

2021

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ANNUAL REPORT

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48th Board of Directors, Report for the Year Ending December 31, 2021

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His Majesty King Abdullah II Ibn Al Hussein



His Royal Highness Crown Prince Al Hussein Bin Abdullah II

A low-angle, upward-looking photograph of a modern building's facade. The image shows a series of rectangular windows arranged in a grid pattern, creating strong geometric lines and a sense of height. The lighting is bright, suggesting daylight, and the overall color palette is dominated by light blues and greys.

ANNUAL REPORT

48

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**Board of
Directors**

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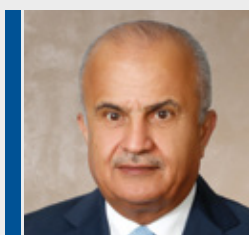
5G Networks

Great efficiency in communication for a comprehensive connection between sectors.

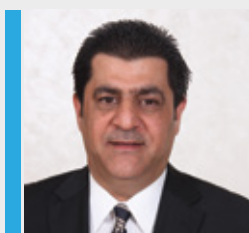
The 5G technology links sectors together, offers communication channels to provide banking services in new areas that were not served by banking, and brings banks closer to their customers than ever before.



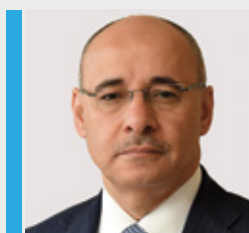
Board of Directors



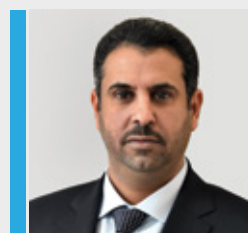
Mr. Abdelalah Mohamad Alkhatib
Chairman - Independent



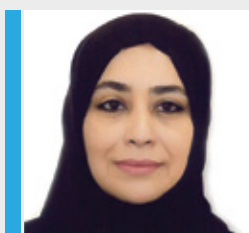
Mr. Yousef Mahmoud Al-Neama
Vice Chairman
Representative of Qatar National Bank



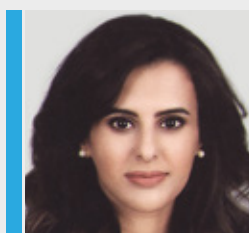
Mr. Ramzi Talat Mari
Representative of Qatar National Bank



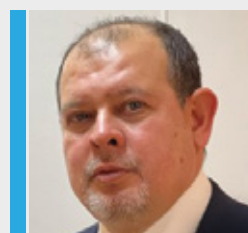
Mr. Khalid Majid Al-Nuaimi
Representative of Qatar National Bank



Mrs. Maryam Mohammed Al-Kuwari
Representative of Qatar National Bank



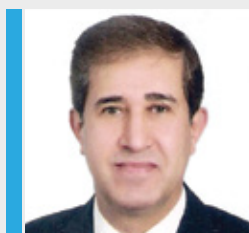
Mrs. Munirah Assad Al Ajeel
Representative of Kuwait Investment Authority



Mr. Akram Khalifa Grew
Representative of Libyan Foreign Bank



Mr. Elhadi Emgahid Abultife
Representative of Libyan Foreign Bank



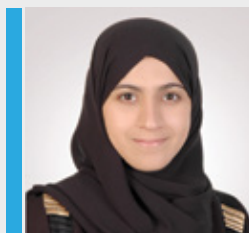
Dr. Hamzeh Ahmad Jaradat
Representative of Social Security Corporation / Jordan



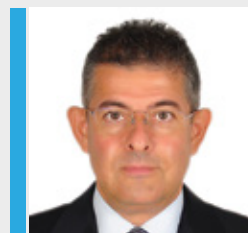
Mr. Fadi Khalid Al Alawneh
Representative of Social Security Corporation / Jordan



Mr. Fawzi Yousef Al-Hunaif
Independent



Mrs. Sheikha Yousuf Al-Farsi
Independent



Mr. Ramzi Tayseer Abdel Jaber
Independent



Letter from the Chairman

Respected Shareholders,

On behalf of the Board of Directors, I am pleased to present to you the 48th Annual Report of the Housing Bank for Trade and Finance Group, which covers the Bank's major achievements during 2021, as well as the Bank's Business Plan for the year 2022.

The year 2021 was uniquely challenging, due to the continued implications of the Corona pandemic outbreak, which impacted economic performance in various parts of the world, and as a result, the national economy is expected to record a limited growth not exceeding 2%, with domestic revenues growing faster due to financial and monetary policies that played a positive role and contributed to the economy's ability to absorb the pandemic's implications in preparation for the recovery phase, during which we anticipate to see higher growth rates.

Dear Shareholders,

Despite the fact that the pandemic continues to affect our markets, The Bank Group has managed to achieve strong operating profits in 2021, thanks to the diversity of our business and our focus on the effective utilization of available resources within our various operational sectors. The pre-tax profits reached JD163.1 million in 2021 compared to JD77.7 million in 2020. The net profit after provisions and taxes reached JD110.1 million compared to JD42.5 million in 2020, with the Bank booking safe provisions for its credit facilities portfolio of more than JD50 million in 2021, in addition to what was booked in the previous years, which confirms the effectiveness of managing assets and liabilities. The Bank was able to strengthen its financial position and record a higher return for shareholders by

adopting a conservative and well-studied methodology. The Bank's assets reached JD8.2 billion at the end of 2021, customer deposits reached JD5.2 billion, and total credit facilities stood at JD4.5 billion.

We look forward to achieve sustainable shareholder equity growth and continue to record strong profits in 2022 and beyond, as we implement an ambitious strategic growth plan, with a focus on environment, CSR, governance principles, and the highest standards of shareholder oversight and disclosure.

In view of the strong financial performance recorded, the Board of Directors has recommended to the General Assembly to distribute cash dividends to shareholders at 20% of the share nominal value for the year 2021.

In conclusion, on behalf of the Board of Directors, I thank the official institutions, especially Central Bank of Jordan and Jordan Securities Commission, for their continuous support and efforts to enable and empower Jordanian banking sector to deal with the challenges it faces.

I would also like to take this opportunity to express my gratitude to our shareholders and valued customers for their trust, which serves as a powerful motive for us to work harder to retain and strengthen that confidence.

I also want to thank my fellow members of the Board of Directors for their continuous efforts to help the Bank grow and prosper, as well as all our employees who have worked tirelessly throughout the year to help the Bank achieve its objectives.

The Bank looks forward to doing more to serve our beloved Jordan and support the progress and prosperity of our national economy under the leadership of His Majesty King Abdullah II ibn Al Hussein, the guardian and builder of modern Jordan, may God preserve and protect him.

May God's blessings be upon you

Abdelelah Alkhatib
Chairman of the Board



Letter from the Chief Executive Officer

It gives me great pleasure to share with you the 48th Annual Report of The Housing Bank for Trade and Finance Group, including the most important achievements accomplished by the Group during 2021. The Group was able to achieve strong results and achievements, despite the continued impact of the Corona pandemic on the Kingdom and the markets in which we operate, with pre-tax profits reaching JD163.1 million compared to JD77.7 million last year. Net profit after provisions and taxes recorded JD110.1 million compared to JD42.5 million achieved last year. The Group's capital adequacy ratio stood at 16.8%, and liquidity reached 131% as of December 31 2021, both above the minimum regulatory requirements of the Central Bank of Jordan and the Basel Committee.

In continuation of the Group's conservative and precautionary policy, we have been able to increase the coverage of non-performing loans to more than 100% for the year 2021, and in parallel, the Group has also increased the coverage of loans classified under (stage 2) to reach 33% of total (stage 2) loans at the end of 2021. We were able to reduce the non-performing loans to 5.1% at the end of 2021, compared to 5.6% in 2020.

We have concluded 2021 in a stronger position than ever before, and will continue to strengthen our financial position and strong performance. I am confident that we can benefit from the expected improvement in economic conditions and continue to achieve the best value for shareholders. As a strategic choice, we will provide the latest electronic and digital applications within the best banking practices in the world, as well as keep pace with the developments in the banking industry and the availability of modern technology in this field, with the aim of digital transformation in the Bank's services and operations and the application of modern technology based on artificial intelligence, which will in turn contribute to maintaining the Bank's leading position and facilitate and

improve procedures to ensure that the best banking solutions are provided to customers wherever they are and in the best possible way.

We will continue to emphasize sustainability in all our operations, with the aim of building common value for our stakeholders, as well as supporting social and humanitarian activities, and environment.

I would like to conclude by thanking the Board of Directors for their continued support, our colleagues and employees for their tireless efforts in achieving the Bank's objectives and aspirations, our customers in the various markets in which we operate, all official institutions, notably the Central Bank of Jordan and the Jordan Securities Commission for their respectable guidance and positive role in the course of economic growth and their concern for the safety of the Jordanian banking sector.

May God empower us towards leading the success and prosperity of our dear institution so that it can continue to serve the national economy, under the leadership of His Majesty King Abdullah II ibn Al Hussein ,may God preserve and protect him.

May God's blessing be upon you

Ammar Al-Safadi
Chief Executive Officer

Analysis of the Financial Performance 2021

| 02 |



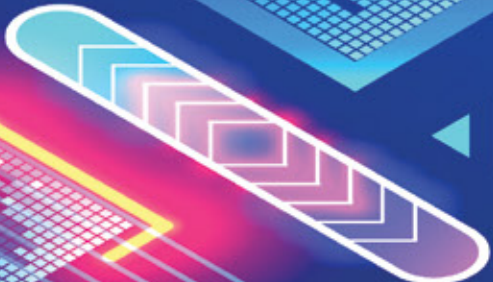
Internet of Things

Smart connection for higher levels of satisfaction and loyalty.

Understanding the needs of the customers is the mainstay for building customized banking services for each of them based on their desires and needs, regardless of their business sectors or lifestyles. The Internet of Things is employed by exploiting connection points to bridge the gap, and innovatively improve the customer experience in the banking world.



بنك الإسكان
Housing Bank



Most Important Financial Indicators

Amounts in JD millions *

Year / Statement	2017	2018	2019	2020	2021
Total Assets	8,145.2	8,300.0	8,439.2	8,306.0	8,245.3
Customer Deposits	5,828.1	5,873.8	5,810.5	5,466.5	5,213.2
Loans and Credit Facilities (Net)	4,212.6	4,255.4	4,158.8	4,107.4	3,946.9
Equity	1,116.2	1,080.1	1,123.8	1,161.9	1,216.8
Profits Before Tax	180.0	132.0	132.2	77.7	163.1
Profits After Tax	125.2	94.5	83.7	42.5	110.1
Cash Dividends Distributed to Shareholders	63.0	47.3	-	37.8	63.0**
Basic Earnings per Share (EPS) for the Year (JOD)	0.387	0.287	0.257	0.116	0.335
Share of Dividends (JOD)	0.200	0.150	-	0.120	0.200**
Share Price at Year's End (JOD)	8.37	8.37	5.48	3.00	3.70

* 1 JOD = 1.4104 USD

** Proposed dividends to be distributed to shareholders for the year 2021 at 20% of the nominal value of the share

Business Results Analysis

Uncertainty dominated the global economic scene in 2021 as a result of the continuing coronavirus pandemic, and the new mutated strains of the COVID-19 virus increased the level of difficulty the Jordanian economy faced, as evidenced by a slowdown in economic growth rates, high levels of public debt, and unemployment.

As a result, the Housing Bank Group dedicated itself to adopting a more adaptive and flexible strategy to face 2021's challenges (e.g., a drop in global interest rates and a decline in non-interest income in the main markets affected by the pandemic, in addition to fierce competition in the business environment); this strategy led to strong financial results that confirm the bank's success in efficiently and competently dealing with difficult circumstances.

The Housing Bank Group achieved net profits after taxes and provisions amounting to JD110.1 million at the end of 2021, as compared to JD42.5 million at the end of 2020, with a growth rate of 159%.

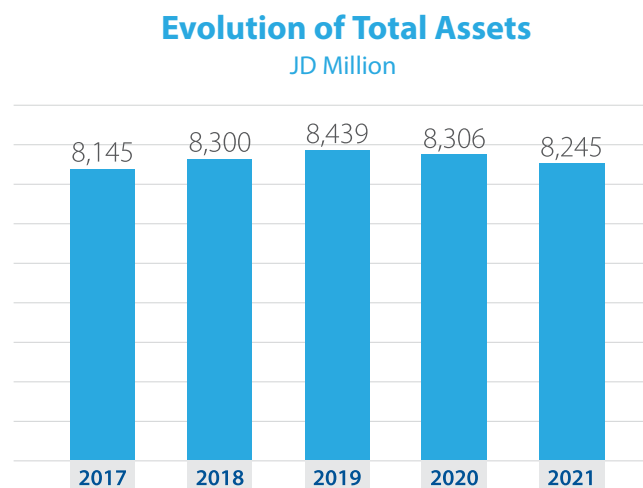
The group was able to record this growth in its profits with the support of the principle operating sectors that successfully diversified sources of income and effectively used their available resources, enabling the group to achieve a total income of JD355.0 million.

The group also continued to follow its conservative policy of building additional reserves for potential credit losses, as a precautionary measure to protect the bank from negative effects on the facilities portfolio; an amount of JD50.1 million was kept as a provision for credit losses in 2021. The group also strengthened the coverage ratio of performing debts classified as Stage 2 and was able to increase the ratio of special provision coverage in Stage 2 to 33% of Stage 2 debts as of year-end 2021.

Financial Position Analysis

The Housing Bank Group's total assets amounted to JD8.2 billion at the end of 2021, compared to JD8.3 billion at the end of 2020, while the bank's market share amounted to 12.2% of the Jordanian banking sector's total assets at the end of 2021.

The chart below shows the development of the bank's total assets during the years 2017–2021:

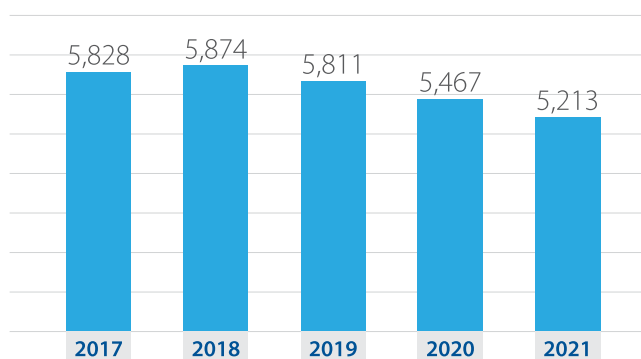


Customer Deposits

Customer deposits at the end of 2021 totaled JD5.2 billion, while the bank's market share of total customer deposits within the Jordanian banking sector amounted to 10.9%.

The chart below shows the development of the bank's customer deposit balances during the years 2017–2021:

Evolution of Total Customer Deposits
JD Million

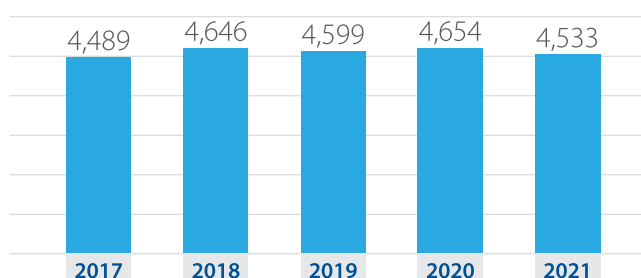


Credit Facilities

The total credit facilities portfolio amounted to JD4.5 billion at the end of 2021, while the bank's market share of total credit facilities within the Jordanian banking sector amounted to 11.5%.

The chart below shows the development of the total credit facilities balances during the years 2017–2021:

Evolution of Total Direct Credit Facilities
JD Million

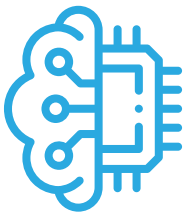


Equity

At the end of 2021, the Housing Bank Group continued to achieve sustainable growth in total shareholders' equity, which increased by 4.7% to reach JD1.2 billion, even though the group increased its provisions for loan losses in 2021, a move reflecting the group's ability to effectively manage risks and enhance the strength and solidity of its financial position and shareholders' equity. In addition, as of year-end 2021, the rate of return on equity had increased to 9.3%.

Liquidity Ratio and Capital Adequacy Ratio

The Housing Bank Group's performance indicators reflect the solidity and soundness of its financial position: the capital adequacy ratio reached 16.8%, and the liquidity ratio reached 131%, both of which are higher than the minimum regulatory requirements of the Central Bank of Jordan and the Basel Committee.



Artificial Intelligence

Smart services for a more innovative banking world.

Banking operations are now implemented based on intelligently analyzed data, which enhances the levels of reliability, accuracy, and speed, raises the levels of customer experience, and allows for the creation of more innovative services and solutions.



Digital Transformation

The bank confirms its commitment to continue to implement a digital futuristic plan that will position it as a leader in the banking sector, and in keeping up with the continuously changing market trends, and it will do so by providing comprehensive and integrated solutions to its customers that provide the best banking experience, as well as making “digital culture” values an essential and integral part of the bank’s system as a whole.

By establishing the frameworks of the roadmap and planning for it, as well as the stages of its implementation in the next years, the bank has adopted a clear vision for its march towards digital transformation. By focusing on consistently improving the client experience and producing services that mimic their goals and demands, the bank has launched a digital transformation plan that involves strengthening customer interaction points, developing internal procedures, building digital capabilities, and investing in a safe, easy-to-use, and highly efficient banking infrastructure that contributes to the unfettered development of the Bank’s operations, reduces the time required to execute new and innovative ideas.

Despite the fact that restrictions were lifted in 2021 due to the current circumstances imposed by the Coronavirus pandemic of closures and social divergence, they continue to cast a shadow over economic activity. It gave the bank a new identity, allowing it to drive growth and profitability, improve operational performance, and allocate capital more efficiently. It also laid the groundwork for the bank’s digital transformation plan, which it will implement to ensure the bank’s business continuity and growth, as well as achieve its long-term goals.

Retail Banking

Given the fact that the local banking sector remains impacted by the Coronavirus pandemic, the bank has continued to focus on improving the quality of its services and products, adding innovative value to its customers, and diversifying its delivery channels, enhancing its leading position in the market and well-established reputation for innovation, progression, and development, making it the first and preferred customer choice.

Branching and Diffusion of Internal Banking

In line with the bank’s objective of being closer to customers and meeting their needs and aspirations, the bank opened a branch in the Shafa Badran area in the capital city of Amman in 2021, in addition to its network of 109 branches and 6 offices spread across the Kingdom.

The network of local branches is backed up by the Kingdom’s largest and most extensive network of ATMs, which now totals 214 machines and was reinforced by the addition of 8 new ATMs throughout the year. It’s worth noting that the bank has 5 mobile ATM machines, demonstrating its capacity to respond rapidly to the changing consumer needs and commitment to meeting them even in the most difficult conditions.



In addition, the bank supported interactive ATMs by operating an ITM interactive ATM at the Um Uthainah branch during the year. Many bank transactions are completed through branches using interactive ATMs, which provide voice and image communication with an existing customer service employee through the "Iskan 24/7" service center (opening sub-accounts, withdrawing and depositing cash in large amounts up to JD10,000 for withdrawal, JD19,999 for cash deposit, issuing statements of accounts immediately, issuing and renewing the direct payment card, depositing cheques withdrawn to the bank and other banks).

Rewards and Prizes Programs

In order to provide its customers with the most innovative services and products, the bank has developed a number of incentive programs that allow them to participate in various draws aimed at rewarding them for their trust, long-term loyalty, and choice of bank as their preferred choice. The bank launched a number of innovative rewards programs on existing and new products in 2021, including:

Salary Transfer for New Clients

In order to increase the number of new customers who benefit from the bank's rewards programs, the bank launched a prize campaign in 2021 for new salary account owners entitled "If your bank is not housing, think again", by participating in monthly draws for a monthly salary of JD500 over the course of five months. The promotion featured all new salary accounts with a balance of JD500 or more that were transferred to the bank during the campaign time, allowing the new accounts to be included into monthly draws for a chance to win a reward which totals JD2,500.

The advertisement features a man with a beard and short brown hair, wearing a light blue button-down shirt, smiling and pointing directly at the viewer. He is positioned behind a large, leafy green tree. The background is a clear blue sky with a bright sun visible in the upper right corner. On the left side of the image, there is a blue rectangular box containing white text. Above this box, the text "If your bank isn't Housing Bank" is written in a bold, dark blue font. Inside the blue box, the words "Think Again" are written in a large, white, sans-serif font. Below the blue box, the text "Transfer your Salary and get the chance to win 500 JDs in cash per month for 5 months!" is written in a bold, dark grey font.

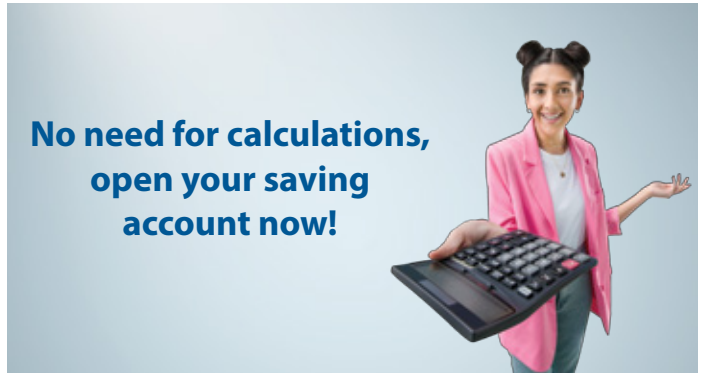
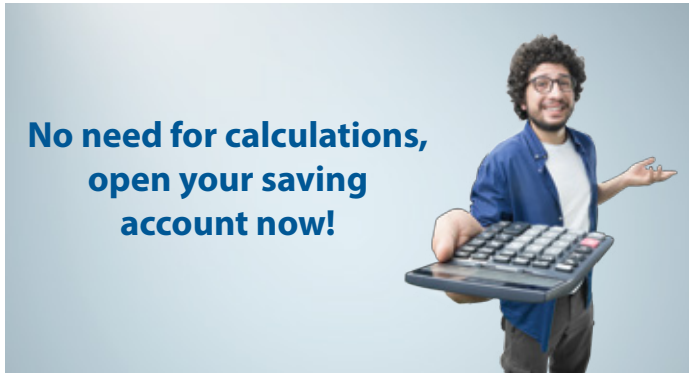
If your bank isn't Housing Bank

Think Again

Transfer your Salary and get the chance to win 500 JDs in cash per month for 5 months!

Savings Account

The Bank initiated its yearly savings account promotion campaign in 2021 with the goal of encouraging clients to participate in reward programs that encourage them to save and expand their current account balances. Customers with savings accounts are eligible to win prizes worth at least JD100 as part of the promotion. The following are the different categories in which you can enter the savings account rewards draw: there will be five daily rewards of JD999 each, five monthly prizes of JD9,999 each, two semiannual prizes of JD99,999 each, and two end-of-year awards of JD99,999 each.



Personal, Housing, and Auto Loans

The bank launched a new rewards program on Personal, Housing, and Auto loan products in 2021, with the theme "Your Loan also Wins You Cash," which is the first of its kind in Jordanian banking. Existing bank customers who renew their loans, as well as new customers who acquire new loans during the campaign period, are eligible to enter a draw for a prize pool of many and valuable prizes. Sales have exceeded expectations as a result of the promotion.



Iskan Mobile

Iskan Mobile provides bank customers with a premium banking experience with an intuitive and flexible user interface that allows them to access a variety of specialized financial services. The bank is always adding new features to the app to make it easier for users to conduct financial transactions. The number of clients using the app grew significantly in 2021 compared to the previous year, as well as the number of transactions completed using the app.

Iskan Cards

The bank's cards are designed to satisfy the needs of clients by providing the best level of service and quality, as well as the highest levels of safety and security. During 2021, the bank replaced current direct payment cards with contactless cards with a distinctive modern design, bearing the image of the new bank building. The bank also launched a campaign to encourage customers to issue and receive visa contactless direct payment cards, which lasted nearly three months, and awarded daily prizes of JD250 to five winners who met the campaign's terms.



This action is part of the bank's goal to keep up with digital technology and develop digital payment solutions, as well as the bank's ongoing efforts to provide innovative services and products that reflect and match the demands of its clients. It allowed them to keep track of their financial transactions with ease, speed, and security.

Users can make payments for their purchases as soon as the card is passed through POS machines that support NFC, and purchases are deducted instantly from the card without the need for customers to input a PIN code and within their pre-determined limitations. This is widely known as contactless payments.

Quality of Service and Customer Care

Throughout the year, the bank continues to develop its lines of communication with its clients by conducting regular studies to assess consumer satisfaction with the services it provides. These surveys revealed that client satisfaction with the services offered to them has been steadily increasing. These studies also enabled the bank to respond to consumer recommendations and aspirations, as well as address their complaints and follow up until their complaints were resolved and their enquiries were addressed. The following studies were conducted:

- The mystery shopper study in Jordan's branches was conducted in two phases, with the results showing an improvement in the overall performance of the second phase compared to the first, with Jordan branches receiving an overall performance score of 83.3% in the second phase compared to 76.6% in the first. A 6.7 percentage point increase.
- The mystery shopper survey of the telephone service center, Iskan 24/7, was conducted in two phases, with the results showing that the telephone service center Iskan 24/7 obtained an overall performance score of 84.1% in the second phase, compared to 83.5% in the first phase. An increase and improvement of 0.6 percentage points in the overall performance.
- The Customer Satisfaction Research included a sample of diverse groups of the bank's customers and revealed the results of the bank's customer satisfaction study of 8.3, keeping in mind that according to IPSOS studies, the customer satisfaction rate in the local banking industry was 8.1.
- The survey determined the degree of excellence in service and customer satisfaction, and the bank received an 81.5% score.

Corporate Banking

Despite the Coronavirus pandemic's persistent impact on the various economic sectors and its influence on the economic activity, the bank had great performance in 2021, generating more business and new customers. As a result, the bank was able to maintain its leading role in providing financial services in the Jordanian banking sector. By continuing to provide a wide range of integrated services and advanced banking products to meet the needs of companies and institutions of all kinds and activities, the bank was able to strengthen long-term relationships with existing customers while also establishing new banking relationships with new corporate customers.

With an impressive market share of corporate clients, large institutions, public sector enterprises, and government entities, the bank is one of the largest corporate banking providers in the Kingdom, with substantial and extended experience in financing large projects. It facilitated a number of key projects in the domains of energy, renewable energy, and telecommunications in 2021, as well as infrastructure and service projects.

The bank maintained its precautionary approach of increasing provisions against the debts of a group of clients in the economic sectors affected by the Coronavirus pandemic which resulted in raising coverage ratios. In addition, follow-up and settlement activities for non-performing debts were increased, resulting in a decrease in non-performing debt ratio.

A new version of the Iskan Online service for corporate clients was launched as part of the bank's ongoing efforts to strengthen electronic services for corporate customers and the digital transformation of the bank's services and operations. The service was revamped, with several additional features that allowed corporate customers to track their business in real time and check the details of their accounts' transactions.

The bank also installed a number of cash deposit machines during the year, allowing corporate banking customers to make direct deposits into their accounts without having to visit a branch.

To support enterprises of all kinds (large, medium, and small), the bank signed a new deal worth 100 million euros with the European Investment Bank to support small, medium, and large enterprises, particularly those whose sectors were badly affected by the Coronavirus pandemic. This segment can now get the funding it needs to operate in a variety of economic areas. In the same line, a 50-million-dollar agreement was reached with the European Bank for reconstruction and development to increase its contribution to small and medium-sized enterprises funding (SMEs). The bank has continued to actively participate in providing funding to clients in this segment through existing programs dedicated to it, believing in the importance of this sector in sustaining the national economy. The most important of these is the National Program to face the Coronavirus crisis, which was developed in collaboration with Central Bank of Jordan (CBJ).



Treasury and Investment

The bank has demonstrated exceptional efficiency in coping with uncertainty and geopolitical concerns, as well as great flexibility in maintaining high liquidity and profitability levels. Despite the slow pace of economic recovery, the bank was able to perform well in treasury and investment within acceptable risk levels in 2021, allowing it to maintain its leadership position and sustain its profits growth.

The bank has strengthened its existing banking ties while also adding new ones, resulting in a greater variety of revenue streams. It has also continued to execute various strategies in order to develop and diversify its sources of funding so as to keep financing costs low while ensuring effective liquidity risk management.

The bank continued to provide a competitive range of products to customers, including foreign currencies and precious metals services via spot cash account and margin trading, in addition to FX forward contracts services, currency swaps contract trading services and other treasury-and-investment-related services, as well as a full range of investment and advisory services to meet the needs of both individual and corporate customers.

Customers can trade in global stock and bond markets electronically using the internet, which improves the quality and level of service provided to them.

Financial Institutions

Housing Bank is a leading regional bank committed to delivering best-in-class banking services to clients in various fields like trade finance, treasury, and cash management.

During 2021, the bank strengthened its long-standing banking relationships by constantly communicating with its partners through all available channels and expanded its network to reach over 500 regional and global financial institutions spread over 70 countries to ensure the fulfilment of the evolving needs of its clients.

Housing Bank continued to closely monitor correspondent banks limits and the countries they operate in by periodically reviewing their financial and credit standing and following up on any developments to eliminate credit and operational risks that might arise from dealing with them.

The bank increased its income generated from transaction banking activities, which evidenced the bank's ability to meet its growing business requirements and to provide stellar banking services.

International Branches and Subsidiaries

The bank has; as of the end of 2021, an international network of 16 foreign branches (15 branches in Palestine and one in Bahrain), and 39 subsidiaries banks branches (in Algeria, Syria, and the United Kingdom), in addition to two subsidiaries in Jordan (the Specialized Financial Leasing company and the International Financial Centre company), and representative offices in Abu Dhabi, Iraq, and Libya.

These branches and banks offer a wide range of banking services and solutions to retail and corporate sectors, as well as treasury and investment services.

As a result of this geographic expansion, the Bank's customer base has continued to grow despite the difficult circumstances in the region, particularly in light of the Coronavirus pandemic's ongoing effects.

This was shown in the International Branches and Subsidiaries overall performance, where these branches and subsidiary banks were able to achieve good results in 2021 which were above expectations and indicated an improvement in performance and growth rates at different levels, whether in terms of profits, facilities, or deposits.

Human Resources

The bank is committed to invest in its human capital, recognizing that it is critical to attain success, accomplishments, and growth at all levels. The spread of the coronavirus pandemic has shown that the bank has a dedicated, diligent, and devoted workforce in every sense of the term, as well as providing a great lesson on how to adjust to work remotely and face new business obstacles.

The bank recognizes the importance of continuing to support its employees in difficult situations like the current one, as the bank's precautionary measures are very effective in protecting employees in all workplaces from Coronavirus, and the Bank continues to support its employees in a way that allows them to continue working safely and easily.

The bank has continued to establish many initiatives, such as the Alpha Award, Outstanding Branch and Customer Service Excellence, as well as honoring employees who have spent 15 years at the bank and employees who have completed their master's degrees or professional certificates at the bank's expense, in order to motivate its employees and encourage creativity, innovation, performance development, and further efforts to honor outstanding performance.



Employment

The bank is one of the most important and largest local institutions in terms of job opportunities, and it aspires to be at the forefront of establishments attracting qualified talent and competencies in the local market by improving recruitment efficiency and employing the best graduates and distinguished experienced talents.

To keep these cadres in place and improve their ability to advance in their fields of work, recruitment is done on a regular basis. Furthermore, providing internal staff with transfer and promotion chances, as well as selecting distinguished and competent personnel through the use of transparent and professional competition foundations. In addition, establishing the bank's reputation as a favored place for local young graduates and experienced employers of choice. Job seekers are introduced to bank advantages, goods, services, and openings through the bank's online career portal, open employment days, and job fairs. The bank attended a job fair hosted by Spark (Akhtaboot) at the Landmark Hotel in 2021.

The bank also has a strong presence on well-known and well-recognized recruitment sites like LinkedIn and Gulf Talent.

Training and Development

Training is an essential and vital element for preparing and qualifying employees, as well as boosting and enhancing their performance levels, allowing them to complete the tasks allocated to them. The bank seeks to develop training opportunities in various areas of banking, finance, investment, and administrative work. The virtual branch (Iskan Universe) was launched in 2021, and courses for branch functions and all accessible banking systems were installed within the branch. In addition, personnels in the Talent and Succession program are being trained in order to prepare and develop a group of "chosen" individuals for future leadership and sensitive positions. In addition, the bank is working with significant worldwide organizations such as CWI, KPMG, Euromoney, and Udemy to carry out a number of specialist technical courses. The training courses were implemented online and face-to-face in response to the developments of the Coronavirus pandemic crisis.

Throughout the year, the bank promoted a culture of learning by continuing to send a number of employees to obtain academic certificates and professional degrees at the most prominent institutes, universities, and local and international training centers in accordance with the bank's foundations. It also hosted digital transformation training courses and awareness seminars, as well as a discussion of the bank's future plans in this area.

The most important courses held during the year are included at the end of this report, together with the number of participants.

Compliance

The Bank continues to aim to comply with the instructions and guidance issued by the local and international regulatory authorities and the leading banking practices in regulatory compliance, anti-money laundering, and combating terrorist financing (AML/CTF), and sanctions compliance. The bank also endeavors to develop mechanisms that enable it to verify compliance, and are implemented by the Compliance Department, which has authority, independence, and resources.

The bank has established a clear and effective process in compliance, AML/CTF, and sanctions compliance by conducting a comprehensive assessment of the money laundering and terrorist financing risks to which it is exposed. The evaluation is done by identifying, understanding, and evaluating the risks of money laundering and terrorist financing of customers, countries, geographical locations, products, services, and delivery channels through a methodology approved by the BOD. In addition, the Compliance Department team is studying the alerts extracted from the transaction monitoring system and updating the listed names on the global sanction lists through the updated restrictive measures imposed by the regulatory bodies. In addition, HBTF exerts sanction due diligence on the correspondent banks by identifying and revising the correspondent banks' files and verifying that their policies and procedures are adequate to AML/CTF.

As part of HBTF's keenness to automate its banking operations to reduce the risks that may be exposed, the Trade Compliance Inquiry system (TCI) was implemented during the year 2021. TCI system aims to expedite inquiries on global sanctions lists with more reasonable quality and time management concerning the international trade payments to verify and ensure within these processes that there are no parties listed on the global sanction lists.

HBTF publicizes a culture of compliance at all levels emphasizing the importance of complying with regulations/instructions issued by local and international regulators. All employees are obligated to attend conferences and training, whether face-to-face or remotely, using the Learning Management System platform in the areas of compliance, AML/CTF, sanctions compliance, and FATCA. In addition, HBTF dedicates awareness circulars aiming to broadcast these awareness circulars to all HBTF employees.

The bank also pays a significant priority to deal with customer complaints through the presence of the independent Complaints Unit that studies, analyzes, and handles customer complaints. In addition, there is a qualified and trained staff according to the bank's policies and procedures and the Central Bank of Jordan regulations.

Risk Management

The bank is committed to implement the best risk management practices, which ensure risks identification, analysis, and anticipation in order to manage them in a way that mitigates their effects and keeps them within acceptable risk levels, allowing the bank to meet challenges more efficiently and effectively and achieve the optimal risk volume and return balance. The risk management is a full-fledged independent function that reports directly on a solid line basis to the Board Risk Committee and reports on a dotted line basis to the CEO. The bank has a risk management framework that aims to develop a comprehensive concept of risk management efficiently and effectively at all levels of activities and processes, as well as to assist in achieving an appropriate oversight environment and making the best decisions possible, while taking into account the extent of the surrounding and potential risks to which the bank may be exposed. It also includes actions, tools, processes, and a governance structure that assures a clear understanding of all types of risks that the bank's business and operations may encounter which was determined in the approved enterprise risk profile, as well as the development of appropriate measures to address them.

The bank has continued to develop and improve the tools and methods it uses in risk management, including (development of regulatory reports, build a concentration ceilings at the economic sector level, upgrading of internal risk assessment systems for Moody's CreditLens, individuals and small businesses (credit scoring system), as well as the use of preferred capital management strategies and tools such as risk-based pricing methodology and risk-adjusted return on capital (RAROC) methodology.

Through a business continuity policy and plans approved by the Board of Directors, the bank is committed to ensure that the availability and continuity of its business is maintained, and that all banking services are provided and continued at the highest possible level during and after business interruptions. Business continuity plans guarantee that bank employees understand their duties and responsibilities in the case of an operational incidents, and that they respond appropriately using agreed-upon protocols and practices.

Since the bank works in an environment with many constantly evolving cyber threats, cybersecurity risk management is a critical component of its risk management process, and it is continually investing in the development of its technical and human skills to manage such risks. When applying/updating all existing and new systems, as well as when making the necessary changes and upgrades, cybersecurity concerns are considered.

Workshops were held throughout the year to raise awareness of operational risks, anti-fraud and information security, and raise awareness about security policies and procedures through awareness messages sent to bank employees and customers via various means of communication and social media platforms, as well as to educate bank employees regarding security policies and procedures through the conduct of phishing campaigns.

More information and details on the bank's risk management can be found in Clarification No. 47 in the financial statements in this report.

Information Technology

In light of the Coronavirus pandemic and the effects that it imposed on society and the nature of life as a whole, the IT Department played a major role in enabling the bank to conduct its normal operations and provide services to its customers with high efficiency and quality, by utilizing IT resources, solutions, and also creating services required to support HBTF's working force.

In line with the bank's digital transformation strategy that aims to enable the bank to move from product-centric to a customer-centric; the Information Technology Department has sought to provide the best digital banking experience to customers through the provisioning of latest technology implementations that would provide an easy, accessible, and secure customer experience. By leveraging the latest technology provided capabilities (data analytics, artificial intelligence, robotics, APIs, etc.) enabling the bank to provide complete digital services in a simple and secure way that meets the next generation's needs, in addition to updating and enhancing the supporting infrastructure and call center systems, as well as incorporating the instant electronic payment service (CliQ) into all of its services as the first bank in Jordan to fully provide this service to its customers.

In addition to the above, the IT Department always keeps updating its infrastructure to the most up-to-technologies in order to improve service efficiency, resilience, and availability.

As part of HBTF strategic direction to set up a state-of-the-art world class Tier-III data center, the bank launched its new Data Center project, which is planned to be completed in 2022. Additionally, the bank kicked off its new Data Analytics Platform project, aiming to move the bank to a data-driven organization by optimizing data usage across all the bank's activities and improving decision-making quality, and offer smarter services and products to its customer. The project is expected to be completed by the end of 2022.

Marketing and Promotion

In 2021, the bank launched multiple marketing Campaigns involving its various products and services, allowing it to reach all consumer groups, deliver high-quality material for close communication, and achieve the necessary level of advertising proliferation.

The bank launched several campaigns, including the New Saving Account campaign, Easy Tawfeer campaign, loans campaign (personal, housing, and automotive), the Purchase Installment Program campaign, Salary transfer campaign, the Advanced Salary Service, the Rewards Program campaign, the Renewable Energy campaign, Inhad campaign, and a campaign to promote the bank's owned properties.

To promote the Bank's credit and debit cards, the bank also launched campaigns including Mother's Day campaign, an online-shopping campaign, a Ramadan campaign, contactless-card campaigns, and a campaign in collaboration with Al Manaseer Petrol Stations company.

To improve continuous and effective communication with customers and keep them informed of the latest services and products offered, the bank has launched a number of promotional campaigns for the bank's electronic channels and modern electronic services, such as CliQ, as well as the Western Union remittance campaign through Iskan Mobile app and the edge account campaign.

The bank has launched a series of awareness initiatives aimed at promoting a culture of dealing with fraud, information security, and cybersecurity risks, combatting risks and crimes, and protecting society from the dangers posed by such activities.

It's worth noting that the bank won the World Social Media Forum's "Peacock" social media award for the best social media advertising campaign for the year 2021 (Best Bank Use of Social Media for Marketing Campaign) for the (Your Loan will also Win You Cash) campaign, which is the first prize of its kind in the region. The award was created to honor banks, companies, media professionals, and social media influencers who use social media platforms in their marketing plans and follow creative ways and innovative content to communicate with the public.



The New Website

In 2021, the bank launched its new website in both Arabic and English with a modern design layout and interactive features, in line with its strategy of digital transformation and innovation.

The website is distinguished by its ease of use and accessibility to the information related to the bank's products and services. The website was developed in accordance with the highest quality standards in web technology and has benefited from latest trends in responsive design, as well as innovative digital transformation tools and artificial intelligence in deploying smart applications allowing users and customers to communicate and interact with the services provided by the bank within an engaging platform.

The launch of the new website, which is compatible with all browsers and multiple devices including laptops, tablets, and various smart phones, is part of Housing Bank's eagerness to provide the highest levels of electronic banking to its customers in a convenient way, as well as giving them a secure and rich user experience.

The website provides the visitors the choice to access the bank's various services and products, as well as everything related to the bank's public library of annual reports, sustainability reports, and financial performance reports, in addition, to be informed with the bank's latest news and activities, and the option of locating branches and ATM sites integrated with Google Maps service, moreover, visitors to the website can visit a dedicated section to all types of credit and debit cards issued by the bank allowing the customer to compare between them and choose the best card that suites their needs.

Furthermore, the website has been equipped with a specialized search engine for properties for sale that makes it easier for visitors to find the right property for them. The new website facilitate the communication between the bank and customers through easy ways to submit suggestions and inquiries, as well as accessing the frequently asked questions sections at any time.

Finally the website adheres to accepted standards and guidelines to make the web content more accessible to people with disabilities, also, the website provides a powerful text-to-speech solution that provides an improved digital accessibility to visitors with learning and speech disabilities, in order to ensure a rich user experience to everyone.



Corporate Social Responsibility and Sustainability

Housing Bank is a fundamental and stable pillar of the Jordanian banking market, and it has been keen to adhere to its social responsibility throughout its vast journey stemming, from its belief of the positive impact of CSR on society as a whole and contribution to advancing sustainable development. The bank continued its strategic direction in this area in 2021 through networking and strategic partnerships with key institutions, as well as providing support and donation to many initiatives and communities across various sectors, participating in national events and activities, which culminated in the bank winning the “Peacock” Social Media Award for the best bank use of social media for PR campaign, which was awarded for the bank’s media campaign launched in celebration of the centenary of the establishment of the Jordanian Kingdom, as part of the Social Media Forum.

The bank launched its media campaign through a video on social media and a number of TV channels created with augmented reality technology to shed light on Jordan’s glories and civilization, as well as its history of achievements, sacrifices, and determination that brought Jordanians together and their leadership to complete the journey from the past to the present in preparation for the future. Furthermore, and as part of the bank’s commemorations of the Jordanian Kingdom’s centennial, Independence Day, and Army Day, the bank displayed a 3D mapping video on the main facade of the headquarters in Shmeisani, where the bank celebrated Jordan’s cultural and archaeological landmarks from north to south.



Among the most prominent sectors adopted by the bank in the field of social responsibility for the year 2021:

Educational Sector

As part of the bank's CSR programs, and to commemorate the Jordanian Kingdom's centennial, the bank has launched an initiative to support the educational sector by donating 270 tablets equipped with activated internet lines for one year for students of a number of public schools in the Kingdom, in coordination with the High Committee for Celebrations of the Centenary of the Establishment of the Kingdom, and in cooperation with the Ministry of Education.

The bank also sponsored the orientation day event for the new students enrolled at Al Hussein Technical University (HTU) - one of the initiatives of the Crown Prince Foundation, on the occasion of the start of the academic year 2021-2022, to complement the bank's efforts to support educational institutions, believing in HTU's technical mission and the importance of providing technical and qualitative education to young people.



In addition, the bank has provided support and assistance to a number of initiatives and institutions related to the education sector and educational grants through Promise Welfare Society, Elia Nuqul Foundation, Bunayat Centre for Special Education, King's Academy, and Aloun Humanitarian Club.

Health Sector

During the year, the bank renewed its strategic partnership agreement with King Hussein Cancer Foundation for 2021-2022 to support a range of programs aimed at empowering the KHCF, as well as providing support and assistance to several associations involved in the health sector, Jerash Governmental Hospital, and Jordan Association for Medical Insurance.

Community Service Sector

Believing in the importance of supporting institutions and non-profit organizations with noble humanitarian goals, the bank renewed its strategic partnership agreement with Tkiyet Um Ali, believing in its high objectives of providing sustainable food support to the families in need.

The bank also supported many associations and institutions active in the community service sector such as SOS Children's Village Association and Dar Abu Abdullah.

Entrepreneurship

In line with the bank's corporate social responsibility strategy, which supports in its programs national institutions and associations aimed at achieving development in underprivileged communities by empowering and employing women and providing them with professional, specialized, and productive skills, the bank has renewed its strategic partnership with Jordan River Foundation and strengthened support for its programs based on its belief and appreciation of the role of Jordan River Foundation and its contribution to the social and economic wellbeing of the community, has benefited from three programs implemented by Jordan River Foundation, namely; Child and Family Protection, Protection Line 110, and Community Empowerment Program - Career Networking Hub, plus production projects/handicrafts and Al Karma Kitchen.

The bank supported Princess Taghreed Institute for Development and Training in establishing a special center in Al Safawi - Mafraq Governorate, to empower and train women through the development of wool, sewing, food processing, and beauty through training courses and craft workshops to teach basic life skills as well as various professional and specialized skills that contribute to increasing their productivity and thus obtaining employment opportunities to improve family income.

Conferences and Festivals

The bank sponsored a number of conferences and festivals, the most notable of which was Jerash Culture and Arts Festival at its thirty-fifth season, which helped promote the tourism, as Jordan is considered a gateway to culture, arts, and a favorite tourist destination for many Arab and foreign tourists. In addition to sponsoring the Global Forum for Social Communication, the bank also took part in several events, most notably the celebrations of the Embassy of the State of Qatar in Jordan on Qatar National Day.

Internal Social Responsibility and Corporate Happiness

Reflecting the bank's visions and interest in its human capital, the bank has worked to improve internal communication by providing an attractive and stimulating working environment for creativity and innovation in line with its strategic values and objectives. The bank has also carried out its activities in the field of corporate happiness aimed at transforming the concept of happiness into reality in the work environment and establishing positive values as a fundamental value, and its positive impact on employees by motivating them and raising their morale.

The bank has implemented a number of initiatives throughout the year, including gifts to their employees on Mother's Day, honoring some of the bank's oldest employees in conjunction with the celebration of International Women's Day in recognition of their outstanding efforts and contributions to their careers, and holding an interactive event for Mr. Coins to connect with the bank's employees and spread the positive atmosphere.



The bank also organized an interactive week to raise awareness of breast and prostate cancer in collaboration with King Hussein Cancer Foundation, to care for the health and safety of its employees, and to improve communication through awareness and education in the health aspect.

Sustainability

The bank's first sustainability report was released in 2017, and since then, it has been documenting environmental, social, and corporate governance efforts, and in subsequent years, the bank has continued to do so by adhering to relative importance assessments, setting key goals and performance indicators, and increasing transparency.

By adopting this concept in its corporate culture and its overall strategy in all its activities, the bank is working diligently to become one of the subtlest companies in the concept of sustainability, and this is illustrated by its interest in establishing long-term values for internal and external shareholders, and continuing to support performance in environmental, social, and corporate governance.

Keen to implement best sustainability practices, the bank has a sustainability team that oversees the sustainability framework, strategy, policies, and priorities, as well as many sustainability initiatives, which are in line with the United Nations Sustainable Development Goals.

During the year, the bank issued the Sustainability Report for 2020 under the theme "Committed to Sustainability" adopted by the Global Reporting Initiative (GRI) and was prepared in accordance with the latest standards and guidelines of the initiative, and with the United Nations Sustainable Development Goals.

**We Are Committed
to Sustainability**



Bank Plan 2022

The estimated budget and action plan for 2022 has been prepared based on a set of hypotheses and expectations aimed at strengthening the bank's important position in the banking sector, achieving sustainable growth in its profits, and enhancing its market share.

These approaches form four key pillars:

Financial Pillar:

- Diversification of income sources and increase of non-interest income.
- Focus on increasing high-quality assets and profitable return, which contributes more to increasing income.
- Focus on increasing sources of low-cost funds to increase profitability while maintaining comfortable liquidity ratios.
- Maintaining a distinctive net interest margin despite the decrease in interest rates.
- Resolving outstanding non-performing debts, preventing the classification of other accounts as non-performing loans, increasing collection, and achieving an additional surplus in provisions.
- Taking advantage of opportunities to finance large and medium-sized projects.
- Striving to achieve a distinctive rate of return on shareholders' equity.
- Controlling and rationalizing expenses effectively.

Market and Customer Pillar:

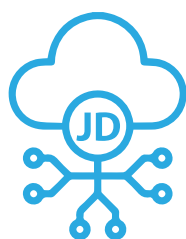
- Improving customer satisfaction levels through the development and provision of innovative, high-quality banking services.
- Focusing on youth and high-income customers by developing products and services according to their needs.
- Focusing on small and medium-sized business customers and meeting their needs.
- Increasing the number of credit cards and motivating customers to use them to raise the utilization rates of their credit ceilings.
- Intensifying efforts to encourage and motivate customers to use e-channels.
- Focusing on financing domestic and foreign commercial operations.
- Enhancing the Bank's positive image to the community by taking an active role in terms of social responsibility.
- Enhancing the bank's positive public image through marketing campaigns.

Operations Pillar:

- Complying with all laws and instructions issued by the legislative and supervisory authorities, addressing observations received from audit, risk, and compliance dept.
- Increasing the efficiency of services provided to customers by centralizing the operations that take place in the branches, applying the bank's digital services, and automating business processes.
- Continuing to raise the efficiency of electronic channels, moving forward in developing digital transformation programs, and facilitating procedures to ensure that customers are provided with the best banking solutions.
- Effectively managing penetration in the local and international markets to ensure that the best services are provided to customers within their areas of presence.
- Enhancing the efficiency of foreign branches and subsidiaries.
- Continuously reviewing and developing the bank's working procedures to ensure that they are effective and seamless.
- Improving the efficiency of the project management process at the bank and accelerating the project completion cycle.

Human Resources Pillar:

- Improving the level of employees satisfaction and increasing employee loyalty to the bank.
- Maintaining low employees turnover ratios.
- Improving the quality of customer service by cultivating human expertise and capacity-building.
- Providing training opportunities for employees that are commensurate with their actual needs, based on analysis gap between job requirements and employee knowledge.
- Encouraging and motivating employees to obtain advanced degrees and specialized professional certificates, according to their job requirements.
- Retaining talented employees, developing their abilities and knowledge, and managing their career paths.
- Strengthen teamwork and establish effective communication between various work centers, as well as speed and flexibility in achieving required work.
- Implementing replacement and succession plans, building up the second tier of employees and providing them with the necessary education and practical knowledge and expertise.
- Reliance on performance evaluation for branches and branch employees by objectively measuring each employee's workplace efforts to improve customer service and goal attainment.
- Reliance, in employee evaluation, on criteria for goal attainment and performance indicators.
- Emphasizing on the notion of accountability to create an environment that encourages achievement and cuts down on offenses and complaints.



Fintech

A renewal of the traditional in a rapidly changing world.

Fintech gives a new form of banking services and activities to keep pace with the aspirations and expectations of customers, helping them make better banking decisions and complete their transactions in a simpler and faster way, while increasing the levels of efficiency and reducing costs.





Audit Report on the Consolidated Financial Statements

AM/ 010923

**To The Shareholders of
The Housing Bank for Trade and Finance
(A Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan**

Report on the Audit of the Consolidated Financial statements

Opinion

We have audited the consolidated financial statements of The Housing Bank for Trade and Finance (A Public Shareholding Limited Company) (the “Bank”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in owners’ equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Bank as of December 31, 2021, and its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (‘IFRSs’) as adopted by the Central Bank of Jordan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Bank’s consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities 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.

**Other Matters**

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

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.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

A description was provided on how to examine each of the matters referred to below in the audit procedures:

	Key Audit Matters	Key Audit Matters
1-	<p>Adequate Provision for Credit Losses on Credit Facilities</p> <p>As described in Note (11) to the consolidated financial statements, the Bank had direct credit facilities of JD 4.4 billion as at December 31, 2021 representing 54% of total assets. The expected credit loss (ECL) allowance was JD 453.5 million as at this date.</p> <p>The determination of the Bank's expected credit losses for credit facilities measured at amortized cost is a material and complex estimate requiring significant management judgement in the evaluation of the credit quality and the estimation of inherent losses in the portfolio. The financial statement risk arises from several aspects requiring substantial judgement of management, such as the estimation of probabilities of default and loss given defaults for various stages, the determination of significant increases in credit risk (SICR) and credit-impairment status (default), the use of different modelling techniques and consideration of manual adjustments. In calculating expected credit losses, the Bank considered credit quality indicators for each loan and portfolios, stratifies loans and advances by risk grades and estimates losses for each loan based upon their nature and risk profile. Auditing these complex judgements and assumptions involves especially challenging auditor judgement due to the nature and extent of audit evidence and effort required to address these matters.</p> <p>The Bank expected credit losses are calculated against credit exposures, according to the requirements of International Financial Reporting Standard 9 Financial Instruments (IFRS 9) as adopted by the Central Bank of Jordan. Credit exposures granted directly to the Jordanian Government as well as credit expositors guaranteed by Government are excluded from the determination of the allowance for expected credit losses. In addition, expected credit losses are also adjusted to take into consideration any special arrangements with the Central Bank of Jordan.</p> <p>As disclosed in Note 54, the COVID-19 pandemic significantly impacted the management's determination of the ECL and required the application of heightened judgment. To address the uncertainties inherent in the current and future environment and to reflect all relevant risk factors not captured in the Bank's modelled results, management applied quantitative and qualitative adjustments for the impacts of the unprecedented macroeconomic scenarios arising from the pandemic, the temporary effects of the bank and government led payment support programs, which may not completely mitigate future losses, and the impacts to particularly vulnerable sectors affected by COVID-19. The Bank made amendments on the expected credit loss calculation models to take into consideration the potential impact of the COVID 19 pandemic to address the impact on certain sectors or specific customers based on relative cashflow forecasts.</p> <p>For further information on this key audit matter refer to Notes 11 and 47 to the consolidated financial statements.</p>	<p>We established an audit approach which includes both testing the design and operating effectiveness of internal controls over the determination of expected credit losses and risk-based substantive audit procedures. Our procedures over internal controls focused on the governance over the process controls around the ECL methodology, completeness and accuracy of loan data used in the expected loss models, management review of outcomes, management validation and approval processes, the assignment of borrowers' risk classification, consistency of application of accounting policies and the process for calculating individual allowances.</p> <p>The primary substantive procedures which we performed to address this key audit matter included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • For a risk-based sample of individual loans, we performed a detailed credit review, assessed the appropriateness of information for evaluating the credit-worthiness and staging classification of individual borrowers and challenged the assumptions underlying the expected credit loss allowance calculations, such as estimated future cash flows, collateral valuations and estimates of recovery as well as considered the consistency of the Bank's application of its impairment policy. Further, we evaluated controls over approval, accuracy and completeness of impairment allowances and governance controls, including assessing key management and committee meetings that form part of the approval process for loan impairment allowances; • For loans not tested individually, we evaluated controls over the modelling process, including model monitoring, validation and approval. We tested controls over model outputs and the mathematical accuracy and computation of the expected credit losses by re-performing or independently calculating elements of the expected credit losses based on relevant source documents with the involvement of our modelling specialists. We challenged key assumptions, inspected the calculation methodology and traced a sample back to source data. We evaluated key assumptions such as thresholds used to determine SICR and forward looking macroeconomic scenarios including the related weighting; • We evaluated post model adjustments and management overlays in the context of key model and data limitations identified by the Bank in order to assess the reasonableness of these adjustments, focusing on PD and LGD used for corporate loans, and challenged their rationale; • We assessed the amendments made by management to respond to COVID-19 by evaluating the model adjustments in relation to macroeconomic factors and the forward looking scenarios which were incorporated into the impairment calculations by utilizing our internal specialists to challenge the multiple economic scenarios chosen and weighting applied to capture non-linear losses; and • We determined if the amount recorded as the allowance for expected credit losses was determined in accordance with the instructions of the Central Bank of Jordan. • We tested, utilizing our internal IT specialists, the IT application used in the credit impairment process and verified the integrity of data used as input to the models including the transfer of data between source systems and the impairment models. We evaluated system-based and manual controls over the recognition and measurement of impairment allowances, including the consideration of the economic disruptions caused by COVID 19;



	Key Audit Matters	Key Audit Matters
2-	<p>Provision for Lawsuits and Legal Claims</p> <p>The recognition and measurement of provisions for lawsuits and the measurement and disclosure of contingent liabilities in respect of legal claims requires significant judgement to be applied by the directors and as a result is considered to be a key audit matter.</p> <p>The legal cases, lawsuits raised against the Bank, and provision for lawsuits have been disclosed in notes (21) and (52) in the consolidated financial statements whilst the contingent liabilities are disclosed in note (51) in the consolidated financial statements.</p>	<p>We assessed the design and implementation of controls in this area.</p> <p>We discussed and obtained a letter of confirmation from the Group's internal legal counsel about the existence of lawsuits and other legal claims and the related possible liability to the Group as a result of these matters.</p> <p>We obtained a letter of confirmation from the Group's external legal counsel about the existence of lawsuits and other legal claims and the related possible liability to the Group as a result of these matters.</p> <p>We assessed the amount provided by management in the statement of financial position in respect of lawsuits and other legal claims to determine if it was adequate.</p> <p>We assessed the disclosures relating to contingent liabilities arising from legal claims to determine if it was valid, complete and complied with the requirements of IFRSs.</p>
3-	<p>IT systems and controls over financial reporting</p> <p>We identified IT systems and controls over the Bank's financial reporting as an area of focus due to the extensive volume and variety of transactions which are processed daily by the Bank and rely on the effective operation of automated and IT dependent manual controls. There is a risk that automated accounting procedures and related internal controls are not accurately designed and operating effectively. In particular, the incorporated relevant controls are essential to limit the potential error as a result of change to an application or underlying data.</p>	<p>Our audit approach relies on automated controls and therefore the following procedures were designed to test access and control over IT systems:</p> <ul style="list-style-type: none"> • We obtained an understanding of the applications relevant to financial reporting and the infrastructure supporting these applications. • We tested IT general controls relevant to automated controls and computer-generated information covering access security, program changes, data centre and network operations. • We examined computer generated information used in financial reports from relevant applications and key controls over their report logics. • We performed testing on the key automated controls on significant IT systems relevant to business processes.



Other Information

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and implementation 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 have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

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

Amman – The Hashemite Kingdom of Jordan
January 31, 2022

Deloitte & Touche (M.E.) – Jordan

Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
010103

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	December 31,	
		2021	2020
		JD	JD
Assets:			
Cash and balances at central banks - net	5	1,006,941,503	1,125,774,294
Balances at banks and financial institutions - net	6	410,798,114	360,632,307
Deposits at banks and financial institutions - net	7	50,637,962	53,681,863
Financial assets at fair value through profit or loss	8	4,630,805	4,455,791
Financial assets at fair value through other comprehensive income	9	376,198,378	371,882,600
Direct credit facilities at fair value through profit or loss	10	96,646,207	130,690,360
Direct credit facilities at amortized cost - net	11	3,850,266,147	3,976,743,772
Financial assets at amortized cost - net	12	1,992,268,062	1,833,842,295
Property and equipment - net	13	167,054,195	174,997,134
Intangible assets – net	14	19,931,202	18,995,985
Right of use asset	20/a	24,653,213	25,269,889
Deferred tax assets	22/e	122,196,386	105,241,081
Other assets net	15	123,060,092	123,841,846
TOTAL ASSETS		8,245,282,266	8,306,049,217
LIABILITIES AND OWNERS' EQUITY:			
LIABILITIES:			
Banks and financial institutions deposits	16	844,625,678	777,725,622
Customers' deposits	17	5,213,190,466	5,466,474,965
Cash margins	18	270,741,937	234,263,330
Borrowed funds	19	362,265,848	314,578,622
Sundry provisions	21	28,099,182	41,573,033
Income tax provision	22/a	55,815,858	48,515,568
Deferred tax liabilities	22/e	6,853,746	8,981,193
Lease liability	20/b	23,680,698	24,365,216
Other liabilities	23	223,204,678	227,714,160
TOTAL LIABILITIES		7,028,478,091	7,144,191,709
OWNERS' EQUITY:			
BANK'S SHAREHOLDERS' EQUITY:			
Authorized and paid-up capital	24	315,000,000	315,000,000
Share premium	24	328,147,537	328,147,537
Statutory reserve	25	257,997,671	243,461,008
Special reserve	25	11,459,758	11,433,336
Foreign currencies translation	26	(128,208,080)	(120,824,117)
Fair value reserve – net	27	3,542,409	9,654,188
Retained earnings	28	367,183,950	313,925,834
TOTAL BANK'S SHAREHOLDERS' EQUITY		1,155,123,245	1,100,797,786
Non-Controlling interest		61,680,930	61,059,722
TOTAL OWNERS' EQUITY		1,216,804,175	1,161,857,508
TOTAL LIABILITIES AND OWNERS' EQUITY		8,245,282,266	8,306,049,217

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDIT REPORT.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the Year Ended December 31,	
		2021	2020
		JD	JD
Interest income	31	372,626,699	406,430,724
Interest expense	32	(72,474,861)	(101,908,773)
Net Interest Income		300,151,838	304,521,951
Net commission income	33	23,284,063	21,830,553
Net Interest and Commission Income		323,435,901	326,352,504
Gain from foreign currencies	34	8,016,189	9,402,822
(Loss) gain from financial assets at fair value through profit or loss	35	(1,435,928)	2,331,917
Cash dividends from financial assets at fair value through other comprehensive income		173,181	203,998
Other income	36	24,825,386	26,003,749
Total Income		355,014,729	364,294,990
Expenses			
Employees' expenses	37	76,056,374	76,664,447
Depreciation and amortization	13,14&20	24,973,545	24,525,115
Other expenses	38	54,325,243	56,743,141
Allowance for expected credit loss - net	39	50,066,333	122,561,051
(Recovery of) expense sundry provisions - net		(13,510,427)	2,876,563
Intangible assets impairment loss	14	-	3,269,893
Total Expenses		191,911,068	286,640,210
Profit for the Year Before Income Tax Expense		163,103,661	77,654,780
Income tax	22/b	(53,004,145)	(35,148,526)
Profit for the Year		110,099,516	42,506,254
Attributable to:			
Bank's Shareholders		105,621,201	36,614,354
Non-Controlling Interest		4,478,315	5,891,900
		110,099,516	42,506,254
		JD/Fils	JD/Fils
Basic and diluted earnings per share for the year attributable to the Bank's Shareholders	40	0,335	0,116

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDIT REPORT.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Profit for the year	110,099,516	42,506,254
Other comprehensive income items which may be reclassified to profit or loss in the subsequent period		
Foreign currencies translation	(10,226,972)	(11,911,608)
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax - debt instruments	(5,656,457)	4,332,422
Other comprehensive income items that will not be reclassified to profit or loss in the subsequent period		
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax - equity instruments	(282,432)	(79,098)
Total Other Comprehensive Income Items for the Year After Tax	(16,165,861)	(7,658,284)
Total Comprehensive Income for the Year	93,933,655	34,847,970
Attributable to:		
Bank's Shareholders	92,125,459	32,499,002
Non-Controlling Interest	1,808,196	2,348,968
	93,933,655	34,847,970

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDIT REPORT.

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

	Authorized and Paid-up Capital	Share Premium	Statutory Reserve	Special Reserve	Foreign Currency Translation	Fair Value Reserve - Net	Retained Earnings	Total Shareholder's Equity	Non- Controlling Interest	Total Owners' Equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the Year Ended December 31, 2021										
Beginning balance for the year	315,000,000	328,147,537	243,461,008	11,433,336	(120,824,117)	9,654,188	313,925,834	1,100,797,786	61,059,722	1,161,857,508
Profit for the Year	-	-	-	-	-	-	105,621,201	105,621,201	4,478,315	110,099,516
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - debt instruments	-	-	-	-	-	(5,829,347)	-	(5,829,347)	172,890	(5,656,457)
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	(282,432)	-	(282,432)	-	(282,432)
Foreign currency translation	-	-	-	-	(7,383,963)	-	-	(7,383,963)	(2,843,009)	(10,226,972)
Total Comprehensive Income	-	-	-	-	(7,383,963)	(6,111,779)	105,621,201	92,125,459	1,808,196	93,933,655
Dividends paid	-	-	-	-	-	-	(37,800,000)	(37,800,000)	(1,186,988)	(38,986,988)
Transferred to reserves	-	-	14,536,663	26,422	-	-	(14,563,085)	-	-	-
Ending Balance for the Year	315,000,000	328,147,537	257,997,671	11,459,758	(128,208,080)	3,542,409	367,183,950	1,155,123,245	61,680,930	1,216,804,175

	Authorized and Paid-up Capital	Share Premium	Statutory Reserve	Special Reserve	Foreign Currency Translation	Fair Value Reserve - Net	Retained Earnings	Total Shareholder's Equity	Non-Controlling Interest	Total Owners' Equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the Year Ended December 31, 2020										
Beginning balance for the year	315,000,000	328,147,537	235,755,327	11,184,797	(112,455,441)	5,400,864	285,267,050	1,068,300,134	55,513,708	1,123,813,842
Profit for the Year	-	-	-	-	-	-	36,614,354	36,614,354	5,891,900	42,506,254
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - debt instruments	-	-	-	-	-	4,332,422	-	4,332,422	-	4,332,422
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	(79,098)	-	(79,098)	-	(79,098)
Foreign currency translation	-	-	-	-	(8,368,676)	-	-	(8,368,676)	(3,542,932)	(11,911,608)
Total Comprehensive Income	-	-	-	-	(8,368,676)	4,253,324	36,614,354	32,499,002	2,348,968	34,847,970
Realized gain from sold financial assets at fair value through other comprehensive income	-	-	-	-	-	-	(1,350)	(1,350)	-	(1,350)
Increase in paid-up capital for subsidiaries	-	-	-	-	-	-	-	-	3,197,046	3,197,046
Transferred to reserves	-	-	7,705,681	248,539	-	-	(7,954,220)	-	-	-
Ending Balance for the Year	315,000,000	328,147,537	243,461,008	11,433,336	(120,824,117)	9,654,188	313,925,834	1,100,797,786	61,059,722	1,161,857,508

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDIT REPORT.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the Year Ended December 31,	
		2021 JD	2020 JD
Operating Activities			
Profit before income tax		163,103,661	77,654,780
Adjustments for non-cash items:			
Depreciation and amortization	13,14&20	24,973,545	24,525,115
Intangible assets impairment loss	14	-	3,269,893
Provision for expected credit loss	39	50,066,333	122,561,051
Net unrealized losses (gain) from the valuation of direct credit facilities at fair value through profit or loss		1,772,762	(1,596,978)
Unrealized (gain) losses from hedging derivatives valuation		(1,772,762)	1,596,978
Net unrealized (gain) from the valuation of financial assets at fair value through profit or loss		(187,964)	(709,961)
Cash dividends from financial assets at fair value through other comprehensive income		(173,181)	(203,998)
Net accrued interest and commission income		(2,460,784)	(10,089,787)
Effect of the change in exchange rates on cash and cash equivalents		(4,680,951)	(5,101,687)
Provision for end-of-service indemnity expense		1,698,983	6,008,227
Premiums and discounts amortization		226,314	(87,852)
Sundry provisions		(13,510,427)	2,876,563
Others		5,170,001	9,224,119
Cash flows from operating activities before changes in assets		224,225,530	229,926,463
Decrease (Increase) in Assets			
Deposits at banks and financial institutions (maturing within more than 3 months)		3,056,098	2,574,171
Direct credit facilities		87,449,912	(115,532,137)
Financial assets at fair value through profit or loss		12,950	(72,306)
Other assets		(975,858)	(7,080,490)
Increase (Decrease) in Liabilities			
Banks and financial institutions' deposits (maturing within more than 3 months)		17,649,896	(4,980,110)
Customers' deposits		(223,565,716)	(257,159,899)
Cash margins		38,257,244	(29,316,734)
Other liabilities		(2,339,159)	447,338
Sundry provisions		(1,445,657)	(8,293,571)
Net Cash Flows from (Used in) Operating Activities Before Income Tax		142,325,240	(189,487,275)
Income tax paid		(61,423,324)	(61,112,545)
Net Cash Flows from (Used in) Operating Activities		80,901,916	(250,599,820)
Investing Activities			
(Purchase) of financial assets at fair value through comprehensive income		(115,201,068)	(84,584,261)
Sale of financial assets at fair value through comprehensive income		99,316,676	111,590,460
Cash dividends from financial assets at fair value through other comprehensive income		173,181	203,998
(Purchase) of financial assets at amortized cost		(438,523,685)	(253,382,804)
Matured financial assets at amortized cost		281,207,968	245,231,000
(Purchase) of property and equipment	13	(7,940,515)	(7,758,285)
Proceeds from sale of property and equipment		118,376	(100,754)
(Purchase) of intangible assets	14	(7,001,357)	(4,088,609)
Net Cash Flows (Used in) from Investing Activities		(187,850,424)	7,110,745
Financing Activities			
Borrowed funds	19	135,588,609	213,944,780
Paid from borrowed funds	19	(87,901,383)	(57,676,624)
Dividends paid to shareholders		(35,963,538)	(59,313)
Paid for lease liabilities	20	(5,538,542)	(5,671,156)
Non-Controlling interest		(1,186,988)	3,197,046
Net Cash Flows from Financing Activities		4,998,158	153,734,733
Net (Decrease) in Cash and Cash Equivalents		(101,950,350)	(89,754,342)
Effect of the change in exchange rates on cash and cash equivalents		(15,744,711)	(48,493,872)
Cash and Cash Equivalents - Beginning of the Year		771,041,221	909,289,435
Cash and Cash Equivalents - End of the Year	41	653,346,160	771,041,221

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDIT REPORT.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

- The Housing Bank for Trade and Finance ("the Bank") was established in 1973 and registered as a public shareholding limited company with its head quarter located in Amman – Jordan in accordance with the Jordanian Companies Law No. 12 of 1964.
- The Bank provides its banking and financing business activities through its headquarters in Amman – Jordan and through its branches in Jordan (115 branches); and abroad in Palestine and Bahrain (16 branches); and through its subsidiaries in Jordan, Syria, Algeria, and the United Kingdom.
- The Bank's shares are traded on Amman Stock Exchange.
- The consolidated financial statements were approved by the Bank's Board of Directors in their meeting held on January 20, 2022 and it is subject to the approval of the general assembly of shareholders.

2. Significant Accounting Policies

Basis of Consolidated Financial Statements Preparation

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

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

- a. Provisions for expected credit losses are calculated in accordance with the Central Bank of Jordan (CBJ) instructions No. (13/2018) "International Financial Reporting Standard (9) Implementation" dated June 6, 2018 and in accordance with the regulatory authorities instructions in the countries that the Bank operates whichever is more strict, the main significant differences are as follows:
 - Exclusion of the debt instruments issued or guaranteed by the Jordanian Government, so that credit exposures issued or guaranteed by the Jordanian Government are treated with no credit losses.
 - When calculating credit losses against credit exposures, the calculation results in accordance to International Financial Reporting Standards (9) are compared with the calculation as per the instructions of the Central Bank of Jordan No. (47/2009) dated December 10, 2009 for each stage separately and the stricter results are recorded.
 - The Expected Credit Loss were adjusted to taking in the consideration the special arrangements with the Central Bank of Jordan (if any).

- b. In accordance with the instructions of the Central Bank of Jordan and the instructions of the supervisory authorities in the countries in which the Bank operates, interest and commissions are suspended on non-performing credit facilities.
- c. Assets seized by the Bank are recorded in the consolidated statement of financial position among other assets at seized value or at fair value, whichever is least. At the date of the consolidated financial statements seized assets are revalued individually at fair value; any impairment loss is recorded in the consolidated statement of profit or loss while any increase in the value is not recorded as revenue; any subsequent increase in value is recognized only to the extent of not exceeding the previously recorded impairment losses. In addition, according to the instructions of the Central Bank of Jordan, additional provision is required to be recognized against seized assets that violation of article number 48 of the Banking Law at a rate of 5% annually of the net book value of these assets, until the required percentage of 50% of the net book value is reached by the end of 2030.
- d. Additional provisions are calculated in the consolidated financial statements against some of the Bank's foreign investments in some neighboring countries.
- Based on the Central Bank of Jordan Circular number 10/3/4375 and 10/3/13960 issued on March 15, 2020 and November 22, 2020 to the banks operating in Jordan, the Bank postponed the installments due or that would be due on some customers without considering this as a restructuring and without affecting the customer credit rating.
 - The consolidated financial statements have been prepared under the historical cost, except for certain financial instruments that have been measured at fair value at the end of each financial period, as described in the accounting policies below.

The reporting currency of the consolidated financial statements is the Jordanian Dinar, which is the functional currency of the Bank.

The accounting policies adopted in preparing the consolidated financial statements are consistent with those applied in the year ended December 31, 2020, except for the effect of the application of the new and revised standards applied on or after January 1, 2021 as stated in Note (3-a) and the enhancements made on the expected credit loss calculation models as explained in Note (47).

Basis of Consolidation

The consolidated financial statements include the financial statements of the Bank and its subsidiaries under its control. Moreover, control is achieved when the Bank has the power to govern the financial and operating policies of its subsidiaries in order to obtain benefits from their activities. Transactions, balances, income, and expenses between the Bank and its subsidiaries are eliminated between the Bank and its subsidiaries.

As of December 31, 2021 the Bank owns the following subsidiaries:

a. Foreign Subsidiaries

- International Bank for Trade and Finance / Syria (paid-up capital is Syrian Lira 8.4 billion, of which the Bank owns 49.063%). The Bank has the power to control the operating, financial, and administrative policies of this bank. Therefore, its financial statements have been consolidated with the financial statements of the Bank. In this regard, the Bank's main objective is to conduct commercial banking activities, and ownership of this bank dates back to 2003. In addition, the International Bank for Trade and Finance has a subsidiary – The International Financial Center/ Syria with an ownership percentage of 85% of the company's capital amounting to 100 million Syrian Lira, whereas the Housing Bank for Trade and Finance owns a percentage of 5% of the company's capital.
- Housing Bank for Trade and Finance – Algeria: (ownership is 85% of the bank's capital of 20 billion Algerian dinars). The main objective of this bank is to conduct commercial banking activities, and ownership of this bank dates back to 2002.
- Jordan International Bank / London: (ownership is 75% of paid-up capital, which amounts to 65 million pounds sterling (65 million shares). The Bank conducts all banking activities.

b. Local Subsidiaries

- International Financial Center Company / Jordan (paid-up capital JD 5 million, of which the Bank owns 77.5%). The Company's main activity is financial brokerage in Amman Stock Exchange (ASE) and other exchange markets (Stock markets) in the Hashemite Kingdom of Jordan and outside Jordan, and it conducts purchase and sale transactions of financial instruments for customers and the company. The Bank's ownership in this company dates back to 1998.
- Specialized leasing Company / Jordan, of which the Bank owns 100% of paid-up capital of JD 30 million. The Company's main activity is to conduct finance leases for various types of equipment and machinery, in addition to real estate, land, vehicles, and other items purchased by the company for finance lease purposes. The Bank's ownership in this company dates back to 2005.
- Jordan Real Estate Investments Company - Jordan. The Bank owns 100% of this company's paid-up capital of JD 40,000. The Bank's ownership in this company dates back to 1997.

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

Control is achieved when the Bank:

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

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

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

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

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

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- Derecognizes the book value of any non-controlling interests.
- Derecognizes the transfer difference accumulated in Owners' Equity.
- Derecognizes the fair value of the consideration received controlling party.
- Derecognizes the fair value of any investment retained.
- Derecognizes any gain or loss in the statement of profit or loss.
- Reclassifies owners' equity already booked in other comprehensive income to the profit or loss statement, as appropriate.

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

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

Segment Information

Business sectors represent a group of assets and operations that jointly provide products or services subject to risks and returns different from those of other business sectors which are measured in accordance with the reports sent to the operations management and decision makers in the Bank.

The geographical sector relates to providing products or services in a specific economic environment subject to risk and returns different from those of sectors functioning in other economic environments.

Net Interest Income

Interest income and expense for all financial instruments are recognized in 'Net Interest Income' as 'Interest Income' and 'Interest Expense' in the statement of profit or loss using the effective interest method.

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

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

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

Net Fees and Commission Income

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

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

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

Net Trading Income

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

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

Net income from other financial instruments at fair value through profit or loss includes all gains and losses from changes in the fair value of financial assets and financial liabilities at fair value through profit or loss. In addition to related dividend yields.

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

Dividend Income

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

The presentation of dividend income in the statement of profit or loss depends on the classification and measurement of the equity investment, i.e.:

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

Financial Instruments

Initial Recognition and Measurement

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

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

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

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

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

Financial Assets

Initial Recognition

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

Subsequent Measurement

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

Specifically:

- Debt instruments held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;
- Debt instruments held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are SPPI, are subsequently measured at fair value through other comprehensive income;
- All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at fair value through profit or loss.

However, the Bank may irrevocably make the following selection / designation at initial recognition of a financial asset on an asset-by-asset basis:

- The Bank may irrevocably select to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, in other comprehensive income; and
- The Bank may irrevocably designate a debt instrument that meets the amortized cost or fair value through other comprehensive income criteria as measured at fair value through the statement of income, if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

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

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

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

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

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

Assessment of Business Models

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Bank determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Bank's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

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

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

- The stated policies and objectives of the portfolio and application of those policies whether the management strategy focuses on obtaining contractual revenues, maintaining specific profit rate matching the profit of financial assets with the period of financial liabilities that finance those assets.
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- How the business managers are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

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

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

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

Financial Assets at fair Value through Profit or Loss

Financial assets at fair value through profit or loss are:

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

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

Reclassifications

If the business model under which the Bank holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model, which results in reclassifying the Bank's financial assets. The changes in the contractual cash flows are considered under the accounting policy on the modification and de-recognition of financial assets.

Foreign Exchange Gains and Losses

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

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

Fair Value Option

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

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

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

Impairment

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

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

No impairment loss is recognized on equity investments.

With the exception of purchased or originated credit-impaired (POCI) financial assets (which are considered separately below), expected credit losses are required to be measured through a loss allowance at an amount equal to:

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

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

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

For unutilized loan limits, the expected credit loss is the difference between the present value of the difference between the contractual cash flows that are due to the Bank if the holder of the commitment draws down the loan and the cash flows that the Bank expects to receive if the loan is utilized; and

For financial guarantee contracts, the expected credit loss is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Bank expects to receive from the holder, the client, or any other party.

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

Provisions for expected credit losses are calculated in accordance with the Central Bank of Jordan instructions No. (2018/13) "Adoption of IFRS 9" on June 6, 2018, and according to the instruction of the regulatory authorities in the countries in which the Bank operates, whichever is stricter, the material differences is as follows:

- Exclusion of the Debt instruments issued or guaranteed by the Jordanian Government, so that credit exposures issued or guaranteed by the Jordanian Government are treated with no credit losses.
- When calculating credit losses against credit exposures, the calculation results in accordance to International Financial Reporting Standards (9) are compared with the calculation as per the instructions of the Central Bank of Jordan No. (47/2009) dated December 10, 2009 for each stage separately and the stricter results are recorded.

Credit-impaired Financial Assets

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

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

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

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

Purchased or Originated Credit-Impaired (POCI) Financial Assets

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

Definition of Default

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

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

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

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

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

Significant Increase in Credit Risk

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

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

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

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

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

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

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

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

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

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

Modification and Derecognition of Financial Assets

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

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

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

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

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

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

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

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

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

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

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

Write-off

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

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

Loss allowances for expected credit loss are presented in the consolidated statement of financial position as follows:

- For financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- For debt instruments measured at fair value through other comprehensive income;
- For loan commitments and financial guarantee contracts: as a provision; and
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the expected credit loss on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Loans and Advances

The “loans and advances” included in the consolidated statement of financial position as follows:

- Loans and advances measured at amortized cost, which are initially measured at fair value plus additional direct transaction costs, and later at amortized cost using the effective interest method.
- Loans and advances that are measured at fair value through profit or loss, or that determined as being at fair value through profit or loss; measured at fair value and recognize changes directly in profit or loss; and
- Lease obligations.
- Interest and commissions are suspended on non-performing credit facilities granted to clients in accordance with the instructions of the Central Bank of Jordan.
- All related credit facilities and outstanding interest covered by the provision are transferred out of the consolidated statement of financial position, and this according to the decisions of board of directors in this regards.
- The outstanding accounts interest with lawsuits outside the consolidated statement of financial position are recognized in accordance with the decisions of the board of directors in this regards.
- When the Bank purchases a financial assets and concludes an agreement simultaneously to resell the asset (or a substantially similar asset) at a fixed price. At later date (repurchase or borrow the shares) the consideration paid is calculated as a loan or advance, and the asset is not recognized in the Bank financial statements.

Financial Liabilities and Equity

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

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

Equity Instruments

Paid-up Capital

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

Treasury Shares

Repurchase of the Bank's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in the consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Bank own equity instruments.

Compound Instruments

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

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

Financial Liabilities

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

Financial Liabilities at Fair Value through Statement of Profit or Loss

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

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the Bank manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability, other than a financial liability held for trading, or contingent consideration that may be paid by an acquirer as part of a business combination, may be designated as at fair value through the statement of profit or loss upon initial recognition if:

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

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

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

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

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

Other Financial Liabilities

Other financial liabilities, including deposits and borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. For details on effective interest rate, see the "net interest income section" above.

Derecognition of Financial Liabilities

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

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

Derivative Financial Instruments

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

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

A derivative with a positive fair value is recognized as a financial asset within other assets whereas derivative with a negative fair value is recognized as a financial liability within other liability.

Embedded Derivatives

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

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

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at fair value through the statement of profit or loss and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

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

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

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

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

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

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

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

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

Derivatives

Derivatives for Trading

The fair value of derivative financial instruments held for trading (such as forward foreign exchange contracts, future interest contracts, swaps, foreign exchange options rights) is recognized in the consolidated statement of financial position, and fair value is determined at the prevailing market rates. If this information is not available, the assessment methodology is disclosed, and the change in fair value is recognized in the consolidated statement of profit or loss.

Hedge Accounting

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

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

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

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

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

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

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

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

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

Fair Value Hedges

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

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

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

The Bank discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of hedged items for which the effective interest rate method is used (i.e. debt instruments measured at amortized cost or at fair value through other comprehensive income) arising from the hedged risk is amortized to the statement of profit or loss commencing no later than the date when hedge accounting is discontinued.

Cash Flow Hedges

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

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

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

Hedges of Net Investments in Foreign Operations

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

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

Offsetting

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

Accounts Managed on Behalf of Customers

These represent the accounts managed by the Bank on behalf of its customers, but do not represent part of the Bank's assets, fees and commissions on such accounts are shown in the consolidated statement of profit or loss, a provision against the impairment in the capital-guaranteed portfolios managed on behalf of customers is taken.

Fair Value

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

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

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

Provisions

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

Employees Benefits

Short-term employee benefits

Employees short term benefits are recognized as expenses when delivering relevant services. Liability is recorded against the related commitment when the bank is legally obliged implicitly or explicitly to pay for past services rendered by the employee and the liability can be estimated reliably.

Other long-Term employee benefits

The Bank's net liabilities relating to employee benefits are the amount of future benefits that employees have received for their services in the current and previous periods. A provision is made to meet the statutory and contractual obligations for employees to end the service for each employee for the date of the consolidated statement of financial position in accordance with the internal regulations of the Bank.

Assets Seized by the Bank

Assets seized by the Bank are recorded in the consolidated statement of financial position among other assets at seized value or at fair value, whichever is least. At the date of the consolidated financial statements seized assets are revalued individually at fair value; any impairment loss is recorded in the consolidated statement of profit or loss while any increase in the value is not recorded as revenue; any subsequent increase in value is recognized only to the extent of not exceeding the previously recorded impairment losses. In addition , according to the instructions of the Central Bank of Jordan , additional provision is required to be recognized against seized assets that violation of article number 48 of the Banking Law at a rate of (5%) annually of the net book value of these assets, until the required percentage of (50%) of the net book value is reached by the end of 2030.

Income Tax

Tax expense comprises of current tax and deferred taxes.

Current tax is based on taxable profits, which may differ from accounting profits published in the consolidated financial statements. Accounting profits may include non-taxable profits or tax non- deductible expenses which may be exempted in the current or subsequent financial years, or accumulated losses that are tax acceptable or items not subject to deduction for tax purposes.

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

Deferred tax is the tax expected to be paid or recovered due to temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates expected to be applied in the period when the asset is realized or the liability is settled, based on the laws enacted or substantially enacted at the date of the consolidated statement of financial position.

The carrying values of deferred tax assets are reviewed at the date of the consolidated financial statement and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Mortgaged Financial Assets

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

Repurchase and Resale Agreements

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

Assets purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognized in the Bank's consolidated financial statements since the Bank is not able to control these assets or the associated risks and benefits. The related payments are recognized as part of deposits at banks and financial institutions or direct credit facilities as applicable, and the difference between the purchase and resale price is recognized as interest income over the agreement term using the effective interest rate method.

Property and Equipment

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

The depreciation rates used are as follows:

	%
Buildings	2
Equipment, furniture, and fixtures	5-15
Vehicles	20
Applications and Computer	10-20

If such indication exists and when the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount, and the impairment is charged to statement of profit or loss.

The useful life of property and equipment is reviewed at each year end, and changes in the expected useful life are treated as changes in accounting estimates.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Intangible Assets

Goodwill

Goodwill is initially measured at cost, being the excess of the cost of acquisition or purchase of investment in an associate or subsidiary company over the Bank's share in the net fair value of the identifiable assets at the date of acquisition. Goodwill arising from the investment in subsidiaries will be separately shown under intangible assets, while that arising from the investment in associates will be shown as part of investment in associates and subsequently adjusted for any impairment losses.

Goodwill is allocated to each of the cash-generating units, or groups of cash-generating units for the purpose of impairment testing.

Goodwill is tested for impairment, at the date of the consolidated financial statements, if events or changes in circumstances indicate that the estimated recoverable amount of a cash-generating unit or group of cash-generating units is less than their carrying amount. Moreover, impairment losses are charged to the consolidated statement of profit or loss.

Other Intangible Assets

Intangible assets acquired through business combination are recorded at their fair value on that date. Other intangible assets are measured on initial recognition at cost.

Intangible assets are classified based on the assessment of their useful life to definite and indefinite. Intangible assets with definite lives are amortized over their useful economic life, while intangible assets with indefinite useful lives are assessed for impairment at each reporting date, and impairment loss is charged to the consolidated statement of profit or loss.

Internally generated intangible assets are not capitalized and are expensed in the consolidated statement of profit or loss in the same period.

Indications of impairment of intangible assets are reviewed, and their useful economic lives are reassessed at each reporting date. Adjustments are reflected in the current and subsequent periods.

Computer software: are amortized using the straight-line method during a period that does not exceed 3 years from acquisition date.

Impairment of Non-Financial Asset

The carrying amount of the bank's non-financial asset is reviewed at the end of each fiscal year except for the deferred tax assets, to determine if there is an indication of impairment, and if there is an indication of impairment, the amount recoverable from these assets will be estimated.

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

The recoverable amount is the fair value of the asset – less cost of sales – or the value of its use, whichever is greater.

All impairment losses are recognized in the consolidated statement of profit or loss and other comprehensive income.

The impairment loss for goodwill is not reversed, for other assets, the impairment loss is reversed only if the value of the carrying amount of the assets does not exceed the book value that was determined after the depreciation or amortization has been reduced if the impairment loss is not recognized in value.

Foreign Currencies

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

The standalone financial statements of the Bank's subsidiaries are prepared. Moreover, the standalone financial statements of each entity of the Bank are presented in the functional currency in which it operates. Transactions in currencies other than the functional currency of the Bank are recorded at the rates of exchange prevailing at the dates of those transactions. At the balance sheet date, financial assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates at the date when the fair value was determined. Non-monetary items measured at historical cost in a foreign currency are not reclassified.

Exchange differences are recognized in the consolidated statement of profit or loss in the period in which they arise except for:

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

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

When foreign operations are disposed of (i.e. disposal of the Bank's entire share from foreign operations, or resulting from the loss of control of a subsidiary in foreign operations, or partial exclusion by its share in a joint arrangement, or an associate company of a foreign nature in which the share held is a financial asset), the net disposal is booked in the consolidated statement of profit or loss including foreign exchange differences.

In addition, in respect of the partial disposal of a subsidiary involving foreign operations that do not result in the Bank losing control of the subsidiary, its share of the accumulated exchange differences is credited to net comprehensive income at a rate that is derecognized and not recognized in the consolidated statement of profit or loss. For all other partial liquidation the net disposal is booked in the consolidated statement of profit or loss including foreign exchange differences

Cash and Cash Equivalents

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

Earning per Share

The bank calculate basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Bank by the weighted-average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Lease Contracts

The Bank as a Lessee

The Bank assesses whether the contract contains lease when starting the contract. The Bank recognizes the right to use assets and the corresponding lease obligations in relation to all lease arrangements in which the lessee is in, except for short-term lease contracts (defined as leases of 12 months or less) and low value asset leases, and for these contracts, the bank recognizes the lease payments as an operating expense on a straight-line basis over the period of the lease, unless another regular basis is more representative of the time pattern in which the economic benefits from the leased assets are utilized.

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, deducted by using the price implicit in the lease. If this rate cannot be easily determined, the bank uses its additional expected rate.

The lease payments included in the rental obligation measurement include:

- Fixed rental payments (essentially including fixed payments), minus accrued 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 lessee 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.

Rental obligations are presented as a separate note in the consolidated statement of financial position.

Later, lease obligations are subsequently measured by increasing the book value to reflect the interest in the rental obligations (using the effective interest method) and by reducing the book value to reflect the rental payments paid.

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 event or important 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 which cases the lease obligation is re-measured by deducting the modified rental payments using a non-variable discount rate (unless the rental payments change due to a change in the floating interest rate, in this case the adjusted discount rate is used).
- The lease contract is adjusted and the lease amendment is not accounted as a separate lease, in which case the lease obligation is re-measured based on the duration of the adjusted lease contract by deducting the adjusted rental payments using the adjusted discount rate at the actual price at the date of the amendment.

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

The right-to-use assets are presented as a separate note 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 calculates any impairment losses as described in the policy of “property and equipment”.

Variable rents that are not dependent on an index or rate are not included in the measurement of lease obligations and right to use assets. 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 “Other Expenditures” in the statement of profit or loss.

The Bank as a Lessor

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

Leases in which the Bank is the lessor are classified as operating or finance leases. In the event that the terms of the lease contract transfer all risks and rewards 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 lessor, 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.

Rental income from operating leases is recognized on a straight-line basis over the period of the relevant lease. The primary 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 lessee under finance leases are recognized as receivables with the amount of the company's net investment in the rental contracts. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the bank's existing net investment with respect to lease contracts.

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

3. Adoption of New and Revised Standards

The accounting policies used in the preparation of these consolidated financial statements are consistent with those used in the previous year except for the following new and amended IASB Standards during the year.

a. New and Amended IFRS Standards that are Effective for the Current Year

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2021, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

Interest Rate Benchmark Reform

In the prior year, the Group adopted the Phase 1 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9/IAS 39 and IFRS 7. These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the interest rate benchmark reform.

In the current year, the Group adopted the Phase 2 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16. Adopting these amendments enables the Group to reflect the effects of transitioning from interbank offered rates (IBOR) to alternative benchmark interest rates (also referred to as 'risk-free rates' or RFRs) without giving rise to accounting impacts that would not provide useful information to users of consolidated financial statements.

The amendments also introduce new disclosure requirements to IFRS 7 for hedging relationships that are subject to the exceptions introduced by the amendments to IFRS 9.

During 2021, the Group's has identified the financial instruments which may be affected by the transition, performed the needed changes on banking systems and conduct discussion with several stakeholders to meet the new requirements.

As per phase 2 amendments, changes to the basis for determining contractual cash flows as a result of interest rate benchmark reform are required as practical expedient to be treated as changes to floating interest rate, provided that, for the financial instruments, the takes place on an automatically equivalent basis.

The Group's strategy regarding fair value hedge will not change and the impact of the amendments on such hedge relationship is not material.

The value of derivatives financial instruments on which the reference rate is expected to be changed in future is around JD 110 million and the value of non-derivatives financial instruments on which the reference rate is expected to be changed is around JD 564 million as of December 31, 2021.

There is no material impact on the Group's financial statements as a result of the phase 1 and phase 2 amendments.

COVID-19-Related Rent Concessions Beyond June 30, 2021 - Amendment to IFRS 16

In the prior year, the Group early adopted Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before June 30, 2021.

In March 2021, the Board issued Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendment to IFRS 16) that extends the practical expedient to apply to reduction in lease payments originally due on or before June 30, 2022.

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession applying IFRS 16 as if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022).
- There is no substantive change to other terms and conditions of the lease.
- Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements as the Group did not have any leases impacted by the amendment.

b. Standards Issued but Not Effective

At the date of authorization of these consolidated financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

New and Revised IFRSs	Effective Date
<p>IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17)</p> <p>IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.</p> <p>IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.</p> <p>The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.</p> <p>In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after January 1, 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after January 1, 2023.</p> <p>For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.</p>	<p>The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.</p>
<p>Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture</p> <p>The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.</p> <p>The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.</p>	<p>The effective date is yet to be set. Earlier application is permitted.</p>
<p>Amendments to IAS 1 – Classification of Liabilities as Current or Non-current</p> <p>The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.</p> <p>The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.</p>	<p>The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.</p>

New and Revised IFRSs	Effective Date
<p>Amendments to IFRS 3 – Reference to the Conceptual Framework</p> <p>The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.</p> <p>Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.</p>	<p>The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references.</p>
<p>Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use</p> <p>The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.</p> <p>The amendments also clarify the meaning of ‘testing whether an asset is functioning properly. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.</p> <p>If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity’s ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.</p> <p>The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.</p> <p>The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.</p>	<p>January 1, 2022, with early application permitted.</p>
<p>Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract</p> <p>The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).</p> <p>The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.</p>	<p>January 1, 2022, with early application permitted.</p>

New and Revised IFRSs	Effective Date
<p>IFRS 1 First-time Adoption of International Financial Reporting Standards</p> <p>The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16 (a).</p>	January 1, 2022, with early application permitted.
<p>IFRS 9 Financial Instruments</p> <p>The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.</p> <p>The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.</p>	The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.
<p>IFRS 16 Leases</p> <p>The amendment removes the illustration of the reimbursement of leasehold improvements.</p>	As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.
<p>IAS 41 Agriculture</p> <p>The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.</p> <p>The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.</p>	January 1, 2022, with early application permitted.
<p>Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies</p> <p>The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.</p> <p>The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.</p> <p>The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.</p>	<p>January 1, 2023, with earlier application permitted and are applied prospectively.</p> <p>The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.</p>

New and Revised IFRSs	Effective Date
<p>Amendments to IAS 8 - Definition of Accounting Estimates</p> <p>The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”.</p> <p>The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications: A change in accounting estimate that results from new information or new developments is not the correction of an error The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.</p>	January 1, 2023, with earlier application permitted
<p>Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction</p> <p>The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.</p> <p>Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.</p> <p>Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.</p> <p>The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.</p> <p>The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:</p> <ul style="list-style-type: none"> • A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with: <ul style="list-style-type: none"> - Right-of-use assets and lease liabilities - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset • The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. 	January 1, 2023, with earlier application permitted

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

4. Significant Accounting Judgments and Key Sources of Uncertainty Estimates

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

Judgments, estimates, and assumptions are reviewed periodically. Moreover, the effect of the change in estimates is recognized in the financial period in which the change occurs if the change affects only the financial period. On the other hand, the effect of the change in estimates is recognized in the financial period in which the change occurs and in future periods if the change affects the financial period and future financial periods. Management believes that its estimates in the consolidated financial statements are reasonable. The details are as follows:

Critical Judgements in Applying the Group's Accounting Policies

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

Evaluation of Business Model

The classification and measurement of financial assets depend on the results of the principal and interest payments test on the principal outstanding and the business model test. 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. This assessment includes judgment that reflects all relevant evidence, including how to assess the performance of the assets and measure their performance, the risks that affect the performance of assets and how they are managed, and how asset managers are compensated. The Bank monitors financial assets measured at amortized cost or fair value through other comprehensive income and derecognized before maturity to understand the reason for derecognition and whether the reasons are consistent with the objective of the business held. In this respect, control is part of the Bank'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 the first stage, or the credit loss over the life of the assets of the second or third stage. The asset moves to the second stage if credit risk increases significantly since initial recognition. IFRS (9) does not specify what constitutes a significant increase in credit risk. In assessing whether the credit risk of any asset has increased significantly, the Bank takes into account reasonable and reliable quantitative and qualitative information. The estimates used by the Bank's management concerning the significant change in credit risk that result in a change in the classification within the three stages (1, 2 and 3) are shown in details in note (47).

Establish Groups of Assets with Similar Credit Risk Characteristics

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

Re-Division of Portfolios and Movements Between Portfolios

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

Models and Assumptions Used

The Bank uses various models and assumptions in measuring the fair value of financial assets as well as in assessing the expected credit loss described in Note (47). The judgment is applied when determining the best models for each type of asset as well as for the assumptions used in those models, which include assumptions regarding the main drivers of credit risk.

a. Classification and Measurement of Financial Assets and Liabilities

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

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

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

b. Fair Value Measurement

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

c. Derivative Financial Instruments

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

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

Determining the Duration of the Lease

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

Impairment of Intangible Assets with Infinite Life

Management is required to use significant judgments and estimates to determine whether intangible assets with indefinite life is impaired through estimation of the value in use of the cash-generating units to which has been allocated. The value in use calculation requires the Bank's Management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Details of the estimates used to assess the impairment of goodwill are disclosed in Note 14.

Key Sources of Uncertain Estimates

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

Determining the Number and Relative Weight of Scenarios, the Outlook for Each Type of Product / Market, and the Identification of Future Information Relevant to Each Scenario.

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

Probability of Default

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

Loss Given Default

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

Fair Value Measurement and Valuation Procedures

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

Provision for Expected Credit Losses

Management is required to use significant judgments and estimates to estimate the amounts and timing of future cash flows and assess the risks of a significant increase in credit risks for financial assets after initial recognition and future measurement information for the expected credit losses. The most important policies and estimates used by the Bank's management are detailed in Note (47).

Impairment of Seized Assets:

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

Productive Lifespan of Tangible Assets and Intangible Assets

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

Income Tax

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

Litigation Provision

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

Provision for End-of-Service Indemnity

The provision for end-of-service indemnity, representing the Bank's obligations to employees, is calculated in accordance with the Bank's internal regulations.

Assets and Liabilities at Cost

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

Extension and Termination Options in Leases

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

Discounting of Lease Payments

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

5. Cash and Balances at Central Banks - Net

The details of this item are as follows:

	December 31,	
	2021	2020
	JD	JD
Cash in hand and treasury	122,100,127	122,074,433
Balances at Central Banks:		
Current accounts and demand deposits	634,102,683	746,163,935
Term and notice deposits	48,433,251	38,749,073
Statutory cash reserve	202,351,318	218,827,845
Total Balances at Central Banks	884,887,252	1,003,740,853
Total Cash and Balances at Central Banks	1,006,987,379	1,125,815,286
Provision for expected credit loss *	(45,876)	(40,992)
Net Cash and Balances at Central Banks	1,006,941,503	1,125,774,294

- There are no certificate of deposits purchased from the Central Bank of Jordan maturing within a period of three months as of December 31, 2021 and 2020.
- Except for the statutory cash reserve, there are no restricted balances as of December 31, 2021 and 2020.

The movement on balances at central banks during the year was as follows:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	1,003,740,853	-	-	1,003,740,853
New balances during the year	884,887,252	-	-	884,887,252
Paid balances	(1,003,740,853)	-	-	(1,003,740,853)
Balance - End of the Year	884,887,252	-	-	884,887,252

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	967,954,968	-	-	967,954,968
New balances during the year	1,003,740,853	-	-	1,003,740,853
Paid balances	(967,954,968)	-	-	(967,954,968)
Balance - End of the Year	1,003,740,853	-	-	1,003,740,853

- There are no transfers between stages (1, 2 and 3) or written-off balances during the year ended December 31, 2021 and 2020.

* This item represents the provision for expected credit loss for the balances of foreign Central Banks, the movement during the years 2021 and 2020 was as follow:

	2021	2020
	JD	JD
Beginning balance	40,992	23,353
Expected credit losses during the year	4,884	17,639
Balance – End of the Year	45,876	40,992

6. Balances at Banks and Financial Institutions – Net

The details of this item are as follows:

Description	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020	2021	2020
	JD	JD	JD	JD	JD	JD
Current accounts and demand deposits	21,514,080	21,544,629	181,578,674	150,140,120	203,092,754	171,684,749
Deposits maturing within or less than 3 months	32,629,765	38,591,665	175,405,729	150,468,829	208,035,494	189,060,494
Total	54,143,845	60,136,294	356,984,403	300,608,949	411,128,248	360,745,243
Provision for expected credit loss	(69,959)	(29,317)	(260,175)	(83,619)	(330,134)	(112,936)
Net	54,073,886	60,106,977	356,724,228	300,525,330	410,798,114	360,632,307

- Non-interest bearing balances at banks and financial institutions amounted to JD 44,905,096 as of December 31, 2021 (JD 25,073,162 as of December 31, 2020).
- There were no restricted balances as of December 31, 2021 and 2020.

The movement on balances at banks and financial institutions for the year ended December 31, 2021 and 2020 was as follows:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	360,745,243	-	-	360,745,243
New balances during the year	411,128,248	-	-	411,128,248
Paid balances	(360,745,243)	-	-	(360,745,243)
Balance - End of the Year	411,128,248	-	-	411,128,248

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	452,733,115	-	-	452,733,115
New balances during the year	360,745,243	-	-	360,745,243
Paid balances	(452,733,115)	-	-	(452,733,115)
Balance - End of the Year	360,745,243	-	-	360,745,243

The following represents the movement on the provision for expected credit losses for deposits balances at banks and financial institutions during the year ended December 31, 2021 and 2020:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	112,936	-	-	112,936
Impairment on new balances during the year	330,134	-	-	330,134
Reversed from impairment on paid balances	(112,936)	-	-	(112,936)
Balance - End of the Year	330,134	-	-	330,134

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	217,434	-	-	217,434
Impairment on new balances during the year	112,936	-	-	112,936
Reversed from impairment on paid balances	(217,434)	-	-	(217,434)
Balance - End of the Year	112,936	-	-	112,936

7. Deposits at Banks and Financial Institutions – Net

The details of this item are as follows:

Deposits mature during the period:	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020	2021	2020
	JD	JD	JD	JD	JD	JD
From 3 months to 6 months	30,000,000	30,000,000	4,844,778	21,918,417	34,844,778	51,918,417
From 6 months to 9 months	5,000,000	-	9,649,603	1,542,962	14,649,603	1,542,962
From 9 months to 12 months	-	-	1,367,138	456,238	1,367,138	456,238
Total	35,000,000	30,000,000	15,861,519	23,917,617	50,861,519	53,917,617
Provision for expected credit losses	(796)	(10,207)	(222,761)	(225,547)	(223,557)	(235,754)
Net	34,999,204	29,989,793	15,638,758	23,692,070	50,637,962	53,681,863

- There were no restricted deposits as of December 31, 2021 and 2020.

The movement on deposits at banks and financial institutions for the year ended December 31, 2021 and 2020 was as follows:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	53,917,617	-	-	53,917,617
New balances during the year	50,861,519	-	-	50,861,519
Paid balances	(53,917,617)	-	-	(53,917,617)
Balance - End of the Year	50,861,519	-	-	50,861,519

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	56,491,789	-	-	56,491,789
New balances during the year	53,917,617	-	-	53,917,617
Paid balances	(56,491,789)	-	-	(56,491,789)
Balance - End of the Year	53,917,617	-	-	53,917,617

The following represents the movement on the provision for expected credit losses for deposits at banks and financial institutions during the year ended December 31, 2021 and 2020:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	235,754	-	-	235,754
Impairment on new balances during the year	233,067	-	-	233,067
Reversed from impairment on paid balances	(235,754)	-	-	(235,754)
Foreign currency translation difference	(9,510)	-	-	(9,510)
Balance - End of the Year	223,557	-	-	223,557

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	194,940	-	-	194,940
Impairment on new balances during the year	338,508	-	-	338,508
Reversed from impairment on paid balances	(194,940)	-	-	(194,940)
Foreign currency translation difference	(102,754)	-	-	(102,754)
Balance - End of the Year	235,754	-	-	235,754

8. Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

	December 31,	
	2021	2020
	JD	JD
Quoted Financial Assets:		
Quoted shares and funds in active markets	4,180,221	3,822,994
Total	4,180,221	3,822,994
Unquoted Financial Assets:		
Unquoted shares in active markets	450,584	632,797
Total	450,584	632,797
Net	4,630,805	4,455,791

9. Financial Assets at Fair Value through Other Comprehensive Income

The details of this item are as follows:

	December 31,	
	2021	2020
	JD	JD
Shares and funds with no available market prices	26,347,895	26,129,906
Total Shares	26,347,895	26,129,906
Jordanian Treasury bonds	155,629,181	158,883,347
Foreign governments bills and bonds	40,038,806	11,393,902
Treasury Bills	81,660,210	80,485,872
Corporate bonds	72,855,698	95,496,835
Total Bonds	350,183,895	346,259,956
Less: Provision of expected credit loss	(333,412)	(507,262)
Total Bonds – Net	349,850,483	345,752,694
Total	376,198,378	371,882,600

- The maturity dates for Bonds range from year 2022 to year 2036.
- Interest rates on bonds and treasury bills ranges from 0.00% to 6.4%.

The movement on shares at fair value through other comprehensive during the year ended December 31, 2021 and 2020:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Fair value as of beginning of the year	26,129,906	25,628,516
New investments during the year	684,443	698,760
Changes in fair value during the year	(466,454)	(123,521)
Investments sold during the year	-	(78,974)
Translation difference	-	5,125
Balance – End of the Year	26,347,895	26,129,906

The movement on Bonds at fair value through other comprehensive income during the year ended December 31, 2021 and 2020:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Fair value – beginning of the year	346,259,956	-	-	346,259,956
New investments during the year	114,516,625	-	-	114,516,625
Matured investments during the year	(99,316,676)	-	-	(99,316,676)
Transferred to stage 2	(3,752,742)	3,752,742	-	-
Change in fair value during the year	(8,400,918)	(285,454)	-	(8,686,372)
Amortization of premium/ discount	(849,920)	9,284	-	(840,636)
Adjustments due to change in exchange rates	(1,597,643)	(151,359)	-	(1,749,002)
Balance – End of the Year	346,858,682	3,325,213	-	350,183,895

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Fair value – beginning of the year	352,431,258	10,768,285	-	363,199,543
New investments during the year	83,885,501	-	-	83,885,501
Matured investments during the year	(100,792,508)	(10,720,328)	-	(111,512,836)
Change in fair value during the year	6,670,407	4,344	-	6,674,751
Amortization of premium/ discount	(828,470)	(50,196)	-	(878,666)
Adjustments due to change in exchange rates	4,893,768	(2,105)	-	4,891,663
Balance – End of the Year	346,259,956	-	-	346,259,956

The following represents the movement on the provision for expected credit losses during the year ended December 31, 2021 and 2020:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance – beginning of the year	507,262	-	-	507,262
Expected credit losses for new investment during the year	217	-	-	217
Reversed from impairment on matured investment	(28,770)	-	-	(28,770)
Transferred to stage 2	(56,004)	56,004	-	-
Effect on provision due to adjustments between stages	-	32,993	-	32,993
Effect on provision due to adjustments	(175,453)	-	-	(175,453)
Adjustments due to change in exchange rates	(2,837)	-	-	(2,837)
Balance – End of the Year	244,415	88,997	-	333,412

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance – beginning of the year	352,877	21,131	-	374,008
Expected credit losses for new investment during the year	267,736	-	-	267,736
Reversed from impairment on matured investment	(151,168)	(21,131)	-	(172,299)
Effect on provision due to adjustments	27,521	-	-	27,521
Adjustments due to change in exchange rates	10,296	-	-	10,296
Balance – End of the Year	507,262	-	-	507,262

10. Direct Credit Facilities at Fair Value through Profit or Loss

The details of this item are as follows:

The movement on direct credit facilities at fair value through profit or loss during the year ended December 31, 2021 and 2020:

	2021	2020
	JD	JD
Balance – beginning of the year	130,690,360	-
Paid credit facilities during the year	(33,378,382)	-
Effect of adjustments	1,106,991	-
Transferred from direct credit facilities at amortized cost	-	129,093,382
Change in fair value during the year	(1,772,762)	1,596,978
Balance – End of the Year	96,646,207	130,690,360

11. Direct Credit Facilities at Amortized Cost - Net

The details of this item are as follows:

	December 31,	
	2021	2020
	JD	JD
Individuals (Retail):		
Overdraft accounts	7,181,458	5,481,013
Loans and discounted bills *	917,931,394	841,501,810
Credit cards	18,218,924	15,144,726
Real Estate Loans	1,284,471,859	1,258,978,371
Includes Housing loans	788,721,239	783,748,117
Companies:		
Large		
Overdraft accounts	253,663,310	216,813,681
Loans and discounted bills *	1,201,849,580	1,293,788,358
Small and Medium		
Overdraft accounts	61,759,508	57,323,650
Loans and discounted bills *	288,057,037	256,118,000
Government and Public Sector	403,453,722	577,933,242
Total	4,436,586,792	4,523,082,851
Less: Provision of expected credit losses	(453,472,108)	(431,232,121)
Interest in suspense	(132,848,537)	(115,106,958)
Net Direct Credit Facilities	3,850,266,147	3,976,743,772

* Net after deducting interest and commission received in advance and unearned revenues of JD 25,453,532 as of December 31, 2021 (JD 22,038,145 as of December 31, 2020).

- Non-performing credit facilities amounted to JD 338,061,574 which is equivalent to 7.46 % of total direct credit facilities as of December 31, 2021 (JD 367,220,045 which is equivalent to 7.89% of total direct credit facilities as of December 31, 2020).
- Non-performing credit facilities after deducting interest and commissions in suspense amounted to JD 224,012,870 which is equivalent to 5.1 % of the total direct credit facilities balance after deducting interest and commission in suspense as of December 31, 2021 (JD 255,512,265 which is equivalent to 5.63% of the total credit facilities balance after deducting interest and commission in suspense as of December 31, 2020).
- Non-performing credit facilities transferred to off-the consolidated statement of financial position amounted to JD 41,543,206 as of December 31, 2021 (JD 20,875,345 as of December 31, 2020). The off-balance sheet items balance is amounted to JD 419,000,731 as of December 31, 2021 (JD 406,053,093 as of December 31, 2020).
- Direct credit facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 423,550,934 which is equivalent to 9.3 % of total direct credit facilities as of December 31, 2021 (JD 646,111,011 which is equivalent to 13.9% as of December 31, 2020).

The movement on direct credit facilities during the year ended December 31, 2021 and 2020 was as follow:

	2021				
	Stage (1)		Stage (2)		Total
	Individual JD	Collective JD	Individual JD	Collective JD	
Balance - beginning of the year	2,029,419,235	1,620,627,677	338,844,132	94,476,568	4,523,082,851
Reclassification	127,476	(30,518,645)	-	30,391,169	-
Adjusted Balance - Beginning of the Year	2,029,546,711	1,590,109,032	338,844,132	124,867,737	4,523,082,851
New credit facilities during the year	402,150,806	478,353,658	20,633,146	15,656,982	920,092,882
Paid credit facilities during the year	(312,842,489)	(286,691,998)	(13,290,508)	(10,977,286)	(642,677,744)
Transferred to stage (1)	29,440,246	43,330,206	(27,514,719)	(33,819,929)	-
Transferred to stage (2)	(137,506,241)	(33,243,666)	145,686,661	33,728,244	-
Transferred to stage (3)	(8,503,977)	(4,965,582)	(15,769,183)	(4,529,601)	-
Effect of adjustments	(190,236,748)	(79,038,906)	(23,995,604)	(4,678,618)	(293,453,551)
Credit facilities written off and transferred To off balance sheet items	-	-	-	-	(46,874,115)
Adjustments due to change in exchange rates	(7,668,256)	(4,148,127)	(1,736,466)	(3,480,826)	(23,583,531)
Balance - End of the Year	1,804,380,052	1,703,704,617	422,857,459	116,766,703	4,436,586,792

	2020				
	Stage (1)		Stage (2)		Total
	Individual JD	Collective JD	Individual JD	Collective JD	
Balance - beginning of the year	1,999,944,671	1,764,918,943	321,609,001	124,546,946	4,598,744,334
Reclassification	210,016,133	(210,016,133)	22,000,702	(22,000,702)	-
Adjusted Balance - Beginning of the Year	2,209,960,804	1,554,902,810	343,609,703	102,546,244	4,598,744,334
New credit facilities during the year	416,677,939	418,244,061	16,484,631	13,984,832	880,019,962
Paid credit facilities during the year	(305,853,997)	(255,427,631)	(23,023,189)	(15,438,233)	(615,573,579)
Transferred to stage (1)	12,702,016	47,374,817	(12,001,851)	(40,651,504)	-
Transferred to stage (2)	(56,124,955)	(47,924,378)	57,838,483	55,753,164	-
Transferred to stage (3)	(4,974,800)	(8,551,536)	(50,945,868)	(9,147,268)	-
Effect of adjustments	(93,734,713)	(77,374,024)	8,989,468	1,314,999	(124,175,731)
Transferred to direct credit facilities at fair value through profit or loss	(129,093,382)	-	-	-	(129,093,382)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(23,688,063)
Adjustments due to change in exchange rates	(20,139,677)	(10,616,442)	(2,107,245)	(13,885,666)	(63,150,690)
Balance - End of the Year	2,029,419,235	1,620,627,677	338,844,132	94,476,568	4,523,082,851

The movement on the provision for expected credit loss during the year ended December 31, 2021 and 2020 was as follow:

For the Year ended December 31, 2021	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	217,494,102	47,931,630	36,517,290	129,214,695	74,404	431,232,121
Reclassification	1,513,060	313,205	(67,056)	(1,759,209)	-	-
Adjusted Beginning Balance of the Year	219,007,162	48,244,835	36,450,234	127,455,486	74,404	431,232,121
Impairment on new credit facilities during the year	4,374,319	3,656,042	6,323,756	2,429,946	8,590	16,792,653
Recovered from impairment on paid credit facilities	(3,885,838)	(2,624,413)	(4,371,061)	(5,009,267)	-	(15,890,579)
Transferred (from) to stage (1) – net	(8,670,846)	(466,482)	4,795,123	(859,219)	(7,890)	(5,209,314)
Transferred (from) to stage (2) – net	4,643,255	(1,107,688)	(2,123,927)	(199,556)	7,890	1,219,974
Transferred (from) to stage (3) – net	4,027,591	1,574,170	(2,671,196)	1,058,775	-	3,989,340
Effect on provision at the end of the year due to reclassification between stages	8,514,777	4,170,108	(98,403)	132,771	(6,484)	12,712,769
Effect due to adjustments	26,977,512	3,149,717	6,942,054	377,666	348	37,447,297
Credit facilities written off and transferred to off balance sheet items	(17,019,477)	(6,080,995)	(180,796)	(3,226,466)	-	(26,507,734)
Adjustments due to change in exchange rates	(1,708,393)	(575,501)	(6,341)	(24,184)	-	(2,314,419)
Balance at the End of the Year	236,260,062	49,939,793	45,059,443	122,135,952	76,858	453,472,108
Redistribution:						
Provision on an individual basis	233,682,840	48,919,436	27,670,421	107,141,646	76,858	417,491,201
Provision on a collective basis	2,577,222	1,020,357	17,389,022	14,994,306	-	35,980,907

For the Year Ended December 31, 2020	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	178,484,965	39,280,368	40,543,847	74,880,894	417,669	333,607,743
Reclassification	1,082,581	(894,576)	389,311	(177,315)	(400,001)	-
Adjusted Beginning Balance of the Year	179,567,546	38,385,792	40,933,158	74,703,579	17,668	333,607,743
Impairment on new credit facilities during the year	12,245,589	6,240,575	4,444,974	2,999,871	581	25,931,590
Recovered from impairment on paid credit facilities	(9,535,737)	(3,440,928)	(3,511,161)	(1,473,408)	(49)	(17,961,283)
Transferred (from) to stage (1) – net	731,346	(72,639)	4,117,906	3,287,920	-	8,064,533
Transferred (from) to stage (2) – net	(7,908,580)	(3,322,886)	(603,135)	(160,660)	-	(11,995,261)
Transferred (from) to stage (3) – net	7,177,234	3,395,525	(3,514,771)	(3,127,260)	-	3,930,728
Effect on provision at the end of the year due to reclassification between stages	19,357,572	6,038,044	2,077,178	7,278,752	-	34,751,546
Effect due to adjustments	28,624,840	3,854,557	(7,001,048)	46,160,575	56,204	71,695,128
Credit facilities written off and transferred to off balance sheet items	(8,352,010)	(2,023,140)	(377,734)	(235,635)	-	(10,988,519)
Adjustments due to change in exchange rates	(4,413,698)	(1,123,270)	(48,077)	(219,039)	-	(5,804,084)
Balance at the End of the Year	217,494,102	47,931,630	36,517,290	129,214,695	74,404	431,232,121
Redistribution:						
Provision on an individual basis	216,529,551	47,156,080	21,425,185	114,577,284	74,404	399,762,504
Provision on a collective basis	964,551	775,550	15,092,105	14,637,411	-	31,469,617

Interest in Suspense

The following is the movement on interest in suspense:

For the Year Ended December 31, 2021	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	43,690,566	27,118,474	24,910,177	19,387,741	-	115,106,958
Reclassification	1,582	21,134	(44,608)	21,892	-	-
Adjusted Beginning Balance of the Year	43,692,148	27,139,608	24,865,569	19,409,633	-	115,106,958
Interest suspended on new exposure during the year	7,070	206,307	222,105	94,544	-	530,026
Interest in suspense transferred to income from exposure paid during the year	(667,701)	(227,582)	(283,702)	(901,340)	-	(2,080,325)
Effect on interest suspended due to reclassification between stages	295,699	34,468	(631,338)	(442,941)	-	(744,112)
Effect on interest in suspense due to adjustments	14,079,147	6,404,964	4,445,815	16,504,593	-	41,434,519
Credit facilities written off and transferred to off balance sheet items	(15,373,146)	(1,803,156)	(930,045)	(2,260,034)	-	(20,366,381)
Adjustments due to change in exchange rates	(796,804)	(226,663)	(7,910)	(771)	-	(1,032,148)
Balance at the End of the Year	41,236,413	31,527,946	27,680,494	32,403,684	-	132,848,537

For the Year Ended December 31, 2020	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	45,614,086	23,114,028	20,778,391	16,809,081	-	106,315,586
Reclassification	260,600	(257,250)	11,132	(14,482)	-	-
Adjusted Beginning Balance of the Year	45,874,686	22,856,778	20,789,523	16,794,599	-	106,315,586
Interest suspended on new exposure during the year	224,183	509,319	55,917	84,215	-	873,634
Interest in suspense transferred to income from exposure paid during the year	(2,030,735)	(663,942)	(233,635)	(735,728)	-	(3,664,040)
Effect on interest suspended due to reclassification between stages	1,412,565	619,718	(374,738)	(202,922)	-	1,454,623
Effect on interest in suspense due to adjustments	10,559,567	6,142,130	5,092,447	4,280,229	-	26,074,373
Credit facilities written off and transferred to off balance sheet items	(9,546,597)	(1,932,875)	(398,063)	(822,084)	-	(12,699,619)
Adjustments due to change in exchange rates	(2,803,103)	(412,654)	(21,274)	(10,568)	-	(3,247,599)
Balance at the End of the Year	43,690,566	27,118,474	24,910,177	19,387,741	-	115,106,958

The following are the exposures according to IFRS (9) as of December 31, 2021 and 2020:

	2021									
	Stage (1)			Stage (2)			Stage (3)		Net	
	Direct Credit Facilities	Provision for Expected Credit Loss	Interest in Suspense	Direct Credit Facilities	Provision for Expected Credit Loss	Interest in Suspense	Direct Credit Facilities	Provision for Expected Credit Loss		Interest in Suspense
	JD	JD	JD	JD	JD	JD	JD	JD		JD
Corporate entities	1,084,699,402	16,649,893	4,223	200,100,562	69,437,400	1,660,516	170,712,926	150,172,769	39,571,674	1,178,016,415
SME's	213,926,197	2,240,922	968	54,643,674	9,493,041	122,211	81,246,674	38,205,830	31,404,767	268,348,806
Retail	845,728,731	7,653,936	66,839	37,292,346	11,473,845	16,270	60,310,699	25,931,662	27,597,385	870,591,839
Real estate loans	967,270,716	6,759,098	2,748	240,593,481	83,185,964	12,357,625	76,607,662	32,190,890	20,043,311	1,129,932,223
Governmental and public	396,459,623	75,410	-	6,994,099	1,448	-	-	-	-	403,376,864
Total	3,508,084,669	33,379,259	74,778	539,624,162	173,591,698	14,156,622	388,877,961	246,501,151	118,617,137	3,850,266,147

	2020									
	Stage (1)			Stage (2)			Stage (3)		Net	
	Direct Credit Facilities	Provision for Expected Credit Loss	Interest in Suspense	Direct Credit Facilities	Provision for Expected Credit Loss	Interest in Suspense	Direct Credit Facilities	Provision for Expected Credit Loss		Interest in Suspense
	JD	JD	JD	JD	JD	JD	JD	JD		JD
Corporate entities	1,148,433,502	26,526,203	138,674	160,435,690	41,642,561	193,045	201,732,847	149,325,338	43,358,847	1,249,417,371
SME's	192,939,997	4,766,044	36,780	37,508,098	6,336,783	74,387	82,993,555	36,828,803	27,007,307	238,391,546
Retail	761,800,505	7,323,419	116,734	35,686,993	8,795,760	23,095	64,640,051	20,398,111	24,770,348	800,700,082
Real estate loans	968,939,666	15,592,456	15,019	199,689,919	83,203,865	4,096	90,348,786	30,418,374	19,368,626	1,110,375,935
Governmental and public	577,933,242	74,404	-	-	-	-	-	-	-	577,858,838
Total	3,650,046,912	54,282,526	307,207	433,320,700	139,978,969	294,623	439,715,239	236,970,626	114,505,128	3,976,743,772

The distribution of total credit facilities by internal credit rating for large corporates was as follows:

Credit rating categories based on the Bank's internal system:	December 31, 2021				December 31, 2020	
	Stage (1)		Stage (2)		Stage (3)	
	JD		JD		JD	
	Total		Total		Total	
From (1) To (5)	807,067,142		42,849,095		2,205,269	
From (6) To (7)	267,508,436		142,777,103		32,091,726	
From (8) To (10)	-		-		119,053,813	
Not rated	10,123,824		14,474,364		17,362,118	
Total	1,084,699,402		200,100,562		170,712,926	
					1,455,512,890	
					948,672,669	
					347,676,796	
					145,175,496	
					69,077,078	
					1,510,602,039	

The movement on credit facilities for large corporates during the year ended December 31, 2021 and 2020 was as follows:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	1,116,546,088	31,887,414	146,442,785	13,992,905	201,732,847	1,510,602,039
Reclassification	(285,037)	(12,725,122)	-	11,237,108	15,563	(1,757,488)
Adjusted Balance - Beginning of the Year	1,116,261,051	19,162,292	146,442,785	25,230,013	201,748,410	1,508,844,551
New credit facilities during the year	192,243,618	1,999,653	6,045,746	645,962	66,145	201,001,124
Paid credit facilities	(106,453,445)	(2,781,506)	(5,688,457)	(2,409,377)	(4,506,804)	(121,839,589)
Transferred to stage (1)	20,042,119	3,690,511	(18,572,457)	(3,690,511)	(1,469,662)	-
Transferred to stage (2)	(88,548,606)	(340,875)	88,548,606	605,184	(264,309)	-
Transferred to stage (3)	(4,162,115)	(477,405)	(5,306,156)	(330,710)	10,276,386	-
Effect of adjustments	(53,264,933)	(7,218,836)	(25,120,844)	(2,782,017)	3,041,571	(85,345,059)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(32,392,623)	(32,392,623)
Adjustments due to change in exchange rates	(4,749,525)	(702,596)	(723,027)	(2,794,178)	(5,786,188)	(14,755,514)
Balance - End of the Year	1,071,368,164	13,331,238	185,626,196	14,474,366	170,712,926	1,455,512,890

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	1,008,403,759	177,383,895	149,990,125	35,344,628	172,545,634	1,543,668,041
Reclassification	130,417,255	(129,679,367)	6,478,202	(5,172,962)	648,113	2,691,241
Adjusted Balance - Beginning of the Year	1,138,821,014	47,704,528	156,468,327	30,171,666	173,193,747	1,546,359,282
New credit facilities during the year	210,473,864	5,187,187	7,353,808	7,822,766	5,974,624	236,812,249
Paid credit facilities	(133,561,967)	(10,510,882)	(9,221,728)	(8,775,590)	(3,659,126)	(165,729,293)
Transferred to stage (1)	4,715,182	6,900,909	(4,653,950)	(6,900,909)	(61,232)	-
Transferred to stage (2)	(30,827,080)	(3,965,077)	31,832,638	3,965,077	(1,005,558)	-
Transferred to stage (3)	(2,045,448)	(348,753)	(37,451,252)	(749,392)	40,594,845	-
Effect of adjustments	70,747,104	(4,135,832)	2,735,062	1,113,153	19,606,735	90,066,222
Transferred to direct credit facilities at fair value facilities through profit or loss	(129,093,382)	-	-	-	-	(129,093,382)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(17,898,609)	(17,898,609)
Adjustments due to change in exchange rates	(12,683,199)	(8,944,666)	(620,120)	(12,653,866)	(15,012,579)	(49,914,430)
Balance - End of the Year	1,116,546,088	31,887,414	146,442,785	13,992,905	201,732,847	1,510,602,039

The movement on the provision for credit loss for large corporates credit facilities during the year ended December 31, 2021 and 2020 was as follows:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	26,274,646	251,557	40,929,563	712,998	149,325,338	217,494,102
Reclassification	(239,864)	41,871	-	1,701,819	9,234	1,513,060
Adjusted Balance Beginning of the Year	26,034,782	293,428	40,929,563	2,414,817	149,334,572	219,007,162
Impairment losses on new credit facilities during the year	2,133,179	17,512	2,100,462	65,292	57,874	4,374,319
Reversed from impairment losses on paid credit facilities	(1,602,902)	(53,590)	(968,048)	(143,032)	(1,118,266)	(3,885,838)
Transferred to stage (1)	1,739,757	191,874	(785,428)	(191,874)	(954,329)	-
Transferred to stage (2)	(7,900,899)	(38,452)	7,900,899	38,452	-	-
Transferred to stage (3)	(2,656,380)	(6,746)	(2,290,057)	(28,737)	4,981,920	-
Effect due to reclassification between stages	(1,345,701)	(178,175)	10,165,166	22,194	(148,707)	8,514,777
Effect of adjustments	196,050	(114,523)	9,995,220	336,452	16,564,313	26,977,512
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(17,019,477)	(17,019,477)
Adjustments due to change in exchange rates	(65,438)	6,117	(70,154)	(53,787)	(1,525,131)	(1,708,393)
Balance - End of the Year	16,532,448	117,445	66,977,623	2,459,777	150,172,769	236,260,062

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	6,854,737	3,661,192	36,262,870	6,078,586	125,627,580	178,484,965
Reclassification	2,557,338	(2,027,615)	315,291	(27,189)	264,756	1,082,581
Adjusted Balance - Beginning of the Year	9,412,075	1,633,577	36,578,161	6,051,397	125,892,336	179,567,546
Impairment losses on new credit facilities during the year	4,692,927	70,786	1,953,048	397,879	5,130,949	12,245,589
Reversed from impairment losses on paid credit facilities	(2,236,503)	(777,363)	(3,990,141)	(1,848,635)	(683,095)	(9,535,737)
Transferred to stage (1)	165,530	1,175,587	(116,847)	(1,175,587)	(48,683)	-
Transferred to stage (2)	(324,158)	(276,755)	1,128,604	276,755	(804,446)	-
Transferred to stage (3)	(2,364)	(6,493)	(7,899,626)	(121,880)	8,030,363	-
Effect due to reclassification between stages	427,831	(1,162,958)	895,806	(212,475)	19,409,368	19,357,572
Effect of adjustments	14,221,476	(59,391)	12,410,532	(1,356,147)	3,408,370	28,624,840
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(8,352,010)	(8,352,010)
Adjustments due to change in exchange rates	(82,168)	(345,433)	(29,974)	(1,298,309)	(2,657,814)	(4,413,698)
Balance - End of the Year	26,274,646	251,557	40,929,563	712,998	149,325,338	217,494,102

The distribution of total credit facilities by internal credit rating for SME's was as follows:

	December 31, 2021				December 31, 2020
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:					
From (1) To (5)	149,143,443	10,887,106	60,094	160,090,643	118,318,133
From (6) To (7)	31,846,723	40,689,106	2,093,372	74,629,201	89,097,388
From (8) To (10)	-	-	69,769,972	69,769,972	68,611,115
Not rated	32,936,031	3,067,462	9,323,236	45,326,729	37,415,014
Total	213,926,197	54,643,674	81,246,674	349,816,545	313,441,650

The movement on credit facilities for SME's during the year ended December 31, 2021 and 2020 was as follows:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	167,500,335	25,439,662	34,975,012	2,533,086	82,993,555	313,441,650
Reclassification	1,994,039	667,212	-	871,913	82,285	3,615,449
Adjusted Balance - Beginning of the Year	169,494,374	26,106,874	34,975,012	3,404,999	83,075,840	317,057,099
New credit facilities during the year	90,921,115	16,708,546	14,069,642	747,429	1,930,508	124,377,240
Paid credit facilities	(53,321,264)	(2,579,648)	(4,680,410)	(448,353)	(2,523,507)	(63,553,182)
Transferred to stage (1)-net	4,738,617	2,063,701	(4,379,791)	(1,556,936)	(865,591)	-
Transferred to stage (2)-net	(22,424,779)	(1,305,065)	22,834,710	1,609,475	(714,341)	-
Transferred to stage (3)-net	(1,817,642)	(334,823)	(4,463,881)	(201,877)	6,818,223	-
Effect of adjustments	(3,707,645)	(7,252,163)	(5,766,322)	55,986	2,122,297	(14,547,847)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(7,884,151)	(7,884,151)
Adjustments due to change in exchange rates	(2,892,608)	(471,393)	(1,012,748)	(543,261)	(712,604)	(5,632,614)
Balance - End of the Year	180,990,168	32,936,029	51,576,212	3,067,462	81,246,674	349,816,545

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	98,159,125	96,856,112	21,511,158	19,363,168	71,019,769	306,909,332
Reclassification	76,199,523	(79,254,658)	13,989,364	(16,060,403)	(275,373)	(5,401,547)
Adjusted Balance - Beginning of the Year	174,358,648	17,601,454	35,500,522	3,302,765	70,744,396	301,507,785
New credit facilities during the year	65,541,747	15,579,301	6,402,379	549,962	6,743,825	94,817,214
Paid credit facilities	(52,697,729)	(4,112,254)	(6,136,351)	(963,133)	(3,891,202)	(67,800,669)
Transferred to stage (1)-net	4,717,497	1,143,325	(4,448,131)	(856,379)	(556,312)	-
Transferred to stage (2)-net	(12,916,967)	(1,332,276)	13,116,009	1,612,493	(479,259)	-
Transferred to stage (3)-net	(1,301,558)	(427,403)	(7,649,531)	(661,777)	10,040,269	-
Effect of adjustments	(2,853,886)	(979,958)	(389,174)	335,870	5,582,368	1,695,220
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(3,956,016)	(3,956,016)
Adjustments due to change in exchange rates	(7,347,417)	(2,032,527)	(1,420,711)	(786,715)	(1,234,514)	(12,821,884)
Balance - End of the Year	167,500,335	25,439,662	34,975,012	2,533,086	82,993,555	313,441,650

The movement on the provision for credit loss for SME's credit facilities during the year ended December 31, 2021 and 2020 was as follows:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	4,529,147	236,897	5,798,130	538,653	36,828,803	47,931,630
Reclassification	229,786	3,098	-	45,760	34,561	313,205
Adjusted balance - Beginning of the Year	4,758,933	239,995	5,798,130	584,413	36,863,364	48,244,835
Impairment losses on new credit facilities during the year	723,875	139,997	1,502,179	98,655	1,191,336	3,656,042
Reversed from impairment losses on paid credit facilities	(1,402,659)	(33,074)	(283,525)	(102,343)	(802,812)	(2,624,413)
Transferred to stage (1)	612,830	329,001	(397,443)	(225,704)	(318,684)	-
Transferred to stage (2)	(1,247,144)	(10,864)	1,495,719	56,243	(293,954)	-
Transferred to stage (3)	(146,301)	(4,004)	(1,990,924)	(45,579)	2,186,808	-
Effect due to reclassification between stages	(558,736)	(317,081)	3,078,642	422,874	1,544,409	4,170,108
Effect of adjustments	(675,768)	(101,697)	(369,748)	20,064	4,276,866	3,149,717
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(6,080,995)	(6,080,995)
Adjustments due to change in exchange rates	(64,191)	(2,190)	(120,263)	(28,349)	(360,508)	(575,501)
Balance - End of the Year	2,000,839	240,083	8,712,767	780,274	38,205,830	49,939,793

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	2,075,749	2,302,391	4,774,961	1,411,065	28,716,202	39,280,368
Reclassification	1,836,290	(1,975,558)	365,923	(1,022,700)	(98,531)	(894,576)
Adjusted Balance - Beginning of the Year	3,912,039	326,833	5,140,884	388,365	28,617,671	38,385,792
Impairment losses on new credit facilities during the year	1,101,068	92,563	636,750	57,467	4,352,727	6,240,575
Reversed from impairment losses on paid credit facilities	(943,429)	(246,158)	(264,733)	(179,041)	(1,807,567)	(3,440,928)
Transferred to stage (1)-net	370,584	193,678	(241,084)	(87,858)	(235,320)	-
Transferred to stage (2)-net	(559,594)	(19,490)	639,965	124,506	(185,387)	-
Transferred to stage (3)-net	(56,627)	(1,190)	(3,705,286)	(53,129)	3,816,232	-
Effect due to reclassification between stages	143,716	(183,125)	1,242,639	239,344	4,595,470	6,038,044
Effect of adjustments	730,696	260,181	2,420,510	224,401	218,769	3,854,557
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(2,023,140)	(2,023,140)
Adjustments due to change in exchange rates	(169,306)	(186,395)	(71,515)	(175,402)	(520,652)	(1,123,270)
Balance - End of the Year	4,529,147	236,897	5,798,130	538,653	36,828,803	47,931,630

The distribution of total credit facilities by internal credit rating for Individuals was as follows:

	December 31, 2021				December 31, 2020
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:					
From (1) To (5)	48,706,746	2,062,782	305,764	51,075,292	43,678,084
From (8) To (10)	-	-	1,969,878	1,969,878	2,441,764
Not rated	797,021,985	35,229,564	58,035,057	890,286,606	816,007,701
Total	845,728,731	37,292,346	60,310,699	943,331,776	862,127,549

The movement on credit facilities for Individuals during the year ended December 31, 2021 and 2020 was as follows:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	41,910,178	719,890,327	1,674,083	34,012,910	64,640,051	862,127,549
Reclassification	(2,674,720)	(10,369)	-	14,897	(114,353)	(2,784,545)
Adjusted Balance - Beginning of the Year	39,235,458	719,879,958	1,674,083	34,027,807	64,525,698	859,343,004
New credit facilities during the year	29,429,187	339,984,632	351,594	9,044,171	1,050,828	379,860,412
Paid credit facilities	(15,957,220)	(209,449,215)	(93,329)	(5,741,299)	(3,394,409)	(234,635,472)
Transferred to stage (1)-net	150,179	15,656,752	(150,179)	(11,310,975)	(4,345,777)	-
Transferred to stage (2)-net	(432,218)	(11,186,708)	510,629	13,683,049	(2,574,752)	-
Transferred to stage (3)-net	-	(2,856,422)	(139,422)	(1,613,229)	4,609,073	-
Effect of adjustments	(3,718,619)	(54,750,891)	(90,583)	(2,822,855)	1,565,127	(59,817,821)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(1,110,841)	(1,110,841)
Adjustments due to change in exchange rates	(22)	(256,120)	(13)	(37,103)	(14,248)	(307,506)
Balance - End of the Year	48,706,745	797,021,986	2,062,780	35,229,566	60,310,699	943,331,776

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the Year	35,268,561	674,312,153	1,556,387	26,724,299	61,941,400	799,802,800
Reclassification	1,441,967	(77,752)	819,028	(45,355)	56,297	2,194,185
Adjusted Balance - Beginning of the Year	36,710,528	674,234,401	2,375,415	26,678,944	61,997,697	801,996,985
New credit facilities during the year	16,722,893	268,155,832	111,253	5,212,283	1,805,565	292,007,826
Paid credit facilities	(7,660,580)	(164,921,770)	(102,083)	(4,877,432)	(2,625,950)	(180,187,815)
Transferred to stage (1)	381,836	14,437,588	(130,527)	(11,492,659)	(3,196,238)	-
Transferred to stage (2)	(334,723)	(19,226,195)	342,785	22,412,595	(3,194,462)	-
Transferred to stage (3)	-	(4,260,882)	(791,762)	(3,169,759)	8,222,403	-
Effect of adjustments	(3,909,900)	(47,459,664)	(131,042)	(690,109)	2,444,895	(49,745,820)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(775,841)	(775,841)
Adjustments due to change in exchange rates	124	(1,068,983)	44	(60,953)	(38,018)	(1,167,786)
Balance - End of the Year	41,910,178	719,890,327	1,674,083	34,012,910	64,640,051	862,127,549

The movement on the provision for credit loss for individuals' credit facilities during the year ended December 31, 2021 and 2020 was as follows:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - Beginning of the year	353,856	6,969,563	673,218	8,122,542	20,398,111	36,517,290
Reclassification	(11,243)	7,905	-	236	(63,954)	(67,056)
Adjusted Balance - Beginning of the Year	342,613	6,977,468	673,218	8,122,778	20,334,157	36,450,234
Impairment losses on new facilities during the year	305,487	2,812,052	151,632	2,539,770	514,815	6,323,756
Reversed from impairment losses on matured facilities	(61,962)	(1,835,927)	(11,094)	(1,302,165)	(1,159,913)	(4,371,061)
Transferred to stage (1)-net	27,284	4,903,411	(27,285)	(2,921,239)	(1,982,171)	-
Transferred to stage (2)-net	(1,977)	(106,149)	48,392	1,233,208	(1,173,474)	-
Transferred to stage (3)-net	-	(27,446)	(25,547)	(431,456)	484,449	-
Effect due to reclassification between stages	(17,063)	(4,683,747)	187,723	2,655,680	1,759,004	(98,403)
Effect of adjustments	24,747	(1,004,738)	122,599	458,197	7,341,249	6,942,054
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(180,796)	(180,796)
Adjustments due to change in exchange rates	-	(117)	(8)	(558)	(5,658)	(6,341)
Balance - End of the Year	619,129	7,034,807	1,119,630	10,354,215	25,931,662	45,059,443

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - Beginning of the Year	137,326	4,763,587	60,779	5,113,199	30,468,956	40,543,847
Reclassification	577	(1,911)	379,491	(9,160)	20,314	389,311
Adjusted Balance - Beginning of the Year	137,903	4,761,676	440,270	5,104,039	30,489,270	40,933,158
Impairment losses on new facilities during the year	104,702	2,387,008	27,764	1,231,351	694,149	4,444,974
Reversed from impairment losses on matured facilities	(13,061)	(1,071,131)	(1,459)	(906,796)	(1,518,714)	(3,511,161)
Transferred to stage (1)	156,175	4,123,317	(7,831)	(2,157,971)	(2,113,690)	-
Transferred to stage (2)	(5,923)	(128,621)	12,372	2,150,055	(2,027,883)	-
Transferred to stage (3)	-	(27,042)	(11,187)	(588,573)	626,802	-
Effect due to reclassification between stages	(149,429)	(4,004,226)	40,924	2,886,937	3,302,972	2,077,178
Effect of adjustments	123,489	960,662	172,345	404,744	(8,662,288)	(7,001,048)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(377,734)	(377,734)
Adjustments due to change in exchange rates	-	(32,080)	20	(1,244)	(14,773)	(48,077)
Balance - End of the Year	353,856	6,969,563	673,218	8,122,542	20,398,111	36,517,290

The distribution of total credit facilities by internal credit rating for Real Estate was as follows:

	December 31, 2021				December 31, 2020
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:					
From (1) To (5)	103,054,813	11,183,164	842,873	115,080,850	153,759,395
From (6) To (7)	3,800,539	158,286,905	1,449,271	163,536,715	139,812,816
From (8) To (10)	-	-	36,707,578	36,707,578	26,042,724
Not rated	860,415,364	71,123,412	37,607,940	969,146,716	939,363,436
Total	967,270,716	240,593,481	76,607,662	1,284,471,859	1,258,978,371

The movement on credit facilities for Real Estate during the year ended December 31, 2021 and 2020 was as follows:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	125,529,392	843,410,274	155,752,252	43,937,667	90,348,786	1,258,978,371
Reclassification	1,093,194	(18,450,366)	-	18,267,251	16,505	926,584
Adjusting Balance - Beginning of the Year	126,622,586	824,959,908	155,752,252	62,204,918	90,365,291	1,259,904,955
New credit facilities during the year	15,145,973	119,660,827	166,164	5,219,420	250,809	140,443,193
Paid credit facilities	(11,815,420)	(71,881,629)	(2,828,312)	(2,378,257)	(8,450,743)	(97,354,361)
Transferred to stage (1)	4,509,331	21,919,242	(4,412,292)	(17,261,507)	(4,754,774)	-
Transferred to stage (2)	(19,730,151)	(20,411,018)	27,422,229	17,830,536	(5,111,596)	-
Transferred to stage (3)	(2,524,220)	(1,296,932)	(5,859,724)	(2,383,785)	12,064,661	-
Effect of adjustments	(5,326,646)	(9,817,016)	6,358,533	870,268	(2,232,670)	(10,147,531)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(5,486,500)	(5,486,500)
Adjustments due to change in exchange rates	(26,101)	(2,718,018)	(678)	(106,284)	(36,816)	(2,887,897)
Balance - End of the Year	106,855,352	860,415,364	176,598,172	63,995,309	76,607,662	1,284,471,859

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	127,153,906	816,366,783	148,551,331	43,114,851	82,217,970	1,217,404,841
Reclassification	1,957,367	(1,004,355)	714,108	(721,978)	(429,040)	516,102
Adjusting Balance - Beginning of the Year	129,111,273	815,362,428	149,265,439	42,392,873	81,788,930	1,217,920,943
New credit facilities during the year	11,983,257	129,321,740	2,617,192	399,821	104,485	144,426,495
Paid credit facilities	(4,845,167)	(75,882,725)	(7,563,027)	(822,078)	(5,654,250)	(94,767,247)
Transferred to stage (1)	2,887,501	24,892,995	(2,769,243)	(21,401,557)	(3,609,696)	-
Transferred to stage (2)	(12,046,185)	(23,400,830)	12,547,051	27,762,999	(4,863,035)	-
Transferred to stage (3)	(1,627,794)	(3,514,498)	(5,053,323)	(4,566,340)	14,761,955	-
Effect of adjustments	175,692	(24,798,570)	6,774,621	556,081	8,994,544	(8,297,632)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(1,057,598)	(1,057,598)
Adjustments due to change in exchange rates	(109,185)	1,429,734	(66,458)	(384,132)	(116,549)	753,410
Balance - End of the Year	125,529,392	843,410,274	155,752,252	43,937,667	90,348,786	1,258,978,371

The movement on the provision for credit loss for Real Estate credit facilities during the year ended December 31, 2021 and 2020 was as follows:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	collective	Individual	collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	8,669,246	6,923,210	75,489,664	7,714,201	30,418,374	129,214,695
Reclassification	21,357	(3,743,444)	-	1,726,028	236,850	(1,759,209)
Adjusted Balance - Beginning of the Year	8,690,603	3,179,766	75,489,664	9,440,229	30,655,224	127,455,486
Impairment losses on new facilities during the year	418,913	381,533	456	1,515,300	113,744	2,429,946
Reversed from impairment losses on matured facilities	(793,446)	(171,000)	(41,527)	(364,151)	(3,639,143)	(5,009,267)
Transferred to stage (1)-net	557,915	3,997,954	(506,198)	(2,806,789)	(1,242,882)	-
Transferred to stage (2)-net	(4,359,059)	(270,877)	4,640,872	1,383,247	(1,394,183)	-
Transferred to stage (3)-net	(779,278)	(5,874)	(2,618,602)	(292,086)	3,695,840	-
Effect due to reclassification between stages	(403,167)	(3,860,052)	1,501,879	1,650,694	1,243,417	132,771
Effect of adjustments	(740,531)	919,437	(6,107,558)	303,781	6,002,537	377,666
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(3,226,466)	(3,226,466)
Adjustments due to change in exchange rates	(3)	(3,736)	(177)	(3,070)	(17,198)	(24,184)
Balance - End of the Year	2,591,947	4,167,151	72,358,809	10,827,155	32,190,890	122,135,952

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	collective	Individual	collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	2,447,999	1,557,983	36,109,783	3,552,945	31,212,184	74,880,894
Reclassification	89,478	(78,588)	66,607	(68,263)	(186,549)	(177,315)
Adjusted Balance - Beginning of the Year	2,537,477	1,479,395	36,176,390	3,484,682	31,025,635	74,703,579
Impairment losses on new facilities during the year	851,184	278,001	1,758,313	103,478	8,895	2,999,871
Reversed from impairment losses on matured facilities	(76,220)	(165,424)	(57,552)	(67,822)	(1,106,390)	(1,473,408)
Transferred to stage (1)-net	324,625	3,211,422	(270,781)	(1,668,824)	(1,596,442)	-
Transferred to stage (2)-net	(140,731)	(60,369)	388,220	2,240,303	(2,427,423)	-
Transferred to stage (3)-net	(40,636)	(6,391)	(504,606)	(344,972)	896,605	-
Effect due to reclassification between stages	(153,539)	(3,103,395)	2,599,966	2,627,819	5,307,901	7,278,752
Effect of adjustments	5,375,284	5,444,821	35,404,848	1,363,793	(1,428,171)	46,160,575
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(235,635)	(235,635)
Adjustments due to change in exchange rates	(8,198)	(154,850)	(5,134)	(24,256)	(26,601)	(219,039)
Balance - End of the Year	8,669,246	6,923,210	75,489,664	7,714,201	30,418,374	129,214,695

The distribution of total credit facilities by internal credit rating for Government and public sector was as follows:

Credit rating categories based on the Bank's internal system:	December 31, 2021				December 31, 2020
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
From (1) To (5)	396,459,623	6,994,099	-	403,453,722	577,933,242
Total	396,459,623	6,994,099	-	403,453,722	577,933,242

The movement on credit facilities for Government and Public Sector during the year ended December 31, 2021 and 2020 was as follows:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	577,933,242	-	-	577,933,242
New credit facilities during the year	74,410,913	-	-	74,410,913
Paid credit facilities	(125,295,140)	-	-	(125,295,140)
Transferred to stage 2	(6,370,487)	6,370,487	-	-
Effect of adjustments	(124,218,905)	623,612	-	(123,595,293)
Balance - End of the Year	396,459,623	6,994,099		403,453,722

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	730,959,320	-	-	730,959,320
Reclassification	19	-	-	19
Adjusted Balance - Beginning of the Year	730,959,339	-	-	730,959,339
New credit facilities during the year	111,956,178	-	-	111,956,178
Paid credit facilities	(107,088,554)	-	-	(107,088,554)
Effect of adjustments	(157,893,721)	-	-	(157,893,721)
Balance - End of the Year	577,933,242	-	-	577,933,242

The movement on the provision for credit loss for Government and public sector credit facilities during the year ended December 31, 2021 and 2020 was as follows:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	74,404	-	-	74,404
Impairment losses on new facilities during the year	8,590	-	-	8,590
Reversed from impairment losses on matured facilities	-	-	-	-
Transferred to stage 2	(7,890)	7,890	-	-
Effect due to reclassification between stages	-	(6,484)	-	(6,484)
Effect of adjustments	306	42	-	348
Balance - End of the Year	75,410	1,448	-	76,858

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	417,669	-	-	417,669
Reclassification	(400,001)	-	-	(400,001)
Adjusted Balance - Beginning of the Year	17,668	-	-	17,668
Effect due to reclassification between stages	581	-	-	581
Paid credit facilities	(49)	-	-	(49)
Effect of adjustments	56,204	-	-	56,204
Balance - End of the Year	74,404	-	-	74,404

12. Financial Assets at Amortized Cost-Net

The details of this item are as follows:

	December 31,	
	2021	2020
	JD	JD
Quoted Financial Assets:		
Jordanian treasury bills	40,907,441	-
Jordanian treasury bonds	1,224,498,891	1,117,900,012
Governmental and government-guaranteed bonds	542,402,385	531,390,922
Foreign governments bonds	24,349,118	24,342,358
Corporate bonds and debentures	161,531,807	162,386,634
Total Quoted Financial Assets	1,993,689,642	1,836,019,926
Unquoted Financial Assets:		
Corporate bonds and debentures	3,000,001	3,000,001
Total Unquoted Financial Assets	3,000,001	3,000,001
Total	1,996,689,643	1,839,019,927
Less: Provision for excepted credit loss	(4,421,581)	(5,177,632)
Total	1,992,268,062	1,833,842,295
Bonds and Bills Analysis:		
With fixed rate	1,992,268,062	1,825,271,295
With floating rate	-	8,571,000
Total	1,992,268,062	1,833,842,295

- The maturity dates for Bonds range from year 2022 to year 2036.
- Interest rate on bonds and Treasury Bills ranges from 0.7% to 6.74%.
- The Bank has entered during year 2021 into repurchase agreements with the Central Bank of Jordan as stated in Note (19) against pledging treasury bonds with a nominal value of JD 64.7 Million (JD 52.8 Million as of December 31, 2020).

The following is the movement on the financial assets at amortized cost during the year ended December 31, 2021 and 2020:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	1,836,019,926	-	3,000,001	1,839,019,927
New investments during the year	438,523,685	-	-	438,523,685
Matured investments	(281,207,968)	-	-	(281,207,968)
Amortization of premium/ discount	614,322	-	-	614,322
Adjustments due to change in exchange rates	(260,323)	-	-	(260,323)
Balance - End of the Year	1,993,689,642	-	3,000,001	1,996,689,643

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	1,826,801,575	-	3,000,001	1,829,801,576
New investments during the year	253,382,804	-	-	253,382,804
Matured investments	(245,231,000)	-	-	(245,231,000)
Amortization of premium/ discount	966,518	-	-	966,518
Adjustments due to change in exchange rates	100,029	-	-	100,029
Balance - End of the Year	1,836,019,926	-	3,000,001	1,839,019,927

The following is the movement on the provision for expected credit loss during the year ended December 31, 2021 and 2020:

	2021			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	2,177,632	-	3,000,000	5,177,632
Expected credit losses on new investments during the year	150,056	-	-	150,056
Expected credit losses on matured investments during the year	(60,967)	-	-	(60,967)
Effect of adjustments	(842,314)	-	-	(842,314)
Adjustments due to change in exchange rates	(2,826)	-	-	(2,826)
Balance - End of the Year	1,421,581	-	3,000,000	4,421,581

	2020			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	177,625	-	3,000,000	3,177,625
Expected credit losses on new investments during the year	908,182	-	-	908,182
Expected credit losses on matured investments during the year	(16,826)	-	-	(16,826)
Effect of adjustments	1,103,822	-	-	1,103,822
Adjustments due to change in exchange rates	4,829	-	-	4,829
Balance - End of the Year	2,177,632	-	3,000,000	5,177,632

13. Property and Equipment - Net

The details of this item are as follows:

For the Year Ended December 31, 2021	Lands	Buildings	Equipment, Furniture and Fixtures	Vehicles	Computers Hardware	Total
	JD	JD	JD	JD	JD	JD
Cost:						
Balance - beginning of the year	28,684,242	94,772,453	140,589,018	2,291,993	46,415,186	312,752,892
Additions	114,353	153,536	3,536,315	-	3,781,596	7,585,800
Disposals	-	(31,796)	(1,764,800)	(20,649)	(8,967,781)	(10,785,026)
Adjustment	-	(2,135,194)	-	-	-	(2,135,194)
Foreign currency exchange differences	(49,931)	(580,547)	(543,569)	(14,678)	(220,491)	(1,409,216)
Balance - End of the Year	28,748,664	92,178,452	141,816,964	2,256,666	41,008,510	306,009,256
Accumulated Depreciation:						
Balance - beginning of the year	-	11,587,055	93,017,491	1,977,783	32,440,741	139,023,070
Annual depreciation	-	1,916,385	9,147,414	181,773	3,881,739	15,127,311
Disposals	-	(24,432)	(1,505,568)	(20,648)	(8,886,041)	(10,436,689)
Foreign currency exchange differences	-	(179,242)	(314,414)	(14,312)	(145,106)	(653,074)
Balance - End of the Year	-	13,299,766	100,344,923	2,124,596	27,291,333	143,060,618
Net book value of property and equipment	28,748,664	78,878,686	41,472,041	132,070	13,717,177	162,948,638
Payments on purchased property and equipment	-	-	843,655	-	424,617	1,268,272
Projects under construction	-	2,837,285	-	-	-	2,837,285
Net Book Value – End of the Year	28,748,664	81,715,971	42,315,696	132,070	14,141,794	167,054,195

For the Year Ended December 31, 2020	Lands	Buildings	Equipment, Furniture and Fixtures	Vehicles	Computers Hardware	Total
	JD	JD	JD	JD	JD	JD
Cost:						
Balance - beginning of the year	28,857,301	96,312,571	141,568,093	2,335,039	41,210,299	310,283,303
Additions	-	534,765	2,434,218	-	6,732,648	9,701,631
Disposals	-	-	(1,701,342)	-	(942,260)	(2,643,602)
Foreign currency exchange differences	(173,059)	(2,074,883)	(1,711,951)	(43,046)	(585,501)	(4,588,440)
Balance - End of the Year	28,684,242	94,772,453	140,589,018	2,291,993	46,415,186	312,752,892
Accumulated Depreciation:						
Balance - beginning of the year	-	10,135,482	85,109,826	1,785,853	31,111,813	128,142,974
Annual depreciation	-	1,942,542	10,293,929	229,312	2,595,752	15,061,535
Disposals	-	-	(1,535,563)	-	(893,104)	(2,428,667)
Foreign currency exchange differences	-	(490,969)	(850,701)	(37,382)	(373,720)	(1,752,772)
Balance - End of the Year	-	11,587,055	93,017,491	1,977,783	32,440,741	139,023,070
Net book value of property and equipment	28,684,242	83,185,398	47,571,527	314,210	13,974,445	173,729,822
Payments on purchased property and equipment	-	-	1,082,202	-	-	1,082,202
Projects under construction	-	185,110	-	-	-	185,110
Net Book Value – End of the Year	28,684,242	83,370,508	48,653,729	314,210	13,974,445	174,997,134

- Property and equipment include fully depreciated assets of JD 89,487,969 as of December 31, 2021 compared with JD 83,391,234 as of December 31, 2020.
- Contractual commitments related to payments on purchases of property and equipment and projects under construction are stated in Note (51), and including the remaining estimated cost for projects under construction.

14. Intangible Assets - Net

The details of this item are as follows:

For the Year Ended December 31, 2021	Goodwill	Computer Software	Other *	Total
	JD	JD	JD	JD
Balance - beginning of the year	358,397	16,702,320	1,935,268	18,995,985
Additions **	-	7,001,357	-	7,001,357
Amortization for the year	-	(6,066,140)	-	(6,066,140)
Impairment loss for the year	-	-	-	-
Balance - End of the Year	358,397	17,637,537	1,935,268	19,931,202

For the Year Ended December 31, 2020	Goodwill	Computer Software	Other *	Total
	JD	JD	JD	JD
Balance - beginning of the year	358,397	18,019,030	5,205,161	23,582,588
Additions **	-	4,088,609	-	4,088,609
Amortization for the year	-	(5,405,319)	-	(5,405,319)
Impairment loss for the year	-	-	(3,269,893)	(3,269,893)
Balance - End of the Year	358,397	16,702,320	1,935,268	18,995,985

* This item represents the license for conducting banking activities arising from the acquisition of Jordan International Bank / London with a shareholding value of 75%. The license for conducting business was identified as having an infinite life. This asset was tested for impairment during 2021, and no impairment loss recognized during 2021 (JD 3,269,893 for year 2020). The following are the main assumptions for the year 2021, used by the management to calculate the impairment loss:

- The Bank used discounted future cash flows based on the approved 5 years budget in addition to a discounted terminal value using a weighted average cost of capital of 6.18%.
- Management estimated a growth rate ranges from 2.3% to 2.6% for the coming 5 years and estimated the present value of the terminal value using an annual sustainable growth rate of 1.7% in operating income.

** The additions to computer software amounted to JD 2,803,785 as of December 31, 2021 compared with JD 2,771,692 as of December 31, 2020 representing payments on account for the purchase of computer software.

15. Other Assets

The details of this item are as follows:

	December 31,	
	2021	2020
	JD	JD
Accrued revenues and interest	31,053,695	29,817,280
Prepaid expenses	3,903,941	2,986,491
Assets seized by the Bank *	64,750,491	66,579,286
Gain of hedging derivative valuation	766,208	252,390
Cheques under collection	11,362,918	14,984,796
Other	11,478,415	9,675,211
Total	123,315,668	124,295,454
Provision for expected credit loss **	(255,576)	(453,608)
Net	123,060,092	123,841,846

* The instruction of the Central Bank of Jordan require the Bank to dispose the assets it seizes during a maximum period of two years from the acquisition date.

The following is a summary of the movement on assets seized by the Bank:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Balance - beginning of the year	66,579,286	64,412,759
Additions	15,295,999	13,688,228
Disposals	(13,514,652)	(5,121,176)
Impairment loss	(3,600,000)	(6,254,910)
Foreign currency exchange differences	(10,142)	(145,615)
Balance - End of the Year	64,750,491	66,579,286

** The following is a summary of the movement on expected credit loss provision for the year 2021 and 2020:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Balance - beginning of the year	453,608	-
Transferred from sundry provisions	-	729,929
Expense (reversal) of expected credit loss for the year	(92,155)	(156,204)
Provisions no longer needed	(105,877)	(120,117)
Balance - End of the Year	255,576	453,608

16. Bank and Financial Institutions Deposits

The details of this item are as follows:

	December 31, 2021			December 31, 2020		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Current accounts and demand deposits	25,564,781	120,602,950	146,167,731	10,835,205	83,105,776	93,940,981
Deposits due within 3 months	67,550,370	551,051,366	618,601,736	51,219,216	570,359,110	621,578,326
Deposits due within 3- 6 months	55,083,711	1,772,500	56,856,211	62,206,315	-	62,206,315
More than one year	-	23,000,000	23,000,000	-	-	-
Total	148,198,862	696,426,816	844,625,678	124,260,736	653,464,886	777,725,622

17. Customers' Deposits

The details of this item are as follows:

December 31, 2021	Retail	Corporate	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD
Current accounts and demand deposits	729,353,852	189,171,350	348,874,343	28,946,430	1,296,345,975
Saving deposits	2,056,002,278	982,252	19,545,032	558,149	2,077,087,711
Time and notice deposits	1,109,204,379	273,186,282	53,154,762	182,383,184	1,617,928,607
Certificates of deposit	201,350,102	19,195,118	872,818	-	221,418,038
Others	410,135	-	-	-	410,135
Total	4,096,320,746	482,535,002	422,446,955	211,887,763	5,213,190,466

December 31, 2020	Retail	Corporate	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD
Current accounts and demand deposits	666,315,607	185,585,879	325,095,531	57,928,997	1,234,926,014
Saving deposits	2,058,453,077	90,052	14,512,166	382,574	2,073,437,869
Time and notice deposits	1,248,459,314	371,812,862	59,158,943	229,715,262	1,909,146,381
Certificates of deposit	224,417,024	23,217,152	917,192	-	248,551,368
Others	413,333	-	-	-	413,333
Total	4,198,058,355	580,705,945	399,683,832	288,026,833	5,466,474,965

- The deposits of the public sector and the Government of Jordan inside the Kingdom amounted to JD 205.2 million, representing 3.94 % of total deposits as of December 31, 2021 (JD 280.4 million, representing 5.1 % of total deposits as of December 31, 2020).
- Non-interest bearing deposits amounted to JD 1.39 billion, representing 26.7% of total deposits as of December 31, 2021 (JD 1.63 billion, representing 29.9% of total deposits as of December 31, 2020).
- Restricted deposits (Restricted withdrawal) amounted to JD 150.3 million, representing 2.9 % of total deposits as of December 31, 2021 (JD 187.1 million, representing 3.4% of total deposits as of December 31, 2020).
- Dormant accounts amounted to JD 296.7 million, representing 5.7% of total deposits as of December 31, 2021 (JD 251.9 million, representing 4.6% of total deposits as of December 31, 2020).

18. Cash Margins

The details of this item are as follows:	December 31,	
	2021	2020
	JD	JD
Margins against direct credit facilities	132,579,509	116,533,261
Margins against indirect credit facilities	125,987,724	107,775,998
Dealing margins	626,962	571,091
Other margins	11,547,742	9,382,980
Total	270,741,937	234,263,330

19. Borrowed Funds

The details of this item are as follows:

December 31, 2021	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending Interest Rate
Central Bank of Jordan loans:							
SME's Support programs.	16,754,324	109	89	Semi Annual	Financial Solvency	1.95% to 3%	Guaranteed 5.59% to 6.5% Without Guarantee: 6.5% to 7.5%
Main Economical Sectors Support Programs	52,478,298	Based on the Periodicity of instalments due			On demand promissory note	Inside the capital city: 1% Outside the capital city: 0.5%	Inside the capital city: 3.75% as a minimum Outside the capital city: 3.25% as a minimum
National program to face COVID-19 pandemic	27,734,055	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2%
Repurchase agreements	70,288,632	Based on each agreement			Government bonds	2%	-
Borrowing / Local Institutions	148,000,018	22	22	Monthly/Semi annual	Financial Solvency / Mortgage	3.5% to 6.5%	5.75% to 10.5%
Borrowing / Foreign Insinuations	47,010,521	11	11	Semi annual	Financial Solvency	0.84% to 1.1%	Based on interest rate at the bank
Total	362,265,848						

- The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2022 to year 2039.
- The financial liabilities against repurchase agreements will due in 2022.
- Borrowed funds from local institutions includes an amount of JD 120 million that borrowed from Jordan Mortgage Refinance Co and The maturity dates of these borrowed funds range from year 2022 to year 2024.
- Borrowed funds with a fixed interest rate amounted to JD 309,047,616, and borrowed funds with a variable interest rate amounted to JD 53,218,214.
- The maturity dates of borrowed funds from foreign insinuations range from year 2022 to year 2027.
- Borrowed funds during 2021 amounted to JD 120,015,382 and settled borrowed funds amounted to JD 87,901,383 during 2021, excluding repurchase agreement.
- The renewed loans amounted to JD 5,000,000 during 2021.

December 31, 2020	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending interest rate
Central Bank of Jordan Loans:							
SME's support programs.	18,341,811	109	95	Semi Annual	Financial Solvency	2.08% to 3%	Guaranteed 5.59% to 6.5% Without Guarantee: 6.5% to 7.5%
Main economical sectors support programs	36,235,962	Based on the Periodicity of instalments due			On demand promissory note	Inside the capital city: 1% Outside the capital city: 0.5%	Inside the capital city: 3.75% as a minimum Outside the capital city: 3.25% as a minimum
National program to face COVID-19 pandemic	29,484,408	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2%
Repurchase agreements	54,715,405	Based on each agreement			Government bonds	2%	-
Borrowing / Local Institutions	148,000,019	22	22	Monthly/ Semi annual	Financial Solvency / Mortgage	3.5% to 6.5%	5.75% to 10.5%
Borrowing / Foreign Institutions	27,801,017	2	2	Semi annual	Financial Solvency	0.9%	Based on interest rate at the bank
Total	314,578,622						

- The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2021 to year 2039.

- The financial liabilities against repurchase agreements will due in 2021.

- Borrowed funds from local institutions includes an amount of JD 120 million that borrowed from Jordan Mortgage Refinance Co and The maturity dates of these borrowed funds range from year 2022 to year 2024.

- Borrowed funds with a fixed interest rate amounted to JD 301,902,491 and borrowed funds with a variable interest rate amounted to JD 12,676,131.

- The borrowed funds from foreign insinuations will due in 2021.

- Borrowed funds during 2020 amounted to JD 159,250,254 and settled borrowed funds amounted to JD 57,676,624 during 2020, excluding repurchase agreement.

- The renewed loans amounted to JD 15,000,000 during 2020.

20. Leases

a. Right of Use Assets

The bank leases many assets, including lands and buildings, the average lease term is 5 years, and the following is the movement over the right to use assets during the year:

	For the Year Ended December 31	
	2021	2020
	JD	JD
Beginning balance	25,269,889	28,702,451
Add: additions during the year	4,684,221	5,833,564
Less: Depreciation for the year	(3,780,094)	(4,058,261)
Cancelled contracts	(1,561,956)	(4,721,090)
Exchange difference	41,153	(486,775)
Balance – End of the Year	24,653,213	25,269,889

Amounts that were recorded in the statement of profits or losses:

	For the Year Ended December 31	
	2021	2020
	JD	JD
Depreciation for the year	3,780,094	4,058,261
Interest for the year	1,688,375	1,542,913
Lease Expense During the Year	5,468,469	5,601,174

b. Lease Liabilities

	For the Year Ended December 31	
	2021	2020
	JD	JD
Beginning balance	24,365,216	26,734,220
Add: Additions during the year	4,684,221	5,833,564
Interest during the year	1,688,375	1,542,913
Less: paid during the period	(5,538,542)	(5,671,156)
Cancelled contracts	(1,520,483)	(3,805,548)
Exchange difference	1,911	(268,777)
Balance – End of the Year	23,680,698	24,365,216
Maturity of lease liabilities analysis:		
Up to a year	2,070,672	2,307,490
From one to five years	11,328,542	11,093,484
More than five years	10,281,484	10,964,242
	23,680,698	24,365,216

The value of the undiscounted lease obligations amounted to JD 29,206,844 as of December 31, 2021 and the following is a maturity analysis:

Undiscounted lease liabilities analysis:	For the Year Ended December 31	
	2021	2020
	JD	JD
Up to a year	3,057,196	3,349,132
From one to five years	14,853,636	14,870,895
More than five years	11,296,012	13,681,031
	29,206,844	31,901,058

21. Sundry Provisions

The details of this item are as follows:

For the Year Ended December 31, 2021	Provision for End-of-Service Indemnity	Provision for Outstanding Lawsuits Against the Bank	Other Provisions	Total
	JD	JD	JD	JD
Balance - beginning of the year	6,440,425	24,224,789	10,907,819	41,573,033
Net provision for the year	1,698,983	1,407,988	2,484,894	5,591,865
Transfers from other liabilities	-	-	631,894	631,894
Provision used during the year	(177,524)	(1,268,133)	-	(1,445,657)
Reverse to revenue	(608,878)	(16,794,431)	-	(17,403,309)
Currency translation	(3,754)	(352,087)	(492,803)	(848,644)
Balance - End of the Year	7,349,252	7,218,126	13,531,804	28,099,182

For the Year Ended December 31, 2020	Provision for End-of-Service Indemnity	Provision for Outstanding Lawsuits Against the Bank	Other Provisions	Total
	JD	JD	JD	JD
Balance - beginning of the year	7,858,724	23,053,888	13,411,831	44,324,443
Net provision for the year	6,008,227	3,133,485	612,602	9,754,314
Transfers to other assets	-	-	(729,929)	(729,929)
Provision used during the year	(7,426,546)	(147,905)	(719,120)	(8,293,571)
Reverse to revenue	-	-	(459,524)	(459,524)
Currency translation	20	(1,814,679)	(1,208,041)	(3,022,700)
Balance - End of the Year	6,440,425	24,224,789	10,907,819	41,573,033

22. Income Tax

a. Income Tax Provision

The movement on the income tax provision is as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Balance - beginning of the year	48,515,568	46,550,293
Income tax paid	(61,423,324)	(61,112,545)
Accrued income tax	68,244,851	62,552,313
Accrued income tax of distribution profits from a subsidiary	1,008,939	825,264
Currency translation	(530,176)	(299,757)
Balance - End of the Year	55,815,858	48,515,568

b. Income Tax Expense Appearing in the Consolidated Statement of Profit or Loss Represents the Following:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Provision for income tax for the year	68,244,851	62,552,313
Deferred tax assets for the year	(44,664,537)	(54,605,143)
Amortization of deferred tax assets	28,414,892	26,380,219
Amortization of deferred tax liabilities	-	(4,127)
Accrued income tax of distribution profits from a subsidiary	1,008,939	825,264
Total	53,004,145	35,148,526

c. Reconciliation of the Accounting Profit with Taxable Profit:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Accounting profit for the year	163,103,661	77,654,780
Non-taxable income	(32,664,527)	(18,578,931)
Non-deductible expenses for tax purposes	61,362,419	113,380,916
Taxable Profit	191,801,553	172,456,765
Effective Income Tax Rate	32.5%	45.26%

The legal income tax rate on banks in Jordan is 35% in addition to 3% national contribution. The tax rate on local subsidiaries ranges from 21% to 28%, whereas the legal income tax rates in the countries in which the Bank operates range from 0% to 31%.

d. Tax Status

- Till the date of the issuance of these consolidated financial statements the Bank has reached a final settlement with the income and sale tax department in Jordan up to the year 2020.
- Taxes due on Palestine branches were cleared up to 2020, and a final settlement has reached up to 2019.
- The income tax for the International Bank for Trade and Finance/ Syria was paid up to the year 2020.
- The income tax for the Housing Bank for Trade and Finance/ Algeria was paid up to the year 2020.
- The income tax for Jordan International Bank/ London was paid up to the year 2020.
- The income tax for the International Financial Centre Company was paid up to the year 2020. Moreover, a final settlement has been reached for all years except for the year 2018.
- The income tax for the Specialized Leasing Company was paid up to the year 2020, and a final settlement has been reached up to the year 2019.

e. Deferred Income Tax Assets / Liabilities

The details of this item are as follows:

Assets	For the Year Ended December 31, 2021					For the Year Ended December 31,	
	Beginning Balance	Amounts Released		Amounts Added		Ending Balance	Deferred Tax
	JD	JD	JD	JD	JD	JD	JD
Expected credit loss	251,774,760	(71,650,582)		94,590,871	274,715,049	97,672,528	89,208,841
Suspended interest	2,718,928	-		15,966,228	18,685,156	6,719,993	977,845
Provision for indemnities	4,804,975	(748,039)		1,168,499	5,225,435	1,879,293	1,728,077
Impairment of real estate	12,112,184	(3,520,153)		3,600,000	12,192,031	4,384,783	4,356,067
Other provisions	9,115,602	(1,121,147)		3,232,768	11,227,223	4,037,797	3,278,366
Financial assets valuation difference	11,202,089	(484,432)		4,380,677	15,098,334	3,412,442	2,273,878
Goodwill impairment loss	2,452,420	-		-	2,452,420	318,815	318,815
Others	8,617,403	(3,382,755)		5,250,000	10,484,648	3,770,735	3,099,192
Total	302,798,361	(80,907,108)		128,189,043	350,080,296	122,196,386	105,241,081
Liabilities							
Difference valuation of financial assets	24,972,496	(5,915,436)		-	19,057,060	6,853,746	8,981,193
Total	24,972,496	(5,915,436)		-	19,057,060	6,853,746	8,981,193

The movement on the deferred income tax assets / liabilities is as follows:

	For the Year Ended December 31, 2021		For the Year Ended December 31, 2020	
	Assets	Liabilities	Assets	Liabilities
	JD	JD	JD	JD
Balance - beginning of the year	105,241,081	8,981,193	77,273,667	6,569,323
Additions	45,735,251	-	54,583,582	2,415,997
Disposals	(28,685,971)	(2,127,447)	(26,380,219)	(4,127)
Currency translation	(93,975)	-	(235,949)	-
Balance - End of the Year	122,196,386	6,853,746	105,241,081	8,981,193

* Deferred tax assets and liabilities for Jordan branches were calculated at a rate of 38% as of December 31, 2021 in accordance with the Income Tax Law in the Hashemite Kingdom of Jordan. The tax rates, for subsidiaries and foreign subsidiaries, according to which deferred tax assets have been calculated, ranges from 19% to 28%. We believe that the tax assets and liabilities will be realized during the future periods of the Bank.

23. Other Liabilities

The details of this item are as follows:

	December 31,	
	2021	2020
	JD	JD
Accrued interest	9,755,660	12,660,083
Interests and commissions received in advance	3,690,731	2,010,677
Accrued expenses	20,964,710	18,825,735
Certified cheques	26,489,133	27,716,240
Transfers in process	33,638,348	25,980,352
Payments in process	7,461,245	8,142,073
Prizes	547,109	532,131
Amounts payable to correspondent banks	1,281,254	1,656,199
General management trusts	5,092,032	5,086,352
Dividends payable to shareholders	4,476,573	2,647,281
Accounts payable	5,182,854	5,134,749
Unrealized loss / hedge derivatives	610,353	2,554,897
Other payable accounts	64,501,938	69,128,388
Provision for indirect facilities' expected credit loss	35,631,520	35,880,148
Others	3,881,218	9,758,855
Total	223,204,678	227,714,160

Below is the movement on indirect facilities during the year:

	2021				
	Stage (1)		Stage (2)		Total
	Individual	Collective	Individual	Collective	
	JD	JD	JD	JD	
Balance at the beginning of the year	692,194,446	64,259,589	39,957,175	4,312,028	819,750,726
New exposure during the period	418,041,181	14,820,855	15,698,120	285,654	448,950,760
Matured exposure	(276,660,576)	(9,338,816)	(8,122,512)	(1,002,365)	(295,470,892)
Transferred to stage (1)	5,248,637	(2,769,693)	(5,248,637)	2,851,493	-
Transferred to stage (2)	(28,311,680)	(185,425)	28,333,668	239,125	-
Transferred to stage (3)	(1,108,737)	(60,000)	(407,291)	(3,500)	-
Effect of the reclassification	5,565,705	(136,891)	(3,258,909)	1,287,829	2,669,596
Adjustments due to foreign currency changes	(843,077)	(1,395,738)	(3,357)	(1,624,792)	(3,885,363)
Balance at the End of the Year	814,125,899	65,193,881	66,948,257	6,345,472	972,014,827

	2020				
	Stage (1)		Stage (2)		Total
	Individual	Collective	Individual	Collective	
	JD	JD	JD	JD	
Balance at the beginning of the year	686,750,033	139,683,669	32,131,097	4,381,623	882,692,474
Reclassification	70,492,510	(70,492,510)	179,282	(179,282)	-
Adjusted beginning balance for the year	757,242,543	69,191,159	32,310,379	4,202,341	882,692,474
New exposure during the period	302,469,988	10,593,932	10,315,454	682,060	324,259,484
Matured exposure	(321,103,972)	(11,511,107)	(5,845,230)	(1,404,066)	(345,525,487)
Transferred to stage (1)	2,576,288	954,632	(2,303,266)	(826,632)	-
Transferred to stage (2)	(7,349,516)	(3,431,913)	7,769,762	3,431,913	-
Transferred to stage (3)	(638,175)	(990,833)	(3,720,898)	(50,000)	-
Effect of the reclassification	(35,126,913)	4,802,622	1,447,100	748,285	(27,981,949)
Adjustments due to foreign currency changes	(5,875,797)	(5,348,903)	(16,126)	(2,471,873)	(13,693,796)
Balance at the End of the Year	692,194,446	64,259,589	39,957,175	4,312,028	819,750,726

Below is the movement on the expected credit loss for indirect facilities during the year:

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	11,290,253	353,830	8,328,900	303,588	15,603,577	35,880,148
Impairment loss on new exposure during the year	4,092,789	117,347	810,066	21,698	58,606	5,100,506
Reversed impairment loss on matured exposure	(5,691,496)	(91,354)	(1,436,592)	(36,544)	(167,049)	(7,423,035)
Transferred to stage (1)	319,943	153,009	(319,943)	(123,381)	(29,628)	-
Transferred to stage (2)	(1,138,775)	(5,025)	1,152,442	20,347	(28,989)	-
Transferred to stage (3)	(27,318)	(1,160)	(36,173)	-	64,651	-
Effect on provision as of end of the year due to reclassification between the stages during the year	(301,360)	(137,148)	136,044	15,671	605,001	318,208
Adjustments due to changes	(423,362)	(96,522)	1,109,085	23,751	1,192,560	1,805,512
Adjustments due to foreign currency changes	(48,263)	(326)	(76)	-	(1,154)	(49,819)
Balance at the End of the Year	8,072,411	292,651	9,743,753	225,130	17,297,575	35,631,520

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	3,279,931	4,129,689	6,728,093	938,565	16,981,074	32,057,352
Reclassification	2,770,570	(2,770,570)	30,084	(30,084)	-	-
Adjusted Beginning Balance for the Year	6,050,501	1,359,119	6,758,177	908,481	16,981,074	32,057,352
Impairment loss on new exposure during the year	6,842,630	104,144	2,111,474	35,086	105,004	9,198,338
Reversed impairment loss on matured exposure	(3,540,491)	(481,972)	(118,803)	(330,969)	(5,233,176)	(9,705,411)
Transferred to stage (1)	217,652	244,384	(10,155)	(178,084)	(273,797)	-
Transferred to stage (2)	(249,640)	(442,327)	585,837	442,327	(336,197)	-
Transferred to stage (3)	(3,204)	(1,644)	(1,760,159)	(2,474)	1,767,481	-
Effect on provision as of end of the year due to reclassification between the stages during the year	(169,114)	(240,389)	(55,438)	(282,462)	1,795,619	1,048,216
Adjustments due to changes	2,398,769	1,042,918	820,598	524,379	797,622	5,584,286
Adjustments due to foreign currency changes	(256,850)	(1,230,403)	(2,631)	(812,696)	(53)	(2,302,633)
Balance at the End of the Year	11,290,253	353,830	8,328,900	303,588	15,603,577	35,880,148

24. Capital and Share Premium

Authorized and paid-up Capital

The authorized and paid-up capital amounts to JD 315 million, divided into 315 million shares, with a nominal value of one dinar per share, as of December 31, 2021 and 2020.

Share Premium

The share premium is JD 328,147,537 as of December 31, 2021 and 2020.

25. Reserves

Statutory Reserve

The amounts accumulated in this account represent the transfer of annual profits before tax at the rate of 10% during the year and previous years and it is not available for distribution to shareholders according to the laws and regulations enforced.

Special Reserve

This item represents the reserve for the periodic fluctuations of Palestine branches according to the instructions of the Palestinian Monetary Authority, in addition to a special reserve with the International Bank for Trade and Finance/Syria based on the instructions of the regulatory authorities.

The restricted reserves for disposal are as follows:

Name of the Reserve	As of December 31,		Regulation
	2021	2020	
	JD	JD	
Statutory reserve	257,997,671	243,461,008	According to the applicable laws and regulations
Special reserve	11,459,758	11,433,336	According to the regulatory authorities regulations

26. Foreign Currency Translation Reserve

This item represents the differences resulting from the translation of net investments in the foreign subsidiaries and branches upon the consolidation of the financial statements. The movement on this account is as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Balance at the beginning of the year	(120,824,117)	(112,455,441)
Net changes during the year	(7,383,963)	(8,368,676)
Balance at End of the Year	(128,208,080)	(120,824,117)

27. Fair Value Reserve - Net

The movement on the net fair value reserve is as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Balance – beginning of the year	9,654,188	5,400,864
Unrealized (loss) gain - Debt instruments	(8,899,814)	6,674,751
Unrealized (losses) - Shares	(450,679)	(123,521)
Deferred tax assets	1,111,266	118,091
Deferred tax liabilities	2,127,448	(2,415,997)
Net change in the valuation reserve of financial assets at fair value through comprehensive income after tax	(6,111,779)	4,253,324
Balance at End of the Year	3,542,409	9,654,188

28. Retained Earnings

The movement on retained earnings is as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Balance – beginning of the year	313,925,834	285,267,050
Income for the year	105,621,201	36,614,354
Dividends distribution	(37,800,000)	-
Transferred to reserve	(14,563,085)	(7,954,220)
(losses) from sale of financial assets at fair value through other comprehensive income	-	(1,350)
Balance – End of the Year	367,183,950	313,925,834

- The Bank cannot use a restricted amount of JD 6,275,955 from retained earning which represents the financial assets revaluation differences in accordance with the instructions of Jordan Securities Commission.
- Retained earnings includes an amount of JD 609,506 which represents the effect of early implementation of the International Financial Reporting Standard No (9). This amount may not be used except for the amounts actually realized from sale.
- The Bank cannot use a restricted amount of JD 122,196,386 from retained earning which represents deferred tax assets which are restricted against capitalization or distribution only to the extent if actually recognized in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission.
- Retained earnings includes a restricted amount of JD 2,392,936 which represents the gain from the valuation of foreign currencies at the International Bank for Trade and Finance /Syria for the current year and the prior years.

29. Proposed Dividends

The proposed cash dividends for the current year amounted to 20% of authorized and paid-in capital equivalent to JD 63 million as of December 31, 2021 and it's subject to the approval of the General Assembly of Shareholders.

The distributed cash dividends during 2021 were amounted to JD 37.8 million (12% of paid-in capital).

30. Subsidiaries with Material Non-Controlling Interest

First: Percentage owned by non-controlling interests

	As of December 31, 2021 and 2020		
	Country	Activity Sector	Non-controlling Interests
International Bank for Trade and Finance/Syria	Syria	Banking	50.937%
The Housing Bank for Trade and Finance/Algeria	Algeria	Banking	15%
Jordan International Bank London/UK	United Kingdom	Banking	25%
International Financial Centre Company/JOR	Jordan	Financial intermediation	22.5%

Second: The following is selected financial information for subsidiaries with non-controlling interests:

a. Condensed statement of financial position before elimination of inter-company transactions as of December 31, 2021 and 2020:

	As of December 31, 2021			
	International Bank for Trade and Finance/Syria	The Housing Bank for Trade and Finance/Algeria	Jordan International Bank London/UK	International Financial Centre Company
	JD	JD	JD	JD
Financial assets	170,794,943	482,621,714	359,987,444	6,367,398
Other assets	2,488,306	12,649,299	5,568,959	111,281
Total Assets	173,283,249	495,271,013	365,556,403	6,478,679
Financial liabilities	133,473,569	270,555,632	273,928,011	-
Other liabilities	4,649,270	95,961,771	3,030,265	545,169
Total Liabilities	138,122,839	366,517,403	276,958,276	545,169
Total Equity	35,160,410	128,753,610	88,598,127	5,933,510
Total Liabilities and Equity	173,283,249	495,271,013	365,556,403	6,478,679
Non-controlling Interest	17,910,713	19,313,042	22,149,532	1,335,040

	As of December 31, 2020			
	International Bank for Trade and Finance/ Syria	The Housing Bank for Trade and Finance/Algeria	Jordan International Bank London/UK	International Financial Centre Company/JOR
	JD	JD	JD	JD
Financial assets	187,093,770	485,298,855	351,763,949	5,606,563
Other assets	2,371,555	17,724,894	5,340,031	106,449
Total Assets	189,465,325	503,023,749	357,103,980	5,713,012
Financial liabilities	145,531,669	275,384,805	265,085,391	-
Other liabilities	5,475,012	111,043,664	3,962,537	294,422
Total Liabilities	151,006,681	386,428,469	269,047,928	294,422
Total Equity	38,458,644	116,595,280	88,056,052	5,418,590
Total Liabilities and Equity	189,465,325	503,023,749	357,103,980	5,713,012
Non-controlling Interest	19,589,583	17,490,458	22,014,013	1,219,183

b. Condensed statement of profit or loss before elimination of inter-company transactions for the year ended December 31, 2021 and 2020:

	For the Year Ended December 31, 2021			
	International Bank for Trade and Finance/ Syria	The Housing Bank for Trade and Finance/ Algeria	Jordan International Bank London/UK	International Financial Centre Company
	JD	JD	JD	JD
Total revenue	3,934,927	18,418,240	13,288,622	1,109,961
Profit for the year	(172,175)	26,410,552	2,123,999	515,349
Total Comprehensive Income	(172,175)	26,410,552	2,668,286	515,349
Attributable to Non-controlling Interest	(87,706)	3,961,583	667,072	115,954

	For the Year Ended December 31, 2020			
	International Bank for Trade and Finance/ Syria	The Housing Bank for Trade and Finance/ Algeria	Jordan International Bank London/UK	International Financial Centre Company
	JD	JD	JD	JD
Total revenue	8,763,147	22,607,863	10,916,749	428,790
Profit for the year	9,131,160	7,454,394	1,710,731	32,579
Total Comprehensive Income	9,131,160	7,454,394	2,945,696	32,579
Attributable to Non-controlling Interest	4,651,116	1,118,234	736,424	7,330

c. Condensed statement of cash flows for material subsidiaries for the year ended December 31, 2021 and 2020:

	For the Year Ended December 31, 2021			
	International Bank for Trade and Finance/ Syria	The Housing Bank for Trade and Finance/ Algeria	Jordan International Bank London/UK	International Financial Centre Company
	JD	JD	JD	JD
Operating cash flows	(8,183,565)	24,997,208	(37,887,075)	(629,159)
Investing cash flows	(222,384)	(267,742)	3,158,919	(2,493)
Financing cash flows	-	(8,112,284)	-	-
Effect of change in exchange rates	(13,585,309)	(3,066,239)	(912,372)	-
Net Increase/ (Decrease)	(21,991,258)	13,550,943	(35,640,528)	(631,652)

	For the Year Ended December 31, 2020			
	International Bank for Trade and Finance/ Syria	The Housing Bank for Trade and Finance/ Algeria	Jordan International Bank London/UK	International Financial Centre Company/JOR
	JD	JD	JD	JD
Operating cash flows	(85,243,245)	(24,258,513)	(7,430,714)	(529,198)
Investing cash flows	520,612	45,082	7,549,715	-
Financing cash flows	(186,105)	19,609,829	101,575	-
Effect of change in exchange rates	36,935,606	17,212,340	8,527,726	-
Net Increase /(Decrease)	(47,973,132)	12,608,738	8,748,302	(529,198)

d. The cash dividends for the Housing Bank for Trade and Finance/Algeria amounted to JD 5,717,323 during the year 2021 (JD 4,676,382 during the year 2020).

31. Interest Income

The details of this item are as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Direct Credit Facilities:		
Individual Retail Customer:		
Overdraft	307,027	478,168
Loans and discounted bills	70,946,826	66,446,689
Credit cards	2,157,556	2,433,880
Real Estate Mortgages	55,541,313	67,880,709
Large Corporates		
Overdraft	16,283,073	19,234,534
Loans and discounted bills	61,907,179	73,166,111
SME's		
Overdraft	6,054,658	8,133,126
Loans and discounted bills	16,690,895	15,821,790
Government and Public Sector	30,520,260	37,201,228
Balances at central banks	3,132,501	5,500,149
Balances and deposits at banks and financial institutions	2,007,234	5,692,566
Financial assets at fair value through other comprehensive income	11,374,013	10,814,756
Financial assets at amortized cost	95,704,164	93,627,018
Total	372,626,699	406,430,724

32. Interest Expense

The details of this item are as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Banks and financial institutions deposits	5,967,106	10,071,307
Customers Deposits:		
Current accounts and demand deposits	594,874	676,657
Saving deposits	3,856,653	4,000,272
Time and notice deposits	34,766,815	55,200,946
Certificates of deposit	7,229,132	11,477,164
Cash margin	1,902,115	2,143,296
Borrowed funds	9,601,476	9,197,678
Deposits insurance fees	6,868,315	7,598,540
Lease liability	1,688,375	1,542,913
Total	72,474,861	101,908,773

33. Net Commission Income

The details of this item are as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Commission income:		
Direct credit facilities	10,902,391	10,488,511
Indirect credit facilities	12,409,066	11,879,597
Less: Commission expense	(27,394)	(537,555)
Net Commission Income	23,284,063	21,830,553

34. Net Gain from Foreign Currency Exchange

The details of this item are as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
From trading	3,335,238	4,301,135
From re-valuation	4,680,951	5,101,687
Total	8,016,189	9,402,822

35. (Loss) Gain from Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

For the Year 2021	Realized		Unrealized		Dividends	Total
	Gain	(Loss)	Gain	(Loss)	Received	
	JD	JD	JD	JD	JD	
Corporate shares	37,568	-	369,920	(181,956)	111,302	336,834
Credit facilities	-	-	-	(1,772,762)	-	(1,772,762)
Total	37,568	-	369,920	(1,954,718)	111,302	(1,435,928)

For the Year 2020	Realized		Unrealized		Dividends	Total
	Gain	(Loss)	Gain	(Loss)	Received	
	JD	JD	JD	JD	JD	
Corporate shares	-	(4,387)	709,961	-	29,365	734,939
Credit facilities	-	-	1,596,978	-	-	1,596,978
Total	-	(4,387)	2,306,939	-	29,365	2,331,917

36. Other Income

The details of this item are as follows:	For the Year Ended December 31,	
	2021	2020
	JD	JD
Fees on salaries accounts	3,347,993	3,324,931
Credit cards income	3,358,591	4,539,867
Safety deposit box rental income	624,553	577,961
Commissions on returned checks	449,903	457,368
Customer account management fees	6,480,514	10,574,753
Net income from recovered loans	808,503	736,701
Brokerage services fees	909,351	225,291
Banking services fees	1,406,861	1,031,727
Income on transfers	3,313,243	3,397,040
Miscellaneous income	2,353,112	2,735,088
Unrealized gain (loss) / hedge derivatives	1,772,762	(1,596,978)
Total	24,825,386	26,003,749

37. Employees Expenses

The details of this item are as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Salaries, benefits and allowances	61,397,746	59,030,149
Bank's contribution in social security	7,145,555	6,729,355
Bank's contribution in the saving fund	229,253	242,644
End-of-service indemnity	1,698,983	6,008,227
Medical expenses	3,495,112	2,877,447
Training expenses	474,248	327,456
Travel and transportation expenses	628,348	480,144
Others	987,129	969,025
Total	76,056,374	76,664,447

38. Other Expenses

The details of this item are as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Information technology	12,482,902	11,516,968
Marketing and promotion	3,071,988	2,968,572
External and professional services	1,883,652	1,680,246
Workplace expenses	15,293,155	16,415,828
Financial institutions subscription fees	3,638,079	3,180,041
Stationery expenses	1,750,650	1,503,565
Fees on credit facilities processing	496,902	425,008
Other expenses	15,707,915	19,052,913
Total	54,325,243	56,743,141

39. Expected Credit Loss Expense – Net

The details of this item are as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Balances at central banks	4,884	17,639
Balances and deposits at banks and financial institutions	217,198	(104,498)
Deposits at banks and financial institutions	(2,687)	143,568
Financial assets at fair value through other comprehensive income	(171,013)	122,958
Financial assets at amortized cost	(753,225)	1,995,178
Direct credit facilities	51,062,140	114,416,981
Indirect credit facilities (commitments and contingent liabilities)	(198,809)	6,125,429
Other assets	(92,155)	(156,204)
Total	50,066,333	122,561,051

40. Earnings Per Share

The details of this item are as follows:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Profit for the year attributable to shareholders' (JD)	105,621,201	36,614,354
Weighted average number of shares (share)	315,000,000	315,000,000
Basic and Diluted Earnings per Share Attributable to Shareholders of the Bank	0.335 JD	JD 0.116

41. Cash and Cash Equivalents

The details of this item are as follows:

	As of December 31,	
	2021	2020
	JD	JD
Cash and balances with central banks maturing within 3 months	1,006,987,379	1,125,815,286
Add: Balances with banks and financial institutions maturing within 3 months	411,128,248	360,745,243
Less: Banks and financial institutions deposits maturing within 3 months	(764,769,467)	(715,519,308)
	653,346,160	771,041,221

42. Financial Derivative Instruments

The details of this item are as follows:

For the Year 2021	Positive Fair Value	Negative Fair Value	Nominal Value	Due in Three Months	Due in 3 - 12 Months	More than 1 year
	JD	JD	JD	JD	JD	JD
Traded Financial Derivatives:						
Forward foreign currency contracts	46,543	-	3,543,349	3,146,309	397,040	-
Interest rate option contracts	-	(81,991)	6,387,736	-	-	6,387,736
Hedge Derivatives:						
Forward foreign currency contracts	649,450	(715,922)	285,209,929	260,917,172	24,292,757	-
Currency swap contracts	-	-	14,180,000	-	14,180,000	-
Interest rate swap contracts	175,784	-	95,715,000	-	31,905,000	63,810,000
Interest rate option contracts	81,991	-	6,387,736	-	-	6,387,736

For the Year 2020	Positive Fair Value	Negative Fair Value	Nominal Value	Due in Three Months	Due in 3 - 12 Months	More than 1 year
	JD	JD	JD	JD	JD	JD
Traded Financial Derivatives:						
Forward foreign currency contracts	167,836	-	6,453,798	5,029,028	1,424,770	-
Interest rate option contracts	-	-	3,545,000	-	-	3,545,000
Hedge Derivatives:						
Forward foreign currency contracts	420,041	(1,293,407)	293,242,860	122,397,477	170,845,383	-
Currency swap contracts	-	-	14,180,000	-	14,180,000	-
Interest rate swap contracts	-	(1,596,978)	127,620,000	-	31,905,000	95,715,000
Interest rate option contracts	-	-	3,545,000	-	-	3,545,000

- Nominal value represents the value of transactions outstanding at year-end and does not refer to market risks or credit risks.

43. Related Party Transactions

a. These consolidated financial statements include the financial statements of the Bank and the following subsidiaries:

Company Name	Ownership	December 31,	
		2021	2020
	%	JD	JD
The Housing Bank for Trade and Finance / Algeria	85%	171,671,187	171,671,187
International Bank for Trade and Finance / Syria	49.063%	79,205,896	76,684,321
International Financial Center	77.5%	5,000,000	5,000,000
Specialized Lease Finance Co.	100%	30,000,000	30,000,000
Jordan Real Estate Investment Co.	100%	40,000	40,000
Jordan International Bank / London	75%	72,403,280	72,403,280
International Financial Center / Syria	46.704%	1,495,780	1,495,780

The subsidiary, International Bank for Trade and Finance – Syria owns 85% of the International Financial Centre Company – Syria, and the Bank owns 5% of the company.

The Bank entered into transactions with major shareholders, Board of Directors, and executive management in the course of its ordinary activities at commercial rates of interest and commissions. All facilities granted to related parties are performing, and no provisions have been taken.

b. Summary of related party transactions during the year:

Financial Position Items:	Related Party				Total as of December 31,	
	Major Shareholders	Subsidiaries	Board of Directors	Executive Management	2021	2020
	JD	JD	JD	JD	JD	JD
Total deposits with related parties	32,873,043	68,793,093	-	-	101,666,136	126,047,822
Total deposits from related parties	538,331,452	77,731,577	1,602,901	4,441,585	622,107,515	679,718,562
Loans and advances granted to related parties	21,681,400	302,494	215,266	4,862,706	27,061,866	28,929,239
Loans and facilities granted by related parties	-	3,207,422	-	-	3,207,422	3,948,698

Items Off-statement of Financial Position	Related Party				Total as of December 31,	
	Major Shareholders	Subsidiaries	Board of Directors	Executive Management	2021	2020
	JD	JD	JD	JD	JD	JD
Letters of guarantees and credits	18,368,800	1,257,789	-	-	19,626,589	23,303,539
Forward foreign currency contracts	49,150,826	-	-	-	49,150,826	61,595,238
Interest rate swap contracts	95,715,000	-	-	-	95,715,000	127,620,000

c. Summary of related party transactions during the year:

Statement of Profit or Loss Items	Related Party				Total for the Year Ended December 31,	
	Major Shareholders	Subsidiaries	Board of Directors	Executive Management	2021	2020
	JD	JD	JD	JD	JD	JD
Interest and commissions income	789,351	241,357	11,593	168,569	1,210,870	1,413,248
Interest and commissions expense	3,286,185	1,560,487	9,795	64,505	4,920,972	10,407,959

- Interest expense rates range from 0% to 7%.
- Interest income rates range from 0% to 7%.

d. Summary of the Bank's executive management remuneration:

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Salaries, bonuses, and other benefits	2,582,536	2,963,832
Salaries, bonuses, and other benefits/ subsidiaries	2,762,608	2,308,988

44. Information about the Bank Business Sectors

Information about the bank's activities:

The Bank is organized for administrative purposes through four main business sectors according to reports sent to the main decision-maker at the Bank:

- Retail Banking: includes following up on deposits of individual customers and small businesses, and granting them loans, debts, credit cards, and other services
- Corporate: This includes following up on deposits, credit facilities and other banking services for institutional and corporate clients.
- Corporate Finance: The activity of this sector relates to arranging structured finance and providing services relating to privatizations, IPO's, mergers and acquisitions.
- Treasury: this sector includes providing trading and treasury services and the management of the Bank's funds in money and capital markets.

Information of the Bank's business segment distributed according to operations is as follows:

	Retail Banking	Corporate	Corporate Finance	Treasury	Other	Elimination	Total	
							For the Year Ended December 31,	
							2021	2020
	JD	JD	JD	JD	JD	JD	JD	JD
Gross Income	188,394,344	163,577,592	4,642,001	144,286,147	(6,842,166)	(66,568,328)	427,489,590	466,203,763
Expected credit loss for the year	(8,873,220)	(42,171,971)	274,015	-	-	-	(50,771,176)	(122,561,051)
Segment results	66,322,388	66,322,388	3,535,509	56,817,731	9,957,371	-	173,418,542	91,350,717
Unallocated expenses							(10,314,880)	(13,695,937)
Income before tax							163,103,661	77,654,780
Income tax							(53,004,145)	(35,148,526)
Profit for the Year							110,099,516	42,506,254
Depreciation and amortization							24,973,545	24,525,115
Capital expenditures							14,941,872	11,846,894
December 31,							2021	2020
							JD	JD
Segment Assets	4,595,296,172	2,318,911,028	77,864,553	3,800,968,924	1,343,346,177		12,136,386,854	12,432,217,862
Elimination of assets between segments	(2,831,744,753)	-	-	(539,952,131)	(641,604,090)		(4,013,300,974)	(4,231,409,726)
Unallocated assets	-	-	-	-	-		122,196,386	105,241,081
Total Assets							8,245,282,266	8,306,049,217
Segment Liabilities	4,527,261,856	2,424,989,005	74,411,613	3,687,946,961	320,315,884		11,034,925,319	11,366,620,242
Elimination of liabilities between segments	-	(1,222,893,184)	(37,137,909)	(2,753,269,881)	-		(4,013,300,974)	(4,231,409,727)
Unallocated liabilities							6,853,746	8,981,194
Total Liabilities							7,028,478,091	7,144,191,709

The following is the geographical distribution of the Bank's income, assets, and capital expenditures:

	Inside Jordan		Outside Jordan		Total	
	2021	2020	2021	2020	2021	2020
	JD	JD	JD	JD	JD	JD
Gross income	347,527,918	380,174,404	79,961,672	86,029,359	427,489,590	466,203,763
Total assets	6,570,062,840	6,695,628,428	1,669,219,426	1,610,420,789	8,245,282,266	8,306,049,217
Capital expenditures	11,954,334	10,045,417	2,987,538	1,801,477	14,941,872	11,846,894

45. Capital Adequacy

The Bank aims to achieve the following goals through managing capital:

- To be aligned with the central bank's capital requirements.
- Maintaining the Bank's ability to continue.
- Maintaining a strong capital base to support growth and development of the bank's activities.
- The Bank's management monitors capital adequacy monthly as well as provide the central bank with the required information about the capital adequacy on a quarterly basis.

According to the instructions of the Central Bank, the minimum capital adequacy ratio is 12%, and banks are classified into five categories, the best of which is a rate of 14% or more.

The Bank manages the capital structure and makes the necessary adjustments to it in light of changes in working conditions. The Bank has not made any changes to the objectives, policies and procedures related to capital structure during the current year.

The capital adequacy ratio is calculated according to the instructions of the Central Bank, based on the instructions of Basel III Committee, as follows:

	December 31,	
	2021	2020
	JD	JD
1. Common Equity Tier 1 Capital		
Paid-in Capital	315,000,000	315,000,000
Retained Earnings	294,806,752	264,443,974
Other Comprehensive Income Items	(124,665,671)	(111,169,929)
Net fair value reserve	3,542,409	9,654,188
Foreign currency translation reserve	(128,208,080)	(120,824,117)
Share Premium	328,147,537	328,147,537
Statutory Reserve	257,979,383	243,442,730
Other Reserve	11,459,758	11,433,336
Non-controlling Interest	17,339,180	18,100,568
Total Capital of Common Stock	1,100,066,939	1,069,398,216
Regulatory Amendments (Propositions of the Capital)	(149,174,146)	(131,032,385)
Goodwill and other intangible assets	(19,931,202)	(18,995,985)
Deferred tax assets	(122,196,386)	(105,241,081)
Investments in capital of non-consolidated subsidiaries	(40,681)	(40,681)
Mutual fund investments in the capital of Banking, financial and insurance entities (within CET1)	(7,005,877)	(6,754,638)
Total Primary Capital	950,892,793	938,365,831
2. Additional Tier 1		
Non-controlling interest	3,059,855	3,194,218
Total additional capital	3,059,855	3,194,218
Regulatory amendments (Propositions of the capital)	-	-
Net Additional Capital	3,059,855	3,194,218
Net Additional Capital Tier 1.	953,952,648	941,560,049
3. Tier 2		
General banking risk reserve		
Provision of credit loss for stage (1) not exceeding 1.25% of assets exposed to credit loss	44,009,884	63,777,881
Non-controlling interest	4,079,807	4,258,958
Total Supported Capital	48,089,691	68,036,839
Regulatory Amendments (Propositions of the Capital)	-	-
Investments in capital of non-consolidated subsidiaries	-	-
Net Additional Capital Tier 2	48,089,691	68,036,839
Regulatory Capital	1,002,042,339	1,009,596,888
Total Weighted Assets Risk Average	5,972,550,043	5,810,185,234
Capital Adequacy Ordinary Shareholders (CET1)Ratio%	15.92%	16.15%
Capital Adequacy Tier 1 Ratio %	15.97%	16.21%
Capital Adequacy Ratio %	16.78%	17.38%

46. Fair Value of Financial Assets Not Carried at Fair Value in the Financial Statements

The fair value of financial assets not carried at fair value in the financial statements is as follows:

	December 31, 2021		December 31, 2020	
	Book Value	Fair Value	Book Value	Fair Value
	JD	JD	JD	JD
Financial assets at amortized cost	1,992,268,062	1,993,690,198	1,833,842,295	1,834,899,733
Direct credit facilities – net	3,850,266,147	3,850,266,147	3,976,743,772	3,976,743,772

47. Risk Management

Banking risks are managed based on a comprehensive mitigation strategy where acceptable risks are defined along with ways to limit and confront such risks. Such a strategy allows the Bank to better manage its business while maintaining a certain level and type of risk the Bank is willing to bear and handle without affecting strategic goals and objectives. Meanwhile, the Bank minimizes the negative effects of internal and external incidents on the Bank's profitability, capitalization, market share and any other intangible factors such as reputation and goodwill.

Defining risk levels and limits is a process conducted according to quantitative and qualitative measurement techniques, depending on the nature of each risk. Those risk levels are then reflected (quantitative and qualitative) within the risk limits defined and approved in the Bank's policies and procedures.

Acceptable risk levels comply with the Bank's strategy and mechanism to do business. They clearly describe risks that the Bank can handle and the methods and manners through which the Bank can control and monitor such risks.

The Bank's risk management is based on a comprehensive risk reduction strategy and ways of addressing it and mitigating it, after identifying acceptable risks by the Bank to manage its business in order to maintain the level and quality of the various risks that the Bank wishes to accept, which does not affect the achievement of the strategic objectives. In addition to decreasing the negative effects of internal and external events on the profitability of the bank, the level of capital, market share and any other intangible factors such as reputation and reputation of the bank.

The process of adopting acceptable limits and levels of risk at the Bank is carried out according to qualitative and / or quantitative measurement methods, based on the nature and specificity of the various risks. These levels (qualitative and quantitative) are reflected within the risk limits adopted in the Bank's policies, powers and procedures.

The acceptable risk levels are consistent with the Bank's strategy and sets out a framework for the mechanism that the Bank must adopt to conduct its business, clarify the nature of risks accepted by the Bank to achieve its strategic objectives, and establish procedures for identifying and controlling acceptable risk levels.

Strategic Objectives of Risk Management

- Establishing effective risk management in the Bank and enhancing institutional governance through applying advanced methods and approaches in measuring different risks.
- Hedging and mitigating potential losses, leading to the maximization of profitability and improvement of the efficiency and effectiveness of the banking operations.
- Spreading a culture of awareness of the surrounding risks and achieving a deep understanding of all levels of management of risks faced by the Bank.
- Assisting in achieving the overall strategic objectives of the Bank.

Risks to the Bank

The Bank is exposed to the following major risks:

- Credit risk.
- Market and liquidity risks, including interest and currency risks.
- Operational risks, including information security risks and business continuity risks.

Acceptable Risk Levels

Effective risk management includes a thorough understanding of the sources and nature of the risks facing the Bank, as well as the provision of an appropriate regulatory environment in line with the international best practices and standards, consistent with the instructions of the regulatory authorities and the instructions of the Bank. The most important pillars of effective risk management are based on identifying acceptable risk levels for all banking activities after identifying, measuring, and analyzing the various risks faced by the Bank.

The procedures used to determine acceptable risk levels at the Bank include:

- Determining the business strategy: The acceptable risk levels are determined in line with the Bank's strategic plan, regulatory directives, maintaining its capital adequacy, sound management of liquidity risks and sources of funds, and maintaining stable levels of profit.
- Evaluating the Bank's material risks, identifying methods and approaches of measurement, quantifying the risks that the Bank can accept and assume, and inform the Board of Directors about risks, size of exposure, and control framework on these risks at the Bank.
- Determining the acceptable risk level for business units and the Bank's products;
- Limits: The level of risk that the Bank can bear and accept based on the exposure to the Bank's activities and on the objectives set for the Bank and the business community.
- In addition, the acceptable risk levels are monitored, and any violations of the prescribed limits and acceptable risk levels are addressed and reported to the Board of Directors through the Risk Management Committee.

Risk Management Framework

- The existence of a separate risk management structure that includes monitoring, supervision, reporting, and tasks related to the risk functions.
- The existence of a strategy, policies, and work procedures aimed at effective risk management, control, and mitigation of the adverse effects of such risks.
- Controlling, supervising, and measuring risks within the risk acceptance document.
- Managing risks on a daily basis and ensuring that they are within the approved limits.

Credit Risk

- Credit risk is defined as the risk arising from the customer's inability or willingness to meet its obligations to the Bank within an agreed period of time or from a recession in a particular sector.
- In this regard, customers' credit concentration risks are defined as the risks to the Bank arising from the unequal distribution of credit customers or concentrations in facilities granted to economic sectors or in certain countries, which may lead to increased probability of losses.

Credit Risk Management

Credit risk is managed by:

- Promoting the establishment of a good and balanced credit portfolio that achieves the targeted return within its defined risk levels;
- Strictly controlling credit in its various stages and consistently complying with the regulatory authorities' instructions and their amendments;
- Distributing the credit portfolio, including expanding the customer base according to specific plans, ceilings, and risks;
- Continuing to work within the principle of segregating the functions of customer relationship management, credit analysis, and credit control;
- Granting credit based on eligibility and repayment ability, provided that there are no restrictions on borrowing or foreclosure in the Company's Memorandum of Association and Articles of Association, and on the Bank's belief in the customers' ability to meet their obligations based on a comprehensive credit study of the customers' positions within the Bank's acceptable risk classification levels;
- Prohibiting the financing of facilities except for the purposes specified in the Bank's credit policy, the instructions of the Central Bank of Jordan, the Banking Law, and any instructions issued by the regulatory authorities, and against appropriate collaterals that guarantee the Bank's right;
- Reducing the non-performing debt ratio in the credit portfolio while increasing market share in commercial finance and corporate finance; and
- Diversifying the credit portfolio, especially in the corporate portfolio, while avoiding overconcentration at the customer's level.

Default and Default Tackling Mechanism:

Default Definition:

Default is the existence of payment dues on customer facilities of more than 90 days and a marked increase in risk ratings (8,9,10), in addition to any indications of the existence of customer's probability of default (PD), requiring the inclusion of some customers within the concept of "Credit Deterioration Factors", including, but not limited to:

- Significant financial difficulties faced by the debtor such as a severe weakness in the financial statements.
- Relinquishing part of the obligations incurred by the debtor because of the debtor's financial difficulties.
- Non-payment of obligations on time.
- Debtor's bankruptcy.
- Debtor's need to restructure or reschedule his obligations.

Default Handling Mechanism:

Under the instructions of the Central Bank of Jordan, and once debt is classified as non-performing, the Bank takes adequate provisions and carries out the necessary procedures for collecting its rights in accordance with the applicable laws and considered all procedures to settle in accordance with the standards and principles stipulated by the Central Bank of Jordan and the regulatory authorities of the host countries.

The Bank's Internal Rating Systems:

Internal Rating System for Corporate Customers:

A system designed to assess and measure the risks of corporate customers in a comprehensive manner by extracting the customer's risk rating associated with the customer's probability of default (PD) based on the financial and objective data.

The Risk Analyst / Moody's System has various models and scorecards to cover most customer segments. Each model has several sections, and each section is associated with risk weights according to model used. The risk score is calculated through these models/cards by collecting the results of financial and objective extracts in a digital form called VOTES. Then, calculations are made to extract the so-called average assessment, which is shown in the form of a digital counter (from 0-100), noting that the digital meter is divided into seven sections (excellent / very good / good / average / less than average / bad / unacceptable).

The Bank uses the Risk Analyst/Moody's System to measure the risk rating of customers within (7) grades for the performing accounts and three grades for the non-performing accounts. The probability of default (PD) increases as risk rating increases. Three segments are adopted at each grades - with the exception of grade (-1). Each grade is defined clearly as explained in the methodology.

Principles for the evaluation process within the internal rating system for corporate customers:

- Availability of recent, audited / unaudited financial statements, in line with the instructions of the Central Bank of Jordan to reflect the actual financial position of the credit applicant.
- The credit grantor having a clear idea about the objective aspects of the customer's situation (e.g. management, customer sector, competitive situation, etc.), because of the significant impact of the objective aspect on the customer's risk assessment results.
- Availability of sufficient data on the customer's collaterals to enable assessment of the credit facility's risk.
- Annual update of the Probability of Default based on the latest studies conducted by Moody's.
- Selection of the appropriate Analysis Model that fits with the customer's nature.
- Use of the Archiving Option to maintain the customer's historical risk levels approved within the credit analysis.

Use of the Override Option of the Risk Analyst System through adopting the Bank's override methodology concerning the availability of approval of the authorized personnel "representing the credit granting powers themselves", in order to raise or lower the risk level, according to the credit analysis memorandum prepared by the Business and Credit Review Center.

Internal Rating System for Retail and Small Business Customers:

A system that evaluates customers (individuals and small companies) and gives them risk scoring based on their risks before granting them loans. Based on this evaluation, the customer's creditworthiness and probability of default are assessed.

The internal scoring of retail customers is conducted for all granted products (personal loans, housing loans, credit cards, and car loans). For small companies, the granted products are scored, including (business loans, mortgage loans, and declining balance loans).

Definition of Expected Credit Losses (ECL):

The expected credit losses represent the total amounts allocated to cover the losses resulting from the customers' failure to fulfill their obligations. This is equal to: Exposure at Default X Probability of Default X Losses Given Default.

Mechanism for Calculating Expected Credit Losses (ECL)

Credit Portfolio (Corporate Portfolio)

Exposure at Default (EAD):

This represents the reporting period balance plus interest. It includes the credit facilities within the corporate portfolio and is divided into funded facilities, unfunded facilities, and unutilized ceilings, as for the balance subject to the calculation of expected credit losses for stage (3), represent the balance less interest in suspense and cash margins (if any).

Funded Facilities:

To calculate of exposure at default by discounting the expected future cash flow for the facility using the contractual interest rate and then adding the discounted value by the expected percentage of facility utilization.

To reach the expected percentage of utilization from the granted limits (as over draft), a study was conducted on the percentage of utilization for the facilities defaulted during the last 5 years through analyzing the percentage of utilization for these facilities in the last year pre default along with customer behavior. Based on this study the expected percentage of limit utilization was 42.7% for overdrafts and 32.9% for revolving loans.

The overdraft average maturity was considered 2.5 years, according to Basel regulations.

A risk rating of (-5) has been applied to all unrated facilities, based on the consulting company's opinion.

Unfunded Facilities:

The amount of exposure at default for Non-funded facilities is reached by multiplying the granted limit by the expected percentage of utilization.

To reach the expected percentage of utilization, a study was conducted on the percentage of utilization and based on this study the expected percentage of utilization ranged from 34.2% to 36.8%

The expected future cash flows for non-funded facilities is discounted at the interest rate applied on such facilities when paid. The interest rate for foreign currency facilities ranges from 5% to 6% and from 12% to 13% for Jordanian Dinar.

Loss Given Default (LGD):

The LGD model has been updated through the annual review during 2021 as following:

- Analyzing the collections from the defaulted loans historically for the previous 90 months which includes (cash and executions on real-estate collaterals) to measure banks' ability to collect from defaulted loans either with collateral or not in order to arrive to the actual percentage of collections, hence the LGD that will be applied across all covered and uncovered portfolios in terms of collaterals.
- A calibration of LGD values according to the historical data with the PD to predict the expected LGD for the next five years according to the same economic macro factors applied in determining the PD in order to arrive to PIT LGD for loans in stage I and II
- Aging study for the defaulted loans stage III in terms of DPD (days past due) and divide the LGD into buckets accordingly
- For collateralized facilities granted against Cash margin, Bank LGs and securities, the value of collateral is deducted from the exposure at default after applying hair cut.

Probability of Default (PD):

Definition of default is summarized by the existence of payment dues on customer facilities for more than 90 days and a marked increase in customer's risk ratings in addition to any indications of the existence of a customer's probability of default (PD) including but not limited to :

- Significant financial difficulties faced by the debtor such as a severe weakness in the financial statements.
- Relinquishing part of the obligations incurred by the debtor because of the debtor's financial difficulties.
- Non-payment of obligations on time.
- Debtor's bankruptcy.
- Debtor's frequent need to restructure or reschedule his obligations

The probability of default is determined through the following:

- Evaluating customer's behavior throughout the loan: using Observed Default Rates which enables the Bank to evaluate the customer's behavior through using days past due and monitor the volatility that might arise and affect the customer's commitment to pay before 6 months and after 12 months of each data point of the conducted study.
- Determining the customer's future probability of default: using the related Macroeconomic factors to predict the Observed Default Rate for the coming years such as (GDP, Exports, Inflation, Price index)
- Using Regression analysis: to predict the Observed rates for the next five years through applying the linear equation $(Y = a + bX)$, as :
 - Y : dependent variable
 - a: intercept
 - b: slope
 - X : independent variable
- Analyzing the probability of default scenarios for the customers who postponed their instalments due to COVID-19 Pandemic.
- A calibration is applied between the predicted results and PDs according on the output of internal rating of customer's risk to convert the TTC PD to PIT PD.

Credit Portfolio (Retail Portfolio)

Exposure at Default (EAD):

This term represents the balance of each sub-portfolio as in the reporting period plus interest for stage (1) and (2) plus the undrawn limit multiplied by the expected percentage of utilization (42.7%, 32.9% 52.1% for overdrafts, revolving loans and credit cards respectively). As for facilities classified under Stage (3), the EAD represents the Balance minus the interest in suspense and cash collateral (if any).

Facilities were divided within each sub-portfolio into unfunded facilities, unutilized ceilings, and loans of more than JD 250,000.

Measuring Credit Risk and Expected Credit Loss on an Aggregate Basis:

The Bank's policy in determining the common elements in measuring the credit risk of the retail portfolio is in line with the instructions of the Central Bank of Jordan, which indicated in one of its items the product type. Thus, the retail portfolio has been divided into five sub-portfolios, depending on their product type, as follows:

- High-risk Personal loans portfolio
- Low-risk Personal loans portfolio
- Car loans portfolio
- Real estate loans portfolio
- Credit cards portfolio
- Small enterprises portfolio (except for accounts exceeding JD 250 thousand, considered as belonging to individuals) which will be included in the Bank's financial statements at the end of the year.

Funded Facilities:

The exposure at default is reached by discounting the expected future cash flows using the average interest rate and the average tenor for the portfolio.

Unutilized Ceilings:

The expected credit losses have been calculated on customers' balances in the calculation period, except for the loans treated as ceilings where the expected credit losses have been calculated on the ceilings after applying the expected percentage of utilization.

Loans Exceeding JD 250 Thousand:

Loans of more than JD 250 thousand have been excluded from the retail portfolio.

The expected credit loss (ECL) is calculated in a manner similar to that applied to the corporate portfolio based on the Projected Cash Flows for each customer.

A risk rate of (-5) has been applied. Moreover, the expected credit loss has been calculated for 12 months, or for the lifetime of the loan, based on the customer's classification (Stage I / Stage II). Meanwhile, these loans will be assessed through the internal rating systems for both individuals and companies in the future (in accordance with the approved work plan).

Loss Given Default (LGD):

The LGD model has been updated through the annual review during 2021 as following:

- Analyzing the collections from the defaulted loans historically for the previous 90 months which includes (cash and executions on real-estate collaterals) to measure banks' ability to collect from defaulted loans either with collateral or not in order to arrive to the actual percentage of collections, hence the LGD that will be applied across all covered and uncovered portfolios in terms of collaterals.
- A calibration of LGD values according to the historical data with the PD to predict the expected LGD for the next five years according to the same economic macro factors applied in determining the PD in order to arrive to PIT LGD for loans in stage I and II
- Aging study for the defaulted loans stage III in terms of DPD (days past due) and divide the LGD into buckets accordingly
- For collateralized facilities granted against Cash margin, Bank LGs and securities, the value of collateral is deducted from the exposure at default after applying hair cut.

Probability of Default (PD):

- Historical data has been used for since 2014 until 6/2021 for calculating the ODR at the level of each sub-portfolio and forecasting future probability of default for conversion from TTC PD to PIT PD, as for stage (3), probability of default 100% was applied.

Investment Portfolio

Probability of Default (PD):

The probability of default for 12 months (12-month PD) is extracted from Bloomberg system for the issuer and the country of risk, using the following functions:

- DRSK for public companies: The Accuracy Ratio is 92.43% for non-financial companies and 91.78% for financial companies.
- SRSK for countries: The Accuracy Ratio for countries is 89%.

The 12-month PDs extracted from DRSK and SRSK functions are based on structural models which take into account several variables:

- The nature of the sector, the assets growth rates, and market fluctuations when calculating PD for corporates.
- The prevailing political situation, countries' financial and economic performance, GDP growth, and non-performing loans in the banking sector, foreign currency reserves, etc. according to the forecasts of the International Monetary Fund and World Bank when determining a sovereign PD. Therefore, the PD represents the current situation (Point-in-Time PD) and reflects only the corporates PD without taking into account the country of risk factor (Standalone PD).

As a result, the PD for each issue has been adjusted by using the ceiling of the probability of risk for the country of risk at minimum for calculating PD, so that the PD of any issue will not be lower than its country of risk PD.

In order to apply the PD floor to the exposures on various banks, the following approach is adopted. If the exposure is on a foreign bank, and the exposure is in any currency other than the local currency of the foreign bank's country, then the higher PD of either the foreign bank's country or the foreign bank shall be adopted. Otherwise, if the exposure on a foreign bank is in the local currency of the bank's country, then the PD of the bank itself shall be adopted (i.e., the ceiling of the country's PD shall not be used at minimum).

When the PD results is calculated then Bloomberg system use current market information in addition to expected that reverse the average expected to expectations of the analysts in market, subsequently no need to implement analyst scenario for expected PD.

If the PD results extracted from Bloomberg system do not represent the actual reality of market expectations (i.e., the implied PD of the market derived from the Credit Default Swap "CDS" and / or the Market Asset Swap "ASW") for the issuer, the market PD obtained from a high liquidity issue / security for the same issuer shall be adopted as a representative proxy according to the procedures for evaluating the risk factor of the investment portfolio.

If the PD for the country of risk is not available, the Shadow Rating methodology prepared by the consulting company shall be adopted. On the other hand, if the PD of the issuer is not available, the PD of the country of risk shall be adopted as the issuer PD.

The Jordan PD as a country of risk is considered as the PD of the issuer in the case of placements in money market (Term Deposits) with HBTF's branches as well as subsidiaries in which the Bank owns 50% or more of their capital.

After that, the 12-month PD is adjusted to take into consideration the remaining life of exposure for any issue with a remaining maturity less than one year, according to the following equation:

$PD_n = 1 - ((1 - PD_{12\text{-month}})^{(n/12)})$ where (n) represents the remaining life in months ($n < 12$)

Calculating PD for Jordanian Companies in JD (if PD for the issuer is not available)

Risk rating is calculated based on Moody's Credit rating and then mapped to the relevant assigned PD.

The assigned PD represents "Through-the-Cycle (TTC)", and thus calibrated according to the methodology developed by the consulting company in order to obtain (Point-in-Time "PIT" 12-month PD).

The 12-month PD is then adjusted to take into account the remaining life of exposure for any issue with a remaining maturity less than one year, according to the above equation.

Loss Given Default (LGD):

The Recovery Rate (RR) is extracted from Bloomberg system for each issue using CDSW function, which is based on the ISDA Standard Model, where the LGD is calculated according to equation ($LGD = 1 - RR$), as in the following table:

Markets	Senior Unsecured	Subordinated
Developed markets	RR= 40%, LGD= 60%	RR= 20%, LGD= 80%
Emerging markets	RR= 25%, LGD= 75%	RR=25%, LGD= 75%

For secured securities, the Haircut-Based Approach is considered along with the limits per the IRB in order to determine the LGD (as per the procedures approved for the credit portfolio).

Exposure at Default (EAD):

$EAD = \text{Accrued Interest to Date} + \text{Present Value (Face Value + Expected 1 Year Interest)}$

Accrued interest to date is calculated or extracted from Bloomberg system.

The expected interest for the remaining life of exposure is calculated up to a maximum of one year using the coupon for fixed rate bonds. As for floating rate bonds that pay LIBOR plus a fixed spread, LIBOR is projected over a 1-year period and added to the fixed spread for the calculation of expected interest.

Expected Credit Loss (ECL):

The expected credit loss (ECL) is calculated according to the following equation: $ECL = PD * LGD * EAD$

The expected credit loss value for off balance sheet financial derivatives is calculated by extracting the expected maximum exposure in addition to the maximum exposure time from the Bloomberg system using (SWPM) which is calculated based on the Monte Carlo model. Present Value is calculated for the peak exposure based on the following:

- The Discount Period represents the time to peak extracted from Bloomberg system.
- The Discount Rate represents the Risk-Free Rate of the currency of exposure at the time – to – peak maximum to one-year limit.

The expected credit loss (ECL) is calculated according to the following equation: $ECL = PD * LGD * \text{Peak Exposure (EAD)}$.

Key macroeconomic factors used by the Bank in calculating expected credit losses (ECL)

Corporate portfolio

Portfolio	Macroeconomic Factor
Large Corporates	Industrial Production – Rate of change Lag 4. Volume of imports of goods and services (Percentage Change) – 3-quarter moving average Lag 4. Total investment – Rate of Growth (Percentage of GDP) Lag 2.
Medium Enterprises	Volume of imports of goods and services (Percentage Change). Volume of exports of goods (Percentage Change) 6-quarter moving average Lag 4.

Retail portfolio

Pool Name	Stage I	Stage II
Cars/Vehicles Loan	Volume of exports of goods (Percentage Change) 6-quarter moving average Lag 3.	Volume of exports of goods (Percentage Change) 6-quarter moving average Lag 3.
Mortgage Loan	Volume of exports of goods (Percentage Change) 6-quarter moving average Lag 1. Industrial Production Index Lag 3	GDP Annual Growth Lag 1. Volume of exports of goods (Percentage Change) 6-quarter moving average Lag 3. Government Revenue Lag 1.
Personal Loan	Ease of Doing Business – 6-quarter moving average. Industrial Production Index – 3- quarter moving average Lag 3	GDP Annual Growth Lag 1
Small Business	Volume of exports of goods (Percentage Change) 3-quarter moving average Lag 2.	GDP Annual Growth – 3-quarter moving average Lag 1

Determinants of the significant change in the credit risk adopted by the Bank in the calculation of ECL

Credit portfolio

Classification	Standards
Stage I:	Accounts for which there has been no significant increase in credit risk or default indicators, as follows: Performing accounts for which there are no dues or have dues for less than 30 days
Stage II:	Accounts whose credit risk has significantly increased and have signs of default, as follows: Accounts with dues for 30 days or more and less than 90 days. Accounts restructured twice during the year. Accounts classified as watch list. Any accounts that require classification at this stage according to the directives of Management and the regulatory bodies.
Stage III:	Accounts that have become in default, as follows: All non-performing loans and facilities according to the definition of non-performing loans mentioned in the CBJ regulations No. 47/2009 dated 10/12/2009, which are 90 days or more past due. Accounts whose risk rating is (8, 9, 10) according to the Bank's credit rating. Accounts with a scheduling flag.

The standard also states that if the quality of credit has improved, and sufficient and documented reasons are available to make it possible to transfer credit claims from stage III to stage II or from stage II to stage I, the transfer process must take place after verifying the improvement of the credit status of the claim and the commitment to repay three monthly installments, two quarterly installments or a semi-annual installment on time, so that the early payment of installments for the purpose of transferring debt to a better stage is not considered. For example, if an account is classified within stage III and the account is scheduled, the account must remain within stage III for three monthly installments, two quarterly installments, or one annual installment according to the repayment cycle of this facility before being transferred to stage II.

Investment portfolio

Financial Instrument	Standards
Investment Grade Instruments	The credit rating of the instrument at the reporting date is downgraded by two notches below the investment grade since origination (BB); or (The Implied Rating / 1-year Default Risk Rating) at the reporting date is downgraded to more than two notches below the investment grade since the date of the previous report (less than HY2 according to Bloomberg system).
High Yield Instruments	The credit rating of the instrument at the reporting date is downgraded by two notches below its credit rating at the date of purchase; or (The Implied Rating / 1-year Default Risk Rating) is downgraded by two notches below its implied rating since the date of the previous report.
Unrated Instruments	According to Moody's Credit rating, the financial instrument is considered to be in stage II if its rating declines by more than 2 notches since origination.

Governance of the Application of IFRS Requirements

Board of Directors

Providing appropriate governance structure and procedures to ensure the proper application of the standard by defining the roles of the committees and departments at the Bank; ensuring work integrity among them; and providing appropriate infrastructure in accordance with CBJ regulations and the standards related to the accounting standard.

Approving any amendments to the results and outputs of the systems regarding the calculation and measurement of ECL and the variables to be calculated.

Implementing business models through specifying the objectives and rules of classification of financial instruments, in order to ensure integration with other business requirements.

Ensuring that the Bank's control units, specifically risk management and internal audit, perform all the work required to verify the validity and integrity of the methodologies and systems used in the application of IFRS 9 and providing the required support to these control units.

Approving the final results of ECL calculation.

Risk Management Committee / Board of Directors

- Reviewing the Bank's risk management framework for the calculation of ECL.
- Reviewing the Bank's risk management strategy before it is approved by the Board.
- Supervising the efficiency and effectiveness of the calculation of ECL.

Steering Committee:

Supervising the proper functioning of the project and ensuring compliance with the plan.

Ensuring that key risks are identified and taking all necessary action to address them.

Approving the recommendations of the project technical committee.

Meeting, if necessary, with the Board of Directors and / or its committees to inform them about the situation.

The Technical Committee for Applying IFRS9:

Reviewing the methodology for assessing credit losses and the mechanism for calculating key components of credit losses (EAD, PD, LGD) and recommending their approval by the Board of Directors.

Adopting the results of the annual review of the outputs of internal credit rating systems.

Assessing the appropriateness of the economic variables used in the calculations and their impact on the item relating to the estimation of PD and the results of the calculation of ECL.

Reviewing the internal and external audit notes related to the methodology for assessing the credit losses, the data used, and the calculation results, as well as supervising the development of the necessary corrective plans.

Adopting an action plan for implementing the project in its various stages; identifying tasks, duties and responsibilities required from all departments; and supervising the completion of the project stages in accordance with the plan.

Resolving all the problems and obstacles facing the Bank in applying the standard related to resources, policies, systems, data, etc.

Addressing any new developments or requirements issued by the Central Bank of Jordan on the application of the standard and ensuring that all the requirements of the Central Bank are met.

Discussing and approving the approaches and methodologies relating to the ECL calculation models.

Adopting the results of analysis and evaluation of the companies' offers to provide services to the Bank, establish the accounting models, and purchase any systems for the standard compliance requirements; as well as submitting the recommendation to the project steering committee.

Audit Committee:

Verifying the adequacy of ECL / general bank risk reserve / provision for impairment of credit facilities provided by the Bank and ensuring their adequacy in all financial statements.

Risk Department:

- Developing a clear framework for ECL calculation.
- Reviewing the internal credit rating systems and the framework on an annual basis to keep abreast of any changes to the bases used in the calculation to ensure the accuracy of results.
- Calculating the ECL, classifying the customers according to the three stages on a quarterly basis in accordance with the accounting standard requirements and CBJ regulations, and informing the Executive Management Risk Committee of the calculation results.
- Making the necessary recommendations to the Executive Management Risk Committee regarding the customers whose classifications have been changed because of override.
- Developing the indicators that contribute to monitoring the signs of credit default for customers to enhance the forward-looking principle regarding the assessment of credit risks and losses.
- Preparing the statements required by the Central Bank in cooperation with the concerned departments.
- Reviewing and approving the risk parameters in accordance with the approved policy and methodology.

Incorporation of Forward-Looking Information

The Management uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of ECL. The Bank uses external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

The Bank's Management applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome and consists of information used by the Bank for strategic planning and budgeting. The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using a statistical analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

The Bank redeveloped macroeconomic models to address the deficiencies identified in the existing models. Using robust macroeconomic modelling methodology, Group identified and documented the key macroeconomic factors that drives the change in default rates of both portfolio direct and indirect credit facilities. Following macroeconomic data and forecasts published by governmental bodies and monetary authorities such as the Central Bank of Jordan, IMF, and World Bank have been utilized by the Group to incorporate forward-looking information into the PD term structure of each of the scenario.

Predicted relationships between the key macroeconomic indicators and default rates of respective portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. Models are reviewed and monitored for appropriateness at the end of each reporting period.

The table below summarizes the principal macroeconomic indicators included in the economic scenarios used at December 31, 2021 for the years 2021 to 2025, for Jordan, which is the country where the Bank operates and therefore is the country that has a material impact on ECL.

	2021	2022	2023	2024	2025
Growth in National Exports Percentage					
Base scenario	(0.98%)	(0.18%)	(0.28%)	0.07%	(0.02%)
Adverse scenario	(1.48%)	(0.68%)	(0.78%)	(0.43%)	(0.52%)
Positive scenario	(0.49%)	0.32%	0.22%	0.57%	0.48%
Change in Gross Domestic Product Percentage					
Base scenario	83.14%	(15.98%)	14.38%	(0.03%)	0.14%
Adverse scenario	23.72%	(75.40%)	(45.04%)	(59.45%)	(59.56%)
Positive scenario	142.56%	43.44%	73.80%	59.39%	59.27%
Change in Balance of Payments					
Base scenario	0.28%	(17.44%)	(3.03%)	(2.87%)	0.02%
Adverse scenario	(14.35%)	(32.06%)	(17.65%)	(17.49%)	(14.60%)
Positive scenario	14.90%	(2.82%)	11.60%	11.75%	14.64%

The table below outlines the sensitivity analysis on how ECL will change if the key macroeconomic indicators used to calculate ECL change by 5% for the year 2021 noting that the increase in expected credit loss represents negative impact on the Group's equity while the decrease in expected credit loss represents positive impact on the Group's equity.

	Direct Credit Facilities	Indirect Credit Facilities (Contingent Liabilities)
	JD	JD
Growth in National Exports		
+5%	(7,898,259)	(1,543,781)
-5%	7,898,259	1,543,781
Change in Gross Domestic Product		
+5%	(7,743,437)	(1,504,254)
-5%	7,743,437	1,504,254
Change in Balance of Payments		
+5%	(18,461)	-
-5%	18,461	-

1. Collateral held as security and other credit enhancements

The Bank holds collateral or other credit enhancements to mitigate credit risk associated with financial assets. The estimated value of collaterals held at end of the reporting period is JD 4,832,874,783 as of December 31, 2021 (JD 4,686,839,700 as of December 31, 2020). This value of the collateral is only considered to the extent that mitigates the credit risk. There was no change in the Bank's collateral policy during the year. The main types of collateral and the types of assets these are associated with are listed below:

For the Year 2021	Collateral Fair Value										Total Collateral Value	Net Exposure	Expected Credit Loss
	Total Exposure Value	Cash Margin	Equity Shares	Accepted Bank Grantee	Real Estate	Vehides	Jordanian government	Others					
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	884,887,252	-	-	-	-	-	-	-	-	-	884,887,252	-	45,876
Balances at banks and financial institutions	411,128,248	-	-	-	-	-	-	-	-	-	411,128,248	-	330,134
Deposits at banks and financial institutions	50,861,519	-	-	-	-	-	-	-	-	-	50,861,519	-	223,557
Credit facilities at amortized cost:													
Individual	943,331,776	45,783,647	7,896,323	3,596,902	73,952,171	42,877,030	-	19,486,745	-	193,592,818	749,738,958	-	45,059,443
Real estate mortgages	1,284,471,859	1,749,415	-	-	1,214,262,523	48,048	-	9,583,116	-	1,225,643,102	58,828,757	-	122,135,952
Large corporates	1,455,512,890	73,094,547	101,501,941	11,808,553	217,287,510	33,218,714	34,228,602	62,879,414	-	534,019,281	921,493,609	-	236,260,062
SMEs	349,816,545	36,377,093	-	6,759,955	132,211,639	4,446,932	-	44,808,459	-	224,604,078	125,212,467	-	49,939,793
Government and Public Sector	403,453,722	80	-	-	13,798,276	-	290,651,045	-	-	304,449,401	99,004,321	-	76,858
Direct credit facilities at fair value through the profit or loss:	96,646,207	-	-	-	-	-	96,646,207	-	-	96,646,207	-	-	-
Large corporates													
Bonds and bills													
Within: Financial assets at fair value through other comprehensive income	350,183,895	-	-	-	-	-	195,667,987	-	-	195,667,987	154,515,908	-	333,412
Within: Financial assets at amortized cost	1,996,689,643	-	-	-	-	-	1,807,808,717	-	-	1,807,808,717	188,880,926	-	4,421,581
Total	8,226,983,556	157,004,782	109,398,264	22,165,410	1,651,512,119	80,590,724	2,425,002,558	136,757,734	4,582,431,591	3,644,551,965	458,826,668		
Items Off-statement of Financial Position													
Letter of guarantees	350,039,314	58,036,910	-	-	13,949,749	-	-	3,423,524	-	84,350,331	265,688,983	-	29,644,077
Letter of credit	553,539,536	67,878,718	388,325	-	689,663	-	97,049,480	86,675	-	166,092,861	387,446,675	-	5,000,443
Other	68,435,977	-	-	-	-	-	-	-	-	-	68,435,977	-	987,000
Total	9,198,998,383	282,920,410	109,786,589	31,105,558	1,666,151,531	80,590,724	2,522,052,038	140,267,933	4,832,874,783	4,366,123,600	494,458,188		

For the Year 2020	Collateral Fair Value										Expected Credit Loss
	Total Exposure Value	Cash Margin	Equity Shares	Accepted Bank Grantee	Real Estate	Vehicles	Jordanian government	Others	Total Collateral Value	Net Exposure	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	1,003,740,853	-	-	-	-	-	-	-	-	1,003,740,853	40,992
Balances at banks and financial institutions	360,745,243	-	-	-	-	-	-	-	-	360,745,243	112,936
Deposits at banks and financial institutions	53,917,617	-	-	-	-	-	-	-	-	53,917,617	235,754
Credit facilities at amortized cost:											
Individual	862,127,549	45,363,133	4,283,659	-	69,560,076	42,292,127	-	4,635,101	166,134,096	695,993,453	36,517,290
Real estate mortgages	1,258,978,371	1,727,716	-	-	1,195,081,234	349,039	-	-	1,197,157,989	61,820,382	129,214,695
Large corporates	1,510,602,039	105,983,525	79,382,319	13,783,468	219,923,779	37,855,971	45,637,938	1,794,121	504,361,121	1,006,240,918	217,494,102
SMEs	313,441,650	26,400,440	-	9,333,138	122,666,261	6,331,529	-	26,505,744	191,237,112	122,204,538	47,931,630
Government and Public Sector	577,933,242	-	-	-	12,298,067	-	334,811,146	79,898,721	427,007,934	150,925,308	74,404
Direct credit facilities at fair value through the profit or loss:	130,690,360	-	-	-	-	-	130,690,360	-	130,690,360	-	-
Bonds and bills											
Within: Financial assets at fair value through other comprehensive income	346,259,956	-	-	-	-	-	170,277,249	-	170,277,249	175,982,707	507,262
Within: Financial assets at amortized cost	1,839,019,927	-	-	-	-	-	1,649,290,934	-	1,649,290,934	189,728,993	5,177,632
Total	8,257,456,807	179,474,814	83,665,978	23,116,606	1,619,529,417	86,828,666	2,330,707,627	112,833,687	4,436,156,795	3,821,300,012	437,306,697
Items Off-Statement of Financial Position											
Letter of guarantees	375,444,423	50,034,720	-	30,247,839	15,675,408	36,300	-	3,963,049	99,957,316	275,487,107	28,228,096
Letter of credit	356,828,408	53,770,516	100,034	-	4,572,840	-	92,170,000	112,199	150,725,589	206,102,819	6,218,476
Other	87,477,895	-	-	-	-	-	-	-	-	87,477,895	1,433,576
Total	9,077,207,533	283,280,050	83,766,012	53,364,445	1,639,777,665	86,864,966	2,422,877,627	116,908,935	4,686,839,700	4,390,367,833	473,186,845

2. Credit exposures distributions

2021						
Internal Rating for the Bank	Category Classification According to (2009/47)	Total Exposure Value	Expected Credit Loss	Probability of Default	Exposure at Default	Average Loss on Default
		JD	JD	%	JD	%
1	Performing Loans	354,772,640	35,657	0.04%	376,212,183	%22.3
2	Performing Loans	191,847,362	24,531	0.18%	201,983,925	%62.4
+2	Performing Loans	1,306,083	343	0.02%	2,769,922	%52.8
-2	Performing Loans	41,028,740	21,693	0.09%	43,554,142	%50.4
3	Performing Loans	183,686,380	412,534	0.16%	208,614,100	%55.2
-3	Performing Loans	84,781,424	111,895	0.21%	93,791,067	%58.5
+3	Performing Loans	46,332,181	387,830	0.21%	52,976,857	%45.8
4	Performing Loans	79,485,592	2,282,130	0.57%	83,234,492	%55.9
-4	Performing Loans	123,658,494	804,751	1.15%	127,388,951	%48.4
+4	Performing Loans	115,426,412	692,851	0.78%	127,490,412	%55.6
5	Performing Loans	119,794,115	17,118,284	4.17%	127,592,423	%51.6
-5	Performing Loans	275,478,592	13,596,924	5.05%	279,904,868	%55.2
+5	Performing Loans	61,172,698	1,555,270	2.22%	69,269,820	%57.8
6	Performing Loans	204,093,161	26,147,395	8.81%	210,227,574	%58.1
-6	Performing Loans	169,499,158	62,446,907	39.46%	170,220,018	%54.2
+6	Performing Loans	118,358,312	7,588,472	12.07%	120,719,570	%62.3
7	Performing Loans	77,104,377	24,203,878	54.90%	77,675,497	%59.5
-7	Performing Loans	90,811,272	46,089,283	57.86%	89,095,434	%62.0
+7	Performing Loans	20,676,902	1,427,989	28.92%	21,074,354	%65.3
Unrated	Performing Loans	1,835,857,530	40,611,001	20.38%	1,908,723,588	%45.1
		4,195,171,425	245,559,618		4,392,519,197	
8	Substandard Debt	12,221,756	5,670,613	100%	11,444,304	%59.1
Unrated	Substandard Debt	3,875,128	1,334,853	100%	5,850,584	%68.0
9	Doubtful Debts	5,187,932	1,907,806	100%	12,666,075	%54.2
Unrated	Doubtful Debts	3,930,865	1,427,232	100%	3,500,994	%86.2
10	Bad Loans	210,070,748	117,749,330	100%	131,834,082	%75.0
Unrated	Bad Loans	102,775,145	79,822,656	100%	64,481,785	
		338,061,574	207,912,490		229,777,824	
Total		4,533,232,999	453,472,108		4,622,297,021	

The above exposures are not rated by external rating institutions.

2020						
Internal Rating for the Bank	Category Classification According to (2009/47)	Total Exposure Value	Expected Credit Loss	Probability of Default	Exposure at Default	Average Loss on Default
		JD	JD	%	JD	%
1	Performing Loans	512,518,137	22,354	0.06%	520,552,420	46.0%
2	Performing Loans	2,249,342	1,108	0.11%	2,249,342	46.9%
+2	Performing Loans	8,018,839	2,145	0.09%	8,414,230	27.1%
-2	Performing Loans	57,675,367	32,525	0.16%	65,113,553	54.4%
3	Performing Loans	36,772,952	78,397	0.36%	39,209,646	45.3%
-3	Performing Loans	214,935,275	263,198	0.41%	230,452,142	52.1%
+3	Performing Loans	124,310,219	240,750	0.31%	134,675,224	56.5%
4	Performing Loans	156,148,039	3,813,168	2.99%	166,032,365	42.0%
-4	Performing Loans	92,659,319	6,385,465	15.48%	95,075,951	48.0%
+4	Performing Loans	96,683,825	820,700	1.42%	102,524,907	56.3%
5	Performing Loans	270,991,345	4,470,404	4.19%	279,882,798	41.6%
-5	Performing Loans	184,706,321	9,709,456	7.25%	143,760,156	51.0%
+5	Performing Loans	215,868,560	14,083,121	6.03%	267,997,830	52.3%
6	Performing Loans	97,053,638	2,764,897	9.93%	100,264,379	54.4%
-6	Performing Loans	138,415,750	19,609,745	32.14%	140,220,187	54.1%
+6	Performing Loans	92,786,485	39,695,705	19.24%	93,823,633	54.0%
7	Performing Loans	80,198,302	26,476,967	51.8%	80,519,216	52.7%
-7	Performing Loans	82,659,441	25,604,374	59.51%	82,692,620	52.7%
+7	Performing Loans	84,657,528	36,877,340	46.03%	84,016,822	56.6%
Unrated	Performing Loans	1,737,244,482	38,595,391	14.7%	1,776,491,565	52.3%
		4,286,553,166	229,547,210		4,413,968,986	
8	Substandard Debt	15,764,739	10,119,629	100%	15,569,435	56.3%
Unrated	Substandard Debt	4,709,470	1,719,535	100%	4,376,812	51.0%
9	Doubtful Debts	30,492,143	21,399,630	100%	29,059,690	68.0%
Unrated	Doubtful Debts	8,805,192	2,871,802	100%	7,978,527	52.1%
10	Bad Loans	195,343,817	94,808,438	100%	134,208,595	57.8%
Unrated	Bad Loans	112,104,684	70,765,877	100%	83,489,866	56.3%
		367,220,045	201,684,911		274,682,925	
Total		4,653,773,211	431,232,121		4,688,651,911	

3. Credit risk according to economic sectors:

a. Distributions according to financial instruments exposure:

	2021									
	Financial	Industrial	Trading	Real Estate	Agriculture	Equities	Individuals	Government and Public	Other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	-	-	-	-	-	-	-	884,841,376	-	884,841,376
Balances at banks and financial institutions	410,798,114	-	-	-	-	-	-	-	-	410,798,114
Deposits at banks and financial institutions	50,637,962	-	-	-	-	-	-	-	-	50,637,962
Credit facilities at amortized cost	154,404,551	336,387,429	446,464,118	1,187,906,936	17,164,296	4,599,075	867,099,145	403,376,862	432,863,735	3,850,266,147
Credit facilities at fair value through profit or loss	-	96,646,207	-	-	-	-	-	-	-	96,646,207
Bonds and bills:										
Within: Financial assets at fair value through other comprehensive income	66,876,943	-	-	-	-	-	-	277,346,006	5,627,534	349,850,483
Within: Financial assets at amortized cost	150,480,360	-	-	-	-	-	-	1,832,157,909	9,629,793	1,992,268,062
Total for the Year	833,197,930	433,033,636	446,464,118	1,187,906,936	17,164,296	4,599,075	867,099,145	3,397,722,153	448,121,062	7,635,308,351
Letter of guarantees	-	-	320,395,237	-	-	-	-	-	-	320,395,237
Letter of credit	-	-	548,539,093	-	-	-	-	-	-	548,539,093
Other liabilities	-	-	67,448,977	-	-	-	-	-	-	67,448,977
Total	833,197,930	433,033,636	1,382,847,425	1,187,906,936	17,164,296	4,599,075	867,099,145	3,397,722,153	448,121,062	8,571,691,658

	2020									
	Financial	Industrial	Trading	Real Estate	Agriculture	Equities	Individuals	Government and Public	Other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	-	-	-	-	-	-	-	1,003,699,861	-	1,003,699,861
Balances at banks and financial institutions	360,632,307	-	-	-	-	-	-	-	-	360,632,307
Deposits at banks and financial institutions	53,681,863	-	-	-	-	-	-	-	-	53,681,863
Credit facilities at amortized cost	168,719,520	372,412,409	455,210,139	1,143,790,110	19,282,276	3,817,709	812,883,700	577,866,106	422,761,803	3,976,743,772
Credit facilities at fair value through profit or loss	-	130,690,360	-	-	-	-	-	-	-	130,690,360
Bonds and bills:										
Within: Financial assets at fair value through other comprehensive income	87,619,567	-	-	-	-	-	-	249,319,230	8,813,897	345,752,694
Within: Financial assets at amortized cost	149,812,336	-	-	-	-	-	-	1,673,521,275	10,508,684	1,833,842,295
Total for the Year	820,465,593	503,102,769	455,210,139	1,143,790,110	19,282,276	3,817,709	812,883,700	3,504,406,472	442,084,384	7,705,043,152
Letter of guarantees	-	-	347,216,327	-	-	-	-	-	-	347,216,327
Letter of credit	-	-	350,609,932	-	-	-	-	-	-	350,609,932
Other liabilities	-	-	86,044,319	-	-	-	-	-	-	86,044,319
Total	820,465,593	503,102,769	1,239,080,717	1,143,790,110	19,282,276	3,817,709	812,883,700	3,504,406,472	442,084,384	8,488,913,730

b. Distribution of exposures according to staging (IFRS 9):

Item	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Financial	820,635,351	3,091,741	6,726,663	2,415,275	328,900	833,197,930
Industrial	350,786,865	10,918,382	64,127,972	4,080,209	3,120,208	433,033,636
Trading	1,147,888,557	101,486,373	103,540,194	23,844,410	6,087,891	1,382,847,425
Real-estate	208,053,443	846,639,353	73,994,464	50,463,033	8,756,643	1,187,906,936
Agriculture	6,163,473	441,037	10,183,766	153,605	222,415	17,164,296
Equity	-	4,490,244	-	-	108,831	4,599,075
Individual	64,961,510	782,595,841	1,786,057	14,898,456	2,857,281	867,099,145
Government and public sector	3,387,493,289	-	10,228,864	-	-	3,397,722,153
Other	384,432,045	7,313,833	49,411,650	2,582,286	4,381,248	448,121,062
Total	6,370,414,533	1,756,976,804	319,999,630	98,437,274	25,863,417	8,571,691,658

Item	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Financial	805,466,090	3,666,907	8,340,638	377,586	2,614,372	820,465,593
Industrial	424,034,472	15,717,418	41,075,632	5,064,594	17,210,653	503,102,769
Trading	1,011,588,570	106,746,501	84,152,688	20,809,681	15,783,277	1,239,080,717
Real-estate	202,832,477	824,782,937	50,495,324	34,294,264	31,385,108	1,143,790,110
Agriculture	9,318,108	515,219	8,727,690	127,891	593,368	19,282,276
Equity	-	2,537,874	-	-	1,279,835	3,817,709
Individual	64,632,159	709,550,689	4,300,192	19,830,883	14,569,777	812,883,700
Government and public sector	3,504,406,472	-	-	-	-	3,504,406,472
Other	376,267,730	6,502,891	50,219,617	867,139	8,227,007	442,084,384
Total	6,398,546,078	1,670,020,436	247,311,781	81,372,038	91,663,397	8,488,913,730

4. Exposure distribution according to geographical distribution

a. Total exposure distribution according to geographic region:

	2021						
	Inside Jordan	Other Middle Eastern Countries	Europe	Asia	Africa	America	Other Countries
	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	464,882,587	143,239,059	-	-	276,719,730	-	-
Balances at banks and financial institutions	54,073,886	91,729,167	101,898,546	4,044,587	25,312,319	133,739,609	-
Deposits at banks and financial institutions	34,999,204	12,749,873	2,888,885	-	-	-	-
Credit facilities at amortized cost	3,045,286,413	412,033,764	219,212,630	-	173,733,340	-	-
Credit facilities at fair value through profit or loss	96,646,207	-	-	-	-	-	-
Bonds and bills:							
Within: Financial assets at fair value through other comprehensive income	195,336,784	28,570,931	49,802,392	15,909,304	11,830,384	48,400,688	-
Within: Financial assets at amortized cost	1,943,583,072	30,375,643	6,873,727	3,910,618	-	3,622,493	3,902,509
Total for the year	5,834,808,153	718,698,437	380,676,180	23,864,509	487,595,773	185,762,790	3,902,509
Letter of guarantees	223,673,026	50,541,872	18,062,540	183,005	27,934,794	-	-
Letter of credit	469,020,099	29,363,526	4,751,730	2,421,646	41,433,335	1,548,757	-
Other liabilities	32,344,296	-	35,104,681	-	-	-	-
Total	6,559,845,574	798,603,835	438,595,131	26,469,160	556,963,902	187,311,547	3,902,509
							8,571,691,658

	2020						
	Inside Jordan	Other Middle Eastern Countries	Europe	Asia	Africa	America	Other Countries
	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	576,189,171	162,285,703	-	-	265,224,987	-	-
Balances at banks and financial institutions	60,106,977	55,593,373	109,136,055	5,255,124	23,003,113	107,537,665	-
Deposits at banks and financial institutions	29,989,793	18,753,915	4,938,155	-	-	-	-
Credit facilities at amortized cost	3,336,831,523	247,208,541	201,330,494	-	191,373,214	-	-
Credit facilities at fair value through profit or loss	130,690,360	-	-	-	-	-	-
Bonds and bills:							
Within: Financial assets at fair value through other comprehensive income	169,710,467	30,170,011	41,572,577	20,669,025	13,247,205	70,383,409	-
Within: Financial assets at amortized cost	1,791,990,337	23,520,720	7,065,571	3,814,115	-	3,548,811	3,902,741
Total for the year	6,095,508,628	537,532,263	364,042,852	29,738,264	492,848,519	181,469,885	3,902,741
Letter of guarantees	269,637,727	32,510,112	15,573,134	197,225	29,298,129	-	-
Letter of credit	300,061,458	6,247,491	3,653,105	3,112,264	36,650,152	885,462	-
Other liabilities	50,202,078	-	35,842,241	-	-	-	-
Total	6,715,409,891	576,289,866	419,111,332	33,047,753	558,796,800	182,355,347	3,902,741
							8,488,913,730

b. Exposure distribution according to staging (IFRS 9):

	2021					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Inside Jordan	4,759,642,219	1,504,660,592	171,428,409	68,325,437	55,788,917	6,559,845,574
Other Middle Eastern countries	710,127,419	48,589,573	47,595,765	23,675,782	(31,384,704)	798,603,835
Europe	247,935,401	172,793,241	11,403,310	6,143,614	319,565	438,595,131
Asia	19,468,426	6,509,565	463,399	27,617	153	26,469,160
Africa	466,987,964	1,182,348	87,569,473	115,826	1,108,291	556,963,902
America	164,460,559	21,226,610	1,444,185	148,998	31,195	187,311,547
Other countries	1,792,545	2,014,875	95,089	-	-	3,902,509
Total	6,370,414,533	1,756,976,804	319,999,630	98,437,274	25,863,417	8,571,691,658

	2020					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Inside Jordan	4,937,312,426	1,433,086,095	174,515,967	52,794,352	117,701,051	6,715,409,891
Other Middle Eastern countries	521,163,503	29,345,600	29,142,228	26,849,918	(30,211,383)	576,289,866
Europe	203,188,834	207,211,239	6,034,583	1,662,756	1,013,920	419,111,332
Asia	32,296,865	132,908	553,336	64,049	595	33,047,753
Africa	518,483,883	244,594	36,908,239	963	3,159,121	558,796,800
America	182,197,826	-	157,428	-	93	182,355,347
Other countries	3,902,741	-	-	-	-	3,902,741
Total	6,398,546,078	1,670,020,436	247,311,781	81,372,038	91,663,397	8,488,913,730

5. Credit exposures that have been reclassified:

a. Total credit exposures that have been reclassified:

	2021					
	Stage (2)		Stage (3)		Total Exposures that have been Reclassified	Percentage of Exposures that have been Reclassified
	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures Amount	Exposures that have been Reclassified		
	JD	JD	JD	JD	JD	%
Credit facilities	539,624,162	179,414,905	388,877,961	33,768,343	213,183,248	4.8%
Bonds and Bills:	-	-	3,000,001	-	-	-
Within: Financial assets at amortized cost	-	-	3,000,001	-	-	-
Total	539,624,162	179,414,905	391,877,961	33,768,343	213,183,248	2.6%
Letter of guarantees	53,703,321	27,443,908	19,364,572	1,579,528	29,023,436	8.3%
Letter of credit	15,014,837	935,280	36,746	-	935,280	0.2%
Other liabilities	4,575,571	193,605	-	-	193,605	0.3%
Total	73,293,729	28,572,793	19,401,318	1,579,528	30,152,321	3.1%
Net Total	612,917,891	207,987,698	411,279,279	35,347,871	243,335,569	2.6%

	2020					
	Stage (2)		Stage (3)		Total Exposures that have been Reclassified	Percentage of Exposures that have been Reclassified
	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures Amount	Exposures that have been Reclassified		
	JD	JD	JD	JD	JD	%
Credit facilities	433,320,701	113,591,647	439,715,239	73,619,472	187,211,119	4.0%
Bonds and Bills:	-	-	3,000,001	-	-	-
Within: Financial assets at amortized cost	-	-	3,000,001	-	-	-
Total	433,320,701	113,591,647	442,715,240	73,619,472	187,211,119	2.3%
Letter of guarantees	37,683,692	10,872,098	18,987,615	5,399,906	16,272,004	4.3%
Letter of credit	5,511,805	-	39,872	-	-	0.0%
Other liabilities	1,073,705	329,577	-	-	329,577	0.4%
Total	44,269,202	11,201,675	19,027,487	5,399,906	16,601,581	2.0%
Net Total	477,589,903	124,793,322	461,742,727	79,019,378	203,812,700	2.2%

b. Expected credit loss for exposures that have been reclassified:

Description	2021						
	Exposures that have been Reclassified			Expected Credit Loss due to Reclassified Exposures			
	Exposures Reclassified from Stage (2)		Total	Stage (2)		Stage (3)	
	JD	Exposures Reclassified from Stage (3) JD		Individual JD	Collective JD	Individual JD	Collective JD
Credit facilities	179,414,905	33,768,343	213,183,248	14,093,772	2,711,150	11,349,017	-
Total	179,414,905	33,768,343	213,183,248	14,093,772	2,711,150	11,349,017	-
Letter of guarantees	27,443,908	1,579,528	29,023,436	1,065,055	20,346	64,651	-
Letter of credit	935,280	-	935,280	32,784	-	-	-
Other liabilities	193,605	-	193,605	54,603	1	-	-
Total	28,572,793	1,579,528	30,152,321	1,152,442	20,347	64,651	-
Net Total	207,987,698	35,347,871	243,335,569	15,246,214	2,731,497	11,413,668	-

Description	2020						
	Exposures that have been Reclassified			Expected Credit Loss due to Reclassified Exposures			
	Exposures Reclassified from Stage (2)		Total	Stage (2)		Stage (3)	
	JD	Exposures Reclassified from Stage (3) JD		Individual JD	Collective JD	Individual JD	Collective JD
Credit facilities	113,591,647	73,619,472	187,211,119	2,169,161	4,791,619	13,370,002	-
Total	113,591,647	73,619,472	187,211,119	2,169,161	4,791,619	13,370,002	-
Letter of guarantees	10,872,098	5,399,906	16,272,004	390,389	442,259	1,767,481	-
Letter of credit	-	-	-	195,203	-	-	-
Other liabilities	329,577	-	329,577	245	68	-	-
Total	11,201,675	5,399,906	16,601,581	585,837	442,327	1,767,481	-
Net Total	124,793,322	79,019,378	203,812,700	2,754,998	5,233,946	15,137,483	-

6. Credit Risk Exposures (after provision for impairment, outstanding interest and before collateral and other risk mitigations):

	December 31,	
	2021	2020
	JD	JD
Financial Position Items		
Balances at central banks	884,841,376	1,003,699,861
Balances at banks and financial institutions	410,798,114	360,632,307
Deposits at banks and financial institutions	50,637,962	53,681,863
Credit Facilities:		
Individual	870,591,839	800,700,082
Real estate mortgages	1,129,932,223	1,110,375,935
Corporates		
Large corporates	1,178,016,415	1,249,417,371
SME's	268,348,806	238,391,546
Government and Public Sector	403,376,864	577,858,838
Direct Credit Facilities at Fair Value through Profit or Loss:		
Large corporates	96,646,207	130,690,360
Bonds and Bills		
Within: Financial assets at amortized cost	1,992,268,062	1,833,842,295
Within: Financial assets at fair value through other comprehensive income	349,850,483	345,752,694
Total	7,635,308,351	7,705,043,152
Items Off-Statement of Financial Position		
Letter of guarantees	320,395,237	350,609,932
Letter of credit	548,539,093	347,216,327
Un-utilized facilities ceilings	67,448,977	86,044,319
Total	936,383,307	783,870,578
Net Total	8,571,691,658	8,488,913,730

The above table represents the maximum credit exposure of the Bank as of December 31, 2021 and 2020 without taking into account collateral or other credit risk mitigations.

The relative distribution of exposures is as follows:

- 15.7% of total exposures are due to balances with central banks and banks and financial institutions (2020: 16.7%).
- 46.0% of the total exposure is due to loans and advances (2020: 48.4%).
- 27.3% of the total exposure resulted from investments in bonds, debentures, and funds (2020: 25.7%).
- 10.9% of total exposure resulted from off-balance sheet items and other items (2020: 9.2%).

7. Modified Financial Assets

Scheduled Debts:

These represent loans previously classified as non-performing and classified to under watch list or transferred to performing according to proper rescheduling. These loans amounted to JD 54.8 million as of December 31, 2021 (JD 51.7 million as of December 31, 2020).

Restructured Debts:

Restructuring means re-arranging the status of operating credit facilities in terms of adjusting the premiums, prolonging the life of the credit facilities, postponing some of the installments or extending the grace period based on customer cash flows and helping them meet their obligations towards the Bank. The value of these loans amounted to about JD 409.2 million in 2021 against JD 255.7 million at the end of the previous year.

The following tables refer to modified financial assets where modification does not result in derecognition:

Financial assets (with ECL allowance based on lifetime ECL) modified during the period	2021	2020
	JD	JD
Gross carrying amount before modification	463,989,632	307,419,716
ECL allowance before modification	(73,683,176)	(23,124,555)
Net amortized cost before modification	390,306,457	284,295,161
Net modification gain/(loss)	(21,176,461)	(27,070,052)
Net amortized cost after modification	369,129,996	257,225,109
Financial assets modified since initial recognition at a time when ECL allowance was based on lifetime ECL		
Gross carrying amount of financial assets for which loss allowance has changed in the period from lifetime to 12-month ECL cost after modification	72,770,452	60,076,833
	72,770,452	60,076,833

8. Debt Securities and Treasury Bills:

The following table shows the classifications of bonds and bills according to external rating institutions (Equivalent to S&P classification corporation):

2021				
Classification Grade	Within Specific Financial Assets at Fair Value through Profit or Loss Statement	Among Other Financial Assets through the Statement of Comprehensive Income	Among Other Financial Assets at Amortized Cost	Total
	JD	JD	JD	JD
AA	-	3,622,355	-	3,622,355
AA-	-	9,496,960	-	9,496,960
A+	-	26,208,339	-	26,208,339
A	-	11,656,822	5,314,753	16,971,575
A-	-	16,996,774	7,816,978	24,813,752
BBB+	-	13,620,904	3,519,646	17,140,550
BBB	-	5,304,426	-	5,304,426
BB+	-	1,285,942	1,835,849	3,121,791
B	-	6,928,589	-	6,928,589
CCC+	-	1,505,654	-	1,505,654
Unclassified	-	-	141,800,855	141,800,855
Governmental or guaranteed by the government	-	253,223,718	1,831,979,981	2,085,203,699
Total	-	349,850,483	1,992,268,062	2,342,118,545

2020				
Classification Grade	Within Specific Financial Assets at Fair Value through Profit or Loss Statement	Among Other Financial Assets through the Statement of Comprehensive Income	Among Other Financial Assets at Amortized Cost	Total
	JD	JD	JD	JD
AA	-	8,127,101	-	8,127,101
AA-	-	2,214,714	-	2,214,714
A+	-	11,708,341	-	11,708,341
A	-	12,543,243	4,496,606	17,039,849
A-	-	23,711,422	9,593,049	33,304,471
BBB+	-	35,693,621	1,769,389	37,463,010
BBB	-	12,152,126	3,516,719	15,668,845
BBB-	-	1,416,782	-	1,416,782
B	-	9,737,804	-	9,737,804
Unclassified	-	-	140,933,438	140,933,438
Governmental or guaranteed by the government	-	228,447,540	1,673,533,094	1,901,980,634
Total	-	345,752,694	1,833,842,295	2,179,594,989

Market Risk

Market risk is defined as the risk of fluctuation in fair value or cash flows of financial assets arising from changes in market prices, which are divided into four major categories: interest rate risks, foreign currency risks, equity instruments risks, and commodities risks.

Market risk is monitored through specialized committees and certain business centers.

Market risk is measured and monitored through sensitivity analysis and VAR, using a 99% confidence level according to Basel II policies and stop loss limits; monitoring risk limits; and submitting periodic reports.

Sensitivity analysis is based on estimating the loss risk in fair value due to changes in interest rate and foreign currencies exchange rate. Moreover, fair value is calculated according to the current value of future money flows that will be affected by price changes.

1. Interest Rate Risk:

This risk arises from changes in market interest rates. In this regard, the Bank manages interest rate risk by applying sensitivity analysis for the interest rate sensitive instruments designated at fair value through the income statement by shifting the yield curve a parallel shift of $\pm 1\%$. The bank does not have a debt instruments classified at fair value through profit or loss as of December 31st 2021 and 2020.

2. Foreign Exchange Risk:

This risk arises from changes in foreign exchange rates that might have an impact on the Bank's assets and liabilities held in foreign currency. The Bank manages the exchange rate risk by applying sensitivity analysis to the Bank's net foreign currencies positions by shifting the exchange rate $\pm 1\%$ on net profit and loss and shareholders' equity

Currency	Effect of Increasing Exchange Rate Currency by 1% on the Consolidated Statement of Profit or Loss	Effect of Decreasing Exchange Rate Currency by 1% on the Consolidated Statement of Profit or Loss	Effect of Increasing Exchange Rate Currency by 1% on Equity	Effect of Decreasing Exchange Rate Currency by 1% on Equity
Sensitivity Analysis for 2021	JD	JD	JD	JD
Euro	(5,816)	5,816	(3,926)	3,926
Great Britain pound	518,555	(518,555)	350,025	(350,025)
Australian dollar	311	(311)	210	(210)
Swiss franc	172	(172)	116	(116)
Canadian dollar	(102)	102	(69)	69
Japanese yen	3,600	(3,600)	2,430	(2,430)
Syrian pound	22,010	(22,010)	14,856	(14,856)
Algerian dinar	1,547,514	(1,547,514)	1,044,572	(1,044,572)

Currency	Effect of Increasing Exchange Rate Currency by 1% on the Consolidated Statement of Profit or Loss	Effect of Decreasing Exchange Rate Currency by 1% on the Consolidated Statement of Profit or Loss	Effect of Increasing Exchange Rate Currency by 1% on Equity	Effect of Decreasing Exchange Rate Currency by 1% on Equity
Sensitivity Analysis for 2020	JD	JD	JD	JD
Euro	(48,254)	48,254	(26,414)	26,414
Great Britain pound	541,612	(541,612)	296,478	(296,478)
Australian dollar	(1,504)	1,504	(823)	823
Swiss franc	237	(237)	130	(130)
Canadian dollar	49	(49)	27	(27)
Japanese yen	(965)	965	(528)	528
Syrian pound	22,150	(22,150)	12,125	(12,125)
Algerian dinar	1,547,909	(1,547,909)	847,325	(847,325)

3. Equity Price Risk:

This risk arises from changes in the prices of equity instruments within the Bank's financial assets at fair value through profit or loss and/or financial assets at fair value through other comprehensive income. The Bank manages the share price risk by applying the VAR methodology calculated based on the historical prices of equity instruments for a confidence level of 99% for one day for each company separately. The VAR was then calculated for the Bank's portfolio.

	2021	2020
	JD	JD
Financial assets at fair value through profit or loss	(210,332)	(159,530)
Financial assets at fair value through other comprehensive income	(1,317,463)	(1,307,185)

Interest Rate Re-pricing Gap:

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

For the Year 2021	2021									
	Interest Rate Re-Pricing Gap:									
	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 3 Years	Over 3 Years	Non-Interest Bearing Items	Total		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Assets										
Cash and balances at central banks	337,437,574	-	-	-	-	-	669,503,929	1,006,941,503		
Balances at banks and financial institutions	282,509,418	83,383,600	-	-	-	-	44,905,096	410,798,114		
Deposits at banks and financial institutions	45,959	-	32,295,106	18,296,897	-	-	-	50,637,962		
Financial assets through profit and loss	450,584	-	-	-	-	-	4,180,221	4,630,805		
Financial assets at fair value through other comprehensive income	6,017,607	57,503,162	21,100,469	39,229,224	214,795,337	11,220,615	26,331,964	376,198,378		
Direct credit facilities at amortized cost	851,727,227	1,484,436,964	366,295,490	639,611,378	281,306,458	389,406,437	(162,517,807)	3,850,266,147		
Direct credit facilities at fair value through the profit or loss	-	-	16,883,707	15,952,500	63,810,000	-	-	96,646,207		
Financial assets at amortized cost	83,431,439	193,602,316	173,590,767	153,433,552	1,357,088,599	31,121,389	-	1,992,268,062		
Property and equipment	-	-	-	-	-	-	167,054,195	167,054,195		
Intangible assets – net	-	-	-	-	-	-	19,931,202	19,931,202		
Right of use assets	-	-	-	-	-	-	24,653,213	24,653,213		
Deferred tax assets	-	-	-	-	-	-	122,196,386	122,196,386		
Other assets	320,815	-	-	-	-	-	122,739,277	123,060,092		
Total Assets	1,561,940,623	1,818,926,042	610,165,539	866,523,551	1,917,000,394	431,748,441	1,038,977,676	8,245,282,266		
Liabilities										
Banks and financial institutions deposits	386,763,393	311,960,971	56,856,211	-	23,000,000	-	66,045,103	844,625,678		
Customers' deposits	801,797,306	2,111,840,096	391,750,712	302,837,862	149,470,360	63,499,110	1,391,995,020	5,213,190,466		
Margin accounts	95,298,579	33,157,963	28,883,588	30,291,641	11,931,983	14,275,599	56,902,584	270,741,937		
Loans and borrowings	64,485,466	19,187,407	51,113,880	34,544,301	166,501,042	26,433,752	-	362,265,848		
Sundry provisions	-	-	-	-	-	-	28,099,182	28,099,182		
Income tax provision	-	-	-	-	-	-	55,815,858	55,815,858		
Deferred tax liabilities	-	-	-	-	-	-	6,853,746	6,853,746		
Lease Liability	-	-	-	2,070,672	5,187,728	16,422,298	-	23,680,698		
Other liabilities	1,706,208	130,529	358,015	425,495	1,329,538	1,975,638	217,279,255	223,204,678		
Total Liabilities	1,350,050,952	2,476,276,966	528,962,406	370,169,971	357,420,651	122,606,397	1,822,990,748	7,028,478,091		
Interest Rate Re-Pricing Gap	211,889,671	(657,350,924)	81,203,133	496,353,580	1,559,579,743	309,142,044	(784,013,072)	1,216,804,175		

2020									
Interest Rate Re-Pricing Gap:									
For the Year 2020	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 3 Years	Over 3 Years	Non-Interest Bearing Items	Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Assets									
Cash and balances at central banks	451,249,073	-	-	-	-	-	674,525,221	1,125,774,294	
Balances at banks and financial institutions	224,569,078	110,990,067	-	-	-	-	25,073,162	360,632,307	
Deposits at banks and financial institutions	-	-	51,682,663	1,999,200	-	-	-	53,681,863	
Financial assets through profit and loss	-	-	-	-	-	-	4,455,791	4,455,791	
Financial assets at fair value through other comprehensive income	10,611,447	57,153,583	11,880,476	12,331,594	235,850,439	17,925,155	26,129,906	371,882,600	
Direct credit facilities at amortized cost	848,431,742	1,451,756,225	343,608,091	610,078,205	348,170,484	428,773,235	(54,074,210)	3,976,743,772	
Direct credit facilities at fair value through the profit or loss	-	-	130,690,360	-	-	-	-	130,690,360	
Financial assets at amortized cost	5,000,000	90,586,224	10,000,106	168,027,339	1,521,251,949	38,976,677	-	1,833,842,295	
Property and equipment	-	-	-	-	-	-	174,997,134	174,997,134	
Intangible assets – net	-	-	-	-	-	-	18,995,985	18,995,985	
Right of use assets	-	-	-	-	-	-	25,269,889	25,269,889	
Deferred tax assets	-	-	-	-	-	-	105,241,081	105,241,081	
Other assets	3,619,607	-	569,010	-	-	-	119,653,229	123,841,846	
Total Assets	1,543,480,947	1,710,486,099	548,430,706	792,436,338	2,105,272,872	485,675,067	1,120,267,188	8,306,049,217	
Liabilities									
Banks and financial institutions deposits	355,772,440	276,181,591	62,206,315	-	-	-	83,565,276	777,725,622	
Customers' deposits	921,205,624	2,032,883,113	313,404,054	470,221,011	79,321,273	11,956,064	1,637,483,826	5,466,474,965	
Margin accounts	102,829,116	28,915,722	19,353,109	31,826,340	7,376,615	7,914,057	36,048,371	234,263,330	
Loans and borrowings	31,284,221	37,814,939	50,979,922	27,695,016	107,105,856	59,698,668	-	314,578,622	
Sundry provisions	-	-	-	-	-	-	41,573,033	41,573,033	
Income tax provision	-	-	-	-	-	-	48,515,568	48,515,568	
Deferred tax liabilities	-	-	-	-	-	-	8,981,193	8,981,193	
Lease Liability	-	-	-	2,307,490	8,672,314	13,385,412	-	24,365,216	
Other liabilities	244,868	189,938	272,191	669,094	1,096,626	1,795,384	223,446,059	227,714,160	
Total Liabilities	1,411,336,269	2,375,985,303	446,215,591	532,718,951	203,572,684	94,749,585	2,079,613,326	7,144,191,709	
Interest Rate Re-Pricing Gap	132,144,678	(665,499,204)	102,215,115	259,717,387	1,901,700,188	390,925,482	(959,346,138)	1,161,857,508	

Concentration of Foreign Currency Risk:

Items / Currency	US Dollar	Euro	Sterling Pound	Japanese Yen	Syrian Lira	Algerian Dinar	Other	Total
2021	JD	JD	JD	JD	JD	JD	JD	JD
Assets								
Cash and balances at central banks	195,372,740	61,639,892	469,179	-	6,312,771	200,690,214	99,456,399	563,941,195
Balances at banks and financial institutions	284,374,931	30,043,030	4,753,869	1,073,977	7,875,821	23,236,812	33,070,732	384,429,172
Deposits at banks and financial institutions	2,966,893	6,660,424	-	-	3,124,660	-	2,888,885	15,640,862
Financial assets at fair value through profit or loss	450,584	-	-	-	-	-	-	450,584
Direct credit facilities at amortized cost - net	523,348,762	29,612,178	192,835,415	5,382,213	16,810,860	173,733,340	135,013,059	1,076,735,827
Direct credit facilities at fair value through the profit or loss	96,646,207	-	-	-	-	-	-	96,646,207
Financial assets at fair value through other comprehensive income	161,942,647	13,147,321	19,183,408	-	-	-	-	194,273,376
Financial assets at amortized cost - net	485,534,879	-	-	-	-	-	22,566,120	508,100,999
Property and equipment - net	-	-	712,106	-	970,081	896,241	240,622	2,819,050
Intangible assets - net	-	-	2,779,965	-	42,667	2,073,032	854,171	5,749,835
Right of use asset	1,639,883	-	2,673,861	-	49,529	2,553,161	736,730	7,653,164
Deferred tax assets	-	45	1,771,415	56	539	1,314,479	-	3,086,534
Other assets	8,030,321	402,447	1,469,132	919	1,448,910	8,343,141	330,871	20,025,741
Total Assets	1,760,307,847	141,505,337	226,648,350	6,457,165	36,635,838	412,840,420	295,157,589	2,879,552,546
Liabilities								
Banks and financial institutions deposits	607,584,417	36,469,476	23,698,944	167,047	819,102	-	7,797,490	676,536,476
Customers' deposits	1,249,122,554	99,501,359	82,485,436	774,181	28,722,207	155,187,365	210,170,922	1,825,964,024
Margin accounts	86,941,567	7,483,605	4	11,395	1,161,192	27,973,520	38,002,372	161,573,655
Borrowed funds	41,639,570	-	-	5,370,951	-	-	-	47,010,521
Sundry provisions	234,335	388,370	-	-	8,426,442	-	350,935	9,400,082
Income tax provision	-	-	276,360	-	279,815	-	-	556,175
Lease liability	-	-	2,868,226	-	20,026	2,167,925	2,417,203	7,473,380
Other liabilities	6,987,379	2,435,955	2,081,102	11,593	2,013,854	92,745,684	11,542,181	117,817,748
Total Liabilities	1,992,509,822	146,278,765	111,410,072	6,335,167	41,442,638	278,074,494	270,281,103	2,846,332,061
Net Financial Position Items	(232,201,975)	(4,773,428)	115,238,278	121,998	(4,806,800)	134,765,926	24,876,486	33,220,485
Off-Financial Position Contingent Liabilities	800,826,509	217,302,022	36,169,400	32,198,785	47,342	69,947,065	75,420,484	1,231,911,607
2020								
Total Assets	1,730,444,903	144,606,024	200,100,868	28,366,145	49,784,003	407,560,655	270,286,991	2,831,149,589
Total Liabilities	1,998,976,449	133,611,518	84,037,644	28,460,380	50,675,273	283,154,875	214,750,477	2,793,666,616
Net Financial Position Items	(268,531,546)	10,994,506	116,063,224	(94,235)	(891,270)	124,405,780	55,536,514	37,482,973
Off-Financial Position Contingent Liabilities	513,804,507	219,502,080	37,658,334	962,454	9,743,549	78,784,580	87,077,053	947,532,557

Liquidity Risk

Liquidity risk is defined as the Bank's failure to provide the required funding to cover its obligations at their respective due dates.

Liquidity risk is managed through the following:

- Analyzing cash inflow for all assets and liabilities.
- Preparing stress scenarios for liquidity risk.
- Evaluating and monitoring concentration and fluctuation in financing sources.
- Assessing the Bank's ability to borrow and finance its activities.
- Monitoring the compliance with the approved policies and the instructions of the Central Bank of Jordan in this regard.
- Submitting periodic reports to higher management on the level of liquidity risk at the Bank.

Sources of Funds:

The Bank works to diversify its sources of funds including geographical sectors, currencies, customers, facilities, and conditions in order to attain financial flexibility and lower financing costs, in addition to maintaining stable financing sources. The Bank has a large customer base of individuals and corporations with varying deposit accounts, of which 61% are stable and dominated in Jordanian dinars.

2021	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 3 Years	Over 3 Years	Non-Interest Bearing Items	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Liabilities:								
Banks and financial institutions deposits	452,895,284	312,200,141	56,954,288	-	23,211,600	-	-	845,261,313
Customers' deposits	802,131,389	2,115,359,829	393,219,777	305,109,145	101,399,076	13,702,698	1,492,250,041	5,223,171,955
Margin accounts	82,307,464	31,472,001	29,465,824	30,162,238	31,795,518	53,982,340	13,556,528	272,741,913
Loans and borrowings	64,562,581	19,279,187	51,663,993	35,287,867	176,058,202	28,709,697	-	375,561,527
Sundry provisions	-	-	-	-	-	-	28,099,182	28,099,182
Income tax provision	10,000,000	-	40,497,536	5,318,322	-	-	-	55,815,858
Deferred tax liabilities	-	-	-	-	-	-	6,853,746	6,853,746
Lease liability	-	-	-	2,464,431	6,701,731	20,040,682	-	29,206,844
Other liabilities	78,540,236	112,371	11,255,535	4,864,519	1,883,474	3,893,791	122,654,752	223,204,678
Total Liabilities	1,490,436,954	2,478,423,529	583,056,953	383,206,522	341,049,601	120,329,208	1,663,414,249	7,059,917,016
TOTAL ASSETS (ACCORDING TO THEIR EXPECTED MATURITY)	1,419,257,796	666,024,515	596,206,886	805,014,336	2,819,761,439	1,258,900,925	680,116,369	8,245,282,266

2020	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 3 Years	Over 3 Years	Non-Interest Bearing Items	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Liabilities:								
Banks and financial institutions deposits	439,496,985	276,582,045	62,409,263	-	-	-	-	778,488,293
Customers' deposits	963,811,771	1,851,841,756	324,477,775	479,798,904	160,046,743	68,199,676	1,637,483,824	5,485,660,449
Margin accounts	63,247,688	30,248,589	21,972,404	33,417,795	29,231,375	46,091,565	12,126,695	236,336,111
Loans and borrowings	31,327,889	38,026,072	51,620,357	28,390,853	114,281,948	65,698,385	-	329,345,504
Sundry provisions	-	-	-	-	-	-	41,573,033	41,573,033
Income tax provision	10,000,000	27,077,125	-	2,530,264	6,935,834	1,972,345	-	48,515,568
Deferred tax liabilities	-	-	-	-	-	-	8,981,193	8,981,193
Lease liability	-	-	-	3,349,132	11,367,361	17,184,565	-	31,901,058
Other liabilities	72,140,909	189,938	11,134,163	3,303,252	1,096,626	1,795,384	138,053,888	227,714,160
Total Liabilities	1,580,025,242	2,223,965,525	471,613,962	550,790,200	322,959,887	200,941,920	1,838,218,633	7,188,515,369
TOTAL ASSETS (ACCORDING TO THEIR EXPECTED MATURITY)	1,518,997,329	617,649,857	449,755,011	824,562,302	2,953,873,570	1,223,311,788	717,899,360	8,306,049,217

Liquidity Coverage Ratio (LCR):

The average liquidity coverage ratio for the six months year ended in December 31, 2021 was 162.2% and 172 % for Jordan Branches and the Banking Group respectively. The liquidity coverage ratio as of in December 31, 2021 was 167.8% and 182.6% for Jordan Branches and the Banking Group respectively.

Following are the details of the calculation as of December 31, 2021:

	Jordan Branches	Banking Group
	JD 000'	JD 000'
High qualified liquid assets before adjustments	2,295,740	2,507,997
High qualified liquid assets after adjustments	2,295,740	2,507,997
Net Cash outflow	1,368,041	1,373,429
Liquidity Coverage Ratio (LCR)	167.8%	182.6%

Off- statement of financial position to items:

2021	Up to 1 Year	1 - 5 Years	Over 5 Years	Total
	JD	JD	JD	JD
Letters of credit and acceptances	266,118,158	487,205,298	-	753,323,456
Un-utilized ceilings	525,281,052	-	-	525,281,052
Letters of guarantee	169,953,978	253,305,369	11,614,836	434,874,183
Total	961,353,188	740,510,667	11,614,836	1,713,478,691

2020	Up to 1 Year	1 - 5 Years	Over 5 Years	Total
	JD	JD	JD	JD
Letters of credit and acceptances	150,212,781	326,266,280	39,704,000	516,183,061
Un-utilized ceilings	445,547,020	-	-	445,547,020
Letters of guarantee	126,932,441	317,757,529	21,561,842	466,251,812
Total	722,692,242	644,023,809	61,265,842	1,427,981,893

48. Fair Value Hierarchy

The following table analyzes the financial instruments recorded at fair value based on the valuation method, which is defined at different levels as follows:

Level 1:	List prices (unadjusted) for identical assets or liabilities in active markets.
Level 2:	Information other than the stated price included in level 1, which is monitored for the asset or liability, either directly (such as prices) or indirectly (i.e., derived from the prices).
Level 3:	Information on the asset or liability not based on those observed in the market (unobservable information).

December 31, 2021	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
Financial Assets:				
Financial assets at fair value through other comprehensive income	349,850,483	-	26,347,895	376,198,378
Financial assets at fair value through profit or loss	4,180,221	-	450,584	4,630,805
Direct credit facilities at fair value through the profit or loss	96,646,207	-	-	96,646,207
Total	450,676,911	-	26,798,479	477,475,390

December 31, 2020	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
December 31, 2020				
Financial Assets				
Financial assets at fair value through other comprehensive income	345,752,694	-	26,129,906	371,882,600
Financial assets at fair value through profit or loss	3,822,994	-	632,797	4,455,791
Direct credit facilities at fair value through the profit or loss	130,690,360	-	-	130,690,360
Total	480,266,048	-	26,762,703	507,028,751

The below table shows the movement on level 3 financial assets:

	December, 31	
	2021	2020
	JD	JD
Fair value as of beginning of the year	26,762,703	26,261,313
New investments during the year	684,443	703,885
Changes in fair value during the year	(648,667)	(123,521)
Investments sold during the year	-	(78,974)
Total	26,798,479	26,762,703

49. Fiduciary Accounts

Investment accounts managed on behalf of customers amounted to JD 565 thousands as of December 31, 2021 against JD 586 thousands as of December 31, 2020. These accounts are not included in the assets and liabilities of the Bank's financial statements. The management's commissions and fees on these accounts JD 81,508 for 2021 (JD 28,975 for 2020) are recorded in the consolidated statement of profit or loss.

50. Assets and Liabilities Expected Maturities

The following table illustrates the assets and liabilities according to the expected maturity periods:

2021	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
Assets			
Cash and balances at central banks	859,014,316	147,927,187	1,006,941,503
Balances at banks and financial institutions	410,798,114	-	410,798,114
Deposits at banks and financial institutions	50,637,962	-	50,637,962
Financial assets through profit or loss	4,180,223	450,582	4,630,805
Credit facilities - net	1,366,760,621	2,483,505,526	3,850,266,147
Direct credit facilities at fair value through the profit or loss	32,836,207	63,810,000	96,646,207
Financial assets at fair value through other comprehensive income	123,850,461	252,347,917	376,198,378
Financial assets at amortized cost	604,058,073	1,388,209,989	1,992,268,062
Property and equipment - net	-	167,054,195	167,054,195
Intangible assets - net	-	19,931,202	19,931,202
Right of use asset	-	24,653,213	24,653,213
Deferred tax assets	-	122,196,386	122,196,386
Other assets	34,367,556	88,692,536	123,060,092
Total Assets	3,486,503,533	4,758,778,733	8,245,282,266
Liabilities:			
Banks and financial institutions deposits	821,625,678	23,000,000	844,625,678
Customers' deposits	1,868,840,126	3,344,350,340	5,213,190,466
Margin accounts	173,086,968	97,654,969	270,741,937
Loans and borrowings	169,331,055	192,934,793	362,265,848
Sundry provisions	348,363	27,750,819	28,099,182
Income tax provision	55,815,858	-	55,815,858
Deferred tax liabilities	-	6,853,746	6,853,746
Lease liability	2,070,672	21,610,026	23,680,698
Other liabilities	94,835,973	128,368,705	223,204,678
Total Liabilities	3,185,954,693	3,842,523,398	7,028,478,091
Net	300,548,840	916,255,335	1,216,804,175

2020	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
Assets			
Cash and balances at central banks	1,014,156,547	111,617,747	,125,774,294
Balances at banks and financial institutions	360,632,307	-	360,632,307
Deposits at banks and financial institutions	53,681,863	-	53,681,863
Financial assets through profit or loss	4,455,791	-	4,455,791
Credit facilities - net	1,549,502,939	2,427,240,833	3,976,743,772
Direct credit facilities at fair value through the profit or loss	31,905,000	98,785,360	130,690,360
Financial assets at fair value through other comprehensive income	91,991,666	279,890,934	371,882,600
Financial assets at amortized cost	273,613,669	1,560,228,626	1,833,842,295
Property and equipment - net	-	174,997,134	174,997,134
Intangible assets - net	-	18,995,985	18,995,985
Right of use asset	-	25,269,889	25,269,889
Deferred tax assets	-	105,241,081	105,241,081
Other assets	31,663,381	92,178,465	123,841,846
Total Assets	3,411,603,163	4,894,446,054	8,306,049,217
Liabilities:			
Banks and financial institutions deposits	777,725,622	-	777,725,622
Customers' deposits	2,651,398,132	2,815,076,833	5,466,474,965
Margin accounts	148,523,554	85,739,776	234,263,330
Loans and borrowings	147,774,098	166,804,524	314,578,622
Sundry provisions	320,332	41,252,701	41,573,033
Income tax provision	39,607,389	8,908,179	48,515,568
Deferred tax liabilities	-	8,981,193	8,981,193
Lease liability	2,307,490	22,057,726	24,365,216
Other liabilities	89,075,752	138,638,408	227,714,160
Total Liabilities	3,856,732,369	3,287,459,340	7,144,191,709
Net	(445,129,206)	1,606,986,714	1,161,857,508

51. Contractual Commitments and Contingent Liabilities

This item consists of the following:

a. Credit commitments and commitments:

	December, 31	
	2021	2020
	JD	JD
Letters of credit	622,808,264	412,206,319
Acceptances	130,515,192	103,976,742
Letters of Guarantee:		
Payment	107,431,378	108,719,285
Performance	118,465,594	120,996,066
Other	208,977,211	236,536,461
Forward foreign currency contracts	288,753,278	299,696,658
Currency swap contracts	14,180,000	14,180,000
Unutilized direct credit facilities ceilings	525,281,052	445,547,020
Total	2,016,411,969	1,741,858,551

b. Contractual commitments:

	December, 31	
	2021	2020
	JD	JD
Property and equipment purchase contracts	575,795	207,808
Construction projects contracts	1,627,539	1,973,901
Other procurement contracts	6,829,162	7,746,692
Total	9,032,496	9,928,401

52. Lawsuits Raised by and Against the Bank

- Lawsuits raised against the Bank amounted to approximately JD 34,3 million as of December 31, 2021 (approximately JD 53 million as of December 31, 2020). In the opinion of the Bank's management and legal advisor, no liabilities will arise therefrom that exceed the booked provision of JD 7.2 million as of December 31, 2021 (JD 7.2 million as of December 31, 2020).
- Other than the above-mentioned lawsuits, during the year 2019, the inspectors of the Central Bank of Algeria visited the management of the Housing Bank for Trade and Finance Algeria (a subsidiary company) and cited reports of violations attributed to the Bank related to violating some banking procedures in the Republic of Algeria. In this connection, an appealable preliminary decision by the Court of First Instance in Algeria was issued. The said decision imposed a fine of DZD 6.3 billion (Equivalent to JD 32.7 million as of December 31, 2021) on the Housing Bank for Trade and Finance / Algeria (a subsidiary company) for one of the violations. The subsidiary company appealed on the preliminary decision, and the decision of the Algiers Judicial Council was issued on May 25, 2021, which acquitted the subsidiary of all charges against it in the civil and criminal lawsuit. And, in the opinion of both the management and the legal advisor, the bank has a strong legal position in the cassation phase.
- On other hand, the lawsuits raised by the Bank against others amounted to approximately JD 574.4 million as of December 31, 2021 (JD 541.2 million as of December 31, 2020).

53. Comparative Figures

The Shareholders General Assembly, at its ordinary meeting held on April 8, 2021, resolved to distribute cash dividends to shareholders at a rate of 12% of the subscribed and paid-up capital, equivalent to JD 37.8 million, noting that the recommendation of the Board of Directors to the General Assembly was to distribute cash dividends to shareholders at a rate of 11% of the subscribed and paid-up capital, equivalent to JD 34.7 million. Accordingly, some comparative figures have been amended, and had no impact on both the consolidated statement of financial position and the consolidated statement of profit or loss for the year 2020 as follows:

	December 31, 2021	
	After Reclassification	Before Reclassification
	JD	JD
Regulatory Capital	1,009,596,888	1,012,746,888
Capital Adequacy ordinary shareholders (CET1) Ratio %	16.15%	16.20%
Capital Adequacy Tier 1 Ratio %	16.21%	16.26%
Capital Adequacy Ratio %	17.38%	17.43%

54. Impact of Covid 19

The coronavirus ("COVID – 19") pandemic has spread across various geographies globally, causing disruption to business and economic activities. COVID – 19 has brought about uncertainties in the global economic environment.

The Bank is closely monitoring the situation and has activated its business continuity planning and other risk management practices to manage the potential business disruption the COVID – 19 outbreak may have on its operations and financial performance.

The Bank has performed an assessment of COVID – 19 pandemic which has resulted in the following changes to the expected credit loss methodology and valuation estimates and judgements as at and for the year ended December 31, 2021:

a. Expected Credit Losses

The uncertainties caused by COVID – 19, have required the Bank to update the inputs and assumptions used for the determination of ECLs as at December 31, 2021. ECLs were estimated based on a range of forecast economic conditions as at that date and considering that the situation is fast evolving, the Bank has considered the impact of higher volatility in the forward-looking macro-economic factors, when determining the severity and likelihood of economic scenarios for ECL determination.

This volatility has been reflected through adjustment in the methods of scenario construction and the underlying weightages assigned to these scenarios. The forward-looking factor (here Credit Index or CI) used is determined from the observed historical credit index. The credit index is used to forecast expected probability of defaults for the credit portfolio of the Bank.

In addition to the assumptions outlined above, the Bank has given specific consideration to the relevant impact of COVID – 19 on the qualitative and quantitative factors when determining the significant increase in credit risk and assessing the indicators of impairment for the exposures in potentially affected sectors and reflecting the Bank's management estimates (Management Overlay) in evaluating the impact on certain sectors or specific customers based on studying each sector or customers separately.

b. Valuation Estimates and Judgements

The Bank has also considered potential impacts of the current economic volatility in determination of the reported amounts of the Group's financial and non-financial assets and these are considered to represent management's best assessment based on available or observable information.

c. Deferred Installments and Customer Credit Ratings

Based on the Central Bank of Jordan Circular number 10/3/4375 and 10/3/13960 issued on March 15, 2020 and November 22, 2020 to the banks operating in Jordan, the Bank postponed the installments due or that would be due on some customers without considering this as a restructuring and without affecting the customer credit rating, the postponed installments amounted to around JD 153.2 million during the year 2021 (239.8 million during 2020).



Cybersecurity

Guaranteed investment for safer operations.

Maintaining the privacy of customer information and protecting their electronic security is the most important pillar in all banking business, and banks are working to increase investment in the field of cybersecurity to create smart and customized security methods that protect customers and keep pace with their banking requirements and needs.



Preface

Sound corporate governance is one of the basic pillars that enable institutions to achieve their goals and future aspirations and ensure their sustainable growth. Based on its belief in the importance of adopting the highest standards and leading practices in the field of governance and increasing the confidence of shareholders, depositors, and other interested parties, the Housing Bank affirms its commitment to implementing its corporate governance rules and regulations.

Since 2008, the bank has adopted a Corporate Governance Code that complies with the instructions set forth by the relevant local regulatory authorities and the best international practices. The code is reviewed and updated periodically and consistently in order to keep pace with changes in the banking sector and global practices. It can be viewed by clicking the following link on the bank's website:

<https://www.hbtf.com/ar/InvestorRelations/Lists/HBTfDocumentsInstance/Booklet%20final.pdf>

The Bank's Corporate Governance Officer

Corporate Governance Center Manager - Mrs. Hadeel Ibrahim

The First Pillar: The Board of Directors and Its Committees

Composition of the Board of Directors:

The board of directors comprised of 13 non-executive members, including four independent members with the necessary experience and competencies. Members are elected by the General Assembly by means of secret ballots and proportional representation voting, which gives each shareholder the option to distribute the number of votes according to the number of shares he/she owns. The shareholder shall have the right to allocate all of their votes to a single candidate or distribute them to more than one candidate so that each share has one vote without recurring these votes. The chairman and vice chairman of the board are elected at the first meeting held by the board after their election by the general assembly.

Decisions are made by the board and its committees based on a voting majority, and members do not hold individual powers. The positions of chairman of the board and CEO are clearly separated, as well as the board duties and those of the executive management.

Responsibilities of the Board of Directors:

The board is committed to performing the duties laid out for it in the bank's Corporate Governance Code and the Board Charter by following up on continuing banking conditions and financial performance. This is accomplished through monthly financial performance reports covering the bank's main activities, periodic reports covering implementation progress regarding the bank's strategic plan and its estimated budget, and the establishment of regulations and policies governing the bank's business and ensuring its preparation of effective internal control procedures to reduce risk and exposure to them.

Current and Resigned Board Members and Representatives of Entities as of 31/12/2021:

Board Member Name	Date of Member Appointment	Representative Name	Position	Date of Representative Appointment	Member Classification
Mr. Abdelelah Mohammed Abdel Rahman Al-Khatib	21/4/2016	Himself	Chairman of the BOD	-	Non-Executive – Independent
Qatar National Bank	31/1/2008	Mr. Yousef Mahmoud Al-Neama	Vice Chairman of the BOD	31/1/2008	Non-Executive – Not Independent
		Mr. Ramzi Talat Abdel Jawad Mari	Member of the BOD	9/3/2014	Non-Executive – Not Independent
		Mr. Khalid Majid Mohammed Al-Nuaimi	Member of the BOD	12/7/2015	Non-Executive – Not Independent
		Mrs. Maryam Mohammed Ali Imran Al-Kuwari	Member of the BOD	2/7/2019	Non-Executive – Not Independent
Kuwait Investment Authority	7/9/2021	Mrs. Munirah Asaad Abdel Aziz Al Ajeel	Member of the BOD	7/9/2021	Non-Executive – Not Independent
Libyan Foreign Bank	30/6/1997	Mr. Akram Khalifah Mohammed Grew	Member of the BOD	17/6/2021	Non-Executive – Not Independent
		Mr. Elhadi Emgahid Taher Abultife	Member of the BOD	27/2/2019	Non-Executive – Not Independent
Social Security Corporation / Jordan	13/4/2000	Dr. Hamzeh Ahmed Khalifah Jaradat	Member of the BOD	27/12/2021	Non-Executive – Not Independent
		Mr. Fadi Khalid Muflih Al Alawneh	Member of the BOD	26/11/2019	Non-Executive – Not Independent
Mr. Ramzi Tayseer Mohamed Abdeljaber	8/4/2021	Himself	Member of the BOD	-	Non-Executive – Independent
Ms. Sheikha Bint Yousuf Bin Abdullah Al-Farsi	21/4/2016	Himself	Member of the BOD	-	Non-Executive – Independent
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif	23/4/2017	Himself	Member of the BOD	-	Non-Executive – Independent
Name of Resigned Member	Date of Member Resignd	Representative Name	Position	Date of Representative Resignd	Member Classification
Kuwait Real Estate Investment Consortium	18/8/2021	Mrs. Munirah Asaad Abdel Aziz Al Ajeel	Member of the BOD	18/8/2021	Non-Executive – Not Independent
Dr. Yaser Manna' Adwan	8/4/2021	Himself	Member of the BOD	-	Non-Executive – Independent
-	-	Mr. Mohammad Adnan Hassan Almadi Representative of the Social Security Corporation / Jordan	Member of the BOD	15/12/2021	Non-Executive – Not Independent

* The Housing Bank's Board of Directors was elected by the bank's General Assembly in its meeting held on 8/4/2021.

Memberships held by the members of the BOD (natural person) in public shareholding companies:

There are no memberships held by members of the board of directors in Jordanian public shareholding companies.

Meetings of the board and its committees:

Meetings schedules for the board of directors and its committees, as approved by the board, was adhered to, and the board of directors' secretariat prepared the original minutes documenting all meetings, decisions, assignments, and following up on their implementation, taking into consideration all related regulations and instructions.

Number of BOD meetings held during the year 2021, indicating attending members:

The board of directors held (10) meetings during the year 2021, and below is a table showing the members' attendance:

Board Member Name	Number of Attended Meetings
Mr. Abdelelah Mohammed Abdel Rahman Al-Khatib (Chairman of the Board)	10
Mr. Yousef Mahmoud Hussein Al-Neama (Vice Chairman of the Board)	10
Mr. Khalid Majid Mohammed Al-Nuaimi	10
Mr. Ramzi Talat Abdel Jawad Mari	10
Mrs. Maryam Mohammed Ali Al-Kuwari	9
Mrs. Munirah Asaad Abdel Aziz Al Ajeel (Representative of the Kuwait Investment Authority)	3
Mr. Elhadi Emgahid Taher Abultife	10
Mr. Akram Khalifah Mohammed Grew	5
Mr. Fadi Khalid Muflih Al Alawneh	10
Dr. Hamzeh Ahmed Khalifah Jaradat	-
Mr. Ramzi Tayseer Mohamed Abdeljaber	7
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif	10
Mrs. Sheikha Bint Yousuf Bin Abdullah Al-Farsi	10

Name of Resigned Board Member	Number of Attended Meetings
Mrs. Munirah Asaad Abdel Aziz Al Ajeel (Representative of the Kuwait Real Estate Investment Consortium)	7
Dr. Yaser Manna' Adwan	2
Mr. Mohammad Adnan Hassan Almadi (Representative of the Social Security Corporation / Jordan)	10

Committees of the Board of Directors:

1. Corporate Governance Committee
2. Audit Committee
3. Nomination and Remuneration Committee
4. Risk Management Committee
5. IT Governance Committee
6. Compliance Committee
7. Executive Committee

Name of the Chairman and members of the Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, Risk Management Committee, and the number of meetings held during the year by each committee with an indication of the members who attended:

Audit Committee

The chairman and members of the Audit Committee and an overview of their qualifications and experience relating to financial and accounting fields:

Member Name	Qualifications and Experience of Committee Members
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Committee Chair)	<p>Qualifications:</p> <ul style="list-style-type: none"> Bachelor of Economics / 1980 <p>Professional Experience:</p> <ul style="list-style-type: none"> Assistant of Head of the Asian Countries Department – Kuwait Fund for Arab Economic Development / Kuwait, 1983 Head of the Arab Countries and Mediterranean Division – Kuwait Fund for Arab Economic Development / Kuwait, 1986 Director of Operations Department – Kuwait Fund for Arab Economic Development / Kuwait, 1997 Deputy Governor of the OPEC Fund for International Development / Austria, 1987 <p>Previous Memberships in Other Commissions and Boards:</p> <ul style="list-style-type: none"> Board Member, Kuwaiti Algerian Investment Co. / Luxembourg, 1986 Chairman, Tanmiya Realty Co. / UK, 1997 Board Member, Arab Bank for Economic Development in Africa (BADEA) / Sudan, 2008–2015 Member of Investment Committee, Arab Bank for Economic Development in Africa (BADEA) / Sudan, 2008–2015

Member Name	Qualifications and Experience of Committee Members
Mr. Ramzi Talat Abdel Jawad Mari	<p>Qualifications:</p> <ul style="list-style-type: none"> • Masters of Science Degree in Accountancy / 1989 • Group Chief Financial Officer – Qatar National Bank (QNB) <p>Professional Experience:</p> <ul style="list-style-type: none"> • Board Member, QNB Capital / Qatar • Board Member, QIHL / Luxembourg • Board Member, QNB Finansbank / Turkey <p>Previous Memberships in Other Commissions and Boards:</p> <ul style="list-style-type: none"> • Board Member, QNB Al Ahli / Egypt
Mrs. Sheikha Bint Yousuf Bin Abdullah Al-Farsi	<p>Qualifications:</p> <ul style="list-style-type: none"> • Master of Finance / 2005 • Head of Strategy and Organizational Development – Bank Muscat <p>Professional Experience:</p> <ul style="list-style-type: none"> • Board Member, Oman Banks Association / Oman • Former Assistant Director of Finance and Strategic Planning, Bank Muscat <p>Previous Memberships in Other Commissions and Boards:</p> <ul style="list-style-type: none"> • Board Member, BM JBR Limited
Mr. Ramzi Tayseer Mohamed Abdeljaber (Effective 8/4/2021)	<p>Qualifications:</p> <ul style="list-style-type: none"> • Bachelor of Computer Information Systems / 1993 – Master of Business Administration / 1998 • Chief Administrative Officer (CAO), Investcorp <p>Professional Experience:</p> <ul style="list-style-type: none"> • Associate, McKinsey & Company / 1998–2000 • Co-Founder, Middle East North Africa Financial Network, Inc. / 2000-2004 • Head of Business Development, Investcorp • Chairman of Investcorp Investments LLC / Qatar • Member, Investcorp's Operating Committee • Board Member, INJAZ Al-Arab • Member, Institute of Directors / UK • Honorary Member, GCC Board Directors Institute <p>Previous Memberships in Other Commissions and Boards:</p> <ul style="list-style-type: none"> • Member, GCC Board Directors Institute / 2007-2016 • Board Member, Hydrasun / 2013-2017 • Board Member, INJAZ Bahrain / 2006-2007 • Member, Young Presidents' Organization • Member, e-Government team appointed by His Majesty King Abdullah II • Worked in several international companies (McKinsey & Company / Palo Alto, California; Andersen Consulting / Middle East)

Member Name	Qualifications and Experience of Committee Members
Dr. Hamzeh Ahmed Khalifah Jaradat (Effective 27/12/2021)	<p>Qualifications:</p> <ul style="list-style-type: none"> • Bachelor of Economics and Computer Science / Yarmouk University, 1987 • Master of Economics / University of Jordan, 1994 • PhD in Macroeconomics, Monetary Economics, Econometrics, and Finance / University of Tennessee, USA, 2000 <p>Professional Experience:</p> <ul style="list-style-type: none"> • Director of Business Development and Research, Social Security Investment Fund <p>Previous Memberships in Other Commissions and Boards:</p> <ul style="list-style-type: none"> • Manager, Contribution Support Directorate, Social Security Investment Fund / Jordan, February 2018-March 2019 • Manager, Research and Studies Department, Social Security Investment Fund / Jordan, September 2015-February 2018 • General Director, Jordan Post / May 2014-May 2015 • Director, Public Private Partnership Unit, Ministry of Finance / 2013-2014 • Director, Public Debt Directorate, Ministry of Finance / 2012-2013 • Senior Economist, International Monetary Fund, Center for Economics and Finance / Kuwait, 2011-2012 • Advisor to the Minister of Finance, Ministry of Finance / 2004-2011 • Economic Researcher, Studies and Research Department, Central Bank of Jordan / 1989-2000 • Assistant Professor of Economics, University of Tennessee and Hanover College / USA, 2000-2004 • National Coordinator, OECD-MENA Governance Initiative, Jordan; Member of the MENA Governance Group and Network of Public Finance Experts / 2009-2014 • Former Board Member of several companies and Chairman of a number of Committees (e.g., Arab Bank, Jordan Telecom Group, Jordan Airports Company, National Electricity Company, Jordan Commercial Bank, Jordan Press Foundation)

Name of Resigned Board Member during 2021	
Representative of the Libyan Foreign Bank (Vacant) (Committee membership expired as of 8/4/2021)	-
Dr. Yaser Manna' Adwan (Resigned as of 8/4/2021)	<p>Qualifications:</p> <ul style="list-style-type: none"> • PhD in Public Administration – Policy Management and Analysis / 1983 • Professor of Management and Policy Analysis, Faculty of Business, University of Jordan <p>Professional Experience:</p> <ul style="list-style-type: none"> • Former General Manager, Social Security Corporation <p>Previous Memberships in Other Commissions and Boards:</p> <ul style="list-style-type: none"> • Chairman, Electricity Distribution Co. • Chairman, Social Security Investment Fund • Chairman, Kingdom Electricity for Energy Investments Co. • Vice Chairman, Jordan Phosphate Mines Co. • Board Member, Jordan Bromine Co. • Board Member, Industrial Development Bank • Board Member, Jordan Commercial Bank • Member, Investment Fund Committee, University of Jordan • Member, Investment Fund Committee, Al Albayt University
Mr. Mohammad Adnan Hassan Almadi (For the period 8/4/2021–15/12/2021)	<p>Qualifications:</p> <ul style="list-style-type: none"> • Master of Administrative Sciences – Finance / 1998 • Directorate Manager, Equity Support Directorate – Social Security Investment Fund <p>Professional Experience:</p> <ul style="list-style-type: none"> • Member of the Audit Committee (non-BOD member) formed from Board Members of the National Company for Tourism Development <p>Previous Memberships in Other Commissions and Boards:</p> <ul style="list-style-type: none"> • Board Member, Jordan Kuwait Bank / 2016-2020 • Board Member, Jordan Petroleum Refinery Company / 2010-2016 • Chairman, Daman Investments Company, Jordan / 2014-2016 • Vice Chairman, Deputy, Jordan Petroleum Products Marketing Company / 2013-2016 • Board Member, National Jordanian Mineral Oils Industry / 2013-2016 • Board Member, Jordan Real Estate Development Company / 2006-2010 • Board Member, Areej United for Houses / 2007-2010 • Board Member, Capital Bank / 2011

Audit Committee Meetings

The Audit Committee held (6) meetings during the year 2021, and below is a table showing the members' attendance at these meetings:

Member Name	Number of Attended Meetings	Name of Resigned Member during 2021	Number of Attended Meetings
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Committee Chair)	6	Dr. Yaser Manna' Adwan (resigned as of 8/4/2021)	1
Mr. Ramzi Talat Abdel Jawad Mari	6	Mr. Mohammad Adnan Hassan Almadi (for the period 8/4/2021 – 15/12/2021)	5
Mrs. Sheikha Bint Yousuf Bin Abdullah Al-Farsi	5	Representative of the Libyan Foreign Bank (vacant) (Committee membership expired as of 8/4/2021)	-
Mr. Ramzi Tayseer Mohamed Abdeljaber (Effective 8/4/2021)	5		
Dr. Hamzeh Ahmed Khalifah Jaradat (Effective 27/12/2021)	-		

Number of Audit Committee Meetings with the External Auditor during 2021

The Audit Committee held (4) meetings with the external auditor during 2021.

Committee responsibilities: the committee effectively supervises the activities and operations of internal and external audits, the integrity of bank operations (including its financial conditions), and the internal control system, by doing the following:

- Approving the annual internal audit plan and monitoring the performance of the internal audit department through periodic reports.
- Making recommendations to the board regarding the nomination, appointment, termination, and fees for the external auditor election by the general assembly, as well as ensuring that he meets the requirements of the regulatory authorities.
- Reviewing internal and external audit reports, as well as reports from the regulatory authorities, making recommendations and issuing the appropriate assignments regarding them.
- Following up with corrective action regarding the observations in the internal and external audit reports and the report from the regulatory authorities.
- Discussing financial statements with the external auditors.
- Discussing reports from the internal control and control systems with both the internal and external audits.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee held (4) meetings during 2021, and below is a table showing the members' attendance at these meetings:

Member Name	Number of Attended Meetings	Name of Resigned Member during 2021	Number of Attended Meetings
Mrs. Sheikha Bint Yousuf Bin Abdullah Al-Farsi (Committee Chair)	4	Representative of the Libyan Foreign Bank (vacant) (Committee membership expired as of 8/4/2021)	-
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif	4		
Mr. Ramzi Talat Abdel Jawad Mari (Effective 8/4/2021)	2		

Committee responsibilities: the committee assisted the board in its oversight and monitoring role by doing the following:

- Effectively monitoring the process of preparing and reviewing the internal policies and regulations that govern procedures for granting remuneration, bonuses, and compensation to the bank's executives.
- Nominating qualified candidates of senior executive management and making recommendations to the board regarding the adoption of a succession plan.
- Evaluating the performance of the board, its committees, and its members.
- Ensuring that board members attend workshops or seminars on banking issues.

Corporate Governance Committee

The Corporate Governance Committee held (2) meetings during 2021, and below is a table showing the members' attendance at these meetings:

Member Name	Number of Attended Meetings	Name of Resigned Member during 2021	Number of Attended Meetings
Mr. Abdelalah Mohammed Abdel Rahman Al-Khatib (Committee Chair)	2	Dr. Yaser Manna' Adwan (Resigned as of 8/4/2021)	1
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Effective 8/4/2021)	1	Mr. Mohammad Adnan Hassan Almadi (Membership in committee expired as of 8/4/2021)	1
Mr. Yousef Mahmoud Hussein Al-Neama (Effective 8/4/2021)	1		

Committee responsibilities: in compliance with the committee's charter and its responsibility to guide and supervise the preparation and updating of the Corporate Governance Code, and to monitor its implementation, the committee worked on the following:

- Steering and reviewing the Corporate Governance Code and ensuring that it is prepared and approved in accordance with the valid guidelines of the Corporate Governance instructions.
- Steering and reviewing the charters of the board and its committees and ensuring that they comply with the instruction.

Risk Management Committee

The Risk Management Committee held (4) meetings during 2021, and below is a table showing the members' attendance at these meetings:

Member Name	Number of Attended Meetings	Name of Resigned Member during 2021	Number of Attended Meetings
Mr. Fadi Khalid Muflih Al Alawneh (Committee Chair, Effective 8/4/2021)	3	Dr. Yaser Manna' Adwan (Resigned as of 8/4/2021)	1
Mr. Khalid Majid Mohammed Al-Nuaimi	4	Mr. Mohammad Adnan Hassan Almadi (Membership in committee expired as of 8/4/2021)	1
Mrs. Munirah Asaad Abdel Aziz Al Ajeel (Representative of the Kuwait Investment Authority)	1	Mrs. Munirah Asaad Abdel Aziz Al Ajeel (Representative of the Kuwait Real Estate Investment Consortium)	3
Mrs. Maryam Mohammed Ali Al-Kuwari	4		
Mr. Elhadi Emgahid Taher Abultife (Effective 8/4/2021)	3		
Mrs. Sheikha Bint Yousuf Bin Abdullah Al-Farsi (Effective 8/4/2021)	3		
Ammar Bashir Al-Safadi / CEO	4		

Committee responsibilities: in compliance with the committee charter, the committee assisted the board in its oversight and monitoring role by recommending adoption of policies, strategies, and plans necessary to manage the bank's risks in line accepted and approved risk appetite, as well as working on assessing and following up on the main risk and ensuring the existence of appropriate condition that ensure identification of risks with substantial impact and the measures taken to mitigate them by reviewing the periodic reports of the bank's risk management department, discussing their result, and making appropriate recommendation and assignments thereon.

The Second Pillar: Executive Management

The board of directors delegates responsibilities and authority to the executive management to enable it to carry out its day-to-day activities and monitor performance integrity.

Senior Executive Management Positions as of 31/12/2021

Name of Senior Executive Management Member	Title
Ammar Bashir Al-Safadi	Chief Executive Officer
Vasken Samuel Samuel Ajemian	Chief Banking Officer
Ibtissam Muhammad Sobhi Alayoubi	Chief Operating Officer
Nidal Lutfi Abdellatif Ahmad	Chief Financial Officer
Amro "Mohammad Walid" Anis Mousa	Chief Credit Officer
Ahmed Fadel Mohammed Al-Khidr	Head of Internal Audit-HBTF Group
Ali Hasan Ali Al-Mimi	Chief Risk Officer
Nayef Hashem Nayef Al-Hussein	Executive Manager / Compliance
Wael Ismail Mahmoud Asfour	Legal Advisor
Riyad Ali Ahmed Taweel	Head of Treasury and Investment Sector
Ameed Naeem Abdel Fattah Al-Batran	Executive Manager / Central Operations

The Third Pillar: Planning and Strategy Development

The board of directors adopts a long-term strategy to achieve the bank's objectives and oversees the senior executive management's performance in achieving these objectives through its periodic meetings with the senior executive management and periodic reports on the bank's performance.

The Fourth Pillar: Control Functions

The bank adopts a general framework for internal control that includes the following elements:

- Internal control systems that cover all banking activities which are periodically (annually) evaluated by internal and external audits and then reported back to the board of directors.
- The bank has a department concerned with internal audit that carries out specific tasks and duties according to the Internal Audit Charter approved by the board of directors. This department is granted the necessary powers and independence to fully perform its duties, as it is functionally linked to the Audit Committee and submits its reports to it and is administratively linked to the CEO.
- The bank has a comprehensive risk management framework (policies, strategies, methodologies, and systems) approved by the board of directors. There is also a department specialized for this purpose, the Risk Management Department.
- The bank has a department concerned with monitoring compliance and anti-money laundering. This department submits periodic reports on its activities to the board of directors through the Compliance Committee.
- An external auditor is appointed to the bank by the general assembly based on the board of directors recommendation and taking corporate governance requirements into account. The external auditor submits an annual report on the integrity of the financial statements that includes an evaluation of the internal control system related to the preparation and presentation of the financial statements and is presented to the board of directors and general assembly.

The Fifth Pillar: Relationship with Shareholders

The bank is committed to holding general assembly meetings, allowing all shareholders to participate and exercise their right to vote, and to provide them with comprehensive information about the bank to ensure fair treatment for them without discrimination. The bank also provides open communications methods for shareholders through the Shareholders Affairs Center and the bank's website.

The Sixth Pillar: Disclosure and Transparency

Disclosure and transparency are among the most important principles in corporate governance, seeking to ensure that shareholders and other stakeholders are aware of the necessary information and material developments resulting from the bank's day-to-day operations and future directions in a manner that contributes to creating an environment of trust, transparency, and accountability by presenting important financial and non-financial information of interest to stakeholders, clearly and comprehensively and in a timely and appropriate manner, enabling them to evaluate bank management and monitor its performance.

Based on the bank's endeavor to implement the latest standards of disclosure and transparency as an integral part of adopting and applying governance principles, the bank is committed to disclosing all required information in a transparent manner, taking into account regulatory authorities' instructions on the topic through the available means of disclosure (the Amman Stock Exchange website, the bank's website, and relevant media) and in accordance with the bank's disclosure and transparency policy.

The Seventh Pillar: Code of Professional Conduct

The Housing Bank is committed to maintaining the highest levels of professional and ethical behavior in such a way as to enhance trust and partnership between the bank and shareholders; the bank therefore adopts a Code of Professional Conduct at the board of directors level to enable its members to carry out the duties entrusted to them in accordance with the highest standards of ethics and integrity. This code governs potential conflicts of interest and the mechanisms for dealing with and disclosing them, in addition to the Code of Professional Conduct and Work Ethics at the bank employee level, which includes the most important principles and practices that bank employees should adhere to in this context.

The eighth pillar: Social and Environmental Responsibility

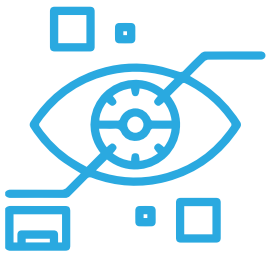
The Housing Bank, as a leading financial institution, seeks to promote a culture of social responsibility and sustainability and make a positive impact in the societies in which the bank operates in general and the Jordanian society in particular, by enhancing its social responsibility toward individuals and community institutions in a way that serves the issues of all group, by supporting and sponsoring many activities, events, social and environmental initiatives, and strategic partnerships with major institutions in various fields, in a way that embodies the bank's strategy for social responsibilities.



Chairman of the Board
Abdelelah Al-Khatib

Disclosure Statements

| 06 |



Augmented Reality

Unlimited presence to time or place.

Enhancing reality with advanced technical experiences makes banks closer to their customers, and gives customers distinctive personal experiences, ensuring that information is placed in their hands in all its details and through continuous, direct interaction and communication.



Declarations

First Declaration














The bank's board members shall acknowledge the non-existence of material issues that may affect the continuity of the bank during the next fiscal year 2022.

Second Declaration

The bank's board members shall acknowledge their responsibility for preparing the financial statements, for the accuracy and adequacy of the bank's financial statements and the information contained in the report, and for the adequacy of internal control and monitoring systems.

Third Declaration

The bank's board members shall acknowledge that they have not obtained or disclosed any benefits through their work in the bank, whether those benefits were financial or in-kind, and whether they were for them personally or for any of those related to them.

Name	Adjective	Signature
Mr. Abdelalah Moh'd Al-Khatib	Chairman	
Mr. Yousef Mahmoud Al-Neama	Vice-Chairman	
Mr. Khalid Majid Al-Nuaimi	Board Member	
Mr. Ramzi Talat Mari	Board Member	
Mrs. Maryam Mohammed Al-Kuwari	Board Member	
Mrs. Munirah Assad AlAjeel	Board Member	
Mr. Akram Khalifa Grew	Board Member	
Mr. Elhadi Emgahid Abultife	Board Member	
Mr. Fadi Khalid Al Alawneh	Board Member	
Dr. Hamzeh Ahmad Jaradat	Board Member	
Mrs. Sheikha Yousuf Al Farsi	Board Member	
Mr. Fawzi Yousef AlHunaif	Board Member	
Mr. Ramzi Tayseer Abdel Jaber	Board Member	

Fourth Declaration

We, the undersigned, acknowledge the authenticity, accuracy, and completeness of the information and data contained in the annual report.

Name	Adjective	Signature
Mr. Abdelalah Moh'd Al-Khatib	Chairman	
Mr. Ammar Bashir Al-Safadi	Chief Executive Officer	
Mr. Nidal Lutfi Ahmad	Chief Financial Officer	

The Bank's Main Activities

The Housing Bank for Trade and Finance provides all financial and banking products and services aimed at the individual, institutional, and corporate sectors in Jordan through a network of branches spread across the Kingdom, and operates mainly in the Hashemite Kingdom of Jordan, as well as Palestine and Bahrain.

The Volume of Capital Investment

The bank's authorized and paid-up capital is JD315 million.

Qualifications and Training Programs

A total of 16,919 training opportunities were provided by the bank during 2021, and specialized internal banking training courses and seminars were held with 2,675 employees, during the year the bank provided the opportunity to obtain professional and academic certificates for 95 employees.

Statement	Numbers of Participants
Internal and local courses and seminars	1,626
External training courses held in Arab and foreign countries	7
Participation in the study of professional certificates in the bank's various fields of work	83
E- Learning	2,633

The table below shows the courses that were held during the year 2021:

Statement	Training Opportunities
Behavioral and administrative courses	201
Microsoft Office application courses	16
Specialized courses for branches	1,407
Specialized career courses for departments	455
E-learning	13,562
Other	1,278
Total	16,919

Number of Housing Bank Group employees categorized by their qualification by the end of 2021.

The Housing Bank Group had 3,965 employees by the end of 2021, categorized as per their qualifications as follows:

Qualification	Branches inside and outside Jordan			Banks and subsidiaries inside and outside Jordan					
	Branches of Jordan (Parent company)	Branches of Palestine	Bahrain Branch	International Bank for Trade and Finance / Syria	Housing Bank for Trade and Finance / Algeria	Jordan International Bank / London	Specialized Leasing Company	International Financial Center Company	Representation Offices (Libya, Iraq, UAE)
PhD	3	-	-	2	-	-	-	-	-
Master	215	20	4	15	4	13	6	1	-
High diploma	2	1	-	2	42	3	-	-	1
Bachelor	2,002	224	22	257	117	17	26	6	4
Diploma	236	19	1	64	63	4	2	2	2
General Secondary School	401	29	3	47	56	17	7	1	2
Total	2,859*	293	30	387	282	54	41	10	9

* 411 of the above are unclassified employees.

Number of employees of Jordan branches, at the end of 2021

The bank has 2,859* employees within Jordan including 1,719 employees working in various departments and duty positions in the public administration, and 1,140 employees working in branches distributed as follows:

Branch Name	Number	Branch Name	Number	Branch Name	Number
Amman Governorate		Zahran	10	Al Zarqa Al Jadeeda	14
Main Branch	8	Al Madina Al Munwara	15	Utostrad Al Zarqa	8
Al Abdali	25	City Mall	19	Balqa Governorate	
Al Abdali Mall	9	Airport Street	7	Fuheis	9
The City	7	Medical City Street	8	As-Salt	14
Jabal Amman	12	Garden Housing Bank / Abdoun	6	Baqaa	9
Jabal Al Hussein	13	Dahiat al Yasmeen	6	Deir Alla	8
Wehdat	12	Mecca Street	9	Al Shona Al Janubia	8
Marka	15	Taj Mall	18	Al Karama	6
Prince Hassan District	10	Private banking services	8	Bawabit As-Salt	9
Al Hashimi Al Shamali	10	Deir Ghabar	6	Ma'an Governorate	
Ras Al Ain	11	Dahiyat Al Amir Rashid	7	Ma'an	10
Ashrafiyeh	11	Sweifih	6	Petra	7
Nuzha	10	Galleria Mall	11	Al Shobak	4
Sports City	10	Dabouq	6	Al Shidiya	4
Al Salam	7	Shafa Badran	6	Al Husayniya	6
Commercial Complex	11	Irbid Governorate		Karak Governorate	
Prince Mohammed Street	6	Irbid	18	Karak	13
Tareq	14	Ar-Ramtha	11	Potash	9
Abu Nsair	13	Martyr Wasfi Safi Al-Tal / Ar-Ramtha	5	Mutah	14
Hay Nazzal	10	Al Shona Al Shamaliya	9	Al Qasr	9
Abdoun	13	Deir Abi Said	7	Al Thania	8
Park Plaza	19	Hikma	10	Madaba Governate	
Gardens	17	Al Hosun	12	Madaba	15
Um Uthaina	10	Aydoun	8	Mafrq Governorate	
Al Jbeiha	10	Palestine Street	15	Mafrq	15
Sweileh	10	Al Kareema	6	Ajloun Governorate	
Sahab	10	Al Yarmouk	7	Ajloun	13
Abu Alanda	13	Al Hassan Industrial City	6	Kafranja	6
Jowaideh	12	Al Qubba Roundabout	19	Tafila Governorate	
Marj Al Hammam	11	Irbid Mall	14	Tafila	10
Na'ur	8	30th Street / Irbid	10	Al Hasa	7
Muwaqar	4	Bani Kinana	6	Aqaba Governorate	
Tlaa Al Ali	10	Zarqa Governorate		Aqaba	14
King Abdullah II Industrial City	7	Shabib Palace	11	Showiekh Mall	14
Al Hurriah Street	10	Zarqa	14	Jerash Governorate	
Bayader	16	Al Rsaifeh	12	Jerash	11
Airport	12	Htein	7	Mobile Branches	
Al Ithaa	7	Al Jabal al Shamali	11	First Mobile Branch**	-
Um Al Samaq	9	Al Dleil	9	Second Mobile Branch	5
Al Atfal	3	Al Azraq Al Shamali	6	Total	1,140
Arar Street	6	Hai Maasoom	6		
Al Rabia	10	Free Zone / Zarqa	7		
Abdullah Ghosheh Street	13				
Al Rawabi Avenue	3				

* 411 of the above are unclassified employees.

** The first mobile branch has been frozen and will return to operate when needed.

Number of employees at branches in Palestine at the end of 2021

Branch Name	Number
Regional Administration	161
Ramallah	13
Gaza	11
Nablus	14
Hebron	12
Halhul	8
Bir Zeit	7
Khan Younis	4
Jenin	12
Bethlehem	9
Yatta	5
Tarmsiya	5
Al Zahiria	9
Al Masyoon	9
Tulkarem	6
Rafidia	8
Total	293

Number of employees of the International Bank for Trade and Finance/Syria at the end of 2021

Branch Name	Number	Branch Name	Number	Branch Name	Number
General Management	199	Al Tijara	10	Hama	10
Al Hijaz	14	Al Fardoos*	-	Mahrada	6
Al Pakistan	20	Zabadani*	-	Hasaka*	-
Al Yarmouk*	-	Homs	10	Lathikia	15
Hoosh Plus	5	Tartus	16	Al Suwayda	9
Doma*	-	Faisal	11	Qamishli*	-
Damar Project	6	Sheraton	6	Deir al Zor*	-
Al Hariqa	7	Al Jamiliya	9	Barzeh Residences	5
Germana	9	Sheikh Najjar*	-	Abu Rummana	11
Qisaa *	-	Shahba Mall*	-	Total	387
Mazza	9	Daraa*	-		

* These branches are closed due to the prevailing conditions in Syria.

Number of Employees of Housing Bank for Trade and Finance/Algeria at the end of 2021

Branch Name	Number
General Management	162
Dali Ibrahim	32
Blida	13
Wohran	23
Setif	11
Dar Al Bayda	18
Bejaia	12
Constantine	11
Total	282

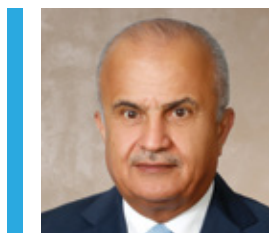
Number of employees of Specialized Leasing Company at the end of 2021

Branch Name	Number
General Management	32
Irbid Office	5
Aqaba Office	4
Total	41

The nature of work of subsidiaries and their areas of activity

Company Name	Company Type	Main Activity	Paid-up Capital	BANK'S SHAREHOLDING RATIO
International Bank for Trade and Finance/Syria	Anonymous Company	Commercial banking	SL 8.4 billion	49.063%
Housing Bank for Trade and Finance/Algeria	Public Shareholding	Commercial banking	DZD 20 billion	85%
Jordan International Bank/London	P.L.C	Commercial banking	£ 65 million	75%
Specialized Leasing Company	Private Shareholding	Financing leasing activities	JD 30 million	100%
International Financial Center Company	Limited Liability Company	Financial brokerage business	JD 5 million	77.5%
Jordan Real Estate Investment and Commercial Services Company	Limited Liability Company	Management of non-banking service employees	JD 40,000	100%

An overview of the Board of Directors - as of December 31, 2021



Mr. Abdelelah Mohamad Alkhatib

Title: Chairman of the Board and Chairman of the Corporate Governance Committee.

Date of Birth: 31 March 1953.

Abdelelah Mohammad Alkhatib is the Chairman of the Board of the Housing Bank for Trade and Finance.

Previously, he had held multiple senior positions in both the public and private sectors and has contributed to the Jordanian and international communities throughout his career.

Having been Jordan's Minister of Tourism and Antiquities from 1995 to 1996, he later served twice as Foreign Minister of Jordan (1998–2002 and 2005–2007).

In 2009, he received an appointment as Chairman of the Economic and Social Council, and in 2012 became Chairman of the Independent Election Commission.

He was a member of the Upper House of Parliament (The Senate) for three terms between 2010 and 2016, during which he was elected consecutively as head of the Economic and Financial Committee, the Committee for Public Freedoms and Citizens Rights, and the Arab and International Affairs Committee.

On the international stage, in 2011, he acted as Special Envoy of the Secretary General of the United Nations to Libya. He was General Manager and then Chairman of the Board of the Jordan Cement Company.

He also sat on the Board of Directors of the Central Bank of Jordan.

An active contributor to the work of civil society, Mr. Alkhatib was elected as Chairman of the Royal Society for the Conservation of Nature, serves as a member of the King Hussein Cancer Foundation Board of Trustees and is the Chairman of Jordan Strategy Forum.

He holds an MA in International Communication from the American University in Washington, D.C., an MA in International Economics and Development from the School of Advanced International Studies at Johns Hopkins University, and a BA in Political Science from Pantios University, Athens. Recently, he has lectured at the Paris School of International Affairs at Sciences Po in Paris.



Mr. Yousef Mahmoud Al-Neama

Title: Vice Chairman - Representative of Qatar National Bank.

Current Position: Executive General Manager - Group Chief Business Officer/ Qatar National Bank.

Date of Birth: 5 January 1965.

Qualifications: B.Sc. Aviation Management, 1989; Master Business Administration, 2004.

Memberships in HBTF Board Committees:

- Chairman, Executive Committee.
- Corporate Governance Committee.

Memberships in Other Commissions and Boards:

- Vice-Chairman, Mansour Bank / Iraq.
- Board Member, QNB Finansbank/ Turkey.

Previous Memberships in Other Commissions and Boards:

- Board Member, Bank of Commerce & Development / Libya.
- Chairman , Qatar National Bank / Syria.



Mr. Ramzi Talat Mari

Title: Board Member - Representative of Qatar National Bank.

Current Position: Group Chief Financial Officer/ QNB.

Date of Birth: 2 January 1966.

Qualifications: Masters of Science Degree in Accountancy, 1989.

Memberships in HBTF Board Committees:

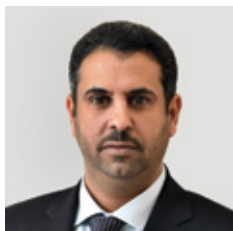
- Audit Committee.
- Nomination and Remuneration Committee.

Memberships in Other Commissions and Boards:

- Board Member, QNB Capital/Qatar.
- Board Member, QIHL/Luxembourg.
- Board Member, QNB Finansbank/Turkey.

Previous Memberships in Other Commissions and Boards:

- Board Member, QNB Al Ahli/Egypt.



Mr. Khalid Majid Al-Nuaimi

Title: Board Member - Representative of Qatar National Bank.

Current Position: AGM Group QNB First/ QNB.

Date of Birth: 5 December 1976.

Qualifications: B.Sc. Management, 2000.

Memberships in HBTF Board Committees:

- Executive Committee.
- Risk Management Committee.

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards: None.



Mrs. Maryam Mohammed Al-Kuwari

Title: Board Member - Representative of Qatar National Bank.

Current Position: GITD General Manager / Qatar National Bank.

Date of Birth: 16 June 1975.

Qualifications: Bachelor Degree in Computer Science, 1999.

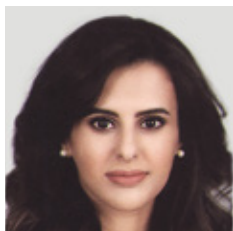
Memberships in HBTF Board Committees:

- Chairman, IT Governance Committee.
- Risk Management Committee.

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards:

- Board Member QNB Financial Services.



Mrs. Munirah Assad AlAjeel

Title: Board Member - Representative of Kuwait Investment Authority/Kuwait.

Current Position: Investment Manager, Kuwait Investment Authority.

Date of Birth: 26 October 1985.

Qualifications: Bachelor of Finance/ 2007.

Professional Certification: (CFA) Chartered Financial Analyst, 2017.

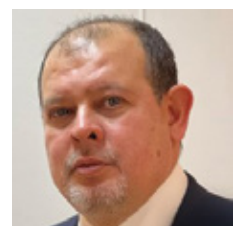
Memberships in HBTF Board Committees:

- Executive Committee.
- Risk Management Committee.
- IT Governance Committee.

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards:

Board Member, Kuwait Real Estate Investment Consortium 2012-2019.



Mr. Akram Khalifa Grew

Title: Board Member - Representative of Libyan Foreign Bank.

Current Position: Deputy General Manager – ARESBANK.

Date of Birth: 8 April 1968.

Qualifications: Bachelor of Economics in 1993.

Memberships in HBTF Board Committees:

- Executive Committee.
- Compliance Committee.

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards:

- Board Member of the British Arab Commercial Bank / Britain 2015 - 2018.
- Member of the Board of Directors of Inma Holding Industrial Services Company / Libya 2015-2018.
- Member of the Board of Directors of the North African Commercial Bank / Lebanon 2012-2014.
- Board Member of Societe General Africa Bank / Togo 2010-2012.
- Board Member of the Tunisian-Libyan Bank / Tunisia 2008-2010.



Mr. Elhadi Emgahid Abultife

Title: Board Member - Representative of Libyan Foreign Bank.

Current Position: Manager of L/Cs Dept. of Libyan Foreign Bank.

Date of Birth: 1 January 1965.

Qualifications: Bachelor Degree in Accounting, 1988; Higher Diploma in Finance and Banking, 2008; Master Degree of Finance, 2014.

Memberships in HBTF Board Committees:

- Risk Management Committee.
- IT Governance Committee

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards:

- Assistant General Manager - Union of Arab and French Banks, Seoul Branch - South Korea 1997-2000.
- Regional Manager, Arab World Dept., Union of Arab and French Banks - Head Office- Paris / France 2000-2002.
- Board Member - Banque Intercontinentale Arabe/ Paris 2005-2007.
- Board Member - Arab Turkish Bank / Istanbul 2007 - March 2010.
- Assistant General Manager for Banking Operations - North African Commercial Bank - Beirut / Lebanon March 2010 - December 2016.



Dr. Hamzeh A. Kh. Jaradat

Title: Board Member - Representative of Social Security Corporation, Jordan.

Current Position: Director, Business Development & Research, Social Security Investment Fund, Jordan.

Date of Birth: 1 October 1963.

Qualifications: Ph.D., Macro and Monetary economics, Econometrics, Finance (portfolio Theory and Banking), U.S.A, 2000 ; M.Sc., Economics, 1994 ; B.Sc., Economics & Computer Science, 1987.

Memberships in HBTF Board Committees:

- Audit Committee.
- IT Governance Committee.

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards:

- Director, Equity's Support Department, Social Security Investment Fund, Jordan (Feb. 2018 - March 2019).
- Director, Research Department, Social Security Investment Fund, Jordan (September 2015 – Feb. 2018).
- General Director, Jordan Post (May 2014 – May 2015).
- Director, Public Private Partnership (PPP) Unit, Ministry of Finance, Jordan (2013- 2014).
- Director, Public Debt Department, Ministry of Finance, Jordan (2012-2013).
- Senior Economist, International Monetary Fund, IMF Center for Economics and Finance, Kuwait (2011-2012).
- Advisor to the Minister, Ministry of Finance, Jordan (2004-2011).
- Economic Researcher, Economic Research and Studies Department, Central Bank of Jordan, (1989-2000).
- Assistant Professor of Economics and Finance, The University of Tennessee and Hanover College, USA (2000-2004).
- National Coordinator, OECD-MENA Initiatives and member of Governance and Public Finance Experts groups (2009-2014).
- Board Member and Head of Committees of several companies, including (Arab Bank, Jordan Telecom/ Orange, National Electricity Company, Airports Company, Commercial Bank, Jordan Press).



Mr. Fadi Khalid Al Alawneh

Title: Board Member - Representative of Social Security Corporation/Jordan.

Current Position: Head of the Loans and leasing Dept.-Social Security Investment fund.

Date of Birth: 21 January 1976.

Qualifications: Master of Financial and Banking Sciences / 2003.

Memberships in HBTF Board Committees:

- Chairman, Risk Management Committee.
- Executive Committee.

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards:

- Board Member, Capital Bank.
- Board Member, Dar Aldawa.
- Board Member, Jordan Press and Publishing Co. (Addustour).
- Board Member, Housing Bank for Trade and Finance.



Mr. Fawzi Yousef AlHunaif

Title: Board Member – Independent

Date of Birth: 2 December 1957.

Qualifications: B.Sc. Economics/ 1980.

Memberships in HBTF Board Committees:

- Chairman, Audit Committee.
- Nomination and Remuneration Committee.
- Corporate Governance Committee.

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards:

- Assistant Head of the Asian Countries Unit - Kuwait Fund for Arab Economic Development / Kuwait 1983.
- Head of the Department of Arab and Mediterranean Countries - Kuwait Fund for Arab Economic Development/ Kuwait 1986.
- Director of Operations - Kuwait Fund for Arab Economic Development/Kuwait 1997.
- Board Member - Kuwait Algerian Investment Company / Luxembourg 1986.
- Deputy Governor of the OPEC International Development Fund / Austria 1987.
- Chairman - Real Estate Development Company / Britain 1997.
- Member of the Supreme Administrative Committee - Al-Aqsa Fund and The Jerusalem Intifada - Islamic Development Bank 2009-2015.
- Board Member - Arab Bank for Economic Development in Africa (BADEA)/ Sudan 2008 - 2015.
- Member of the Investment Committee - Arab Bank for Economic Development in Africa (BADEA)/ Sudan 2008 - 2015.
- Member of the Coordinating Committee - Gaza Reconstruction Program 2009-2015.



Mrs. Sheikha Yousuf Al Farsi

Title: Board Member – Independent

Current Position: Head of Strategy and Corporate Services/ Bank Muscat.

Date of Birth: 9 January 1978.

Qualifications: MSc in Finance, 2005.

Memberships in HBTF Board Committees:

- Chairman, Nomination and Remuneration Committee.
- Audit Committee.
- Compliance Committee.
- Risk Management Committee.

Memberships in Other Commissions and Boards:

Member of the Board of Directors of the Association of Banks / Oman.

Previous Memberships in Other Commissions and Boards:

Board Member, BM JBR Limited.



Mr. Ramzi Tayseer Abdel Jaber

Title: Board Member – Independent.

Current Position: Chief Administrative Officer, Investcorp Holdings, Kingdom of Bahrain.

Date of Birth: 18 November, 1971.

Qualifications: Masters in Business Administration (Massachusetts Institute of Technology MIT), 1998.

Memberships in HBTF Board Committees:

- Chairman, Compliance Committee.
- Audit Committee.
- IT Governance Committee.

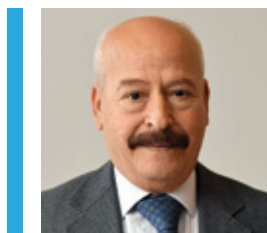
Memberships in Other Commissions and Boards:

- Chairman of Investcorp Investments, LLC, Qatar.
- Regional Board Director, Injaz Al-Arab.
- Member of Investment Council, Investcorp Holdings, Kingdom of Bahrain.
- Member of Operating Committee, Investcorp Holdings, Kingdom of Bahrain.
- Chairman of Human Resources Council, Investcorp Holdings, Kingdom of Bahrain.
- Chairman of Technology Advisory Council, Investcorp Holdings, Kingdom of Bahrain.
- Member, Institute of Directors, UK.
- Honorary Fellow of the GCC Board of Directors Institute.

Previous Memberships in Other Commissions and Boards:

- Member of Hydrasun Board of Directors (2013-2017).
- Member of the Board of Injaz Al-Arab (2006-2007).
- Member of Young Presidents' Organization (2004-2009).
- Member of the e-government team appointed by His Majesty King Abdullah II.
- Worked in various International Companies (McKinsey & Co., Palo Alto, California and Andersen Consulting, Middle East).

Board Members resigned during 2021



Dr. Yaser Manna' Adwan

Title: Board Member - independent until 8 April 2021.

Current Position: Professor of Management and Policy Analysis / Faculty of Business, University of Jordan.

Date of Birth: 16 January 1953.

Qualification: Ph.D. Public Administration/policy analysis, 1983.

Awards:

- Abdul Hameed Shoman Award for Arab Researchers.
- National recognition award for public management.

Memberships in HBTF Board Committees: None.

Previous Memberships in Other Commissions and Boards:

- Chairman, Electricity distribution Co.
- Chairman, Kingdom Electricity for Energy Investments Co.
- Chairman, Social Security Investment Fund.
- Director -General, Social Security Corporation.
- Chairman, National Corporation for Tourism Development.
- Vice President, Yarmouk University.
- Vice Chairman, Jordan Phosphate Mines Co.
- Vice Chairman, Accreditations Council for Higher Education Institutions.
- Board Member, Jordan Bromine Co.
- Board Member of Trustees, University of Jordan.
- Board Member, Industrial Development Bank.
- Board Member, Jordan Commercial Bank.
- Member of the Investment Fund Committee University of Jordan.
- Member of the Investment Fund Committee Al al-Bayt University.



Mr. Mohammad Adnan Almadi

Title: Board Member - Representative of Social Security Corporation/Jordan until 14 December 2021.

Current Position: Directorate Manager / Equity Support - Social Security Investment Fund.

Date of Birth: 18 April 1971.

Qualifications: Master of Administrative Science/ Finance, 1998.

Memberships in HBTF Board Committees:

- Audit Committee.
- IT Governance Committee.

Memberships in Other Commissions and Boards: None.

Previous Memberships in Other Commissions and Boards:

- Board Member of the Jordan Kuwait Bank.
- Board Member of the Jordan Petroleum Refinery Company.
- Chairman of the Board of Directors of Daman Investments Company, Jordan.
- Vice Chairman of the Board of Directors of the Jordan Petroleum Products Marketing Company.
- Board Member of the National Jordanian Mineral Oils Industry.
- Board Member of the Jordan Real Estate Development Company.
- Board Member of Areej United for Houses.
- Board Member of the Capital Bank.
- Member of the Audit Committee (None-Board of Directors member) formed from Board Members of the National Company for Tourism Development.

The position of each Board Member

Board Member Name	Date of Appointment to the Board	The Entity They Represent	Member Classification	Share in the Bank's Capital*
Mr. Abdelelah Moh'd Al-Khatib	21/4/2016	Himself	Non-executive – Independent	0.004%
Mr. Yousef Mahmoud Al-Neama	31/1/2008	Qatar National Bank	Non-executive – Non-independent	38.571%
Mr. Khalid Majid Al-Nuaimi	12/7/2015		Non-executive – Non-independent	
Mr. Ramzi Talat Mari	9/3/2014		Non-executive – Non-independent	
Mrs. Maryam Mohammed Al-Kuwari	2/7/2019		Non-executive – Non-independent	
Mrs. Munirah Assad AlAjeel	7/9/2021	Kuwait Investment Authority	Non-executive – Non-independent	18.606%
Mr. Akram Khalifa Grew	17/6/2021	Libyan Foreign Bank	Non-executive – Non-independent	17.242%
Mr. Elhadi Emgahid Abultife	27/2/2019		Non-executive – Non-independent	
Mr. Fadi Khalid Al Alawneh	26/11/2019	Social Security Corporation/ Jordan	Non-executive – Non-independent	15.421%
Dr. Hamzeh Ahmad Jaradat	27/12/2021		Non-executive – Non-independent	
Mrs. Sheikha Yousuf Al Farsi	21/4/2016	Herself	Non-executive – Independent	0.004%
Mr. Fawzi Yousef AlHunaif	23/4/2017	Himself	Non-executive – Independent	0.004%
Mr. Ramzi Tayseer Abdel Jaber	8/4/2021	Himself	Non-executive – Independent	0.003%

* The share of the body represented by the member.

Number of shares owned by board members and the companies controlled by them in comparison with last year

Number	Name	Position	Nationality	Number of Shares owned by the Member		Number of Shares owned by the Companies Controlled by Them	
				2020	2021	2020	2021
1	Mr. Abdelalah Moh'd Al-Khatib	Chairman of the Board	Jordanian	12,500	12,500	None	None
2	Qatar National Bank Represented by: Mr. Yousef Mahmoud Al-Neama Mr. Khalid Majid Al-Nuaimi Mr. Ramzi Talat Mari Mrs. Maryam Mohammed Al-Kuwari	Vice-Chairman Board Member Board Member Board Member	Qatari	108,615,827	121,499,200	None	None
3			Qatari	None	None	None	None
4			Qatari	None	None	None	None
5			Jordanian	None	None	None	None
6	Kuwait Investment Authority Represented by: Mrs. Munirah Assad AlAjeel	Board Member	Qatari	None	None	None	None
			Kuwaiti	None	58,607,556	58,617,556	10,000
7	Libyan Foreign Bank Represented by: Mr. Akram Khalifa Grew Mr. Elhadi Emgahid Abultife	Board Member Board Member	Kuwaiti	None	None	None	None
8			Libyan	54,311,427	54,311,427	None	None
9	Social Security Corporation/Jordan Represented by: Mr. Fadi Khalid Al Alawneh Dr. Hamzeh Ahmad Jaradat	Board Member Board Member	Libyan	None	None	None	None
10			Libyan	None	None	None	None
11	Mrs. Sheikha Yousuf al Farsi	Board Member	Jordanian	48,576,000	48,576,000	None	None
12	Mr. Fawzi Yousef AlHunaif	Board Member	Jordanian	None	None	None	None
13	Mr. Ramzi Tayseer Abdel Jaber	Board Member	Jordanian	175	175	None	None
			Omani	12,500	12,500	None	None
			Kuwaiti	12,500	12,500	None	None
			Jordanian	3,593	10,000	None	None

Number of shares owned by the relatives of board members and the companies controlled by them in comparison with last year

Number	Name	Nationality	Number of Shares Owned by the Relatives of the Member (Spouse and the Minor Children)		Number of Shares Owned by the Companies Controlled by Them	
			2020	2021	2020	2021
1	Mr. Abdelelah Moh'd Al-Khatilb	Jordanian	None	None	None	None
2	Mr. Yousef Mahmoud Al-Neama	Qatari	None	None	None	None
3	Mr. Khalid Majid Al-Nuaimi	Qatari	None	None	None	None
4	Mr. Ramzi Talat Mari	Jordanian	None	None	None	None
5	Mrs. Maryam Mohammed Al-Kuwari	Qatari	None	None	None	None
6	Mrs. Munirah Assad AlAjeel	Kuwaiti	None	None	None	None
7	Mr. Akram Khalifa Grew	Libyan	None	None	None	None
8	Mr. Elhadi Engahid Abultife	Libyan	None	None	None	None
9	Mr. Fadi Khalid Al Alawneh	Jordanian	None	None	None	None
10	Dr. Hamzeh Ahmad Jaradat	Jordanian	None	None	None	None
11	Mrs. Sheikha Yousuf Al Farsi	Omani	None	None	None	None
12	Mr. Fawzi Yousef AlHunaif	Kuwaiti	None	None	None	None
13	Mr. Ramzi Tayseer Abdel Jaber	Jordanian	None	None	None	None

Number of shares owned by the members of executive management and the companies controlled by them in comparison with last year

Number	Name	Postion	Nationality	Number of Shares Owned by the Member		Number of Shares Owned by the Companies Controlled by Them	
				2020	2021	2020	2021
1	Ammar Bashir Al-Safadi	Chief Executive Officer	Jordanian	None	None	None	None
2	Vasken Samuel Ajemian	Chief Banking Officer	Jordanian	None	None	None	None
3	Ibtissam Mohamed EL-Ayoubi	Chief Operating Officer	Jordanian	None	None	None	None
4	Nidal Lutfi Ahmad	Chief Financial Officer	Jordanian	None	None	None	None
5	Amro "Mohammad Walid" Mousa	Chief Credit Officer	Jordanian	None	None	None	None
6	Ali Hasan Al-Mimi	Chief Risk Officer	Jordanian	None	None	None	None
7	Riyad Ali Taweel	Head of Treasury and Investment Sector	Jordanian	None	None	None	None
8	Ahmed Fadl Al-Khader	Head of Internal Audit, Housing Bank Group	Jordanian	None	None	None	None
9	Nayef Hashem Al-Hussein	Executive Manager / Compliance Dept.	Jordanian	None	None	None	None
10	Wael Ismail Asfour	Legal Advisor	Jordanian	None	None	None	None
11	Ameed Naeem Al-Batran	Executive Manager / Central Operations Dept.	Jordanian	None	None	None	None

Number of shares owned by the relatives of the member of executive management and the companies controlled by them in comparison with last year

Number	Name	Nationality	Number of Shares Owned by the Relatives of the Member (Spouse and Minor Children)		Number of Shares Owned by the Companies Controlled by Them	
			2020	2021	2020	2021
1	Ammar Bashir Al-Safadi	Jordanian	None	None	None	None
2	Vasken Samuel Ajemian	Jordanian	None	None	None	None
3	Ibtissam Mohamed EL-Ayoubi	Jordanian	None	None	None	None
4	Nidal Lutfi Ahmad	Jordanian	None	None	None	None
5	Amro "Mohammad Walid" Mousa	Jordanian	None	None	None	None
6	Ali Hasan Al-Mimi	Jordanian	None	None	None	None
7	Riyad Ali Taweel	Jordanian	None	None	None	None
8	Ahmed Fadl Al-Khader	Jordanian	None	None	None	None
9	Nayef Hashem Al-Husseini	Jordanian	None	None	None	None
10	Wael Ismail Asfour	Jordanian	None	None	None	None
11	Ameed Naeem Al-Batran	Jordanian	None	None	None	None

Number of shares owned by the resigned board members and the companies controlled by any of them in comparison with last year

Number	Name	Nationality	Number of Shares Owned by the Member		Number of Shares Owned by the Companies Controlled by Them	
			2020	2021	2020	2021
1	Dr. Yaser Manna' Adwan	Jordanian	12,733	12,733	None	None
2	Mr. Mohammad Adnan Almadi	Jordanian	None	444	None	None
3	Kuwait Real Estate Investment Consortium	Kuwaiti	58,617,556	10,000	None	None

Number of shares owned by relatives of resigned board members and companies controlled by any of them in comparison with last year

Number	Name	Nationality	Number of Shares Owned by the Relatives (Spouse and Minor Children)		Number of Shares Owned by the Companies Controlled by Them	
			2020	2021	2020	2021
1	Dr. Yaser Manna' Adwan	Jordanian	None	None	None	None
2	Mr. Mohammad Adnan Almadi	Jordanian	None	None	None	None

Companies controlled by the resigned Executive Management and their relatives:

There are no resignations at the Executive Management in 2021.

Loans granted by the bank to the Board Members:

None.

Transactions between the bank, the Board Members, and related parties:

None.

Loans granted by the bank to the resigned Board Members:

None.

Transactions between the bank, the resigned Board Members, and the parties related to them:

None.

Summary of the duties and responsibilities of the bank's board committees and the powers granted by the board to these committees.

Corporate Governance Committee

- Oversees the development of a professional code of conduct for the board of directors, updating and reviewing it continuously, and monitoring compliance with its provisions, and recommending the board of directors to approve it.
- Submitting periodic reports to the board of directors regarding the results of assessing the compliance with the implementation of the Corporate Governance Manual and the provisions of the instructions that govern it.
- Reviewing the composition of the board of directors committees on a regular basis and submitting recommendations to the board of directors in this regard.
- Ensuring that the governance report is prepared and presented to the General Assembly through the board of directors.

The Audit Committee

- Reviewing the scope, results and adequacy of the bank's internal and external audit.
- Review the accounting issues that have a material impact on the bank's financial statements.
- Reviewing the bank's internal control and monitoring systems.
- Making recommendations to the board regarding the appointment/termination/fees of the external auditor, and any conditions related to contracting with them, in addition to assessing his independence, considering any other tasks assigned to him outside the scope of the audit.
- Reviewing and oversees the procedures that enable the employee to confidentially report any error in financial reports or any other matters. The committee shall ensure that the necessary arrangements are in place for independent investigations and to that the results of the investigations are monitored and handled objectively.
- Ensuring that the auditor reviews and audits processes for utilizing and managing information technology resources and projects, as well as the bank's processes.

Nomination and Remuneration Committee

- Identifying the members eligible to join the board, taking into consideration the capabilities and qualifications of the candidates nominated.
- Recommending to the board the candidates qualified to join the Senior Executive Management.
- Ensuring that board members attend workshops or seminars on banking issues, especially Risk Management and Corporate Governance.
- Determining whether the member fulfills the requirements of an independent member, and reviewing this on an annual basis.
- Following specific and approved principles in evaluating the performance of the board and the CEO.
- Ensuring the availability of remuneration policy for the bank's executives and reviewing and implementing it periodically, also the committee recommends determining the salaries, rewards, and other privileges of the CEO and Senior Executive Management.
- Ensuring the availability of a succession plan for Senior Executive Management.
- Appoints the Nominee Director(s) in all investee companies based on nominations made by the parent company's CEO.

Risk Management Committee

- Reviewing the bank's risk management framework.
- Reviewing the bank's risk management strategy before approval by the board.
- Keeping abreast of developments affecting the bank's risk management and submitting periodic reports on these developments to the board.
- Ensuring that there are no gaps between the actual risks the bank's is exposed to and the bank's risk appetite approved by the board.

The Executive Committee

- Studying the estimated budget, as well as the main policies of the bank's activities.
- Studying the bank's annual strategy.
- Studying the bank's capital and strategic investment projects.
- Deciding on the credit facilities that fall within its powers and presenting what is in excess to the board of directors.

IT Governance Committee

- Endorsing IT strategic goals and appropriate organizational structures including steering committees at the Senior Executive Management level, specifically the IT Steering Committee.
- Endorsing the management, controlling, and monitoring framework for IT projects and resources that align with the best acceptable international standards in that matter; and precisely Control Objectives for Information and related Technology standard (COBIT), in addition to having the framework in line with the Central Bank of Jordan's regulations.
- Endorsing Enterprise IT Goals Matrix that link business and IT related goals in line with the Central Bank of Jordan's regulations.
- Endorsing responsibilities matrix (RACI Chart) towards key IT Governance processes in line with the Central Bank of Jordan's regulations.
- Ensuring that IT Risk Management Framework aligned with the Enterprise Risk Management (ERM) Framework available and ensuring that it meets all IT Governance processes issued by the Central Bank of Jordan.
- Endorsing budgets for IT strategic projects, initiatives, and business as usual activities.
- Monitoring the IT operations, projects and resources to ensure alignment with the strategic business goals and realization of expected benefits of the bank.

Compliance Committee

- Overseeing the efficiency, effectiveness and independence of the Compliance Control Department and its various functions in evaluating the degree of effectiveness with which the bank manages the "compliance risk".
- Taking the necessary measures to enhance the values of integrity and sound professional practice within the bank.
- Ensuring compliance with regulatory authorities' instructions and making efforts within the bank to lay effective foundations in the field of anti-money laundering and terrorist financing, and international sanctions.

Meetings of the Board of Directors and its Committees

First: Board of Directors Meetings

The Board of Directors held (10) meetings during 2021, and below is a table showing the members' attendance at these meetings.

Member Name	Number of Attendances	Name of Resigned Member During 2021	Number of Attendances
Mr. Abdelelah Moh'd Al-Khatib	10	Mr. Mohammad Adnan Almadi	10
Mr. Yousef Mahmoud Al-Neama	10	Dr. Yaser Manna' Adwan	2
Mr. Khalid Majid Al-Nuaimi	10		
Mr. Ramzi Talat Mari	10		
Mrs. Maryam Mohammed Al-Kuwari	9		
Mrs. Munirah Assad AlAjeel*	10		
Mr. Akram Khalifa Grew	5		
Mr. Elhadi Emgahid Abultife	10		
Mr. Fadi Khalid Al Alawneh	10		
Dr. Hamzeh Ahmad Jaradat**	-		
Mrs. Sheikha Yousuf Al-Farsi	10		
Mr. Fawzi Yousef AlHunaif	10		
Mr. Ramzi Tayseer Abdel Jaber	7		

* Mrs. AlAjeel's attendance was as a representative of Kuwait Real Estate Investment Consortium Until August 17, 2021, and as a representative of the Kuwait Investment Authority from September 7, 2021.

** Dr. Jaradat was named representative of the Social Security Corporation/Jordan from December 27, 2021.

Second: Executive Committee meetings

The Executive Committee held (4) meetings during 2021, and below is a table showing the members' attendance at these meetings.

Member Name	Number of Attendances	Name of the Resigned Member During 2021	Number of Attendances
Mr. Yousef Mahmoud Al-Neama	4		
Mr. Khalid Majid Al-Nuaimi	4		
Mrs. Munirah Assad AlAjeel*	4		
Mr. Akram Khalifa Grew (from July 7, 2021)	3		
Mr. Elhadi Emgahid Abultife (until July 7, 2021)	1		
Mr. Fadi Khalid Al Alawneh	4		

*Representative of Kuwait Real Estate Investment Consortium until August 17, 2021 and representative of the Kuwait Investment Authority from September 7, 2021.

Third: Audit Committee Meetings

The Audit Committee held (6) meetings during 2021, and below is a table showing the members' attendance at these meetings.

Member Name	Number of Attendances	Name of the Resigned Member During 2021	Number of Attendances
Mr. Fawzi Yousef AlHunaif	6	Mr. Mohammad Adnan Almadi	5
Mr. Ramzi Talat Mari	6	Dr. Yaser Manna' Adwan	1
Dr. Hamzeh Ahmad Jaradat (from December 27, 2021)	-		
Mrs. Sheikha Yousuf Al Farsi	5		
Mr. Ramzi Tayseer Abdel Jaber (from April 8, 2021)	5		

Fourth: Nomination and Remuneration Committee Meetings

The Nomination and Remuneration Committee held (4) meetings during 2021, and below is a table showing the members' attendance at these meetings.

Member Name	Number of Attendances	Name of the Resigned Member During 2021	Number of Attendances
Mrs. Sheikha Yousuf Al Farsi	4		
Mr. Ramzi Talat Mari (as of April 8, 2021)	2		
Mr. Fawzi Yousef AlHunaif	4		

Fifth: Risk Management Committee Meetings

The Risk Management Committee held (4) meetings during 2021, and below is a table showing the members' attendance at these meetings.

Member Name	Number of Attendances	Name of the Resigned Member During 2021	Number of Attendances
Mr. Fadi Khalid Al Alawneh (from April 8, 2021)	3	Mr. Mohammad Adnan Almadi	1
Mr. Khalid Majid Al-Nuaimi	4	Dr. Yaser Manna' Adwan	1
Mrs. Maryam Mohammed Al- Kuwari	4		
Mrs. Munirah Assad AlAjeel*	4		
Mr. Elhadi Engahid Abultife (from April 8, 2021)	3		
Mrs. Sheikha Yousuf Al Farsi (from April 8, 2021)	3		
Mr. Ammar Bashir Al-Safadi	4		

* Representative of Kuwait Real Estate Investment Consortium until August 17, 2021 and representative of the Kuwait Investment Authority from September 7, 2021.

Sixth: Corporate Governance Committee Meetings

The Corporate Governance Committee held two meetings during 2021, and below is a table showing the members' attendance at these meetings.

Member Name	Number of Attendances	Name of the Resigned Member During 2021	Number of Attendances
Mr. Abdelelah Moh'd Al-Khatib	2	Mr. Mohammad Adnan AlMadi	1
Mr. Yousef Mahmoud Al-Neama (from April 8, 2021)	1	Dr. Yasser Manaa' Adwan	1
Mr. Fawzi Yousef AlHunaif (from April 8, 2021)	1		

Seventh: IT Governance Committee Meetings

The IT Governance Committee held (5) meetings during 2021, and below is a table showing the members' attendance at these meetings.

Member Name	Number of Attendances	Name of the Resigned Member During 2021	Number of Attendances
Mrs. Maryam Mohammed Al- Kuwari	5	Mr. Mohammad Adnan AlMadi	5
Mrs. Munirah Assad AlAjeel*	5		
Mr. Elhadi Emgahid Abultife (from July 7, 2021)	3		
Dr. Hamzeh Ahmad Jaradat (from December 27, 2021)	-		
Mr. Ramzi Tayseer Abdel Jaber (fome April 8, 2021)	4		

*Representative of Kuwait Real Estate Investment Consortium until August 17, 2021 and representative of the Kuwait Investment Authority until September 7, 2021.

Eighth: Compliance Committee Meetings

The Compliance Committee held (4) meetings during 2021, and below is a table showing the members' attendance at these meetings.

Member Name	Number of Attendances	Name of the Resigned Member During 2021	Number of Attendances
Mr. Ramzi Tayseer Abdel Jaber (from April 8, 2021)	3	Dr. Yasser Manaa Adwan	1
Mrs. Sheikha Yousuf Al Farsi	4		
Mr. Akram Khalifa Grew (from July 7, 2021)	2		
Mr. Ramzi Talat Mari (from April 8, 2021)	1		

Overview of Senior Management with Executive Authority - as of 31 December 2021.

Ammar Bashir Al-Safadi

Position: Chief Executive Officer.

Date of Birth: 15 October 1967.

Appointment Date: 9 December 2018.

Qualifications:

- B.Sc. in Economics & Statistics / University of Jordan, 1988.
- M.A. in International Economics / University of Essex (UK), 1991.

Work experiences:

- Regional Director / National Bank of Kuwait (Jordan), 2014 to 2018.
- Deputy Regional Director/ Banking Operations Group / National Bank of Kuwait (Jordan), 2012 to 2014.
- Deputy General Manager/ Banking Operations Group / Capital Bank (Jordan), 2008 to 2012.
- Deputy CEO/Treasury, Support and Operations/ Arab Banking Corporation (ABC) Bank (Jordan), 2006 to 2008.
- Assistant General Manager / Treasury and Investment / Arab Banking Corporation (ABC) Bank (Jordan), 2001 to 2006.
- Executive Manager / Private Banking / HSBC Bank (Jordan), 2000 to 2001.
- Executive Manager / Treasury and Financial Institutions / Export and Finance Bank (Jordan), from 1996 to 2000.
- Treasury Manager / Citibank (Jordan), 1991 to 1996.

Memberships in HBTF Board Committees: Risk Management Committee.

Memberships in Other Commissions and Boards:

- Chairman, Housing Bank for Trade and Finance / Algeria.
- Chairman, International Bank for Trade and Finance / Syria.
- Chairman, Jordan International Bank / United Kingdom.
- Chairman, Specialized Leasing Company.
- Vice Chairman, Association of Banks in Jordan.
- Vice Chairman, Jordan Capital and Investment Fund.
- Board Member, Jordan Payments and Clearing Company.
- Board Member, Al Hussein Fund for Creativity and Excellence.
- Board Member, Institute of Banking Studies.
- Board Member, Jordan River Foundation.

Vasken Samuel Ajemian

Position: Chief Banking Officer.

Date of Birth: 28 June 1972.

Appointment Date: 5 September 2017.

Qualifications: B.Sc. in Business Administration, 1995.

Work Experience:

- Chief Banking Officer /Housing Bank for Trade and Finance, since 2017.
- Head of Banking in Jordan, Lebanon and Egypt / Standard Chartered Bank, (2010-2017).
- Head of Global Markets / Standard Chartered Bank (Jordan), (2003-2010).
- Head of Global Market Sales / Standard Chartered Bank (Jordan), (2001-2003).
- Foreign Exchange dealer/ Standard Chartered Bank (Jordan), during the period (1997-2001).
- Teller/ANZ Grindlays Bank, (1996-1997).
- Trainee / ANZ Grindlays Bank, (1995-1996).

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards:

Board Member, Housing Bank for Trade and Finance / Algeria.

Ibtissam Mohamed EL-Ayoubi

Position: Chief Operating Officer.

Date of Birth: 1 April 1959.

Appointment Date: 23 May 2021.

Qualifications:

- Master of Monetary and Banking Sciences (MMB) from the American University of Beirut 1990.
- Bachelor of Accounting from the Arab University of Beirut – 1983.

Professional Certificates:

- A certificate in Governance and its applications.
- GRC certified (Governance, Risk, Compliance and audit) / Canada (ICAEA).

Work Experience:

- Chief Operating Officer- Housing Bank from 23 May 2021 to date.
- Board Member – Al Ahli Bank of Jordan (04/2015-04/05/2021).
- Deputy General Manager of Operations and Support Group, Capital Bank (01/01/2008- 7/12/2010).
- Project Manager - Arab Bank (19/11/2005 - 31/12/2007).
- Head of the Women's Sector, Arab National Bank/Saudi Arabia (29/06/2002 - 31/08/2005).
- Executive Manager (Operations, Research and Development, Human Resources, Systems....) at several banks/Arab Bank, Bank of Jordan, Commercial Bank (1983-6/2002).
- Professor of Practicing at Al Hussein Technical University (2018-23/5/2021).
- Long experience in financial and management consultancy, restructuring and systems applications for the public and private sectors inside and outside Jordan (2011-2021).

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards:

- Board Member, Specialized Leasing Company.
- Board Member, Hashemite Fund.
- Board Member, Women's Association in decision-making positions.
- Board Member, Gulf Canadian Real Estate / Cairo – Egypt.

Nidal Lutfi Ahmad

Position: Chief Financial Officer.

Date of Birth: 22 August 1964.

Appointment Date: 2 January 2019.

Qualifications:

- Master in Accounting / 1994.
- B.Sc in Accounting / 1990.

Professional Certificate: Certified Public Accountant (CPA) / 1998.

Work Experience:

- Chief Financial Officer, Housing Bank for Trade and Finance, since 2019.
- Assistant General Manager - Finance Group / Qatar National Bank (Qatar), (2005-2016).
- Senior Financial Manager / Al Rajhi Bank (Saudi Arabia), (2004-2005).
- Senior Manager - Finance Department / Jordan Kuwait Bank (Jordan), (2002-2004).
- Financial Control Manager - Finance Group / Qatar National Bank (Qatar), (1995-2002).

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards:

- Board Member, Jordan International Bank, London.
- Board Member, International Bank for Trade and Finance - Syria.

Amro “Mohammad Walid” Mousa

Position: Chief Credit Officer.

Date of Birth: 29 May 1971.

Appointment Date: 23 November 2008.

Qualifications: B.Sc. Economics/ Political Science, 1994.

Professional Certificates:

- Certified Lender Business Banker (CLBB), 2005.
- Accredited certification in Strategic Management, 2014.
- Certified Risk Specialist (CRS), 2006.
- Certification, Comprehensive Banking Facilities Program, 2001.

Work Experience:

- Chief Credit Officer /Housing Bank for Trade and Finance, since 2019.
- Executive manager - Credit Review Department / Housing Bank for Trade and Finance, (2019-2011).
- Large Corp Credit Review Manager / Housing Bank for Trade and Finance, (2011-2008).
- Banking Assistant to the CEO-General Manager/Commercial Bank of Jordan during the period (2005-2008).
- Advisor appointed by the European Investment Bank/SME Fund/Syria in 2008.
- Corporate Facilities Department / Société Générale Jordan Bank, during the period (2005-2003).
- Facilities Department / Arab Bank, during the period (2001-2003).
- Commercial Department / Arab Bank, during the period (1996-2001).
- Operations Department / Arab Bank, during the period (1995-1996).

Memberships in HBTF Board Committees: None

Memberships in Other Commissions and Boards:

- Board Member, International Bank for Trade and Finance / Syria.

Ali Hasan Al-Mimi

Position: Chief Risk Officer.

Date of Birth: 5 April 1979.

Appointment Date: 18 October 2000.

Qualifications:

- B.Sc. in Accounting 2000.
- Professional certificate:
- Certified Internal Auditor (CIA) / 2013.
- Certification in Control Self-Assessment (CCSA) / 2011.
- Certification in Risk Management Assurance (CRMA) / 2013.

Work Experience:

- Chief Risk Officer /Housing Bank for Trade and Finance, since 8-2021 to date.
- General Auditor /Housing Bank for Trade and Finance, since 2018 From 1/2018 to 7/2021.
- Internal Audit Department / Housing Bank for Trade and Finance, during the period (2000-to 7/2021).

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards:

- Board Member, Jordan Mortgage Refinance Company.

Riyad Ali Taweel

Position: Head of Treasury and Investment Sector.

Date of Birth: 1 September 1971.

Appointment Date: 22 July 2007.

Qualifications: Bachelor of Economics / 1992.

Professional Certificate: Chartered Financial Analyst (CFA) / 2000.

Work Experience:

- Head of Treasury and Investment Sector / Housing Bank for Trade and Finance, since 2009.
- Manager, International Investment Center/Housing Bank for Trade and Finance 2009-2007.
- Market Risk Management Investment Analyst/ABC Bank (Bahrain), 2006-2007.
- Capital Market Manager/Export and Finance Bank, 2006-2005.
- Treasury Department / Housing Bank for Trade and Finance, 1992 – 2005.

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards:

- Chairman, International Financial Center Company.
- Board Member, Jordan International Bank / (UK).
- Chairman, Commercial Banks Company to invest in Companies.
- Board Member, Social Security Investment Fund.

Ahmed Fadi Al-Khader

Position: Head of Internal Audit, Housing Bank Group.

Date of Birth: 1 February 1975.

Appointment Date: 4 August 2021.

Qualifications: B.Sc. in Accounting – University of Jordan, 1997.

Professional Certificates:

- Certified Public Accountant, (JCPA).
- Certified Internal Auditor, (CIA).
- Certified Banking Auditor, (CBA).

Work Experience:

- Head of Financial and Treasury Audit / Arab Bank Group (10/2003-7/2021).
- Supervisory and managerial positions /Big Four and leading international Audit firms (11/1997- 10/2003).

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards:

- Board member, Jordan Association for Certified Public Accountants.
- Board member, CRIF Jordan.

Nayef Hashem Al-Hussein

Position: Executive Manager / Compliance Dept.

Date of Birth: 14 October 1979.

Appointment Date: 15 July 2013.

Qualifications:

- MA in Financial Economy, 2005.
- B.Sc. Economic 2001.

Professional Certificates:

- Certified Anti Money Laundering Specialist (CAMS) / 2008.
- Certified Financial Crime Specialist (CFCS) / 2016.
- Certified Anti Money Laundering Specialist (CAMS)-Audit program / 2018.
- Certified Fraud Examiners (CFE) / 2019.
- Certified Global Sanctions Specialist (CGSS) / 2020.
- Certified Compliance Manager (CCM) / 2020.

Work Experience:

- Executive Manager / Compliance Department, Housing Bank for Trade and Finance, since July, 2013.
- Regulatory Compliance Manager / Group Compliance, Arab Bank PLC, 2013.
- Anti-money laundering Sr. Officer – Deputy Executive Manager/ Compliance Department, Housing Bank for Trade and Finance, 2007-2013.
- Held several positions at the Housing Bank for Trade and Finance during the period (2002-2006).

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards: Board Member, ALDaman for Investments Co.

Wael Ismail Asfour

Position: Legal Advisor.

Date of Birth: 26 July 1972.

Appointment Date: 1 June 2008.

Qualifications: Bachelor in Law / 1994.

Work Experience:

- Legal Advisor / Housing Bank for Trade and Finance, since 2013 and has been working with the Bank since 2008.
- Secretary of the Board of Directors / Specialized Leasing Company, since 2005.
- Legal Advisor and Secretary of the Board of Directors / International Financial Center Company, since 2007.
- Legal Advisor / Housing Bank Securities Fund, since 2006.
- Member of the Legal Committee/Banking Association of Jordan, since 2005.
- Member of the Jordanian Bar Association, since 1994.

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards: None.

Ameed Naeem Al-Batran

Position: Executive Manager / Central Operations Department.

Date of Birth: 15 February 1972.

Appointment Date: 1 June 2020.

Qualifications: Bachelor of Accounting from the University of Jordan in 1996.

Professional Certificates: COM Certified.

Work Experience:

- Executive Manager /Central Operations Department/Housing Bank for Trade and Finance, from 06/2020 to date.
- Executive Manager - Central Operations Department / Commercial Bank of Jordan, (2014-2020).
- Country Operations Manager / Arab Bank of Algeria, 2013-2014).
- Operation Control Manager/ Arab Bank of Algeria, (2009-2013).
- He held several positions at Arab Bank Jordan (1996-2009).

Memberships in HBTF Board Committees: None.

Memberships in Other Commissions and Boards: None.

Senior Management Members with Executive Authority who resigned during the year 2021

There were no resignations at the Senior Executive level in 2021.

Remunerations Policy

The Board of Directors annually approves a percentage of the net profit attributable to the Bank's shareholders after-tax, to be distributed as an incentive to eligible employees. It is not considered binding on the Bank in light of the bank's financial conditions, which means that its application in one year does not give it the status of an acquired right in subsequent years.

The incentive system is based on an effective performance evaluation system aimed at:

- Rewarding and motivating outstanding performers and constantly empowering them to boost their productivity.
- Follow and monitor the employee's performance to determine their training needs and develop a plan to improve their result.
- Assist in making the necessary decisions to maximize the benefit of human resources by putting the right person in the right place.
- Document and save performance evaluation results within the employee database.

The foundations and criteria for rewarding annual incentives are approved by the Nomination and Remunerations Committee of the Bank's Board of Directors with the approval of the Board of Directors.

Benefits and Remunerations for the Chairman and Board Members During 2021

Name		Position	Total Annual Salaries	Annual Transportation Allowance	Annual Remunerations	Annual Travel Expenses	Total Annual Benefits
Mr. Abdelelah Moh'd Al-khatib		Chairman	-	440,500	5,000	-	445,500
Mrs. Sheikha Yousuf Al Farsi		Board Member	-	140,500	5,000	-	145,500
Mr. Fawzi Youssef AlHunaif		Board Member	-	146,000	5,000	-	151,000
Mr. Ramzi Tayseer Abdel Jaber		Board Member	-	92,217	-	-	92,217
Qatar National Bank, Represented by:							
Mr. Yousef Mahmoud Al-Neama		Vice-Chairman	-	146,000	5,000	3,548	154,548
Mr. Khalid Majid Al-Nuaimi		Board Member	-	146,000	5,000	1,773	152,773
Mr. Ramzi Talat Mari		Board Member	-	146,000	5,000	-	151,000
Mrs. Maryam Mohammed Al-Kuwari		Board Member	-	146,000	5,000	-	151,000
Kuwait Investment Authority, Represented by:							
Mrs. Munirah Assad AlAjeel (from September 7, 2021)		Board Member	-	46,484	-	1,371	47,855
Libyan Foreign Bank, Represented by:							
Mr. Akram Khalifa Grew		Board Member	-	68,567	-	-	68,567
Mr. Elhadi Emgahid Abultife		Board Member	-	140,500	5,000	-	145,500
Social Security Corporation/Jordan, Represented by:							
Mr. Fadi Khalid Al Alawneh		Board Member	-	140,500	5,000	-	145,500
Dr. Hamzeh Ahmad Jaradat		Board Member	-	2,879	-	-	2,879

Benefits in-kind received by any board member:

None.

Benefits and Remunerations for Resigned Board Members During 2021

(JD)

Name	Position	Total Annual Salaries	Annual Transportation Allowance	Annual Remunerations	Annual Travel Expenses	Total Annual Benefits
Mr. Mohammad Adnan Almadi	Board Member	-	128,126	3,101	-	131,227
Mrs. Munirah Assad AlAjeel (as a representative of Kuwait Real Estate Investment consortium until August 17, 2021)	Board Member	-	99,516	5,000	-	104,516
Dr. Yaser Manna' Adwan	Board Member	-	52,475	5,000	-	57,475
Mr. Nidal Faeq Alqubaj *	Board Member	-	9,495	1,899	-	11,394
Mr. Mohamed Najib Eljamal *	Board Member	-	3,552	710	-	4,262

* Resigned during 2020 and the amounts outlined in the schedule were disbursed during 2021.

Benefits in-kind received by any resigned board member:

None.

Benefits and Remunerations for Senior Executive Management Members During 2021

(JD)

Name	Post	Total annual Salaries	Annual Mobility Allowance	Annual Rewards	Annual Travel Expenses	Total Annual Benefits
Ammar Bashir Al-Safadi	Chief Executive Officer	496,784	-	261,000	750	758,534
Vasken Samuel Ajemian	Chief Banking Officer	302,312	2,880	64,899	-	370,091
Ibtissam Mohamed EL-Ayoubi	Chief Operating Officer	165,221	1,750	-	-	166,971
Nidal Lutfi Ahmad	Chief Financial Officer	195,952	2,880	48,190	600	247,622
Amro "Mohammad Walid" Mousa	Chief Credit Officer	143,056	2,880	24,030	-	169,966
Ali Hasan Al-Mimi	Chief Risk Officer	143,728	2,880	24,100	-	170,708
Riyad Ali Taweel	Head of Treasury and Investment Sector	172,724	2,880	28,993	600	205,198
Ahmed Fadl Al- Khader	Head of Internal Audit, Housing Bank Group	62,390	1,177	-	-	63,567
Nayef Hashem Al-Hussein	Executive Manager / Compliance Dept.	124,206	1,200	20,827	-	146,233
Wael Ismail Asfour	Legal Advisor	109,639	1,200	13,639	-	124,477
Ameed Naeem Al-Batran	Executive Manager / Central Operations Dept.	112,784	1,200	10,354	600	124,938
Mr. Ahmed Salim Raja Ahmed Al Haj	Chief Risk Officer (until August 4, 2021).	27,801	350	6,080	-	34,231

* Mr. Ali Al-Mimi was named Chief Risk Officer as of August 4, 2021, and before that date, he was the bank's General Auditor.

Benefits in-kind received by any member of senior executive management: None.

- Benefits and Remunerations for Resigned Senior Executives During 2021:
- No Senior members resigned in 2021.

Shareholders who own 1% or more of the bank's capital for the year 2021

Shareholder Name	Nationality	Number of Shares Owned	Share Capital Ratio	The Ultimate Beneficiary	Number of Pledged Shares	Percentage of Pledged Shares as a Percentage of the Total Shareholding	Pledgee
Qatar National Bank	Qatari	121,499,200	38.571%	Qatar Investment Authority 51.93%	-	-	-
Kuwait Investment Authority	Kuwaiti	58,607,556	18.606%	Government of Kuwait 100%	-	-	-
Libyan Foreign Bank	Libyan	54,311,427	17.242%	Central Bank of Libya 100%	-	-	-
Social Security Corporation/ Jordan	Jordanian	48,576,000	15.421%	Itself	-	-	-
Iran Foreign Investment Company	Iranian	14,577,670	4.628%	Government of the Republic of Iran 100%	-	-	-
Total		297,571,853	94.468%	-	-	-	-

- The number of Jordanian shareholders is 2,885, whose equity percentage of the capital constitutes 19.016%.
- The number of Arab and foreign shareholders is 455, whose equity percentage of the capital constitutes 80.984%.

Names of major shareholders issued by the bank and the number of shares owned by each of them (major shareholders 5% or more)

Name	Number of Shares by the End of 2020	Equity to Capital Ratio	Number of Shares by the End of 2021	Equity-to-Capital Ratio
Qatar National Bank	108,615,827	34.481%	121,499,200	38.571%
Kuwait Investment Authority *	0	0	58,607,556	18.606%
Kuwait Real Estate Investment consortium *	58,617,556	18.609%	10,000	0.003%
Libyan Foreign Bank	54,311,427	17.242%	54,311,427	17.242%
Social Security Corporation/Jordan	48,576,000	15.421%	48,576,000	15.421%
Total	270,120,810	85.753%	283,004,183	89.843%

* 58,607,556 shares of "Kuwait Real Estate Investment consortium" which amount to (18,606%) of the Bank's Capital were transferred to "Kuwait Investment Authority" on 17/08/2021. The transfer of ownership is an implementation of the new investment structure for the State of Kuwait.

The bank's competitive position and market share from the banking sector in Jordan

Statement	Market Share
Assets	12.2%
Customer Deposits	10.9%
Direct Credit Facilities	11.5%

Degree of dependence on specific suppliers and/or key customers (domestically and externally)

There is dependence on specific suppliers and/or major domestic and external clients, accounting for 10% and more of total purchases for 2021, and are as follows:

Supplier Name	Amount
Jordan Business Systems for Management of Business and Agencies Company (JBS)	4,408,372 JODs

Description of Any Government Protection or Privileges that the Bank or Any of its Products Enjoys, and a Description of Any Patents or Franchises

Neither the bank nor any of its products enjoy any government protection or privileges according to laws and regulations, and the bank has not obtained patents or franchises.

Description of Any Government Decisions Issued by the Government, International Organizations, or Others that Have a Material Impact on the Bank's Business, Products, or Competitiveness

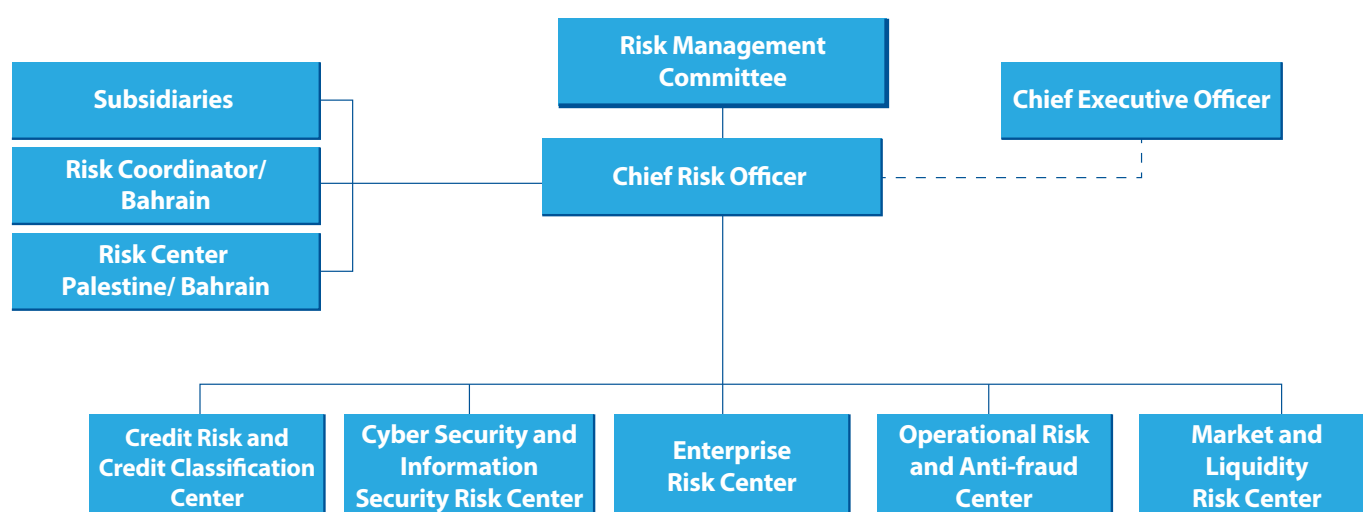
There are no decisions issued by the government or international organizations or others that have a material impact on the bank, its products, or its competitiveness. The bank applies international quality standards.

Bank Risk Management

The bank is exposed to a range of risks, and these risks are reflected in number 47 of the 2021 Financial Statement, and the bank's risk is managed through the Risk Management Group, a group independent of the bank's business activities that manage each of: credit risk, capital risk, reputational risk, strategic risks, operating risks and anti-fraud, market risk and liquidity, including interest rate risks, cybersecurity risks and information security and business continuity, according to an integrated methodology based on determining the size and type of the risks to which the bank is exposed using various systems, methodologies and measurement tools that include a combination of quantitative and qualitative methods in monitoring and measuring risks in accordance with regulatory instructions and approved policies.

The Risk Management Group is a full-fledged independent function that reports directly on a solid-line basis to the Board Risk Committee, and on a dotted-line basis to the CEO.

The following figure shows the organizational structure of the Risk Management Group:



The achievements of the bank are supported by numbers and a description of the bank milestones during 2021.

These are shown in the 2021 performance analysis.

The financial impact of operations of a non-recurring nature occurred during 2021 and are not part of the main activity of the bank.

There have been no operations of a non-recurring nature or any material matters that are not included in the main activity of the bank.

Profit development, net shareholder equity, share price, and dividends.

These are shown in the 2021.

Performance analysis, analysis of the bank's financial position and business results during 2021.

These are shown in the 2021 performance analysis.

Significant future developments, including any expansions or new projects, and the future plan of the bank.

These are shown in the bank's business plan.

Auditors' Fees for 2021

(JD)

Statement	Audit fees (After Tax)	Consultations and Other Fees (After Tax)	Total
Jordan Branches	275,907	9,860	285,767
Palestine Branches	38,860	7,714	46,574
Bahrain Branch	30,646	12,851	43,497
International Bank for Trade and Finance/Syria	34,151	8,449	42,600
Housing Bank for Trade and Finance/Algeria	86,449	0	86,449
Jordan International Bank/London	170,617	0	170,617
Specialized Leasing Company	7,540	3,480	11,020
International Financial Center Company	6,090	0	6,090
Jordan Real Estate Investments and Commercial Services Company	2,320	0	2,320
Total	652,581	42,354	694,934

Donations and Grants for 2021

The bank's donations in cash in 2021 amounted to JD772,671, and the following is a table showing the main benefactors:

(JD)

Beneficiary	Amount of Donation	Beneficiary	Amount of Donation
Jordan River Foundation	150,000	Arab Group for the Protection of Nature	10,000
King Hussein Cancer Foundation	120,000	Dar Abu Abdullah Association for Charitable and Development Work	10,000
Greater Amman Municipality, Abdoun Housing Bank Park	60,000	Comprehensive Health Insurance Association	10,000
Jordan Hashemite Fund for Human Development	50,000	Al Hussein Society, Jordan Comprehensive Training Center	10,000
Prime Minister's Initiative for the Centenary of the State, Distribution of Tablets / Ministry of Education	49,386	Jordanian Armed Forces General Command	10,000
Princess Taghreed Institute	43,000	Promising Welfare Association	10,000
King's Academy	35,450	Housing and Urban Development Corporation	7,000
Tkiyet Um Ali Association for Volunteerism and Charity	30,000	Al Dia Charitable Society	6,000
Peace Generations Authority	25,000	Salt Sports Cultural Club	5,000
Al Aoun Humanitarian Aid Club	24,000	Al Ahli Club	5,000
Jerash Festival	20,000	Salt Development Foundation	5,000
Young Muslim Women Association	15,000	Associations of Banks in Jordan	5,000
Jordanian Children's Villages Association SOS	15,000	Other donations	27,835
Public Security Directorate	15,000	Total	772,671

2- In-Kind Donations

The book value of the in-kind materials donated during 2021 was about JD6,800, with a nominal value of about JD1,892,229, and the donated non-monetary materials are computers, furniture, and machines.

The number of materials donated to the Princess Alia Initiative (3,726) ream of A4 photocopy paper in 2021.

The following table shows the most important beneficiaries in Jordan:

Beneficiaries
Talal Abu Ghazala Group (Global Group for Professional Services and Education)
Totenji State Hospital
Women Determination Charity (Al Azim)
Future Club for Motor Disability
Al Quwaisma Charitable Society
Al Backaan Mixed Primary School
Nafi Al Sharqi Mixed High School
East Jawa Mixed Primary School
Totenji State Hospital
Her Highness Princess Alia's Initiative

Contracts, projects, and engagements concluded by the issuing bank with subsidiaries, sister companies or affiliates, chairman of the board of directors, board members, CEO, or any employee of the company or their relatives.

1. As indicated in Clarification No. 43 of the 2021 Financial Statements, the bank has entered into transactions with senior shareholders and
2. members of the board of directors and senior management within the bank's normal activities and using interest rates and commercial commissions. All related-party credit facilities are considered operational, and no allowances have been made for them.
3. During 2021, the bank did not enter into contracts, projects or associations with affiliates, or sister companies, or allies, or chairman, or

board members, or CEO, or company employees or their relatives.

In 2021, the bank entered into contracts with the specialized leasing company "subsidiary company" as follows:

Statement	Value in Dinars
Purchase of counting, inspecting, and encapsulating cash machine	707,600

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

During the year 2021, the Housing Bank continued its support for environmental initiatives in Jordan, as the bank continued to finance the cost of sponsoring the Housing Bank Park/Abdoun. In addition, the bank adopted targeted policies in the field of rationalizing energy and water consumption, and applied modern technologies concerned with this field in the new public administration building in Shmeisani and the bank branches across Jordan.

Commitment to Corporate Governance

The bank is committed to implementing the provisions of the Corporate Governance Manual, whereby a board of directors has been elected in line with the Instructions for Corporate Governance issued by the Central Bank of Jordan. A copy of this manual can be found at the following link:

<https://www.hbtf.com/ar/InvestorRelations/Lists/HBTfDocumentsInstance/Booklet%20final.pdf>

The bank is committed to implementing the provisions of the Governance and Information Management Manual as well as the accompanying technologies (which are considered as an integral part of the Corporate Governance Manual) in accordance with the instructions of the Central Bank of Jordan. A copy of this manual can be found at the following link:

<https://www.hbtf.com/ar/InvestorRelations/Lists/HBTfDocumentsInstance/Final%20-%20Item03.01-Manual%20Governor%20-%20Issue%20Th.pdf>

Handling Customer Complaints

HBTF pays a significant priority to deal with customer complaints through the presence of an independent Customer Complaints Unit that studies, analyzes, and handles customer complaints. In addition, there is a qualified and trained staff according to the bank's policies and procedures and the Central Bank of Jordan's regulations. During 2021, Customer Complaints Unit handled (1,989) complaints and classified them in the bank's records according to the regulations.

Customer Complaints Unit submits a quarterly report to the Compliance Committee which includes comprehensive analysis, as well as the actions that had been taken. The board of directors discusses this report, and evaluates the effect of complaints on the bank's reputation.

Organizational Structures

| 07 |



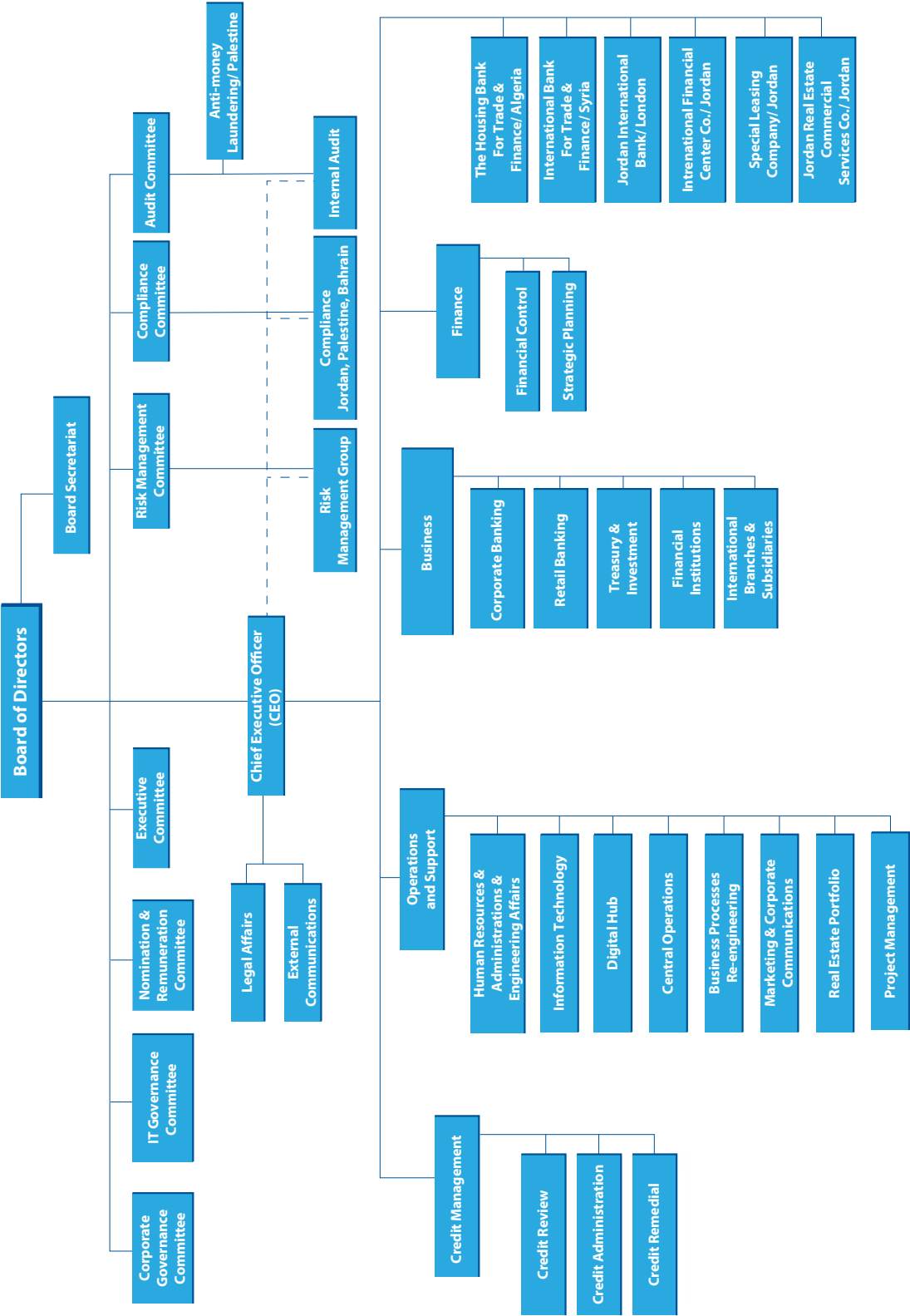
Robot Process Automation System (RPA)

Faster and more accurate banking work.

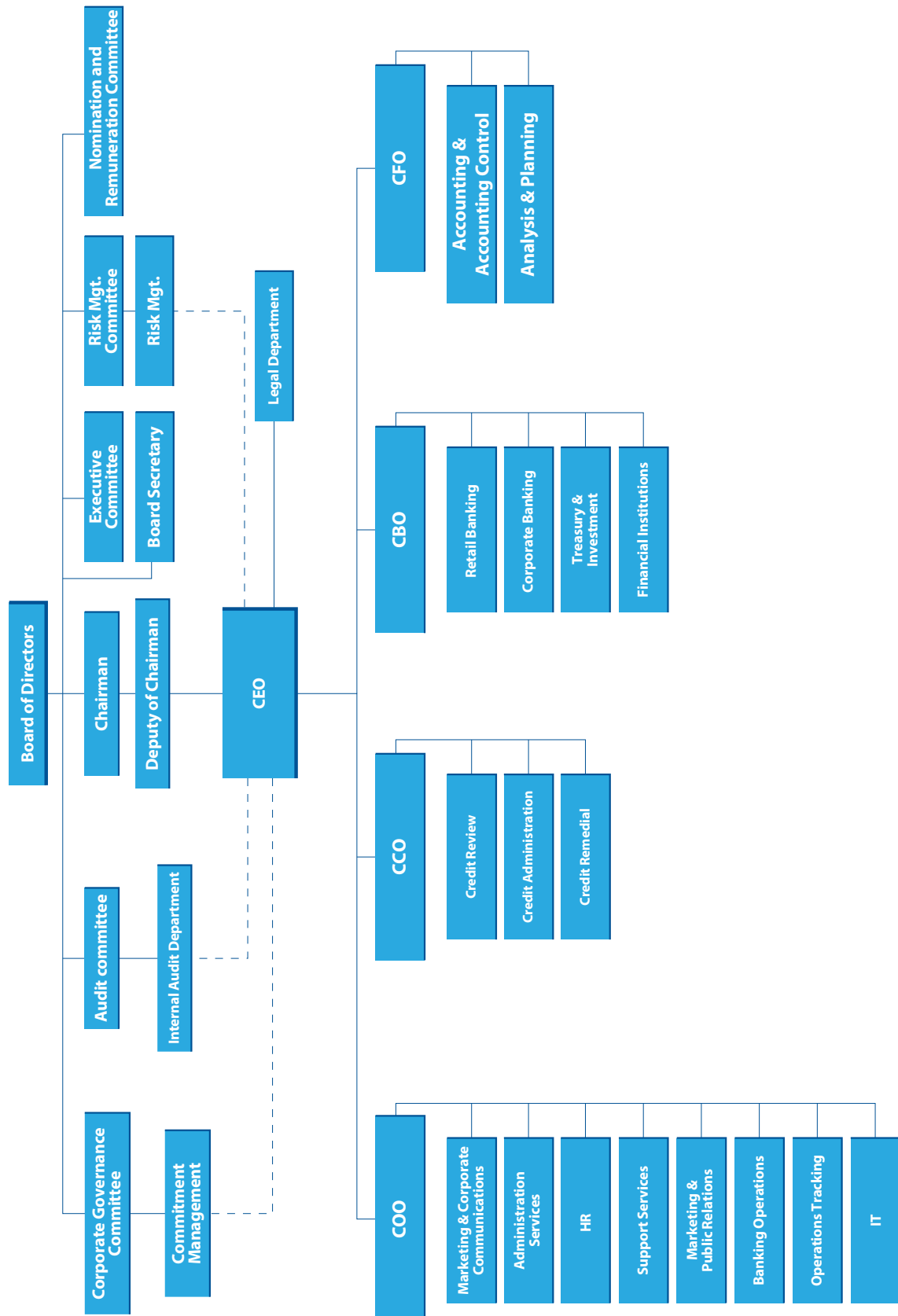
Repetitive manual tasks are accomplished through robotic processes, while employees focus on performing higher-value tasks and getting them done faster. This system saves thousands of hours of manual labor, which means lower costs, higher productivity, and efficiency.



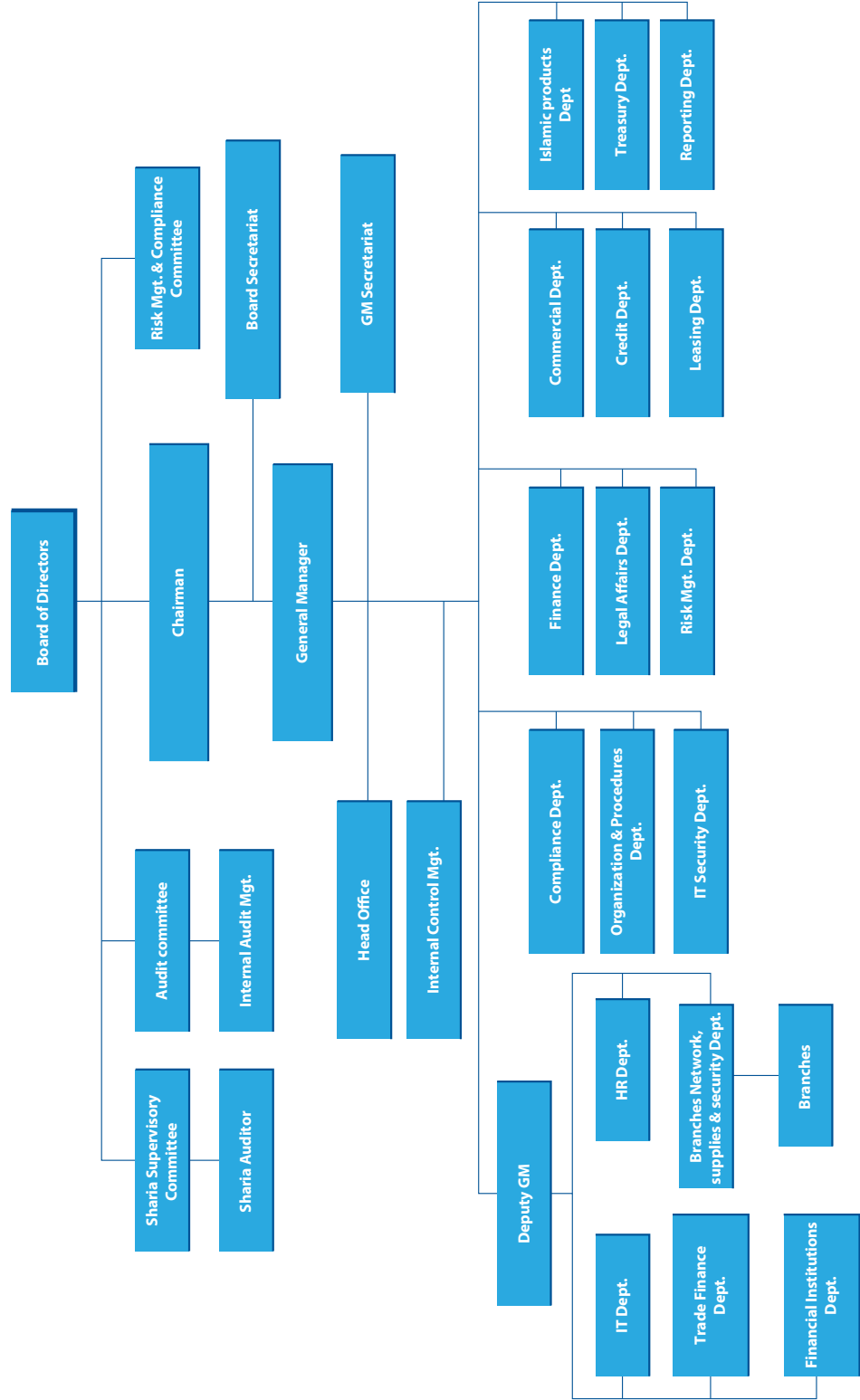
Housing Bank for Trade & Finance



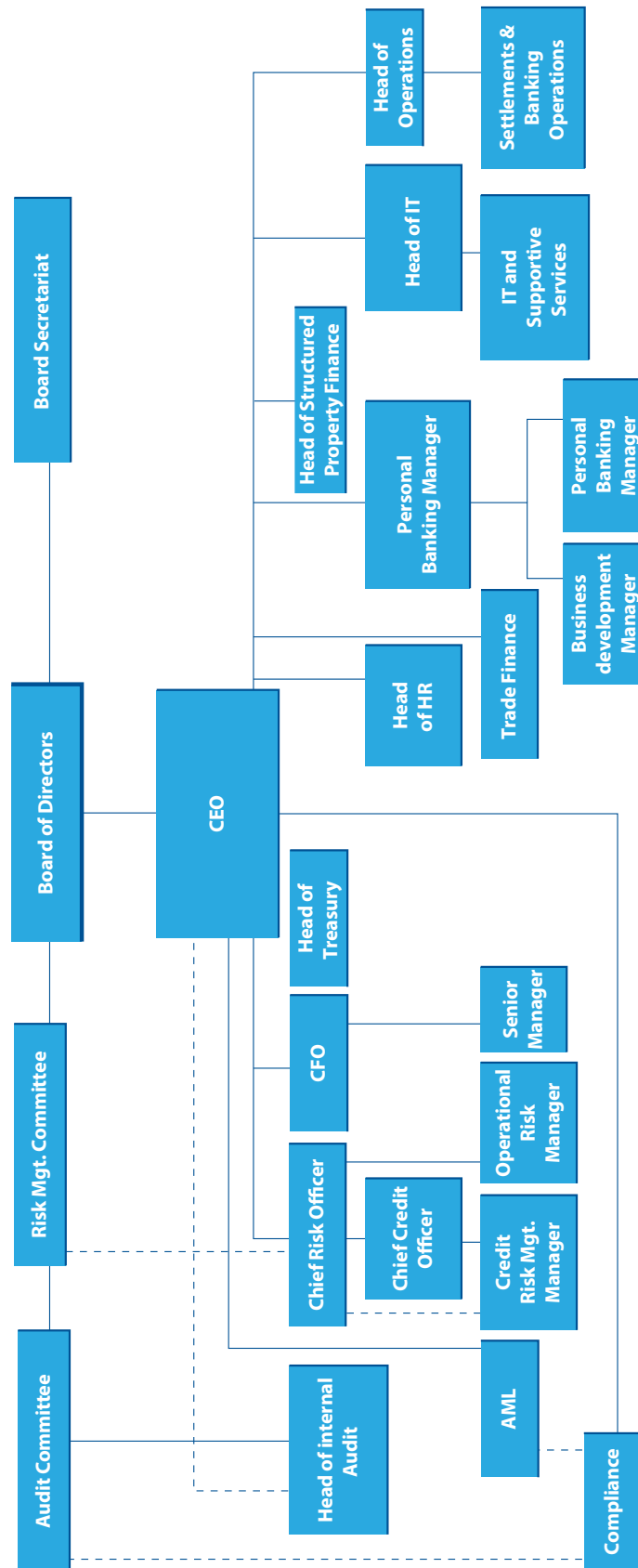
International Bank for Trade & Finance - Syria

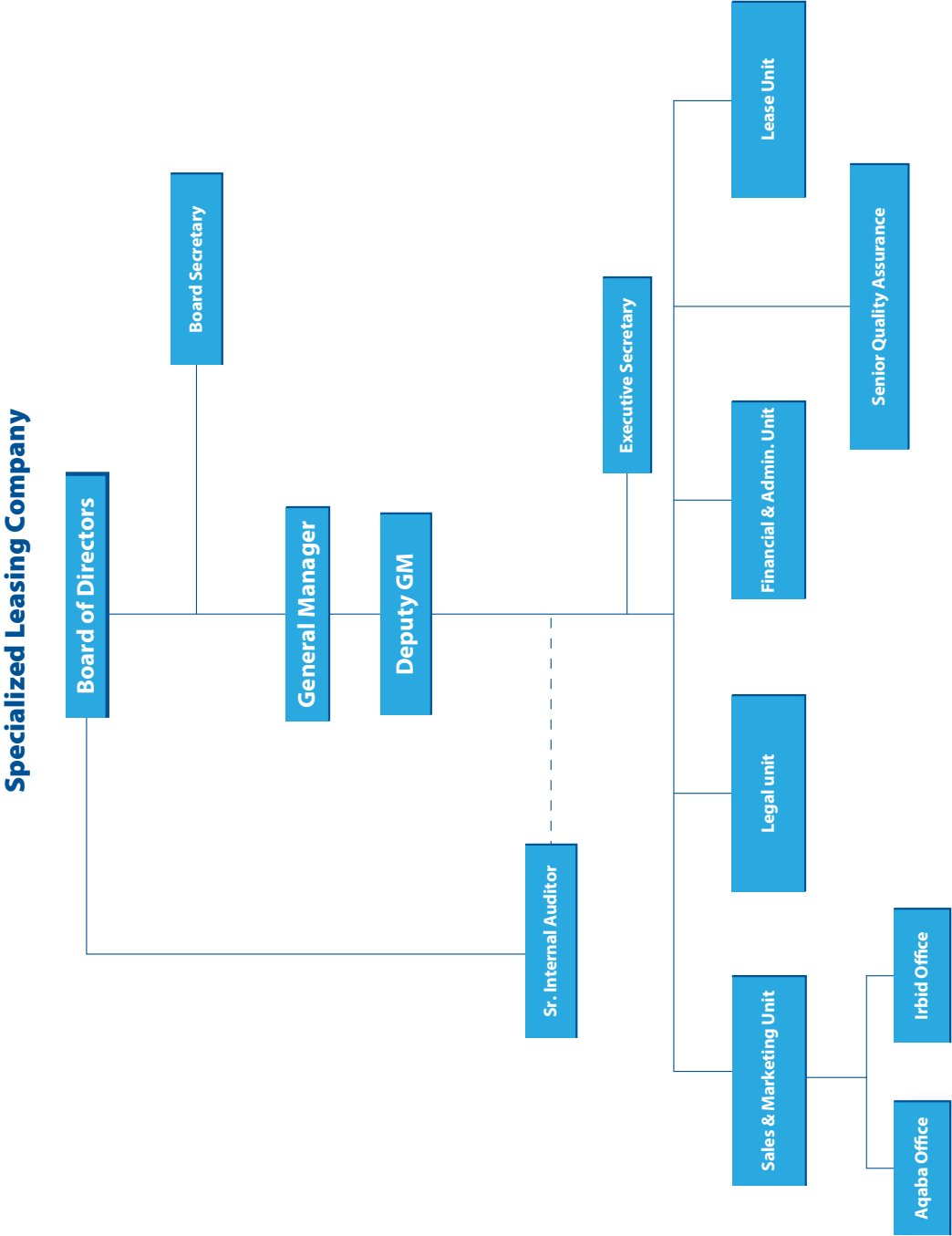


The Housing Bank for Trade & Finance – Algeria

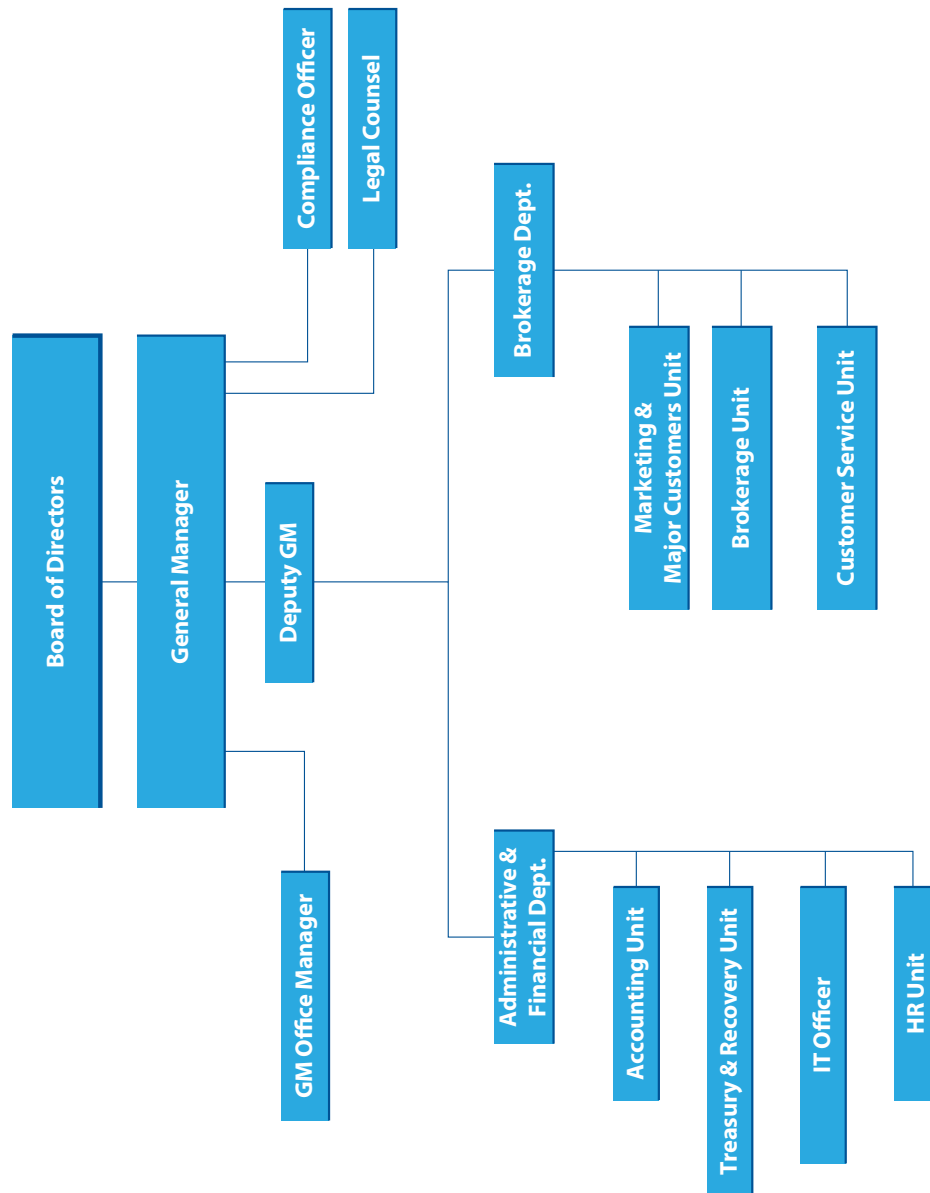


Jordan International Bank - London

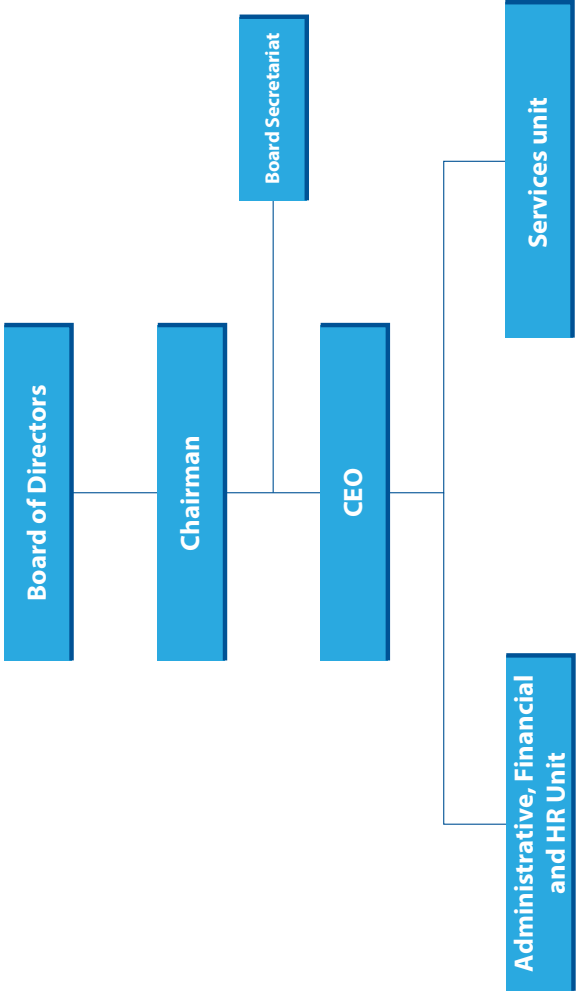




International Financial Center Company



Jordan Real Estate Investments and Commercial Services Company



Addresses of the Bank's Branches

Housing Bank Branches for Trade and Finance - Jordan

Branch Name	Telephone Number 06-5005555 EXT	Address	Branch Location Coordinates		E-mail
			Latitude	Longitude	
Amman Governorate					
Abdali	5138	Amman - Abdali - Parliament Street	31.9610301	35.9116501	br001@hbtff.com.jo
Abdali Mall	3490	Amman - Abdali - Abdali Mall	31.9632370	35.9081130	br001@hbtff.com.jo
Al Madina	4060	Amman - King Hussein Street - Building No. 33	31.9540050	35.9317180	br003@hbtff.com.jo
Jabal Amman	4070	Amman - Jabal Amman - Prince Mohamed Street - Building No. 252	31.9547666	35.9149128	br004@hbtff.com.jo
Jabal Al Hussein	4075	Amman - Jabal Al Hussein - Khaled Bin Al Walid Street - Building No. 121	31.9646200	35.9216300	br005@hbtff.com.jo
Al Wehdat	4088	Amman - Al Wehdat - Prince Al Hassan Street - Building No. 263	31.9259200	35.9381300	br006@hbtff.com.jo
Marka	4097	Amman - Marka - King Abdullah Street - Building No. 423	31.9796500	35.9842700	br007@hbtff.com.jo
Prince Hassan District	4122	Amman - South Marka - Al Rabwa Avenue - Salah Al Hamlan Street - Mojae Al Khasib	31.9569336	35.9775482	br010@hbtff.com.jo
Al Hashimi Al Shamali	4050	Amman - Al Hashmi Al Shamali - Al Bathaa Street - Jawahara of Al Bathaa Complex	31.9757390	35.9551350	br011@hbtff.com.jo
Ras Al Ain	4136	Amman - Ras Al Ain - Jerusalem Street - Building No. 10	31.944760	35.922693	br012@hbtff.com.jo
Ashrafia	4145	Amman - Ashrafieh - Imam Al Shafai Street - Building No. 52	31.9372130	35.9333060	br013@hbtff.com.jo
Al Nuzha	4146	Amman - Al Nuzha - Saeed Bin Al Musayib Street - Building 28	31.9741900	35.9262400	br015@hbtff.com.jo
Al Madineh Al Riyadiah	4167	Amman - Al Madina Al Riyadiah Avenue - Martyr Street - Building No. 35	31.9874900	35.9021700	br016@hbtff.com.jo
Al Salam	4179	Amman - Jabal Al Lweibdeh - Faculty of Sharia Street - Building 8	31.9572701	35.9205233	br017@hbtff.com.jo
Al Tijari Complex	2330	Amman - Shamisani - Queen Noor Street - Bank Eliskan Complex - Building No. 91	31.9713580	35.9075820	br018@hbtff.com.jo
Prince Mohammad Street	5977	Amman - 9 Sha'an Street - Talaa Hayek	31.9516800	35.9278000	br019@hbtff.com.jo
Tariq	4186	Amman - Tariq Avenue - Tariq Street - Opp. Al Nejma Halloyat	32.0027010	35.9400830	br020@hbtff.com.jo
Abu Nussair	4193	Amman - Abu Nussair - Ibn Hedda Street - Al Basala Avenue	32.0524680	35.8792900	br023@hbtff.com.jo
Nazzal District	4200	Amman - Nazzal District - Bani Tazif Street - Building No. 6	31.9361400	35.9156900	br024@hbtff.com.jo
Abdoun	4208	Amman - Abdoun - Cairo Street - Building No. 94	31.9535600	35.8793700	br025@hbtff.com.jo
Park Plaza	2881	Amman - Sweifia - Salah Suhaimat Street - Park Plaza Complex	31.9585398	35.8689198	br026@hbtff.com.jo
Gardens	4224	Amman - Tlaa Al Ali - Wasfi Al Tal Street (Jordans) - Building No.27	31.9836750	35.8898240	br027@hbtff.com.jo
Main Branch	2422	Amman - Shmeisani - Prince Shakir Bin Zeid Street - Building No. "37"	31.966012	35.893675	br028@hbtff.com.jo
Um Uthaina	4270	Amman - Um Uthaina - Mecca Street - Al Thawabet Complex - Building No. 59	31.970456	35.876519	br030@hbtff.com.jo
Jubeiha	4281	Amman - Jubeiha - Abdulla Ali Al Lozi Street - Building No. 31	32.0220890	35.8659870	br031@hbtff.com.jo
Sweileh	4306	Amman - Sweileh - Princess Raya Bint Al Hussein Street - Building No.26	32.0233600	35.8415600	br034@hbtff.com.jo
Sahab	4315	Amman - Sahab - Prince Hassan Street - Building No. 24	31.8715500	36.0045300	br035@hbtff.com.jo

Branch Name	Telephone Number 06-5005555 EXT	Address	Branch Location Coordinates		E-mail
			Latitude	Longitude	
Abu Alanda	4322	Amman - Abu Alanda - Asmaa Bint Salma Street - near Abu Hassan Complex and Al-Disi Reservoirs	31.904805	35.968414	br038@hbtf.com.jo
Jouaida	4025	Amman - Jouaida - Medaba Street - Al Walid - Building No. 31	31.8791700	35.9328500	br039@hbtf.com.jo
Marj Al Hammam	4336	Amman - Marj Al Hammam - Noiran Street - Aldala Circle	31.8941200	35.8385300	br041@hbtf.com.jo
Na'ur	4345	Na'ur - Intersection of The Martyr's Avenue - Bus Parking Vaults	31.8697100	35.8213750	br042@hbtf.com.jo
Mwagar	4033	Amman - Mwagar - Near the Circle of Martyr Sayel Al Kharisha	31.8117670	36.1062470	br043@hbtf.com.jo
Tlaa Al Ali	4358	Amman - Tlaa Al Ali - Wasfi Al Tal Street - Building No. 193	31.9930300	35.8626900	br044@hbtf.com.jo
King Abdullah II Industrial City	4365	Amman - Sahab - King Abdullah II Industrial City	31.8525880	36.0075810	br045@hbtf.com.jo
Horrya Street	4893	Amman - Maqbalin - Horrya Street - Building No. 140	31.8953718	35.9165294	br047@hbtf.com.jo
Bayader	4396	Amman - Bayader Wadi Al-Sir - Hosni Sober Street - Building No. 58 - Al-Sharkas Mosque	31.9544150	35.8386250	br049@hbtf.com.jo
Airport	4688	Amman - Queen Alia International Airport - Qa'admin	31.7217170	35.9856760	br097@hbtf.com.jo
Al Ithaa	4700	Amman - Prince Al Hassan Street - Opp. To Hiteen College - Building No. 431	31.9083080	35.9384010	br102@hbtf.com.jo
Um Al Summaq	4720	Amman - Um Al Summaq - Ousara Street - Building No. 17	31.983806	35.847518	br106@hbtf.com.jo
Al Atfal	3774	Amman - Shmeisani - Prince Shakir Bin Zeid Street - Haya Cultural Center	31.9660950	35.8968840	br109@hbtf.com.jo
Arar Street	4754	Amman - Wadi Saqra - Arar Street - Building No. 260	31.9660950	35.8968840	br111@hbtf.com.jo
Rabieh	4772	Amman - Dahiat Al Rabieh - Abdulrahman Abu Hassan Street - Samer Barham Complex	31.9754450	35.8838660	br115@hbtf.com.jo
Abdallah Ghosheh	4888	Amman - Abdalla Ghosheh Street - Al Hussaini Complex - Building No. 55	31.9672240	35.8550510	br117@hbtf.com.jo
Al Rawabi District	3485	Amman - Bayader - Queen Zein Al Sharaf Street - Petroleum Products Marketing Company - Building No. 316	31.9583210	35.8516780	br117@hbtf.com.jo
Zahrán	4840	Amman - Ibn Khaldun Street (Khaldi Hospital) - Building No. 58	31.952042	35.9015100	br121@hbtf.com.jo
Al-Madina Al-Monawara	4905	Amman - Tlaa Al Ali - Al-Madina Al-Monawara Street - Building No. 194	31.9874500	35.8669300	br122@hbtf.com.jo
City Mall	4040	Amman - City Mall - Bank floor	31.9801040	35.8369950	br123@hbtf.com.jo
Al Madina Al Tibbeyeh Street	4848	Amman - King Abdullah II Street - Near Khalda Circle - Building No. 185	31.9971600	35.8309300	br124@hbtf.com.jo
Housing Bank Park / Abdoun	4111	Amman - Abdoun - Saad Abdo Shamout Street - opposite to Fitness First	31.9410400	35.8841000	br128@hbtf.com.jo
Yasmeen District	4949	Yasmeen District - Jabal Arafat Street - Building No. 13	31.9193700	35.8941000	br131@hbtf.com.jo
Mecca Street	4959	Amman - Mecca Street - Al Hussein Complex - Building No. 141	31.9753292	35.8608609	br132@hbtf.com.jo
Taj Mall	3800	Amman - Taj Mall - Saad Abdo Shamout Street	31.9408500	35.8878800	br134@hbtf.com.jo
Private Banking Services	5188	Amman - Fifth Circle - Riyed Al Mufleh Street - Building No. 7	31.9586710	35.8888780	br145@hbtf.com.jo
Airport Road	3470	Amman - Airport Road - Service Street - 1.7 km after Universal Schools	31.8753550	35.8867770	br157@hbtf.com.jo
Deir Ghbar	4705	Amman - Deir Ghbar - Hashimieen Street - near the Jordanian Construction Association	31.9431310	35.8720960	br159@hbtf.com.jo

Branch Name	Telephone Number 06-5005555 EXT	Address	Branch Location Coordinates		E-mail
			Latitude	Longitude	
Al Amir Rashid District	3838	Amman - Al-Amir Rashid District - Al Amira Tharwat Street – next to Building No. 85 External Clinics for the Medical City Circle	31. 9679310	35. 8441910	br160@hbtbf.com.jo
Sweifeh	4222	Amman - Sweifeh - Commercial Market - Mahmoud Obeidat Street	31. 956035	35. 881561	br161@hbtbf.com.jo
Galleria Mall	3857	Amman - Sweifeh - Galleria Mall	31. 9591377	35. 8619164	br161@hbtbf.com.jo
Dabouq	3799	Amman - Sweileh - Dabouq - Tayama Complex - Building No. 29 - Intersection of Al-Bayt Street and Al-Rakhaa Street	31. 9921023	35. 8140339	br162@hbtbf.com.jo
Shafa Badran	4666	Shafa Badran - Arab Street - near the sign of Shafa Badran	32. 041170	35. 907648	br165@hbtbf.com.jo
Irbid Governorate					
Irbid	4927	Irbid - Al Hashmi Street - near Al Hashmi Mosque	32. 5570904	35. 8556376	br052@hbtbf.com.jo
Ramtha	4486	Ramtha - Downtown - Naser Al Talaq Street	32. 5616000	36. 0113300	br060@hbtbf.com.jo
Martyr's Street Wasfi Al Tal / Ramtha	3840	Ramtha - Martyr Street Wasfi Al Tal - Mojeaa Fawaz Al Zoubi - opposite to Ramtha Government Hospital	32. 5664700	36. 0154400	br060@hbtbf.com.jo
North Shona	4495	North Shona - King Faisal Street	32. 6100700	35. 6097300	br061@hbtbf.com.jo
Deir Abi Said	4507	Deir Abi Saeed - King Hussein Street	32. 5041140	35. 6845380	br063@hbtbf.com.jo
Hakama	4514	Irbid - Hakama Street - Hanina Intersection	32. 5692200	35. 8580900	br064@hbtbf.com.jo
Hosun	4523	Irbid - Hosun - Irbid-Amman Street	32. 4877400	35. 8838700	br065@hbtbf.com.jo
Aydoun	4539	Irbid - Aydoun - Main Street	32. 5083375	35. 8562031	br067@hbtbf.com.jo
Palestine Street	4566	Irbid - Palestine Street - Al Shaheed Circle Wasfi Al Tal	32. 5546100	35. 8479100	br073@hbtbf.com.jo
Al Kareema	4535	Al Kareema - Main Street	32. 2753600	35. 5984700	br079@hbtbf.com.jo
Yarmouk	4600	Irbid - Shafiq Arshidat Street	32. 5422950	35. 8506360	br080@hbtbf.com.jo
Al Hassan Industrial City	4774	Irbid - Al Hassan Industrial City	32. 4996630	36. 0209640	br114@hbtbf.com.jo
Al Qubba Circle	4820	Irbid - King Abdulla II Street - Al Qubba Circle	32. 5462760	35. 8576700	br120@hbtbf.com.jo
Irbid Mall	3400	Irbid - Abdul Hamid Sharaf Street - Irbid Mall	32. 5410750	35. 8444850	br120@hbtbf.com.jo
Thirtieth Street / Irbid	3815	Irbid - Eastern Province - Al Andalus Avenue - Rusan Commercial Complex	32. 5545500	35. 8630900	br136@hbtbf.com.jo
Bani Kinanah	3434	Irbid - Sama Al Rusan Intersection - Um Qais Street - opposite to Al Saro Municipality	32. 6387640	35. 8359890	br155@hbtbf.com.jo
Zarqa Province					
Shabib Palace	4248	Zarqa - King Hussein Street - Housing Bank Complex Building No. 96	32. 0636600	36. 0843900	br029@hbtbf.com.jo
Zarqa	4407	Zarqa - Commercial Central - Sultan Abdelhamid Street	32. 0619400	36. 0919600	br051@hbtbf.com.jo
Russeifa	4477	Zarqa - Russeifa - King Hussein Street - Building No. 184	32. 017946	36. 041623	br059@hbtbf.com.jo
Hiteen	4536	Zarqa - Hiteen Camp - King Hussein Street - Building No. 452	32. 0071500	36. 0072300	br066@hbtbf.com.jo
Al Jabal Al Shamali	4680	Russeifa - Al Jabal Al Shamali - King Abdullah II Street - Building No. 218	32. 0280720	36. 0361730	br093@hbtbf.com.jo
Al Dleil	4693	Zarqa - Al Dleil - Main Street - opposite to Al Naser Gas station	32. 1320100	36. 2726700	br101@hbtbf.com.jo

Branch Name	Telephone Number 06-5005555 EXT	Address	Branch Location Coordinates		E-mail
			Latitude	Longitude	
Al Azraq Al Shamali	4729	Al Azraq Al Shamali – Baghdad Main Street	31. 8829200	36. 8327800	br107@hbtf.com.jo
Masoum District	4736	Zarqa - Masoum District – Abdelhamid Sharaf Street – King Abdulla II Circle	32. 0779470	36. 0746310	br108@hbtf.com.jo
Hurra Area / Zarqa	3888	Zarqa – Banks Field – Hurra Area	32. 0901310	36. 2146440	br127@hbtf.com.jo
New Zarqa	4920	Zarqa - New Zarqa - Mecca Street – Al Kurdi Plaza Complex	32. 0857580	36. 0867180	br129@hbtf.com.jo
Zarqa Highway	3866	Zarqa - Wadi Al Wager - Highway Street – Governmental Circle District	32. 044941	36. 093683	br140@hbtf.com.jo
Balqa Governorate					
Fuheis	4291	Fuheis - Al Alali – King Abdulla II Street	32. 0018230	35. 7773680	br032@hbtf.com.jo
As-Salt	4293	As-Salt - Prince Hamza Bin Al Hussin Street - Building No. 139	32. 0427646	35. 7270630	br033@hbtf.com.jo
Balqa	4372	Balqa Camp - opposite to Salah Al Din Mosque	32. 0764630	35. 8418450	br046@hbtf.com.jo
Deir Alla	4466	Deir Alla - Al Sawalha - Abu Obeida Street	32. 1839500	35. 6213500	br057@hbtf.com.jo
South Shona	4504	South Shona - Salt Street – Governmental Circle Complex	31. 9002700	35. 6212200	br062@hbtf.com.jo
Al Karama	4573	Al Karama - Main Street	31. 9494930	35. 5802040	br074@hbtf.com.jo
Bawabit As-Salt	4983	As-Salt - As-Salt Entrance - Dabbaneh Sign – opposite to As-Salt Legal Court	32. 056979	35. 7471000	br133@hbtf.com.jo
Karak Governorate					
Karak	4636	Karak - City Hall - Al Nuzha Street	31. 1851800	35. 7035740	br084@hbtf.com.jo
Al Potas	4645	Karak - Al Ghor Farm - Residential City	31. 2448670	35. 5290940	br085@hbtf.com.jo
Mu'tah	4665	Mu'tah - University Street	31. 0914300	35. 7016800	br088@hbtf.com.jo
Al Qasr	4763	Karak - Al Qasr - Main Street	31. 3102500	35. 7434600	br113@hbtf.com.jo
Al Thania	3849	Karak - Al Thania - opposite to Karak Agriculture Directorate	31. 1724600	35. 7360020	br162@hbtf.com.jo
Ma'an Province					
Ma'an	4627	Ma'an - King Al-Hussein Street	30. 1958291	35. 7352665	br083@hbtf.com.jo
Petra	4652	Wadi Musa - Main Street - Martyr's Circle	30. 3209800	35. 4806600	br086@hbtf.com.jo
Shobak	4659	Shobak - Najil – Main Street	30. 5191800	35. 5417700	br087@hbtf.com.jo
Shiyydieh	4714	Ma'an - Shiyydieh Mine	29. 9311280	36. 1371310	br104@hbtf.com.jo
Al Hussainia	3850	Ma'an - Al Hussainia Municipality - Al Hussainia Municipal Building	30. 5948240	35. 7982920	br137@hbtf.com.jo
Madaba Prefecture					
Madaba	4971	Madaba - Madaba Education Directorate Street - near Evangelical Church	31. 719388	35. 791768	br056@hbtf.com.jo
Mafrqa Governorate					
Mafrqa	4444	Mafrqa - King Talal Street	32. 3430160	36. 2087720	br054@hbtf.com.jo

Branch Name	Telephone Number 06-5005555 EXT	Address	Branch Location Coordinates		E-mail
			Latitude	Longitude	
Ajloun Governorate					
Ajloun	4433	Ajloun - Castle Street - opposite to City Hall	32. 332982	35. 751298	br053@hbtff.com.jo
Kufranjah	3930	Ajloun - Kufranjah - Main Street	32. 2981500	35. 7042490	br072@hbtff.com.jo
Tafila Governorate					
Tafila	4618	Tafila - Main Street	30. 8369100	35. 6057000	br082@hbtff.com.jo
Al Hasa	4672	Al Hasa - Residential City - New Commercial Market	30. 8555400	35. 9728800	br089@hbtff.com.jo
Aqaba Governorate					
Aqaba	4605	Aqaba - Corniche Street	29. 5260041	35. 0019094	br081@hbtff.com.jo
Shweikh Mall	4991	Aqaba - Shweikh Mall	29. 5438900	35. 0156300	br081@hbtff.com.jo
Jerash County					
Jerash	4448	Jerash - Kairouan Circle - Wasfi Al Tal Street - next to Ya Hala Restaurants and Seating Areas	32. 2821420	35. 8949380	br055@hbtff.com.jo
Mobile Branches					
Mobile Bus Branch 1	-	These branches roam all the regions of the Kingdom			
Mobile Bus branch 2	4554				
					br139@hbtff.com.jo
					br158@hbtff.com.jo

Foreign Branches

Branch Name	Phone	Address	Email
Palestine			
Regional Management	+970 2 2945500	Jerusalem Street - Padico House Building - P.O. Box 1473	info.pal@hbtbf.com.jo
Ramallah	+970 2 2945500	Postal Street - Rukab Building / P.O. Box 1473	br401@hbtbf.com.jo
Gaza	+970 8 2826322	Martyrs Street - Tower of Palestine / P.O. Box 5010	br402@hbtbf.com.jo
Nablus	+970 9 2386060	Al Hussein circle - Al-Hawari Building / P.O.Box 1660	br403@hbtbf.com.jo
Hebron	+970 2 2250055	Wadi Al-Tuffah Street - Almanara Circle / P.O. Box 285	br404@hbtbf.com.jo
HalHul	+970 2 2299602	Halhul / Main Street - Althurwa – opposite to the Halhul Soloh Court and the Chamber of Commerce north of Hebron - Halhul P.O. Box (1) Halhul Post Office	br405@hbtbf.com.jo
Bir Zeit	+970 2 2945500	Ramallah - Public Street - Next to the main roundabout / P.O. Box 40	br406@hbtbf.com.jo
Khan Younis	+970 8 2079401	Gaza - Abu Hamid Roundabout - Jalal Street / P.O. Box 7073	br407@hbtbf.com.jo
Jenin	+970 4 2505223	Abu Bakr Street / P.O. Box 50	br408@hbtbf.com.jo
Bethlehem	+970 2 2740375	Al Mahd Street - City Centre / P.O. Box 30	br409@hbtbf.com.jo
Yatta	+970 2 2273301	Hebron - Yatta - Roqaa Street - next to the police station	br410@hbtbf.com.jo
Termsaya	+970 2 2805263	Ramallah - Termsaya - Abu Raslan Commercial Complex / P.O. Box 4	br411@hbtbf.com.jo
Al Dhahiriya	+970 2 2266779	Hebron - Al-Dhahiriya - Near Al-Dhahiriya police station	br412@hbtbf.com.jo
Almasyouns	+970 2 2945500	Jerusalem Street - Padico House Building - P.O. Box 1473	br413@hbtbf.com.jo
Tulkarem	+970 9 2696662	Jerusalem University Open Street next to KFC	br414@hbtbf.com.jo
Rafidia	+970 9 2353612	Martyr Yasser Arafat Street next to Al Bashara Church	br415@hbtbf.com.jo
Bahrain			
Bahrain Branch	+973 17 225227	Bahrain - Manama Center - Government Street / P.O. Box 5929	bahrain@hbtbf.com.jo

Addresses of Subsidiary Banks and Companies International Bank for Trade and Finance / Syria

Bank Name	Phone	Address
General Management	+963 11 23880000	Damascus - Al-Saba Bahrat - Pakistan Street / P.O. Box 10502 Website: www.ibtf-sy.com Email: info@ibtf.com.sy
Al Hijaz	+963 11 2260500	Damascus - Hijaz Square
Al Pakistan	+963 11 23880000	Damascus - Pakistan Street – opposite to Al-Maraia Restaurant
Al Yarmouk	+963 11 6376400	Damascus - Yarmouk Street - Al-Reeia Square / Closed
Hosh Plas - Town Centre	+963 950009001	Damascus - Daraa Highway - Town Center - Ground Floor
Doma	+963 11 5750766	Damascus - Doma / Closed
Damar Project	+963 11 3123671	Damascus - Damar Project - Central Damascus Market
Al Hareeka	+963 11 2260222	Damascus – Al Hareeka Square
Germana	+963 11 5615020	Damascus - President's Square
Kisaa	+963 11 4430195	Damascus - Russian Tower
Al Mazzah	+963 11 6117086	Damascus - Mezzeh – opposite to Al-Jala Club
Al Tijara	+963 11 4434210	Damascus - Cornish Trade
Al Fardoos	+963 11 2327081	Damascus - Paradise Street - Extension of The Province Square
Al Zabadani	+963 11 7111792	Zabadani - Station Street – opposite to the Engineers Association / Closed
Barzeh Residences	+963 11 5117774	Damascus - Barzeh Residences – opposite to Hamish Hospital
Abu Rummana	+963 11 3348717	Damascus - Abu Rummana - next to The Cannon Garden
Abu Rummana	+963 11 23880000	Damascus - Abu Rummana - Circassian Building
Homs	+963 31 2485978	Homs - Engineers' Retirement Building
Tartus	+963 43 32321355	Tartus - Banks Street
Faisal	+963 21 2262303	Aleppo - King Faisal Street
Sheraton	+963 21 2125303	Aleppo - Sheraton Hotel
Al Jumailiya	+963 21 2231945	Aleppo - Al-Jumailiya
Sheikh Najjar	+963 21 4712860	Aleppo - Industrial City - Sheikh Najjar / Closed
Shahba Mall	+963 21 2520092	Aleppo - Shahba Mall / Closed

Bank Name	Phone	Address
Daraa	+963 15 210291	Daraa - Hanano Street / Closed
Hama	+963 33 2243100	Hama - Al-Alamein Street
Mahrda	+963 33 4731072	Hama - Mahrda - Ghada Shuaa Street - next to Mahrda Sports Club
Al Hasaka	+963 52 316543	Hasaka - President Square - Salaheddine Street / Closed
Al Lathikia	+963 41 2559374	Al Lathikia - Baghdad Street
Al Suwayda	+963 16 322191	Al Suwayda - Tishreen Square
Al Qamishli	+963 52 431789	Al Qamishli - Al-Quwatli Roundabout / Closed
Deir Al Zour	+963 51 241800	Deir ez-Zor - Public Street - opposite to Al-Kindi Cinema / Closed

Housing Bank for Trade and Finance / Algeria

Bank Name	Phone	Address	Email
General Management	+213 (0) 23 31 29 29	Algeria - 16 Ahmed Waked Street - Dali Ibrahim Website: www.housingbankdz.com	housingbank@housingbankdz.com
Dali Ibrahim Branch	+213 (0) 23 31 29 27	Algeria - 16 Ahmed Waked Street - Dali Ibrahim	Agence-101@housingbankdz.com
Blida Branch	+213 (0) 25 21 30 19	Algeria - 61 Al Arabi Street, Etbisi Municipality of Blida- Blida	Agence-102@housingbankdz.com
Wahran Branch	+213 (0) 41 23 02 70	Algeria - 10 Al-Baha'i Cooperative Street / Al-Salam Neighborhood - Wahran	Agence-103@housingbankdz.com
Setif Branch	+213 (0) 36 53 85 85	Algeria - 20 First November street 1954 - Setif	Agence-104@housingbankdz.com
Casablanca Branch	+213 (0) 23 61 45 44	Algeria - 59 Mohamed Khamisti Street - Casablanca	Agence-105@housingbankdz.com
Bejaia Branch	+213 (0) 34 11 33 51	Algeria - Fragmentation Karim Belkassam Real Estate Cooperative 45 Homes - Bejaia	Agence-106@housingbankdz.com
Constantine Branch	+213 (0) 31 74 02 30	Algeria - Lulush Hamou Belhaj Mustafa No. 06 Sidi Mabrouk - Constantine	Agence-107@housingbankdz.com

Jordan International Bank / London

Bank Name	Phone	Address	Email
Jordan International Bank	+44 20 3 144 0200	Almack House, 26-28 King Street, London SW1Y 6QW Website: www.jordanbank.co.uk	info@jordanbank.co.uk

Local Subsidiaries

International Financial Center Company				
Company Name	Phone	Address	Website	Email
International Financial Center	+962 6 5696724	Shamisani - Housing Bank Complex - 2nd Floor / P.O. Box 940919 Amman - 11194	www.ifc.com.jo	info@ifc.com.jo

Specialized Leasing Co.				
Company Name	Phone	Address	Website	Email
Specialized Leasing Co.	General Management	Um Uthaina - Saad Bin Abi Waqas Street - Housing Bank Building for Trade and Finance / P.O. Box 1174 Amman - 11118	www.slqjo.com	slc@hbtfc.com.jo
	Irbid Office	Irbid - King Abdullah II Street - Dome Roundabout - Housing Bank Building		
	Aqaba Office	Aqaba - King Hussein Street (Corniche) - Housing Bank Complex		

Representative Offices

Office Name	Phone	Address	Email
Tripoli / Libya	+218 213350610	Tripoli - Tripoli Tower - First Tower - 15th Floor - Office 155 / P.O.Box 91270	hbtLibya@hbtfc.com.jo
Abu Dhabi / UAE	+971 2 6268855	Abu Dhabi - Sheikh Khalifa Street - H.E. Hamouda Bin Ali Building - 12th Floor - Office 1201 / P.O. Box 44768	hbtAbudhabi@hbtfc.com.jo
Baghdad / Iraq	+964 7901328647	Baghdad - Indian Al-Arasat Street - Locality No. 929, 30th Street - Building 133 Apartment No. 133 / 29 Babel Neighborhood	Hal-aani@hbtfc.com.jo



Head Office
Amman, Shmeisani, Prince Shaker bin Zaid Street
P.O. Box 7693, Amman 11118, Jordan



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+962 6 5200400 or 080022111
Swift: HBHOJOAXXX



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