards, and policies have been developed based on the best international information security standards. This aims to create a secure working environment that achieves objectives related to protecting information assets and continuously ensuring their confidentiality, integrity, and availability. The bank has undertaken the following:

- A long-term strategy and an integrated annual plan were developed to include the implementation of strategies, policies, standards and systems in the area of Information Security and Cybersecurity to reach a more secure environment and enhance the cybersecurity capabilities of the Bank.

- Information Security and Cybersecurity policies have been updated to comply with the instructions issued by Regulator and related global best practices . These updates have addressed the topic of artificial intelligence and its safe use in this field..
- Developing and updating the Security Operations Center (SOC), for 24/7 monitoring.
- Implementation of several information security and cybersecurity projects aimed at applying best-in-class global solutions and programs to protect and monitor the bank's information systems.
- Compliance with the PCI DSS standard for card security, and the bank has obtained the compliance certificate for the standard according to the latest version (PCI DSS Version 4.01).
- Compliance with SWIFT financial network security standard by applying SWIFT Customer Security Program (CSP).
- Several security checks are carried out on networks and systems, as well as specialized security checks for banking applications (Internet banking and Mobile banking), and the results of these checks are processed directly.
- The risk factors related to Information Technology are also managed through a continuous updating of Risk Matrix for Information Technology, Information Security and Cyber Security. also, controls are tested Periodically and making sure all control gaps are handled in a proper manner.
- With regard to Awareness of Information Security, Cyber Security and Business Continuity, training workshops are held for Bank staff on an annual basis, also, many Awareness Messages (including SMS) related to cyber security were sent to our customers.
- During this year, an examination and test of the security incident response plan (Incident Response Plan Test) was conducted with the aim of verifying the efficiency of procedures, speed of response, and integration of roles and responsibilities.

Business continuity

In this regard, the bank's approved business continuity plan is periodically amended to suit changing working conditions. Remote work mechanisms have been adopted, and employees have been redeployed across bank locations.

The bank has also redesigned and activated the alternative site to provide a healthy and safe working environment. The bank conducts periodic checks of the alternative sites and systems to ensure their readiness in emergency situations to guarantee business continuity.

The bank conducted a test of its emergency plan for sensitive and critical financial systems. Several departments and divisions participated in the test, which was performed from the backup site. The results of the tests were monitored, and any issues addressed during and after the test were resolved.

In order to align with global best practices, having an alternative business location outside of Amman ensures that the alternative location is not exposed to the same risks as the original location.

4- Reputational risk

The Bank considers reputation risks as the negative effects on the Bank's reputation and brand which is resulted from Bank failure to fulfill its responsibility towards all clients and / or its failure to manage its affairs efficiently and effectively and / or the failure to comply with the Sharia requirements and / or the failure to manage All other types of risks which leads to several negative effects, including a loss of client confidence and thus a decline in the client base and an increase of costs or a decrease of profits.

Reputation risk is managed through monitoring customer complaints and feedback, the follow-ups by Customer Complaints Unit. Also, this Risk is managed by tracking customer and public comments and interactions on social media platforms. The Bank places particular emphasis on addressing customer and public inquiries related to the Sharia enquiries related to banking operations, providing the needed clarification and information Bank's commitment to Sharia requirements in banking practices, which are made available on the Bank's official website. Furthermore the Bank actively participates in many social initiatives as per Bank's Framework of Social responsibilities which will positively enhance and strength Bank's image and reputation in the community. These initiatives also enhance the Bank's relationships with various segments of society, contributing to expanding and support Bank's Customer base.

5- Non-compliance risks

The risks of non-compliance are the risks of legal or regulatory penalties, material losses or reputation risks to which the Bank may be exposed due to non-compliance with laws, regulations, instructions, codes of conduct and Banking standards.

The Bank evaluates and monitors compliance with the instructions issued by the Central Bank and other official bodies. In addition to reviewing all policies, procedures, agreements, announcements, and any new services or products to ensure the availability of the necessary controls to avoid risks arising from non-compliance.

The Bank educates employees on compliance issues and prepares written instructions in this regard. The Compliance Department provides advice and guidance to the executive management on applicable laws, regulations and standards and any amendments to them.

The Bank conducts a comprehensive assessment of the risks of money laundering and terrorist financing at least annually, or in the event that a need arises to conduct this assessment as a result of a fundamental change in the nature of the risks to which the Bank is exposed. Geographical regions, products, services, processes and service delivery channels, according to a methodology approved by the Board of Directors.

The Bank's commitment to the anti-money laundering and terrorist financing policy works to build a business relationship with customers based on ethical standers and best practices, especially with regard to (Know Your Customer) and taking the necessary measures to determine the true beneficiary of all transactions.

6- Legal risks related to operational activities

Risks of exposure to legal procedures, follow-ups and fines as a result of the occurrence of operational risks and events, and the disputes arising as a result of non-compliance with applicable regulations and instructions, also the financial fines and claims that can be resulted from a third party. The insufficiency of documents and the lack of legal capacity and / or the invalidity of contracts and / or their lack of enforceability resulting from lack of proper documentation are among the most important causes of legal risks.

The responsibility for managing these risks lies with the legal department, as it reviews all contracts and documents related to the Bank's transactions, in addition to legal follow-up to the Bank's debtors – in coordination with the Credit Department-, and careful follow-up of the lawsuits to which the Bank is a party.

7- Risks of non-compliance withs Sharia Laws

These are the risks faced by the Bank that may result in the nonrecognition of income and losses arising from related operations due to noncompliance with Sharia rules and regulations which negatively affect the institution's credibility and public trust. Such risks are managed through a comprehensive Sharia control framework that involves Sharia Compliance Department, Internal and Sharia Audit Department, Risk Management Department, Sharia Supervisory Board and the Audit Committee established by the Board of Directors.

The culture of the Bank risk management and the role of risk management policies and strategies in supporting and spreading the Bank's risk culture

Risk Management Culture is considered as one of the main pillars of the risk management framework, as it enhances the understanding and communication process among all Bank's employees in a way that enables them to perform their daily work and make decisions on a basis of the risk management methodology.

Risk management framework and Operational Risk Management Framework included a main component related to strengthening the concept of Risk Management Culture through the support of the Board of Directors and Executive Management and the necessity to raise awareness of all managerial levels with a culture of risk management in addition to create an integrated training system for all the Bank employees to develop Risk Management Culture.

Bank Risk Appetite in line with the Approved business models

The Bank adopts a documented and integrated policy of Risk Appetite, which is approved by the Bank's Board of Directors. Approved risk appetite aims to link the Bank's strategic objectives with the Bank risk management system as well as with the business models. The concept of integration of Risk Appetite into Risk Management Culture and the involvement of the various managerial levels will lead to the linkage of the strategic plan and the methodology of risk management at different managerial levels.

Risk Appetite have been specified for each type of risk in a manner consistent with the Bank's strategic directions and CBJ requirements in addition to analyze historical data for each type of risk.

An integrated system of control has been adopted for the Risk Appetite in terms of following up all these levels according to the periodicity specified in the approved document and issuing reports on Risk Appetite to management and to related committees with specifying the responsibility to follow up on any breach.

Stress testing

Stress testing is considered as one of the most important tools that the Bank uses to measure its ability to withstand against shocks and high risks, as these tests aim to assess the financial position and the capital adequacy ratio for the Bank within different scenarios.

The Bank adopts a comprehensive methodology for conducting stress testing. These tests include the following:

Sensitivity Analysis Tests: These tests aim to measure the impact of different economic factors and internal risk factors on the financial position and the adequacy ratio of the Bank's capital. These tests cover credit, market, operational, liquidity and any other risks the Bank believes is necessary to stress tested.

Scenarios tests: These tests aim to assess the Bank's tolerance of crises and shocks related to the macro economic at county level economy of the country, such as changes in economic growth, unemployment rates, raise in interest rates and their impact on the Bank's financial position and capital adequacy ratio.

A policy for stress tests was developed and approved by the Bank's board of directors to cover the requirements for stress tests and to define the methodology adopted for conducting these tests and their periodicity as per CBJ instructions.

The Bank's Considering stress testing results as a reference for developing future plans and strategies.

Stress testing is being incorporated into the Risk Management monthly reports to create a comprehensive culture and awareness of updated Risk Management Concepts.

The Bank adopts an integrated governance Framework of stress testing whereby the risk management periodically conducts stress tests and then submits results to the Risk Management Committee and to Board Risk Committee to get their recommendations and directions and then approves it by the Board of Directors, This methodology stimulates the best practices in involving the Bank's board of directors and senior executive management in stress testing methodology and the impact of their results on the Bank's strategic decisions.

Systemic Importance – D-SIBs

As per classifying our Bank's as a Domestic Systemically Important Bank (D-SIB), a comprehensive recovery plan was developed to reflects the Bank's values. The plan aims to enhance readiness for crises and ensure Bank continuity, thereby protect the interests of both customers and shareholders.

In this context, the Bank has prepared a document to comply with the principles of data aggregation and risk reporting issued by the Basel Committee - Effective Risk Data Aggregation and Risk Reporting (BCBS 239). This is achieved by enhancing data quality and improving reporting efficiency. The document also addresses the regulatory requirements outlined in the Instructions for Dealing with Domestic Systemically Important Banks No. (2/2017), dated (12/06/2017) which aim to strengthen the Bank's ability to effectively aggregate risk data and generate accurate and timely reports to support decision-making and sound risk management.

(53/ A) CREDIT RISK

1) Credit risk exposure (After impairment provision and before collateral and other risk reducers):

	31 December 2025		
	Joint	Self	Total
	JD	JD	JD
Balances at Central Bank of Jordan	-	212,637,681	212,637,681
Balances at banks and financial institutions	-	19,956,320	19,956,320
International Wakala investments	245,612,315	-	245,612,315
Deferred sales receivables and other receivables			
Retail (individual)	422,882,120	2,133,719	425,015,839
Real estate financing	9,720,865	-	9,720,865
Corporate	612,430,665	56,635	612,487,300
Small and medium enterprises	88,304,782	72,645	88,377,427
Public and governmental sectors	759,429,416	-	759,429,416
Sukuk			
Within financial assets at fair value through income statement	1,466,896	-	1,466,896
Within financial assets at fair value through quasi-equity	374,879,224	-	374,879,224
Within financial assets at fair value through other comprehensive income	-	107,890,814	107,890,814
Within financial assets at amortized cost	119,852,000	141,800,000	261,652,000
Al Qard Al Hasan	-	52,354,010	52,354,010
Other assets	8,284,881	14,063,553	22,348,434
Total consolidated statement of financial position items	**2,642,863,164**	**550,965,377**	**3,193,828,541**
Consolidated statement of financial position Off-balance sheet items:			
Letters of guarantees	-	44,498,633	44,498,633
Letters of credit	-	221,467,810	221,467,810
Acceptances	-	18,906,473	18,906,473
Unutilized limits	220,484,489	-	220,484,489
Grand total	**2,863,347,653**	**835,838,293**	**3,699,185,946**

	31 December 2024		
	Joint	Self	Total
	JD	JD	JD
Balances at Central Bank of Jordan	-	210,414,366	210,414,366
Balances at banks and financial institutions	-	16,841,108	16,841,108
International Wakala investments	217,144,756	-	217,144,756
Deferred sales receivables and other receivables			
Retail (individual)	399,408,953	1,870,174	401,279,127
Real estate financing	7,057,894	-	7,057,894
Corporate	467,836,529	158,696	467,995,225
Small and medium enterprises	69,900,453	104,772	70,005,225
Public and governmental sectors	594,127,907	-	594,127,907
Sukuk			
Within financial assets at fair value through quasi-equity	441,074,840	-	441,074,840
Within financial assets at fair value through other comprehensive income	-	45,451,435	45,451,435
Within financial assets at amortized cost	119,852,000	-	119,852,000
Al Qard Al Hasan	-	11,443,367	11,443,367
Other assets	8,703,905	1,128,277	9,832,182
Total consolidated statement of financial position items	**2,325,107,237**	**287,412,195**	**2,612,519,432**
Consolidated statement of financial position Off-balance sheet items:			
Letters of guarantees	-	37,211,691	37,211,691
Letters of credit	-	182,131,628	182,131,628
Acceptances	-	22,311,639	22,311,639
Unutilized limits	183,669,434	-	183,669,434
Grand total	**2,508,776,671**	**529,067,153**	**3,037,843,824**

Distribution of credit exposures

A. Distribution of credit exposures - self (After deducting the deferred and suspended revenues):

Internal Rating of the Bank	31 December 2025						
	Category classification by instructions (8/2024) and Ijara instructions No.(13/2025)	Total exposure value	Expected credit loss	The probability of default (PD) %	Classification according to external classification institutions	Exposure at default (EAD) per million dinars	Average loss at default (LGD)%
		JD	JD			JD	
A- Direct credit financing (After deducting suspended and deferred revenue):							
Almost risk free	Performing exposure	509,660	-	0.6%	-	0.428	61%
Low risk	Performing exposure	46,860,031	250,631	1%	-	39.366	59%
Normal risk	Performing exposure	2,580,297	22,916	2%	-	2.169	56%
Acceptable risk	Performing exposure	958	-	2%	-	0.001	54%
Acceptable with due care	Performing exposure	449,448	3,613	3%	-	0.371	53%
Watch list	Performing exposure	658,317	38,760	11%	-	0.554	58%
Unrated	Performing exposure	3,552,475	54,490	0%	-	145.153	72%
Total (performing debt)		**54,611,186**	**370,410**			**188.041**	
Substandard	Non - performing exposure	1,661	1,661	100%	-	0.002	53%
Doubtful	Non - performing exposure	70,041	41	100%	-	0.000	53%
Loss	Non - performing exposure	334,440	14,872	100%	-	0.334	53%
Unrated	Non - performing exposure	1,516,116	1,529,451	100%	-	1.586	73%
Total (Non-performing debt)		**1,922,258**	**1,546,025**			**1.922**	
Total exposure		**56,533,444**	**1,916,435**			**189.963**	
B- Indirect credit facilities(Statement of financial position off-balance items - self) :							
Insignificant Risk	Performing exposure	25,000	-	0.4%	-	0.010	77%
Almost risk free	Performing exposure	4,731,861	2,792	0.6%	-	1.374	61%
Low risk	Performing exposure	120,576,965	28,438	1%	-	13.515	60%
Normal risk	Performing exposure	28,672,130	33,743	2%	-	5.755	56%
Acceptable risk	Performing exposure	27,467,706	67,425	2%	-	7.452	54%
Acceptable with due care	Performing exposure	2,809,598	19,245	3%	-	1.135	53%
Watch list	Performing exposure	108,567	356	10%	-	0.044	60%
Unrated	Performing exposure	100,514,998	31,807	4%	-	10.705	64%
Total (performing debt)		**284,906,825**	**183,806**			**39.990**	
Loss	Non - performing exposure	149,397	-	100%	-	0.149	53%
Unrated	Non - performing exposure	500	-	0%	-	0.001	0%
Total (Non-performing debt)		**149,897**	**-**			**0.150**	
Total exposure		**285,056,722**	**183,806**			**40.140**	
C. Sukuk :							
Within financial assets at fair value through other comprehensive income	Performing exposure	107,989,424	98,610	0.1%	AA-Ba1	106.531	75%
Within financial assets at amortized cost	Performing exposure	141,800,000	-	0.0%	BB-	-	0%

Distribution of credit exposures

B. Distribution of credit exposures - Joint (After deducting the deferred and suspended revenues):

Internal rating of the Bank	31 December 2025						
	Category classification by instructions (8/2024) and Ijara instructions No.(13/2025)	Total exposure value	Expected credit loss	The probability of default (PD) %	Classification according to external classification institutions	Exposure at default (EAD) per million dinars	Average loss at default (LGD)%
		JD	JD			JD	
A- International wakala investments	Performing exposure	245,884,888	272,573	0.2%	A-B	247.676	75%
B- Sukuk:							
Within financial assets at fair value through income statement	Performing exposure	1,466,896	-	0.0%	-	-	0%
Within financial assets at fair value through quasi-equity	Performing exposure	375,006,481	127,257	0.4%	Aa3-B+	375.393	75%
Within financial assets at amortized cost	Performing exposure	119,852,000	-	0.8%	BB-	119.852	75%
C -Direct credit facilities (After deducting suspended and deferred revenue):							
Insignificant Risk	Performing exposure	760,940,243	-	0%	-	742.468	9%
Almost risk free	Performing exposure	49,820,682	87,548	0.4%	-	47.991	60%
Low risk	Performing exposure	137,457,147	643,986	1%	-	128.376	58%
Normal risk	Performing exposure	96,716,808	609,113	2%	-	90.918	55%
Acceptable risk	Performing exposure	274,304,066	1,365,419	3%	-	255.626	54%
Acceptable with due care	Performing exposure	15,782,175	11,527,069	7%	-	14.349	54%
Watch list	Performing exposure	34,587,055	26,120,284	25%	-	32.849	54%
Unrated	Performing exposure	561,317,214	9,513,369	7%	-	913.353	71%
Total (performing debt)		**1,930,925,390**	**49,866,788**			**2,225.930**	
Substandard	Non - performing exposure	366,838	183,419	100%	-	2.605	53%
Doubtful	Non - performing exposure	860,930	286,717	100%	-	3.295	53%
Loss	Non - performing exposure	44,011,693	38,151,596	100%	-	36.330	84%
Unrated	Non - performing exposure	34,608,114	29,516,597	100%	-	23.413	80%
Total (Non-performing debt)		**79,847,575**	**68,138,329**			**65.644**	
Total exposure		**2,010,772,965**	**118,005,117**			**2,291.574**	
D - Unutilized limits							
Insignificant Risk	Performing exposure	12,566,039	203	0.5%	-	6.911	52%
Almost risk free	Performing exposure	17,819,300	23,796	0.5%	-	9.801	65%
Low risk	Performing exposure	82,368,225	261,939	0.9%	-	45.303	63%
Normal risk	Performing exposure	36,226,087	200,481	1.5%	-	19.924	61%
Acceptable risk	Performing exposure	57,174,524	367,201	2.4%	-	31.446	56%
Acceptable with due care	Performing exposure	1,751,045	17,440	2.8%	-	0.963	59%
Watch list	Performing exposure	1,914,448	72,917	9.0%	-	1.053	61%
Unrated	Performing exposure	11,624,187	15,389	3.8%	-	7.609	64%
Total (performing debt)		**221,443,855**	**959,366**			**123.009**	
Total exposure		**221,443,855**	**959,366**			**123.009**	

2. Classification of deferred sales and other receivables according to the degree of risk In accordance with the Financial Accounting Standard (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions :

A) Distribution of the fair value of collateral against credit exposures - for total credit exposure - joint according to the following table:

The bank maintains collateral or other credit enhancements to mitigate credit risk associated with financial assets. The Group maintains cash, investments and (joint) financing balances amounting to JD 2,761,268,111 as of 31 December 2025 (compared to JD 2,427,176,232 as at 31 December 2025). The estimated value of the joint collateral held is JD 370,614,656 as at 31 December 2025 (compared to JD 334,251,145 as at 31 December 2025) The value of collateral is only considered to the extent that it mitigates credit risk. There has been no change in The bank's guarantees policy during the current year.

The table below shows each type of exposure and the associated collateral :

Item	Total exposure value	31 December 2025							Net exposure after collateral	Expected credit loss (ECL)
		Fair value of collateral								
		Cash Margin	Traded shares	Acceptable bank guarantees	Real estate financing	Cars and mechanics	Other	Total value of collateral		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-
International Wakala investments	245,884,888	-	-	-	-	-	-	-	245,884,888	272,573
Direct credit facilities (after deducting deferred and suspended revenue) :										
Retail (individual)	457,382,657	8,516,840	-	-	15,823,436	133,504,006	-	157,844,282	299,538,375	34,500,537
Real estate financing	17,678,260	518,842	-	-	6,807,822	-	-	7,326,664	10,351,596	7,957,395
For corporate	683,982,123	8,807,872	-	-	104,347,150	9,700,264	3,986,814	126,842,100	557,140,023	71,551,458
Small and medium enterprises (SMEs)	92,300,509	4,632,135	-	-	64,435,778	2,973,737	6,518,025	78,559,675	13,740,834	3,995,727
Public and governmental sectors	759,429,416	-	-	-	41,935	-	-	41,935	759,387,481	-
Sukuk :										
Within financial assets at fair value through statement of income	1,466,896	-	-	-	-	-	-	-	1,466,896	-
Within financial assets at fair value through quasi-equity	375,006,481	-	-	-	-	-	-	-	375,006,481	127,257
Within financial assets at amortized cost	119,852,000	-	-	-	-	-	-	-	119,852,000	-
Other assets	8,284,881	-	-	-	-	-	-	-	8,284,881	-
Total	**2,761,268,111**	**22,475,689**	**-**	**-**	**191,456,121**	**146,178,007**	**10,504,839**	**370,614,656**	**2,390,653,455**	**118,404,947**
Unutilized credit limits	221,443,855	-	-	-	-	-	-	-	221,443,855	959,366
Grand total	**2,982,711,966**	**22,475,689**	**-**	**-**	**191,456,121**	**146,178,007**	**10,504,839**	**370,614,656**	**2,612,097,310**	**119,364,313**

B. Distribution of the fair value of collateral against credit exposure - for total credit exposures - self according to the following table:

The bank maintains collateral or other credit enhancements to mitigate credit risk associated with financial assets The Bank maintains cash, investments and (self-financing) balances amounting to JD 522,980,422 as at 31 December 2025 (compared to JD 288,947,766 as at 31 December 2025). The estimated value of the self guarantees held is JD 1,876,169 as at 31 December 2025 (compared to JD 2,469,043 as at 31 December 2025). The value of collateral is only considered to the extent that it mitigates .credit risk. There was no change in the bank's guarantees policy during the current year

The table below shows each type of exposure and the associated collateral :

Item	Total exposure value	31 December 2025							Net exposure after collateral	Expected credit loss (ECL)
		Fair value of collateral								
		Cash margin	Traded shares	Acceptable bank guarantees	Real estate financing	Cars and mechanics	Other	Total value of collateral		
	JD	JD	JD	JD	-	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	212,637,681	-	-	-	-	-	-	-	212,637,681	-
Balances at banks and financial institutions	19,956,320	-	-	-	-	-	-	-	19,956,320	-
Direct credit facilities (after deducting deferred and suspended revenue) :										
Retail (individual)	3,441,040	-	-	-	1,150	1,393,101	-	1,394,251	2,046,789	462,750
Real estate financing	-	-	-	-	-	-	-	-	-	-
For corporate	51,548,071	5,972	-	-	6,339	347,257	-	359,568	51,188,503	900,271
Small and medium enterprises (SMEs)	1,034,673	-			113,037	-	9,313	122,350	912,323	553,414
Public and governmental sectors	509,660	-	-	-	-	-	-	-	509,660	-
Sukuk :										
Within financial assets at fair value through other comprehensive income	107,989,424	-	-	-	-	-	-	-	107,989,424	98,610
Within financial assets at amortized cost	141,800,000	-	-	-	-	-	-	-	141,800,000	-
Other assets	14,063,553	-	-	-	-	-	-	-	14,063,553	-
Total	**552,980,422**	**5,972**	**-**	**-**	**120,526**	**1,740,358**	**9,313**	**1,876,169**	**551,104,253**	**2,015,045**
Letters of guarantees	44,641,332	4,896,246	-	-	-	-	-	4,896,246	39,745,086	142,699
Letters of Credits	221,499,043	126,221,197			-	-	-	126,221,197	95,277,846	31,233
Letters of Acceptance	18,916,347	-	-	-	-	-	-	-	18,916,347	9,874
Grand total	**838,037,144**	**131,123,415**			**120,526**	**1,740,358**	**9,313**	**132,993,612**	**705,043,532**	**2,198,851**

C. Distribution of the fair value of collateral against credit exposures included in the third stage - joint according to the following table:

Item	Total exposure value	31 December 2025							Net exposure after collateral	Expected Credit Loss (ECL)
		Fair value of collateral								
		Cash margin	Traded shares	Acceptable bank guarantees	Real estate financing	Cars and mechanics	Other	Total value of collateral		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-
International wakala investments - net	-	-	-	-	-	-	-	-	-	-
Direct credit facilities (after deducting deferred and suspended revenue) :										
Retail (individual)	26,371,620	3,769	-	-	780,980	8,746,421	-	9,531,170	16,840,450	25,770,203
Real estate financing	1,097,190	-	-	-	1,097,190	-	-	1,097,190	-	2,118,949
For corporate	44,663,679	5,000	-	-	5,309,852	291,773	-	5,606,625	39,057,054	36,972,021
Small and medium enterprises (SMEs)	7,715,086	714,273	-	-	5,226,882	191,025		6,132,180	1,582,906	3,277,156
Public and governmental sectors	-	-	-	-	-	-	-	-	-	-
Sukuk:										
Within financial assets at fair value through statement of income	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through quasi-equity	-	-	-	-	-	-	-	-	-	-
Within Financial assets at amortized cost	-	-	-	-	-	-	-	-	-	-
Other assets	-	-			-	-		-	-	-
Total	**79,847,575**	**723,042**	**-**	**-**	**12,414,904**	**9,229,219**	**-**	**22,367,165**	**57,480,410**	**68,138,329**
Unutilized limits	-	-	-	-	-	-	-	-	-	-
Grand total	**79,847,575**	**723,042**	**-**	**-**	**12,414,904**	**9,229,219**	**-**	**22,367,165**	**57,480,410**	**68,138,329**

D. Distribution of the fair value of collateral against credit exposures included in the third stage - Self according to the following table:

Item	Total exposure value	31 December 2025							Net exposure after collateral	Expected Credit Loss (ECL)
		Fair value of collateral								
		Cash Insurance	Shares traded	Acceptable bank guarantees	Real estate	Cars and Mechanics	Other	Total value of collateral		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Direct credit facilities (after deducting deferred and suspended revenue) :										
Retail (individual)	456,274	-	-	-	-	-	-	-	456,274	444,188
Real estate financing	-	-	-	-	-	-	-	-	-	-
For corporate	869,887	5,972	-	-	4,757	-	-	10,729	859,158	550,318
Small and medium enterprises (SMEs)	596,097	-			84,968			84,968	511,129	551,519
Public and governmental sectors	-	-	-	-	-	-	-	-	-	-
Sukuk:										
Within financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**1,922,258**	**5,972**	**-**	**-**	**89,725**	**-**	**-**	**95,697**	**1,826,561**	**1,546,025**
Letters of guarantees	149,897	-	-	-	-	-	-	-	149,897	-
Letters of Credits	-	-	-	-	-	-	-	-	-	-
Letters of Acceptance	-	-	-	-	-	-	-	-	-	-
Grand total	**2,072,155**	**5,972**	**-**	**-**	**89,725**	**-**	**-**	**95,697**	**1,976,458**	**1,546,025**

Deferred sales and other receivables and scheduled financing:

It is an amendment to the contractual terms agreed with the customer by rearranging part or all of the customer's obligations, adjusting the value of the installments, extending the life of the exposure, granting or extending a grace period, postponing the due date of installments, profits or commissions, whether due or due in the future. While these exposures have been classified as non-performing exposures, and the non-performing credit exposures must be retained until the end of the probationary period, deferred sales receivables and other scheduled receivables amounted to JD 9,746,316 as at 31 December 2025.

Deferred sales and other receivables and restructured financing:
It is an amendment to the contractual terms agreed with the customer as a result of facing financial difficulties by rearranging part or all of the customer's obligations, adjusting the value of the installments, extending the life of exposure, granting or extending a grace period, postponing the due date of installments, profits or commissions, whether due or due in the future. While these exposures are classified as operating credit exposures, deferred sales receivables and other restructured receivables amounted to JD 79,950,684 as at 31 December 2025.

3) Sukuk
The following tables show the classifications of sukuk by external rating institutions:

Classification grade	Grading institution	31 December 2025	31 December 2025
		JD	JD
A- Financial assets at fair value through quasi-equity - net after deducting ECL			
Aa3	Moody's	54,405,350	52,296,997
A2	Moody's	2,888,139	10,388,258
A3	Moody's	8,175,473	12,653,926
B1	Moody's	-	1,115,316
Ba1	Moody's	1,300,783	4,542,538
Ba3	Moody's	1,134,321	-
Baa3	Moody's	-	331,002
A+	Fitch	1,951,844	2,074,432
A	Fitch	14,582,035	26,576,948
A-	Fitch	-	1,420,883
BBB+	Fitch	-	1,511,417
B+	Fitch	4,536,291	4,916,934
Government	-	-	4,442,662
Government guarantee	-	285,904,988	318,803,527
	Total	**374,879,224**	**441,074,840**
B- Financial assets at amortized cost			
Government guarantee	-	261,652,000	119,852,000
	Total	**261,652,000**	**119,852,000**
C- Financial assets at fair value through other comprehensive income - net after deducting ECL			
A	Fitch	24,203,445	6,446,591
A-	Fitch	10,301,495	710,427
BBB-	S&P	7,422,394	7,108,077
Aa2	Moody's	7,022,519	-
Aa3	Moody's	42,991,301	13,716,360
A2	Moody's	1,445,035	-
A3	Moody's	918,650	-
Baa3	Moody's	1,810,337	8,596,751
Baa2	Moody's	2,933,763	-
Ba1	Moody's	8,841,875	8,873,229
	Total	**107,890,814**	**45,451,435**
D- Financial assets at fair value through income statement - net after deducting ECL			
Ba1	Moody's	144,877	-
B+	Fitch	1,322,019	-
	Total	**1,466,896**	**-**
	Grand total	**745,888,934**	**606,378,275**

All the above instruments are classified within the first stage for the year 2025.

4 -Concentration in credit exposures by geographical distribution .

1. The total distribution of exposures by geographical region-self financed (after impairment provision) :

Item	31 December 2025								31 December 2024
	Within the Kingdom	Other Middle Eastern countries	Europe	Asia *	Africa	America	Other countries	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	212,637,681	-	-	-	-	-	-	212,637,681	210,414,366
Balances at banks and financial institutions	1,724,594	2,991,032	6,328,258	858,108	-	8,043,851	10,477	19,956,320	16,841,108
Direct credit facilities -net	54,617,009	-	-	-	-	-	-	54,617,009	13,577,009
Sukuk:					-				
Within financial assets at amortized cost	141,800,000	-	-	-		-	-	141,800,000	-
Within financial assets at fair value through other comprehensive income	-	107,890,814	-	-	-	-	-	107,890,814	45,451,435
Other assets	14,063,553	-	-	-	-	-	-	14,063,553	1,128,277
Total	**424,842,837**	**110,881,846**	**6,328,258**	**858,108**	**-**	**8,043,851**	**10,477**	**550,965,377**	**287,412,195**
Letter of guarantees	44,270,383	223,250	-	-	-	-	5,000	44,498,633	37,211,691
Letters of credit	55,063,732	166,404,078	-	-	-	-	-	221,467,810	182,131,628
Acceptances	11,206,011	7,700,462	-	-	-	-	-	18,906,473	22,311,639
Grand total	**535,382,963**	**285,209,636**	**6,328,258**	**858,108**	**-**	**8,043,851**	**15,477**	**835,838,293**	**529,067,153**

*Except for Middle Eastern countries

2. Distributions according to classification according to classification according to the FAS No. (30) - Self :

Item	31 December 2025					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	524,163,647	3,257,320	7,290,301	145,565	526,130	535,382,963
Other Middle Eastern countries	285,209,636	-	-	-	-	285,209,636
Europe	6,328,258	-	-	-	-	6,328,258
Asia	858,108	-	-	-	-	858,108
Africa	-	-	-	-	-	-
America	8,043,851	-	-	-	-	8,043,851
Other countries	15,47	-	-	-	-	15,477
Total	**824,618,977**	**3,257,320**	**7,290,301**	**145,565**	**526,130**	**835,838,293**

3. Total distribution of exposures by geographical region-joint (after impairment provision) :

Item	31 December 2025								31 December 2025
	Within the Kingdom	Other Middle Eastern countries	Europe	Asia *	Africa	America	Other countries	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
International wakala investments -net	-	242,351,323	3,260,992	-	-	-	-	245,612,315	217,144,756
Direct credit facilities -net	1,850,770,751	17,198,031	-	-	-	24,799,066	-	1,892,767,848	1,538,331,736
Sukuk:					-				
Within financial assets at fair value through statement of Income	-	1,466,896	-	-	-	-	-	1,466,896	-
Within financial assets at fair value through quasi-equity -net	285,904,988	87,839,915	1,134,321	-		-	-	374,879,224	441,074,840
Within financial assets at amortized cost	119,852,000	-	-	-	-	-	-	119,852,000	119,852,000
Other assets	8,284,881	-	-	-	-	-	-	8,284,881	8,703,905
Total	**2,264,812,620**	**348,856,165**	**4,395,313**	**-**	**-**	**24,799,066**	**-**	**2,642,863,164**	**2,325,107,237**
Unutilized credit limits	220,484,489	-	-	-	-	-	-	220,484,489	183,669,434
Grand total	**2,485,297,109**	**348,856,165**	**4,395,313**	**-**	**-**	**24,799,066**	**-**	**2,863,347,653**	**2,508,776,671**

4.Distribution of exposures according to the classification stages according to the FAS (30) - joint :

Item	31 December 2025					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	1,947,275,667	476,846,072	16,494,317	32,971,807	11,709,246	2,485,297,109
Other Middle Eastern countries	348,856,165	-	-	-	-	348,856,165
Europe	4,395,313	-	-	-	-	4,395,313
Asia	-	-	-	-	-	-
Africa	-	-	-	-	-	-
America	24,799,066	-	-	-	-	24,799,066
Other countries	-	-	-	-	-	-
Total	**2,325,326,211**	**476,846,072**	**16,494,317**	**32,971,807**	**11,709,246**	**2,863,347,653**

5- Distribution of exposures by economic sectors:

1. Total distribution of exposures by financial instrument - self (after impairment provision) :

Item	31 December 2025										31 December 2025
	Financial	Industry	Trade	Real estates	Agriculture	Shares	Retail	Government and public sector	Other	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	212,637,681	-	-	-	-	-	-	-	-	212,637,681	210,414,366
Balances at banks and financial institutions	19,956,320	-	-	-	-	-	-	-	-	19,956,320	16,841,108
Direct credit facilities -net	-	46,573,874	3,541,287	-	1,609	919,550	1,213,049	509,660	1,857,980	54,617,009	13,577,009
sukuk :											
Within financial assets at amortized cost	-	-	-	-	-	-	-	141,800,000	-	141,800,000	-
Within financial assets at fair value through other comprehensive income - net	107,890,814	-	-	-	-	-	-	-	-	107,890,814	45,451,435
Other assets	14,063,553	-	-	-	-	-	-	-	-	14,063,553	1,128,277
Total	**354,548,368**	**46,573,874**	**3,541,287**	**-**	**1,609**	**919,550**	**1,213,049**	**142,309,660**	**1,857,980**	**550,965,377**	**287,412,195**
Letter of guarantees	338,113	7,884,012	11,138,751	2,926,907	1,377,892	5,153,597	5,970,841	-	9,708,520	44,498,633	37,211,691
Letters of credit	83,220,508	11,305,786	118,493,496	1,077,314	-	546,965	1,448,798	-	5,374,943	221,467,810	182,131,628
Acceptances	7,700,462	9,926,313	1,258,569	-	-	-	-	-	21,129	18,906,473	22,311,639
Grand total	**445,807,451**	**75,689,985**	**134,432,103**	**4,004,221**	**1,379,501**	**6,620,112**	**8,632,688**	**142,309,660**	**16,962,572**	**835,838,293**	**529,067,153**

2.Distribution of divisions according to classification according to the classification of the FAS (30) self :

Item	31 December 2025					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	445,748,451	-	59,000	-	-	445,807,451
Industry	75,395,594	-	288,418	-	5,973	75,689,985
Trade	131,839,533	-	2,559,982	-	32,588	134,432,103
Real estates	2,059,614	-	1,942,607	-	2,000	4,004,221
Agriculture	1,373,692	1,609	4,200	-	-	1,379,501
Share's	5,615,997	919,550	19,756	-	64,809	6,620,112
Retail	7,417,639	1,213,049	-	-	2,000	8,632,688
Government and public sector	142,309,660	-	-	-	-	142,309,660
Other	12,858,797	1,123,112	2,416,338	145,565	418,760	16,962,572
Total	**824,618,977**	**3,257,320**	**7,290,301**	**145,565**	**526,130**	**835,838,293**

3- Distribution of exposures by economic sectors - joint (after impairment provision):

Item	31 December 2025										31 December 2024
	Financial	Industry	Trade	Real estates	Agriculture	Shares	Retail	Government and public sector	Other	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
International wakala investments -net	245,612,315	-	-	-	-	-	-	-	-	245,612,315	217,144,756
Direct credit facilities - net	49,177,059	221,868,533	168,103,783	9,720,865	9,438,743	330,756,773	151,245,405	759,429,415	193,027,272	1,892,767,848	1,538,331,736
Sukuk:											
Within financial assets at fair value through statement of income	1,466,896	-	-	-	-	-	-	-	-	1,466,896	-
Within financial assets at fair value through quasi-equity -net	88,974,236	-	-	-	-	-	-	285,904,988	-	374,879,224	441,074,840
Within financial assets at amortized cost -net	-	-	-	-	-	-	-	119,852,000	-	119,852,000	119,852,000
Other assets	8,284,881	-	-	-	-	-	-	-	-	8,284,881	8,703,905
Total	**393,515,387**	**221,868,533**	**168,103,783**	**9,720,865**	**9,438,743**	**330,756,773**	**151,245,405**	**1,165,186,403**	**193,027,272**	**2,642,863,164**	**2,325,107,237**
Unutilized limits	1,919,529	65,773,681	75,881,409	1,548,266	8,054,028	4,666,128	22,754,453	-	39,886,995	220,484,489	183,669,434
Grand total	**395,434,916**	**287,642,214**	**243,985,192**	**11,269,131**	**17,492,771**	**335,422,901**	**173,999,858**	**1,165,186,403**	**232,914,267**	**2,863,347,653**	**2,508,776,671**

4.Distribution of exposures according to the classification stages according to the FAS (30) - Joint

Item	31 December 2025					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	395,434,916	-	-	-	-	395,434,916
Industry	281,538,055	15,433,138	(10,423,429)	338,838	755,612	287,642,214
Trade	201,184,271	31,478,919	4,771,066	3,355,922	3,195,014	243,985,192
Real estates	2,177,445	2,234,744	6,443,121	1,435,580	(1,021,759)	11,269,131
Agriculture	12,782,457	2,690,086	76,741	978,050	965,437	17,492,771
Shares	40,781,602	263,356,142	12,083,894	11,800,204	7,401,059	335,422,901
Retail	22,776,943	139,963,128	82,657	11,074,801	102,329	173,999,858
Government and public sector	1,165,186,403	-	-	-	-	1,165,186,403
Other	203,464,119	21,689,915	3,460,267	3,988,412	311,554	232,914,267
Total	**2,325,326,211**	**476,846,072**	**16,494,317**	**32,971,807**	**11,709,246**	**2,863,347,653**

6- Credit exposures that have been reclassified

1. Total credit exposures classified:

A. Self

Item	31 December 2025					
	Stage 2		Stage 3		Total exposures that have been reclassified	Percentage of rated exposures
	Total exposure value	The exposures that have been reclassified	Total exposure value	The exposures that have been reclassified		
	JD	JD	JD	JD	JD	%
Direct credit facilities-net	1,390,221	(30,115)	1,922,258	83,909	53,794	1.62%
Letters of guarantee	6,176,242	(4,070,281)	149,897	600	(4,069,681)	(64.33%)
Acceptances	-	-	-	-	-	-
Letters of credit	-	-	-	-	-	-
Grand total	**7,566,463**	**(4,100,396)**	**2,072,155**	**84,509**	**(4,015,887)**	**(41.66%)**

B. Joint

Item	31 December 2025					
	Stage 2		Stage 3		Total exposures that have been reclassified	Percentage of rated exposures
	Total exposure value	The exposures that have been reclassified	Total exposure value	The exposures that have been reclassified		
	JD	JD	JD	JD	JD	%
Direct credit facilities-net	87,335,048	(17,043,411)	79,847,575	17,318,494	275,083	0.16%
Unutilized limits	3,789,667	(320,141)	-	-	(320,141)	(8.45%)
Grand total	**91,124,715**	**(17,363,552)**	**79,847,575**	**17,318,494**	**(45,058)**	**(0.03%)**

2.Credit losses expected for exposures that have been reclassified:

A. Self

Item	31 December 2025							
	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified				Total
	Total exposures that have been reclassified Stage 2	Total exposures that have been reclassified Stage 3	Total exposures that have been reclassified	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	
	JD	JD	JD	JD	JD	JD	JD	JD
Direct credit facilities	(30,115)	83,909	53,794	(97)	133	(3)	291	324
Letters of guarantee	(4,070,281)	600	(4,069,681)	(117,868)	-	-	-	(117,868)
Letters of credit	-	-	-	-	-	-	-	-
Acceptances	-	-	-	-	-	-	-	-
Grand total	**(4,100,396)**	**84,509**	**(4,015,887)**	**(117,965)**	**133**	**(3)**	**291**	**(117,544)**
B-Joint								

Item	31 December 2025							
	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified				Total
	Total exposures that have been reclassified rated from Stage 2	Total exposures that have been reclassified rated from Stage 3	Total exposures that have been reclassified	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	
	JD	JD	JD	JD	JD	JD	JD	JD
Direct credit facilities	(17,043,411)	17,318,494	275,083	(3,818,567)	(935,836)	1,711,408	186,724	(2,856,271)
Unutilized limits	(320,141)	-	(320,141)	(7,302)	-	-	-	(7,302)
Grand total	**(17,363,552)**	**17,318,494**	**(45,058)**	**(3,825,869)**	**(935,836)**	**1,711,408**	**186,724**	**(2,863,573)**

(53/B) MARKET RISKS

The Bank follows certain financial policies to manage different risks within a specific strategy. There is also a committee concerned with managing assets and liabilities in the Bank. This committee is charged with monitoring and controlling risks, and conducting the best strategic distribution of assets and liabilities whether on- or off -the statement of financial position. Its responsibilities include:

- Updating the investment policy followed by the Bank, submitting it to the Board of Directors to be approved on a regular basis, reviewing the implemented investment policy, and assessing its results against the banking market and competitive indicators.
- Forming investment decision-making committees and related authorities, according to the Bank's investment policy.
- Preparing the annual investment plan, in line with the Assets and Liabilities Committee's expectations of revenues and changes in market rates, including low-risk investment instruments available in the market.
- Preparing a report including market prices and presenting it to the Asset and Liabilities Committee to monitor any sudden change in prices of financial instruments and avoid changes in market prices.

1- Rate of Return Risks

- Risks of rate of return arise from the unexpected changes in the market rates. Necessary procedures must be taken to ensure the existence of administrative procedures related to reviewing, measuring, and monitoring of rate of return risks.

-The Bank is exposed to rate of return risks as a result of the gap between assets and liabilities according to their terms and re-pricing the rate on subsequent transactions.

- The Bank manages these risks by determining the rates of future profits according to the expectations of market conditions and developing new instruments that comply with the Islamic rules and regulations through the Bank's risk management strategy:

1. Attaining the best returns available in the market based on market indicators as a standard and Benchmarks for both the portfolios an investments managed by the Bank.
2. Taking into account the risks resulting from these investments, depending on the diversification option based on countries and institutions to ensure mitigation of the impact of risks.
3. The Bank is committed to manage investments based on matching the Bank's liabilities (represented by deposits term accounts) and assets in foreign currencies (represented by investments in foreign currencies).

2-Currency Risks

Foreign currency centers are managed by Treasury and Investment Department on a daily basis in accordance with the principles of Islamic shari'a . The bank's policy of managing foreign currency centers is a conservative policy based on clearing the centers first and covering the required positions according to customers needs.

The maximum positions in foreign currencies shall not exceed 5% of equity for each currency except for the US Dollar at no more than 15% of total bank's equity . The total foreign currencies position shall not exceed 15% of total equity.

Below is the effect of foreign currency exchange against JD on consolidated statement of income and other comprehensive income with other variables being constant :-

2025	Change in the indicator 5%	Impact on Statement of Profit or loss and Comprehensive income	Impact on equity
currency	JD	JD	JD
USD	-	-	-
Euro	36,469	36,469	36,469
GBP	20,537	20,537	20,537
Japanese Yen	71,042	71,042	71,042
Other currencies	1,012,657	1,012,657	1,012,657
2024	**Change in the indicator 5%**	**Impact on Statement of Profit or loss and Comprehensive income**	**Impact on equity**
currency	**JD**	**JD**	**JD**
USD	-	-	-
Euro	7,007	7,007	7,007
GBP	1,514	1,514	1,514
Japanese Yen	52,256	52,256	52,256
Other currencies	102,883	102,883	102,883

The impact of the decrease in the exchange rate by 5% has the same impact of the opposite sign.

Concentration in foreign currencies risks:

	31 December 2025					
	US Dollars	Euro	GBP	Japanese Yen	Others	Total
Assets :						
Cash and balances at Central Banks of Jordan	35,823,542	3,272,693	455,729	-	285,939	39,837,903
Balances at banks and financial institutions	10,601,082	5,156,457	451,329	735,309	2,598,898	19,543,075
International wakala investments	192,848,000	9,983,760	5,248,128	-	37,805,000	245,884,888
Deferred sales receivables	157,432,648	-	-	813,193	17,212,238	175,458,079
Ijara Muntahia Bittamleek assets-net	6,334,539	-	-	-	-	6,334,539
Within financial assets at fair value through statement of income	1,466,896	-	-	-	-	1,466,896
Financial assets at fair value through other comprehensive income - net	87,048,737	20,940,687	-	-	-	107,989,424
Financial assets at fair value through quasi-equity - net	80,914,825	8,491,521	600,288	-	16,870,121	106,876,755
Within financial assets at amortized cost	141,800,000	-	-	-	-	141,800,000
Al Qard Al Hasan-net	391	62	-	-	-	453
Property and equipment-net	129,942	-	-	-	-	129,942
Other assets	5,324,033	137,472	24,465	-	58,624	5,544,594
Total assets	**719,724,635**	**47,982,652**	**6,779,939**	**1,548,502**	**74,830,820**	**850,866,548**
Liabilities and Quasi-equity :						
Banks and financial institutions' accounts (Current)	8,776,217	3,716,406	-	-	33,271	12,525,894
Customers' and Banks's deposit (current, saving, term, certificate deposit) accounts	391,827,266	39,890,486	6,378,605	127,666	2,617,011	440,841,034
Fair value reserve (quasi-equity)	950,013	121,442	(65,817)	-	1,421,467	2,427,105
Cash margins accounts	143,781,925	3,099,473	-	-	50,915	146,932,313
Other liabilities	154,826,364	510,558	56,401	-	50,455,013	205,848,336
Total Liabilities and Quasi-equity	**700,161,785**	**47,338,365**	**6,369,189**	**127,666**	**54,577,677**	**808,574,682**
Equity :						
Fair value reserve through (other comprehensive income)	1,543,574	(85,084)	-	-	-	1,458,490
Total Liabilities and Quasi-equity and Equity	**701,705,359**	**47,253,281**	**6,369,189**	**127,666**	**54,577,677**	**810,033,172**
Net concentration in consolidated statement of financial position for the year	**18,019,276**	**729,371**	**410,750**	**1,420,836**	**20,253,143**	**40,833,376**
Contingent liabilities outside consolidated statement of financial position	263,806,693	27,164,402	-	2,102,286	6,307,897	299,381,278
	31 December 2024					
	US Dollars	**Euro**	**GBP**	**Japanese Yen**	**Others**	**Total**
Total Assets	506,144,115	65,464,196	5,397,916	1,363,303	7,690,789	586,060,319
Total Liabilities and Quasi-equity	489,342,515	65,273,658	5,367,639	318,180	5,633,139	565,935,131
Total Liabilities, Quasi-Equity and Equity	**489,347,246**	**65,324,064**	**5,367,639**	**318,180**	**5,633,139**	**565,990,268**
Net concentration in consolidated statement of financial position for the year	**16,796,869**	**140,132**	**30,277**	**1,045,123**	**2,057,650**	**20,070,051**
Contingent liabilities outside consolidated statement of financial position	206,011,355	63,389,872	-	4,489,249	5,922,868	279,813,344

3-Change in stocks price risk:

Financial assets price risk is related to the supply and demand in the financial markets which causes a change in the fair value of the investments portfolio. The Treasury Department uses scientific and advanced financial bases to mitigate the risk of price change and to ensure that the Bank and the Bank's customers get better rates of return on their investments. The Department uses segmental and geographical distribution methodology and the credit ratings of the best credit rating agencies (Moody's, Standard & Poor, etc…). Moreover, the department analyses the financial indicators of these prices and evaluates them with a fair estimate of the weighted weight for the total investment portfolios managed by the bank to manage them accurately to ensure the risk of price fluctuations.

Below is the effect of market index movement by 5% on consolidated statement of income and other comprehensive income and Quasi equity with other variables being constant:

2025	Increase in the indicator (5٪)	Impact on consolidated Statement income and other comprehensive income	Impact on equity	Impact on Quasi-Equity
Indicator	**JD**	**JD**	**JD**	**JD**
Amman Stock Market	284,227	-	105,564	178,663
Foreign markets	888,763	-	-	888,763
2024	**Increase in the indicator (5٪)**	**Impact on consolidated Statement income and other comprehensive income**	**Impact on equity**	**Impact on Quasi-Equity**
Indicator	**JD**	**JD**	**JD**	**JD**
Amman Stock Market	121,991	-	28,600	93,391
Foreign markets	21,160	-	-	21,160

If there is a negative change in the indicator, the effect is equal to the above change with the opposite sign.

4- COMMODITIES RISKS

Commodities risks are caused by any fluctuations in the prices of tradable or leasable assets, and relate to the current and future fluctuations in the market values of specific assets. The Bank is exposed to fluctuations in prices of fully-paid commodities after concluding the sale contracts during the year of possession, in addition to being exposed to the fluctuation in the residual value of leased asset at the end of the lease term.

(53/C) LIQUIDITY RISKS

The Cash Liquidity management ensures the Bank's ability to meet short and long-term cash obligations. The Bank's cash liquidity is reviewed and managed regularly. The cash obligations and available funds are assessed daily by the finance department and treasury department. Moreover, review and analysis of cash liquidity of the Bank's assets and liabilities are performed on a monthly basis. Moreover, the maturity of assets and liabilities is analysed. This also includes analysis of the sources of funds according to the nature of the sources and their uses.

First: below is a summary of the maturities of the Bank's undiscounted liabilities and Quasi-equity , based on the contractual payment date as of the date of the consolidated financial statements :

31 December 2025 :	Less than one month	1-3 months	3-6 months	6 months to 1 year	1-3 years	More than 3 years	Without maturity	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Bank and financial institutions' accounts	17,564,555	-	-	-	-	-	-	17,564,555
Customers' current accounts	351,192,050	-	-	-	-	-	-	351,192,050
Cash margins accounts	143,223,531	18,144,621	17,282,621	31,085,689	-	-	-	209,736,462
Income tax provisions	-	-	18,142,645	-	-	-	-	18,142,645
Deferred Tax Liabilities	-	-	-	31,161	-	-	-	31,161
Other provisions	159,326	-	-	-	-	-	-	159,326
Lease contract liabilities - long term	122,808	26,520	43,289	198,391	848,129	10,181,713	-	11,420,850
Other liabilities	68,154,443	104,696,950	6,782,399	2,331,235	-	-	-	181,965,027
Unrestricted investment accounts	689,651,234	688,331,784	583,782,712	1,292,786,688	42,741,166	-	-	3,297,293,584
Total undiscounted liabilities and Quasi-equity	**1,270,067,947**	**811,199,875**	**626,033,666**	**1,326,433,164**	**43,589,295**	**10,181,713**	**-**	**4,087,505,660**
Total assets based on maturities expected due dates	**589,875,815**	**234,835,573**	**259,355,776**	**658,829,588**	**925,880,414**	**1,567,233,814**	**52,455,108**	**4,288,466,088**
31 December 2024 :	**Less than one month**	**1-3 months**	**3-6 months**	**6 months to 1 year**	**1-3 years**	**More than 3 years**	**Without maturity**	**Total**
	JD	JD	JD	JD	JD	JD	JD	JD
Bank and financial institutions' accounts	30,544,484	-	-	-	-	-	-	30,544,484
Customers' current accounts	313,833,370	-	-	-	-	-	-	313,833,370
Cash margins accounts	120,158,383	10,896,085	14,874,054	8,132,794	-	-	-	154,061,316
Income tax provisions	-	-	20,680,565	-	-	-	-	20,680,565
Other provisions	163,719	-	-	-	-	-	-	163,719
Lease contract liabilities - long term	-	100,760	5,000	6,000	967,177	9,899,589	-	10,978,526
Other liabilities	58,538,501	16,214,533	4,256,156	1,453,695	-	-	-	80,462,885
Unrestricted investment accounts	522,333,717	495,631,716	515,834,791	1,137,758,172	80,452,771	-	-	2,752,011,167
Total undiscounted liabilities and Quasi-equity	**1,045,572,174**	**522,843,094**	**555,650,566**	**1,147,350,661**	**81,419,948**	**9,899,589**	**-**	**3,362,736,032**
Total assets based on maturities expected due dates	**531,920,922**	**245,973,753**	**198,613,264**	**312,351,055**	**1,051,369,054**	**1,157,055,131**	**37,253,619**	**3,534,536,798**

Second: Off statement of financial position items:

	31 December 2025			31 December 2024		
	Up to one year	More than a year	Total	Up to one year	More than a year	Total
	JD	JD	JD	JD	JD	JD
Letters of credit	221,499,043	-	221,499,043	182,237,981	-	182,237,981
Acceptances	18,916,347	-	18,916,347	22,333,085	-	22,333,085
Letters of guarantee	38,539,894	6,101,438	44,641,332	30,936,494	6,471,553	37,408,047
Unutilized limits	221,443,855	-	221,443,855	184,482,235	-	184,482,235
Total	**500,399,139**	**6,101,438**	**506,500,577**	**419,989,795**	**6,471,553**	**426,461,348**

(54) SEGMENT INFORMATION

a. Information on the Bank's Activities

The Bank is structured for administrative purposes whereby sectors are measured according to the reports used by the executive director and main decision maker at the Bank through three major business sectors

Retail Accounts:

This sector follows up on the unrestricted investment accounts, deferred sales receivables, financings, and other services related to retail.

Corporate Accounts:

This sector handles unrestricted investment accounts, deferred sales receivables, financings, and other banking services related to corporate customers.

Treasury:

This sector handles the services of brokerage, treasury and management of the Bank's funds.

Information on the Bank's segments according to activities is shown as follows :

	Individuals	Corporate	Treasury	Other	For the year ended 31 December	
					2025	2024
					Total	Total
	JD	JD	JD	JD	JD	JD
Gross income	85,207,062	98,728,684	54,830,816	6,406,649	245,173,211	216,036,887
Results of segment's operations	**85,207,062**	**98,728,684**	**54,830,816**	**6,406,649**	**245,173,211**	**216,036,887**
Expected credit losses	(1,135,019)	(27,305,594)	79,486	-	(28,361,127)	(32,980,780)
Distributed expenses	(6,901,606)	(4,539,565)	(1,153,045)	-	(12,594,216)	(10,541,632)
Undistributed expenses	-	-	-	(35,267,315)	(35,267,315)	(29,666,133)
Net profit for the year before tax and net profit attributable to quasi-equity	77,170,437	66,883,525	53,757,257	(28,860,666)	168,950,553	142,848,342
Less : Net profit attributable to quasi-equity	(67,192,405)	(48,446,237)	(9,383,355)	-	(125,021,997)	(110,060,634)
Net profit for the year before tax	**9,978,032**	**18,437,288**	**44,373,902**	**(28,860,666)**	**43,928,556**	**32,787,708**
Income tax expense	-	-	-	(17,214,342)	(17,214,342)	(12,562,797)
Net profit for the year	**9,978,032**	**18,437,288**	**44,373,902**	**(46,075,008)**	**26,714,214**	**20,224,911**
	Individuals	Corporate	Treasury	Other	For the year ended 31 December	
					2025	2024
	JD	JD	JD	JD	JD	JD
Segments' assets	972,003,269	1,720,119,649	1,477,744,158	-	4,169,867,076	3,418,618,845
Undistributed assets	-	-	-	118,599,012	118,599,012	115,917,953
Total assets	**972,003,269**	**1,720,119,649**	**1,477,744,158**	**118,599,012**	**4,288,466,088**	**3,534,536,798**
Segment Liabilities and Quasi-equity	2,083,771,726	1,418,837,546	336,655,804	-	3,839,265,076	3,213,874,579
Undistributed liabilities	-	-	-	211,679,944	211,679,944	111,158,544
Total liabilities and Quasi-equity	**2,083,771,726**	**1,418,837,546**	**336,655,804**	**211,679,944**	**4,050,945,020**	**3,325,033,123**

	For the year ended 31 December	
	2025	2025
	JD	JD
Capital expenditure	5,532,536	4,728,104
Depreciation and amortization	3,354,325	3,180,785

Geographical Distribution Information

The following disclosure represents the geographical distribution for the bank's operations.The Bank performs its operations mainly inside the Kingdom. Which represent the local operation.

Distribution of the Bank's revenue, assets and capital expenditure according to geographical area is as follows :

	31 December 2025			31 December 2024		
	Inside Kingdom	Outside Kingdom	Total	Inside Kingdom	Outside Kingdom	Total
	JD	JD	JD	JD	JD	JD
Total assets	3,766,517,742	521,948,346	4,288,466,088	3,109,165,577	425,371,221	3,534,536,798

	For the year ended 31 December 2025			For the year ended 31 December 204		
	Inside Kingdom	Outside Kingdom	Total	Inside Kingdom	Outside Kingdom	Total
	JD	JD	JD	JD	JD	JD
Gross income	227,758,939	17,414,272	245,173,211	199,301,493	16,735,394	216,036,887
Capital expenditures	5,532,536	-	5,532,536	4,728,104	-	4,728,104

(55) CAPITAL MANAGEMENT

The Bank's management takes into consideration the Central Bank of Jordan's requirements which require the Bank to have sufficient self resources to cover a certain percentage of its risk-weighted assets based on the nature of the finance granted and direct investment made. Accordingly, the capital considered as per the Central Bank of Jordan's requirements is the regulatory capital (both basic and additional capital).

Capital management aims to invest the Bank's fund in various risk-weighted investments (low and high risk) to ensure that the Bank obtains a better rate of return and to maintain a capital adequacy of 12.5% (12% as instructed in addition to 0.5% for banks classified as banks of local systemic importance).

The capital adequacy ratio is calculated as on 31 December 2025 according to the instructions of the regulatory capital No. (72/2018) issued by the Central Bank of Jordan in accordance with the revised standard No. (15) issued by the Islamic Financial Services Council (IFSB) in support of the provisions of Article (99/B) from the Banking Law. The following is the capital adequacy ratio in thousands of dinars:

	31 December	
	2025	2024
	JD"000	JD"000
Basic capital items	**213,965**	**198,617**
authorized capital (paid)	150,000	120,000
Retained earnings	43,270	51,090
Statutory reserve	42,713	38,320
Full fair value reserve (self)	1,539	94
The bank's share of the fair value reserve in the case of commingling of funds	1,646	8
Intangible assets	(2,617)	(1,674)
Deferred tax assets	(1,730)	(1,351)
The Bank's share of the deferred tax assets if the case of commingling of funds	(7,164)	(7,870)
Investment in financial institutions,Banks and takaful companies that is less than 10%	(13,692)	-
Additional capital	**-**	**-**
Supporting capital	**4,408**	**8,302**
Self-general banking risks reserve and the bank's share from the general banking risks reserve (joint) not to exceed 1.25% of financial assets weighted by credit risks.	4,408	8,302
Total regulatory capital	**218,373**	**206,919**
Total risk weighted assets	**1,430,113**	**1,284,930**
Capital adequacy ratio (%)	**%15.27**	**%16.10**
Basic capital ratio (%)	%14.96	%15.46
First tier ratio (%)	%14.96	%15.46
Second tier ratio (%)	%0.31	%0.65
Leverage ratio	%11.44	%13.75

(56) LIQUIDITY COVERAGE RATIO (LCR)

The liquidity coverage ratio in total amounted to 451.8٪ as on 31 December 2025 with an average rate of 563.2% during the year (490.5٪ as on 31 December 2025 and an average rate of 664.3% during the year 2025).

The liquidity coverage ratio in Jordanian Dinars reached 222.5% as at 31 December 2025 with an average rate of 297.8% during the year(337.8% as at 31 December 2025 and an average rate of 380.0 % during the year 2025).

Liquidity Coverage Ratio Calculation Items as at 31 December 2025:

Item	Befor deducting and subtracting cap adjustments	After deducting and subtracting cap adjustments
	JD"000	JD"000
Assets (level 1)	789,163	789,163
Assets (level 2)	9,248	4,624
Total high quality liquid assets	**798,411**	**793,787**
Cash outflows	1,806,020	424,097
Cash inflows	331,143	248,407

Calculation of the Liquidity Coverage Ratio (LCR) as at 31 December 2025 :

Item	After deducting and subtracting cap adjustments
	JD"000
Total high quality liquid assets after deducting and subtracting cap adjustments	793,787
Net cash flows	175,690
Liquidity Coverage Ratio (LCR)	%451.8

(57) NET STABLE FUNDING RATIO (NFSR)

Net stable financing ratio in total currencies was 127.4% as at 31 December 2025 (133.6% as at 31 December 2025).

Items for calculating the NFSR ratio as at 31 December 2025:

Item	Value before available stable funding factor	Value after available stable funding factor
	JD"000	JD"000
Total Stable Funding Available	4,297,553	3,119,152
Total Stable Funding Required	4,297,553	2,422,572
Total stable funding required for off-budget items	506,360	25,318

Calculation of the net stable financing ratio (NFSR) as at 31 December 2025 :

Item	JD"000
Total stable funding available (after available stable funding factor)	3,119,152
Total stable funding required	2,447,890
Net stable funding ratio	%127.4

(58) ASSETS AND LIABILITIES MATURITY ANALYSIS:

Information on the Bank's segments according to activities is as follows:

31 December 2025	Within one year	More than one year	Total
	JD	JD	JD
Assets			
Cash and balances at the Central Bank of Jordan	244,092,528	-	244,092,528
Balances at banks and the financial institutions	19,956,320	-	19,956,320
International wakala investments - net	236,169,457	9,442,858	245,612,315
financial assets at fair value through statement of income	1,466,896	-	1,466,896
Deferred sales receivables and other receivables - net	622,056,126	1,272,974,721	1,895,030,847
Financial assets at fair value through quasi-equity - net	321,698,393	84,129,684	405,828,077
Financial assets at fair value through other comprehensive income – net	2,111,276	107,890,814	110,002,090
Financial assets at amortized cost	-	261,652,000	261,652,000
Investments in an associate	339,331	-	339,331
Ijara Muntahia Bittamleek assets - net	161,380,809	772,151,853	933,532,662
Al Qard Al Hasan - net	52,354,010	-	52,354,010
Real Estate Investments	1,730,415	-	1,730,415
Property and equipment - net	-	23,548,235	23,548,235
Intangible assets - net	-	2,617,423	2,617,423
Right-of-use assets	120,235	11,161,748	11,281,983
Deferred tax assets	19,369,777	-	19,369,777
Other assets	60,051,179	-	60,051,179
Total assets	**1,742,896,752**	**2,545,569,336**	**4,288,466,088**
Liabilities and Quasi-equity			
Banks and financial Institutions accounts	17,564,555	-	17,564,555
Customers' current accounts	351,192,050	-	351,192,050
Cash margins	208,290,849	-	208,290,849
Income tax provision	18,142,645	-	18,142,645
Other provisions	159,326	-	159,326
Deferred tax liabilities	31,161	-	31,161
Lease Obligations - Long Term	385,362	10,996,423	11,381,785
Other liabilities	181,965,027	-	181,965,027
Fair Value Reserve - Net	4,054,351	-	4,054,351
Unrestricted investment accounts	3,215,422,105	42,741,166	3,258,163,271
Total Liabilities & Quasi-Equity	**3,997,207,431**	**53,737,589**	**4,050,945,020**
Net	**(2,254,310,679)**	**2,491,831,747**	**237,521,068**

31 December 2024	Within one year	More than one year	Total
	JD	JD	JD
Assets			
Cash and balances at the Central Bank of Jordan	244,541,023	-	244,541,023
Balances at banks and the financial institutions	16,841,108	-	16,841,108
International wakala investments - net	217,144,756	-	217,144,756
Deferred sales receivables and other receivables - net	547,254,359	993,211,019	1,540,465,378
Financial assets at fair value through equity – net	48,714,217	402,203,189	450,917,406
Financial assets at fair value through other comprehensive income – net	572,000	45,451,435	46,023,435
Financial assets at amortized cost	-	119,852,000	119,852,000
Investments in an associate	332,759	-	332,759
Ijara Muntahia Bittamleek assets - net	111,580,510	650,514,060	762,094,570
Al Qard Al Hasan - net	10,691,878	751,489	11,443,367
Property and equipment - net	-	22,323,578	22,323,578
Intangible assets - net	-	1,673,942	1,673,942
Right-of-use assets	1,473	9,697,092	9,698,565
Deferred tax assets	18,506,502	-	18,506,502
Other assets	72,678,409	-	72,678,409
Total assets	**1,288,858,994**	**2,245,677,804**	**3,534,536,798**
Liabilities and Quasi-equity			
Banks and financial Institutions accounts	30,544,484	-	30,544,484
Customers' current accounts	313,833,370	-	313,833,370
Cash margins	153,061,234	-	153,061,234
Income tax provision	20,680,565	-	20,680,565
Other provisions	163,719	-	163,719
Lease liabilities - long term	111,028	9,740,347	9,851,375
Other liabilities	80,462,885	-	80,462,885
Fair value reserve-net	16,942	-	16,942
Unrestricted investment accounts	2,637,006,299	79,412,250	2,716,418,549
Total Liabilities and Quasi-equity	**3,235,880,526**	**89,152,597**	**3,325,033,123**
Net	**(1,947,021,532)**	**2,156,525,207**	**209,503,675**

(59) COMMITMENTS & CONTINGENT LIABILITIES (OFF-BALANCE SHEET ITEMS) :

A.Credit commitments and commitments/Self: *

	31 December 2025	31 December 2024
	JD	JD
Letters of credit	221,499,043	182,237,981
Acceptances	18,916,347	22,333,085
Letters of guarantees:		
- Payment	12,941,058	9,927,782
- Performance	16,990,863	19,361,901
- Others	14,709,411	8,118,364
Total	**285,056,722**	**241,979,113**

B. Contingent credit and commitments/Joint:

	31 December 2025	31 December 2024
	JD	JD
- Unutilized credit limit/Direct	221,443,855	184,482,235
Total	**221,443,855**	**184,482,235**

*Indirect unutilized limits / self amounted to JD 93,606,967 as at 31 December 2025 (JD 87,316,122 as at 31 December 2024)

Expected credit losses calculated on commitments and liabilities/subjective according to Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions amounted to JD 183,806 as at 31 December 2025 (JD 324,155 as at 31 December 2024) and appeared under Other Liabilities (Note 24).

Expected credit losses calculated on commitments and liabilities/subscribers according to the Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions amounted to JD 959,366 as at 31 December 2025 (JD 812,801 as at 31 December 2024) and appeared under Other Liabilities (Note 24).

(60) LAWSUITS AGAINST THE GROUP

LAWSUITS AGAINST THE BANK

The total amount of the legal cases filed against the Bank (self) was JD 1,534,998 as at 31 Decemer 2025 (JD 1,481,107 as at 31 December 2024) which are within the Bank normal course of business. In the opinion of the management and the Bank lawyers, the allocated (self) case allowance of JD 59,326 as at 31December 2025 is sufficient to meet the obligations that the Bank may incur as a result of these cases (JOD 63,719 as at 31 December 2024).

In addition to the above, there are lawsuits against the Bank related to real estate owned and leased as a financial lease and/or mortgaged in favor of the Bank, and these cases do not a financial impact or obligation on the Bank.

LAWSUITS AGAINST THE SUBSIDIARY (MISC FOR FINANCIAL BROKERAGE COMPANY)

There are no legal cases filed against the subsidiary as at 31 December 2025 and 2025.

(61) FAIR VALUE HIERARCHY

IFRS 13 requires the identification and disclosure of a level in the fair value hierarchy in which fair value measurements are categorized in full, and the fair value measurements are classified according to the levels specified in IFRS. The difference between level (2) and level (3) for fair value measurements means assessing whether information or inputs are observable and the importance of information that is not observable. This requires careful judgment and analysis of the inputs used to measure fair value including consideration of all factors affecting the asset or liability.

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

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table provides information about how the fair value of these financial assets and financial liabilities is determined(valuation techniques and key inputs).

Financial Assets/Financial Liabilities	Fair value		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable	Relationship of unobservable inputs to fair value
	31 December 2025	31 December 2024				
	JD	JD				
Financial assets at fair value through statement of income - net						
Quoted sukuk	1,466,896	-	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Financial assets at fair value through other comprehensive income – net						
Quoted shares	2,111,276	572,000	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	107,890,814	45,451,435	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Financial assets at fair value through quasi equity – net						
Quoted shares	21,348,531	2,291,022	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	88,974,236	117,828,651	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Unquoted shares	9,600,322	7,551,544	Level 3	The latest financial prices available	Not applicable	Not applicable
Unquoted sukuk	285,904,988	323,246,189	Level 2	A similar financial instrument	Not applicable	Not applicable
Total	**517,297,063**	**496,940,841**				

There were no transfer between level 1 and 2 during the year ended 31 December 2025 and the year 2024.

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 .

	31 December 2025		31 December 2024		Fair value hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
Financial assets not calculated at fair value					
Deferred sales receivables and other receivables - Net	1,895,030,847	2,169,651,517	1,540,465,378	1,757,722,713	Level 2
Financial assets at amortized cost	261,652,000	266,526,176	119,852,000	121,721,645	Level 2
Ijara muntahia Bittamleek assets - Net	933,532,662	933,532,662	762,094,570	762,094,570	Level 2
Total financial assets not calculated at fair value	**3,090,215,509**	**3,369,710,355**	**2,422,411,948**	**2,641,538,928**	
Financial liabilities not calculated at fair value					
Customers' current accounts and unrestricted investment accounts	3,609,355,321	3,648,485,634	3,030,251,919	3,065,844,537	Level 2
Cash margins	208,290,849	209,736,462	153,061,234	154,061,316	Level 2
Total financial liabilities not calculated at fair value	**3,817,646,170**	**3,858,222,096**	**3,183,313,153**	**3,219,905,853**	

(62) Accounts managed in favor of clients

Accounts managed in favor of clients amounted to JD 85,798,736 as at 31 December 2025 (JD 50,934,212 as at 31 December 2025). These accounts are not shown among the bank's assets and liabilities in the Consolidated financial statements. Fees and commissions for managing these accounts are shown in the consolidated statement of profit or loss and comprehensive income, fees and commissions for managing these accounts amounted to JD 75,840 for the year 2025 (JD 53,446 for the year 2024).

(63) COMPARATIVE FIGURES

The comparative figures for the year 2025 balances in the consolidated financial statements were reclassified to correspond with 31 December 2025 presentation. The reclassifications did not have any effect on profit and equity for the year 2024.

Intelligence

Sharpening precision in analysis and decision-making


ANNUAL REPORT 2025

Board of Director Report

Board of Directors' Report

Ladies and Gentlemen, Respected Shareholder,

The Board of Directors of Safwa Islamic Bank is pleased to present to you its annual report, which includes the financial statements, the achievements accomplished, and the services and products developed during 2025. These have brought the Bank many successes and enabled the achievement of additional strategic objectives that were previously set, and whose positive results will, God willing, be reflected on the Bank's shareholders and clients.

Since its establishment in 2010, Safwa Islamic Bank has been working to provide integrated Islamic banking solutions that combine well-established Islamic values with the latest technological advancements, in order to deliver high-quality service with a personal touch that meets the needs of its clients. This is embodied in the Bank's slogan philosophy, "Established Principles, Innovative Solutions."

Achievements achieved by the Bank and description of key events during 2025

The Bank sought to establish a network of branches, reaching to date forty-five branches spread across the Kingdom, providing a system of banking solutions compliant with the provisions of Islamic Sharia within modern frameworks. The Bank's operations grew, with total assets reaching 4.3 billion dinars, representing a growth rate of 21% compared to the previous year. The financing and lease ending with ownership of the Bank's portfolio grew to 2.9 billion dinars, with a growth rate of 24%, while customer deposits reached 3.6 billion dinars, with a growth rate of 19%. Below are the most prominent achievements of the Bank's various departments:

Corporate Banking Services

The Corporate Banking Department at Safwa Islamic Bank continued during 2025 its leading performance in supporting the corporate sector, through expanding financing to large and medium-sized companies, enhancing the quality of the credit portfolio, and providing innovative banking solutions compliant with Islamic Sharia provisions.

The year witnessed a notable expansion in the portfolio of direct and indirect facilities through attracting new segments of clients across various economic sectors, in addition to expanding relationships with existing clients, which was reflected in the growth of the customer base and the increase in banking transaction volumes. The Bank also strengthened its corporate depositor base and expanded demand for the corporate investment savings account, which is the first of its kind in the Jordanian market, and which witnessed remarkable growth from various customer segments.

As part of the Department's efforts to strengthen its position as a specialized banking reference in corporate financing, a sector-based distribution approach was implemented, based on the company's revenue size and legal nature. This segmentation enables the provision of more specialized and in-depth services for each customer segment. The practical foundations of this approach were established starting with the real estate sector and contractor financing, serving as an initial model for applying this concept to other vital sectors in the future.

The Department also launched a new phase in the development of banking transaction products, through introducing an integrated suite of cash management solutions and trade finance services, including pre-shipment and post-shipment financing, supply chain finance, and factoring products. The majority of Sharia approvals for these products have been completed, in preparation for coordination with the relevant departments to implement them during the coming period.

Based on the Bank's vision that the relationship with clients extends beyond traditional banking transactions, the concept of strategic partnership with customers was strengthened through the introduction of the Strategic Relationship Plan (SRP), an initiative aimed at developing client relationships to be based on joint planning and periodic performance follow-up, positioning the Bank as a trusted financial advisor accompanying clients throughout their growth journey and achieving shared, sustainable success.

Additionally, during the year, the Client Value Index (CVI) concept was introduced, aiming to redistribute the efforts of relationship managers based on scientific criteria that consider the total value of each client, ensuring optimal service delivery, faster response, and enhancing customer experience and satisfaction to the highest possible level.

In a related context, the Department reviewed a number of credit policies related to the corporate sector and developed new procedures for financing specialized sectors that require different treatment from general sectors, such as contractor financing and real estate developer financing, to ensure more efficient risk management and achieve the best balance between growth and sustainability.

In conclusion, the Department succeeded in achieving notable growth in both the client base and financing portfolio during 2025, reflecting market confidence in the Bank's ability to keep pace with the needs of the corporate sector under various economic conditions, and confirming Safwa Islamic Bank's position as an advanced financial institution that combines banking expertise, technological innovation, and commitment to Islamic Sharia and governance.

Retail Banking

As part of our continuous efforts at Safwa Islamic Bank to provide distinguished banking services and to enhance an integrated banking experience that meets clients' needs at any time and from any place, we expanded our presence across the Hashemite Kingdom of Jordan. The Bank now has a branch network consisting of 44 branches, in addition to opening a digital branch at City Mall, bringing the total to 45 branches distributed across various regions of the Kingdom, including Amman and the governorates of Irbid, Al Zarqa, Aqaba, Salt, Jerash, Madaba, Karak, and Mafraq. In addition, our presence was strengthened by increasing the number of ATMs to 80 machines (internal and external), with the aim of providing an integrated range of services and products that meet the diverse needs and aspirations of our clients.

The Bank offers a wide range of options, including current accounts, salary accounts, and various savings accounts tailored to different segments such as Kanzi accounts for children and Hareer accounts for women, in addition to corporate savings accounts and Offset accounts. The Bank also provides the Advance Salary Service, which enables clients to withdraw part of their salary before it is credited to their account to cover emergency expenses, installments, medical costs, or other needs. This service is managed automatically and activated through the banking application, and it is compliant with the provisions of Islamic Sharia.

The Bank is also distinguished by offering a variety of investment deposit options linked to different maturities, as well as investment certificates of deposit that grant their holders diverse and unique benefits that meet clients' expectations and provide added value. In addition, clients can invest through the Bank in the Hajj Suzuki product, which enables performing Hajj at an earlier age.

The Bank succeeded in attracting a large number of clients, with the total number of accounts exceeding 502,624 accounts, supported by offering diverse account options, attractive returns on investments, and a dedicated prize program for savings accounts.

The Bank also stood out in financing services by offering and developing various innovative financing solutions compliant with Islamic Sharia provisions that meet all client needs, including vehicle financing through cost-plus financing and lease ending with ownership, as well as land financing, in addition to providing competitive offers through strategic partnerships with major real estate developers and car agencies and showrooms, and targeting new segments such as expatriates.

Out of our strong commitment to serving all individuals and segments of society, we continuously strive to develop financing services provided to small institutions and companies across various economic sectors through multiple products based on cost-plus financing and leasing, delivered through business centers located in Amman and across the Kingdom, which are dedicated to serving our clients.

Business Development and Transformation - Banking Services

As part of our strategy to deliver more efficient and accessible financial services, we continued to develop our electronic services during 2025, covering all of the Bank's clients, both individuals and companies. These services aim to provide clients with the ability to manage their accounts, join the Safwa family, and benefit from various electronic services at any time and from any location, with the highest levels of efficiency, effectiveness, and security.

Safwa Islamic Bank launched its digital branch SIB Smart at City Mall, which enables our clients to carry out all banking financial services with high efficiency and effectiveness, starting from account opening and including the following self-service offerings:

- ATM card issuance service, where the client can issue a card through the Safwa Mobile application or using an existing ATM card.
- Currency exchange service (USD / Euro / UAE Dirham / Saudi Riyal) into Jordanian Dinar.
- Account management services: including opening sub-accounts and deposits in different currencies through smart screens at the branch.
- Payment services: including transfers between accounts and local transfers through smart branch screens.
- Personal financing request services of various types.
- Electronic Cost-plus financing card request services.
- Cash withdrawal service for cardholders.

Based on Safwa Islamic Bank's belief in the importance of its role in supporting the public sector, the Bank launched the Sanad service and the CRIF service through the banking application to facilitate the activation of digital identity for clients and to simplify obtaining credit reports.

Enhancements were also extended to corporate clients, where improvements were implemented to facilitate account control, card management, transfers, bill payments, instant salary payments, and instant deposit cards, in addition to cash deposit machines (CDM) and point-of-sale (POS) services.

The Bank is committed to continuously developing all its electronic channels, including the website www.safwabank.com, enabling clients to easily access all banking services and products.

In addition to the continuous development of banking services provided through support departments, which aim to automate processes and reduce human intervention, thereby positively impacting the quality of services provided, several processes related to financing, reservations, and corporate operations were re-engineered and automated.

Banking Services for Small Businesses
The establishment works of a new business center at 5B Mall, affiliated with the Small Business Department, were completed, with the aim of enhancing the Bank's presence across different areas and providing banking services in the field of commercial financing to various sectors in the South Amman area. Accordingly, the Small Business Department now carries out its activities through the following centers and units:

1. West and North Amman and South Center:

   West Amman Unit / Khalda Branch

   North Amman Unit / Abu Nseir Branch

   South Unit / Karak and Aqaba Branches

2. Business Center 5B Mall:

   South Amman Unit

   East Amman Unit

3. Irbid and Zarqa Small Business Center:

   Irbid Unit / Hashemi Street Branch

   Zarqa Unit / New Zarqa Branch

4. The Leasing Unit, which operates through the Head Office. During 2025, the number of employees in the unit increased through the appointment of specialized leasing staff in Amman. In addition, work began on financing real estate developers in Aqaba, where a specialized employee in commercial financing and leasing was appointed at the Aqaba branch. It is worth noting that work is underway to open a specialized leasing unit at the Airport Road Branch, which is expected to be opened during 2026.
5. Gardens Branch Unit
6. Corporate Support Services Operations Unit, which is responsible for preparing contracts and executing financing for the Small Business Department
7. Credit Processing Unit, which is responsible for following up on receivables and handling facilities through restructuring and rescheduling

The total value of financing executed during 2025 amounted to 232.7 million dinars, compared to a target of 115.5 million dinars for the same period, achieving a completion rate of 201%. The achievements were as follows (amounts in thousand dinars):

Business Center	Affiliated units	Portfolio as at 31/12/2024	Portfolio as at 31/12/2025
West and North Amman and South Center	West Amman Unit	39,425	43,133
	North Amman Unit	14,794	22,518
	South Unit	3,422	3,945
Business Center 5B Mall	East Amman Unit	18,643	37,161
	South Amman Unit	21,848	26,706
Irbid and Zarqa Center	Irbid Unit	14,029	16,879
	Zarqa Unit	10,918	13,717
Leasing Unit	Head Office	30,900	60,015
Gardens Unit	Gardens Branch	3,853	8,599
Total		**157,832**	**232,673**

Treasury and Investment

The Treasury and Investment Department at Safwa Islamic Bank continued during 2025 to carry out its functions in accordance with the Bank's approved strategic framework, in line with internal policies and the provisions of Islamic Sharia, with a focus on liquidity management, diversifying sources of income, and providing financial and investment products and services that meet the needs of both corporate and individual clients.

The activities of the Treasury and Investment Department during the year contributed to supporting the Bank's operating results through the effective management of foreign currency positions, improving the efficiency of liquidity management, and applying hedging tools compliant with Islamic Sharia, in addition to developing services provided within the approved authority limits.

Key areas of activity during 2025:

Development of products and services

- Continuing to provide hedging solutions compliant with Islamic Sharia, and expanding the use of the Wa'ad product within the approved frameworks, in a way that supports clients in managing foreign exchange fluctuation risks.
- Expanding the network of banking relationships with local, regional, and international financial institutions to support the Bank's business requirements.
- Opening additional foreign currency accounts with foreign banks to enhance the efficiency of executing international banking operations.
- Strengthening cooperation with Global clearing and settlement banks and trading brokers to support investment and capital market activities.

Supporting the national economy

Safwa Islamic Bank continued to support the national economy through participation in relevant initiatives and agreements, including benefiting from investment agreements signed with the Central Bank of Jordan, with the aim of providing medium-term financing to various economic sectors.

Future outlook

The Treasury and Investment Department continues to develop its activities and products within the approved regulatory and strategic framework, in a manner that supports the sustainability of the Bank's operations and enhances its ability to meet the needs of its clients.

Human Capital Management

Based on the importance of the strategic role played by the human element at Safwa Islamic Bank and its direct contribution to achieving the Bank's strategic objectives, the Bank is committed to developing employees' capabilities and skills, valuing their experience, and retaining them through a number of key achievements accomplished during 2025, as outlined below:

1. The Safwa Future stars campaign was implemented for the seventh consecutive year, aiming to empower students currently enrolled in Jordanian universities by providing them with a real opportunity to develop and enhance their skills practically within the Bank. The campaign contributed, through trainees selected based on the highest standards of merit and competence, to attracting approximately 3,000 accounts, achieving a growth rate exceeding 500% compared to the previous year, in addition to attracting deposits and investment certificates totaling approximately 400,000 dinars, and activating around 1,900 electronic services for clients.
2. New performance evaluation criteria were introduced under the title "Skills and Competencies," aimed at assessing employees' ability to meet job requirements and identifying gaps and areas for improvement to enhance performance and support career development.

3. All vacancies at the head office and branches were filled professionally and within an exceptional timeframe, with total hires reaching 120 employees by the end of 2025 compared to 138 hires in 2024. Most hires were concentrated in business departments (Retail, Corporate, Treasury), representing 71% of total hires.
4. A cooperation agreement was signed between the Bank and Al Hussein Technical University to enhance technical education, professional development, and innovation, and to support various sectors in a way that serves economic and social development.
5. A bonus equivalent to one basic salary was granted to Bank employees in appreciation of their efforts in achieving the Bank's accomplishments.
6. As part of the Bank's commitment to employee well-being and raising health awareness, a free medical day was organized for head office employees in cooperation with Al-Shami Group, providing a variety of medical services and screenings such as diabetes testing, vision testing, muscle mass, body fat analysis, etc.
7. In line with the principle of adopting agile organizational structures aimed at improving work quality, reducing time and effort, and increasing efficiency across Bank departments, five sub-organizational structures were updated within the following departments: Treasury and Investment, Credit Management, Retail, Central Operations and Business Transformation, and Corporate Banking.
8. As part of the Bank's commitment to supporting and motivating employees to achieve the best results, employee incentives amounting to 3,366,112 dinars were granted by the end of 2025, compared to 2,566,562 dinars during the same period in 2024, representing a growth rate of 31%.
9. As part of ongoing efforts to create a positive and motivating work environment, the top three branches from each group with the highest profitability for 2024 were honored, totaling 9 branches.
10. The overall employee turnover rate decreased by 14% compared to the previous year, reaching 5.9% (64 resignations) by the end of 2025, compared to 6.9% (71 resignations) during the same period in 2024.
11. The Bank also participated in several job fairs (The Hashemite University, University of Jordan, Al Hussein Technical University) with the aim of exchanging expertise with local community institutions and staying informed about the latest developments in human resources and technologies used by leading companies and competing banks, as well as engaging with all segments of society.

Support Departments (Central Operations / Total Quality Management)
The strategy of the support departments is based on ensuring the provision of high-quality services to the Bank's clients and internal units, and executing transactions with high accuracy and speed, in a manner that achieves the highest levels of operational efficiency and minimizes potential losses. To achieve these objectives, the support departments focus on re-engineering processes and developing core and supporting banking systems, in addition to providing continuous training to employees and ensuring effective knowledge transfer across all Bank departments. They also provide full support for the development of advanced financial services that generate profitable returns for the Bank, supporting its investment strategies and achieving financial sustainability and long-term growth.

Information Technology Department
During 2025, the Information Technology Department continued to play its role as a strategic enabler of modern banking operations by developing the Bank's digital environment, enhancing infrastructure readiness, and increasing the flexibility of technical services to keep pace with market developments and achieve customer satisfaction. These efforts were based on a comprehensive digital transformation plan aligned with the instructions of the Central Bank of Jordan and international best practices in governance and cybersecurity.

Within this framework, a number of strategic projects were implemented, representing a qualitative shift in improving performance, enhancing protection, and expanding the Bank's digital capabilities.

In the area of infrastructure, the project to transition to a modern virtual environment using KVM technology compatible with Oracle was completed, leading to improved performance of core systems such as mobile and internet banking, reduced operational costs, and increased system reliability. Business continuity was also strengthened through the Cyber Recovery project, which provided a modern infrastructure for data recovery and disaster handling, ensuring the protection of sensitive data in line with Central Bank compliance requirements.

At the network security level, the Cisco ISE system was implemented for intelligent network access control, enabling monitoring of devices and users and applying flexible access policies, thereby strengthening the Bank's internal security environment. External infrastructure was also expanded and connectivity improved through the SD-WAN project, which enhanced communication quality between branches, ATMs, and data centers while maintaining high levels of security.

As part of enhancing remote work experience and cloud security, the SASE framework was implemented, enabling the replacement of traditional networks with identity-based, zero-trust solutions, facilitating secure access to applications and data via the internet, particularly for field employees.

Cybersecurity capabilities were further enhanced through the adoption of advanced tools based on artificial intelligence such as EDR, NDR, and XDR, enabling immediate response to threats and direct integration with FINCERT of the Central Bank of Jordan, strengthening the national banking cybersecurity framework.

On the innovation front, the Bank launched the first fully integrated Islamic digital branch at City Mall under the name SIB Smart, offering advanced self-service banking services including cash deposits and withdrawals, real-time foreign currency exchange, card issuance, digital account opening, financing requests, and sub-account creation, representing a real transformation in customer experience within a fully automated banking model.

Operationally, the check processing system was upgraded through enhancing the On-Us module within ECC, enabling internal processing of deferred and instant checks without reverting to the core banking system, improving accuracy and reducing reliance on manual processing. Additionally, the Remote Deposit Capture (RDC) service was introduced for corporate clients, allowing check deposits via dedicated devices without visiting branches, integrated directly with ECC, On-Us, and the core banking system. A comprehensive upgrade of the RTGS system was also implemented to facilitate integration with the Central Bank of Jordan and ensure smooth interbank financial operations in compliance with new protocols. Furthermore, the Bank implemented the SWIFT ISO 20022 migration project, transitioning from traditional MT messages to the modern XML format, in line with international standards and improving efficiency in global banking communication.

In preparation for regulatory changes, a system for credit provisioning classification was developed in line with Central Bank instructions No. (8/2024), enhancing asset quality and reducing credit risk. Customer file management was also improved through enhancing workflows related to account opening and updating "Know Your Customer -KYC" data, ensuring full compliance through integration with systems such as the Civil Status Department and screening systems against sanctions lists, prohibited persons lists, and AML/CFT requirements.

To enhance operational efficiency, the virtual work environment was upgraded through implementing modern Citrix VDI on Nutanix, providing higher performance and reliability for sensitive operations.

At the digital channels level, significant enhancements were made to the mobile banking application during 2025, including enabling clients to obtain CRIF reports, activating Sanad digital identity, secure username recovery, identity verification through application-generated codes for self-service devices, improving transfer type codes (TTC), real-time KYC verification through integration with the Civil Status and Passports Department (CSPD), and allowing updates to phone numbers and email addresses via the application, as well as linking new accounts to debit cards through digital channels. All these services are directly accessible via the application, with continuous development ongoing.

To strengthen compliance with AML/CFT requirements, the Firco Sanction Screening system was implemented using the Delta Name Screening mechanism, enabling accurate filtering of customer names and automated analysis of alerts.

In the context of risk management, the Dynamic Risk Rating model was developed, enabling the Bank to identify and adjust the factors affecting risk assessment based on defined weightings, in a way that reflects an accurate picture of clients' solvency and operational risks.

In line with the instructions of the Central Bank of Jordan, and in commitment to ensuring the highest levels of control and oversight, the Department continued during the year to implement the COBIT 2019 framework, which has reached advanced stages, focusing on improving data management, controlling configurations, proactive issue handling, enhancing operational efficiency, and accelerating the delivery of technical services, thereby contributing to raising the maturity of IT governance at the institutional level.

The Bank also continued to apply cybersecurity standards and the PCI-DSS standard for the protection of payment data, with full adherence to regulatory controls to ensure a reliable banking environment characterized by efficiency and flexibility, and that supports digital transformation in a balanced and secure manner.

Future Outlook
The Information Technology Department looks to the future with confidence and a high level of readiness, as it intends to continue investing in artificial intelligence technologies and advanced data analytics, in a way that contributes to improving operational efficiency, supporting decision-making, and enhancing customer experience.

In line with the Bank's overall direction, the Department plans to expand the digital services provided to clients by increasing levels of automation, adopting cloud-based solutions, and developing a flexible and scalable technological infrastructure.

Within the framework of strengthening compliance and risk management, the Department also aims to provide advanced tools for risk analysis, support regulatory requirements, and elevate the level of IT governance and cybersecurity. In addition, focus will be placed on enhancing data-driven innovation capabilities, supporting the development of smart banking products and services that meet future customer needs.

Through these initiatives and strategic projects, the Information Technology Department continues to play a central role in leading the Bank's digital transformation and contributing to building a more advanced and secure banking future, in line with customer expectations, market trends, and local and international regulatory standards.

Sharia Compliance Department

The Sharia Compliance Department derives its strength from the presence of a distinguished Sharia Supervisory Board with extensive banking jurisprudence experience across the Islamic world. The Department is keen to ensure the implementation of the fatwas and decisions of the Sharia Supervisory Board, which relate to all of the Bank's activities, through monitoring all operations and conducting comprehensive reviews of contract templates, product policies, and work procedures.

The Sharia Compliance Department continued its effective communication with the Sharia Supervisory Board to present all developments and sensitive matters, obtain the relevant responses and fatwas, and ensure that its directives and decisions are implemented by the concerned departments.

The Department also maintains daily communication with the Bank's various departments, divisions, and employees to review any issues that may arise during implementation and to respond to them in accordance with the decisions of the Sharia Supervisory Board.

Corporate Communication and Marketing Department

During 2025, the Corporate Communication and Marketing Department worked on developing advertising and promotional campaigns for a range of services and products offered by the business departments. These campaigns were designed based on the needs of the Jordanian market, with the aim of strengthening the Bank's position and highlighting its corporate identity.

For the second consecutive year, and in line with the financial inclusion strategy adopted by the Central Bank of Jordan, the Department launched an innovative customer appreciation campaign during 2025, presented in a different format from what is typically offered in the Jordanian market. This was carried out through an open day dedicated to introducing the Bank's clients to all the services and products it offers. Special offers were presented with preferential Murabaha and leasing rates on vehicle and residential apartment financing, in addition to a variety of competitions, activities, and instant prizes for all visitors. This event was well received by the Bank's clients.

During 2025, we also continued to fulfill our social and humanitarian role by supporting impactful initiatives focused on achieving a positive and sustainable effect, reflecting the values of solidarity and giving. We implemented a number of empowerment and support programs across the areas of education, health, poverty alleviation, youth empowerment, and support for underprivileged groups, with a particular focus on orphans. This was carried out within a framework of strengthened partnerships with a number of national and development institutions. These efforts culminated in the launch of the "Giving Ambassadors" team, which serves as the Bank's arm for corporate social responsibility. This initiative supports the Bank's strategy and ensures the translation of its vision in charitable work into tangible impact. Through its launch, the Bank became the first Islamic bank in the Kingdom to take such a step, enabling employee participation in serving the community and reflecting the deeply rooted culture of giving within the Bank's environment.

The Bank's Contribution to Environmental Protection

Safwa Islamic Bank's commitment to environmental sustainability reflects a fundamental part of its institutional strategy, as the Bank seeks to integrate environmental responsibility with its banking objectives in order to achieve balanced economic growth and protect natural resources for future generations. Its efforts include investing in clean energy projects, rationalizing resource consumption, and promoting environmental awareness within the community, so that sustainable development becomes an integral part of the Bank's social impact.

These initiatives also affirm that the Bank's role is not limited to providing banking services, but extends to being a leader in promoting sustainability and environmental protection, while creating a tangible impact in reducing carbon emissions and enhancing the use of sustainable resources. This reflects the Bank's long-term vision of integrating innovation and clean energy within its operational framework.

- Al-Muwaqqar Station: Construction of the station began in June 2024, and it was fully commissioned in 2025. It supplies 23 branches with 100% of their annual electricity needs.
- Irbid Station: Work is currently underway to establish a station in Irbid Governorate to connect the northern branches of the Kingdom, as part of the Bank's plan to expand its sustainable energy network and provide clean energy alternatives.
- Huwara Madaba Station: Established in 2017, the station supplies 11 branches, in addition to administrative buildings, with 100% of their annual electricity needs, confirming the Bank's leading role in implementing sustainable energy solutions on a wide scale.

The Bank's Contribution to Serving the Local Community

Building on its institutional mission and established values, Safwa Islamic Bank continued during 2025 to strengthen its role as an active development partner by adopting a strategic approach to managing its corporate social responsibility programs, focused on maximizing impact and ensuring its sustainability.

The Bank's support covered various priority community sectors, including religious entities, educational institutions, women's empowerment and child welfare initiatives, in addition to supporting national initiatives and sports activities, within an integrated vision aimed at supporting the foundations of society and enhancing its cohesion and stability.

The Bank also placed emphasis on building effective partnerships with civil society organizations and national entities, ensuring that support is directed efficiently and effectively, and achieving a tangible long-term impact.

Through this, the Bank reinforces its position as a responsible banking institution whose role extends beyond providing financial services to making a real contribution to building a sustainable and balanced society.

Educational and Religious Initiatives
Safwa Islamic Bank continues to strengthen its role in supporting education as one of the fundamental pillars for building an aware and capable generation able to face future challenges. The Bank's focus

during the year was centered on empowering youth with knowledge and practical skills, supporting university and technical education, in addition to religious initiatives that promote community values.

During 2025, the Bank expanded its educational programs through cooperation with educational institutions to provide scholarships, develop educational infrastructure, and support activities that enhance the level of education and awareness among youth, reflecting the Bank's commitment to achieving a positive and sustainable impact within Jordanian society. Among the key initiatives were:

- Supporting Prince Hamzah bin Al Hussein School through the purchase of computers and equipping a computer lab for the school.
- Renewing the agreement with Hayat Fund for Education Association by providing a grant to support the education of 5 outstanding students.
- Renewing the agreement with Al-Aman Fund for the Future of Orphans to cover the costs of a number of beneficiary students, in addition to participating in sponsoring the graduation recognition dinner ceremony.
- Renewing the cooperation agreement with Al Hussein Technical University to cover tuition fees for a bachelor's degree student.
- Supporting Jordan University of Science and Technology by equipping a hall at the university, in addition to sponsoring the celebration marking the university's entry into the top 500 universities worldwide.
- Signing a cooperation agreement with the King Hussein Foundation - Jubilee School to provide a full scholarship for one student for a period of four years.
- Supporting the Al-Iftaa General Department and contributing to the setup of a studio for the production of Fatawa programs to be published on social media.

Poverty Alleviation Initiatives
Safwa Islamic Bank believes that combating poverty goes beyond temporary financial support; it is a genuine investment in empowering the most vulnerable families and improving their living standards. During 2025, the Bank continued to adopt initiatives aimed at improving living conditions, combating poverty and unemployment, and expanding the scope of support to cover the largest possible number of governorates, ensuring a comprehensive and balanced impact on society.

The Bank focuses on ensuring the sustainability of its programs through partnerships with active charitable institutions and associations, and by supporting initiatives that enable low-income families to become self-reliant, build their skills, and enhance their economic and social independence, thereby achieving continuous positive change that extends to future generations. Key initiatives include:

- Renewing the partnership with Tkiyet Um Ali to continue supporting their humanitarian programs (family sponsorship program) and distributing monthly food parcels to beneficiary families.
- Supporting Sakina Social Support Association, which works to integrate orphaned children into the local community to become productive individuals.
- Supporting Tariq Al-Mahabba Charitable Society in Mafraq, which focuses on assisting underprivileged families and orphans in Mafraq Governorate.
- Supporting the Jordanian Hashemite Fund for Human Development (JOHUD) / Princess Basma Development Center through The Goodwill Campaign and distributing Ramadan aid to families in need in Karak Governorate.

Humanitarian and Health Initiatives
Safwa Islamic Bank places humanitarian and health initiatives at the core of its community focus, believing that supporting the most vulnerable groups is an essential part of its responsibility. This includes the elderly, who hold a special place in society. During 2025, the Bank focused on improving their living conditions and providing healthcare support and essential services, in addition to supporting institutions that care for them directly.

The Bank also worked to expand its partnerships with local and national institutions to ensure that support reaches different governorates in an organized and effective manner. This reflects the Bank's commitment to translating social responsibility into tangible action that delivers a positive and sustainable impact for the elderly and other beneficiary groups. Among the most notable supported entities are the following:

- Renewal of the agreement with Al-Malath Foundation for Palliative Care to support it in achieving its objectives.
- Providing support to the Al-Aoun Association for Alzheimer's patients.
- Supporting King Hussein Cancer Center by contributing to the construction project of King Abdullah II Center in Aqaba, in addition to purchasing a medical bed for a patient in need.
- Sponsoring the General Assembly meeting of the Employees Savings Fund for physicians and non-physicians.
- Supporting Darat Samir Shamma Association through contributing to the maintenance of their homes.

Sports Support Initiatives

Safwa Islamic Bank is committed to supporting sports as a means of promoting physical health, competition, and cooperation within society. During 2025, the Bank focused on supporting distinguished athletes and enabling their participation in local and international competitions, in addition to supporting associations concerned with sports activities.

The Bank also contributed to sponsoring sports initiatives and events that encourage the community to practice sports regularly, reflecting its commitment to promoting a healthy and active lifestyle, and encouraging positive values such as discipline, teamwork, and excellence. Among our most notable participations this year were:

- Supporting athlete Amal Ismail Ahmad Sabah in her participation in several marathon events held in Saudi Arabia, Lebanon, and the Dead Sea.
- Supporting racer Bader Al-Fayez in multiple rally championships inside and outside the Hashemite Kingdom of Jordan.
- Supporting Tafileh Cultural, Sports, and Social Club to continue delivering its programs for youth.

Women and Child Support

Safwa Islamic Bank is committed to empowering women and supporting children as essential pillars in building a cohesive and sustainable society. During 2025, the Bank focused on supporting institutions and associations that provide healthcare, educational, and social services to these groups, contributing to improving their quality of life and achieving a tangible positive impact within the community.

Among the most notable entities and initiatives supported by the Bank are:

- Supporting Fatafit Al-Sukkar Association by contributing to a project for installing insulin pumps for children with diabetes.
- Supporting the Children's Museum Jordan by organizing an iftar for orphans during the holy month of Ramadan.
- Supporting the Zakat Fund by contributing to an iftar for orphans on the occasion of the Day of the Orphan in the Islamic world.
- Donating school bags for children in cooperation with Prince Ali Bin Al Hussein Club for the Deaf.
- Supporting the Women's Committees Union by sponsoring the association's charity event.

Support for National Initiatives and Conferences

Safwa Islamic Bank places great importance on supporting initiatives and events launched by national institutions in the field of social responsibility, believing that this support is a fundamental part of its national and social duty. During 2025, the Bank contributed to strengthening these activities through financial support, sponsorship, and active participation in national conferences and forums, enabling institutions to successfully implement their projects and achieve tangible societal impact.

The Bank's support covered a number of prominent national initiatives and conferences, reflecting its commitment to sustainable development and enhancing Jordan's position locally and internationally.

Among the Bank's most notable participations are the following:

- Sponsoring the Special Operations Forces Exhibition and Conference (SOFEX) on cybersecurity, held at the Dead Sea.
- Sponsoring the Jordan International Exhibition and Conference for Shipping, Clearance, and Logistics Services "JIFEX Aqaba 2025".
- Supporting the Hajj and Umrah Department by purchasing an electronic switchboard for the Ministry of Awqaf and Islamic Affairs.
- Sponsoring the International Warrior Competition and Pink October event with King Abdullah II Special Operations Training Center (KASOTC).
- Sponsoring the Investment, Renewable Energy, and Sustainable Finance Conference in cooperation with the Iraqi Business Council.
- Sponsoring the dialogue session "Reform, Stability, and Resilience: The Triad of the Jordanian Economy in a Changing World" in cooperation with the Jordan Strategy Forum.
- Participating in the First Jordanian Conference on Temporomandibular Disorders in cooperation with the Jordanian Dental Association.
- Sponsoring the Intra-Trade Meeting in cooperation with Al-Rakhaa Businessmen Cooperative.
- Sponsoring the Fourth National Economic Forum titled "National Economic Integration: Reality and Aspirations."
- Supporting the Ramadan 2025 campaign programs in cooperation with the Public Security Directorate.
- Celebrating Teacher's Day in cooperation with the Ministry of Education and distributing gifts to teachers.

- Purchasing computers for the Finance Department of the Jordan Armed Forces / Arab Army.

Volunteer Initiatives:
The launch of the "Giving Ambassadors" team marked a real and structured step in organizing the Bank's charitable and volunteer efforts in a more impactful and effective way. During this year, the Bank ensured active participation in various volunteer activities aligned with its strategy and aimed at translating its vision of volunteer work into tangible reality that creates a real impact on people's lives. A number of Bank employees participated in volunteer activities with several entities:

- Volunteering to organize iftar events for orphaned children during Ramadan in coordination with the Children's Museum.
- Volunteering to prepare iftar meals for fasting individuals in cooperation with Tkiyet Sayyidna Ibrahim Al-Khalil.
- Volunteering in food distribution campaigns, preparing and distributing meals for more than 4,000 fasting individuals during Ramadan in cooperation with Tkiyet Um Ali.
- Volunteering in distributing dates and water to the public in cooperation with the Central Traffic Department.
- Volunteering in organizing iftar events for orphans on the Day of the Orphan in the Islamic world in cooperation with the Zakat Fund.
- Volunteering in visits to Darat Samir Shamma for the elderly, assisting in painting and renovating one of the homes.

Employee volunteering in distributing dates and water to the public in cooperation with the Central Traffic Department

Employee volunteering in the food distribution campaign during the holy month of Ramadan in cooperation with Tkiyet Um Ali

Employee volunteering in organizing iftar for orphaned children in cooperation with the Children's Museum

Employee volunteering in preparing iftar meals for fasting individuals in cooperation with Tkiyet Sayyidna Ibrahim Al-Khalil

Safwa Islamic Bank renews its partnership with Tkiyet Um Ali and continues its support for its humanitarian programs

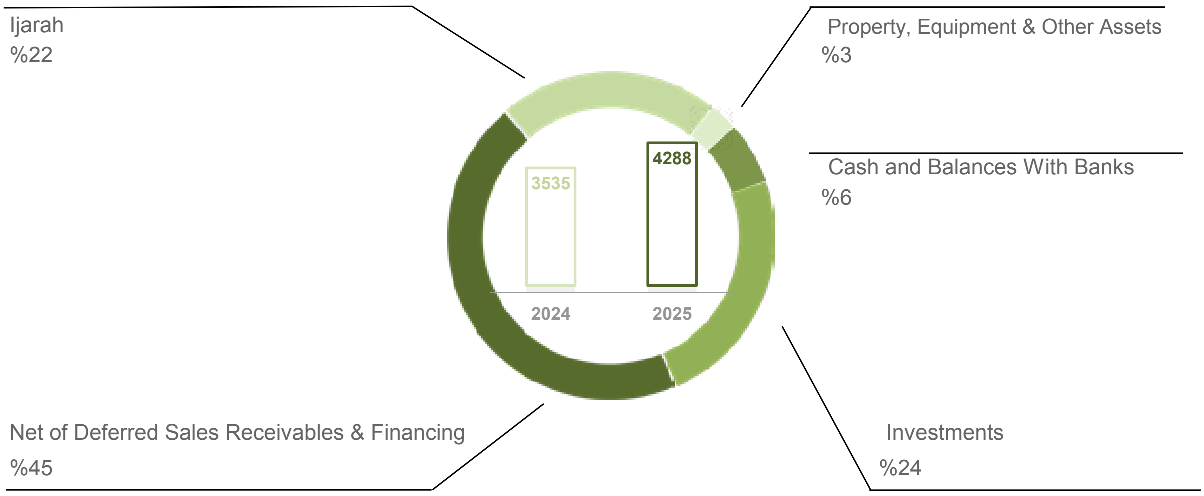
Signing of a joint cooperation agreement between Safwa Islamic Bank and the Iraqi Islamic Bank

Safwa Open Day

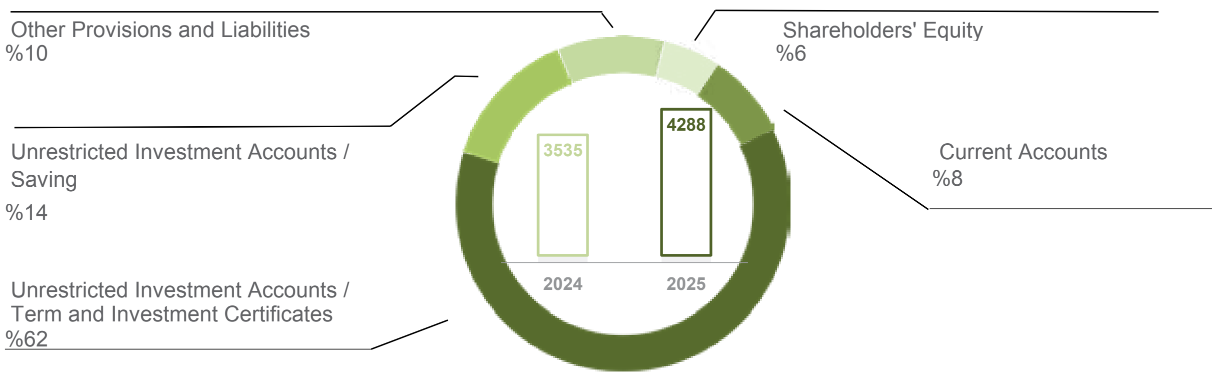
Financial Position Analysis and Key Financial Ratios

Analysis of the Bank’s Financial Position

Assets	JOD (Million)		Relative Weight	
	2025	2024	2025	2024
Cash and Balances With Banks	264	261	%6	%7
Investments	1,027	834	%24	%24
Net of Deferred Sales Receivables & Financing	1,947	1,552	%45	%44
Ijarah	934	762	%22	%22
Property, Equipment & Other Assets	117	125	%3	%3
Total	**4,288**	**3,535**	**%100**	**%100**



Liabilities and Equity	JOD (Million)		Relative Weight	
	2025	2024	2025	2024
Current Accounts	351	314	%8	%9
Unrestricted Investment Accounts / Term and Investment Certificates	2,676	2,190	%62	%62
Unrestricted Investment Accounts / Saving	583	527	%14	%15
Other Provisions and Liabilities	442	295	%10	%8
Shareholders' Equity	238	210	%6	%6
Total	**4,288**	**3,535**	**%100**	**%100**



Key Financial Ratios

		2025	2024	2023	2022
Profitability	Return on Average Equity	12.0%	10.2%	9.7%	9.1%
	Return on Average Assets	0.7%	0.6%	0.6%	0.6%
	Earning Per Share (fils/Share)	0,178	0,135	0,117	0,101
	Cost to Income Ratio	37%	35%	42%	44%
Assets Quality	Non-performing Financing Ratio*	3.2%	3.4%	2.3%	2.2%
	Coverage Ratio	125%	118%	130%	128%
	Equity / Assets	6%	6%	6%	7%
Liquidity	Legal Liquidity Ratio	131%	143%	138%	127%
	Liquidity Coverage Ratio (LCR)	452%	491%	350%	236%
Efficiency	Operating Leverage**	1.13	1.15	1.18	1.21
	Assets / Number of Branches (JOD million)	95.8	81.2	69.7	62.3
	Assets / Number of Employees (JOD million)	5.1	4.5	4.0	3.8

Profitability

- Profitability indicators improved during 2025, as the return on equity increased and earnings per share improved, with a slight improvement in return on assets.
- The cost-to-income ratio reached 37% in 2025, and the Bank aims to continue improving it as much as possible.

Assets Quality

- The quality of the portfolio and continuous follow-up with clients contributed to maintaining a low default ratio.
- The Bank continued to set aside additional provisions to address any potential future losses, and the coverage ratio remains competitive in the banking sector.

Liquidity

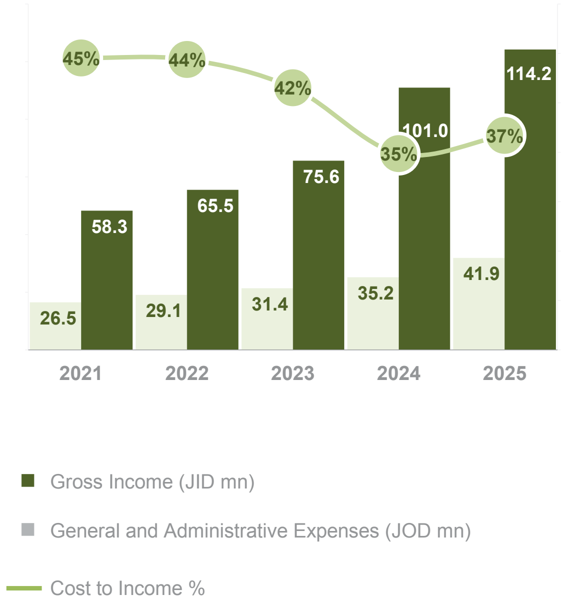
- The Bank maintains a comfortable legal liquidity ratio, reaching 131% at the end of 2025.
- The liquidity coverage ratio reached 452% at the end of 2025, which is above the required minimum of 100% as per regulations.

Efficiency

- The Bank demonstrated its ability to cover fixed costs through improved operating leverage.
- Efficiency indicators, per employee and per branch, showed improvement, driven by the growth in the Bank's balance sheet and optimal utilization of resources during the year.

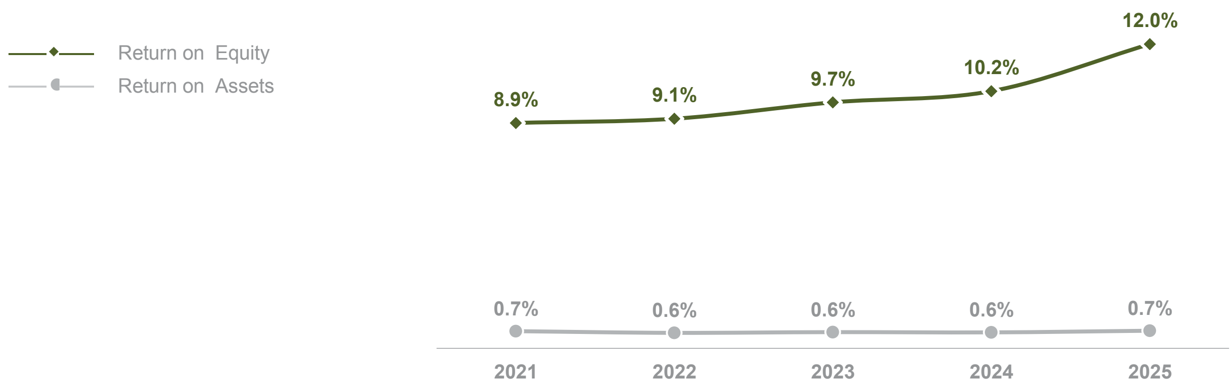
* After excluding suspended profits
** Operating leverage: A measure of the Bank's ability to cover its fixed costs, equal to total income and other revenues divided by (total income and other revenues minus administrative and general expenses).
The lower the ratio, the lower the impact of fixed costs on net income.

Cost-to-Income Ratio



- The cost-to-income reached 37% one of the best ratios in the jordanian banking sector .
- Total income before provisions increased by 13% during 2025 due to growth in the bank's business volume, offset by a 19% rise in administrative and general expenses.
- looking at the time series, the cost ratio has improved, declining by 8% since 2021.

Return on Shareholders' Equity and Return on Assets

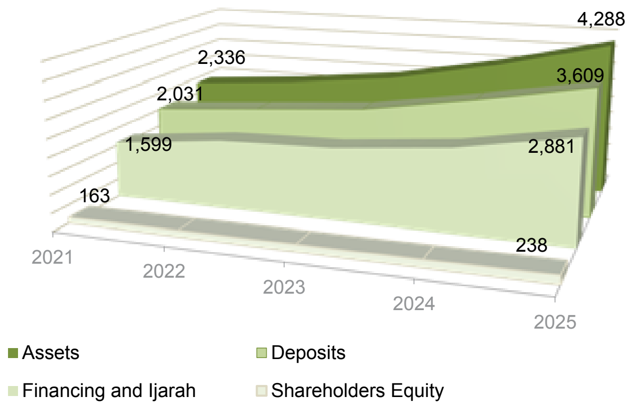


- 2025 saw an improvement in return on equity reaching 12.0% compared to 2024 (10.2%). With this improvement expected to continue. This was driven by the growth in the bank's balance sheet and revenues.
- Return on assets has remained stable for several years , with a slight increase this year to reach 0.7%.

Time Series of Realized Profits, Distributed Profits, Net Shareholders’ Equity, and Share Prices

Time Series (Financial Position)

Growth 2025	
Assets	**21%**
Deposits	**19%**
Financing and Ijarah	**24%**
Shareholders Equity	**13%**



JD Millions	2025	2024	2023	2022	2021	Change In 2025	
						Amount	Percentage
Assets	4,288	3,535	2,929	2,584	2,336	754	21%
Deposits	3,609	3,030	2,516	2,275	2,031	579	19%
Financing and Ijarah	2,881	2,314	2,018	1,937	1,599	567	24%
Shareholders Equity	238	210	189	172	163	28	13%

Assets

- The Bank continued its upward growth trajectory, with its assets increasing by 754 million dinars during 2025.
- The compound annual growth rate (CAGR) over four years since 2021 reached 16%.
- The Bank also continued to achieve leading positions in the growth rates of deposits, financing, and assets

Deposits

- The Bank achieved strong results in deposit growth, following its success in attracting new deposits and expanding its customer base, with deposits increasing during 2025 by 579 million dinars, representing a growth rate of 19%.
- 177 million dinars growth in retail deposits (out of the total deposit growth of 579 million dinars), representing 31% of total growth, which helps reduce concentration and liquidity risks.

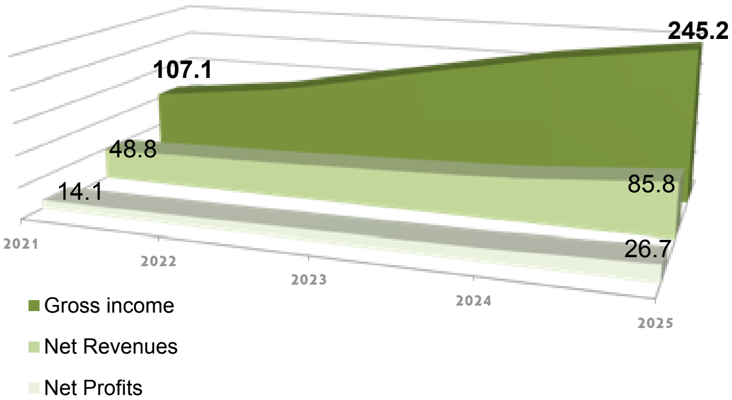
Financing and Ijarah

- The Bank’s financing increased by 24% to reach 2.9 billion dinars, as a result of intensive efforts and multiple promotional marketing campaigns that meet market needs.

Shareholders' Equity

- The Bank’s results for 2025 contributed to an increase in shareholders’ equity by JOD 28 million.
- The Board of Directors recommended of the General Assembly of Shareholders to approve the increase in the Bank’s capital by JD(30) million (20%) of the Banks capital, by distributing bonus shares to shareholders.

Time Series (Profits and Losses)



Growth 2025	
Gross Income	13%
Net Revenues	26%
Net Profit	32%

JD Millions	2025	2024	2023	2022	2021	Change in 2025	
						JOD	Percentage
Gross income	245.2	216.0	174.3	132.8	107.1	29.1	13%
Net Profits	85.8	68.0	59.7	53.5	48.8	17.9	26%
Net Revenues	26.7	20.2	17.5	15.1	14.1	6.5	32%

- Gross income increased by 13%, from JOD 216 million in 2024 to JOD 245 million in 2025

Gross income

Net Revenues

- Net revenues from the Bank increased, driven by the rise in average earning assets by an amount of 642 million dinars, compared to a decrease in the margin from 3.1% to 2.8%

- Net profit after tax grew by 32% to reach JOD 26.7 million, compared to JOD 20.2 million in the previous year, driven by the Bank's efficient management of its resources.

Net Profits

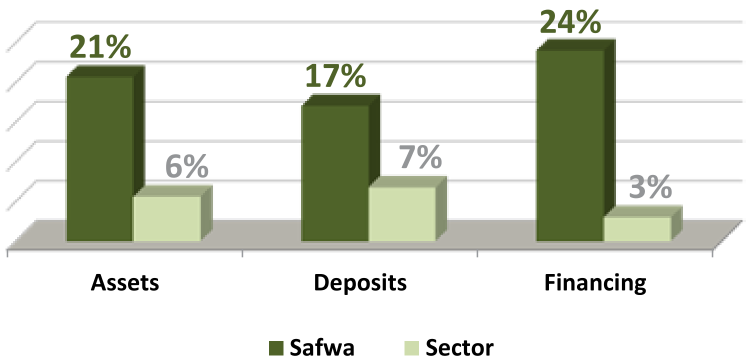
Time Series (Share Price and Distributed Profits)

	2025	2024	2023	2022	2021
Share Price (JOD)	2.96	1.86	1.94	1.92	1.91
Distributed Profits	20% Bonus Shares*	25% Bonus Shares	20% Bonus Shares	None	6% Cash

*The Board of Directors recommended of the General Assembly of Shareholders to approve the increase in the Bank's capital by (20%) of the Banks capital, by distributing bonus shares to shareholders, subject to the approval of both the Central Bank of Jordan and the Minister of Industry and Trade/Companies Controller.

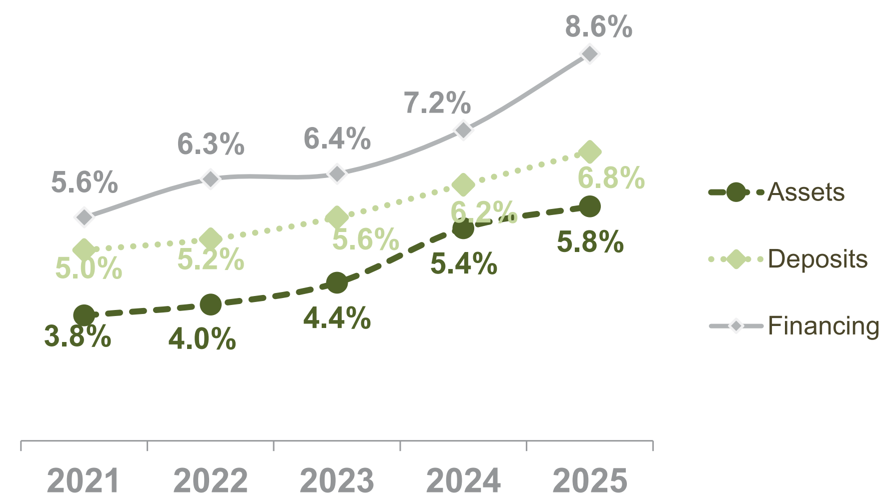
The Bank’s Competitive Position within the Banking Sector

The Bank’s Competitive Position within the Banking Sector



Safwa's Growth Compared With the Banking Sector During 2025

Development of Safwa's Share in the Banking Sector



The Bank continued to increase its share in the banking market, achieving growth rates higher than the banking sector across assets, financing, and deposits.

The year 2025 witnessed the following:

- **Assets**: The Bank increased its share in the banking market from 5.1% to 5.8%, as a result of its assets growing by 21%, compared to a 6% growth in total banking sector assets.
- **Deposits**: The Bank attracted additional deposits, raising its market share from 6.2% to 6.8%, reflecting a 17% increase compared to the previous year, versus a 7% growth in deposits across the banking sector.
- **Financing**: The Bank’s financing portfolio grew by 24%, compared to a 3% growth in financing across the banking sector.

Financial impact of non-recurring operations that occurred during the year

During 2025, and within its non-recurring activities, the Bank sold real estate that had devolved to its ownership against debts. The sale resulted in capital gains amounting to 1.4 million dinars Capital investment size.

Capital Investment

The Bank's capital investment size amounted to a total of 26.2 million dinars as at the end of 2025, representing net fixed assets and intangible assets, compared to 24 million dinars at the end of 2024.

Important future developments and the strategic plan

During 2025, the Bank continued implementing the targets of its strategic plan for the years 2024–2028, in line with its vision to be the leading "community" bank in Jordan and to provide integrated and comprehensive services, in a manner that supports the Bank's ambition over the life of the plan.

The Bank's direction for the next phase is based on transitioning from a phase of rapid growth to a phase of strengthening market leadership through a set of clear priorities that include deepening the core customer base, enhancing profitability and operational discipline, accelerating digital transformation, and strengthening the balance sheet, in addition to reinforcing identity and brand and the customer experience in a way that achieves sustainable value for both shareholders and customers.

Business transformation

The Bank dedicates its efforts to accelerating institutional and digital transformation through developing electronic channels and expanding the scope of digital services at the level of individuals and corporates, in a way that enhances ease of access to services and improves the quality of the experience across all touchpoints. This included expanding the digital services ecosystem, adopting supporting tools for self-service, and developing banking applications in line with customer expectations.

In the same context, the Bank paid attention to enhancing customer experience in contact centers and multi-channel platforms through customer relationship management solutions, improving response efficiency and reducing request completion time, in a way that supports building a closer and more trusted relationship with customers and raising levels of satisfaction and loyalty.

Growth strategies

Based on the pillars of the strategic plan, the Bank focuses on expanding its presence and deepening its competitive advantage in the retail, small and medium enterprises, trade finance, and corporate banking sectors, while working to increase the effectiveness of cross-selling, develop value-added products, and strengthen the distinctiveness of the Bank's offerings in the market.

The Bank will also continue developing its range of products and services to meet the needs of different customer segments, including incentive-based savings programs, providing more flexible financing solutions, expanding card offerings and loyalty programs, in addition to supporting initiatives related to sustainability and green finance and developing platforms and services directed at business segments and high-net-worth customers interested in investment solutions.

Structural reforms

During 2025, the Bank continued strengthening the governance framework and operational discipline and improving operational efficiency through initiatives aimed at simplifying procedures, automating high-volume activities, and improving transaction turnaround time, in a way that supports achieving operational excellence, cost control, and improving risk-adjusted returns.

The Bank also focused on strengthening the financial position by maintaining adequate levels of capital adequacy and liquidity, enhancing asset quality, and developing risk management practices across granting, monitoring, and collection stages, in line with the Bank's direction to sustain growth and achieve strong financial results during 2026 and beyond.

Names of the Board of Directors members, their representation, date of designation and their profiles:

Dr. "Mohammed Naser" Abu Hammour
Chairman of the Board
Representative of: AL Etihad Islamic for Interstment co.
Date of joining the Board: 04/01/2017
Date of birth: 20/12/1961

Educational qualifications
- PhD in Economics / Finance from the University of Surrey in the United Kingdom, 1997
- Master's degree in Economics from the University of Jordan, 1989
- Bachelor's degree in Economics from Yarmouk University, 1984

Professional experience and memberships:
- Ministry of Finance / Minister of Finance from 14/12/2009 - 17/10/2011
- Arab Potash Company / Chairman of the Board of Directors from 01/11/2007 - 14/12/2009
- Head of the Executive Privatization Commission from 11/07/2005 - 20/11/2007
- Minister of Finance from 25/10/2003 - 04/05/2005
- Minister of Industry and Trade from 21/07/2003 - 22/10/2003
- Secretary General of the Ministry of Finance from 08/02/2000 - 21/07/2003
- Advisor to the Minister of Finance from 08/11/1998 - 07/02/2000, and Head of the Financial Control Unit and Deputy Head of the Committee for Evaluating the Economic, Financial, and Monetary Situation
- Part-time lecturer at the University of Jordan for Master's students in Economics 1998 - 2003
- Member in the discussion of a number of Master's theses 1998 - 1999
- Held several administrative positions at the Central Bank of Jordan
- Chairman of the Board of Directors of Al Salam International Transport and Trading Company (2021 - present)
- Chairman of the Board of Directors of the Jordanian Maritime Studies Institute (2021 - present)
- Chairman of the Board of Directors of Al Salam Financial Investments Company (2022 - present)

Deema Aqel
Vice Chairman of the Board of Directors as of 24/04/2025

Representative of: AL Etihad Islamic for Interstment co.

Date of joining the Board: 04/01/2017

Date of birth: 13/02/1968

Educational qualifications

- Master's degree in Business Administration, 2001, from Imperial College London, United Kingdom
- Master's degree in Financial Markets, 1998
- Bachelor's degree in Electrical Engineering, 1990

Professional experience and memberships:

- Deputy General Manager of Etihad Bank until 12/2023
- Member of the Board of Directors of Amman Stock Exchange (2025 - present)
- Assistant General Manager of Etihad Bank for Risk and Compliance until 01/2012
- Assistant General Manager / Director of Risk and Compliance Department at Al Ahli Bank 2005 - 2007
- Head of Risk Management and Credit Policy at Housing Bank 2004 - 2005
- Credit Risk Manager at Arab Bank 1990 - 2004
- Member of the Board of Directors of Etihad Financial Brokerage Company until 12/2022
- Member of the Board of Directors of Etihad Leasing Company 14/02/2023
- Member of the Board of Directors / Palestine Commercial Bank 09/2011 - 07/2013

Ihssan Barakat/ Independent
Date of joining the Board: 6/7/2023

Date of Birth: 5/9/1964

Educational qualifications

- Bachelor Of Law, University of Jordan, 1986
- International training certificates for mediation from Pepperdine University in the United States of America.
- International certificate in the list of justice experts in the areas of rapid responses in investigating cases of sexual violence from the United Nations

Professional experience and memberships:

- Practicing Lawyer in Jordanian courts (1988-2002)
- Legal advisor, Central Bank - Petra Bank under liquidation (1991-1998)
- Member of the Senate (2020 - present)
- Member of the Arab Parliament representing the Jordanian Senate (2020 - present)
- Attorney General of Amman (2010 - 2012)
- Director General of the Jordanian Judicial Institute (2018 - 2020)
- Judge at the Court of Cassation (2002 – 2018)
- Arbitrator in commercial cases

Dr. Khaled Zentuti / Independent
Date of joining the Board as an independent: 17/04/2021

Date of Birth: 24/12/1954

Educational qualifications
- PhD in Financial Management (major) and Organization and Marketing Management (minor), Bosphorus University, Turkey, with honors (1992)
- MBA, Master of Business Administration in Managerial Accounting, University of Hartford, United States of America, with honors (1982)
- Bachelor's degree in Accounting, Faculty of Economics, Garyounis University, Benghazi, Libya (1976)

Professional experience and memberships :
- Director / Deputy Director of various companies owned by the Libyan Foreign Investment Company in Turkey, Italy, Germany, Pakistan, and Egypt (1988 - 2000)
- Assistant Secretary / Minister of State for Investment and International Cooperation Affairs, Ministry of African Unity / Libyan Council of Ministers (2000 - 2002)
- Chairman and General Manager of the Libyan Foreign Investment Company (LAFICO) (2002 - 2004)
- General Manager and Chairman of the Management Committee / Long-Term Investment Portfolio / Libya - Tripoli (2004 - 2012)
- Part-time faculty member, Academy of Graduate Studies / Tripoli (1997 - 2011)
- Financial, economic, and investment advisor to the long-term portfolio, Amman - Jordan (2016 - 2020)
- Faculty member - Princess Sumaya University for Technology (PSUT) (2012 - 2016)
- Vice Chairman of the Board of Directors, British Arab Commercial Bank, London - United Kingdom (2004 - 2012)
- Vice Chairman of the Board of Directors, Etihad Bank, Amman - Jordan (2007 - 2012)
- Vice Chairman of the Board of Directors, Libyan Foreign Bank, Tripoli - Libya (2009 - 2012)
- Member of the Board of Directors, Arab Banking Corporation (ABC), Manama - Bahrain (2010 - 2012)
- Advisor, Etihad Bank - Amman, Jordan (2012 - 2016)

Ruslan Deiranieh / Independent
Member of the Board of Directors
Date of joining the Board: 24/04/2025
Date of birth: 17/11/1963

Educational qualifications
- Bachelor's degree in Accounting and Computer Science, Yarmouk University, 1985
- Master's degree in Accounting, University of Jordan, 1992
- Financial Controlling Management, ESCP Europe, 2008

Professional experience and memberships:
- Member of the Board of Directors of the Central Bank (2020 - 2025)
- Chairman of the Board of Jordan Telecommunications Group Orange (2024 - present)
- Held several key positions at Jordan Telecommunications Group Orange from 1998 until 2024, the last of which was Executive Vice President and Chief Financial, Strategy, and Cybersecurity Officer
- Head of Foreign Investments Department at the Central Bank of Jordan (1988 - 1998)
- Chairman of the Board of Directors of Specialized Investment Compounds Company (2025 - present)
- Member of the Royal Committee for Economic Modernization Vision
- Member of the Board of Directors of Afaq Energy Company (2025 - present)
- Member of the Board of Directors of Comprehensive Multiple Transportation Company (2025 - present)
- Member of the Board of Directors of Al Manaseer Group for Industrial and Commercial Investments (2025 - present)

Salem Burqan / Independent

Member of the Board of Directors

Date of joining the Board: 17/12/2018

Date of birth: 01/01/1952

Educational qualifications

- Bachelor’s degree in Accounting, University of Jordan, Amman - Jordan (1975)
- Professional license to practice, Jordanian Association of Certified Public Accountants

Professional experience and memberships:

- Chief Executive Officer and then Chairman of the Board of Directors of the Islamic International Arab Bank
- Held key managerial positions at Arab Bank inside and outside Jordan
- Vice Chairman of the Board of Directors, Arab National Leasing Company
- Member of the Board of Directors of Al Nisr Al Arabi Insurance Company and then Chairman of its Board
- Member of the Board of Directors of Arab Bank - Syria
- Vice Chairman of the Board of Directors of Arab Bank - Sudan
- Member of the Board of Directors of Industrial Development Bank
- Chairman of the Board of Jordanian Group for Marine Agencies
- Chairman of the Board of Al Arabi Investment Group - Palestine
- Member of the Board of Directors of Al Arabi Investment Group - Jordan
- Member of the Board of Directors in several Jordanian companies
- Financial and administrative manager / Arab Insurance Company
- Auditor / Saba & Co.
- Member of the Board of Directors of Jerusalem Insurance Company and still

Dr. Anas Bohowish

Representative of : AL Etihad Islamic for Interstment co.

Date of joining the Board 4/1/2023

Date of Birth: 7/5/1981

Educational qualifications

- PhD in International Financial Business, International School of Management, Paris, France (2020)
- Postgraduate Diploma, Project Management in an International Framework, International School of Management, Paris, France (2018)
- Master’s degree in Accounting (specialized in sectoral reporting discussion in commercial banks), Garyounis University, Libya (2008)
- Bachelor’s degree in Accounting, Garyounis University, Libya (2004)

Professional experience and membership:

- Insurance consultant and planner (American Income Company) (2015 - 2016)
- Executive Financial Director (US Direct Movers LLC) (2016 - 2018)
- Executive Director of Wahda Bank (2023 – 2024)
- Member of the Board of Directors of the Libyan Investment Authority (2020 - present)
- Ministry of Finance and Economy for Investment Affairs - Advisor (2020 - 2023)

Basem Salfiti
Representative of: AL Etihad Islamic for Interstment co.

Date of joining the Board: 04/01/2017

Date of birth: 29/04/1972

Educational qualifications

- Bachelor's degree in Electrical Engineering from Brown University, United States of America (1993)
- Master's degree in Finance and Corporate Strategic Planning from Columbia University, United States of America (2000)

Professional experience and memberships:

- General Partner and Co-Managing Director, Hummingbird Ventures, London, UK (2012 - 2016)
- Head of Investment Banking Unit / European Technology (Perella Weinberg Partners, London, UK) (2007 - 2012)
- Executive Director of Technology Investment Banking Unit (Morgan Stanley & Co., London, UK) (2000 - 2006)
- Chief Operating Officer (Best Laboratories Inc., Sunnyvale, California) (1994 - 1998)
- Chairman of the Board of Directors of Etihad Bank (2024 - present)
- Chairman of the Board of Trustees of HTU (Hussein Technical University) (2019 - present)
- Member of the National Council for Future Technology (2025 - present)
- Member of the Board of Directors of Petra National Trust (PNT) (2019 - present)
- Member of the Board of Directors of ISSF (Innovative Startups and SMEs Fund) (2020 - present)
- Member of the Board of Directors of the Arab Center for Engineering Studies (2022 - present)
- Chairman of the Board of Directors of Etihad Islamic Investment Company (2025 - present)

Mr. Mohammed Al-Agdal
Representative of: AL Etihad Islamic for Interstment co.

Date of joining the Board: 01/09/2025

Date of birth: 23/04/1974

Educational qualifications

- Bachelor's degree in Economics, University of Tripoli - 1997

Professional experience and memberships:

He progressed through several positions in the Libyan Investment Authority and has held, since 2019 until present, the position of Director of Contributions and Evaluation Department in the Authority, and also represented the Authority in the membership of the boards of directors of the following companies:

- Member of the Board of Directors of 6th of October Agricultural Projects Company (2023 - 2024)
- Member of the Board of Directors of Etihad Bank - Jordan (2022 - 2023)
- Member of the Board of Directors of Libyan Fertilizers Company (2023 - 2026)
- Member of the Board of Directors of the Long-Term Investment Portfolio (2016 - 2018)

Dr. Salah Fekroun
Representative of: AL Etihad Islamic for Interstment co.

Date of joining the Board: 08/07/2025

Date of birth: 10/06/1982

Educational qualifications

- PhD in International Investment Law, United Kingdom - University of Hull (2008)
- Master's degree in Commercial Law, University of Central Lancashire - United Kingdom (2007)
- Bachelor's degree in Law, Garyounis University - Libya (2003)

Professional experience and memberships:

- Long-Term Investment Portfolio - Libyan Foreign Investment Authority, Vice Chairman of the Board (2022 - present)
- FINANCIERE CER, Chairman of the Board (2022 - present)
- COMPAGNIE DES EXPLOITATIONS REUNIES (CER), France, Chairman of the Board (2022 - present)
- Baroque Investments Limited, Member of the Board of Directors (2022 - present)
- Libyan Investment Authority, Head of Legal and Compliance Department (2021 - present)
- Libyan Investment Authority, Frozen Assets Project Manager (2019 - present)
- UPPER BROOK LTD, Member of the Board of Directors (2021 - 11/2025)
- Libyan Investment Authority, Senior Legal Advisor (2017 - 2019)
- Libyan Islamic Bank, External Legal Advisor (2017 - 2023)
- Misurata University - Libya, Lecturer (2008 - 2017)
- Higher Institute of Health Technologies – Libya, Lecturer (2008 - 2009)

Lana Al-Far
Representative of: Social Security Corporation

Date of appointment to the Board: 02/06/2025

Date of birth: 22/02/1984

Educational qualifications

- Bachelor's degree in Accounting, University of Jordan - 2006
- Master's degree in Business Administration - Finance, University of Jordan - 2010
- Professional certificate - CPM

Professional experience and memberships:

- Head of Accounting Department in the Financial Control Directorate at the Social Security Investment Fund (2018 - present)
- Career progression in the Financial Control Department at the Investment Fund since (2006)
- Member of the Board of Directors of Jordan National Shipping Lines Company (2023 - 2025)
- Member of the Board of Directors / Rama Savings and Investment Company (2021 - 2023)
- Member of the Board of Directors of Social Security Investment Company (2017 - 2021)

Names of the members of the Board of Directors / representatives of Board members who resigned during the year 2025

Samir Abu Lughod / Independent
Vice Chairman of the Board

Date of joining the Board: 13/4/2017

Date of resignation: 24/04/2025

Date of birth: 07/12/1951

Educational qualifications

- Bachelor's degree in Accounting, 1976

Professional experience and memberships:

- Member of the Audit Committee - International Criminal Court / The Hague (March 2020 - December 2022)
- Chairman of the Audit Committee – International Criminal Court / The Hague (March 2017 - March 2020)
- Member of the Audit Committee – International Criminal Court / The Hague (January 2016 - March 2017)
- Managing Partner – PricewaterhouseCoopers / Jordan (2009 - 2012)
- Managing Partner – Ernst & Young / Jordan (2002 - 2009)
- Managing Partner – Arthur Andersen / Jordan (1979 - 2002)
- Auditor – Saba & Co. (1976 - 1979)

Dr. Ibrahim Saif
Representative of: Etihad Islamic Investment Company

Date of joining the Board: 22/10/2017

Date of resignation: 01/09/2025

Date of birth: 10/08/1965

Educational qualifications

- Bachelor's degree in Economics and Accounting, Yarmouk University / Jordan, 1986
- Master's degree in Economics, University of London / United Kingdom, 1988
- PhD in Economics, University of London / United Kingdom, 2001

Professional experience and memberships:

- Minister of Planning and International Cooperation (2013 - 2015)
- Minister of Energy and Mineral Resources (2015 - 2017)
- Chief Executive Officer of the Jordan Strategy Forum (2018 - 2021)
- Member of the Board of Directors of Al Manaseer Group for Financial and Industrial Investments (2021 - 2023)
- Vice Chairman of the Board of National Arab Mining and Downstream Industries (2024 - present)
- Chairman of the Board of Directors of Duroob Consulting (2024 - present)
- Vice Chairman of the Board of Doha Al Adab for Educational Investments (2022 - present)
- Member of the Board of Directors of Jordan National Shipping Lines (2021 - present)
- Member of the Board of Directors of Jordan Loan Guarantee Corporation (2018 - present)
- Chairman of the Board of Directors of Tamweelcom (2025 - present)

Dr. Abd ALGhani ALFtaisi
Representative of: AL Etihad Islamic for Interstment co.

Date of joining the Board: 04/01/2023

Date of resignation: 07/07/2025

Date of birth: 31/07/1970

Educational qualifications

- Bachelor's degree in Accounting, Libya / Al Jabal Al Gharbi University, 1993
- Master's degree in Accounting, Libya / Libyan Academy - Janzur, 2001
- PhD in Accounting, United Kingdom / University of Huddersfield, 2008

Professional experience and memberships:

- Libyan Investment Authority - Senior Management Advisor (04/2022 - 08/2022)
- Libyan Investment Authority - Senior Management Advisor and Risk Management Advisor (02/2016 - 02/2018)
- Libyan Investment Authority - Member of the Executive Directors Board (10/2016 - 02/2018)
- Islamic Development Bank – Member of the Executive Directors Board (07/2020 - 08/2021)
- Member of the House of Representatives - Libya (08/2014 - 04/2022)
- National Transitional Council - Libya (01/2012 - 08/2012)

Mr. Mohammad Hawashin
Representative of: Representative of the Social Security Corporation

Date of joining the Board: 24/04/2025

Date of resignation: 02/06/2025

Date of birth: 13/03/1976

Educational qualifications

- Master's degree in Business Administration - Finance, University of Jordan (2003)
- Bachelor's degree in Accounting - University of Jordan (1998)
- Level I and II of the Chartered Financial Analyst (CFA Institute) certification (2018)

Professional experience and memberships:

- Social Security Investment Fund - Acting Head of Strategic Planning Department / Senior Financial Analyst (2021 - present)
- Pioneer Investments Company - Senior Investment Specialist / Financial Analyst (2008 - 2020)
- Nuqul Group - Income Tax Supervisor (2005 - 2008)
- Income and Sales Tax Department - Assessor / Auditor (1998 - 2005)

Dr. Nofan ALaqil
Representative of: Social Security Corporation

Date of joining the Board: 03/08/2016

Date of resignation: 24/04/2025

Date of birth: 01/01/1971

Educational qualifications

- Bachelor's degree in Law, Mutah University / Jordan, 1994
- Master's degree in Public Law (Administrative Law), Al Al-Bayt University / Jordan, 1997
- PhD in Public Law (Administrative Law / Administrative Judiciary), Ain Shams University / Egypt, 2005

Professional experience and memberships:

- Head of Legislation and Opinion Bureau - Prime Ministry (30/06/2013 - 08/05/2019)
- Acting Head of Ombudsman Bureau (31/12/2014 - 18/10/2015)
- Minister of State for Prime Ministry Affairs (08/10/2012 - 30/03/2013)
- Minister of Political Development (02/05/2012 - 07/10/2012)
- Professor of Public Law at the Faculty of Law, University of Jordan since (2006 – present)
- Lawyer and Legal Advisor since (2006 – present)
- Director of Legal Department – Telecommunications Regulatory Commission (08/01/2003 -20/06/2006)
- Legal researcher at the Audit Bureau (29/01/1999 - 08/12/1999)

Members of the Sharia Supervisory Board and a brief profile of each:

His Excellency Dr. Ahmad Salem Abdullah Bani Melhem

Chairman of the Sharia Supervisory Board

Date of birth: 15/02/1961

Date of joining the Board: 24/04/2018

Academic qualifications

- PhD in Comparative Jurisprudence, 1994
- Master's degree in Jurisprudence and Legislation, 1987
- Bachelor's degree in Jurisprudence and Legislation, 1982

Practical experience:

- Sharia advisor in the Sharia Supervisory Board of the International Ittihad of Takaful and Islamic Insurance Companies in Khartoum (formerly)
- Sharia advisor in the advisory board of North Africa Bank in Libya (formerly)
- Part-time lecturer at Al-Zaytoonah Private University (formerly)
- Member of the Board of Commissioners of the Securities Commission (formerly)
- Sharia advisor in the Sharia Supervisory Board of the Jordanian Engineers Association (formerly)
- Sharia advisor in the Sharia Supervisory Board at the Orphans Funds Development Foundation (formerly)
- Sharia advisor in the Sharia Supervisory Board at Islamic Insurance Company (formerly

Positions currently held outside the Bank:

- Sharia advisor to the Agricultural Credit Corporation
- Sharia advisor in the Sharia Supervisory Board of Islamic Banks Company
- Sharia advisor to Electricity Distribution Company
- Sharia advisor in the Sharia Supervisory Board of the Islamic Banks Capital Fund

His Excellency Dr. Safwan "Mohammad Reda" Ali Odibat

Member of the Sharia Supervisory Board

Date of birth: 10/06/1975

Date of joining the Board: 19/04/2021

Academic qualifications:

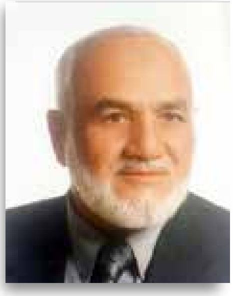
- PhD in Jurisprudence and its Principles, 2012.
- Master's in Jurisprudence and its Principles, 2005.
- BA in Jurisprudence and its Principles, 1997.

Practical experience:

- Director of Sharia Control and Inspection at the General Iftaa Department
- Member of the Sharia Supervisory Board of Al-Namothjiah for Islamic Microfinance
- Member of the Sharia Supervisory Board of Bindar Trading and Investment Company
- Representative of the General Iftaa Department as Sharia advisor to the Islamic Finance Department at Cities and Villages Development Bank affiliated with the Ministry of Local Administration (formerly)
- Lecturer at Al-Ummah International University / Turkey
- Researcher and reviewer in Al-Isbah Journal for Strategic and International Political Studies in France
- Seconded to the National Center for Security and Crisis Management, Media Response Unit (formerly) .

Positions currently held outside the Bank:

- Director of Sharia Control and Inspection at the General Iftaa Department
- Member of the Strategic Planning Committee at the General Iftaa Department
- Member of the Human Resources Committee at the General Iftaa Department



His Excellency Professor Dr. Ali Mohammad Al-Hussein Al-Mousa

Member of the Sharia Supervisory Board

Date of birth: 01/01/1948

Date of joining the Board: 29/04/2021

Academic qualifications:

- PhD in Comparative Jurisprudence from Al-Azhar University, 1978

Practical experience:

- University professor at the University of Jordan since 1979 (formerly)
- University professor at King Saud University until 1991 (formerly)
- University professor at Zarqa Private University until 1996 (formerly)
- University professor at Kuwait University until 2004 (formerly since 2002)
- Member of the Sharia Supervisory Board at Islamic Insurance Company until 2012 (formerly)
- Member of the Sharia Supervisory Board at First Finance Company until present (formerly)
- Permanent member in the Islamic Studies Association (formerly)
- Permanent member in Al-Afaf Charitable Society - Jordan (formerly)

Positions currently held outside the Bank:

• • Chairman of the Holy Quran Preservation Society, from the beginning of the year 2024 until present

Members of the Sharia Supervisory Board who resigned during the year 2025:

His Excellency Professor Dr. Ali "Mohieddin" Ali Al-Qaradaghi

Chairman of the Sharia Supervisory Board and Executive Member

Date of birth: 01/01/1949

Date of joining the Board: 28/04/2018 until 24/04/2025

Educational certificates:

- PhD in Shariah and law in the field of contracts and financial transactions, Al-Azhar 1985.
- Master of Comparative Jurisprudence, Faculty of Sharia and Law, Al-Azhar University, 1980.
- BA in Islamic Sharia, Baghdad 1975.
- Certificate of Scientific of Completion (Ijaza) in Islamic Sciences by Sheikhs in 1970.
- Graduated from the Islamic Institute in 1969.

Professional experience:

- Expert at the International Islamic Fiqh Academy affiliated with the Organization of Islamic Cooperation in Jeddah.
- Vice Chairman of the European Council for Fatwa and Research.
- Professor and Head of the Department of Jurisprudence and Principles at the Faculty of Sharia, Law and Islamic Studies at Qatar University (formerly).
- Member of the Sharia Board for the Auditing Authority for Islamic Financial Institutions.
- Chairman and executive member of the Fatwa and Sharia Supervisory Board for a number of Islamic Banks and Islamic insurance companies inside Qatar, including Qatar Islamic Insurance Company, inside

and outside of Qatar, Dubai Islamic Bank, Bahrain Investment Bank and First Investment in Kuwait.

Jobs that he currently holds outside of the Bank:

• Chairman or executive member of the Fatwa and Sharia Supervisory Boards of several Islamic banks outside Jordan

Resigned on: 24/04/2025

Members of The Executive Management and introduction To each of Them

Samer Al-Tamimi" / General Manager/ CEO

Date of Birth: 30 / 10 / 1966

Mr. Samer Al-Tamimi joined Safwa Islamic Bank starting from the beginning of 2018, with extensive banking and managerial experience in banks and financial institutions extending for more than 36 years, during which he worked in established financial institutions in the Hashemite Kingdom of Jordan, the United Arab Emirates, the State of Qatar, the United States of America, Australia, and the United Kingdom.

Ziad Kokash /Deputy CEO,Chief Credit Officer

Date of Birth: 31/ 8 /1970

Mr. Ziad Kokash joined the Bank on 16/09/2012 in the position of Deputy CEO, Chief Credit Officer, with extensive experience reaching 34 years in credit and risk management, and currently holds the position of Deputy CEO, Chief Credit Officer.

He began his professional career at Cairo Amman Bank / Credit Facilities Department where he worked as a Credit Facilities Officer, then became Credit Facilities Manager - Arab Banking Corporation, then moved to work at Al Ahli Bank where the last position he held was Assistant General Manager, Head of Risk Management Group.

Mr. Ziad holds a Master's degree in Financial Management from the Arab Academy for Banking and Financial Sciences in Jordan, 2006, and a Bachelor's degree in Banking and Financial Sciences from Yarmouk University in Jordan, 1992.

Mr. Ziad Kokash holds the position of Vice Chairman of the Board - MISC for Financial Brokerage Company, and also serves as a member of the Board of Directors of Jordan Fertilizers Company as a representative of the Bank.

Masoud Sakf Al-Hait / Chief of Legal & Board Secretarial

Date of Birth: 16/7/1967

Mr. Masoud Saqf Al-Hait joined the Bank on 01/04/2012 in the position of Head of the Legal Department with extensive experience reaching 33 years in legal work.

He began his professional career as a lawyer at Arab Bank, then moved to work at Capital Bank as Head of the Legal Department, then worked as a lawyer at the office of Ali Sharif Al-Zoubi.

Mr. Masoud holds a Bachelor's degree in Law from the University of Jordan, 1992.

Nesfat Taha / Chief of Retail Banking

Date of Birth:26/5/1970

Mr. Nisfat joined the Bank on 21/02/2010 in the position of Head of Branch Network with extensive experience reaching 32 years in retail banking.

He began his professional career at Arab Bank where the last position he held was Area Manager - Jordan Branches / High Net Worth Clients Department.

Mr. Nisfat holds a Bachelor's degree in Business Administration from the American University in Cairo, 1993.

He holds the Executive Leadership Program from London Business School, London - United Kingdom, 2024.

Wael Al-Bitar / Chief of Treasury and Investment

Date of Birth:16/8/1973

Mr. Wael Al-Bitar joined the Bank on 03/01/2010 in the position of Senior Manager / Head of Financial Institutions Relations with extensive experience reaching 32 years.

He worked in several fields including corporate banking, treasury and investment, credit, and financial institutions at several Jordanian banks (Arab Bank, Bank ABC, Capital Bank), and progressed through several key positions in banking work.

Mr. Wael holds a Master's degree in Business Administration / Finance from the University of Jordan, 1999, and a Bachelor's degree in Economics / Finance from Yarmouk University, 1994.

Mr. Wael Al-Bitar holds membership in several companies (Member of the Board of Directors of Iraq Islamic Bank for Investment and Development representing Safwa Islamic Bank, Vice Chairman of Sukuk Holders Committee of

National Electric Power Company, Member of Sukuk Holders Committee of Ministry of Finance, Member of Board of Directors - Islamic Banks Group for equity participation, Member of Board of Directors - Jordan Islamic Capital and Investment Fund), and holds licenses as Investment Manager and Trustee, Financial Advisor, and Management and Secretariat of Sukuk issuances and their custody from the Securities Commission.

Ahmad Ghnaim/ Chief Finance & Corporate Strategies

Date of Birth:8/1/1979

Mr. Ahmad Ghneim joined the Bank on 15/03/2022 in the position of Chief Financial and Corporate Strategies Officer with banking experience exceeding 22 years in finance.

He began his professional career at Citibank - Jordan to become Assistant Chief Financial Officer, then moved to the United Arab Emirates to work at Samba Financial Group as a Financial Controller, then returned to Jordan to hold the position of Chief of Finance at several banks and companies (ABC Bank, Bank Audi, Tamweelcom), and also held the position of Chief Business Intelligence Officer at Capital Bank.

Mr. Ahmad holds a Master's degree in Business Administration (MBA) from Western Michigan University - United States of America, and a Bachelor's degree in Business Administration (Accounting) from Western Michigan University - United States of America, and also holds the professional certification Certified Management Accountant (CMA) and Fellowship of the Association of Chartered Certified Accountants (UK-FCCA).

Mr. Ahmad Ghneim holds membership as Board Member - MISC for Financial Brokerage Company and Jordan Polymers and Intermediate Chemicals Company.

Ahmad Jafer / Head of Risk

Date of Birth:20/9/1978

Mr. Ahmad Jaafar joined the Bank on 06/02/2011 in the position of Senior Manager, Head of Risk Policies, Portfolio Management and Market Risk, with banking experience reaching 25 years.

He began his professional career at the International Arab Islamic Bank from 2000 until 2005 within the Banking Organization and Systems Department to become Supervisor of Banking Policies and Systems, then joined Bank Al Jazira - Saudi Arabia from 2005 until 2011 as Senior Manager of Credit Risk Management and Basel requirements.

Mr. Ahmad Jafar holds a Master's degree in Accounting from Amman Arab University, 2003, and a Bachelor's degree in Accounting from Al-Ahliyya Amman University, 2000, and holds a professional certification in international risk management regulations and the Certified Chief Risk Manager qualification according to ISO 31000 requirements.

Khalid Al-Issa / Head of Internal and Sharia Audit

Date of Birth:28/10/1979

Mr. Khaled Al-Issa joined the Bank on 20/02/2011 in the position of Manager, Financial and Operational Audit, with banking experience reaching 21 years.

He began his professional career at The Housing Bank in the Internal Audit Department, where the last position he held was Operations Auditor.

Mr. Khaled holds a Bachelor's and Master's degree in Accounting and holds the following international professional certifications:

CIA, DIP-IFR, CPA1, CISA, CISM, CCSA, CGAP

Muneer Faroneyah / Head of Sharia Compliance

Date of Birth:5/6/1971

Mr. Muneer Faroneyah joined the Bank on 01/08/2010 in the position of Sharia Auditor with extensive experience exceeding 22 years in Islamic banking and Sharia auditing.

Mr. Muneer Faroneyah worked at Jordan Islamic Bank in several positions and departments, and the last position he held was Senior Auditor, Internal and Sharia Audit.

Mr. Muneer Faroneyah holds a Master's degree in Banking and Financial Sciences specializing in Islamic Banking from the Arab Academy for Banking and Financial Sciences, and a Bachelor's degree in Banking and Financial Sciences from Yarmouk University, and also holds the Certified Sharia Advisor and Auditor (CSAA) certification from the Accounting and Auditing Organization for Islamic Financial Institutions - Bahrain (AAOIFI).

Mohammed Hawari / Head of HCM and Administrative services

Date of Birth:13/7/1981

Mr. Mohammad Al-Hawari joined the Bank on 18/01/2010 in the position of Manager, Human Resources Operations, with banking experience reaching 22 years in banking work.

He began his professional career working at the Jordan Kuwait Bank in the Finance Department, and the last position he held was Assistant Manager / Finance Department.

Mr. Mohammad Al-Hawari holds a Master's degree in Accounting from Amman Arab University for Graduate Studies in 2005, and a Bachelor's degree in Accounting from Mutah University in 2003, and also holds the following international certifications:

Certified Human Resources Manager (CHRM) and Certified International Professional Training Manager (CIPTM).

Mohammad Al-Jaouni / Head of Information Technology

Date of birth: 23/01/1972

Mr. Mohammad Al-Jaouni joined the Bank on 22/10/2023, and was promoted to hold the position of Head of Information Technology starting from 06/01/2025, and has extensive professional experience exceeding 28 years in the fields of information technology and information security, during which he held leadership positions in reputable banking and financial institutions.

His practical experience varied to include management of information technology infrastructure, digital transformation, information technology governance starting from 06/01/2025, information security, and business continuity.

Prior to joining the Bank, Mr. Mohammad Al-Jaouni held the position of Information Systems Manager at Arab Bank - Qatar, where he was responsible for supervising technical systems and supporting banking operations according to best practices and international standards.

Mr. Mohammad Al-Jaouni holds a Bachelor's degree in Computer Science and Information Systems from Philadelphia University - Jordan (1995).

Rami Mahmoud / Head of Corporate Banking

Date of birth: 20/12/1977

Mr. Rami Jamal Mahmoud joined the Bank on 12/01/2025, where he holds the position of Head of Corporate Banking, and has banking and professional experience exceeding 25 years in corporate banking and business finance.

During his professional career, Mr. Rami held several leadership positions in reputable local, regional, and international banking institutions, having worked at Bank of Jordan, Qatar International Islamic Bank in Doha - Qatar, in addition to Royal Bank of Canada (RBC) in Toronto - Canada. The last position he held before joining the Bank was Executive Director of Commercial Business Development and Contractors Financing - Jordan, with responsibility for corporate financing coverage for external branches within Bank of Jordan Group, in addition to holding the position of Chief Executive Officer of Tafawoq Financial Investments Company, and Vice Chairman of the Board of Jordan Leasing Company.

Mr. Rami holds a Master's degree in Business Administration specializing in Strategic Management from York University - Canada (2017), and a Master's degree in Banking and Financial Sciences specializing in Financial Management from the Arab Academy for Banking and Financial Sciences (2001), in addition to a Bachelor's degree in Business Administration from the Hashemite University (1999).

Rawand Al Turk / Head of Compliance

Date of Birth:11/4/1980

Ms. Rawand Al-Turk joined the Bank on 14/09/2023 in the position of Head of Compliance with extensive experience exceeding 23 years.

She worked in several areas within the Compliance Department at several Jordanian and foreign banks (Cairo Amman Bank, Bank of Jordan, Bank Audi, National Bank of Abu Dhabi, Societe Generale), and the last position she held was Head of Compliance at Invest Bank.

Ms. Rawand holds a Bachelor's degree in Business Administration from Al-Ahliyya Amman University, 2003, and holds the following international certifications:

CAMS, CCM, CCO

Zeina Khirfan/ Chief Business Transformation and Operating officer

Date of Birth:17/11/1981

Engineer Zeina Khirfan joined the Bank on 21/09/2010 with extensive experience exceeding 22 years, during which she worked in international and local companies.

Her practical and professional experience varied to include several aspects in the field of excellence management, business transformation, development of services and products, and digital transformation.

She began her professional career at Aramex, then moved to work at PWC Logistics.

Engineer Zeina holds a Bachelor's degree in Industrial Engineering, and holds a Senior Executive Leadership certificate from Harvard Business School in 2023, in addition to a number of the following international certifications:

Six Sigma, PMP, EFQM, ISO Lead Auditor.

Names of the members of the Senior Executive Management who resigned during the year 2025:

There were no resignations among the members of the Senior Executive Management during the year 2025

Numbers of financial securities owned by Board of Directors members, senior management individuals with executive authority and their relatives, and the companies controlled by them, as the end of 2025 compared to the previous year

31/12/2025							
" Member's Name legal entity)"	Nationality	Execntive / non-Execntive member	Independent / non-independent member	" Member's Name (representative of legal entity)"	Nationality	" Number of shares held by the legal entity"	"Direct participation in capital %"
Dr. "Mohammed Naser" Abu Hammour	Jordanian	Non-executive	Is not independent	Al-Etihad Islamic for Investment Co.	Jordanian	93,555,372	62.370%
Deema Aqel	Jordanian	Non-executive	Is not independent				
Dr. Anas Bohowish	Jordanian	Non-executive	Is not independent				
Basem Salfiti	Jordanian	Non-executive	Is not independent				
Dr. Salah Fakroun (since 8/7/2025)	Libyan	Non-executive	Is not independent				
(Mohammed agdal (since 1/9/2025	Libyan	Non-executive	Is not independent				
Iana Al-Far (Since 2/6/2025)	Jordanian	Non-executive	Is not independent	Representative of Social Security Corporation	Jordanian	14,074,555	9.383%
Name of the board member (representing his personal capacity)	**Nationality**	**Execntive / non-Execntive member**	**Independent / non-independent member**	**The number of shares owned by a member of the Board of Directors**		**The percentage of shares held in the bank's capital%**	
Ihssan Barakat	Jordanian	Non-executive	independent	3,000		0.002%	
Dr.Khaled AlZentuti	Libyan	Non-executive	independent	1,500		0.001%	
Ruslan Deiranieh (since 24/4/2025)	Jordanian	Non-executive	independent	15,000		0,010%	
Salem Burqan	Jordanian	Non-executive	independent	3,000		0.002%	
Samir Abu Lughod (Until 24/4/2025)	Jordanian	Non-executive	independent	2,250		0.002%	
Board member who owns shares in the bank in his personal capacity	**Nationality**	**The number of shares owned by a member of the Board of Directors**		**The percentage of shares held in the bank's capital%**			
Dr. "Mohammed Naser" Abu Hammour	Jordanian	103,750		0.069%			
Basem Salfiti	Jordanian	-		-			
Deema Aqel	Jordanian	-		-			
Dr. Salah Fakroun	Libyan	-		-			
Dr. Anas Bohowish	Libyan	-		-			
Mohammed agdal	Libyan	-		-			
Iana Al-Far	Jordanian	-		-			
Dr.ibrahim saif (Until 1/9/2025)	Jordanian	2,250		0.002%			
Dr.Nofan Alqil (Until 24/4/2025)	Jordanian	1,500		0.001%			
Dr.Abd AlGhani Al Ftaisi (Until 7/7/2025)	Libyan	-		-			
Mohammad Hawashin (Until 2/6/2025)	Jordanian	-		-			

31/12/2024							
" Member's Name legal entity)"	Nationality	Execntive / non-Execntive member	Independent / non-independent member	" Member's Name (representative of legal entity)"	Nationality	" Number of shares held by the legal entity"	"Direct participation in capital %"
Dr. "Mohammed Naser" Abu Hammour	Jordanian	Non-executive	Is not independent	Al-Etihad Islamic for Investment Co.	Jordanian	74,844,298	62.370%
Basem Salfiti	Jordanian	Non-executive	Is not independent				
Deema Aqel	Jordanian	Non-executive	Is not independent				
Dr. Abd AlGhani Al Ftaisi	Libyan	Non-executive	Is not independent				
Dr. Anas Bohowish	Libyan	Non-executive	Is not independent				
Dr.ibrahim saif	Jordanian	Non-executive	Is not independent				
Dr. Nofan AlAqil	Jordanian	Non-executive	Is not independent	Representative of Social Security Corporation	Jordanian	11,259,644	9.383%
Name of the board member (representing his personal capacity)	Nationality	Execntive / non-Execntive member	Independent / non-independent member	The number of shares owned by a member of the Board of Directors		The percentage of shares held in the bank's capital%	
Samir Abu Lughod	Jordanian	Non-executive	independent	1,800		0.002%	
Salem Burqan	Jordanian	Non-executive	independent	2,400		0.002%	
Dr.Khaled AlZentuti	Libyan	Non-executive	independent	1,200		0,001%	
Ihssan Barakat	Jordanian	Non-executive	independent	2,400		0.002%	
Board member who owns shares in the bank in his personal capacity	Nationality	The number of shares owned by a member of the Board of Directors		The percentage of shares held in the bank's capital%			
Dr. Nofan AlAqil	Jordanian	1,200		0.001%			
Dr. "Mohammed Naser" Abu Hammour	Jordanian	83,000		0.069%			
Dr.ibrahim saif	Jordanian	1,800		0.002%			
Basem Salfiti	Jordanian	-		-			
Deema Aqel	Jordanian	-		-			
Dr. Abd AlGhani Al Ftaisi	Libyan	-		-			
Dr. Anas Bohowish	Libyan	-		-			
lana Al-Far (Since 2/6/2025)	Jordanian	-		-			
Mohammed agdal (since 1/9/2025)	Libyan	-		-			
Dr. Salah Fakroun (since 8/7/2025)	Libyan	-		-			
Mohammad Hawashin (Until 2/6/2025)	Jordanian	-		-			
Ruslan Deiranieh (since 24/4/2025)	Jordanian	10,000		0.008%			

Ownerships of Executive Management and their relatives or companies controlled by Them as at the end of 2025

Name	Position	Nationality	No. of Shares at the end of 2025	No. of shares at the end of 2024
Samer Al Tamimi	General Manager/ CEO	Jordanian	164,480	27,766
Ziad Kokash	Deputy CEO, Chief Credit Officer	Jordanian	9,477	-
Masoud “Sakf al-Hait”	Chief of Legal and Board Secretarial	Jordanian	8,338	-
Nesfat Taha	Chief of Retail Banking	Jordanian	7,284	-
Wael Al-Bitar his wife Ruba Aitani	Chief of Treasury and Investment	Jordanian	15,375	-
		Jordanian	3,525	-
Ahmad Ghnaim	Chief Financial & Corporate Strategies Officer	Jordanian	9,055	-
Ahmad Jafar	Head of Risk	Jordanian	6,391	-
Khalid Al-Issa	Head of Internal and Sharia Audit	Jordanian	3,830	-
Muneer Faroneyah	Head of Sharia Compliance	Jordanian	4,082	-
Mohammad Hawari his wife Tamadur Al habahba	Head of HCM and administrative services	Jordanian	9,963	-
		Jordanian	7,500	-
Mohammad Al-Jaouni	Head of Information Technology	Jordanian	4,773	-
Rami Mahmoud	Head of Corporate Banking	Jordanian	3,835	-
Rawand Al Turk	Head of Compliance	Jordanian	1,997	-
Zeina Khirfan	Chief Business Transformation and Operating officer	Jordanian	14,835	-

- There are no other ownerships by individuals from the Executive Management, their relatives or the companies controlled by them, with the exception of what has been mentioned in the table above.
- None of the relatives of the board members owned any shares as of the end of 2025, with the exception of the shares held by the children of Dr.Nofan Al-Aqeel (Abdullah, Noor, Nouf, and Omar), each of whom owned a total of 1,200 shares in Safwa Islamic Bank as of the end of 2024.
- There are no companies controlled by members of the Board of Directors, or Senior Management individuals with executive authority, nor any of their relatives.

Financing granted from the Bank to members of the Board of Directors and any other Operations that have been executed between the Bank and members of the Board of Directors or any parties affiliated with them

Current Board of Directors Members	Direct Financing Cards (JOD)	Indirect Financing (JOD)
Dr. “Mohammed Abu Hammour/ Chairman of the Board	(5,335)	-
Dr.Khaled Al Zentuti	(23)	-
Mohammed AL agdal	(754)	-

- There is no other financing or operations that were executed between the Bank and Board of Directors members, with the exception of what has been mentioned in the table above.
- The profit rates on the financing granted to members of the Board of Directors fall withing the limits of the financing granting to the rest of the clients.

Names of major shareholders and the number of shares they own compared to the previous year

31/12/2025				31/12/2024			
name	Nationality	Percentage of shares held in the Bank's capital %	Number of Shares	name	Nationality	Percentage of shares held in the Bank's capital %	Number of Shares
Al-Etihad Islamic for Investment Co.	Jordanian	62.370%	93,555,372	Al-Etihad Islamic for Investment Co.	Jordanian	62.370%	74,844,298
Social Security Corporation	Jordanian	9.383%	14,074,555	Social Security Corporation	Jordanian	9.383%	11,259,644
Government Contributions Management Company	Jordanian	5.550%	8,325,000	Government Contributions Management Company	Jordanian	5.550%	6,660,000

Names of Shareholders who own 1% or more from of the share capital of the bank and the ultimate beneficial owners of these shares as of 31/12/2025

Sequence	Shareholder Name	Nationality	No. of shares owned	Percentage of direct contribution in the capital	Percentage of indirect contribution in the capital	Ultimate Beneficial Owner	No. of mortgaged shares	Reserved shares	Percentage of mortgaged shares out of the total shares	Mortgage party (1)	Mortgage party (2)
1	Al-Etihad Islamic for Investment Company	Jordanian	93,555,372	62.370%	-	-	-	6,000	-	-	-
1.1	Bank al Etihad	Jordanian	54,262,116	36.175%	58.000%	-	-	-	-	-	-
1.1.1	Libyan Foreign Investment Company	Libyan	6,760,539	4.507%	12.459%	Lia Libyan Investment Authority - Government of Libya Libyan Government	-	8,000	-	-	-
1.1.2	RS FINANCE	Cayman Islands	5,010,185	3.340%	9.233%	Raja'I Salfiti Holding 100% TRHS Holding 25% ownership (Tareq Rajai Salfiti)100% ZRS Holding 25% ownership (Zaid Rajai Salfiti)100 FRS Holding 25% ownership(Faisal Rajai Salfiti)100 DRS Holding 12.5% ownership (Dina Rajai Salfiti)100% SRHS Holding 12.5%ownership (Samia Farah issa Fraih)100%	20,883,733	-	0.690	Jordan Kuwait Bank	-
1.1.3	Sawt AL-Kanar Investment Company	Jordanian	4,876,860	3.251%	8.988%	Essam Halim Salfiti 20% Nadim Essam Salfiti 20% Basem Essam Salfiti 20% Wasim Essam Salfiti 20% Samia Sulaiman Al Sukar 20%	9,551,500	-	0.326	The Housing Bank 7,451,500	Jordan Kuwait Bank 2,100,000
1.1.4	Social Security Corporation	Jordanian	3,705,205	2.470%	6.828%	Same	-	-	-	-	-
1.1.5	Houria Al Moheet Investment Company	Jordanian	2,915,194	1.943%	5.372%	A Jordanian company and its partners, who are represented as shown below: Tareq Rajai Halim Salfiti (25%) Faisal Rajai Halim Salfiti (25%) Zaid Rajai Halim Salfiti (25%) Dina Rajai Salfiti (12.5%) Samia Farah issa Fraih (12.5%)	16,032,500	-	0.706	Jordan Kuwait Bank 4,075,000	The Housing Bank 8,451,500
1.1.6	Fahmi Ben Faeq Ben Fahmi Abu Khadra	Saudi	2,054,039	1.369%	3.785%	Same	11,634,860	4,000	0.945	The Housing Bank	-
1.1.7	Bank of Palestine Company	Palestinian	1,968,055	1.312%	3.627%	Hashem Al-Shawa	-	-	-	-	-
1.1.8	Zeina Nizar Abdul Raheem Jardaneh	Jordanian	1,675,386	1.117%	3.088%	Same	-	-	-	-	-
1.2	Libyan Foreign Investment Company	Libyan	39,293,256	26.196%	42.000%	Lia Libyan Investment Authority - Libyan Government	-	-	-	-	-
2	Social Security Corporation	Jordanian	14,074,555	9.383%	-	Government of the Hashemite Kingdom of Jordan	-	-	-	-	-
3	Government Investment Management Company	Jordanian	8,325,000	5.550%	-	Government of the Hashemite Kingdom of Jordan	-	-	-	-	-
4	Orphans Fund Development Corporation	Jordanian	6,208,477	4.139%	-	Government of the Hashemite Kingdom of Jordan	-	-	-	-	-
5	Bank AL Etihad	Jordanian	5,501,855	3.668%	-	Please refer to point 1.1	-	-	-	-	-
6	Zeina Saad Khalaf Al Tal	Jordanian	1,544,012	1.029%	-	Same	-	-	-	-	-
7	Tamara Saad Khalaf Al Tal	Jordanian	1,544,011	1.029%	-	Same	-	-	-	-	-

Benefits and remunerations enjoyed by the Chairman and members of the Board of Directors

Board of Directors Members	Mobility Allowances & attending BOD Meetings (Includes due and unpaid)	Accrued and unpaid bonuses for 2025	Total
Dr. "Mohammed Naser" Abu Hammour	307,200	5,000	312,200
Deema Aqel	37,200	5,000	42,200
Ihssan Barakat	51,000	5,000	56,000
Dr. Khaled Al Zentuti	51,000	5,000	56,000
Ruslan Deiranieh(since 25/4/2025)	34,000	3,438	37,438
Salem Burqan	51,000	5,000	56,000
Dr. Anas Bohowish	37,200	5,000	42,200
Basem Salfiti	37,200	5,000	42,200
Mohammed Al Agdal (since 1/9/2025)	10,850	1,671	12,521
Dr. Salah Fakroun(since 8/7/2025)	17,900	2,425	20,325
Representative of Social Security Corporation	37,200	5,000	42,200
Dr.Abd AlGhani Al Ftaisi (Until date 7/7/2025)	19,300	2,575	21,875
Dr.Ibrahim Saif (Until date 1/9/2025)	26,350	3,329	29,679
Samir Abu Lughod (Until date 24/4/2025)	17,000	1,562	18,562
Total	**734,400**	**55,000**	**789,400**

Board of Directors Declaration

The Board of Directors that there are no material issues that could have an impact on the continuity of the Bank in the subsequent fiscal year of 2026.

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

The Board of Directors confirms the accuracy and appropriateness of the Bank's financial statements and the information contained in the report, as well as the adequacy of the internal control and oversight systems.

Chairman of the Board of Directors

Dr. "Moh'd Naser" Salem Abu Hammour

Dr. Salah Fakroun

Basem Isam Halim Salfiti

Deputy chairman of The Bank

Deema Mefleh Mohammed Aqel

Dr. Khaled FM Zentuti

Mohammed Al Agdal

Ruslan Deiranieh

Ihssan Barakat

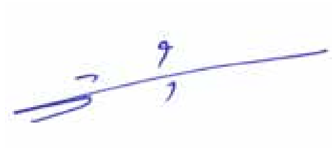
Salem Abdel-Monem Salem Burqan

Ihssan Barakat

Lana Al-Far

Board of Directors Declaration

The Board of Directors declares that none of its members have obtained any undeclared benefits from the Bank through their respective memberships of the Board, whether these benefits are of a material or in-kind nature, and whether these benefits are for their own personal use or anyone related to them, during the year 2025.

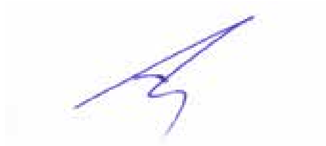


Chairman of the Board of Directors

Dr. "Moh'd Naser" Salem Abu Hammour

Dr. Salah Fakroun

Basem Isam Halim Salfiti



Deputy chairman of The Bank

Deema Mefleh Mohammed Aqel

Dr. Khaled FM Zentuti

Mohammed Al Agdal

Ruslan Deiranieh

Ihssan Barakat

Salem Abdel-Monem Salem Burqan

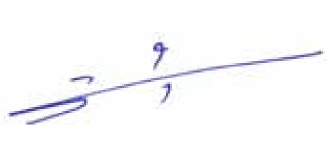
Ihssan Barakat

Lana Al-Far

Declaration

The Board of Directors confirms the that the Bank abides by the disclosures set out in the standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) - and the disclosures set by the International Financial Reporting Standards (IFRS) and International Accounting Standards (in the absence of standards for Islamic financial institutions)

- the instructions of the Central Bank and other relevant legislation. The Board also confirms that the Executive Management is aware of the changes in the terms issued by AAOIFI and IFRS.

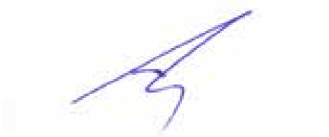


Chairman of the Board of Directors

Dr. "Moh'd Naser" Salem Abu Hammour

Dr. Salah Fakroun

Basem Isam Halim Salfiti



Deputy chairman of The Bank

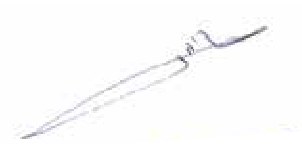
Deema Mefleh Mohammed Aqel

Dr. Khaled FM Zentuti

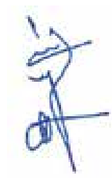
Mohammed Al Agdal

Ruslan Deiranieh

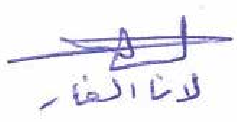
Ihssan Barakat



Salem Abdel-Monem Salem Burqan



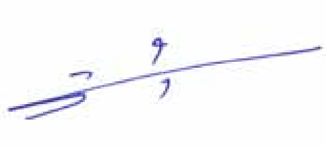
Ihssan Barakat



Lana Al-Far

Declaration

We, the undersigned, hereby declare the accuracy, validity and completeness information and data mentioned with the Annual Report of 2025.

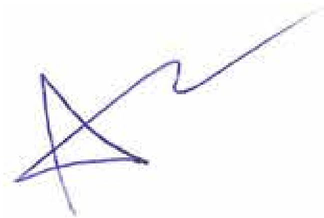


Chairman of the Board of Directors

Dr. "Moh'd Naser" Salem Abu Hammour

CEO

Samer “Al Saheb Al Tamimi”



Chief Finance

& Corporate Strategies

Ahmad Ghnaim

Benefits and remunerations enjoyed by the Chairman and members of the Sharia Supervisory Board

Members of The Shari'a Supervisory Board	Number of sessions of the Commission attended	Transportation and attending the meetings of the Shari'a Supervisory Board	2025 Rewards (Includes accrued and unpaid rewards)	Total
His Eminence Professor Dr. Ali Al Qaradaghi (Until 30/4/2025)	5	5,500	15,100	20,600
His Eminence Dr. Ahmad Melhem	12	13,200	7,100	20,300
His Eminence Professor Dr. Ali Musa	12	13,200	7,100	20,300
His Eminence Dr. Safwan Edibat	12	13,200	7,100	20,300
total		**45,100**	**36,400**	**81,500**

- No. of Sharia Supervisory Body meetings held during 2025 was (12) meetings
- The Sharia Supervisory Board met with the Board of Directors twice during the year 2025
- The Sharia Supervisory Board met with the Audit Committee of the Board of Directors twice during the year 2025
- The Sharia Supervisory Board met with the external auditor twice during the year 2025

Declaration on not obtaining benefits

to whom it may concern

may peace, mercy and blessing of Allah be upon you

Referring to Corporate Governance's instructions of Islamic Banks No (3/2023), we, the Sharia Supervisory Board Members, did not get any benefits which we didn't disclose during our work, whether materialistic or non-materialistic, whether to our personal benefit or to any of the stakeholders, in the past year 2025.

Chairman of the Body

Name: Prof. Dr. Ahmad Melhem

Member

Name: Dr. Safwan Edibat

Member

Name: Prof. Dr. Ali Musa

Benefits and remunerations enjoyed by members of the Executive management

Name	Job	Salaries and bonuses for the year	Transportation expenses	Total
Samer "Al Saheb Al Tamimi"	General Manager/ Chief Executive Officer	913,339	-	913,339
Ziad Kokash	Deputy CEO, Chief Credit Officer	245,094	3,300	248,394
Masoud "Sakf al-Hait"	Chief of Legal and Board Secretarial	215,691	3,300	218,991
Nesfat Taha	Chief of Retail Banking	212,734	3,300	216,034
Wael Al-Bitar	Chief of Treasury and Investment	205,955	3,300	209,255
Ahmad Ghnaim	Chief Financial & Corporate Strategies Officer	178,133	2,900	181,033
Ahmad Jafar	Head of Risk	153,203	2,900	156,103
Khalid Al-Issa	Head of Internal and Sharia Audi	97,200	2,900	100,100
Muneer Faroneyah	Head of Sharia Compliance	117,635	2,900	120,535
Mohammad Hawari	Head of HCM and administrative services	137,411	2,900	140,311
Mohammad Al-Jaouni	Head of Information Technology	97,007	2,525	99,532
Rami Mahmoud	Head of Corporate Banking	147,011	2,815	149,826
Rawand Al Turk	Head of Compliance	116,725	2,900	119,625
Zeina Khirfan	Head of central Operations & Business Transformation	128,130	2,900	131,030
Total		**2,965,268**	**38,840**	**3,004,108**

Names of the members of the Senior Executive Management who resigned during the year 2025:

There were no resignations among the members of the Senior Executive Management during the year 2025

Number of the Bank's Employees by Qualification Categories as of 31/12/2025:

Academic Qualification	Number of Bank Employees	Number of Employees of Subsidiaries / MISC for Financial Brokerage Co.
PhD	2	-
Master's	69	3
Higher Diploma	3	-
Bachelor's	762	5
Diploma	16	-
Tawjihi	4	1
Less than Tawjihi	11	-
Total	**867**	**9**

Training and Qualification Programs for the Bank’s Employees during the year 2025:

Program Name	Number of Programs	Number of Participants	General description of program objectives
Sharia Awareness Programs	4	1,202	These programs aim to develop employees’ skills from a Sharia banking perspective and provide them with the Sharia banking foundations and principles that enable them to serve customers correctly and avoid Sharia violations in executing transactions.
Policies and Laws Awareness Programs and Regulatory Instructions	27	4,102	The Bank’s management is keen to adhere to all approved policies and laws, which contribute to ensuring compliance with the relevant regulations and legislation.
Development of Administrative and Personal Skills and Promotion of Professional Behaviors	9	988	These programs aim to develop employees’ administrative skills and assist leadership in achieving the Bank’s objectives, while equipping them with the necessary skills that enable them to perform their work in a professional manner.
Best Practices Programs in Customer Service	2	23	These programs aim to reinforce employees’ skills in excellence in customer service, retaining customers and handlinghighestd to emphasize the Bank’s mission of providing distinguished and innovative services aimed at building a lasting partnership, as well as familiarizing them with the principles of proper selling according to the highest quality standards.
Specialized Banking Operation Programs	107	1,213	These programs aim to confirm and enhance employees’ knowledge in their specialized fields of work and keep them informed of the latest developments and updates in their roles, thereby increasing their efficiency and effectiveness in performing their various tasks.
Training and Qualification Program for New Employees	1	145	Qualifying new employees and providing them with all necessary information and support to ensure their integration into the work environment and achievement of the expected performance.
Specialized Professional Certifications	23	46	Qualifying employees, strengthening their knowledge, and enhancing their skills through obtaining specialized professional certifications.
Conferences and Seminars	43	95	Attending multiple conferences and seminars.
Total	**216**	**7,814**	

The Bank’s geographic locations and the number of employees in each as at 31/12/2025:

Branch / Administration Name	District / Area Name	Street	Building No.	Telephone	No. of employees
Main Administration - Headquarters	Al-Abdali Project / Boulevard	Al-Malia Street	38	4602100	348
Main Administration - Jabal Amman	2nd Circle	Al-Kulliyah Al-Elmeyah Al-Islameyah Street	31	4602100	131
Al-Abdali	Al-Abdali Project / Boulevard	Al-Malia Street	38	4602100	10
Jabal Amman	Jabal Amman District / Zahran	Al-Kulliyah Al-Elmeyah Al-Islameyah	31	4602100	7
Al-Bayader	Al-Rawneq / Wadi Al-Seer	Husseini Sobar	33	4602100	10
Al-Madinah Al-Munawwarah	Al-Salam District / Tla' Al-Ali	Al-Madinah Al-Munawwarah	121	4602100	10
Al-Shmeisani	Al-Shmeisani District/ Al-Abdali	Eliyah Abu Madi	6	4602100	8
Al-Wehdat	Al-Awdah / Al-Yarmouk	Al-Amir Hasan Street	113	4602100	7
Al-Sweifieh	Al-Sweifieh District / Wadi Al-Seer Area	Abedalraheem Al Haj Mohammad	70	4602100	7
Al-Khalidi	Al-Radwan District / Zahran Area	Ibn Khaldoun	38	4602100	6
Khalda	Khalda Area	Wasfi Al-Tal	302	4602100	8
Taj Mall	South Abdoun District/ Zahran Area	Saad Abdo Shammout	2	4602100	13
Al-Jubeiha	Al-Fadileh District / Sweileh Area	Queen Rania Al Abdullah	329	4602100	9
Al-Hashmi	Raghdan District / Basman Area	Al-Bathaa Street	97	4602100	7
Jabal Al-Hussein	Jabal Al-Hussein District/ Al-Abdali Area	Khaled Bin Al-Walid Street	170	4602100	8
Gardens	Al-Baraka District / Tla' Al-Ali Area	Wasfi Al-Tal Street	110	4602100	10
Dabouk	Al-Bashaer District / Sweileh Area	King Abdullah II bin Al Hussein Street	149	4602100	8
Istiqlal Mall	Jabal Al-Nuzha District/ Basman Area	Al-Istiqlal Street	1	4602100	11
Abu Nusair	Al-Amanah District / Abu Nusair Area	Abu Nusair Street	145	4602100	9
Tabarbour	Tariq Area	Tariq Street	78	4602100	10
Mecca Mall	Tla' Al-Ali Area / Um Al-Summaq District	Abdullah Al-Dawood Street	20	4602100	13
Marka	Al-Zahraa District	King Abdullah I Street	440	4602100	9
Sports City	Madinat Al-Hussein Al-Shabab District	Soruh Al-Shaheed Street	90	4602100	7
Sahab	King Abdullah II bin Al-Hussein Industrial City	Al-Bonook Street	254	4602100	8
Marj Al-Hammam	Marj Al-Hammam Area	Princess Tagreed Mohammad Street	47	4602100	7
Madaba	West District	Yarmouk Street	-	4602100	8
Al-Zarqa - Al-Sa'adah Street	First Area	Al-Sa'adah Street	74	4602100	8
Al-Zarqa	New Zarqa / Al-Khamsa District	36 Street	36	4602100	9
Al-Salt	AL-Kharabsheh District	Al-Amerieh Bridge	-	4602100	8
Irbid	Hai Al-Quyoun	Al-Amir Hussein Street	-	4602100	-
Irbid City Center	City Center Mall	Prince Hasan Street	-	4602100	13
Al-Aqaba	Hotel Area	Al-Nahda Street	722	4602100	9
Al-Karak	Al-Thaniya	Al-Karak Street	-	4602100	8
Queen Rania Street	Sandooq Al-Hajj	Queen Rania Street	19	4602100	5
Abu Alanda	Al-Naher Commercial Markets / Abu Alanda	Ibrahim Rashed Al-Hunati	-	4602100	9
Al-Rawnaq District	International Group Complex / 7th Crcle / Al-Rawnaq District	Ma’en bin Odai Street	1	4602100	7
Al-Qibbeh Circle / Irbid	Al-Qibbeh Circle	Rateb Al-Bataineh Street	-	4602100	9
Al-Jeel Al-Shamali	Al-Qaisi Commercial Complex	Kind Abdullah Street	-	4602100	8
5B Mall	Al-Quds Street	Al-Quds Street / Al-Yasmine	-	4602100	13
Marka Highway/ Nancy Center	Marka	Marka Highway	-	4602100	7
Mecca Street	Sufwa Complex / Mecca Street	Mecca Street	82	4602100	7
Al-Ramtha	Wasfi Al-Tal Street / Al-Sham Line	Wasfi Al-Tal Street	-	4602100	8
Bab Al-Madinah Souq / Al-Zarqa	Madinat Khadim Al-Haramain Al-Sharifain	King Abdullah bin AbdAlAziz Street	-	4602100	10
City Mall	City Mall	-	-	4602100	6
Al-Mafraq	-	Jerash Main Street	-	4602100	7
Total					**867**

Policy of Granting Bonuses at the Bank

The Bank adopts a clear policy for granting bonuses aimed at achieving outstanding results, through promoting a culture of excellence and high performance among employees. This contributes to attracting distinguished talents with high levels of experience and qualifications, in addition to retaining current talents, supporting them, and developing them, which leads to enhancing the institution and increasing its competitiveness.

Bonuses are distributed to employees on an annual basis, based on the annual performance evaluation and the extent to which the objectives set at the beginning of the year have been achieved. The bonus system is characterized by transparency and fairness and is aligned with human capital policies and corporate governance instructions.

Subsidiary Company

MISC for Financial Brokerage Company (Limited Liability)

- Commenced operations in 2011 with a capital of 750,000 Jordanian Dinars.
- The company's capital reached 2 million Jordanian Dinars at the end of 2025.
- The company's main activity is financial brokerage on the Amman Stock Exchange.
- The Bank's ownership percentage in the company is 100%.
- The company's address is Jabal Amman, next to the Islamic Scientific College.
- Number of employees: 9
- Company objectives: Buying and selling securities on commission on behalf of clients, and acting as a broker for its own account

External Auditor Fees for the Bank and Subsidiary and Additional Fees for the Year 2025

The Bank's external auditor fees amounted to107,880 dinars for the year 2025 (including Sharia audit), while the external auditor fees for the subsidiary company amounted to 4,640 dinars for the year 2025.

Additional fees for services provided to the Bank and its subsidiary during 2025 amounted to 49,927 dinars, detailed as follows:

- Audit fees related to governance of information and its associated technology, and cyber security audit, 46,447 Jordanian Dinars (related to the Bank).
- Fees for verifying that MISC for Financial Brokerage Company has complied with the provisions of the law and anti-money laundering instructions issued by the Securities Commission and related decisions, and the adequacy of related policies and procedures, 3,480 Jordanian Dinars (related to the subsidiary "MISC for Financial Brokerage Company").

The Audit Committee, formed by the Board of Directors, studied the engagement letters and contracts with the external auditor and their impact on the independence of the external audit firm. The necessary measures were taken to maintain the independence of the Bank's external auditor.

The degree of reliance on specific suppliers or key customers (locally and externally), whether this constitutes 10% or more of total purchases and/or sales or revenues, respectively.

Supplier Name	Percentage of Transactions from Total Purchases
First Insurance Company	12.18%

Description of any governmental protection or privileges enjoyed by the Bank or any of its products under laws, regulations, or otherwise. There are no governmental protections or privileges enjoyed by the Bank

- There are no governmental protections or privileges enjoyed by the Bank or any of its products under laws, regulations, or otherwise, and there are no patents or privilege rights obtained by the Bank.

Description of any decisions issued by the government or international organizations or others that have a material effect on the Bank's operations, its products, or its competitive ability

- There are no decisions issued by the government or international organizations or others that have a material effect on the Bank's operations, its products, or its competitive ability.

Statement of contracts, projects, and arrangements entered into by the Bank with subsidiary, sister, or affiliated companies, or with the Chairman of the Board, Board members, the General Manager, any employee of the Bank, or their relatives

- There are no contracts, projects, or arrangements entered by the Bank with subsidiary, sister, or affiliated companies, or with the Chairman of the Board, Board members, the General Manager, any employee of the Bank, or their relatives.

The Bank's Application of International Quality Standards

- International quality standards apply to the Bank, as the Bank has obtained the global standard certification PCI DSS V4.0 for applying best international practices related to information security in banking card transactions, and for providing the highest levels of protection and confidentiality for electronic payment card data, within the latest version V3.2.1.

Donations and grants Made by The Bank during 2025

Statement	Amount
Support for the banking sector initiative for the health and education sectors	1,282,299
King Hussein Cancer Foundation	22,700
General Command of the Jordanian Armed Forces	22,150
Hayat Fund for Education Association	12,500
Al-Malath Foundation for Palliative Care	10,000
Zakat Fund	10,000
Prince Hamzah bin Al Hussein School	9,975
Jordan University of Science and Technology	9,950
Public Security Directorate	8,000
Hajj and Umrah Department	4,000
General Iftaa Department	5,000
National Employment and Training Company	2,950
National Children's Museum Association	2,000
Zakat Fund	1,625
Prince Ali Club	1,392
Tkiyet Um Ali	1,303
Jordan Hashemite Fund for Human Development – Princess Basma Center	1,000
Jordanian National Forum for Women	1,000
Sakeena Charity for Social Support	500
Tafileh Cultural Sports Social Club	500
Al-Jeeza Municipality	405
Tariq Al-Mahabba Charity Association	400
Al-Oun for Alzheimer's Patients Care Association	250
Total	**1,409,899**

Most significant lawsuits filedd by and against Safwa Islamic Bank:

First: Most significant lawsuits filed against the Bank:

Case No.	Type of Claim	Claim Amount	Court
3955/2020	Accounting procedure and compensation for damage	Compensation	The Amman Court
7381/2022	Claim for compensation for material damage	635,000 dinars for fee purposes	The Amman Court
2023/292	Claim for rescission and annulment of contract and claim for compensation*	Compensation	The Amman Court
5930/2023	Accounting procedure and financial claim	Compensation	The Amman Court
5483/2024	Claim for value of improvements	Compensation	The Amman Court
1727/2025	Claim for compensation for material and moral damage	20,100 dinars for fee purposes	The Amman Court
3128/2025	Retrial	Not valued	The Jerash Court
15538/2025	Claim for labor rights	50,169	Amman Magistrate Court
1260/2026	Accounting procedure and financial claim	Estimated for fee purposes in the amount of 2,000	The Amman Court
421/2025	Accounting procedure and prevention of claim	Compensation	The Amman Court
1794/2025	Accounting procedure and prevention of claim	10,100 dinars for fee purposes	The Amman Court

Second: Most significant lawsuits filed by the Bank:

Case No.	Type of Claim	Claim Amount	Court
644/2023	Financial claim	15,830,000 dinars	The Amman Court
2614/2024	Execution of a real estate mortgage deed	20,000,000 dinars	Execution Department – East Amman Court

Bank Risk Exposure:

The risks faced by Safwa Islamic Bank are considered within the acceptable level approved by the Board of Directors. The Risk Management Committee, formed from the Board of Directors, determines the general frameworks for risk management strategies and policies, which are subsequently approved by the Board of Directors. From an executive perspective, risks in the Bank are managed by a specialized department staffed with qualified personnel, in line with the Board's directives and the Bank's overall strategy. This department applies best international practices in risk management (Basel III frameworks) in accordance with the requirements and directives of the Central Bank of Jordan and other risk management frameworks across all areas.

Description of the Risk Management Department, Its Structure, and Nature of Its Operations

- The Risk Management Department is the department responsible for managing the risks faced by the Bank. It prepares and reviews policies, procedures, controls, and limits related to the Bank's activities concerning all types of risks (such as credit risk, operational risk, market risk, liquidity risk, rate of return risk, reputational risk, non-compliance risk, Sharia non-compliance risk, and other risks), analyzes and measures them, and develops appropriate measurement methods to mitigate these risks, which in turn affect the Bank's profitability and capital adequacy. This is done in line with the approved comprehensive risk management framework that forms the basis for these policies, in addition to other policies related to acceptable risk levels. The overall risk management framework and related policies are also the primary reference for preparing the Internal Capital Adequacy Assessment Process (ICAAP) and conducting stress testing. The department sets acceptable risk appetite levels for all Bank activities, which are approved by the Board of Directors, and periodically compares these levels with the actual exposure levels.
- In addition, the Risk Management Department prepares periodic reports and presents them to the Board of Directors through the Risk Management Committee to inform them of the latest developments related to risk management in the Bank for evaluation and to obtain their recommendations.

The Risk Management Department consists of the following divisions:

- Credit Risk Department
- Operational Risk Department
- Market Risk Department
- Cybersecurity, Data Protection, and Anti-Fraud Department

Updates and Developments in the Risk Management Department

The updating and development of systems for assessing clients across various credit portfolios in the Bank will have a positive impact on the Bank's ability to evaluate its credit portfolios and contribute to enhancing credit decision-making methodologies. It also represents a step forward toward implementing advanced approaches in calculating credit risk in accordance with Basel standards. The Bank uses the CreditLens rating system from Moody's to assess and classify corporate and SME clients, in addition to an individual client scoring system.

The Bank has also developed risk-based pricing methodologies for both corporate and retail portfolios through developing the Risk-Adjusted Return on Capital (RAROC) model. This model enables the Bank to price facilities logically by taking into account collateral size, risk rating, and the amount of risk-weighted capital allocated to each facility. It also aims to align with Basel requirements and domestic systemically important bank regulations, linking facility pricing to the level of risk associated with each client.

The Risk Management Department has continued implementing methodologies related to operational risk management by completing the application of Risk and Control Self-Assessment (RCSA) workshops across various departments, units, and newly established divisions according to the Bank's organizational structure. The department also monitors compliance with corrective actions related to control gaps and coordinates with audit and control departments to ensure proper documentation of control testing processes. It updates risk registers for several departments and provides them to internal and Sharia audit departments and other control units to support risk-based auditing methodologies. The department also collects and analyzes operational loss and event data, linking them to risk registers and addressing control gaps accordingly.

In the field of information security and cybersecurity, the Bank renewed its compliance certification with the updated PCI DSS standard. A comprehensive information and cybersecurity strategy was also developed by updating information security policies in line with best practices and managing related projects aimed at enhancing control systems within the Bank's technological environment, in compliance with Central Bank of Jordan requirements and global cybersecurity standards.

The Information Security and Cybersecurity Unit continuously monitors security event logs for systems and networks through the Security Operations Center (SOC), ensures compliance with cybersecurity instructions issued by the Central Bank of Jordan in coordination with relevant departments, and has implemented protective systems to mitigate related risks. Several penetration tests have been conducted on networks and systems, including specialized testing of banking applications. Awareness programs related to information security and business continuity are conducted annually for employees and branches, along with periodic awareness messages for employees and customers.

Regarding personal data protection, the Bank has appointed a Data Protection Officer, updated the roles and responsibilities of relevant committees, and initiated a compliance and gap analysis project to align with personal data protection laws and instructions issued by the Central Bank of Jordan.

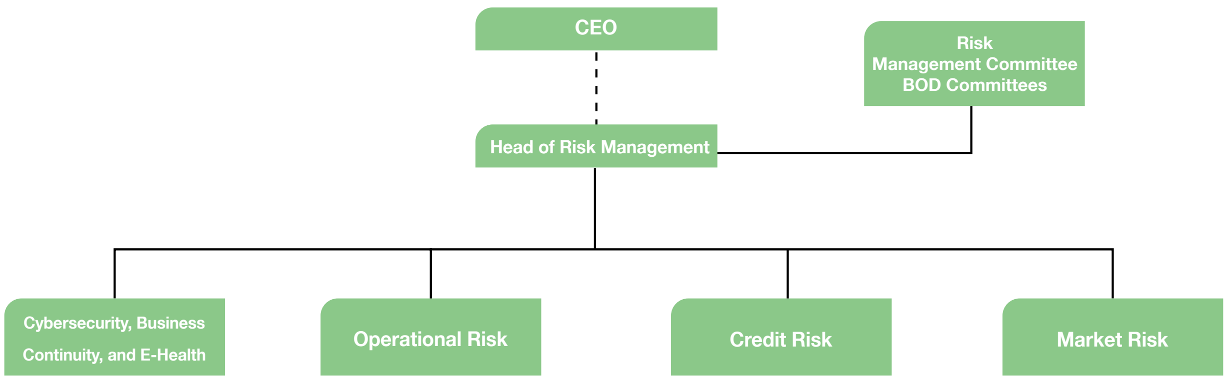
In the area of business continuity, the department updated business continuity plans in response to external risk factors and conducted testing to ensure readiness at alternative sites. The Bank's alternative site was recently upgraded with updated equipment and facilities to accommodate employees during emergencies. Remote working mechanisms have been adopted as part of business continuity strategies, and the alternative site has been relocated outside Amman to ensure appropriate distance for mitigating continuity risks.

As the Bank has been classified as a domestic systemically important bank, a comprehensive recovery plan has been developed in line with institutional values to enhance crisis readiness and ensure business continuity, protecting the interests of both customers and shareholders.

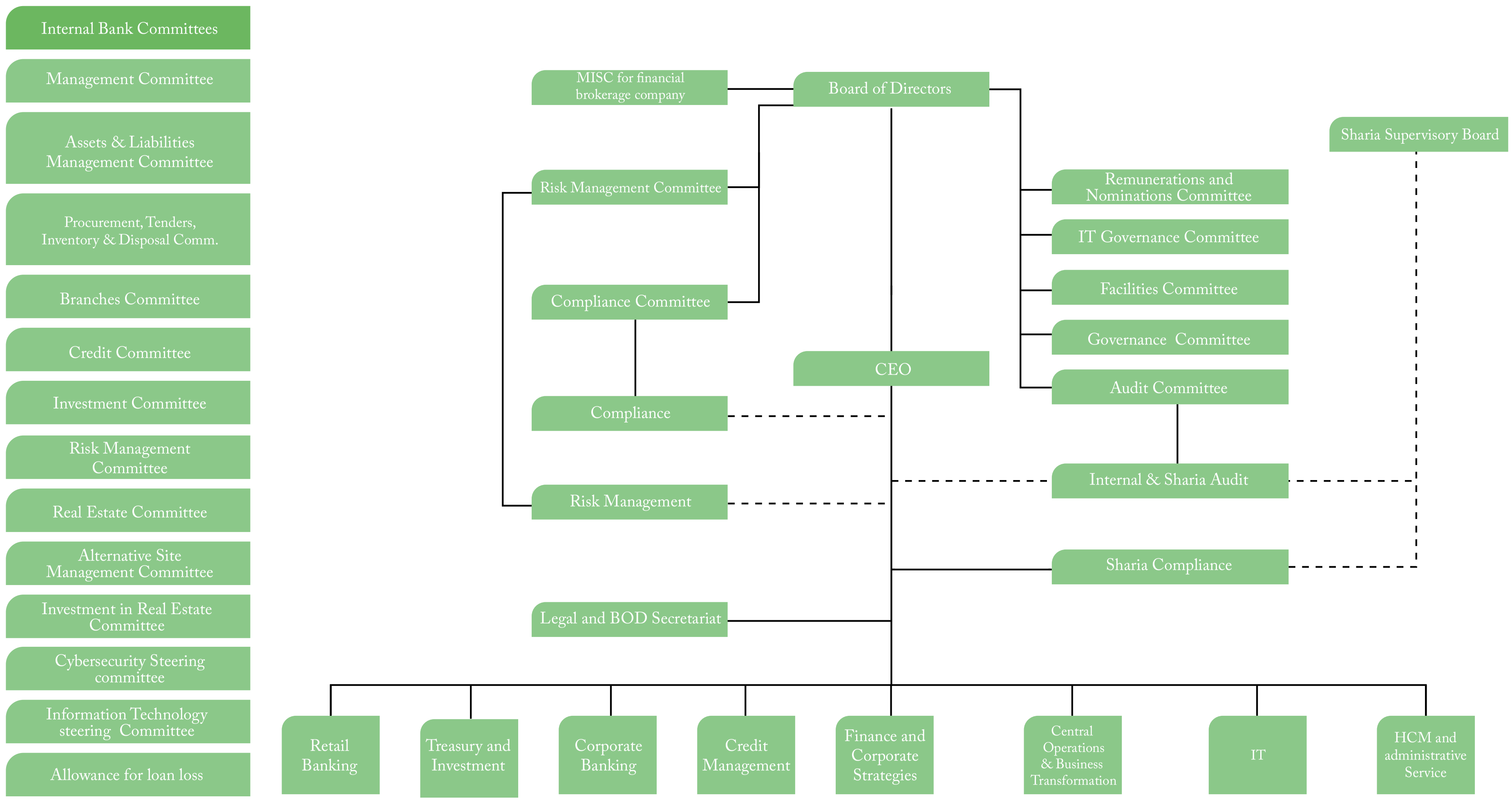
Within this framework, a document was prepared to comply with Basel Committee principles for 239 Effective Risk Data Aggregation and Risk Reporting BCBS, by improving data quality and enhancing reporting efficiency. The document covers regulatory requirements related to systemically important domestic banks (Instruction No. 2/2017 dated 12/06/2017), aiming to strengthen the Bank's ability to aggregate risk data effectively and produce accurate and timely reports to support decision-making and sound risk management.

In the area of market risk, the department developed a reporting framework for rate of return risk by preparing periodic reports and adopting dedicated methodologies, in addition to automating most market risk and middle office reports.

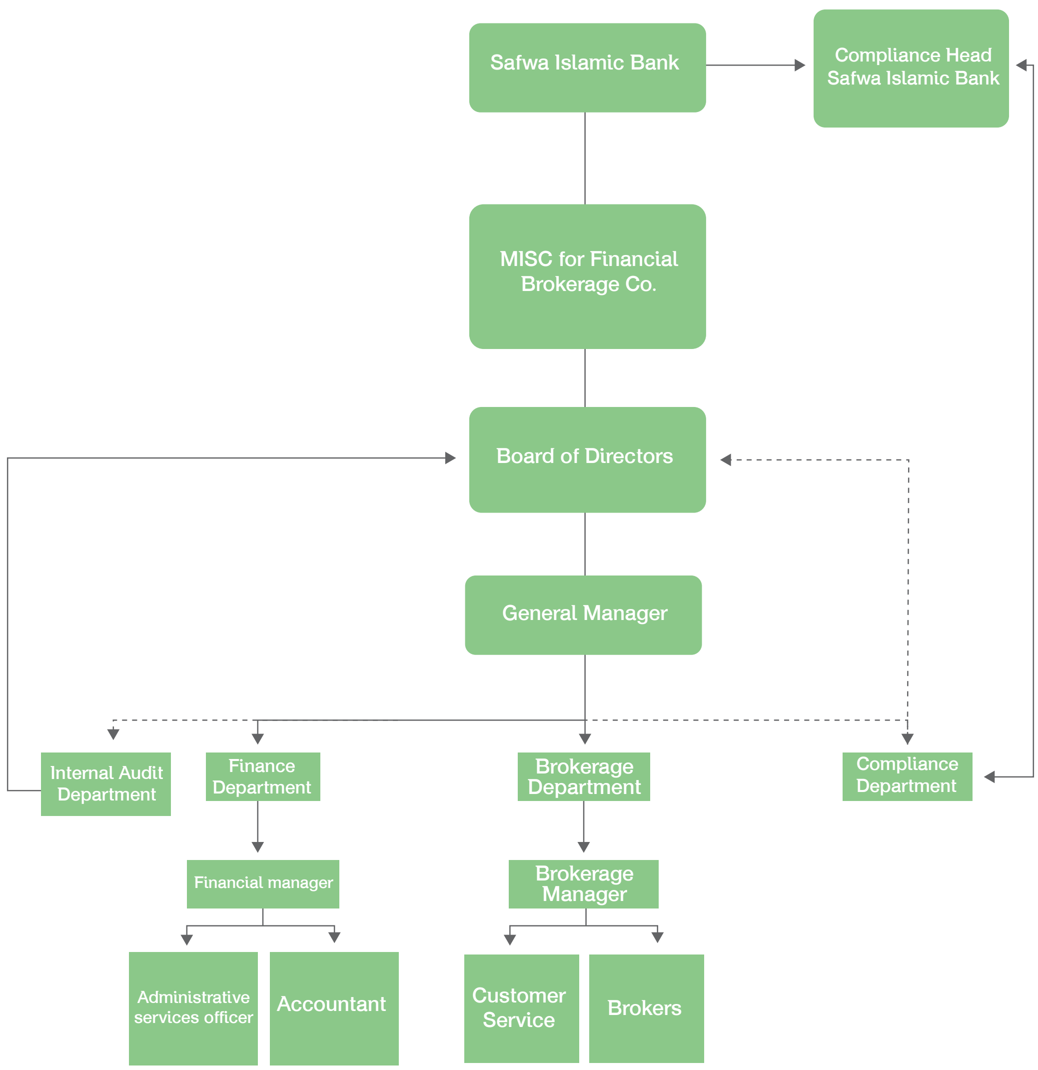
Risk Management structure



The Banks' Organizational Structure



Organizational Structure of the Subsidiary Company (MISC for Financial Brokerage Company)



Executive Management's Assessment of the Effectiveness of Internal Control and Oversight Systems

The Bank's strategy and the operational plans derived from it, along with related policies across various areas (credit, risk, human resources, information technology), are approved by the Board of Directors. The Bank's executive management prepares work procedures that govern all Bank operations, ensures the efficient and effective implementation of approved policies, and conducts periodic reviews of these procedures to ensure their alignment with the business environment and requirements, and their ability to optimally implement approved policies.

The Board of Directors of Safwa Islamic Bank and the Bank's executive management are responsible for establishing, implementing, and maintaining internal control and oversight systems capable of ensuring the following:

- Accuracy of the information contained in the annual report
- Accuracy and integrity of the Bank's financial and operational data
- Efficiency and effectiveness of the Bank's operational performance
- Effectiveness of procedures for safeguarding the Bank's assets and properties
- Compliance with internal policies and procedures, and applicable laws, regulations, and instructions
- Adequacy of Sharia control systems

This stems from the Bank's belief in the importance of having appropriate and effective internal control and oversight systems and continuously monitoring them, as they are among the most important elements of sound management and the foundation for the integrity and quality of the Bank's operations. The Bank has adopted a number of internal control and oversight systems, for which the executive management is responsible for their development, implementation, and verification of their effectiveness after approval by the Board of Directors. In addition, the executive management prepares and develops strategies and policies and works on implementing them after approval by the Board, as well as preparing and updating work procedures to ensure the identification, measurement, control, and monitoring of risks faced by the Bank. The Board of Directors continuously monitors and evaluates the efficiency and effectiveness of these systems and their ability to achieve their intended objectives and works on strengthening them.

Within this framework, the Board of Directors sets the Bank's strategic objectives and oversees its executive management, which is responsible for day-to-day operations. The Board also approves internal control and oversight systems and ensures their effectiveness and the Bank's compliance with the approved strategic plan, policies, and procedures, as well as applicable laws and regulations, and ensures that all risks are properly managed.

Internal control and oversight procedures are implemented through the following reference functions:

Sharia Compliance Department

The Sharia Compliance Department derives its strength from the presence of a distinguished Sharia Supervisory Board with extensive Islamic banking expertise. The department ensures the implementation of the fatwas and decisions of the Sharia Supervisory Board related to all Bank activities by monitoring all operations and conducting comprehensive reviews of contract templates, product policies, and work procedures.

The department continues effective communication with the Sharia Supervisory Board to present developments and sensitive matters, obtain relevant rulings and fatwas, and ensure their implementation by concerned departments.

The department also communicates daily with the various departments, divisions, and employees of the Bank to review any issues that may arise during implementation and respond to them in accordance with the decisions of the Sharia Supervisory Board.

Human Capital Management

Human Capital Management activities include preparing and activating all control measures to place each employee in the appropriate position according to their qualifications and job requirements, in addition to continuously monitoring and evaluating performance on a semi-annual basis. This is achieved through preparing job descriptions for each employee aligned with the Bank's organizational structure and human capital policies, as well as through continuous training to enhance employee competencies and ensure they possess the required qualifications to perform their roles professionally.

Internal and Sharia Audit

The mission of the Internal and Sharia Audit Department at Safwa Islamic Bank is to improve and protect the Bank's institutional value through adopting a risk-based audit approach and providing objective assurance and consulting services, in addition to offering advice and guidance to relevant stakeholders. The department reports administratively to the General Manager and functionally and directly to the Audit Committee emanating from the Board of Directors. It operates under the direct supervision of the Audit Committee and submits its reports directly to executive management and the Audit Committee, with copies of Sharia audit-related reports submitted to the Sharia Supervisory Board. The department has an approved Internal and Sharia Audit Charter, which outlines its responsibilities, duties, and authorities, and has been circulated within the Bank in compliance with applicable regulations and legislation.

The department's scope covers all business units, activities, and operations of the Bank and its subsidiary, enabling it to assess the adequacy and effectiveness of internal and Sharia control systems, risk management processes, and corporate governance, and to verify compliance with internal policies, international standards, and relevant regulations, as well as adherence to Sharia rulings and decisions, based on a risk-based annual audit plan approved by the Audit Committee.

In line with international internal audit standards issued by the Institute of Internal Auditors (IIA) and corporate governance instructions for banks No. (2/2023) issued by the Central Bank of Jordan on 14/02/2023, which require external assessments of internal audit activities at least once every five years by an independent qualified reviewer, the Internal and Sharia Audit Department engaged one of the Big Four audit firms to conduct an external evaluation. The external assessment report issued in 2023 concluded that the Internal and Sharia Audit function at Safwa Islamic Bank is in "full compliance" with all IIA standards and applicable laws and regulations.

Risk Management

The general risk management framework represents the primary umbrella for risk management operations within the Bank, from which a comprehensive set of risk management policies is derived. The Risk Management Department is the department responsible for developing a robust and effective system for identifying and measuring risks and then managing them efficiently and effectively. Its main core roles include preparing the relevant risk management policies, setting acceptable risk levels on a periodic basis in line with the Bank's strategic directions, reporting any breaches and ensuring their resolution, in addition to assessing the Bank's ability to withstand unusual risks through conducting stress testing. The Risk Management Department also analyzes and studies all risks faced by the Bank and works to enhance risk awareness based on best practices and standards applicable to the banking sector.

Finance and Corporate Strategy Department

The Bank's consolidated financial statements are prepared in accordance with the standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions, in line with applicable local laws, Central Bank instructions, and Sharia controls. This aims to present the Bank's financial position in a fair and accurate manner and to provide the necessary information required by decision-makers to take appropriate decisions. The Bank's quarterly performance is evaluated objectively and impartially based on the targets set in business plans and budget forecasts. The Finance Department also follows up on the implementation of the approved policy for controlling current and capital expenditures in the Bank, which includes all relevant aspects in terms of authorities, limits, approvals, exceptions, and methods of measurement and analysis. It also monitors compliance with business plans and budget forecasts for all departments' expenditures, whether related to new project expenses or ongoing operational expenses.

Information Technology Department

The adopted methodology within the Information Technology Department, which includes assigning ownership for each system, ensures clear communication and accountability. This contributes to efficient system utilization and adherence to the highest standards of control and security. Continuous maintenance ensures system reliability and data protection, guaranteeing uninterrupted availability.

Compliance Department

The Compliance Department ensures that the Bank and its internal policies comply with all applicable laws, regulations, instructions, codes of conduct, and sound banking practices issued by local and international regulatory authorities. This is achieved through developing compliance and anti-money laundering policies and conducting necessary training programs. The department also submits reports to the Compliance Committee and Corporate Governance Committee emanating from the Board of Directors.

Through these procedures, executive management confirms that the departments responsible for internal control and oversight have implemented their plans, and that their performance has been carried out with a high level of discipline and professionalism.

Description of the Bank's main activities and the key services and products offered by Safwa Islamic Bank

Corporate Banking Services:

Safwa Islamic Bank represents one of the key pillars of Islamic financing directed toward corporates in the Jordanian market, combining deep banking expertise with modern financing solutions. The Bank provides an integrated suite of banking services carefully designed to meet the needs of various companies, whether for financing fixed assets or working capital, through a range of structures compliant with Islamic Sharia principles.

The Bank's solutions vary between direct financing such as Murabaha, Murabaha Agency, and Ijarah, and indirect financing such as letters of credit and guarantees of all types. Tailored solutions are also designed for certain clients based on the nature of their business, economic activity, and operational and financing needs, ensuring a balance between banking efficiency and flexibility in meeting requirements.

Leadership in Corporate Financing

Safwa Islamic Bank has established its position among the leading banks supporting large and medium corporate sectors in the Kingdom through a deep understanding of market needs and an accurate reading of sector dynamics. Based on its vision to be the preferred banking partner for its clients, the Bank is committed to building strong banking relationships founded on trust, joint planning, and long-term thinking.

Sectoral Segmentation of the Corporate Portfolio

The Bank adopts an advanced analytical approach in managing its corporate financing portfolio, combining structural and sectoral segmentation, which provides high flexibility in delivering solutions tailored to each client.

First: Structural segmentation by company size and legal nature

The portfolio is managed based on a comprehensive classification that includes:

- Government and semi-government entities: Including ministries, official institutions, public bodies, and companies wholly or partially owned by the government. The Bank gives this segment special attention by providing specialized financing and advisory solutions, including cash management, bulk salary transfers, and financing for infrastructure and energy projects.
- Large corporates: Companies with diversified activities and high revenues. The Bank provides comprehensive banking services to this segment, including trade operations management, large project financing, treasury solutions, and liquidity management, in addition to tailored financing structures such as Ijarah, Murabaha, Murabaha Agency, and cash flow management and hedging services.
- Medium-sized companies: A segment that forms the backbone of the local economy. The Bank supports them with flexible financing solutions including working capital financing, letters of credit, and guarantees, in addition to advanced electronic services through corporate internet banking.

This classification also considers the legal status of companies, whether public shareholding, private shareholding, or limited liability, in line with governance requirements and approved credit policies.

Second: Economic segmentation by activity and sector

The Bank is keen to distribute its financing portfolio in a manner that ensures diversification, balance, and sustainability, covering the sectors it serves, including renewable energy and infrastructure, contracting and real estate development, manufacturing industries, trade and supply chains, education and healthcare, agriculture and food industries, and logistics, technology, and telecommunications services.

This diversification provides the Bank with a comprehensive perspective that enables it to manage risks effectively, identify promising growth opportunities across various sectors, and develop financing and service solutions tailored to each client segment individually.

Trade Operations and Cash Management

In light of the digital transformation taking place in the banking sector, Safwa Islamic Bank is working to develop its cash management and trade banking (Transaction Banking) services to become more comprehensive and intelligent, enabling companies to manage their financial and commercial resources with flexibility and high reliability.

In the area of cash management, the Bank offers advanced solutions including liquidity management, payroll transfers, and internal settlements, enabling companies to control their cash flow securely and efficiently through corporate internet banking services.

In the area of trade operations, the Bank provides financing solutions for both foreign and domestic trade through letters of credit, guarantees, and export and import financing, contributing to the growth of their regional and international trade and supporting the competitiveness of its clients.

Service Excellence and Institutional Structuring

The Bank relies on high operational efficiency supported by a flexible institutional structure. The Corporate Operations Section (COSO) has been strengthened to execute all corporate financing and trade transactions efficiently and swiftly without the need for account manager intervention, positively impacting customer experience and satisfaction levels.

Additional field roles have been introduced to follow up on local Murabaha transactions, and specialized staff have been appointed to ensure accuracy and speed of execution. This is complemented by the role of the Corporate Department engineer who monitors financed projects and prepares periodic technical reports to enhance the quality of the credit portfolio.

Integration and Sustainable Partnership with Clients

Safwa Islamic Bank approaches its relationship with corporates based on the concept of true partnership. The relationship is not built on a one-time banking transaction, but rather on joint planning and a continuous vision. The Bank acts as a trusted financial advisor, accompanying its clients through different stages of growth through well-structured account plans covering short- and medium-term horizons, integrating financing solutions with cash management and day-to-day banking services.

Through this approach, the Bank seeks to achieve shared success and sustainable banking relationships based on trust and collaboration, establishing a future-oriented model where Safwa Islamic Bank becomes a financial and strategic partner for corporates, not merely a traditional banking service provider.

Retail Banking Services

The Retail Banking Department provides the following services:

Premium Client Services (Safwa Gold):

Safwa Islamic Bank is distinguished as the first Islamic bank in the Kingdom to offer premium services to high-value clients through the "Safwa Gold" program, enhancing relationships with clients and providing a unique banking experience. The Bank offers innovative Sharia-compliant products and services tailored to meet diverse needs, through dedicated Safwa Gold centers for premium clients, with seven centers distributed across branches, designed to provide maximum comfort, fast service, exclusive channels, priority communication, and financial and non-financial benefits specifically tailored for them. This enhances their banking experience and reflects the Bank's commitment to providing the best solutions and services through its distinguished staff, who work to achieve clients' goals and provide banking advisory services, building long-term relationships based on quality and trust, and meets their banking needs more effectively, reinforces the Bank's values and principles, and reflects its leading position in the Jordanian banking market.

Financing Services and Products:

The Bank strives to develop a diverse range of financing services and products in compliance with Islamic Sharia principles, focusing on simplifying procedures and improving operational efficiency to meet customer expectations comprehensively.

Murabaha-Based Financing Products:

- Personal financing includes the financing of goods and commodities, shares, motorcycles, land, solar systems, and water heaters.
- Share financing service, which provides the option to purchase assets (shares) in companies with permissible activities in accordance with Sharia financial screening standards approved by the Sharia Supervisory Board.
- Financing for new and used vehicles with fast procedures, where the Bank has successfully built strategic relationships with car dealerships and agencies and offers competitive financing solutions under flexible terms.
- Financing travel expenses for performing Hajj and Umrah rituals, in addition to financing tourism trips, covering wedding hall costs and education expenses, executed through a usufruct ownership contract between the Bank and the client.
- Commodity financing product under the Musawama structure, which allows clients to finance their purchases of goods at the cash price without profit through an approved merchant network of the Bank.
- "Al Yusr" product, which enables clients to settle multiple financial obligations with conventional banks (settlement of personal loans, car loans, and credit cards).

Ijarah Muntahia Bittamleek (Lease-to-Own) Financing Products:

- Financing for the purchase of ready apartments and houses, in addition to the possibility of financing with minimal requirements.
- Financing for the purchase of land for construction purposes, as well as financing for farms and residential land.
- Financing for commercial offices such as clinics and engineering offices.
- Refinancing of properties owned by the client.
- Vehicle financing product under the Ijarah Muntahia Bittamleek (lease-to-own) structure in cooperation with leading dealerships and agencies in the Jordanian market.
- Financing product for the purchase of ready apartments and houses with a fixed return, offering multiple options to clients and providing the advantage of fixed installment amounts throughout the financing period.

In addition, a real estate financing program has been launched in cooperation with real estate developers, covering several residential projects and land development and subdivision projects financed by the Bank, providing clients with the opportunity to select residential properties, villas, and land with multiple advantages.

Furthermore, special financing offers have been renewed for retired military personnel and veterans under a Royal initiative, through an agreement with the Military Credit Fund.

Accounts and Deposits Services:

In the field of accounts and deposits, the Bank offers a wide range of accounts and investment deposits to meet clients' needs, facilitate their banking transactions, and generate returns on their investments. These include current accounts and various savings accounts, including children's accounts "Kenzi" and women's accounts "Hareer," as well as a dedicated savings account for corporates. This account provides special features, including the ability to open accounts in Jordanian Dinar and US Dollar, unlimited withdrawals, and returns calculated on daily balances. The Bank also offers term investment deposits with returns distributed quarterly, enhancing its competitive advantage.

Islamic certificates of deposit are also available to meet the needs of clients seeking suitable and high returns. Clients can also invest in Hajj Sukuk, which provides an opportunity to perform Hajj at an early age. The Bank also offers safe deposit box leasing services across multiple branches, providing clients with a secure means to store their valuable belongings.

Electronic Banking Services:

During 2025, Safwa Islamic Bank continued to achieve notable accomplishments in the field of electronic banking services and payment solutions, focusing on enhancing customer experience, increasing engagement, and achieving higher levels of loyalty. The Bank introduced a variety of cards, including debit cards, prepaid cards, and Murabaha electronic cards, reflecting its commitment to Islamic Sharia principles and providing innovative solutions to meet diverse customer needs. As part of its digital transformation, the Bank launched advanced electronic services enabling clients to open accounts remotely with ease and speed, making financial management more flexible and efficient in an increasingly digital environment.

To promote card usage and increase market share, the Bank launched a series of innovative marketing campaigns targeting various religious and social occasions. These campaigns resulted in a 21% increase in local card usage and a 17% increase in international usage compared to the previous year, in addition to increasing the number of contracted merchants to 143 merchants, reflecting a 19% growth compared to 2024. These campaigns included attractive offers such as 5% cashback in the first quarter, installment campaigns during Ramadan for essential goods, spring campaign with 2% cashback on international transactions, special campaigns targeting the education sector, gold and jewelry sector, and professional associations, and launching pre-approved Murabaha electronic cards for deposit clients. The Bank also conducted a special campaign during the open day on 31/10/2025, offering 6-month interest-free installment plans on all transactions made using new cards.

These initiatives not only increased issuance volumes but also strengthened customer loyalty, attracted new clients, and enhanced card services, reflecting a positive image among customers and achieving targeted engagement and satisfaction levels. Through these efforts, Safwa Islamic Bank continues to strengthen its position as a leading banking choice, offering innovative solutions that combine Sharia compliance with digital advancement, ensuring an integrated banking experience that meets customer expectations and future needs.

Small Business Banking Services:

The Small Business Banking Department provides financing services to small enterprises and companies operating across various economic sectors through the following products:

1. Financing of local and external purchases (working capital / goods, raw materials)
2. Product for financing internal and external purchases secured by POS sales
3. Leasing of services (travel and tourism offices)
4. Murabaha financing for fixed assets (vehicles, machinery, equipment, production lines, and various assets)
5. Real estate financing (land, offices, commercial complexes) under Ijarah Muntahia Bittamleek and Murabaha structures
6. Financial leasing for real estate developers
7. Letters of credit and their financing
8. Collection bills and their financing
9. Guarantees of all types (payment guarantees, bid bonds, performance guarantees, maintenance guarantees, external guarantees)
10. Working Capital and Fixed Asset Financing under Central Bank of Jordan Programs (Investment Agreement), including:

- Renewable energy financing.
- Fixed assets and equipment financing.
- Tourism sector financing (Tourism financing).
- Agricultural sector financing (IFAD Program)
- "Enhad" financing (self-employment program)

Treasury and Investment Management:

Within the framework of achieving Safwa Islamic Bank's strategy aimed at expanding the scope of its services and diversifying income sources in line with Islamic Sharia principles, the Treasury and Investment Department continued to implement qualitative and innovative initiatives that contributed to enhancing the Bank's market share and meeting the needs of corporate and individual clients, in addition to supporting financial sustainability and maximizing returns for shareholders.

Products and Services Provided:

First: Foreign Exchange

- Providing spot foreign exchange services
- Providing forward foreign exchange services using the Wa'ad product to hedge against exchange rate fluctuation risks

Second: Investments
- Investment in international Wakalah and Murabaha placements
- Investment in local and international Sukuk
- Investment in local, regional, and international Sharia-compliant equities

Third: Sukuk Issuance and Related Services
- Structuring and managing Sukuk issuances for local companies and institutions, with a focus on government or government-guaranteed issuances
- Providing Sukuk trustee services to ensure protection of Sukuk holders' rights
- Providing custody, trading, and clearing services for Sukuk

Fourth: Wealth Management
- Establishing a specialized wealth and investment management function aimed at providing integrated and tailored investment solutions for individual and institutional clients
- Developing and launching a new investment product represented by the Safwa Islamic Bank Balanced Open Investment Fund, a Sharia-compliant fund aimed at achieving a balance between growth and income through investment across multiple asset classes

Fifth: Specialized Services
- Investment in investment certificates of deposit issued by the Bank to clients and financial institutions
- Providing advising and confirmation services for incoming letters of credit
- Facilitating issuance, reissuance, and confirmation of outgoing letters of credit for correspondent banks
- Providing Sharia-compliant equity trading services through MISC for Financial Brokerage Company, wholly owned by the Bank

Regulatory Licenses:
Safwa Islamic Bank holds the necessary licenses to carry out the following activities:
- Management and trusteeship of Sukuk issuances
- Custody services
- Investment management and trusteeship
- Financial advisory services

Expansion of International Relations:

As part of the Bank's efforts to facilitate clients' international outward transfers and enhance operational capacity, new foreign currency accounts were opened with international banks during 2025, bringing the total number of accounts to an advanced level that supports the provision of integrated banking services. The Financial Institutions Unit also continued to expand its network of relationships with global clearing and settlement banks and brokerage firms, supporting investment activities and capital markets operations.

External Investments:
In line with Safwa Islamic Bank's strategy for regional expansion, diversification of investments, and strengthening its presence in promising markets, a share of 10% was acquired in the capital of the Iraqi Islamic Bank for Investment and Development, achieving added value and sustainable returns for the Bank's shareholders.

Future Outlook:
The Treasury and Investment Department continue to develop innovative financial and investment solutions compliant with Islamic Sharia principles, enhancing Safwa Islamic Bank's position as a trusted and sustainable financial partner and supporting its strategic growth over the medium and long term.

Customer Complaints Handling Unit

Safwa Islamic Bank places great importance on customer complaints, as they are considered one of the key indicators reflecting the quality of services and performance of the Bank's products provided to its clients. The Customer Complaints Unit operates under the Compliance Department in alignment with regulatory requirements. It receives customer complaints through various approved communication channels, studies and processes them professionally and objectively within specified timeframes, while ensuring transparency and fairness in handling all complaints. This contributes to improving the quality of banking services in line with Islamic Sharia principles, Central Bank of Jordan instructions, and best banking practices.

The Unit also analyzes received complaints periodically to extract key indicators and improve internal procedures, contributing to service development, reducing recurrence of complaints, and enhancing customer satisfaction and trust in the Bank.

Safwa Islamic Bank affirms its continuous commitment to promoting a culture of constructive complaints as an effective tool for improving performance and achieving excellence in customer service.

The Unit also prepares monthly reports for senior management detailing received complaints and submits quarterly reports to the Central Bank of Jordan, including at a minimum aggregated statistics on the number of complaints, actions taken, and qualitative analysis of complaint types.

Timeframe for Resolving Complaints

The Customer Complaints Unit processes complaints within 10 working days, with the possibility of extension depending on the nature of the complaint, provided that the total period for handling and responding to any complaint does not exceed 30 working days from the date of submission.

Employees of the Customer Complaints Unit

Safwa Islamic Bank ensures that the unit is staffed with qualified personnel capable of handling customer complaints efficiently and effectively. The Bank also considers the Customer Complaints Unit as a valuable source of data and information that can be utilized in proper planning for launching new banking services or modifying existing ones.

Channels for Submitting Complaints at Safwa Islamic Bank

The Bank provides multiple channels through which clients can submit complaints, as follows:

- In-person visit at the Jabal Amman building during official working hours
- Through the Bank’s website: www.safwabank.com
- Through tablets available inside branches
- Email: complaints.info@safwabank.com
- Direct calls to the Complaints Unit (064602300) during official working hours

Statistics of complaints received from clients through various channels during the year 2025

Complaint Category	Number of Complaints
Electronic services	9
Commissions and fees	28
Profit / return rates	38
Professional conduct	216
Payment cards	22
Contracts and terms of dealing	70
Work environment	46
Transfers	4
Credit inquiry	12
Marketing of services and products	4
Accounts	6
Other	17
Total	**472**

Safwa Islamic Bank places a high priority on customer complaints, recognizing them as a key indicator of service quality and the performance of the products offered to our customers. The Customer Complaints Department operates under the Compliance Department, ensuring alignment with regulatory requirements. Each complaint is handled with the utmost professionalism and efficiency, and is promptly escalated to the relevant departments for resolution. We are committed to addressing complaints thoroughly, identifying root causes, and implementing lasting solutions to prevent recurrence with other customers.

Summary of the Policy Regulating the Relationship Between the Bank (Mudarib) and Investment Account Holders (Rub Al Mal)

First: Investment Accounts and Investment Priority

Joint Investment Accounts:
These are funds received by the bank from depositors on the basis of Mudaraba, where account holders authorize the bank to invest them accordingly. Investment accounts are divided into those managed on the basis of unrestricted Mudaraba, where the Mudarib has full discretion in investment, and those managed on the basis of restricted Mudaraba, where the Mudarib is limited to a specific type or method of investment defined by the capital provider. The relationship between these account holders and the institution is that of capital provider and Mudarib, representing a single Mudarib and multiple capital providers, and is governed by the Sharia rules and regulations applicable to joint Mudaraba.

Unrestricted Investment Accounts:
These are funds received by the bank from depositors, who authorize the bank to invest under unrestricted Mudaraba without linking them to a specific project or investment program. Profits, if any, are shared between the account holders and the bank according to agreed ratios defined either in the Mudaraba contract or in the account opening application approved by the bank. Account holders bear all losses in proportion to their share of the capital, except in cases resulting from negligence, misconduct, or breach of conditions, which are borne by the bank (Mudarib).

Restricted Investment Accounts:
These are funds for which account holders authorize the bank to invest under restricted Mudaraba tied to a specific project or investment program. Profits, if any, are shared between the bank and the account holder according to agreed ratios defined in the Mudaraba contract or the account opening application approved by the bank. Each account holder bears losses in proportion to their share of capital related to their account, except in cases resulting from negligence, misconduct, or breach of conditions, which are borne by the institution.

Second: Investment Priority / Equal Opportunity in Investment:
The principle of equal opportunity in investment is applied between shareholders' funds and investment account holders' funds within joint Mudaraba. The bank's own investments are maintained in accounts separate from joint investment accounts.

Third: Elements / Basis for Profit Distribution:
- Allocation of the Mudarib's share from the joint investment pool profits.
- Determination of points (allocation of weighting rates based on average balances).
- Determining the amounts of shareholders (capital providers) invested in the joint investment pool.
- Determination of amounts invested by unrestricted investment account holders (depositors) in the joint pool.
- Calculation of net profits of the joint investment pool.
- Profit equalization reserve.

Fourth: Zakat:
The responsibility for paying Zakat lies with shareholders and holders of unrestricted/restricted investment accounts, as the bank's management is not authorized to pay it directly due to the absence of legal provision, lack of stipulation in the bank's articles of association or general assembly resolutions, and absence of authorization from shareholders. Accordingly, each shareholder and account holder must pay Zakat on their shares and funds once the required Sharia conditions are met.

Fifth: Profit Equalization Reserve:
An amount deducted by the bank from the returns of the joint investment pool (which includes both depositors and shareholders) before deducting the Mudarib's share, with the aim of maintaining stable return rates and avoiding sharp fluctuations in profit distribution to account holders.

Sixth: Points (Allocation of Weighting Based on Average Balances):
A method used to calculate investors' share of returns from the joint investment pool. It is implicitly agreed that returns on deposits and investment certificates are calculated based on average balances. Weighting is assigned based on the size or value of the deposit (according to a predefined schedule disclosed to clients), the duration of the deposit or investment certificate, and the frequency of profit distribution.

Seventh: Allocation of the Mudarib's Share from Joint Investment Pool Profits:
The Mudarib's share of profits is calculated by applying a predetermined percentage agreed upon in advance to the net profit, subject to approval by the bank's Sharia Supervisory Board, after calculating the profit share for each category of deposits and each issuance of investment certificates, and after making transfers to/from expected credit loss provisions for the financial period.

Eighth: Transfers to or from the Profit Equalization Reserve:
The bank's management may, after obtaining approval from the Sharia Supervisory Board, deduct a portion of the joint investment income before allocating the Mudarib's share and transfer it to the profit equalization reserve. The purpose of this reserve is to align returns for unrestricted investment account holders and shareholders during a specific distribution period with market return rates for the same period.

Ninth: Income Tax on Unrestricted/Restricted Investment Account Holders (Withholding Tax):
Income tax is deducted from all profits of unrestricted/restricted investment account holders in accordance with the decision of the relevant official authority (the Jordanian Income and Sales Tax Department), unless such deposits are exempt by law.

Tenth: Realization of Profits:
Profits eligible for distribution are realized subject to the following:

1. Preservation of capital, as profit is not recognized in investment accounts until capital is safeguarded.
2. Actual or constructive liquidation, whereby profits are realized after liquidating Mudaraba assets, either actually by converting all assets into cash and collecting receivables, or constructively by valuing non-cash assets and assessing receivables based on collectability, including provisions for doubtful debts. Cash is recognized at its nominal value.

Eleventh: Entitlement to Profit:

- The bank announces all types of accounts and investment certificates managed within the joint investment pool, along with the approved distribution ratios, across all branches in visible locations and on the bank's website.
- Holders of unrestricted investment accounts are entitled to profits upon distribution based on agreed ratios and not as fixed amounts. The bank may set different profit-sharing ratios across different categories of account holders, or a unified ratio. Profit distribution among account holders may also be uniform or vary based on known weighting factors.
- An agreed mechanism for profit distribution may be set, such as quarterly or upon maturity after liquidation for each period.
- If the bank mixes Mudaraba funds with its own funds (in practice), it becomes both partner and Mudarib, and profits are distributed accordingly, with the bank receiving returns on both its capital and its effort. Its share is treated in the same way as that of other investment accountholders.

Twelfth: Exit / Release:
An account holder may exit partially or fully, representing a settlement of their share in the Mudaraba assets rather than a direct withdrawal of deposited funds. If the bank determines the exit value such that the exiting party earns no profit or less than what would have been earned by remaining invested, this is permissible and reflects market conditions rather than deprivation of profit. Upon exit, the joint investment account holder releases other investors from any undistributed or unrealized profits, remaining investment risk reserves, and profit equalization reserves, with any remaining balance donated to the Zakat fund upon liquidation of the investment pool. In turn, the remaining investors release the exiting investor from any unrealized losses. The exiting investor bears losses only for the period during which their funds were invested, and not for the remaining period after withdrawal.

Thirteenth: New Products within the Joint Investment Pool:
If the bank introduces any new product that impacts the profitability of unrestricted investment account holders, prior approval from the Sharia Supervisory Board is required, and the product must be offered within the terms and conditions approved by the Board.

Continuity

Carrying long-term value forward


ANNUAL REPORT 2025

Corporate Governance Manual and Governance Report

Information and details related to the implementation of corporate governance instructions

The bank's Corporate Governance Manual has been prepared in line with the Corporate Governance Instructions for Banks No. (2/2023) issued by the Central Bank of Jordan. The Governance Report has also been prepared in accordance with the Corporate Governance Instructions for listed public shareholding companies for the year 2017 issued by the Securities Commission. The bank's senior management, under the supervision of committees formed by the Board of Directors, undertakes the necessary tasks and procedures to comply with the instructions of the Central Bank of Jordan and the Securities Commission, in addition to submitting periodic reports to the Board on the level of compliance and the measures taken in this regard.

Corporate Governance Manual

Contents

Article (1): Introduction
The Corporate Governance Guide was prepared in line with the Corporate Governance Instructions for Banks No. (2/2023) issued by the Central Bank of Jordan on 14/02/2023 and in application of best banking practices in this regard in a manner consistent with the bank's needs and policies.

Applying the principles of corporate governance in the bank provides a basis for future institutional development and performance, supports confidence in the bank's activities and dealings, and enables it to successfully contribute to the development of the Jordanian banking system, which contributes to raising the efficiency of the national economy and creating an atmosphere of reassurance for shareholders and customers.

Article (2): Definitions
The terms and phrases included in this guide shall have the meanings assigned to each hereunder, unless the context indicates otherwise.

Phrase	Definition
Corporate Governance	The system by which the bank is oriented and directed, that aims to identifying and achieving the corporate goals of the bank, managing the bank's operations in a safe and sound manner, protecting depositors interests, committing to the responsibility towards investment account holders, shareholders and other stakeholders, and ensuring the bank's compliance with laws and regulations, and its internal policies and procedures.
Stakeholders	Any party of interest in the bank; depositors, investment accounts holders, shareholders, employees, creditors, customers or concerned regulators.
Board	The Board of directors of the bank.
Independent Member	A board member other than the major shareholders- and who is not under the control of any thereof. He/ she shall have financial or banking qualifications or expertise, and in whom the conditions stipulated in Article)4/e) herein are present.
Sharia Board	The Islamic Jurisprudence Supervision Board of the bank.
Sharia Compliance	The framework that ensures compliance of the agreements, contracts and financial transactions of the Bank with the principles and rules of Islamic Sharia.
Senior Executive Management	Includes the general manager (Chief Executive Officer, "CEO"), deputy general manager, Chief Financial Officer "CFO", Chief Operational Officer "COO", Chief Credit Officer, Chief Treasury (and investment) Officer, Chief Risk Officer "CRO", Internal and Sharia Audit Manager, Chief Compliance Officer "CCO", Chief Sharia Compliance Officer, and any other employee in the bank who occupies the same job position and has an executive power parallel to the powers of the aforementioned and/ or is directly reporting to the general manager.
Fit and Proper	Certain requirements, and standards relating to honesty, integrity, reputation, competence and qualifications in accordance with the requirements contained in this guide to be present in those nominated to be members of the bank's board, its senior executive management, and Sharia board.
Consulting Position	The position whose occupant has a contract or agreement with the bank to provide temporary consulting services, or who does so under an annual contract.
External auditor	Includes the audit office, partners in the audit office, and audit team members.
Audit Office	The office through which the audit team practices the profession and is registered with the Companies Control Department at the Ministry of Industry, Trade and Supply as a civil company to practice the profession in accordance with the legislations in force.
The partner in charge of the audit	The licensed partner in the audit office who is responsible for the audit task and for the report issued on behalf of the audit office, and who possesses the experience, academic qualifications, and professional certificate that qualify him/ her to sign off the audit report.
Audit Team	The team members who perform audit procedures under the supervision of the partner in charge of the audit. This does not include members of the additional service team of non-audit services.

Article (3): Board of Directors Composition

A. The board should consist of no less than eleven members.

B. Neither the chairman nor any board member has the right to combine their position with any executive position or any position under which they participate in managing the daily work of the bank or any consulting position therein.

C. Independent members of the board shall not be less than four, except where the bank is owned by one shareholder.

D. The diversity and integration of skills and experiences amongst board members shall be taken into account so as to provide a wide range of visions and viewpoints in line with the size of the bank (or banking group), the nature of its activity and its strategy.

Article (4): Fit and Proper Criteria of Board Members

a. A. The board shall approve a policy to ensure the fit and proper of its members. Such policy shall include the minimum standards, requirements and conditions, which are to be fulfilled by the candidate member. This policy should be reviewed whenever needed. The board shall also set out adequate procedures and systems to ensure that all members meet these criteria and continue to do such.

B. B. Those who assume the chairman (or membership) of the board must meet the following requirements:

1. He/ she shall be of 25 years of age or more.
2. He/ she shall not be a board member, general manager, regional manager, or an employee of any other bank operating in the kingdom, unless the other bank is a subsidiary.
3. He/ she shall not be an attorney, legal counselor, or auditor of the bank, or a counselor of any other bank inside the kingdom.
4. He/ she shall hold a university degree, as a minimum, in economics, finance, accounting, business administration, or any other similar specialties. The nomination and compensation committee has the right to consider other specialties (such as Law and Information Technology) if coupled with banking business expertise or activities relating thereto in accordance with Paragraph (3/ d) of This guide.
5. He/ she shall not be a government employee or public official, unless a representative of them.
6. He/ she shall have experience for at least five years in banking, finance, economics, or other fields related to banking activities.
7. He/ she shall not have any relationship, including kinship up to the third degree, with the general manager of the bank, and of the first degree, with any other member of the senior executive management.

C. The Central Bank's no- objection statement shall be obtained prior to the nomination of any person (and of the nomination of the representative of the legal entity including temporary representative of any government entity, public institution, or public legal institution) to be a board member. Therefore, the bank shall enclose in its no- objection request the board's decision, the recommendation of the nomination and compensation committee, which includes its depiction of the added value that the nominated member will provide for the board's tasks, the declaration (the attachment No. 1 and its annex), the declaration of the independent member shown in attachment No. 6, the candidate's CV, all academic certificates, experience, and no-criminal record certificate, and a copy of the identification card (passport for non- Jordanians). The Central Bank will not consider any no-objection request unless it is completed with the above attachments.

D. The chairman shall make sure to notify the Central Bank of any material information which may negatively affect the fit and proper of any members thereof and of the representative of the legal entity.

E. The Nomination and Compensation Committee shall determine the requirements necessary to ensure the independence of the member, which shall include the following conditions as a minimum:

1. He/ she shall be a natural person.
2. He/ she shall not have worked as an employee or a consultant in the bank or in any of its subsidiaries during the past 3 years prior to his/ her nomination.
3. He/ she shall not be related (up to 2nd degree relatives) to any other board member of the bank, or to board/ management committee members of other subsidiaries of the bank, or to any major shareholder thereof.
4. He/ she shall not be related (up to 2nd degree relatives) to any of the senior executive management members of the bank (other than the general manager), or to any of the senior executive management member of subsidiaries thereof.
5. He/ she shall be neither a partner or employee for the external auditor of the bank, nor has been such during the last three years prior to his/ her nomination.
6. He/ she shall not be a major shareholder, or an affiliate of a major shareholder in the bank. Neither his/ her contribution with an affiliate contribution shall equal shares of that of a major shareholder, or of a major shareholder in the bank's subsidiaries, or of a major shareholder in the group owning the bank.
7. He/ she shall not have been a board member of the bank or of any of its subsidiaries or a member of the management committee therein for more than eight aggregate years for the aforementioned memberships. If any member has lost his/ her independence pursuant to this item, the bank has the right to following a cooling- off period of at least (4) consecutive years and in the event of having sufficient justifications, obtain the Central Bank no- objection to consider that member as an independent member.
8. Neither he/ she, their spouse, relative of the 1st degree, or any company in which he/ she is a member of the board or of the senior executive management, which he/ she owns, or in which he/ she is a major shareholder shall have obtained a

credit from the bank exceeding 5% of the bank regulatory capital, nor shall he/ she be a guarantor of credit exceeding the mentioned percentage. The Central Bank has the right to consider some cases related to nominated persons who have memberships in public shareholding companies.

F. The Board has the right to, if it deems it necessary and for clear and specific justifications, appoint a consultant. Doing such shall be within the scope of tasks consistent with the nature of the consultant's work, shall not include supervisory or executive tasks in any way, shall be within a specific timeframe and shall not negatively affect the board role of overseeing the bank's business in line with its tasks stipulated in the legislations, including the Banking Law. The Central Bank no-objection should be obtained for this appointment.

Article (5): The Board tasks

1. The board shall oversee the executive management, approve a policy for monitoring and reviewing their performance to achieve the corporate goals and ensure the soundness of all bank operations.
2. The board shall define the bank's strategic goals, orient the executive management to prepare a strategy to fulfill these goals and, then, approve the strategy and the related action plans that go in line with this strategy.
3. The board shall ensure the availability of policies, plans and work procedures in the bank that cover all of its functions, and which are in line with the concerned regulations. All of such are to be circulated across all managerial levels and reviewed on a regular basis.
4. The board shall establish the bank corporate values, draw clear lines as to the responsibilities and accountability for all bank functions, as well as establish a high- level culture in terms of moral standards, integrity and professional conduct of the bank administrator.
5. The board shall be responsible for carrying out the Central Bank requirements and those of other supervisory and regulatory authorities, and taking care of the stakeholders interests. It shall ensure also that the bank is duly managed within the framework of the laws and regulations and its internal policies, and that the effective monitoring of the bank's activities, including outsourced activities, is always in place.
6. the board, in light of the recommendations made by the relevant committee, must approve the appointment of the general manager, the internal and sharia audit manager - in consultation with sharia board, CRO and CCO, and is responsible for accepting their resignations or termination of services.
7. The board shall approve a risk management strategy and monitor its continuous implementation. Such strategy shall include the bank's risk appetite that prevents exposing the bank to high risks. The board shall be aware completely of the operational work environment and associated risks thereto. The board also shall ensure the availability of tools and infrastructure to manage the risks and that they are capable to define, measure, analyze, evaluate, and control all risk types which the bank may be exposed to.
8. The board shall ensure the availability of sufficient Management Information Systems "MIS", that are reliable and covering all the bank activities.
9. The board shall verify that the "bank business credit policy" include an assessment of the customers' corporate governance quality for public shareholding companies, in a way that customers risk assessment shall be done by adopting strength and weakness points according to their governance performance.
10. The board shall develop an environmental and social policy. This policy shall include the bank disclosures of the initiatives it conducts in this regard within its annual report and/ or sustainability report. Such initiatives shall at least be:

A. Social initiatives in protecting the environment, health and education.

B. Social initiatives to fight poverty and unemployment.

C. Encouragement of micro and medium finance.

D. Participation in initiatives of added economic value to society.

11. The board should take adequate measures to ensure clear segregation of the powers of major shareholders and those of the executive management. It must also allocate suitable mechanisms to minimize the influence of major shareholders. The senior executive management shall derive its power only from the board and shall act within the framework of delegation granted thereto by the board.
12. The board shall approve the bank's overall organizational structure.
13. The board shall specify the banking operations which require its approval in a way that is not exhaustive and jeopardizing its supervisory role, and shall not grant executive authority, including granting credit, to a sole board member including the chairman.
14. The board members and committees shall have the ability to directly contact the executive management and the board secretary, and they shall be empowered to do the duties entrusted to them. However, no board member shall affect the senior executive management decisions unless through negotiations conducted in the board's or its committees' meetings.
15. The board shall take due diligence measures when deciding on any of the issues related to the bank business, and consider

the sound bases in the decisions taken in this regard in a manner that guarantees carrying out its duties at highest levels of professionalism.

16. Verify setting the adequate controls that ensure the compliance of all the banking activities with the provisions and principles of Islamic Sharia, fatwas and Sharia decisions issued by the Sharia board.
17. Approve the policy that organizes the relationship between the bank/ shareholders and the investment accounts holders, provided that such policy is reviewed by the Sharia board and published on the bank's website, so that it includes quantitative and qualitative disclosures.
18. Approve the code of policies and procedures relating to the compliance with the Islamic Sharia provisions and principles. This code shall include the following as a minimum:

A. The mechanism of presenting topics to the Sharia board to get the Fatwa and/ or the Sharia board's decisions regarding them.

B. Working procedures manual (Action Guide) of the Sharia board.

C. The mechanism of ensuring compliance with the Fatwas or decisions issued by the Sharia board.

D. A mechanism to facilitate communication of the various bank's units and the bank's customers with the Sharia board.

19. Ensure the availability of a mechanism to provide the bank's customers- upon their request- with a clarification of any Fatwa issued by the Sharia board.
20. Ensuring that all the Fatwas and decisions issued by Sharia board that related to launching a new product or service, or adopting a processing or a mechanism related to the product or service, for which Fatwas and decisions were issued, are published on the bank's website within a period of no more than two months as from the date of issuance/ adoption.
21. Ensure the organizational structure shall include the Sharia board, the internal and sharia audit department and Sharia compliance.
22. Ensure the adherence to the governance standards issued by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).
23. Ensure allocating part of the bank's website to include clarification on the rights of investment accounts holders.
24. Verify that the general manager implements all decisions and Fatwas issued by the Sharia board and adheres to them.
25. Ensure that Sharia risks, which the bank may be expose to, are included in the ICAAP methodology of the bank.
26. The chairman must undertake the following as a minimum:

A. Establishing a constructive relationship between the board and the senior executive management.

B. Encouraging expression of opinions on issues discussed in general, and on those that raise different points of view amongst the board members, and encouraging negotiation and voting on such issues.

C. Discussing, in detail, the strategic and important issues in the board meetings.

D. That all board members receive and sign the minutes of previous meetings, and that they receive the meeting agenda well before the meeting is held. The agenda shall include enough written information about the topics to be discussed in the meeting. The handing of such shall be made via the secretary of the board.

E. The availability of a charter governing and identifying the board scope of work.

F. Providing each member in the board, once elected, with the concerned laws related to banking; the Central Bank instructions pertaining to the scope of work of the board; a booklet stating the member's rights and tasks; and the secretary's duties.

G. Providing each member with sufficient summary on the bank's operations on the date of appointment or upon request.

H. With the assistance of both the bank's legal counselor/ legal department manager and the secretary of the board, deliberating with any new member on the board's responsibilities and roles, especially those relating to legal and organizational requirements, so as to clarify the tasks, authorities, and other matters of membership such as membership term, meetings schedules, committees' responsibilities, remunerations, and the possibility of obtaining independent technical advice when necessary.

I. Meeting the board members' needs for developing their expertise and continuous learning. The new board member shall participate in an Orientation (induction) Program that suits his/ her banking background and includes, as a minimum, the following topics:

1. The bank's organizational structure, corporate governance, and code of conduct.
2. Corporate goals, the bank's strategic plan, and its approved policies.
2. Financial position of the bank.
2. The bank's risks profile and Risks management framework therein.
2. Sharia controls

27. Each board member must undertake the following as a minimum:

A. To have sufficient knowledge of legislations and principles of banking, the bank's operational environment, and to be up to date with the developments taking place therein as well as with related external updates.

B. Attending all meetings of the board, its committees, and of the General Assembly, as necessary.

C. Devoting enough time to undertake his/ her roles and duties as board member. The nomination and compensation committee shall find a clear methodology to verify this; (for example but not limited to) the number of memberships of such member in other boards/ bodies/ fora…etc.).

28. The board duties with respect to disclosure and transparency include the following, as a minimum:

A. Maintain a specific mechanism to ensure interconnection with stakeholders through disclosing and providing significant information on the bank activities by virtue of the following:

1. General Assembly meetings.
2. Annual report.
3. Quarterly reports including financial information, in addition to the board report on bank stocks trading, and its financial position during the year.
4. Website of the bank
5. Shareholders relationship section.

B. Make sure of allocating part of the bank website to include clarification on shareholders rights, and encouraging them to attend and cast their votes in the General Assembly meetings. This is in addition to publishing meetings documents including complete text of the invitation and meetings minutes.

C. Make sure that the financial and non- financial information of concern to stakeholders has been published at the earliest convenience.

D. Make sure that the bank annual report includes a statement from the board to the effect that the board is responsible for the accuracy and sufficiency of financial data, all data included in the report, and the adequacy of the internal controls.

E. Make sure of the bank's commitment to disclosures defined under the international financial reporting standards (IFRSs), international accounting standards (IASs), Central Bank instructions, and other legislations of concern. The board shall also ensure that the executive management is aware of the changes on International Financial Reporting Standards.

F. Ensure publishing the corporate governance code on the bank's website and through any other suitable means to make it available for public viewing. The bank shall include and disclose in its annual report the presence of the code, and to what extent the bank complies with its contents.

G. Ensure that the annual and quarterly reports of the bank include disclosures that enable the current or prospective shareholders to access operations outcomes and the financial position of the bank.

H. Make sure that the annual report includes the following, as a minimum:

1. Summary of the bank's organizational structure.
2. Summary of the responsibilities and roles of the board committees and any other authorities delegated by the board for such committees.
3. Information of concern to stakeholders contained in the corporate governance code of the bank.
4. Information on each board member in terms of his/ her qualifications, expertise, shares in the capital, being independent or not, membership in board committees, date of appointment, and memberships in other companies' boards.
5. Information on the risk management department including its structure, nature of operations, and developments undergone thereon.
6. Number of the meetings of the board and its committees and the number of each member's attendance of these meetings.
7. Names of all board members and senior executive management who resigned during the year.
8. Summary on remuneration granting policy in the bank, disclosing all remuneration types and forms of the board members on individual basis, and remuneration of all types which have been granted to the senior executive management on individual basis, for the last year.
9. Declarations by all board members stating that neither they nor any related entity received any benefits, whether financial or otherwise, from the bank without declaring it, for the last year.
10. The board shall ensure the bank's commitment to disclosures defined under the standards of (AAOIFI)- with the disclosures defined under the international financial reporting standards (IFRS) and international accounting standards (IAS) in case there are no standards for Islamic financial institutions- Central Bank instructions, and other related legislations. As well, the board shall ensure that the executive management is aware of the changes on the standards of (AAOIFI) and (IFRS).

11. Disclosures that enable the current or future investment accounts holders to be informed with the operations results and the financial and Sharia position of the bank, and the board and the sharia board shall ensure that this is included in the bank's annual report.
12. Information on each member of the Sharia board regarding his/ her qualifications, expertise, date of appointment, and the jobs he/ she currently occupies outside the bank and the names of the resigned members. Also, information on the number of the Sharia board meetings as well as the number of each member's attendance of these meetings shall be included.
13. Disclosures of the compensations granted to the Sharia board members on individual basis, in addition to declarations by all Sharia board members stating that neither they nor any of their related counterparties received any benefits, whether financial or in- kind from the bank without declaring such, for the previous year.
29. The board shall appoint the board secretary and be responsible for the termination of his/ her services and the determination of his/ her compensations and remunerations. The duties of the board secretary include:

A. Attending all board meetings, and accurately recording all discussions, suggestions, objections, reservations and voting methods on the drafted board decisions.
B. Scheduling the board meetings in coordination with the chairman.
C. Verifying that all board members sign the meetings minutes and decisions.
D. Following up the execution of decisions made by the board, and the discussion of any topics adjourned from a previous meeting.
E. Maintaining the records and documents of the board meetings.
F. Taking appropriate actions to ensure that the drafted decisions to be issued by the board are in conformity with the laws and regulations including those issued by the Central Bank.
G. Preparing for General Assembly meetings.
H. Coordinating with board committees.
I. Providing the Central Bank with fit and proper declarations signed by board members.

Article (6): Board Meetings and its Committees

A. the quorum for any committee meeting shall not be less than (3) members, including the committee chair. It is not permissible to nominate an alternate member in any committee meeting in the absence of any member.
B. the board members have the right to attend its meetings and those of its committees by any means of video conferencing, provided that the board chairman and the secretary approve the minutes of the board meeting and its quorum, and the committee chair and the secretary approve the minutes of the committee meeting and its quorum.

Article (7): Board Committees

A. The board of directors shall form committees from its members, approve the charter for each committee that include as a minimum the committee composition, its duties and authorities, frequency and quorum of its meetings, nomination of a secretary thereof, while defining his/ her duties including accurately recording all discussions, suggestions, objections, reservations and methods of voting on the drafted committee decisions. Such committees shall report periodically to the board. The existence of such committees shall not relieve the board from its responsibilities.
B. The board shall form the following committees as a minimum:

1. Corporate Governance Committee:

It shall consist of at least 3 members, the majority of whom shall be independent, and it shall include the chairman. The committee shall assume the following:

a. To oversee the preparation of a corporate governance code and its approval from the board, so that to express the bank's view of corporate governance in terms of its concept, importance and basic principles, in a manner that at least conforms with the legislation in force and ensures the achievement of best practices in this field. This code should be updated whenever necessary.
b. To provide the Central Bank with a letter signed by all the committee members confirming that the code conforms with Corporate Governance Instructions for Banks No. (2/2023) dated 2/14/2023. This should be done within two months from the date of any subsequent amendment.
c. To verify that the observations contained in the report of the Internal Audit Department- or any other relevant body- have been corrected, with regard to the bank's compliance with the corporate governance code.
d. To inform the Central Bank immediately upon any violations of the provisions and requirements of Corporate Governance Instructions for Banks No. (2/2023) dated 2/14/2023.

2. Audit Committee:

A. Subject to the Banking Law, the majority of the committee members including the committee chair shall be independent members. The chair of the committee shall not be a chair of any other committee derived from the board, nor the committee shall include the chairman.

B. The majority of the committee members must have academic qualifications in the fields of accounting, finance, or to have professional certifications in these two areas. They must also have relevant experience in the fields of accounting, finance, external audit, internal audit, or banking.

C. In case any member of the audit committee of the Islamic bank does not have appropriate expertise in Islamic bank's business, he/ she shall be subjected to appropriate training program in fields of the standards of accounting and auditing, and the Sharia controls and the standards issued by (AAOIFI) and (IFSB).

D. Subject to the Banking Law regarding the committee tasks and authority, it shall review the following matters:

1. Scope, outcomes, and adequacy of the internal and external audit in the bank.
2. Accounting issues that have material impact on the bank financial statements.
3. Internal control systems.

E. The committee shall recommend to the board the appointment of the external auditor, the termination of their service, determination of their fees, their independency assessment and any other provisions relating to contracting with them. This is in addition to any other services assigned to the auditor.

F. The committee charter shall include the following:

1. The committee shall possess the authority to get any information from the executive management either directly or through the internal and sharia audit manager.
2. The committee shall has the right to call any administrator to attend any of its meetings.

G. The committee shall hold meetings (separate meetings) with the external auditor, Chief Compliance Officer, Internal and Sharia Audit Manager, Chief Sharia Compliance Officer at least once a year without the presence of other senior executive management members.

H. The committee shall review, oversee and ensure that the bank has appropriate and effective whistleblowing procedures, which enable the employee to speak up in a confidential way about any errors in the financial statements, Sharia breaches or any other matters. The committee shall also ensure the availability of arrangements necessary for independent investigation and shall ensure following up investigation outcomes, and treatment actions in an objective manner.

I. The committee shall verify that the internal audit department complies with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA), including conducting an independent external evaluation of the internal audit activity at least once every five years and providing the Central Bank with a copy thereof.

J. The Committee shall verify the availability of sufficient resources and a sufficient number of qualified human staff for the Internal and Sharia Audit Department and enrolling them in specialized training programs, including those in the field of corporate governance, provided that the employees of the internal sharia audit department meet the following minimum requirements:

1. An appropriate university degree along with knowledge of the principles of the Islamic financial transactions and the terms of every contract and the reasons behind its being void.
2. Experience and knowledge of standards issued by the (AAOIFI) and (IFSB).

K. The committee shall verify that the internal audit staff are rotated to the bank audit activities every three years as a maximum. In the event of the inability to achieve this in certain areas, the committee's approval shall be taken regarding the justifications for non- compliance, especially in specialized cases such as the information technology and cybersecurity audit.

L. The committee shall verify that the internal audit staff are not assigned any executive tasks.

M. The committee shall ensure that all activities of the bank are subject to internal and sharia audit- in accordance with the risk-based approach- including outsourced activities.

N. The committee shall evaluate the performance of the internal and sharia audit manager and determine his/ her remunerations in accordance with the performance appraisal policy approved by the board.

O. Recommending to the board to approve the appointment of the internal and sharia audit manager, accepting his resignation or terminating his services, based on the recommendations made by the nomination and compensation committee in consultation with the sharia board, provided that the prior No- objection is obtained from the Central Bank, and the Central Bank has the right to call upon him to inquire about the reasons of resignation or termination of services.

P. Verify the rotation of the internal sharia audit employees to audit various bank activities every three years as a maximum. In the event that this is not possible in certain areas, the Committee's approval must be obtained on the justifications for non-compliance, especially in specialized cases.

Q. Verify that none of the internal sharia audit employees is assigned with any executive tasks.

R. recommend to the board to approve the internal and sharia audit charter and verify that it includes the tasks of the internal and Sharia audit department, provided that it shall include the duties, authorities and work methodology of the internal audit department, before circulating it within the bank.

S. Ensure the adequacy and efficiency of the internal Sharia audit department through reviewing its reports and the executive management's feedback on such reports.

T. Ensure the capability of the external auditor to review the compliance of the bank with the Sharia controls within the conditions stated in the engagement letter signed with him and make sure he is doing so.

3. Nomination and compensation committee:

a. This committee consists of at least 3 members, the majority thereof including the chair are independent members.

b. This committee shall have the following roles:

1. Studying the fit and proper of the members nominated to join the board taking into consideration the candidates' capabilities and qualifications, and raising proper recommendation thereon to the board. In case of a member being re- nominated, his/her attendance and efficient participation in the board and committees meetings must be considered.
2. Ensure that the candidate to join the board's membership has knowledge of banking activities that are compatible with the provisions of Islamic sharia.
3. Informing in writing any member (including the representative of the legal entity), who applies to join the board, of the board's decision which states that he/ she does not meet the provisions of corporate governance instructions for banks No. (2/2023) dated 2/14/2023.
4. Recommending to the board the qualified candidates to join the senior executive management.
5. Ensuring that the board members attend banking- related workshops or seminars, especially risks management, corporate governance, and the latest banking developments, especially in the latest Islamic banking developments.
6. Ensure that the Sharia board members attend banking- related workshops or seminars, especially in the latest Islamic banking developments.
7. Determining whether the member fulfills the independent member requirements, taking into consideration the minimum conditions stipulated for in Article (4/e) of this guide, and reviewing such on an annual basis. The Central Bank should be provided with any updates on the independence of any of the independent members.
8. Assessing annually the performance of the board as whole, and of its individual committees and members, while following defined and approved assessment basis that is built on objective assessment standard. The results of this assessment shall be reported to the Central Bank. The board members (other than those of the Nomination and Compensation Committee) shall, on an annual basis, assess the performance of the Nomination and Compensation Committee and its individual members.
9. Providing board members upon request with the required information and summaries on some important matters in the bank, and making sure to keep them abreast of current topics related to the banking sector.
10. Developing a performance appraisal and compensation policy for the bank's administrator, and reviewing it periodically. This policy should include a mechanism for determining the salaries, remunerations, and other privileges of the general manger and other executive management members. The committee does not have the right to delegate this task to the executive management, and this policy must be approved by the Board.
11. Verify having an experience of at least five years in Islamic banking by the candidates to be appointed in the senior executive management before approving their appointment. Otherwise, the member of the senior executive management shall be subjected to a comprehensive qualifying training program, of no less than three months, in the fields of Islamic banks, accounting and governance standards, Sharia standards issued by (AAOIFI), and (IFSB).
12. Study the fit and proper of the candidates nominated to join the sharia board, taking into account their qualifications and experience. Also, in the case of re- nominating the member, the number of his attendance, and the effectiveness of his participation in the meetings of the Sharia Board must be considered, and it shall recommend to the board the names of those candidates.
13. Set specific, approved and objective bases for the purposes of performance appraisal of the sharia board and its members.
14. Verify the fit and proper of the member of the sharia board, taking into account the minimum conditions mentioned in paragraph (9/ b) of this guide, review this on an annual basis, and provide the Central Bank with any updates on the fit and proper of the member.
15. Recommend to the board the approval of a policy to determine the compensations of the members of the sharia board.

4. Risk Management Committee:

a. This committee shall consist of, at least, three members, the majority of whom, including the chair, should be independent members.

b. The committee shall convene at least once every three months and whenever necessary.

c. The committee shall have the following roles:

1. Ensuring the availability of a comprehensive risk management strategy for the bank that includes the type and level of risk appetite for all bank's activities.
2. Verifying the availability of policies and tools for identifying, measuring, analyzing, assessing and controlling risks, while reviewing such on an annual basis as a minimum to ensure their effectiveness and amending them when necessary.
3. Verifying the availability of a risk management system that ensures the accuracy and adequacy of the data used to identify, measure, analyze, assess and control the risks and losses that may result from them, and maintain the necessary capital to meet them.
4. Ensuring the effectiveness of the risk management department's work procedures and assessing the extent to which the executive management abide by the approved policies and procedures.
5. Reporting to the board periodically on the risks to which the bank is exposed, including the exceeding of the accepted risk appetite levels and the procedures to treat them.
6. Following up developments that impact the bank's risk management.
7. Ensuring the availability of risk management measures, including but not limited to:

a. Risk self- assessment and risk indicators.

b. Preparing a historical database of losses, identifying the sources of such, and classifying them according to the type of risk.

c. Ensuring the availability of the necessary equipment, appropriate automated systems and quantitative methods.

8. Ensuring the availability of sufficient resources and enough qualified human staff for the Risk Management Department and enrolling the latter in specialized training programs.
9. Assessing the performance of Chief Risk Officer and determining his/ her remunerations in accordance with the performance appraisal policy approved by the board, after seeking the opinion of the general manager.

5. Compliance Committee:

a. This committee shall consist of, at least, three members, provided that they include an independent member.

b. The committee shall convene once every three months and whenever necessary.

c. The committee shall have the following roles:

1. Ensuring the availability of the bank's compliance policy and procedures issued pursuant thereto, in order to guarantee the establishment of a compliance function capable of performing its tasks effectively. The committee should conduct, at least once a year, an assessment of the effectiveness of the bank's management of non- compliance risks.
2. Approving the annual plan and reviewing the periodic reports prepared by the Compliance Department, which include non-compliance risks assessment, violations, deficiencies and corrective measures taken.
3. Overseeing the implementation of the bank's compliance policy, and making sure that the bank's executive management resolves all compliance- related issues in an appropriate and effective manner.
4. Overseeing the Compliance Department work, and ensuring that appropriate mechanisms are in place to monitor the compliance of all administrative levels in the bank with all regulatory requirements, legislations in force, and international standards, including the recommendations of the Financial Action Task Force (FATF).
5. Ensuring the availability of sufficient resources and qualified human staff for the Compliance Department and enrolling the latter in specialized training programs.
6. Assessing the performance of the Chief Compliance Officer and defining his/ her remunerations in accordance with the performance appraisal policy approved by the board, after seeking the opinion of the general manager.

g. It is prohibited for any board member to be the chair of more than one of the committees mentioned above, nor he/ she can be the chair of more than two of all board committees. The authorities of any board committee mentioned hereof shall not be delegated to any other party. Banks are also prohibited from forming any committee that has any executive authorities, while this does not include the "credit committee" stipulated in this guide.

6.Credit Committee:

h. The board constitutes this committee to look exclusively into credit exceeding the authority of the highest committee in the executive management, as follows:

A. The number of the committee members shall not be less than five, one of whom can be independent but not any of them a member in the audit committee.

B. Its authorities shall be exclusively to take suitable decisions for such credit facilities, which have been recommended by the above-mentioned executive committee.

C. The highest limits of the authorities granted to this committee with regards to granting, adjusting, renewing, restructuring, scheduling, or settling the credit facilities shall be defined in a way to make such authorities clear for the board.

D. The minimum quorum to hold the committee meetings is at least four members, and the decisions should be taken by the majority regardless of the number of present members.

E. It shall report to the board the details of the credit facilities it has approved.

7. IT governance committee:

A. The committee must consist at least three members that will be elected based on their experience and strategic knowledge in the Information technology field.

B. The committee must hold meetings on a quarterly basis at least.

C. The committee shall be responsible for the following:

1. The committee shall approve the strategic objectives of IT and the appropriate organizational structure, including the steering committees, specifically at the top executive management level (the steering IT committees), in order to guarantee the achievement of the bank's strategic objectives and the best value added from the projects and IT resource investment. The committee shall use the tools and needed measures to supervise and ensure the achievement of these objectives, such as IT Balance Scorecards and the return on investment (ROI). The committee shall measure the impact of contributions made to enhance financial and operational efficiency.
2. The committee shall approve the general framework of managing, regulating, and supervising IT resources and projects that simulates the best approved international practices in this regard, especially Control Objectives for Information and Related Technology (COBIT) that conform with and achieve the objectives and the requirements of instructions through the continuous fulfillment of the institutional objectives, along with the achievement of the accompanying IT objectives' matrix, and covering the processes of IT governance.
3. The committee shall approve the institutional objectives matrix and the accompanying IT objectives, consider their givens as minimum requirements, and describe the sub-objectives needed to achieve them.
4. The committee shall approve the (RACI chart) matrix regarding the main processes of IT governance along with the secondary processes related to: the entity(s), person(s), or party(s) primarily responsible, those who are ultimately responsible (accountable), those who are consulted, and those who are informed for all processes in light of COBIT 2019 enabling processes in this regard.
5. The committee shall ensure that a general framework for IT risk management is in place. And will be consistent and integrated with the overall framework of risk management in the bank, considering and achieving all IT governance processes.
6. The committee shall approve the IT projects and resources' budget in accordance with the bank's strategic objectives.
7. The committee shall undertake the general supervision and monitoring of IT processes, projects, and resources to ensure their sufficiency and effective contribution in achieving the bank's requirements and works.
8. The committee shall monitor IT auditing reports and take the necessary actions to handle deviations.
9. The committee shall give recommendations to the Board to take the necessary actions to correct any deviations.
10. Establish the importance and prioritization of the Governance and Management Objectives, and assess their alignment with Enterprise Goals and Alignment Goals, as well as their relationship with the seven Enablers (or Components) outlined in the IT Governance and Management Guidelines No. (65/2016). This should be based on a qualitative and/or quantitative study conducted at least annually, taking into consideration the Design Factors identified in the COBIT 2019 Design Guide.
11. Submitting periodic reports to the board.

Article (8): Sharia Supervision Board

Taking into consideration article (58) of the Banking Law no. (28) of year (2000) and its amendments, the bank shall comply with the following in respect to the sharia board:

A. The board of the bank shall be responsible for the following:

1. Ensure the presence of a fit and proper sharia board and a system of Sharia controls that includes an internal Sharia supervisory system to achieve effective and independent Sharia supervision over each unit of the bank. The board shall also approve appropriate supervisory and Sharia controls that enable it to accountable the senior executive management.
2. Ensure obtaining the opinion of the sharia board on all policies (including investments, the distribution of profits, allocation of losses, and avoiding earnings on the investment accounts), contracts, transactions, agreements, products and services

related to the banking operations only, while non- banking contracts, transactions and agreements shall be presented to the sharia board if they contain sharia dimensions.

3. Ensure the fit and proper of the members of the Sharia board at the beginning and continuation.
4. Performance appraisal of the Sharia board as well as its members on an annual basis according to an assessment system developed by the nomination and compensation committee. Such system shall set key performance indicators that include as a minimum the extent to which the Sharia board achieves its tasks, and the effectiveness of Sharia controls and supervision system. In addition, these performance assessment standards shall include the role of the member in the meetings of the Sharia board as well as comparing his/ her performance with other members of the Sharia board. A feedback shall be obtained from the assessed member in order to improve the assessment process, and the bank shall notify the Central Bank of this assessment.
5. Ensure signing an engagement letter between the Sharia board and the bank in which the scope of the Sharia board work is specified in addition to its tasks and compensations.
6. Ensure that the Sharia board has the necessary information and unrestricted access to all bank's activities and to contact any administrator in the bank, and has all the authorities that enable it to perform its tasks.

B. The Sharia board Meetings:

1. The Sharia board shall periodically meet to carry out periodical reviews and to follow up the Sharia compliance of the bank transactions, provided that the meetings shall not be less than (6) meetings a year, and the Sharia board shall meet with the board, the audit committee and the external auditor at least once every six months.
2. The Sharia board members have the right to attend its meetings by any means of video conferencing to discuss the agenda of the meeting, provided that the Chair and the Secretary of the Sharia board ratify the minutes of the meeting and its quorum.
3. The senior executive management, enough time ahead of the Sharia board meeting, shall present full and accurate information to Sharia board members, and the chair of the Sharia board shall verify that.

C. The Sharia board shall consider the Sharia' and the legislative environment in the Kingdom- taking into consideration the provisions of paragraph (53/ a) of the Banking Law no. (28) of year (2000) and its amendments-.

D. The Sharia board shall establish a procedures manual that includes the working system of the Sharia board; its specializations and tasks; regulating its relationship with the board and the senior executive management; the mechanism of submitting its reports to the management, the board, and the shareholders; its approach in Sharia supervision and the mechanism of its meetings.

E. The Sharia board shall suggest the Sharia training programs for the bank's administrators.

F. The Sharia board shall attend the general assembly meetings and read the report of the Sharia board by its chair or whoever he delegates out of the Sharia board members.

G. The Sharia board shall give an opinion of the Memorandum of Agreement and the Article of Association of the bank, and ensure their compliance with the Islamic Sharia provisions and principles.

H. The Code of Conduct of the bank shall apply to the members of the sharia board.

I. The member of the Sharia board shall avoid conflict of interests and maintain justice and fairness among stakeholders.

J. The Sharia compliance officer shall be appointed as secretary of the Sharia board, and shall carry out the following tasks:

1. Attending all the Sharia board meetings and precisely documenting in writing all the discussions, suggestions, objections, reservations, and the voting methods on the Sharia board decisions.
2. Scheduling the dates of the Sharia board meetings in coordination with the chair of the Sharia board.
3. Preparing for the Sharia board meetings and receiving Sharia inquiries from all bank's departments to present them to the Sharia board.
4. Verifying that the Sharia board members sign on the meetings minutes and decisions.
5. Following up the implementation of Fatwas and decisions taken by the Sharia board, and providing the internal and Sharia audit department and Sharia compliance department with such and with any amendments or developments thereto, in order to notify and work on them, and follow up on the discussion of any topics adjourned from a previous meeting.
6. Maintaining the records and documents of the Sharia board meetings.
7. Providing the Central Bank with the fit and proper declarations of the Sharia board members.

K. The Sharia board shall carry out the activities of the Fatwa and Sharia supervision according to the following:

1. Give opinion of and approve all policies (including investments, the distribution of profits, allocating losses, and avoiding earnings on the investment accounts), contracts, transactions, agreements, products, services related to banking operations only, and non- banking contracts of transactions and agreements if they contain sharia dimensions.

2. Agree on allocating any losses resulting from the bank's operations regarding the holders of investment accounts.
3. Review the policies and instructions related to the Islamic Sharia provisions and approve them.
4. Provide consultation to the parties providing services to the bank such as auditors, lawyers, and consultants.
5. Approve semi- annual/ annual report about the Sharia commitment, which includes the efficiency of internal Sharia controls and any weaknesses in the systems of the Sharia controls and the internal Sharia supervision, which have a crucial impact. The semi- annual report shall be submitted to the board of directors and the annual report to the general assembly of shareholders with a copy of each sent to the audit committee and the Central Bank.

Article (9): Fit and Proper criteria of Sharia Supervision Board Members

The bank shall ensure the fit and proper of the Sharia board members through the following:

A. The board shall approve a policy to ensure the fit and proper of the Sharia board members. Such policy shall include the minimum standards, requirements, and conditions to be fulfilled by the nominated and appointed member. This policy shall be subject to review whenever needed.

B. Those who assume the chair and membership of the Sharia board must meet the following requirements:

1. To hold a Bachelor degree, as a minimum, in Sharia science in the fields of Islamic jurisprudence and principles, Islamic economy, or Islamic finance.
2. To have at least a three- year experience in issuing Fatwa and Sharia provisions and/ or experience in teaching or research of no less than four years after graduation.
3. Not to get any funding for himself/ herself, his/ her spouse, or for any of his/ her second degree relatives from the bank or from any of the subsidiary companies of the bank during his/ her membership in the Sharia board.
4. Not to have worked as an employee of the bank or of any of its subsidiary companies during the two years prior to the date of nomination.
5. Not to be a member of a Sharia board at any other licensed Islamic bank in the Kingdom. Neither shall he/ she be a member of Sharia boards of more than four financial institutions that do not accept deposits and are operating in the Kingdom.
6. Not to be a member of the bank's board of directors or owning a company, which the bank deals with, except for transactions arising because of the services, and/ or ordinary business, which the bank delivers to its clients provided that the same terms, of similar transactions with any other party, are applied without any preferential terms.
7. Not up to a second degree relative to any of the board's members or any other person from the senior executive management at the bank. He/ she shall not get from the bank any salary, cash amounts, compensation, privileges, or gifts except what he/ she receives in return of his/ her membership in the Sharia board or in return of any additional tasks he/ she is assigned without affecting his/ her fit and proper.
8. Not to be a shareholder of the bank, a shareholder of any of the subsidiary companies of the bank, or a shareholder of the group owning the bank.

C. The chair/ member of the Sharia board in the bank shall be appointed for four renewable years.

D. The bank shall obtain a no- objection letter from the Central Bank to nominate any person for membership of the Sharia board, provided that the recommendations of the Nomination and Compensation Committee and of the board, the declaration (according to the attached form No. (3) and its annex), the nominee's CV, academic certificates, experience certificates, a certificate of no- criminal record, and a copy of the identification card (passport for non-Jordanians) are attached to the no- objection request. The Central Bank will not consider any no- objection request unless it is completed with the above attachments.

E. The chairman of the board shall make sure that the Central Bank is notified of any material information that may negatively affect the fit and proper of any member in the Sharia board.

F. When there is a need to appoint members of the Sharia board who reside outside the kingdom, the number of such members shall not exceed half of the Sharia board members.

Article (10): The Executive Management Tasks

A. To execute and manage the bank's activities in accordance with the strategies/ policies approved by the board, systems, risk management, operations and controls necessary to manage all kinds of risks to which the bank is exposed, to ensure that the levels of risk appetite approved by the board are not exceeded, and to comply with all legislations in force and the bank's internal policies.

B. To verify that there are comprehensive work procedures for all bank's activities, that are in line with the legislations in force and the strategies/ policies approved by the board, provided that these procedures are approved by the general manager (except for the supervisory departments since they must be approved by the relevant committee/ sharia board), and to ensure that these procedures are applied.

C. To prepare the financial statements.

D. To develop the general organizational structure of the bank and approve it by the board, as well as developing the sub-organizational structures of all units operating in the bank and approving them by the general manager, except for the sub- organizational structures of the supervisory departments in local banks that are approved by the board based on the recommendation of the relevant committee/ authority, provided that these structures indicate the hierarchical order and reflect the lines of authority and responsibility in a detailed and clear manner, and that the general organizational structure includes, at a minimum, the following:

1. The board and its committees.
2. The executive management and its committees.
3. Separate departments for risk management, compliance, and internal and Sharia audit, in a manner that enables them to carry out their tasks with complete independence including not performing any executive activities, so that their connection to the relevant committee is shown in a continuous line and in a dotted line with the general manager.
4. Units that are not engaged in the executive activities such as the employees of credit review and middle office.
5. Subsidiaries and foreign branches.

E. To prepare an annual budget, approve it by the board and periodically reporting to the board showing the deviation of the actual performance from the estimated and its reasons.

F. To refrain from doing any practices that could affect the independency and objectivity of the supervisory departments, since the cooperation of these departments with the bank's various units and the executive management is essential to carry out their tasks. Supervisory departments are required to inform the senior executive management of any important issues that require immediate measures to be addressed if they are identified by any of these departments. This does not prevent these departments from informing the relevant committee/ sharia board about these matters.

G. To provide the supervisory entity, the external and internal audit and any other relevant entities, at the time specified by such entities, with the required information and statements which are necessary to carry out their tasks in an optimal manner.

H. To develop the bank's Code of Conduct, approve it by the board, and circulate it among all administrators in the bank.

I. To develop the skills and professional behavior of the bank's employees to comply with the latest standards of ethics and code of professional conduct.

J. To verify that there are appropriate supervisory controls for each activity or operation, and to separate the procedures administratively and practically among the tasks of approval and execution.

K. The general manager, in addition to legislations in force, shall:

1. Develop the strategic direction of the bank.
2. mplement bank's strategies and policies.
3. Implement the board decisions.
4. Provide guidance for executing short and long- term action plans.
5. Establish mechanisms to convey bank's vision, mission and strategy to employees.
6. Inform the board of all important aspects of the bank's activities.
7. Manage the daily activities of the bank.
8. To approve a detailed description of the tasks of each organizational unit (except for the supervisory departments that must be approved by the relevant committee/ sharia board), provided that all staff of the bank are informed of it each according to their specialization.

Article (11): Fit and Proper criteria of the Senior Executive Management Members

A. The board shall approve a policy to ensure the fit and proper of the senior executive management members in the bank. Such policy shall include the standards, requirements and conditions that must be met by any member of the senior executive management. The board shall review this policy periodically, and set out adequate procedures and systems to ensure that all senior executive management members meet the fit and proper criteria and continue to do such.

B. The board shall verify that the general manager enjoys integrity and has technical competency and banking expertise.

C. The bank shall obtain the board's approval on appointing/ transferring/ promoting/ assigning or accepting the resignation of, or terminating the services of any of the senior executive management members in the bank.

D. The board shall set up a succession plan to the senior executive management members in the bank, and review it at least once a year.

E. The chairman shall ensure that the Central Bank is notified of any material information that may negatively affect the fit and proper of any member of the senior executive management.

F. Any member appointed in the senior executive management of the bank shall meet the following conditions:

1. Not to be a board member of any other bank unless it is a subsidiary.
2. To be fully devoted for the management of the bank's activities.
3. To hold a bachelor degree, as a minimum, in economics, finance, accounting, business administration, or any other similar specialties related to the bank business.
4. To have at least five years of experience in the field of banking (mostly in the field of the job for which he is nominated) or related business, except for the general manager who must have at least ten years of experience in the field of banking.
5. Not to be a major shareholder and not to be related to the chairman of the board, or any of the board's members, or any major shareholder in the bank up to a third degree kinship in the case of the general manager, and to a first degree kinship in the case of any other member of the senior executive management.

G. The Bank shall obtain a No- Objection from the Central Bank before appointing/ transferring/ promoting/ assigning any member of the senior executive management, provided that the board's decision, the relevant committee's recommendation, the approved general organizational structure, the member's declaration (according to attachment (2) and its annex), CV, academic and experience certificates, a no- criminal record certificate, and a copy of the identification card (passport for non- Jordanians) shall be attached to the No- Objection request, since the Central Bank will not consider any No- objection request unless it is complete with the above attachments.

H. The Bank shall obtain a No- Objection from the Central Bank on the resignation or termination of the services of the general manager, the internal and Sharia audit manager, risk management manager, compliance manager, Sharia compliance officer, and the Central Bank has the right call upon any administrator to inquire about the reasons of resignation or termination of services.

Article (12): Conflict of Interests

A. The board shall approve a policy that governs conflict of interests of all forms including those arising from the bank's connection to the companies within the banking group, and shall approve the necessary measures to ensure the adequacy of the controls and internal supervision to monitor the compliance to this policy and prevent violations thereof. This policy shall include the following as a minimum:

1. Avoid activities that result in a conflict of the bank's interest and the interest of any administrator in the bank or of any sharia board member of all forms.
2. Immediate disclosure upon the verification of any issue that resulted in or may result in a conflict of the bank's interest and the interest of any administrator in the bank or of any sharia board member of all forms.
3. The board member shall not disclose the confidential information of the bank or use it to his/ her own interest or for the benefit of others, and the representative of the legal entity shall not disclose any confidential information circulated during the meetings of the board or its committees to any person, including any administrator of the legal entity.
4. The board member shall favor the bank's interest in all business transactions conducted with any other company in which he/ she has a personal interest. In addition, he/ she shall not use the bank's commercial business opportunities to his/ her own interest, and shall avoid conflict of interests and disclose to the board in detail any conflict of interests, if any, with a commitment not to attend a meeting or participate in a decision taken therein, where such a topic is discussed, and to record this disclosure in the minutes of any meeting of the board or its committees..
5. Examples of cases that result into conflict of interests, provided that they include conflicts that arise between the interest of the board member and the interest of the bank, or between the interest of the member of the Sharia Board and the interest of the bank, or between the interest of the member of the executive management and the interest of the bank, or between the interest of any of the companies within the banking group, subsidiaries or affiliates of the bank and the interest of the bank.
6. Identify the bank's related counterparties in accordance with the legislations in force and determine the conditions of transactions with those parties in a manner that ensures that the bank's related counterparty does not get better conditions than the conditions applied by the bank to another customer who does not have a relationship with the bank, and this includes all the bank's transactions with any of the companies within the banking group of which the bank is a part.
7. Determine the nature of transactions with the related counterparties to include all types of transactions without being limited to credit facilities only.
8. Procedures followed by the bank when identifying cases of non- compliance with the above policy.

B. The Board shall approve a code of professional conduct enabling the bank to carry out its business with high integrity, and includes at a minimum the cases that may result in a conflict of interests, and shall verify that it has been circulated to all administrative levels of the bank.

C. The internal audit department shall conduct a test at least once a year to ensure that all the transactions carried out with the bank's related counterparties have been executed in accordance with the legislations in force and the bank's internal policies and approved procedures, and it shall submit its reports and recommendations thereon to the audit committee. The audit committee shall inform the Central Bank upon verification of any violation of any of the legislations in force and internal policies in this field.

D. The board shall ensure that the executive management has high integrity in conducting their work, avoids conflict of interests, and objectively implements the approved policies and procedures.

E. The board shall approve controls for transfer of information among the various departments to prevent its exploitation for personal interest.

Article (13): Assessment of administrators Performance

A. The board shall ensure the presence of a system to assess its business and its members and committees' businesses. Such system shall include the following at a minimum:-

1. Key Performance Indicators (KPIs) derived from strategic plans and goals to be used for performance appraisal of the board and its committees.
2. The communication between the board and the shareholders, and its periodicity.
3. Periodicity of the meetings between the board and the senior executive management.
4. The member's attendance of the meetings of the board and its committees and his/ her active participation in these meetings, as well as comparing his/ her performance with that of other members. A feedback shall be obtained from the concerned member in order to improve the evaluation process.
5. The extent to which the member has developed his knowledge of the banking business through his/ her participation in training programs.

B. The board shall annually assess the performance of the general manager according to a system prepared by the nomination and compensation committee and approved by the board, where it includes setting key performance indicators. The assessment standards of the general manager performance shall include at a minimum the financial and administrative performance of the bank compared to the size of the risks, and the general manager achievement of the bank's medium and long- term plans and strategies. A suitable weighting is set for each item of the assessment, provided that the committee shall notify the Central Bank of this assessment.

C. The board shall approve a system to measure the performance of the bank's administrators other than the board members and the general manager. Such system shall take into consideration performance indicators that differ according to the nature of the departments' business and the extent to which they achieve their goals, provided that it shall include, as a minimum, the following:

1. A suitable weighting to measure the compliance with the framework of the risk management department and the compliance department and the implementation of internal controls and organizational requirements.
2. Gross income or profit shall not be the sole factor to measure the performance; that is other factors shall be considered to measure the performance of administrators such as, risks associated with major operations and the achievement of every department's goals and their annual plans, in addition to measuring customer satisfaction as applicable.

D. The performance of the internal audit department's employees shall be assessed by the internal audit manager, in accordance with the performance appraisal policy approved by the board.

Article (14): Financial Compensations for the administrators

A. The board shall set procedures to determine its members' compensation based on the approved assessment system.

B. The policy for granting financial compensation shall include the following elements as a minimum:

1. To be designed to recruit and retain competent, skilled and experienced administrators as well as to motivate them and develop their performance.
2. The controls related to the compensation of the chairman of the board, its members and committees for the tasks they carry out as stipulated in this guide; these compensations may vary according to the performance assessment of the board/ committees/ members and the bank's solvency and performance.
3. To be designed to ensure that the administrators are motivated to achieve the bank's goals without causing high risks that may negatively affect the bank's solvency or reputation or expose it to legal risks.
4. Granting the financial compensation shall not be based on the current year performance only, but it shall be based also on the medium and long- term performance (3-5) years.
5. A mechanism for postponing the payment of a reasonable percentage of the compensations (excluding salaries), so that this percentage and the period of postponement are determined based on the nature and risks of the work as well as on the concerned administrator's activities.
6. The form of compensation shall be determined in the form of fees, salaries, allowances, bonuses, stock options or any other benefits, provided that the instructions of effective interest ownership are considered.
7. A mechanism for claw back the deferred compensation granted to the administrator in case it turns out later that there are any problems in his/ her performance or that he/ she exposed the bank to high risks due to the decisions that fall within his/ her authorities and were taken by him/ her and could have been avoided.

8. Financial compensations shall not be granted to administrators of supervisory departments based on the results of the work of the departments under their supervision.

Article (15): Internal and Sharia Audit Department

A. The board shall take the necessary measures to promote the effectiveness of the internal and sharia audit by giving the necessary importance to the internal and sharia audit activity and establishing it in the bank, ensuring and enhancing the independence of internal and sharia auditors, and giving them an appropriate position in the bank's career ladder. The board shall ascertain that they have the knowledge, skills and competence necessary to perform their tasks, and shall guarantee their access to all records and information, and to contact with any administrator to enable them to perform the duties assigned to them and prepare their reports without any interference.

B. The board shall verify that the internal and sharia audit department is subject to the direct supervision of the audit committee, and that it reports directly to the audit committee with a copy sent to the general manager. In addition, the general manager has the right, with the approval of the audit committee chair, assign the internal and sharia audit department with assurance or consulting tasks, provided that this assignment does not affect the independence of the internal and sharia audit department.

C. The internal audit department:

The internal audit shall carry out the following tasks as a minimum:

1. Verifying the adequacy of the internal control and monitoring systems for the activities of the bank and its subsidiaries and compliance with them, and reviewing and documenting any modifications made to the structure of these systems.
2. Developing an audit plan that comprises the bank's activities including the activities of other supervisory departments and outsourced activities, according to the risk degree of these activities, provided that this plan is approved by the audit committee.
3. Reviewing the compliance with the corporate governance code and its related policies and charters on an annual basis, preparing a detailed report thereof, and submitting it to the audit committee with a copy sent to the corporate governance committee.
4. Reviewing the accuracy and comprehensiveness of stress testing in accordance with the methodology approved by the board.
5. Ensuring the accuracy of the procedures followed for Internal Capital Adequacy Assessment Process (ICAAP).
6. Auditing the financial and managerial matters.
7. Following up the violations and observations included in the reports of the supervisory authority and the external auditor, and making sure to address them and that the executive management has the appropriate controls to prevent their recurrence.
8. Ensuring the availability of the procedures required for receiving, handling and keeping the complaints of the bank's customers, and the observations related to the accounting system, internal control, auditing processes, and submitting periodic reports thereof.
9. Keeping the audit reports and working papers, for a period consistent with the provisions of the legislations in force in this regard, in an orderly and safe manner to be ready for reviewing by the supervisory authority and the external auditor.

D. The internal sharia audit department:

1. The internal sharia audit department shall share draft preliminary reports and observations with the Sharia board to obtain their opinions and conclusions regarding Sharia issues when needed.
2. The audit committee shall make sure that the internal Sharia audit department is capable of carrying out the following tasks as a minimum:

A. Ensure the presence of an appropriate governance framework in line with the principles and rules of Sharia.

B. Check and assess the adequacy and effectiveness of the internal Sharia supervisory system in the bank.

C. Follow up the compliance of the bank to Sharia aspects, Fatwa and decisions issued by the Sharia board.

D. Follow- up the Sharia observations and violations contained in the reports of the supervisory entity and the external auditor, and ensure that they are addressed and that appropriate controls are in place with the executive management so as not to repeat them.

E. Set the internal Sharia audit plan, which contains bank's activities related to Sharia aspects including supervisory departments' activities according to the level of Sharia risks in those activities and commit to implement its provisions, provided that it is approved by the audit committee.

F. Check the liabilities and finances classified as Non- Performing Facilities or those which have been decided to be written off, and which have been funded by the joint investment accounts to verify not having trespassing or negligence by the bank.

G. Filtrate the gains violating Sharia and follow up the way they are dealt with as per the Sharia board decisions.

H. Verify that the executive management sticks to the policy which organizes the relationship among the shareholders and the investment accounts holders, in particular the bases of dividends distribution.

I. Submit an annual report about the efficiency and effectiveness of internal Sharia control and supervision systems, and any weakness in those systems, while providing proper corrective recommendations, to the audit committee and a copy for the Sharia board.

Article (16): Risk Management Department

A. The board shall ensure the independence of the risk management department and grant the department the authorities required to access information from other bank's departments and to cooperate with other committees to perform its tasks.

B. The board shall verify the remedy of the overrides beyond the risk appetite, including accountability of the concerned senior executive management with such overriding.

C. The board shall make sure that the risk management department uses periodical stress testing to measure the bank's ability to withstand the high risks & stressed conditions. The board shall have also the main role in approving the used assumptions and scenarios, discussing the results of such tests, and approving the procedures to be taken in light of these results.

D. The risk management department shall carry out the following tasks as a minimum:

1. Implementing the risk management strategy in addition to developing policies and work procedures to manage all risks types.
2. Developing a risk management policy(s) that covers all bank's activities and sets clear scale and thresholds for each type of risk, and ensuring that all the employees, each according to his/ her administrative level, are fully informed and aware of this/ these policy(s), while reviewing them periodically, provided that the risk management policy(s) shall be approved by the board.
3. Developing a comprehensive statement for all the risk appetite by the bank and approving it by the board.
4. Reviewing the risk management framework in the bank and approving it by the board.
5. Developing the internal assessment statement for the adequacy of the bank's capital, reviewing it periodically and verifying the implementation thereof, so that it shall be comprehensive, effective and capable to identify all risks that the bank may expose, taking into consideration the strategic plan of the bank and the capital plan, and the board shall approve it.
6. Developing methodologies to identify, measure, analyze, assess and monitor every risks type.
7. Verifying the integration of the risk measurement mechanisms with MIS used therein.
8. Developing business continuity plan and approving it by the board, provided that it is checked periodically.
9. Before launching/ introducing any new (product/ service/ process/ system), ensuring that it is consistent with the bank's strategy, and that all risks arising therefrom, including operational/ information security/ cyber risks, have been identified and that the new supervisory controls and procedures or amendments made are in accordance with the bank's risk appetite threshold.
10. Providing necessary information on the bank risks, to be used for disclosure purposes.
11. Recommending the risk management committee on the bank exposures to risks, and recording the cases of exceptions to risk management policy.
12. Monitoring the adherence of the bank's executive departments with the risk appetite levels.
13. Reporting to the board through risk management committee, with a copy sent to the general manager that includes information on actual risk profile of all bank's activities compared with the risk appetite document, and following up the remedy of negative deviations. The executive management has the right to request special reports, as needed, from the bank's risk management department.

Article (17): Compliance Department

A. The board shall ensure the independence of compliance department.

B. The board shall approve the tasks of the compliance department, so that these tasks are as a minimum:

1. Develop a compliance policy to ensure the bank's commitment to all related regulations, and to ensure that all the employees, each according to his/ her administrative level, are fully informed and aware of this policy, provided that such policy is approved by the board.
2. Develop an annual compliance plan, and approve it by the compliance committee.
3. Monitor the compliance of all the administrative levels in the bank with all the supervisory requirements and legislations in force and international standards including the FATF Recommendations.
4. Develop periodic reports that include assessing the risks of non- compliance, violations, deficiencies and the corrective actions taken, and submitting them to compliance committee, with a copy sent to the general manager.

Article (18): Sharia Compliance

A. The board shall ensure that there is a Sharia compliance function and that it performs its tasks effectively.

B. The Sharia Board shall supervise the Sharia compliance function, which is in dotted line with the Sharia board- and submits its reports (quarterly/ annual) to the general manager and a copy of them to the Sharia board. The board must communicate, effectively and periodically, with the Sharia board to obtain its views on the general situation of Sharia compliance within the bank.

C. The Sharia Board shall recommend to the board to approve the appointment of a Sharia Compliance Officer and accept his/ her resignation or terminate his/ her services based on the recommendation of the Nomination and Compensation Committee.

D. The Sharia board shall ensure supporting the Sharia compliance function with adequate resources and a sufficient number of qualified staff, provided that the employees shall have the following requirements as a minimum:

1. An appropriate university degree along with knowledge of the origins of the Islamic financial transactions and the terms of contracts and the reasons behind their being void.
2. Experience and knowledge of standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as well as the Islamic Financial Services Board (IFSB).

E. The bank shall identify the Sharia compliance requirements for each department, the person in charge within that department who is responsible for ensuring Sharia compliance in the course of work or during the performance of their tasks, and shall clearly define the scope of the Sharia compliance function and communicate it to the relevant staff.

F. The bank shall ensure the independence of the Sharia compliance function from executive activities.

G. The bank shall take the necessary procedures in case of Sharia non- compliance by the bank's employees, provided that these procedures include consideration of this in evaluating the employees' performance and their compensation.

H. Sharia Compliance shall perform the following tasks, as a minimum:

1. Preparing a comprehensive Sharia compliance policy, in coordination with the Sharia board, and having it approved by the board.
2. Preparing a Sharia compliance code approved by the Sharia board, which includes defining the risks of Sharia non-compliance, as well as the procedures, supervisory controls, documentation and evaluation of the risks of Sharia non-compliance, and preparing an annual plan and developing Sharia compliance programs.
3. Preparing a system to monitor material risks related to Sharia non- compliance in coordination with the Risk Management Department, and developing an effective mechanism for reporting and managing the risks, and including these risks under the "Operational Risks" item while referring to them in the internal and regulatory risk reports, for purposes including calculating regulatory capital requirements.
4. Reviewing all new products and services before they are launched, as well as reviewing the policies, procedures, processes and transaction models related to them, to ensure their compatibility with the decisions and Fatwas of the Sharia board and the legislations that govern the work of the Islamic bank and with the provisions and principles of Islamic Sharia.
5. Cooperating with the bank in developing the Sharia skills of the bank's employees.
6. Coordinating with the internal Sharia audit department and the external auditor on matters related to Sharia compliance.
7. Cooperating with the Risk Management Department to periodically conduct comprehensive tests to identify, analyze and assess the risks of Sharia non- compliance regarding the products, services, processes, and policies, and to prepare a comprehensive scope of Sharia non- compliance risks.

Article (19): External Audit

A. The bank shall develop a policy for external audit, and approve it by the board, provided that it is amended when necessary. Such policy shall include as a minimum the following:

1. The mechanism of nomination and assignment of the auditing office.
2. The mechanism of setting fees of the auditing office.
3. The periodical alteration of the auditing office and team.
4. The independence requirements of the external audit stipulated in paragraph (D) of this article as a minimum.
5. The tasks of the auditing office and team.
6. The relation between the auditing committee and the auditing office and team.
7. Non-audit services that can be assigned to the audit office.
8. Criteria of selecting the audit office and the partner in charge, taking into account the following requirements as a minimum:

A. Audit office:

1. The number of partners in charge for auditing at the office should be no less than two partners.

2. The office or the international company, which the office is deemed a member of, should have adequate experience of no less than (10) years in auditing banks.

B. The partner in charge:

1. Is to be of good conduct and behavior with sound professional reputation.
2. Should not be convicted in any felony or crime for any act considered against honor, or duty of trust.
3. Hold a valid certificate of practicing the profession of auditing, and is registered with the Jordanian Association of Certified Public Accountants according to the provisions of the law regulating the profession of accounting.
4. Should not be suspended from practicing the auditing profession within the last five years, or have been convicted of a final judgment because of professional fault or legal violation related to practicing the profession.
5. Must hold at a minimum a bachelor degree in the field of accounting or any of the fields relevant to the banking business.
6. Hold one of the professional certificates in the field of accounting or auditing issued by one of the internationally acknowledged professional associations for legal accountants or auditors that is recognized by the Jordanian Association of Certified Public Accountants.
7. Have a practical experience in the field of auditing for a period of no less than (10) years, with at least (7) years of which being in the field of banks' auditing, and to be fully knowledgeable of banking business and their risks as well as the related legislations including the legislations issued by the Central Bank.
8. As for the experience and knowledge required for auditing Islamic banks, the auditor must:

A. Have practical experience in the field of auditing accounts for a period of no less than (10) years, at least (7) years of which being in the field of auditing banks' accounts, with no less than (2) years of it being in the field of auditing Islamic banks, and to be fully knowledgeable of legislations related to Islamic banks' business including the legislations issued by the Central Bank.

B. Be fully knowledgeable of Islamic banks' business, their risks, and the standards for accounting and auditing issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and the Islamic Financial Services Board (IFSB).

C. The bank shall ensure regular rotation of the external auditor every seven years as a maximum, provided that the external auditor shall not be changed during the contract period except after obtaining the approval of the Central Bank and based on substantial reasons.

D. The previous office should not be re- elected before at least three years from the date of its last election with the bank.

E. The audit committee shall verify the independence of the external auditor during the contract period, beginning and continuing, so as to ensure absence of any conflict of interests between the bank and the external auditor, and the board shall ensure that, and verify that the terms of contract with the external auditor include the following as a minimum:

1. The external auditor cannot be a member of the bank's board or of the board of directors of any of its subsidiaries.
2. The external auditor cannot permanently carry out any technical, administrative or consultative tasks for the bank or for any of its subsidiaries during the audit mission.
3. The external auditor cannot be partner with any member of the bank's board/ sharia board/ senior executive management, or with any member of the subsidiaries' board/ Sharia Board/ directors' body/ senior executive management.
4. The partner in charge or any member of the auditing team shall not relate, up to the second degree, with any member of the board, any member of the Sharia Board, any member of the senior executive management of the bank or any of its subsidiaries.
5. The external auditor cannot own or deal with the shares of the bank or any of the bank's subsidiaries, whether directly or indirectly.
6. The external auditor shall not combine auditing of the bank's accounts and any of non-audit services assigned to the office.

g. The Audit Committee shall verify the qualifications and effectiveness of the external auditor and shall ensure that the letter of engagement clearly includes the scope of the audit, fees, contract period and any other conditions, taking into consideration the nature of the bank, the size of its business, the complexity of its operations and risks.

Article (20): General Provisions

A. The chairman of the board shall, well ahead of time, invite the Central Bank to attend the General Assembly meetings by nominating a representative.

B. The chairman of the board shall provide the Central Bank with the General Assembly meeting minutes within no more than 5 days since the date of attesting the minutes by the companies' controller or its representative.

C. The bank shall inform the Central Bank, at least 30 days prior to the General Assembly meeting date, of its desire to nominate the external auditor to be elected (or re- elected) by the General Assembly.

D. The bank shall verify that any major shareholder in the bank is not related, including kinship up to the third degree, to the General Manager and the first degree to any other member of the senior executive management.

E. The bank shall take into account the representation of women in the membership of the board and in the senior executive management.

F. The bank shall obtain a no- objection letter from the Central Bank to nominate any member to the board or any member to the Sharia board prior to the date of the meeting of the general assembly of the bank with a sufficient period of not less than one month, and it shall notify those who wish to be nominated that there must be a no- objection letter of the Central Bank to that.

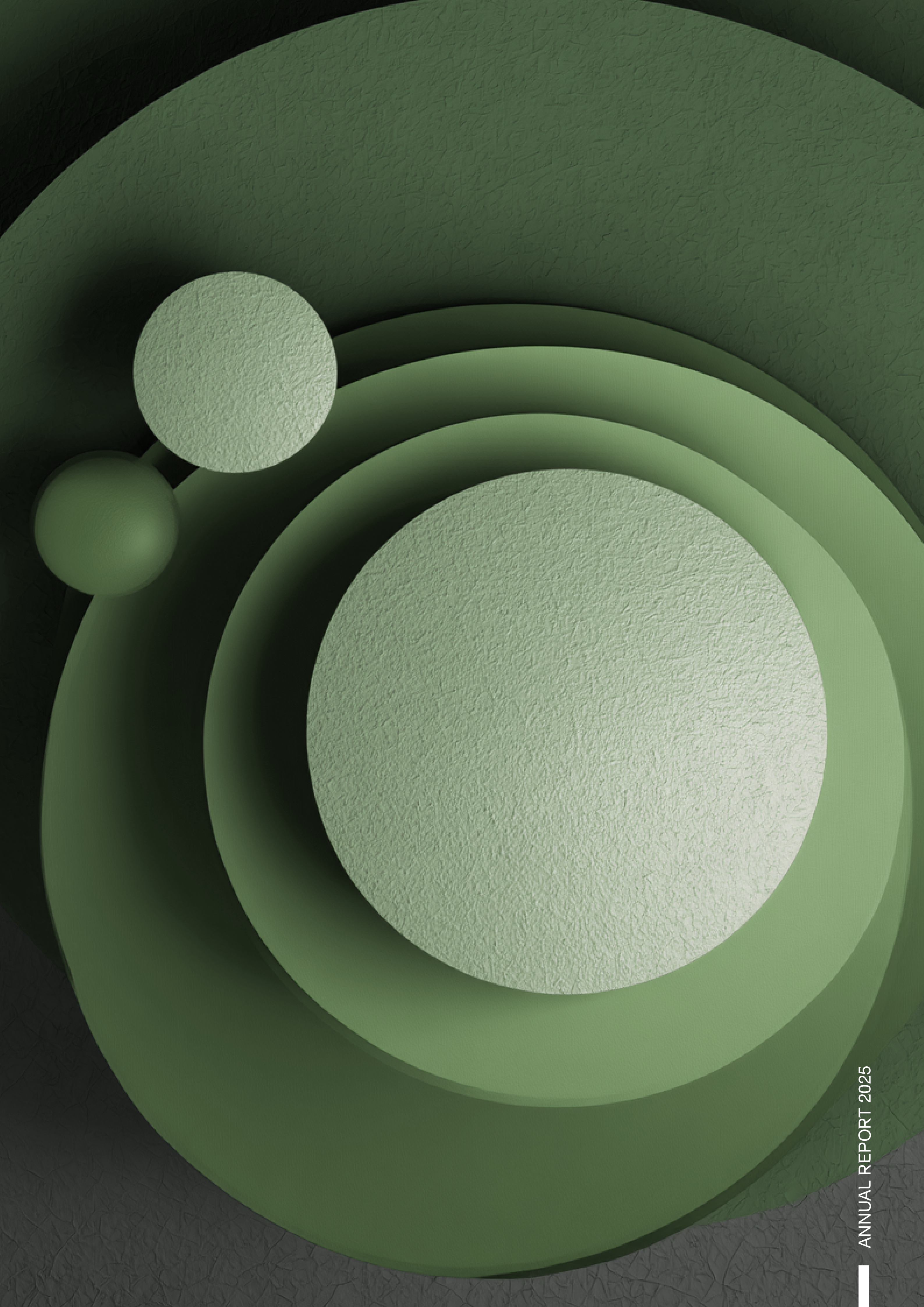
G. The bank shall provide the Central Bank with its general organizational structure when making any amendment to it, with a clarification of that amendment.

H. The bank shall provide the Central Bank with information on the board members, its committees, members of its senior executive management, and of its Sharia board according to the attached forms (4/1, 4/2, 4/3, 4/4) once an amendment takes place.

I. The bank shall provide the Central Bank with information on the board members, and senior executive managements of its subsidiaries (including the subsidiaries thereof) inside and outside the Kingdom, according to the attached forms (5/1, 5/2, 5/3) once an amendment takes place.

Foundation

The starting point
on which decisions are built


ANNUAL REPORT 2025

Governance Report

Contents

Names of the Board of Directors members 2025

Name	Date of Re-election	Independence Status / Represented Entity
Dr. "Mohammad Naser" Abu Hammour	Chairman of the Board as of 24/4/2025	Non-independent – Representative of Etihad Islamic Investment Company
Deema Aqel	Vice Chairman of the Board as of 24/4/2025	Non-independent – Representative of Etihad Islamic Investment Company
Ihsan Barakat	As of 24/4/2025	Independent
Dr. Khaled Al-Zantouti	As of 24/4/2025	Independent
Raslan Deiranieh	As of 24/4/2025	Independent
Salem Burqan	As of 24/4/2025	Independent
Dr. Anas Bohowish	As of 24/4/2025	Non-independent – Representative of Etihad Islamic Investment Company
Basem Salfiti	As of 24/4/2025	Non-independent – Representative of Etihad Islamic Investment Company
Mohammed Al Agdal	As of 1/9/2025	Non-independent – Representative of Etihad Islamic Investment Company
Dr. Salah Fekroun	As of 8/7/2025	Non-independent – Representative of Etihad Islamic Investment Company
Lana Al Far	As of 2/6/2025	Non-independent – Representative of Social Security Corporation

- All Board members are non-executive.

Names of Board Members / Representatives Who Resigned During 2025

Name	Date of Resignation	Independence Status / Represented Entity
Sameer Abu Lughod	As of 24/4/2025	Independent
Dr. Ibrahim Seif	As of 1/9/2025	Non-independent – Representative of Etihad Islamic Investment Company
Dr. Abdulghani Al-Fateesi	As of 7/7/2025	Non-independent – Representative of Etihad Islamic Investment Company
Mohammad Hawashin	As of 2/6/2025	Non-independent – Representative of Social Security Corporation
Dr. Nofan Al-Aqeel	As of 24/4/2025	Non-independent – Representative of Social Security Corporation

Names of Sharia Supervisory Board Members During 2025

Name	Date of Re-election	Position
His Eminence Dr. Ahmad Salem Abdullah Bani Melhem	As of 24/4/2025	Chairman of the Sharia Supervisory Board
His Eminence Dr. Safwan "Mohammad Reda" Ali Odaibat	As of 24/4/2025	Member of the Sharia Supervisory Board
His Eminence Dr. Ali Mohammad Al-Hussein Al-Mousa	As of 24/4/2025	Member of the Sharia Supervisory Board

Names of Sharia Supervisory Board Members Who Resigned During 2025

Name	Date of resignation	Position
His Eminence Prof. Dr. "Ali Mohiuddin" Ali Al-Qaradaghi	As of 24/4/2025	Chairman and Executive Member of the Sharia Supervisory Board

Senior Executive Management and Their Positions

Name	Position
Samer "Al-Saheb Al-Tamimi"	General Manager / CEO
Ziad Kokash	Deputy CEO / Chief Credit Officer
Masoud "Sakf al-Hait"	Chief of Legal and Board Secretarial
Nesfat Taha	Chief of Retail Banking
Wael Al-Bitar	Chief of Treasury and Investment
Ahmad Ghnaim	Chief of Finance and Corporate Strategies
Ahmad Jafar	Head of Risk
Khalid Al-Issa	Head of Internal and Sharia Audit
Muneer Faroneyah	Head of Sharia Compliance
Mohammad Al Hawari	Head of HCM and Administrative Services
Mohammad Al-Jaouni	Head of Information Technology (As of 6/1/2025)
Rami Mahmoud	Head of Corporate Banking (As of 2/1/2025)
Rawand Al Turk	Head of Compliance
Zeina Khirfan	Chief Business Transformation and Operating officer

Senior Executive Management Resignations During 2025

No resignations occurred among senior executive management during 2025.

Governance Liaison Officer

Rawand Al-Turk / Head of Compliance

Committees Emanating from the Board of Directors

- Nomination and compensation committee
- Compliance Committee
- Risk Management Committee

- Corporate Governance Committee
- Audit Committee
- IT Governance Committee
- Credit Committee

Chairmen and Members of Corporate Governance Committee, the Nomination and compensation committee, and the Risk Management Committee

Corporate Governance Committee

- Ihssan Barakat (Chairman)
- Dr. Mohammad Naser Abu Hammour (Vice Chairman)
- Ruslan Deiranieh

Nomination and compensation committee

- Salem Burqan (Chairman)
- Ruslan Deiranieh (Vice Chairman)
- Basem Salfiti

Risk Management Committee

- Dr. Khaled Al-Zantouti (Chairman)
- Deema Aqel (Vice Chairman)
- Salem Burqan
- Lana Al-Far
- Ihssan Barakat

Audit Committee Chairman and Members, with a Brief Overview of Their Relevant Financial and Accounting Qualifications and Experience

Ruslan Deiranieh (Chairman of the Committee)

Academic Qualifications:

- Bachelor's in Accounting and Computer Science - Yarmouk University (1985)
- Master's in Accounting - University of Jordan (1992)
- Financial Controlling Management - ESCP Europe (2008)

Professional Experience:

- Board Member, Central Bank of Jordan from 2020 and until 12/2/2025
- Chairman of the Board, Jordan Telecommunications Company (Orange Jordan), since 2024 to date
- Held several senior positions at Orange Jordan from 1998 to 2024, most recently serving as Deputy CEO and Chief Financial & Corporate Strategy Officer.
- Head of Foreign Investments Department, Central Bank of Jordan since 1988 and until 1998

Dr. Khaled Al-Zantouti (Vice Chairman)

Academic Qualifications:

- PhD in Financial Management (major) and Organizational Management and Marketing (minor), Bosphorus University, Turkey
- MBA in Managerial Accounting, University of Hartford, United States of America
- Bachelor's degree in Accounting, Faculty of Economics, Garyounis University, Benghazi – Libya

Professional Experience:

- 1988–2000: Manager / Deputy Manager of various companies owned by the Libyan Foreign Investment Company in Turkey, Italy, Germany, Pakistan, and Egypt
- 2000–2002: Assistant Secretary / Minister of State for Investment and International Cooperation - Ministry of African Unity, Libyan Cabinet
- 2002–2004: Chairman and General Manager of the Libyan Foreign Investment Company (LAFICO)
- 2012–2016: Full-time faculty member – Assistant Professor of Finance and Accounting, Princess Sumaya University
- 2004–2012: General Manager and Chairman of the Management Committee / Long-Term Investment Portfolio - Libya, Tripoli
- 2012–2016: Advisor to Bank Al Etihad, Amman - Jordan
- 2004–2012: Vice Chairman of the Board, Arab British Bank, London - United Kingdom
- 2007–2012: Vice Chairman of the Board, Bank Al Etihad, Amman - Jordan
- 2009–2012: Vice Chairman of the Board, Libyan Foreign Bank, Tripoli - Libya
- 2010–2012: Board Member, Arab Banking Corporation (ABC), Manama - Bahrain

Dr. Anas Bohowish

Academic Qualifications:

- PhD in International Financial Business, International School of Management, Paris - France
- Master's in Accounting (specialized in sectoral reporting in commercial banks), Garyounis University - Libya
- Bachelor's in Accounting, Garyounis University - Libya

Professional Experience:

- Board Member, Libyan Investment Authority
- Chairman of the Audit, Risk, and Compliance Committee, Libyan Investment Authority
- Advisor to the Minister of Finance for Investment Affairs (formerly)
- Professor in the Accounting Department, Garyounis University, Benghazi - Libya (formerly)

Number of meetings of the Board of Directors and its committees during 2025:

Number of meetings of the Board of Directors and its committees during 2025:

Board / Committee	Nomination & Remuneration Committee	Corporate Governance Committee	Compliance Committee	Audit Committee	Risk Management Committee	IT Governance Committee	Credit Committee	Board of Directors Meetings
Number of Meetings / Member Name	**4**	**2**	**5**	**5**	**7**	**4**	**22**	**8**
Dr. "Mohammed Abu Hammour	-	2/2	-	-	-	-	22/22	8/8
Deema Aqel	-	-	5/5	-	7/7	-	20/22	8/8
Ihssan Barakat	-	2/2	5/5	-	5/5	-	-	8/8
Dr. Khaled Al-Zantouti	-	-	-	5/5	7/7	-	-	8/8
Ruslan Deiranieh	2/4	2/2	-	3/3	-	-	-	5/5
Salem Burqan	4/4	-	3/3	-	7/7	-	20/22	8/8
Dr. Anas Bohowish	-	-	-	5/5	-	4/4	-	8/8
Basem Salfiti	4/4	-	-	-	-	4/4	19/22	8/8
Dr. Salah Fekroun	-	-	-	-	-	3/3	-	3/3
Mohammed Al gdal	-	-	-	-	-	-	6/6	2/2
Lana Al Far	-	-	-	-	5/5	4/4	-	3/3
Sameer Abu Lughod	2/4	-	-	2/2	2/2	-	-	3/3
Dr. Ibrahim Seif	-	-	-	-	-	1/1	15/15	6/6
Dr. Abdulghani Al Fateesi	-	-	-	-	2/2	-	-	5/5
Mohammad Hawashin	-	-	-	-	-	-	-	1/1
Dr. Nofan Al Aqeel	-	-	2/2	-	-	1/1	-	3/3

- The audit committee held separate meetings with the external auditor, the head of internal and Sharia audit, the head of compliance, and the head of Sharia compliance once during the year, without the presence of any other senior executive management members.
- The Board of Directors met with the Sharia Supervisory Board twice during 2025.

Board memberships held by Board members in other companies:

Dr. "Mohammed Abu Hammour – Chairman of the Board

- Chairman of the Board, Al Salam International Transport and Trade Company
- Chairman of the Board of Directors, Al Salam Financial Investments Company
- Chairman of the Board of Directors, Jordan Maritime Studies Institute

Deema Aqel

- Board Member, Amman Stock Exchange
- Board Member, Tayyeb Gateway Internet Services Company

Basem Salfiti

- Chairman of the Board, Bank Al Etihad
- Board Member, Al Etihad Islamic Investment Company
- Vice Chairman of the Board of Directors, Sawt Al-Kanar Investment Company
- Chairman of the Board of Directors, Amman Stores for Real Estate Project Management
- Board Member, Jordanian Entrepreneurship Fund

• Board Member, Al-Asnaf Al-Oula for Tourism Project Management Company

• Board Member, Premium Foods for Tourism Project Management Company

• Board Member, Four Seasons Administrative Consulting Company

Dr. Anas Bohowish

• Board Member, Libyan Investment Authority

Salah Fekroun
• None

Mohammad Al-Ajdal
• None

Iana Al Far
• None

Dr. Khaled Al-Zantouti
• None

Ruslan Deiranieh
• Chairman of the Board, Jordan Telecommunications Management Company

• Chairman of the Board, Luminus Technology Company

• Board Member, Luminus for Film and Media Production Company

• Chairman of the Board, Specialized Investment Clusters Company

• Vice Chairman of the Board, Al-Quds Development and Investment Company

• Vice Chairman of the Board, Luminus Advanced Computing Company

• Vice Chairman of the Board of Directors, Manaseer Natural Solutions Company

• Vice Chairman of the Board, Luminus Project Management Company

• Board Member, Integrated Multi-Transport Company

• Vice Chairman of the Board of Directors, Jordan First Strategic Studies and Information Company

• Board Member, Central Gas Technology Company

• Board Member, Integrated Smart Card Company

• Board Member, Al-Tawfiq Transport and Investment Company

• Board Member, Al-Dhilal Passenger Transport Company

• Board Member, Asia Transport Company

• Board Member, Afaq Energy Company

• Board Member, Integrated Multi-Transport Company

Salem Burqan
• Board Member, Al-Quds Insurance Company

Ihssan Barakat
• None

Number of Board and Committee Meetings During 2025

(Table maintained as in original structure — showing attendance across Board and committees.)

• The Audit Committee held separate meetings once during the year with:

external auditor, internal auditor, Head of Compliance, Head of Sharia Compliance, and Head of Internal and Sharia Audit, without the presence of other executive management members.

• The Board of Directors met with the Sharia Supervisory Board twice during 2025.

Board Memberships in Other Companies

Dr. Mohammed Abu Hammour
• Chairman, Al Salam International Transport & Trade

• Chairman, Al Salam Financial Investments

• Chairman, Jordan Maritime Studies Institute

Deema Aqel
• Board Member, Amman Stock Exchange

• Board Member, Tayyeb Gateway Internet Services

Basem Salfiti
• Chairman, Bank Al Etihad

• Board Member, Ittihad Islamic Investment Company

• Vice Chairman, Sawt Al-Kanar Investment

• Chairman, Amman Stores Real Estate Projects

• Board Member, Jordanian Entrepreneurship Fund

• Board Member, various tourism and consultancy companies

Dr. Anas Bohoweish
• Board Member, Libyan Investment Authority

Salah Fekroun
• None

Mohammad Al Ajdal
• None

lana Al-Far
• None

Dr. Khaled Al-Zantouti
• None

Raslan Nouri Raslan Dairanieh
• Chairman of the Board, Jordan Telecommunications Group

• Chairman of the Board, Luminus Technology

• Board Member, Luminus Film and Media Production Company

• Chairman of the Board, Specialized Investment Clusters Company

• Vice Chairman of the Board, Al-Quds Development and Investment Company

• Vice Chairman of the Board, Luminus Advanced Computing Company

• Vice Chairman of the Board of Directors, Manaseer Natural Solutions Company

• Vice Chairman of the Board, Luminus Project Management Company

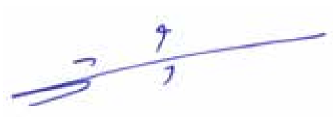
- Board Member, Integrated Multi-Transport Company
- Vice Chairman of the Board of Directors, Jordan First Strategic Studies and Information Company
- Board Member, Central Gas Technology Company
- Board Member, Integrated Smart Card Company
- Board Member, Al-Tawfiq Transport and Investment Company
- Board Member, Al-Dhilal Passenger Transport Company
- Board Member, Asia Transport Company
- Board Member, Afaq Energy Company
- Board Member, Al Etihad Islamic Investment Company

Salem Burqan
- Board Member, Al-Quds Insurance Company

Ihssan Barakat
- None

Chairman of the Board

Dr. “Mohammed Abu Hammour



Information and Technology Governance and Management Manual

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Introduction

Safwa Islamic Bank (formerly Jordan Dubai Islamic Bank) was established in Amman, in the Hashemite Kingdom of Jordan, and was registered as a public shareholding company in the Companies Register on 23/6/1963 under number (8) under the name Industrial Development Bank. It was established under Law No. (5) of 1972, which was repealed by Law No. (26) of 2008, and Safwa Islamic Bank became its legal and actual successor.

In line with the Information and Technology Governance instructions, the Board of Directors of Safwa Islamic Bank and its executive management approved several measures to align the Information Technology Department with other key business departments. The bank uses the COBIT 2019 framework for the governance and management of information, technology, and IT projects. This framework helps create optimal value from IT by maintaining a balance between achieving benefits, improving risk levels, and using resources efficiently. COBIT 2019 also enables comprehensive control over projects from start to finish, taking into account functional and technological responsibilities, and considering IT-related interests of both internal and external stakeholders. It also supports an integrated IT risk management framework aligned with the bank's overall risk management processes, based on sound practices that ensure proper risk-based decision-making, achieve value at the lowest cost, and mitigate expected risks and losses within acceptable risk limits.

Definitions

The following terms and expressions shall have the meanings assigned to them below unless the context indicates otherwise:

Term	Definition
The Bank	Safwa Islamic Bank.
The Board	The Board of Directors of Safwa Islamic Bank.
The Committee	IT Governance Committee.
Organizational Structure	The bank's organizational structure.
Senior Executive Management	Includes the General Manager, Deputy General Managers, Chief Financial Officer, Chief Operations Officer, Head of Facilities, Head of Treasury (Investment), Head of Risk Management, Head of Internal and Sharia Audit, Head of Compliance, Head of Sharia Compliance, in addition to any employee of the bank.
Stakeholders	Any party with an interest in the bank, such as shareholders, employees, creditors, clients, external suppliers, regulatory authorities, or investment account holders.
The Manual	The Information and Technology Governance and Management Manual, which aims to provide guidance and recommendations.
Information and Technology Governance	The distribution of roles and responsibilities and the definition of relationships between parties and stakeholders such as the Board of Directors and executive management, with the aim of maximizing added value by following an optimal approach that ensures a balance between risks and expected returns, through adopting the necessary rules, principles, and mechanisms for decision-making, defining strategic directions and objectives in the bank, and monitoring and reviewing compliance to ensure continuity and development.
Information and Technology Management	A set of ongoing activities under the responsibility of executive management, including planning to achieve strategic objectives (alignment and organization), development activities (procurement and implementation), operational activities (service delivery and support), and monitoring activities (measurement and evaluation), ensuring sustained achievement of the bank's objectives and strategic direction.
IT Governance Processes	A set of practices and activities derived from institutional policies required to achieve information and technology objectives.
Information and Technology Objectives	A set of main and sub-objectives related to governance and management activities necessary to achieve institutional objectives.
Institutional Objectives	A set of governance and management objectives required to meet stakeholder needs and the objectives of these instructions.
The Auditor	A natural or legal person or entity responsible for examining IT-based bank operations in accordance with relevant instructions, appointed for a period not less than 3 consecutive years and not exceeding
Cybersecurity	The ability of the Bank to safeguard confidentiality and availability of its information and information assets in the cyber realm against any cyber threats, by using a group of methods, policies, instructions and best practices in this regard.
On-Site	The location of the operation is in the Bank's General Administration in Jordan.
Off-Site	Operation is located in a building other than that of the Bank's General Administration in Jordan, yet in the same county.
Near-Site	Operation is located in a country other than that of the Bank's General Administration in Jordan.
Off-Shore	Operation is located in a country other than that of the Bank's General Administration.

Scope of Work

The Information Technology Department is responsible for this manual, and compliance is monitored by all supervisory departments of the bank. This manual is reviewed on a regular basis.

The scope of application of this manual includes all operations of Safwa Islamic Bank that use information technology across all branches and departments. All stakeholders are concerned with implementing these instructions, each within their role and capacity.

Policies and General Provisions:

Responsibilities of Key Stakeholders:

- **Chairman of the Board, Board Members, and External Experts:**
Their responsibilities include monitoring and supervising the governance project/program, approving roles and responsibilities, providing general direction, support, and the necessary funding.

- **General Manager and Senior Management:**
Their responsibilities include appointing qualified personnel to represent them in the project and defining their roles and responsibilities.

- **Information Technology Department and Project Management Office:**
Their responsibilities include managing the project/program.

- **Internal and Sharia Audit Department:**
Carries out its responsibilities in accordance with the Information and Technology Governance instructions and participates in the project/program as an independent advisor and observer to facilitate its successful completion.

- **Risk Management, Information Security, Compliance, and Legal Departments:**
Their responsibilities include participating in the project/program in line with their respective roles.

- **Specialists and Certified Professionals (COBIT 2019 Foundation / COBIT Design):**
Appointed from within and outside the bank, their responsibilities include acting as guides to transfer knowledge and facilitate implementation.

- The Board of Directors of Safwa Islamic Bank is responsible for overseeing the implementation of the five governance processes, which include organization, evaluation, direction, and monitoring, in addition to the process “Ensure Risk Optimization (EDM03)” and “Manage Risk (APO12)”, in line with governance instructions issued by the Central Bank of Jordan.

Objectives of Information and Technology Governance and Management:

The Information and Technology Governance Committee adopts a set of objectives at both the bank and IT levels in accordance with the COBIT 2019 framework. These objectives are reviewed and selected based on stakeholder needs. The IT Steering Committee is primarily responsible for ensuring compliance with these requirements, while the IT Governance Committee emanating from the Board and the Board itself bears ultimate responsibility.

All bank departments, particularly the IT Department, Information Security Management, and Project Management, must define and redesign their processes to align with and cover all IT governance requirements.

Safwa Islamic Bank has adopted cascading objectives within COBIT 2019 to translate stakeholder needs into specific, actionable objectives, including IT-related objectives and enabling components. This enables setting clear objectives across all levels and departments to support overall goals and stakeholder requirements. The Board and Risk Management Department are directly responsible for the processes “Ensure Risk Optimization (EDM03)” and “Manage Risk (APO12)”.

The objectives include:

a. Meeting stakeholder needs and achieving the bank’s objectives through governance by:

- Facilitating value creation through electronic services aligned with governance instructions, ensuring proper risk handling and optimal resource use.
- Providing assurance of information quality to support decision-making.
- Providing the infrastructure required for electronic services.
- Ensuring continuous development of bank operations through automation and effective systems.
- Managing IT risks to protect the bank’s assets.
- Building an electronic system compliant with laws and regulations.
- Improving the reliability of the internal control environment.
- Enhancing IT user satisfaction efficiently and effectively.

- Managing services provided by vendors or partners (Outsourcing) who deliver services/products to the bank or carry out operations, services, and products on its behalf.

b. The use of COBIT 2019 is considered the reference standard for designing all electronic systems and effective, successful solutions that achieve the bank's objectives and those of all stakeholders.

c. Separation between governance and management in line with internationally recognized standards for the governance and management of information and related technology, whereby the Board's roles, responsibilities, and processes in governance are separated from those falling under executive management in relation to information and related technology, in accordance with recognized international standards.

d. Achieving comprehensiveness in the governance and management of information and related technology, not limited to technology itself but also including the seven enablers as per COBIT 2019.

e. Establishing and organizing practices and working rules in accordance with international best practices in the areas of IT governance and IT projects and resources.

f. Strengthening self-control mechanisms, independent oversight, and compliance review in the areas of governance and management of information and related technology, contributing to the continuous development and improvement of work.

g. COBIT objectives and the seven enablers related to activities in areas such as cybersecurity, risk management, data privacy and protection, compliance, monitoring, auditing, and strategic alignment are considered Areas of Focus of high importance and priority.

h. The maturity level (Level Capability) of activities related to the objectives set out in the COBIT 2019 framework and their associated enablers must be directly aligned with their level of importance and priority, based on the results of the study conducted by the IT Governance Committee emanating from the Board. The maturity level for high-priority objectives must not be less than level (3) (achieved fully) according to the maturity scale defined in COBIT 2019. No more than 9 objectives, out of a total of 35 senior management objectives, may be classified as lower priority based on the results of the governance and management assessment approved by the IT Governance Committee emanating from the Board.

Internal and Sharia Audit Department and External Auditor:

a. The Board of Directors, represented by the Audit Committee, is responsible for allocating adequate budgets and providing the necessary tools, including qualified human resources through specialized IT audit units. It also ensures that IT auditing within the Internal and Sharia Audit Department and by the external auditor is capable of reviewing and auditing the utilization and management of IT resources and projects, as well as IT-based bank operations, through specialized technical audits (IT Audit) as detailed below, carried out by professionally qualified and internationally certified personnel holding valid certifications such as (CISA) from internationally recognized bodies accredited under ISO/IEC 17024 standards and/or equivalent standards.

b. The Internal and Sharia Audit Department provides the Audit Committee and the IT Governance Committee emanating from the Board with an annual report, and the external auditor also submits an annual report to the IT Governance Committee emanating from the Board. These reports include executive management's responses, in accordance with item (D/2) below and the template specified in the Information and Technology Governance instructions issued by the Central Bank of Jordan, during the first quarter of each year. The IT Governance Committee then approves the report and submits it to the Central Bank of Jordan (in coordination with the relevant bank departments) within the timelines specified in the instructions.

c. The responsibilities, authorities, and scope of IT audit are included within the Internal and Sharia Audit Charter approved by the Audit Committee and the Board of Directors. The charter is circulated within the bank and reviewed periodically (at least annually), with the results and proposed amendments presented to senior executive management. Final approval of updates is carried out by the Board/Audit Committee. For the external auditor, responsibilities, authorities, and scope are defined within agreed procedures that comply with relevant governance instructions and regulations.

d. The Internal and Sharia Audit Department and the external auditor must adhere to the following when conducting specialized IT audits:

1. IT Audit Standards in accordance with the latest version of the International Standard (ITAF – Information Technology Assurance Framework) issued by ISACA, including:

- Conducting audit assignments based on an approved plan that considers materiality, risk level, and impact on the bank's objectives and interests.
- Commitment to continuous training and development plans for specialized staff.
- Adherence to professional and organizational independence standards and ensuring no conflict of interest.
- Adherence to objectivity standards, due professional care, and maintaining a high level of professional competence, including knowledge of IT-based banking operations and related audit reports (financial, operational, and legal), and the ability to provide appropriate evidence and identify unacceptable practices or violations of laws and regulations.

2. Reviewing and examining IT resource management and IT-based operations and providing an overall opinion on the level of

IT-related risks within an audit program that at minimum covers the areas specified in the Central Bank of Jordan's governance instructions. Audit frequency should align with governance requirements and the Internal and Sharia Audit Department's approved annual plan, with audit reports submitted to the Central Bank (in coordination with relevant departments), including agreed corrective actions and timelines.

3. Implementing regular follow-up procedures to ensure that audit findings are addressed within specified timelines, and escalating risk levels progressively in cases of non-compliance, with the Board (through the Audit Committee) informed as necessary.
4. Incorporating annual performance evaluation mechanisms for IT audit staff based on objective criteria that consider all of the above.

e. IT auditors within the Internal and Sharia Audit Department and the external auditor must comply with the bank's approved professional ethics framework, at a minimum including ITAF ethical standards issued by ISACA. Audit reports are approved by the IT Governance Committee and presented to the Board.

Risk, Compliance, and Legal Affairs:

One of the key roles related to risk is participation in the governance of information and related technology, in line with the responsibilities of the Risk Management Department, ensuring the existence of a comprehensive IT risk management framework aligned with the bank's overall risk management framework. The Legal Department provides legal advice and guidance on matters referred to it, including legal protection considerations. The Compliance Department ensures that the bank's activities remain compliant with all relevant regulations (whether issued by Jordanian or international regulatory bodies) and ensures adherence to those requirements.

References:

1. This manual is based on Central Bank of Jordan instructions No. (65/2016) and Circular No. (984/6/10) dated 21/1/2019, in addition to the COBIT 2019 framework. It must be reviewed and updated regularly by the IT Governance Committee emanating from the Board or upon issuance of new instructions by the Central Bank of Jordan.
2. The bank will publish this manual on its website and through appropriate channels to inform the public. The bank will also disclose in its annual report the existence of this manual and the extent of compliance with it.

Committees:

Safwa Islamic Bank has established the following committees:

- IT Governance Committee emanating from the Board of Directors.
- IT Steering Committee.
- Cybersecurity Steering Committee.

The Board of Directors has approved the bank's overall organizational structure and the specific structures related to IT resources and projects, risk management, information security, and cybersecurity to meet operational requirements and ensure efficiency and effectiveness.

IT Governance Committee Emanating from the Board – Board of Directors:

1. In accordance with Central Bank of Jordan instructions, the bank has established an IT Governance Committee composed of five members selected for their expertise and strategic knowledge in IT.
2. The committee meets at least quarterly and maintains documented records of its meetings. Its responsibilities include:

a. Approving IT strategic objectives and organizational structures, including executive-level committees, particularly the IT Steering Committee, to ensure alignment with the bank's strategic objectives and maximize value from IT investments. This includes using monitoring tools such as IT Balanced Scorecards and calculating Return on Investment (ROI) and measuring impact on financial and operational efficiency.

b. Approving a comprehensive framework for managing, controlling, and monitoring IT resources and projects that reflects internationally accepted best practices, particularly (COBIT), in a manner that aligns with and fulfills the objectives and requirements of the Information and Technology Governance and Management Instructions No. (65/2016), through the sustainable achievement of institutional objectives and the realization of the information and related technology objectives matrix.

c. Approving the matrix of institutional objectives and IT objectives as a minimum requirement and defining the necessary sub-objectives.

d. Approving a responsibilities matrix (RACI Chart) for the main IT governance processes and their sub-processes, identifying the entity, entities, individual, or parties that are primarily responsible, those ultimately accountable (Accountable), those to be consulted, and those to be informed (Informed) for all processes, guided by the COBIT 2019 Process Enablers.

e. Ensuring the existence of a comprehensive IT risk management framework aligned with the bank's overall risk framework.

f. Approving IT resource and project budgets in line with strategic objectives.

g. General oversight and review of the progress of IT operations, resources, and projects to ensure their adequacy and their effective contribution to meeting the bank's requirements and activities.

h. Reviewing IT audit reports and taking necessary corrective actions.

i. Recommending corrective measures to the Board.

j. Submitting periodic reports to the Board.

k. Approving the importance and prioritization of objectives (Objectives Management and Governance), and the extent of their alignment with enterprise goals (Goals Alignment), as well as their linkage to the other seven enablers (Components or Enablers) set out in the instructions, based on a qualitative and/or quantitative study prepared for this purpose at least annually, taking into account the design factors outlined in the COBIT 2019 Design Guide.

IT Steering Committee:

The bank has established an IT Steering Committee composed of members of senior executive management to ensure the strategic alignment of information technology and the achievement of the bank's strategic objectives in a sustainable manner. The committee is chaired by the General Manager and includes senior executive members, including the Head of Information Technology, Head of Risk Management, Senior Manager of Cybersecurity, Business Continuity and Anti-Fraud, Head of Finance and Corporate Strategy, Head of Retail Banking, Head of Central Operations and Business Transformation, and Senior Manager / Head of Non-Core Applications Support (IT). A member of the Board of Directors has been appointed as an observer on this committee, along with the Head of Internal and Sharia Audit. Other parties may be invited to attend meetings, when necessary, as specified in the committee's Terms of Reference (TOR). The committee documents its meetings and meets periodically at least once every three months. The committee's responsibilities include:

1. Reviewing and recommending approval of annual plans necessary to achieve the strategic objectives approved by the Board, overseeing their implementation, and continuously monitoring internal and external factors affecting them.
2. Linking the matrix of institutional objectives with the matrix of information and technology objectives, approving and continuously reviewing them to ensure the achievement of the bank's strategic objectives and regulatory requirements, including defining measurement criteria and assigning responsible executive management to monitor them on an ongoing basis and report to the committee.
3. Recommending the allocation of financial and non-financial resources required to achieve IT governance objectives and processes, ensuring the use of qualified human resources in appropriate roles within organizational structures that support objectives while maintaining segregation of duties and avoiding conflicts of interest, and aligning IT infrastructure and related services accordingly, while overseeing the implementation of IT governance projects and processes.
4. Prioritizing IT projects and programs.
5. Monitoring the level of technical and technological services and working to continuously improve their efficiency.
6. Submitting recommendations to the IT Governance Committee regarding the following:

•Allocation of resources and mechanisms necessary to achieve the committee's responsibilities.

• Any deviations that may negatively impact the achievement of strategic objectives.

• Any unacceptable risks related to information technology, information security, and cybersecurity.

• Performance and compliance reports related to the overall framework for managing and controlling IT resources and projects.

7. Providing the IT Governance Committee with minutes of meetings on an ongoing basis and obtaining acknowledgment of review.

Cybersecurity Steering Committee:

The bank has established a Cybersecurity Steering Committee composed of senior executive management members to ensure the strategic alignment of information security and the achievement of the bank's strategic objectives in a sustainable manner. The committee is chaired by the General Manager and includes senior executives such as the Senior Manager of Cybersecurity, Business Continuity and Anti-Fraud, Head of Risk Management, Head of Information Technology, Head of Compliance, Head of Retail Banking, and Head of Central Operations and Business Transformation. The Head of Internal and Sharia Audit participates as an observer. Additional participants may be invited as needed in accordance with the Terms of Reference (TOR). The committee documents its meetings and meets at least once every three months. The committee's responsibilities include:

1. Reviewing and providing the Board Risk Committee with periodic updates on cyber risks and cyber risk appetite.
2. Reviewing cybersecurity programs, strategies, and policies and ensuring their alignment with business objectives.
3. Reviewing cyber risk management processes, key risk indicators (KRI), and key performance indicators (KPI) related to the cybersecurity program.

4. Reviewing cyber resilience capabilities and the bank's cybersecurity posture (risk assessments and resilience reports).
5. Ensuring the availability of resources necessary to implement cybersecurity programs.
6. Reviewing cybersecurity awareness programs.
7. Monitoring developments in cyber threats and risks and supporting related initiatives.
8. Approving, supervising, and monitoring the implementation of projects related to information security and cybersecurity and providing related recommendations.
9. Approving and reviewing the annual cybersecurity plan and strategy.
10. Ensuring alignment of information security with the bank's strategic objectives.
11. Reviewing cybersecurity-related incidents.
12. Approving the formation of incident response teams and defining their responsibilities and authorities.
13. Recommending approval of information security and cybersecurity policies and their amendments.
14. Recommending approval of exceptions to information security and cybersecurity policies.
15. Reviewing periodic reports on vulnerability assessments and penetration testing results.

Seven Enablers of the Governance System Components System:

The seven enablers of the governance system are:

1. Processes and objectives.
2. Organizational structures.
3. Principles, policies, and frameworks.
4. Information and reporting.
5. Values, ethics, and behavior.
6. Knowledge, skills, competencies, and capabilities.
7. IT services, programs, and infrastructure.

First: IT Governance Processes and Objectives

1. The bank prepares and adopts a RACI matrix for responsibilities and information in line with the objectives and processes outlined in the COBIT 2019 framework, including:

- The entity primarily responsible (Responsible).
- The entity ultimately accountable (Accountable).
- The entity to be consulted (Consulted).
- The entity to be informed (Informed) for all processes, guided by the COBIT 2019 reference framework and approved by the committees referred to in the instructions.

2. The bank provides the means necessary to achieve Alignment Goals and IT governance objectives outlined in the COBIT 2019 framework.
3. The bank establishes a comprehensive IT risk management framework aligned with the bank's overall risk management framework, ensuring it covers all IT governance objectives under COBIT 2019.

Alignment Goals and IT governance objectives defined in COBIT 2019 represent the minimum requirements that senior management must continuously comply with and achieve. The IT Steering Committee is primarily responsible for ensuring compliance, while the Governance Committee and the Board bear ultimate responsibility. All departments, particularly IT, information security, cybersecurity, and project management, must define and redesign their processes to fully align with IT governance requirements.

Second: Organizational Structures

The Board must approve the bank's overall organizational structure, and particularly those related to IT resource management, IT operations and projects, risk management, human resources, information security, and cybersecurity. These structures must meet the objectives and requirements of IT governance processes under the COBIT 2019 framework, ensuring segregation of duties and appropriate organizational controls, as well as updating job descriptions and organizational structures accordingly.

Third: Principles, Policies, and Frameworks

- The Board, or those delegated by its committees, shall approve the system of principles and frameworks required to achieve the overall framework for managing, controlling, and monitoring IT resources and projects, in a manner that meets the requirements of IT governance objectives and processes set out in the COBIT 2019 reference framework.
- The Board, or those delegated by its committees, shall approve the principles, policies, and frameworks—particularly those related to IT risk management, information security, cybersecurity, and human resources management—that meet the objectives and requirements of IT governance processes set out in the COBIT 2019 reference framework.

- The Board, or those delegated by its committees, shall approve the set of policies required to manage IT resources and governance processes as outlined in the COBIT 2019 framework and the IT governance instructions, considering this set of policies as a minimum requirement, with the possibility of consolidating and integrating these policies as required by the nature of the work. Additional governing policies should be developed in line with the bank's evolving objectives and operational mechanisms, and each policy must define its owner, scope of application, responsibilities, and related procedures.
- In developing policies, the contribution of all internal and external stakeholders shall be considered, and international best practices and their updates shall be adopted as a reference. The committee may, when necessary and at the bank's expense, engage external experts in coordination with the Chairman of the Board to address any gaps and strengthen objectivity. The committee may also invite bank management to attend its meetings to provide input, including those involved in internal audit and members of senior executive management (such as the Head of Information Technology), as well as those involved in external audit.

The following outlines the principles of the IT governance framework. IT governance principles are divided into two groups:

Group One: Core and fundamental principles that form the Governance System

Principle 1: Implementing a flexible governance system

- The adopted governance system should be flexible, meaning it is capable of adapting and evolving in response to internal and external changes, developments, and requirements.

Principle 2: Achieving comprehensiveness

- Ensuring comprehensive governance across all aspects of technology and related business processes as outlined in the COBIT 2019 reference framework.

Principle 3: Creating added value for stakeholders

- Added value is achieved by establishing an IT governance framework that clearly defines the roles and responsibilities required of work teams.

Principle 4: Implementing an integrated governance system

- Ensuring the availability of policies and procedures that support the effective use of IT resources in a way that meets the requirements of IT governance objectives and processes as set out in the COBIT 2019 reference framework.

Principle 5: Alignment with the bank's requirements and needs

- The objectives and processes of IT governance defined in the COBIT 2019 framework align with the bank's requirements and needs.

Principle 6: Separation between governance and management

- Governance ensures oversight and supervision, while management is concerned with operational activities.

Group Two: Principles related to the Governance Framework necessary for building the governance system at the bank level, which should be:

- A flexible framework that can be modified and updated.
- Based on a conceptual model, which serves as an analytical tool.
- Built on adopting practices, working rules, and organization in accordance with key standards.

Fourth: Information and Reporting

- The Board and senior executive management are responsible for developing the infrastructure and information systems necessary to provide information and reports to users as a foundation for decision-making processes within the bank. The Board, or those delegated by its committees, shall approve the information and reporting system set out in the COBIT 2019 reference framework, considering it as a minimum requirement. This includes defining owners of such information and reports, through whom access and usage permissions are granted based on business needs and relevant stakeholders. These systems must be continuously reviewed and developed to keep pace with the evolution of the bank's objectives and operations, in line with accepted international best practices.

Fifth: Values, Ethics, and Behavior System

- The Board, or those delegated by its committees, shall approve an institutional professional ethics framework that reflects internationally accepted standards of professional conduct in dealing with information and related technology, clearly defining desired and undesired behaviors and their consequences.
- The Board and senior executive management shall employ various mechanisms to promote the adoption of desired behaviors and avoid undesirable ones through governance practices.

Sixth: Knowledge, Skills, and Expertise

- The Board, or those delegated by its committees, shall approve a competency matrix (HR Competencies) and human resources management policies necessary to meet the requirements of IT governance processes and these instructions in general, ensuring that the right person is placed in the right role.
- Bank management shall recruit qualified and trained personnel with expertise in IT resource management, risk management, information security, and internal and external IT audit, based on recognized academic qualifications, professional certifications, and practical experience accredited by internationally recognized bodies in accordance with ISO/IEC 17024 standards and/or equivalent standards, depending on specialization. Existing staff must also be requalified and trained to meet these requirements.
- Executive management is responsible for continuously providing employees with training and development programs to maintain a level of knowledge and skills that supports IT governance processes.
- Executive management is responsible for incorporating annual performance evaluation mechanisms for staff based on objective measurement criteria that take into account their contribution, through their roles, to achieving the bank's objectives.

Seventh: IT Services, Programs, and Infrastructure

- The Board, or those delegated by its committees, together with senior management, shall approve the system of programs and infrastructure required to support the achievement of the bank's objectives and to reach an acceptable level of governance of information and related technology.