





## **50<sup>th</sup> Board of Directors Report**

### **For the Year Ending December 31, 2023**

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**His Majesty King Abdullah II Ibn Al Hussein**





**His Royal Highness Crown Prince Al Hussein Bin Abdullah II**





## of Giving and Achievement

The year 1973 witnessed the establishment of a Jordanian public limited shareholding company under the name of the Housing Bank for Trade and Finance, with a capital of half a million Jordanian dinars, which was raised several times over the past fifty years to reach JD 315 million. In 1997, the Bank began a new phase in its career by transforming into a comprehensive commercial bank, expanding to become one of the largest leading banking Groups in the Kingdom and the region. Spanning five decades, the Group's legacy extends from a notable past filled with achievements, moving forward towards new beginnings in various aspects of the Group's work, activities, growth and development opportunities.

Since opening its first branch in Amman at 1974, the Group has been instrumental in driving change, introducing innovative solutions and driving financial needs of people in Jordan, and in markets and locations where the Group operates more than 160 branches.

Through its journey and tireless efforts, the Bank has been able to become a banking partner for life to a wide base of customers from various banking sectors, by providing innovative banking solutions that contribute to economic growth and providing advanced services through many channels, including its various electronic channels. At the beginning of 1993, the Bank introduced ATMs to its banking network to be one of the first to do so in Jordan. Today, there are 221 ATMs across the Kingdom.

The Bank's employees have been at the heart of its success over the past fifty years. Since its inception, the Bank has been committed to attracting, developing and retaining the best employees. The bank continues to support a sustainable economy by promoting activities that contribute to environmental, social and corporate governance across its activities, society and environment, which allowed it to remain the "Bank of Generations for Life."

The Bank had several pioneering initiatives along its eventful journey, and it was the first bank to implement a savings account prizes system in Jordan in 1978. It was also the first bank in Jordan and the Arab world to establish a children's branch in 1993, and a mobile branch in 1975.



Over the years, the Bank has received advanced credit ratings from many specialized international evaluation institutions, in addition to receiving several prestigious awards such as the "Best Bank in Jordan" award from Euromoney magazine, and the "Best Jordanian Bank" award from The Banker magazine. The Bank has also attained numerous certificates of achievement, and awards of excellence, both locally and internationally. The most significant award the bank received was the King Abdullah II Award for Excellence, and the Order of the Star of Jordan of the First Class.



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# Annual Report

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**50 years**

your unwavering faith laid the foundation  
and your trust served as our asset

01

**Board of Directors**





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# Board of Directors





Mr. Abdelalah Mohamad Abdel Rahman Alkhatib  
Chairman of the Board



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



Mr. Ramzi Talat Abdel Jawad Mari  
Representative of Qatar National Bank



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



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



Mrs. Munirah Assad Abdel Aziz AlAjeel  
Representative of Kuwait  
Investment Authority



Mr. Mohammed Ali Abdullah Addarrat  
Representative of Libyan Foreign Bank



Mr. Abdallah Mohammad  
Muflih Abu Jamous  
Representative of Social  
Security Corporation/Jordan.



Mr. Fadi Abdelwahab  
Abdelfattah Abughaush  
Representative of Social Security  
Corporation / Jordan.



Mr. Fawzi Yousef  
Abdel Mohsen AlHunaif  
Independent



Mrs. Sheikha Yousuf  
Abdallah Al Farsi  
Independent



Mr. Ramzi Tayseer  
Mohammad AbdelJaber  
Independent



Mr. Najji Mohammed  
Issa Belgasem  
Independent.

## Chairman's Message

### Dear Shareholders,

With pleasure I present you the 50<sup>th</sup> Annual Report of the HBTF Group. The report comprises the Bank's key achievements and activities for the fiscal year ended December 31, 2023, and the Bank's Business Plan for 2024. The Bank continued its journey with confident steps anchoring itself in the foundations of good governance in management, with an emphasis on the comprehensive and flexible strategic approach followed by us in line with evolving requirements and needs. This has led to maintaining an upward trend in performance and results. The Group's environmental, social, and governance commitments were also a key priority, to ensure compliance with international best practices and applicable standards.

During 2023, the Bank continued its outstanding performance by achieving the highest level of profits in its history. Net profit after provisions and taxes reached JD 140.8 million, compared to JD 132.4 million achieved during 2022, with a growth of 6.3%. The Bank was able to achieve these results despite local and external challenges and the repercussions of international and regional developments, in addition to the challenges and gravely dire impact of the Israeli aggression on Gaza, which overshadowed significant economic sectors such as services, tourism, and transportation.

The Bank also managed to increase net credit facilities by 4.8% to reach JD 4.5 billion by the end of 2023. The Bank also increased customer deposits by 6.2% to reach JD 5.7 billion, in addition to maintaining the strength of the Bank's capital base, with total shareholders' equity reaching JD 1.3 billion.

In light of the financial results achieved in 2023, the Board of Directors recommended to the General Assembly a distribution of cash dividends to shareholders at a rate of 25% of the nominal value of the share for the year 2023.

In conclusion, I would like to thank the Central Bank of Jordan and the Jordan Securities Commission for their prudent management to ensure the stability and safety of the Jordanian banking sector.

I would like to express my thanks and appreciation to our valued shareholders for their loyalty and support to the Bank. I would also like to thank the bank's dear customers for their precious trust, and to the executive management and all the Bank's employees for their continuous efforts towards the Bank's success, growth, development and strengthening its position at all levels.

May Allah help us and guide us on the path of goodness in the service of our dear country under the leadership of His Majesty King Abdullah II Ibn Al Hussein, the patron of building and modernization, may Allah protect him.



**Abdelelah Alkhatib**

**Chairman of the Board**

## Chief Executive Officer's Message

### Dear Shareholders,

I am pleased to review with you the most important achievements of the HBTF Group during the year 2023. The Group was able to achieve a strong performance to reinforce its solid position in the Jordanian banking sector.

During 2023, the Bank moved forward significantly, achieving the highest profits in its history. The Bank was able to record net profits after provisions and taxes of JD 140.8 million, compared to JD 132.4 million achieved during 2022, with a growth of 6.3%.

Total income from main banking operations increased by 15.9% to reach JD 438.0 million, compared to JD 378.0 million achieved during 2022. Meanwhile operating profit increased significantly by 18.9% compared to 2022, reaching JD 253.1 million.

During the year, the Bank Group was able to increase net credit facilities by 4.8% to reach JD 4.5 billion, in addition to increasing customer deposits by 6.2% to reach JD 5.7 billion. In addition, the strength of the bank's capital base was maintained, where total shareholders' equity reached JD 1.3 billion. The capital adequacy ratio reached 18.8% at the end of 2023, which is higher than the minimum regulatory requirements of the Central Bank of Jordan and the Basel Committee.

The Group continued to maintain sustained growth in return on assets and shareholders' equity to reach 1.64% and 10.9% respectively at the end of 2023. This reflected the optimal management of the Bank's assets and liabilities, and the strength of its financial position.

Our main future priorities are to achieve further growth and development in the Bank's business and financial results. We also aim to continue implementing several strategic initiatives and projects, including those related to the Bank's digital transformation strategy, which leads to further diversification, excellence, and integration in the Bank's products, solutions, and services to meet customer requirements, care for them, appreciate their trust in the Bank, and maintain their satisfaction.

On this occasion, I am pleased to extend my thanks and appreciation to all official institutions, especially the Central Bank of Jordan for its continuous support to enhance the performance of the Jordanian banking sector, and the Jordan Securities Commission for its measures to promote economic growth.

In conclusion, I would like to express my thanks and appreciation to the members of the Board of Directors for their continued support and guidance, and to every member of our team for all they have done for the growth and prosperity of our organization.

May Allah help us all to serve our country, Jordan, under the leadership of His Majesty King Abdullah II Ibn Al-Hussein, may Allah protect him.

**Ammar Al-Safadi**

**Chief Executive Officer**





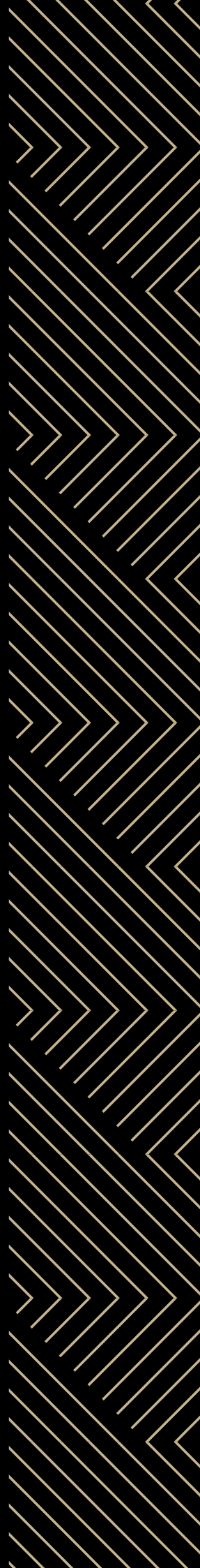


**50 years**

your relentless trust was the driving force, propelling us forward on this remarkable journey

# 02

**Financial  
Performance  
Analysis 2023**





## Key Financial Indicators of the Housing Bank Group (2023-2019)

In JD (Millions)\*

Statement / Year	2019	2020	2021	2022	2023
Total Assets	8,439.2	8,306.0	8,245.3	8,458.6	8,676.9
Customers' Deposits	5,810.5	5,466.5	5,213.2	5,318.0	5,649.9
Direct Credit Facilities (Net)	4,158.8	4,107.4	3,946.9	4,271.0	4,474.0
Net Shareholders' Equity	1,068.3	1,100.8	1,155.1	1,200.9	1,269.4
Profit Before Tax	132.2	77.7	163.1	197.6	217.4
Profit After Tax	83.7	42.5	110.1	132.4	140.8
Cash Dividends Distributed to Shareholders	-	37.80	63.00	78.75	78.75
Basic Earnings per Share (EPS) for the Year (JD)	0.257	0.116	0.335	0.411	0.434
Dividends Per Share (JD)	-	0.120	0.200	0.250	0.250
Share Price at Year's End (JD)	5,480	3,000	3,700	3,650	3,730
Return on Equity (ROE)	7.60%	3.72%	9.26%	10.69%	10.88%
Return on Assets (ROA)	1.00%	0.51%	1.33%	1.59%	1.64%
Legal Liquidity Ratio	128.0%	127.0%	131.0%	121.0%	122.5%

\* 1 JD = 1.4104 USD

## Business Results Analysis

Despite the pressing economic conditions and the repercussions of geopolitical events, the Housing Bank Group continued to sustainably achieve positive financial results. Accordingly, the results of its consolidated financial statements for the fiscal year ending 31 December 2023, showed a net profit after provisions and taxes of JD 140.8 million for the year 2023, compared to JD 132.4 million in 2022, achieving a growth rate of 6.3%.

Historically, this is the highest level of profit that the bank has achieved since its inception. The outstanding result confirms the flexibility of the bank's business model, and its ability to make the most of the opportunities presented in any circumstances.

As a result of the Group's efforts to increase total income, diversify its sources, and improve the operational efficiency of operations, the total income derived from main banking operations increased by 15.9% to reach JD 438.0 million, compared to JD 378.0 million achieved in 2022. Operating profit greatly increased by 18.9%, compared to what was achieved in 2022, reaching JD 253.1 million.

The Group's prudent risk management policy has also had a significant impact on protecting its financial position by proactive provisions, as a precautionary measure to protect the bank against any adverse implications. In 2023, the bank built additional provisions for potential credit losses of more than JD 35 million, which will contribute to enhancing the coverage ratio of provisions for non-performing loans, as well as for performing loans classified under stage 2.

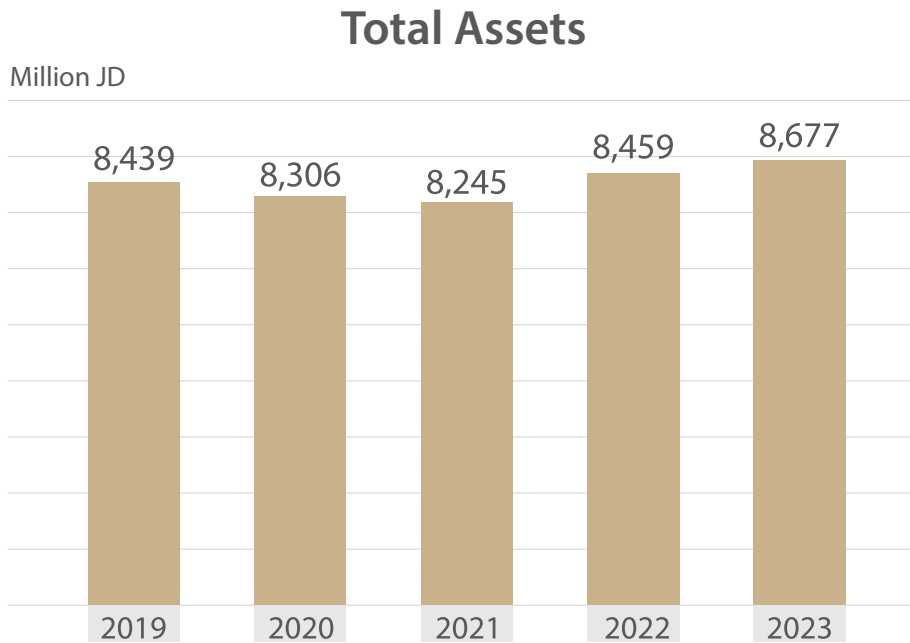
## Financial Position Analysis

The Housing Bank Group has succeeded in strengthening its financial position; enhancing its capabilities to exploit its resources; improving the quality of its assets; and building a strong and growing customer base from various sectors and segments. The Group has been able to achieve positive growth rates in various key indicators.

## Total Assets

The total assets of the Housing Bank Group reached JD 8.7 billion at the end of 2023, compared to JD 8.5 billion at the end of 2022. This is an increase of around JD 218 million, and a growth rate of 2.6%. The bank's market share reached 11.9% of the total assets in the Jordanian banking sector at the end of 2023. The rate of return on assets increased to 1.64% by end of 2023, compared to 1.59% in 2022.

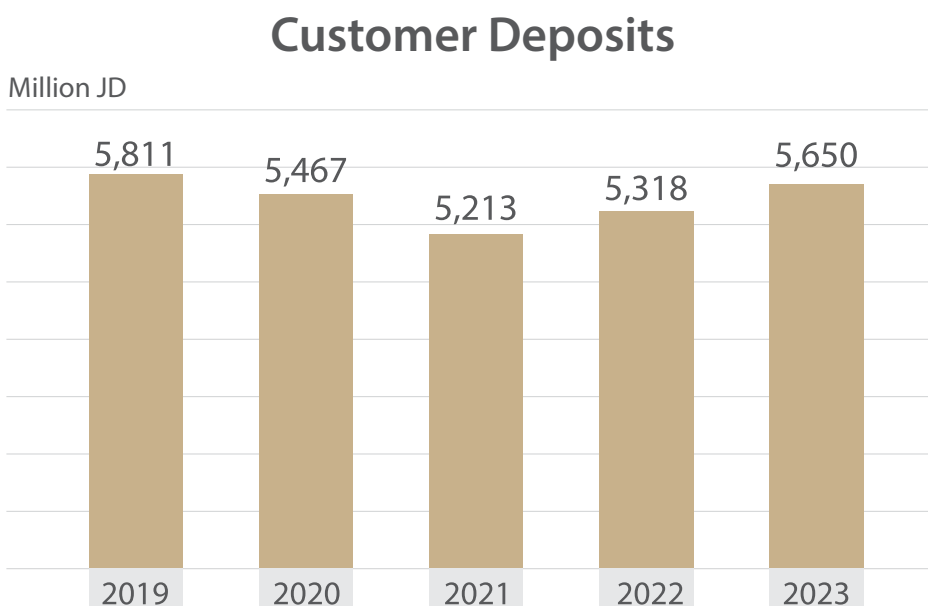
The following diagram shows the development of total assets during (2019-2023):



## Customer Deposits

Total customer deposits at the end of 2023 amounted to JD 5.7 billion, compared to JD 5.3 billion at the end of 2022. Thus, total customer deposits rose by about JD 332 million, and a rate of 6.2%. The bank's market share of the total customer deposits in the Jordanian banking sector reached 10.8%.

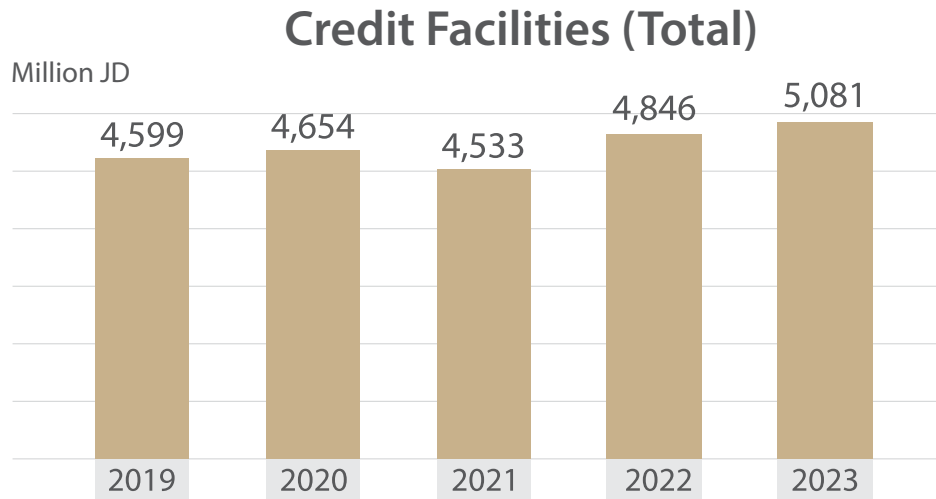
The following diagram shows the development of customers' deposits during (2019-2023):



## Credit Facilities

In 2023, the balance of the portfolio of total direct credit facilities increased by JD 235 million, or 4.8%, compared to end of 2022, reaching about JD 5.1 billion compared to JD 4.8 billion at the end of 2022. Meanwhile, the bank's market share of the total credit facilities in the Jordanian banking sector reached 11.3%.

The following diagram shows the development of total credit facilities during (2019-2023):



## Equity

By end of 2023, the Housing Bank Group continued to achieve sustainable growth in total shareholders' equity, which grew by 5.5% to reach JD 1.3 billion. The return on equity increased to 10.9% by the end of 2023 compared to 10.7% in 2022.

## Liquidity Ratio and Capital Adequacy Ratio

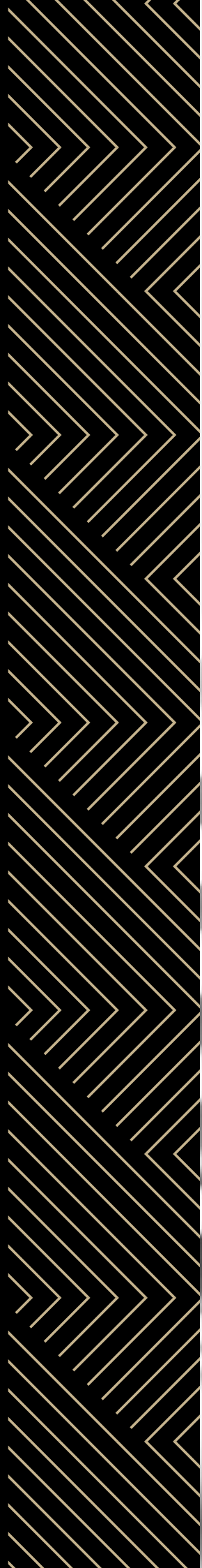
The performance indicators achieved by the Housing Bank Group reflect the strength and soundness of its financial position, as the capital adequacy ratio reached 18.8%, while the liquidity ratio reached 122.5%. Both ratios are above the minimum regulatory requirements of the Central Bank of Jordan and the Basel Committee.

**50 years**

of honoring our commitment, by providing innovative banking services that go above and beyond

03

**Bank Activities**







# Retail Banking

## Branch Expansion

The bank has proudly established its branch expansion policy, boasting a network of branches in the majority of Jordan’s vital and commercial areas. There are 106 Branches (102 branches and 4 offices) spread across the Kingdom, including the Mobile branch, and the “Iskan Young” branch.

Branch operations are supplemented by a widespread network of 221 ATMs, operating with the latest modern banking technology.

Also, the bank offers evening banking services through five branches located at shopping centers and malls to enable customers and visitors to achieve different banking transactions.



During 2023, in line with the bank’s strategy aimed at spreading financial literacy and achieving financial inclusion to meet customer needs of all age groups, the bank opened its new Iskan Young branch, in the Housing Bank Park in Abdoun, West Amman. The branch offers an exceptional and unparalleled interactive banking experience to customers aged (7-17) years old, forming a qualitative leap in the level of banking services provided to this age group. These young customers will experience an exceptional banking experience upon entering the branch—a quite unique proposition in the world of banking technology and digital transformation.

## Housing Bank Cards

The bank launched several campaigns for bank cardholders during 2023. The bank seeks to diversify and enhance the cards it offers to meet the needs of its customers and enrich their banking experience.

During the month of Ramadan, the bank launched a campaign that included cardholders of all types: Classic, Platinum, Signature, and Infinite. Through the campaign, cardholders could win valuable cash prizes, in addition to cashback and the opportunity to pay in easy installments. The campaign aimed to offer customers with many special prizes and discounts throughout the month, through the use of Housing Bank credit cards, whether at points of sale or online.



The bank continued its efforts to motivate customers to adopt its electronic services and products. It launched a campaign on all Iskan V-Cards with the offer of “25% Cashback on All Delivery Apps.” Through this campaign, 25% cashback is offered when using all new and existing Iskan V-Cards to pay for any services via the use of delivery apps.

## Savings Account Prizes

In order to encourage its existing and potential customers to save through their savings accounts, and give them the opportunity to win various cash prizes, the bank launched a new annual savings account prize campaign in 2023, called “Cash Ma Bizaalcash”, The campaign offered cash prizes, to become one of the largest prize campaigns in the local banking market in terms of the total number of winners.

The campaign offers a weekly prize to the bank’s customers who have savings accounts, and are eligible to participate in the prizes, and whose account balances are not lower than JD 100. (50 weekly winners) are awarded prizes of JD 500 each, and monthly prizes are also given to 5 winners per month, JD 5,000 each. In addition, there are 4 prizes offered in June and September, with two winners each month of JD 50,000 thousand dinars each. An end-of-year prize is offered to 5 winners of 50 thousand dinars each for customers whose account balances are not less than JD 1,000. Furthermore, a customer can win more than one prize in the campaign. Thus, the campaign offers prizes to more than 1,600 winners in continuous draws throughout the year.



Additionally, the bank launched its savings accounts reward program Savings Cashback 2023, the largest in Jordan, under the slogan “Save, Shop, Cashback up to 4%.” The program gave the bank’s savings customers a chance to receive cashback to the amount of 4% of the value of their purchases, paid for with any of the bank’s many cards. The campaign aimed to instill a culture of savings among the bank’s customers, and encourage them to open savings accounts or replenish their existing accounts, while maintaining the daily minimum account balance. In addition, it aimed to encourage customers to issue multiple bank credit cards and use them for purchases, to enable them to benefit from the program’s rewards, and get the highest returns on savings throughout the year.

During the year, the bank also launched a special prize campaign for Mustaqbaly savings accounts holders under the age of 18. The campaign offered cash and in-kind prizes through weekly, monthly, and year-end draws.

**Open or feed the savings account to be one of the winners!**

<b>5 winners in December of 50,000 JODs each</b>	<b>4 winners in June and September of 50,000 JODs each</b>
<b>5 monthly winners (during May, July, August, October, and November) of 5,000 JODs each</b>	<b>50 weekly winners of 500 JODs each</b>

Feel the thrill of winning

**CASH**

Open or feed the savings account with a minimum of 100 JODs to enter the draw for the weekly and monthly prizes.  
Open or feed the savings account with a minimum of 1,000 JODs to enter the draw for the grand prize and the June and September prize.  
The campaign ends on 31/12/2023.  
Subject to the bank's terms and conditions.

With **Mustaqbaly** Savings Account

**You're A Winner for A Lifetime!**

Open or feed a Mustaqbaly account for a chance to win.

Tuition fees    PlayStation 5    Cash prizes

The campaign ends on 31/12/2023. Terms and conditions apply.

## Time Deposit with Prizes

During the year, the bank launched a prize campaign for the “Time Deposit Account in Jordanian Dinar with prizes” product. The campaign includes one monthly prize for each of the deposit segments included in the campaign, with a total of three winners per month. This product aims to give customers a tool to save and invest in order to achieve more financial stability, and enable them to grow their money. The campaign revolves around giving Housing Bank’s retail and corporate customers competitive interest rates on their deposits through the adoption and use of this product. In addition, customers get to participate in the draw for cash prizes ranging from (JD 2,500 to JD 9,999) on deposits of JD 50,000 or more.

## Apple Pay Service

In 2023, the bank introduced Apple Pay, one of the most secure and private digital payment methods. Apple Pay enables customers to make their own contactless payments without the need to carry a plastic card or exchange cash, while protecting all their financial transactions and personal data, centered on the capabilities of Apple devices.



## Pay Easily. Pay fast with Apple Pay

Through this service, bank customers may complete the contactless payment process by swiping their iPhone or Apple Watch near the POS device. Payment for purchases is verified every time through the Apple Pay service; through facial recognition, the fingerprint feature, or the user’s secret one-time passcode on the phone or watch—where a special code is assigned to each purchase to ensure the highest levels of security. The service allows customers to complete purchases and payments faster and smoother, whether on apps or the web (using the Safari browser), without the need to create accounts or repeat the entry of shipping and billing data every time they make a purchase.

## Auto Loans

During the year, the bank launched an auto loan campaign called “Your Loan is 4 Good.” The campaign aims to enable customers to obtain the car of their dreams by facilitating its purchase. The Bank offers financing for up to 100% of the value of their vehicle, with a ceiling of JD 150,000. The financing comes with easy terms, long financing and repayment periods, and a flexible grace period. In addition, there are many cashback reward benefits, such as comprehensive insurance fees and distinctive plate numbers.



As one of the banks committed to supporting the transition towards a sustainable economy, and encouraging the investment in ecofriendly electric cars, Housing Bank is responsible for paying their customers’ monthly electricity bills, for a period of one year through this campaign. The bank will pay an electricity bill up to a maximum amount of JD 30 per month, and offer a cashback to customers that complete payments through the eFAWATEERcom system on the HBTF Mobile app. This is one of the many services available exclusively to the bank’s customers.

## Quality of Services and Customer Care

The bank renews its commitment to meeting customer requirements and needs in an efficient and professional manner. The bank’s commitment to customer care is an integral part of the quality of its services. It always seeks to provide a leading banking experience to customers by continuously communicating with them, responding to their suggestions, addressing their complaints, replying to all their inquiries, and working to help them complete their banking transactions 24 hours a day.

Throughout 2023, the bank continued to implement regular surveys and studies aimed at measuring customers’ level of satisfaction with the services provided. This was done through customer satisfaction studies and mystery shopper services provided by third-party research companies. These studies and surveys, conducted in accordance with international standards, showed that the bank’s customers are highly satisfied with the services provided to them, as follows:

A Mystery Shopper Study, which was carried out by evaluating all employees who deal directly with customers. The number of visits reached 827, covering 827 employees, making this one of the broadest studies done in Jordan. Results showed an improvement in overall performance, as Jordanian branches obtained a grade of 87% in overall performance compared to 86.3% in the 2022 study, with an increase of 0.7 percentage points.

A Customer Satisfaction Study, where the study sample included customers from various segments. The results showed that the bank maintained a high level of customer satisfaction of 83.5%

## Corporate Banking Department

Throughout 2023, the bank was able to maintain its leading position in the Jordanian banking sector in financing companies of various sizes—small, medium, and large enterprises—in addition to providing project financing. During 2023, an increase in the Corporate Banking Department's facility portfolio balances was witnessed, due to the bank extending essential financing for several production projects that aim at creating job opportunities within various economic sectors. In addition, the bank contributed to financing large strategic projects and vital infrastructure projects, where one of the key achievements was organizing two syndication loans, led by the Housing Bank for Trade and Finance. An agreement was also signed to finance one of the largest renewable energy companies in Jordan, for the purposes of supplying renewable energy to a leading group of private sector companies. This is widely considered one of the largest projects in this field.

### Developing Banking Services and Solutions

Driven by the bank's keenness on sustaining the requirements and needs of its corporate customers, HBTF continued to provide new and advanced digital solutions and services that are in line with global trends and compatible with the bank's vision and strategy for digital transformation. These efforts have been put in place in order to support customer growth and to provide them with an effective and up-to-date banking experience.

In 2023, the bank signed an agreement to provide a new advanced banking system for corporate customers (Corporate Cash Management) providing all required corporate services, in addition to cash and liquidity management services through the bank's electronic channels— a process performed with ease and high levels of safety and security.

Furthermore, a dedicated Visa Credit Card product was launched at the beginning of 2023 for the Corporate clients. The Cards were launched in two categories; SIGNATURE and PLATINUM, enabling the bank's corporate clients to finance purchases, invoices, operational expenses, and cash withdrawals.

A workshop was organized in cooperation with the Jordan Loan Guarantee Corporation with the presence of several Jordanian industrial company representatives. The main goal was to emphasize the partnership between HBTF and Jordan Loan Guarantee Corporation, in addition to the bank's focus on increasing its industrial and export corporate clients' awareness on the available business tools that serve the industrial sector, including financing and investment products as well as banking facilities. The workshop also introduced the clients to the different export credit guarantee programs provided by the Jordan Loan Guarantee Corporation.

Moreover, the existing credit limits with the Jordan Loan Guarantee Corporation were increased in order to include a larger segment of corporate clients and provide them with access to required financing.

With regards to financing international trade operations and stemming from the bank's awareness on the importance of developing Jordan's foreign trade both regionally and globally, the Bank continued to initiate, adopt and perform through a set of agreements and programs dedicated to the imports and exports financing.



## Green Finance

In 2023, the bank signed an agreement with the European Bank for Reconstruction and Development (EBRD) under which the bank was granted a credit limit of US\$ 15 million, in cooperation with the European Union and the Green Climate Fund, to be utilized on green financing. The agreement entails providing the bank with technical support in developing a comprehensive strategy for managing environmental, social, and governance (ESG) risks in line with best practices and global trends—all while taking into account the Central Bank's guidelines for ESG risk management.



The agreement will enable to provide green finance to SMEs and micro- enterprises in Jordan, in order to enhance their investments in projects related to environmental sustainability that aim to mitigate the effects of climate change. Furthermore, it will enable the bank to design new products in line with its strategic objectives in the transition to a more sustainable future.

This agreement is considered to be the first on EBRD's Southern and Eastern Mediterranean territory, applying the EBRD Paris methodology for alignment in the financial sector, positioning Housing Bank as a role model in this field.

The bank also signed an agreement to promote green finance with CRIF Information Technology Solutions (CRIF ITS), which will enable the Bank's corporate customers to benefit from Synesgy digital platform. Synesgy evaluates companies based on ESG criteria and issues ESG certifications accredited by several European and American countries.

also, the Bank and in coordination with the Association of Banks in Jordan, held a series of awareness sessions on the concept of green finance and sustainability. It also held specialized courses to discover green finance opportunities in the industrial sector.

## Small and Medium Enterprises

The bank has always paid close attention to SMEs by providing many services, products, and solutions to create a suitable, stimulating, and enabling environment for them. This, in turn, contributes to increasing their productivity and improving their performance, thus raising their efficiency, increasing their competitiveness, and playing a role in supporting the local economy. The bank launched the FastTrack service for granting loans and financing tailored specifically for SMEs across different sectors including trade,

manufacturing, and service provision according to specified criteria and with vast and competitive financing options reaching JOD 200,000. Such loans are granted within two working days and with simplified conditions, aiming at providing companies with an annual turnover of less than JOD 5 million with access to finance. The program provides the SMEs with financing for a period of up to 24 months, including a 3-month grace period, where the loan can be utilized to finance purchases in addition to benefiting from a Visa card for free for the first year.



## Treasury and Investment

In 2023, Housing Bank achieved balanced growth across its Treasury and Investment activities. These efforts were centered on lowering the cost of funds, enhancing interest rate margins, and optimizing liquidity management to bolster the bank's various activities. This approach not only upheld robust liquidity levels, but also sustained the bank's leading position in the local interbank deposit market, as well as foreign currency markets.

The bank continues adopting a prudent investment policy in managing its investments, which emphasizes optimal diversification and allocation of its investments, aiding the bank in attaining stable returns within acceptable risk levels.

The bank was able to attract new customers while maintaining an extensive array of products and services, tailored to meet their needs at the utmost level of satisfaction, including foreign exchange and precious metals trading services through spot cash account and margin dealing, FX forward contract services, furthermore, the bank provides brokerage services in local, regional, and international financial markets, as well as options trading in stock markets, portfolio management, mutual funds, custody, issuance management of bonds and shares, investment trusteeship, financial advisory, and other services.

## Financial Institutions

The Housing Bank for Trade and Finance succeeded in expanding its global network of correspondent banks through strengthening and increasing its banking relations across the world. This was done with the aim of attracting transactions on a group level and increasing revenues from the various products, services, and international trade financing activities that the bank offers.

Despite the uncertainty in global and regional markets, the bank increased its income from international banking and trade finance activities. HBTF ensures to review and monitor the financial performance of banks-alongside the political and economic developments in the countries they operate in-for any changes that may affect their business operations, to ensure mitigating the credit and operational risks, in accordance with the bank's credit and investment policy, as well as its risk appetite.

The bank maintains solid and distinguished business relationships with a wide network of regional and international banks and financial institutions, consisting of over 450 banks located in more than 70 countries around the world. HBTF's vast correspondent network strengthens its solid position in the market, providing essential support to serve its customers in various international banking operations.

## International Branches and Subsidiaries

The bank's International Branches and Subsidiaries have pressed forward successfully in regional and global markets, despite witnessing difficult circumstances and challenges due to the political and economic situation in the region and the world. Challenges marked especially by the ongoing war in the Gaza Strip, which cast a shadow over the economic situation. The bank's International Branches and Subsidiaries continued with an approach of keeping up with developments in the regional and global banking markets, thus enabling it to achieve good growth rates in deposits, facilities, and profits, which reflected positively on the Group's results.

Overseas branches and subsidiaries have been keen to continuously provide a distinctive package of services and products, offering banking solutions to their customers that meet their needs in the markets in which they operate.

Meanwhile, the bank's representative offices operating in the United Arab Emirates, Libya, and Iraq have enhanced introducing and marketing the bank's services and products to various parties and segments in those countries. Moreover, they worked on attracting numerous financial institutions to deal with the bank, and motivating existing financial institutions and banks to increase the volume of their transactions.

## Human Resources

Housing Bank is keen to implement the best strategies and practices for managing its human resources, through qualitative programs covering all aspects of training, qualification, development, and equal opportunity motivation, as well as initiatives to enhance employee satisfaction and HR excellency. HR efforts collectively aim to enhance professional progress and institutional performance in a way that enriches the career of its employees, and reflects positively on customer experience. The bank continued to apply many methodologies and initiatives in rewarding exceptional and outstanding performance, to consolidate a culture of appreciation and positive reinforcement, in recognition of employee efforts to achieve business excellence. The bank also continued applying an annual employee satisfaction survey. The survey measures employee satisfaction with various aspects of work, in order to constantly improve and develop the components of job satisfaction for its employees, resulting in a healthy work environment.



Furthermore, the bank adopts an advanced, fair, and transparent appraisal system to evaluate employee performance that depend on the employee's achievement of goals. The bank also allocates a percentage of profits to be distributed to employees, based on a system that links rewards and incentives to performance and efficiency.

The bank received the "Top Employer Jordan 2023" certificate, presented by the Top Employers Institute.



The Institute organizes an annual certification program for excellence of institutions who prove their success in creating a distinguished work environment, This is done in order to maintain the bank's competitive position and corporate image, through its qualified and efficient HR, and by making the bank an Employer of Choice. It is also achieved by reinforcing the application of HR Best Practice for HR policies, roles, and activities, and the development of any policies, instructions, and regulations that will improve the business and cover any gaps, should they exist.

## Training and Development

In 2023, the bank provided a total of 28,325 high standards training opportunities, including classroom and electronic training courses and specialized programs in various areas of work specialty. Training covered the areas of administrative, financial, accounting, auditing, bank credit, risk, and compliance, in addition to banking operations, treasury, investment, innovation, customer care, and quality of services with a focus of these trainings on behavioral skills, leadership, and English language. The disclosure data at the end of this report includes more details about the training programs and number of participants.

The bank also continued applying its policy of raising the educational and professional level of employees.

A number of employees were given the opportunity to obtain professional certificates through prominent educational institutions and training centers, located within Jordan and abroad.

## Hiring and Recruitment

The bank continued to develop its methods and policies to raise the efficiency of the recruitment process. This comes as part of the bank's constant endeavor to remain a leading institution in attracting qualified talents and competencies. The bank provides job opportunities by attracting distinguished fresh graduates from prominent universities and institutes, attracting the best competencies with expertise in the labor market. It works continuously to maintain these cadres and enhance their ability to develop in their respective work specialties.

The bank continuously seeks to reinforce its position as an employer of choice for qualified and experienced people. During the year, the bank participated in 8 employment events, held at Al Hussein Technical University (HTU), Princess Sumaya University (PSUT), Orange Academy, German University, University of Jordan, Cybersecurity graduates at HTU and Orange Coding Academy. The bank also participated in the Financial Sector Jobs Awareness Exhibition. It also strengthened its presence on important and well-known electronic recruitment sites and platforms.

## Compliance

Housing Bank aims to ensure that the Bank Group as a whole and its internal policies comply with all laws, regulations, instructions, standards, and best professional practices issued by local and international regulatory authorities. The bank maintained effective controls of anti-money laundering and countering terrorist financing operations, by conducting a comprehensive assessment of the risks of AML/CTF for customers, countries, geographies, products, services, operations and delivery channels, according to a methodology approved by the bank's Board of Directors.

The bank continued to abide to all instructions of local and international regulatory authorities at the bank level, foreign branches and subsidiaries, and was not subject to any violations or fines by regulatory authorities.

The bank has also adopted a number of steps to promote and disseminate a culture of awareness among the bank's employees of AML/CTF, monitoring compliance, and abiding to international sanctions. This was done by updating the regulations, laws, legislations, and instructions related to the Compliance Department work on the bank's intranet, and issuing circulars and informative bulletins for employees.

During the year 2023, the customer complaints unit at the bank through different means (Iskan 24/7, personal interviews, bank's external website, fax or regular mail, the Central Bank of Jordan) received 2,913 complaints. The customer complaints unit studied and analyzed all these complaints, informed the customers of the results, and classified them in the bank's records as either valid or invalid complaints, and listed the actions taken to resolve them.

## Risk Management

The bank uses a disciplined approach in risk management (processes, methodologies, techniques) to help in identifying, assessing, managing and controlling the main risks facing the bank. During the year, the current policies and methodologies were updated. The Risk Appetite statement was developed, acceptable risk levels were determined, and trigger zones were set for each type of risk, according to the Enterprise Risk Profile of the Bank. In addition, Risk matrices of the various bank departments and its main operations were updated, with regard to operational risk and fraud risk to reflect all internal and external changes. ICAAP was also developed and applied. The methodology adopted in the calculation process was reviewed, and amendments were made to the calculation of the bank's provisions, in accordance with the International Accounting Standard IFRS 9 and the Debt Classification Instructions No. 47 issued by the Central Bank of Jordan. The Risk Appetite Dashboard was also developed for all risk indicators mentioned in the Risk Appetite statement. A specialized tool for assessing and analyzing IT risks was applied in order to identify security threats and vulnerabilities, as well as their impact and the likelihood of their occurrence. Furthermore, a Compromise Assessment was conducted during the year to assess the bank's readiness to address and prevent ransomware readiness-related attacks.

It is worth mentioning that the bank's risk management relies on the principles issued by the Basel Committee on Banking Supervision, and adheres to all legislation issued by the Central Bank of Jordan.

The bank seeks to continue to enhance the level of availability on its systems by preparing, operating, and inspecting the business continuity site and plans. This aims to ensure that critical services continue to be provided to customers in case of inaccessibility to physical work sites, and by examining its crisis management plans.

In an effort to spread the culture of risk among its employees, the bank continued to hold several workshops and seminars during the year in the areas of information security and cybersecurity, operational risk and fraud risk, and business continuity. Campaigns were conducted on phishing attempts using a number of different methods. In addition, a special workshop was held for executive management under the title "Risk Culture." The workshop aimed to promote the principle of risk management culture in the bank, and that the risk management process is the responsibility of all employees of the bank, regardless of the nature of their tasks, workplaces, and job levels

During the year 2023, awareness leaflets were prepared and awareness messages and lessons learned were sent via social media, e-mails, and text messages to all bank employees, which included the following topics: how to avoid malicious programs, tips for reporting any suspicious activity, use of secure programs (VPNs), data handling mechanisms, data transfer with third parties, security guidelines for access cards and keys, maintaining the security of confidential bank data, protecting banking data, guidelines for password protection, handling fraudulent emails, Clear Desk and Clear Screen Policies, and secure transmission of information.

In order to reinforce corporate social responsibility, the bank raised customer awareness on risks of exposure to financial fraud, fraud methods and ways to protect against them. Customer awareness was achieved through publications in this regards, and through multiple channels such as text messages, social media platforms, and push notifications on the bank's app.

The bank is keen to keep up with global trends in dealing with ESG components, and to comply with the instructions and guidelines of the regulatory authorities in this regard. In order to enable the bank to manage risks related to environmental risks and exploit the opportunities available in the field of green finance, the bank launched an integrated project in cooperation with EBRD aimed at building a strategic plan to deal with ESG components for the coming years. and to include these components within the scope of risk management and the bank strategy's objectives. Note 47 with the financial statements in this report provides further information and details on the bank's risk management.

## Information Technology

The bank always seeks to improve the level of its services and products provided to its customers within the best international standards and practices in this field. IT is the main enabler of the bank to provide innovative digital banking services and solutions that are high quality, faster, simple to use, secure and boost the bank's competitiveness in the banking market. In 2023, the bank launched a number of new and innovative digital services, in addition to developing and updating a range of different banking systems, including the following:

- Apple Pay, which provides contactless bank card services on Apple devices.
- Providing many new credit card services, Cards API on Mobile Banking, in addition to updating and developing the "Iskan Coins" service and the wearables service application.
- Developing a wide range of banking services on the HBTF Mobile app, including an update to the UI/UX user interface to enable customers to carry out banking transactions more easily.
- Activating VCP services on ATMs operating in the bank, which provide the customer with an interactive experience, and an advanced and dynamic user interface.
- Continuing to automate processes and improve operations efficiency by expanding the use of modern digital technology. This contributes significantly to reducing errors and working around the clock, quickly, accurately and reliably using BPM and Robotics technologies.
- Launching the Cash Management service for the bank's corporate and institutional customers, which allows them to manage their corporate banking operations in a digital, innovative and secure system.
- Launching the new Collection and Remedial system.
- Replacing the international trade system with a new system that provides a range of advanced operational banking services.
- Implementing a new system for issuing Debit cards in branches.

As part of the bank's strategy on data management and utilization, the Data Lake Platform has been completed. The platform provides banking technologies and solutions to collect customer data, cards and products in a central location. Whereby, the data team can analyze and apply various data science techniques to enable different business sectors to benefit from these results in understanding the customer and the market. The process allows the bank to develop the services and products provided to customers, and enhance the bank's competitive advantage. A group of dashboards and uses cases were launched based on the principles of Predictive Analysis.

Infrastructure is the backbone of information systems. Due to this pivotal importance, the bank continued to update its infrastructure with the latest versions and modern technologies. Most important of which is the bank's OpenShift technology, a new technology that provides containerization solutions, which supports the operation of modern Cloud native solutions and applications. SD WAN technologies have also been applied to the bank's network, which is one of the latest technologies in the field of networking system, and achieves the highest levels of availability, protection and quality in data transfer. Furthermore, enhancements continued for central storage and monitoring systems, operating systems, networking systems, communication lines, networks and call center systems. Efforts continued to prepare an operational environment capable of achieving the highest levels of flexibility, availability, continuity and safe operation of services. The bank also continued to strengthen the security system in line with the cybersecurity strategy, in addition to developing Security Operation Center (SOC) services, to strengthen the information security control system and improve the response to security and cyber incidents more effectively.

## Marketing and Promotion

Housing Bank's Golden Jubilee was the highlight of 2023, in terms of marketing and promotion. On this occasion, the bank launched the "Fifty Years Together, Your Bank Forever" campaign, which presented a symbolic story of various individuals from different societal segments as a cornerstone in the bank's journey during the fifty years since its establishment. The campaign featured a video in which scenes were captured, showcasing the bank's role in the lives of successive generations, relaying the close bond between Housing Bank and Jordanians, and its presence in all governorates of the Kingdom.



Throughout 2023, the bank expanded its advertising reach by launching several marketing and promotional campaigns for its various products and services. The creative, innovative and effective campaigns enabled the bank to reach both existing and potential customers.

The most prominent campaign was the savings account prize campaign, "Cash Ma Bizaalcash", which had interaction and reach through various advertising channels. The campaign aimed to encourage the bank's existing and potential customers to conduct savings and give them a chance to win the bank's various cash prizes.

The "It's a Win-Win Situation", campaign related to the Time Deposit Account with Prizes, also had a good response. The campaign promoted giving depositors the possibility of winning more than one prize within the campaign's draws, thus contributing to the development of their funds.

The "You're a Winner For a Lifetime!" campaign targeted "Mustaqbaly" Savings Account holders, as a gesture of the bank's appreciation for the customer loyalty of the children, and their families who are saving in a "Mustaqbaly" Savings Account.

The innovative "Loose Change Adds Up" campaign urges customers of all categories to replenish their savings account with each purchase, under special conditions.

Regarding loan products, the bank launched attractive marketing campaigns, the most important of which was the “A Loan Like No Other” campaign about the housing loan product from Housing Bank, which provides competitive interest rates for those wishing to own their dream home. In addition, the “Your Loan Is 4 Good” campaign was launched, which aimed to enable customers to own a car by facilitating loan acquisition, the campaign resonated with diverse customers.

With regards to credit and debit cards, the bank has launched several campaigns on various occasions to keep up with the needs of customers and fulfill their expectations, most notably: the Back to School campaign, Ramadan and Eid Al-Fitr campaign, Mother’s Day campaign, Summer campaign, Iskan V-Card campaign and others.

Special attention and continuous efforts were made to launch promotional campaigns for digital channels and services aimed at motivating the bank’s customers to adopt its online services and products, in line with the bank’s digital transformation journey. Digital transformation includes the adoption of electronic payment tools. The “Iskan Pay” campaign was launched to urge customers to move away from traditional payment methods by allowing purchases and payments through a smartphone. An Apple Pay campaign also announced the new, fast and secure payment service for Apple device users, in collaboration with Apple company.

The bank’s campaigns were not limited to promoting products and services. Eager to live up to its slogan: “Housing Bank... My Bank for Life”, the bank launched campaigns that touched the lives of Jordanians from different segments of society. The campaign “Our Ramadan is Different” touched the hearts of Jordanians during the holy month. It presented a video that included common and funny situations that occurred with many members of Jordanian society during Ramadan. The campaign had a positive and widespread impact during the month, especially on social media platforms.

In addition to its customer-centric campaigns, the bank undertook proactive initiatives aimed at fostering community awareness about operational risks, cybersecurity, and information security by publishing content on the bank’s pages and on various social media platforms, in addition to digital screens in branches and screen savers for employees’ devices.

The bank demonstrated a strong commitment to enhancing the digital banking experience for its clients, prioritizing both convenience and security. The bank’s website was enriched with numerous services, such as IskanQ, which enabled customers to book an appointment in advance at the bank’s branches at any time through the website. In addition, the service of linking the locations of branches and ATMs on Google Maps in an integrated manner was added, to facilitate customer access. Therefore, the number of annual visits to the site increased by 33% during the year 2023 compared to 2022.

The bank’s website served as a comprehensive resource for the bank’s various services and products. It also contained all documents pertaining to the bank’s own library, including annual reports, sustainability reports and financial performance reports, in addition to news, activities and announcements related to the bank.

## Corporate Social Responsibility

Corporate social responsibility (CSR) lies within the vision and objectives of the Housing Bank, which complements its role in supporting the national economy and being an integral part of the Jordanian society. The bank is always keen to adopt a comprehensive CSR strategy that caters to a number of important sectors and contributes to the advancement of these sectors, to affect positive change on their their developmental and social impact.



## Key Sectors adopted by the bank's CSR in 2023:

### Community Service

The bank continued to support a number of partners in the field of community service, one of which was Tkiyet Um Ali. The bank renewed its strategic partnership with TUA, which has been ongoing for more than a decade to support TUA's efforts in implementing a range of humanitarian programs and activities that aim to eliminate hunger and poverty.

The bank also continued to provide its annual support to the Jordanian Hashemite Fund "The Goodwill Campaign", in support of its charitable and humanitarian role in delivering aid to those in need across governorates in Jordan.

Moreover, the bank renewed its strategic partnership with the Jordan River Foundation through the support of the "Child Protection" program at the Queen Rania Family and Child Center. The bank also renewed its adoption of an orphans' home at the SOS Children's Village.

Furthermore, the bank provided its support to the "Waqf Thareed" initiative, which aims to feed passersby, and the bank also supported the "Eid Clothing" program, organized by the Jordan Hashemite Charity Organization during Eid Al-Adha.

Additionally, the bank provided support to a number of community-driven organizations, including the Al-Oun Humanitarian Club, White Beds Associations and the Darat Samir Shamma for Elderlies.

### Education

Education represents a key strategic pillar that the bank supports as part of its CSR strategy. In 2023, the bank covered the costs of a number of university scholarships with several institutions, most notably; Al-Aman Fund for the Future of Orphans, Al-Hussein Technical University, the Jordan Media Institute, the University Scholarship Program under to the King Hussein Cancer Foundation, and Promise Welfare Society.



The bank also renewed its agreement with Elia Nuqul Foundation, which has been ongoing since 2016, and aims to support ENF in achieving its goals of providing university two full scholarships to two university students benefiting from the ENF services for four years of the university studies, and will also provide the two students with the opportunity to obtain a practical training in different departments in the bank during their studies, which will contribute to enriching their educational and practical experience.

During 2023, the bank also participated in the financial awareness and educational initiative launched by the Central Bank of Jordan on the occasion of the Arab Day for Financial Inclusion. Through this initiatives, awareness sessions were held targeting university students in various governorates of the Kingdom, as to promote financial literacy in local communities.

Furthermore, the bank supported a number of university and school activities, one of which was the “Foreign Affairs Council” activity at the Jubilee School, which was an educational simulation that consisted of committees and dialogue sessions on various topics that contribute to the improvement of students’ educational and conversational skills. The bank also supported the 12th annual conference of the United Nations (PSUTMUN 2023) held at the Princess Sumaya University for Technology.



## Health

The bank provided support to several health initiatives in 2023, including the development and rehabilitation of Ghor Al-Mazraa Healthcare Center in partnership with Himmetna Association. This initiative came within the framework of the bank’s support for the first phase of the “Himmetna 3” project, which aimed to rehabilitate and develop 25 comprehensive healthcare centers across the Kingdom, in collaboration with the private sector.



Also throughout the year, the bank renewed its strategic partnership agreement with the King Hussein Cancer Foundation for two years, which covered four programs: the Hope Gala; which raises funds to support the Foundation’s cancer treatment programs, the Mobile Breast Cancer Screening Clinic; a fully equipped mobile clinic that aims to reach remote areas, raise awareness on early screening for breast cancer, conduct clinical examinations, and distribute mammogram vouchers to women, the Siwar Al-Hussien Volunteer Program, which gives individuals the chance to volunteer to support the fight against cancer; and the University Scholarship program for cancer patients, through which the bank covers the costs of university fees for a number of patients.

The bank also sought to support the health sector through its participation in the 7th quality conference to discuss health care development issues, organized by the Health Care Accreditation Council, and the “Governance and Health Insurance” conference organized by the Health Insurance Association. This stemmed from the bank’s belief in the need to support institutions that work to serve and develop the healthcare sector in Jordan.

## National Institutions

The bank’s support of activities and initiatives launched and organized by national institutions in the field of corporate social responsibility is an integral part of its CSR program. The bank offered support to a number of initiatives organized by national institutions, such as the “National Aid Fund” in collaboration with the Ministry of Social Development; a financial aid program for monthly recurring and temporary aid, as well as the unified cash support program. Moreover, the bank provided its support to the Fawateeri application campaign organized by the Income and Sales Tax Department, which aimed to educate citizens on the need to obtain their purchase invoice.

Furthermore, the bank supported the Ministry of Culture in support of the Jerash Festival, a key Jordanian cultural, annual event that emphasizes Jordan’s positioning on the tourism map.

The bank also supported a number of economic conferences that serve the economic sector in Jordan, such as the “Arab Businesses Owners and Investors” conference, which was held on the sidelines of the first Arab Private Sector Summit, organized by the Jordan Chamber of Commerce under the royal patronage.

In recognition of the bank’s continuous and exclusive support for the Public Security Directorate’s celebrations of World Traffic Day and Arab Traffic Week



2023, the Public Security Directorate honored the bank, during its event held on the occasion under the title “Traffic Rules and Regulations, a Civilized Behavior.” This honoring came in appreciation of the Housing Bank’s active and continuous role in promoting traffic awareness and sound behaviors to ensure road safety, through its various initiatives implemented individually, or in cooperation with national institutions and civil organizations.

## Environment

The bank pays special attention to the environment-related issues given its particular importance. In line with the bank’s vision and directions concerning environmental preservation, numerous strategic partnerships and environmental activities were conducted. Most notably, was the renewal of the strategic partnership between the bank and the Arab Society for the Protection of Nature within its Green Caravan Program 2023. The initiative revolved around enhancing food security through the bank’s adoption of planting 2,000 trees in remote and underprivileged areas, which helps provide job opportunities and a source of livelihood for farmers, and increasing the green area in Jordan, which contributes to preserving the environment.



The bank also renewed its partnership agreement with the Princess Alia Foundation in cooperation with the Association of Banks in Jordan and the Ministry of Education for the “Green Fingerprints” initiative, which aimed to purchase paper and distribute them in public schools in exchange for the paper waste consumed by the bank annually. Furthermore, the bank continuous support the Housing Bank Park, affiliated with the Greater Amman Municipality, located in Abdoun.



## Entrepreneurship

In 2023, Housing Bank focused its attention on entrepreneurship, given its vital role in transforming the societies by empowering women and youth. The bank supported several institutions that focus their efforts on entrepreneurship development, namely the Community Empowerment Program and the Productive Projects Program organized by the Jordan River Foundation.

The bank also renewed its support for the Princess Taghreed Institute for Development and Training by supporting the “Dar Ne’meh” project in Aqaba Governorate, as a strategic supporter and exclusive banking partner of the Foundation. The support provided by the bank to establish the project in the city of Aqaba will reflect positively on the local community through empowering women by providing them with professional, handicraft and productive skills in many fields. This in turn will open up new horizons for them, their families and their community in income-generating service and productive sustainable development projects, while creating more training and job opportunities.

The bank also supported Dar Abu Abdullah Association to establish an aquaculture project. The project is based on market studies and available opportunities, and is aligned with the national priorities. Farms are granted to Tkiyet Um Ali beneficiaries with the aim of transforming them from families in need to financially independent.

In line with the bank’s belief in empowering women and enhancing their capabilities, the bank contributed to supporting entrepreneurship-related activities of the Jordan Forum for Business and Professional Women, In particular, the activities of the Women’s Innovation Lab, the first of its kind in Jordan. Furthermore, the bank supported the activities of the Jordanian Women’s Union for developing the skills and capabilities of the Jordanian women, enhancing their role and status to enable them to participate in an effective and balanced manner in building the Jordanian society.

In recognition of its exclusive sponsorship of the Mutah Award for Entrepreneurship and Innovation for 2023, Mutah University honored the bank during the closing ceremony of the award. The honoring came in recognition of the bank’s continuous role in investing in youth, and stimulating and supporting a culture of entrepreneurship and a spirit of innovation among them. Thus, enabling them to lead projects and emerging businesses that effectively address social challenges.

## Sports and Youth

The bank has pledged its support for Jordanian taekwondo champion Juliana Al-Sadiq. Juliana has won many medals and accomplishments in local and international championships, topping the world rankings in the 67kg weight category. The support will contribute to enhancing Juliana's readiness for participation in Paris Summer Olympics 2024.

The bank also provided support to many Jordanian sports federations and clubs in support of their youth empowerment activities, including the Jordan Basketball Federation, Al-Faisaly Club, Al-Jazira Club, and Al-Shabab Sports Club (Homenetmen). In addition, many school activities were supported across the Kingdom.



## People with Special Needs

The bank always seeks to partner with organizations that cater to the needs of persons with disabilities. The bank provided support to the Ahl Al-Azm Association for the Blind, to provide blind people with printing university students material in Braille, and material to teach blind children to read and write.

The bank also provided its support to the National Association for People with Special Needs. The Association aims to provide educational services and related skills to people with disabilities of different age groups, whose cases range from mental disability to Down syndrome, in order to ensure their inclusion in the society.

Additionally, the bank provided its support to the charity dinner of the Sana for Special Individuas. The charity dinner aimed to raise funds to support the association's activities. The association carries out awareness programs for persons with disabilities and the community, and increases their employment rate in public and private institutions, by training and qualifying them for the labor market and thus ensuring social inclusion.

The bank continued to support and adopt five students with special needs for the academic year 2023-2024, through its partnership with the Young Muslim Women's Association / Bunayat Center for Special Education. The Center works to enable students with mild and moderate mental disabilities to have a better social and professional life, prepare them to join the labor market, and provide high-quality integrated learning for special education programs.

The bank also continued to provide support to Al-Amal Charitable Association, the only entity that provides care services for people with special needs in the Central Jordan Valley area. Care is provided through its special education centers educational, rehabilitation and health care services for children with special needs.

## Supporting National Institutions' Donation Drives for the People of Gaza

In line with the bank's national and humanitarian responsibility, and belief in the noble objectives of donation campaigns organized by a number of its strategic partners to support the people of Gaza the bank provided its support to: the Jordan Hashemite Charity Organization to purchase medicines for Palestinian hospitals and deliver in-kind, food and medical assistance to the affected families in Gaza; to King Hussein Cancer Foundation, the "Save Cancer Patients in Gaza" campaign to provide support to the cancer patients coming from Gaza for treatment, in addition to sending medicine to hospitals; and to Tkiyet Um Ali by supporting the "For Gaza" campaign to provide emergency food parcels to affected families.

## Community Initiatives and Activities Organized by the Bank

The bank conducted several voluntary initiatives to involve its employees with the "Iskan Giving" team, with the main objective of fostering the volunteerism culture and develop teamwork among the employees.

This in turn, will reflect positively on their performance at work as a team, and instill the concepts of good citizenship and thus have a positive impact on the employee themselves, their work, their colleagues and their family, and on the society.

The "Iskan Giving" team participated in several voluntary activities, such as, distributing food parcels to families benefitting from Tkiyet Um Ali, in addition to providing meals for fasting individuals at "Mawa'ed Al-Rahman" at Tkiyet Um Ali's headquarters during the month of Ramadan.

The bank held a Ramadan Iftar that brought together a group of youth students benefiting from the Al-Aman Fund for the Future of Orphans, from several governorates, with the elderly residents of the Darat Samir Shamma Association and in participation of Iskan Giving team.



The bank also organized a blood donation campaign, held at the bank headquarters in Shmeisani, in cooperation with the National Blood Bank Center, and under the supervision of specialized staff. The campaign received remarkable participation by the bank's employees.



And as part of the bank's strategy to protect the environment and increase the green area in the Kingdom, and in line with its strategic partnership with the Arab Society for the Protection of Nature, which included planting 2,000 fruitful trees in various regions of the Kingdom, the Iskan Giving team participated in planting 500 olive trees in the Zizia area.

Furthermore, as part of the bank's keenness to interact with all segments of the society on various occasions, and on the occasion of International Women's Day, the bank honored a number of traffic police women. Through this gesture the bank highlighted their excellence in performing their work, and their impact on traffic management. It also sent a message that the bank appreciates all Jordanian women for their role and great contributions to building the family, society and the country.



## Bank Plan 2024

The business plan and estimated budget for 2024 were developed based on a set of assumptions and projections aimed at strengthening the bank's advanced position in the banking sector and achieving sustainable growth in the bank's profits and market share. This comes in light of the challenges and difficult economic conditions in the business environment, due to the repercussions of international geopolitical developments, high levels of inflation and risks associated with the increased interest rates.

### These directions fall under three main pillars:

#### Financial Pillar:

- Focusing on diversifying sources of income and the growth of non-interest revenues.
- Focusing on increasing high-quality, high-return assets that contribute to maximizing the bank's revenues, and optimally seizing the opportunities available in the market to increase sound facilities and boost their profitability.
- Concentrating on low-cost sources of funding and improving the bank's market share, especially in high-yielding current deposits and savings accounts.
- Intensifying efforts to control non-performing loans, by addressing existing classified debts and reducing the classification of other accounts as non-performing loans, to raise the effectiveness of collections and achieve additional savings in provisions.
- Controlling capital expenditures, rationalizing administrative and general expenses effectively, and improving the efficiency ratio, through maximizing productivity, rationalizing spending in all business areas and controlling all forms of expenses.

#### Market, Customers, and Operations Pillar:

- Expanding the customers base, especially middle-income customers, through a program tailored to meet their needs and requirements, with a focus on transferred salary customers and Jordanian segment.
- Boosting the youth customer base, and providing products and services that meet their needs and requirements.
- Increasing the size of the SME facilities portfolio for customers using feasible means, including a dedicated website and qualified employees, to meet the needs of this segment.
- Intensifying efforts to make the bank the ideal choice for customers in all transactions, especially in financing commercial operations, including international transactions.
- Increasing the number of active issued credit cards and raising the rates of credit ceiling utilization.
- Effectively managing the penetration into local and international markets, to ensure providing the best services to customers in their areas, in a feasible manner. The new designs must be applied to all new branches and proceed to apply them to a number of existing branches within a timeline that ensures the achievement of business priorities.
- Strengthening the capabilities and capacities of international branches and subsidiaries, continue to enhance their efficiency and contribution in raising the bank's profits and enhancing the effective participation of bank executives in the boards of these companies.
- Effectively managing the bank's marketing activity, to contribute to achieving the objectives of the business sectors.
- Enhancing the bank's corporate identity and brand in light of the latest developments in the business environment, in order to strengthen the bank's leading position in targeted markets.
- Continuing the bank's active role in corporate social responsibility, in turn serving the bank's corporate identity and projecting a positive image in the community.

- Committing to executing digital projects and fostering creativity in proposing digital services that exceed customer expectations.
- Raising the efficiency of electronic channels and developing them continuously and raising the speed and efficiency of all services provided to customers, which contributes to expanding the customer base and achieving the bank's vision of digital transformation.
- Keeping abreast of the latest developments in all areas of business, particularly information technology and cyber security.
- Committing to the quality of project management and implementation of all the bank's projects and raising the effectiveness of the bank's project management process in a way that helps achieve the bank's strategic goals.
- Continuous review and advanced development of the bank's business process, policies, procedures manual and service delivery tools.
- Fully complying with all laws and instructions issued by the legislative and regulatory bodies. In addition, addressing all observations pertaining to risks, compliance, and audits in a timely manner, to mitigate the risk exposure.

### **Human Resources Pillar:**

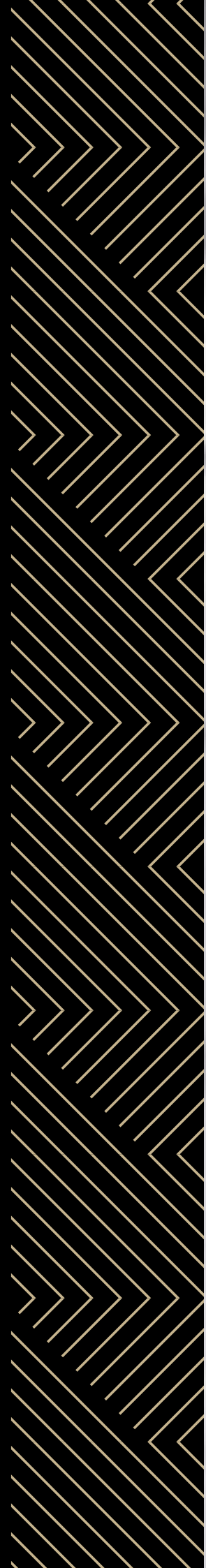
- Providing the requirements that enhance "employee satisfaction" with the bank's internal environment, to boost their loyalty to the bank and productivity, and maintain healthy turnover ratios.
- Fostering human competencies and qualifying them by providing qualitative training programs that ensure an added value to work requirements, and targeting the needed higher and specialized professional certificates, by conducting a knowledge gap analysis between the job requirements and the employees performing them.
- Maintaining business continuity through the optimal application of succession plans at the bank, retaining talented employees, and developing their skills and knowledge, which contributes to determining their career path.
- Objectively measuring employee performance by relying on effective indicators that measure each employee's effort and productivity at the workplace, and their contribution to achieving the targeted objectives.

**50 years**

of achievements, driven by our perseverance  
and unyielding ambition

**04**

**Consolidated  
Financial  
Statements**







# Independent Audit Report

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, 2023, 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 material accounting policies information.

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, 2023, and its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) 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 Matter

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	How our Audit Addressed the Key Audit Matter
1.	<p><b>Allowance Credit Losses on Credit Facilities</b></p> <p>As described in Note (11) to the consolidated financial statements, the Bank had direct credit facilities of JD 5.1 billion as at December 31, 2023 representing 57% of total assets. The expected credit loss (ECL) allowance was JD 450.9 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>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. 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"> <li>• 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;</li> <li>• 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;</li> <li>• We evaluated post model adjustments and management overlay 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 rational;</li> <li>• We assessed the amendments made by management by evaluating the model adjustments in relation to macroeconomic factors and the forward looking scenarios which were incorporated into the impairment calculations by utilizing our internal specialists to challenge the multiple economic scenarios chosen and weighting applied to capture non-linear losses; and</li> <li>• We determined if the amount recorded as the allowance for expected credit losses was determined in accordance with the instructions of the Central Bank of Jordan.</li> <li>• We 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.</li> </ul>

	Key Audit Matters	How our Audit Addressed the Key Audit Matter
2.	<p><b>IT systems and controls over financial reporting</b></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"> <li>• We obtained an understanding of the applications relevant to financial reporting and the infrastructure supporting these applications.</li> <li>• We tested IT general controls relevant to automated controls and computer-generated information covering access security, program changes, data center and network operations.</li> <li>• We examined computer generated information used in financial reports from relevant applications and key controls over their report logics.</li> <li>• We performed testing on the key automated controls on significant IT systems relevant to business processes.</li> </ul>

## 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 International Financial Reporting Standards (IFRS Accounting Standards) 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**  
**February 4, 2024**

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

Deloitte & Touche (M.E.) – Jordan

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	December 31,	
		2023	2022
		JD	JD
Assets:			
Cash and balances at central banks - net	5	553,689,927	693,967,771
Balances at banks and financial institutions - net	6	323,043,611	358,673,917
Deposits at banks and financial institutions - net	7	44,751,813	56,638,273
Financial assets at fair value through profit or loss	8	4,425,551	5,019,780
Financial assets at fair value through other comprehensive income	9	403,462,628	369,095,004
Direct credit facilities at fair value through profit or loss	10	31,496,582	61,967,403
Direct credit facilities at amortized cost - net	11	4,442,544,481	4,209,066,827
Financial assets at amortized cost - net	12	2,418,523,210	2,230,984,446
Property and equipment - net	13	159,245,811	162,799,067
Intangible assets – net	14	22,214,936	21,574,280
Right of use asset	20/a	21,364,626	21,723,075
Deferred tax assets	22/e	125,044,861	128,589,582
Other assets net	15	127,072,572	138,542,720
<b>TOTAL ASSETS</b>		<b>8,676,880,609</b>	<b>8,458,642,145</b>
<b>LIABILITIES AND OWNERS' EQUITY:</b>			
LIABILITIES:			
Banks and financial institutions deposits	16	716,654,103	870,020,537
Customers' deposits	17	5,649,898,542	5,318,025,833
Cash margins	18	296,137,233	274,011,478
Borrowed funds	19	297,089,265	398,779,481
Sundry provisions	21	31,232,872	30,380,825
Income tax provision	22/a	61,676,475	53,415,161
Deferred tax liabilities	22/e	6,374,087	6,770,350
Lease liability	20/b	21,064,223	21,110,267
Other liabilities	23	268,891,814	227,066,340
<b>TOTAL LIABILITIES</b>		<b>7,349,018,614</b>	<b>7,199,580,272</b>
<b>OWNERS' EQUITY:</b>			
<b>BANK'S SHAREHOLDERS' EQUITY:</b>			
Authorized and paid-up capital	24	315,000,000	315,000,000
Share premium	24	328,147,537	328,147,537
Statutory reserve	25	296,295,588	274,745,075
Special reserve	25	11,743,708	11,553,745
Foreign currencies translation	26	(130,825,280)	(134,490,422)
Fair value reserve – net	27	(3,920,263)	(10,908,261)
Retained earnings	28	452,965,949	416,843,387
<b>TOTAL BANK'S SHAREHOLDERS' EQUITY</b>		<b>1,269,407,239</b>	<b>1,200,891,061</b>
Non-controlling interest		58,454,756	58,170,812
<b>TOTAL OWNERS' EQUITY</b>		<b>1,327,861,995</b>	<b>1,259,061,873</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>8,676,880,609</b>	<b>8,458,642,145</b>

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,	
		2023	2022
		JD	JD
Interest income	31	560,600,640	417,018,501
Interest expense	32	(184,035,744)	(97,979,534)
<b>Net Interest Income</b>		<b>376,564,896</b>	<b>319,038,967</b>
Net commission income	33	26,821,546	24,444,567
<b>Net Interest and Commission Income</b>		<b>403,386,442</b>	<b>343,483,534</b>
Gain from foreign currencies	34	9,107,078	8,648,967
Gain (Loss) from financial assets at fair value through profit or loss	35	1,622,217	(1,974,652)
Cash dividends from financial assets at fair value through other comprehensive income		390,080	196,943
Other income	36	23,514,489	27,607,719
<b>Total Income</b>		<b>438,020,306</b>	<b>377,962,511</b>
<b>Expenses</b>			
Employees' expenses	37	95,861,145	86,341,540
Depreciation and amortization	13,14& 20	25,864,076	24,500,876
Other expenses	38	62,516,157	62,746,855
Allowance for expected credit loss - net	39	35,673,006	6,355,442
Expense of sundry provisions - net		700,998	453,490
<b>Total Expenses</b>		<b>220,615,382</b>	<b>180,398,203</b>
Profit for the Year before Income Tax Expense		217,404,924	197,564,308
Income tax	22/b	(76,630,335)	(65,181,760)
<b>Profit for the Year</b>		<b>140,774,589</b>	<b>132,382,548</b>
Attributable to:			
Bank's Shareholders		<b>136,729,879</b>	<b>129,500,828</b>
Non-Controlling Interest		<b>4,044,710</b>	<b>2,881,720</b>
		<b>140,774,589</b>	<b>132,382,548</b>
		<b>JD/Fils</b>	<b>JD/Fils</b>
Basic and diluted earnings per share for the year attributable to the Bank's Shareholders	40	<b>0.434</b>	<b>0.411</b>

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## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Profit for the year	140,774,589	132,382,548
<b>Other comprehensive income items which may be reclassified to profit or loss in the subsequent period</b>		
Foreign currencies translation	3,165,799	(8,800,184)
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax - debt instruments	5,762,114	(14,820,941)
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	1,274,811	112,264
<b>Total Other Comprehensive Income Items for the Year after Tax</b>	<b>10,202,724</b>	<b>(23,508,861)</b>
<b>Total Comprehensive Income for the Year</b>	<b>150,977,313</b>	<b>108,873,687</b>
Attributable to:		
Bank's Shareholders	147,383,019	108,767,816
Non-Controlling Interest	3,594,294	105,871
	<b>150,977,313</b>	<b>108,873,687</b>

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## 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	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
<b>For the Year Ended December 31, 2023</b>																					
Beginning balance for the year	315,000,000	328,147,537	274,745,075	11,553,745	(134,490,422)	(10,908,261)	416,843,387	1,200,891,061	58,170,812	1,259,061,873											
Profit for the Year	-	-	-	-	-	-	136,729,879	136,729,879	4,044,710	140,774,589											
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - debt instruments	-	-	-	-	-	5,713,187	-	5,713,187	48,927	5,762,114											
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	1,274,811	-	1,274,811	-	1,274,811											
Foreign currency translation	-	-	-	-	3,665,142	-	-	3,665,142	(499,343)	3,165,799											
<b>Total Comprehensive Income</b>	-	-	-	-	<b>3,665,142</b>	<b>6,987,998</b>	<b>136,729,879</b>	<b>147,383,019</b>	<b>3,594,294</b>	<b>150,977,313</b>											
The effect of the disposal of a Subsidiary	-	-	(18,288)	-	-	-	(98,553)	(116,841)	-	(116,841)											
Dividends paid	-	-	-	-	-	-	(78,750,000)	(78,750,000)	(3,310,350)	(82,060,350)											
Transferred to reserves	-	-	21,568,801	189,963	-	-	(21,758,764)	-	-	-											
Ending Balance for the Year	315,000,000	328,147,537	296,295,588	11,743,708	(130,825,280)	(3,920,263)	452,965,949	1,269,407,239	58,454,756	1,327,861,995											
<b>For the Year Ended December 31, 2022</b>																					
Beginning 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											
Profit for the Year	-	-	-	-	-	-	129,500,828	129,500,828	2,881,720	132,382,548											
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - debt instruments	-	-	-	-	-	(14,562,934)	-	(14,562,934)	(258,007)	(14,820,941)											
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	112,264	-	112,264	-	112,264											
Foreign currency translation	-	-	-	-	(6,282,342)	-	-	(6,282,342)	(2,517,842)	(8,800,184)											
<b>Total Comprehensive Income</b>	-	-	-	-	<b>(6,282,342)</b>	<b>(14,450,670)</b>	<b>129,500,828</b>	<b>108,767,816</b>	<b>105,871</b>	<b>108,873,667</b>											
Dividends paid	-	-	-	-	-	-	(63,000,000)	(63,000,000)	(3,615,989)	(66,615,989)											
Transferred to reserves	-	-	16,747,404	93,987	-	-	(16,841,391)	-	-	-											
<b>Ending Balance for the Year</b>	<b>315,000,000</b>	<b>328,147,537</b>	<b>274,745,075</b>	<b>11,553,745</b>	<b>(134,490,422)</b>	<b>(10,908,261)</b>	<b>416,843,387</b>	<b>1,200,891,061</b>	<b>58,170,812</b>	<b>1,259,061,873</b>											

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## CONSOLIDATED STATEMENT OF CASH FLOWS

Operating Activities	Note	For the Year Ended December 31,	
		2023	2022
		JD	JD
Profit before income tax		217,404,924	197,564,308
Adjustments for non-cash items:			
Depreciation and amortization	13,14&20	25,864,076	24,500,876
Provision for expected credit loss	39	35,673,006	6,355,442
Net unrealized losses from the valuation of direct credit facilities at fair value through profit or loss		(1,802,477)	2,403,761
Unrealized loss (gain) from hedging derivatives valuation		1,802,477	(2,403,761)
Net unrealized loss (gain) from the valuation of financial assets at fair value through profit or loss		429,926	(269,004)
Cash dividends from financial assets at fair value through other comprehensive income		(390,080)	(196,943)
Net accrued interest and commission income		10,446,960	9,590,961
Effect of the change in exchange rates on cash and cash equivalents		(6,094,996)	(5,426,773)
Provision for end-of-service indemnity expense		2,489,529	2,637,615
Premiums and discounts amortization		(4,572,536)	(2,053,520)
Sundry provisions		700,998	453,490
Others		5,039,884	3,964,565
<b>Cash Flows from Operating Activities before Changes in Assets and Liabilities</b>		<b>286,991,691</b>	<b>237,121,017</b>
Decrease (Increase) in Assets:			
Deposits at banks and financial institutions (maturing within more than 3 months)		11,940,433	(6,006,523)
Direct credit facilities		(235,325,377)	(355,037,895)
Financial assets at fair value through profit or loss		164,303	(119,968)
Other assets		11,776,397	(9,950,900)
<b>Increase (Decrease) in Liabilities:</b>			
Banks and financial institutions' deposits (maturing within more than 3 months)		(34,729,097)	39,250,462
Customers' deposits		345,853,359	113,332,911
Cash margins		23,130,498	3,139,547
Other liabilities		21,066,849	(14,044,971)
Sundry provisions		(1,747,874)	(609,826)
<b>Net Cash Flows from Operating Activities before Income Tax</b>		<b>429,121,182</b>	<b>7,073,854</b>
Income tax paid		(68,809,941)	(66,235,794)
<b>Net Cash Flows from (used in) Operating Activities</b>		<b>360,311,241</b>	<b>(59,161,940)</b>
<b>Investing Activities</b>			
(Purchase) of financial assets at fair value through comprehensive income		(101,909,454)	(142,780,341)
Sale of financial assets at fair value through other comprehensive income		80,291,355	126,294,889
Cash dividends from financial assets at fair value through other comprehensive income		390,080	196,943
(Purchase) of financial assets at amortized cost		(698,221,424)	(888,071,549)
Matured financial assets at amortized cost		514,173,029	652,617,134
(Purchase) of property and equipment	13	(13,212,157)	(12,385,606)
Proceeds from sale of property and equipment		173,051	40,543
(Purchase) of intangible assets	14	(7,318,776)	(7,847,643)
<b>Net Cash Flows (used in) Investing Activities</b>		<b>(225,634,296)</b>	<b>(271,935,630)</b>
<b>Financing Activities</b>			
Borrowed funds	19	139,743,704	189,938,501
Paid from borrowed funds	19	(241,433,920)	(153,424,868)
Dividends paid to shareholders		(75,017,338)	(60,021,135)
Paid for lease liabilities	20	(5,304,027)	(4,713,500)
Non-controlling interest		(3,310,350)	(3,615,989)
<b>Net Cash Flows (used in) from Financing Activities</b>		<b>(185,321,931)</b>	<b>(31,836,991)</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>		<b>(50,644,986)</b>	<b>(362,934,561)</b>
Effect of the change in exchange rates on cash and cash equivalents		(6,704,004)	11,663,536
<b>Cash and cash equivalents - beginning of the year</b>		<b>302,075,135</b>	<b>653,346,160</b>
<b>Cash and Cash Equivalents - End of the Year</b>	<b>41</b>	<b>244,726,145</b>	<b>302,075,135</b>

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 (106 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 25, 2024 and it is subject to the approval of the general assembly of shareholders.

## 2. Material Accounting Policies Information

### 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, the Bank started booking gradual provisions against seized assets

which violated the requirements of article number (48) of the Banking Law at an annual rate of (5%) from its net book value for the previous years and for the current year until October 10, 2022, where, Central Bank of Jordan issued new circular that cancelled the previous requirements, in relation to sized assets additional provisions, however, required maintaining the booked additional provisions and allowed reversing it only upon the disposal of the related asset.

D- Additional provisions are calculated in the consolidated financial statements against some of the Bank's foreign investments in some neighboring countries.

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, 2022, except for the effect of the application of the new and revised standards applied on or after January 1, 2023 as stated in Note (3-a).

## 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 2023 ,31 the Bank owns the following subsidiaries:

#### A- Foreign subsidiaries

- International Bank for Trade and Finance / Syria (paid-up capital is Syrian Lira 10.5 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 bank 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 (liquidated): The Company's General assembly approved the Company's liquidation on March 1, 2022. The liquidation procedures process were completed on November 2, 2023.

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, considering 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 consider 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 considers 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. (201813/) "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. (472009/) 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 considers 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

considering 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 regard.
- 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 regard.

When the Bank purchases a financial asset 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, the Bank started booking gradual provisions against seized assets which violated the requirements of article number (48) of the Banking Law at an annual rate of 5% from its net book value for the previous years and for the current year until October 10, 2022, where, Central Bank of Jordan issued new circular that cancelled the previous requirements, in relation to sized assets additional provisions, however, required maintaining the booked additional provisions and allowed reversing it only upon the disposal of the related asset.

## 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 lined financial assets). The proceeds of the sale are recorded under loans and borrowings. The difference between the sale and the repurchase price is recognized as an interest expense over the agreement term using the effective interest rate method.

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

## Property and Equipment

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

The depreciation rates used are as follows:

	%
Buildings and construction	2-5
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 Assets

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 calculates 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

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

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

- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates.
- Amendments to IFRS 17 Insurance Contracts.
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements— Disclosure of Accounting Policies.
- Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 Income Taxes— International Tax Reform—Pillar Two Model Rules.

#### New IFRS Accounting Standards in issue but not yet effective

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

The new and revised (IFRS) for financial reporting preparation	Effective for annual periods beginning on or after.
Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback	January 1st, 2024
Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current	January 1st, 2024
Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants	January 1st, 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements	January 1st, 2024
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date has been deferred indefinitely

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

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

Preparation of the consolidated financial statements and application of 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 Bank's Accounting Policies

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

#### 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 determining 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,	
	2023	2022
	JD	JD
Cash in hand and vault	95,538,393	127,247,953
<b>Balances at central banks:</b>		
Current accounts and demand deposits	156,580,071	299,794,431
Term and notice deposits	66,452,395	50,429,342
Statutory cash reserve	235,155,656	216,538,247
Total Balances at Central Banks	458,188,122	566,762,020
<b>Total Cash and Balances at Central Banks</b>	<b>553,726,515</b>	<b>694,009,973</b>
Provision for expected credit loss *	(36,588)	(42,202)
<b>Net Cash and Balances at Central Banks</b>	<b>553,689,927</b>	<b>693,967,771</b>

- There are no certificate of deposits purchased from the Central Bank of Jordan maturing within a period of three months as of December 31, 2023 and 2022.

- Except for the statutory cash reserve, there are no restricted balances as of December 31, 2023 and 2022.

- The movement on balances at central banks for the year ended December 31, 2023 and 2022 was as follows:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	566,762,020	-	-	566,762,020
New balances during the year	458,188,122	-	-	458,188,122
Paid balances during the year	(566,762,020)	-	-	(566,762,020)
<b>Balance - End of the Year</b>	<b>458,188,122</b>	<b>-</b>	<b>-</b>	<b>458,188,122</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	884,887,252	-	-	884,887,252
New balances during the year	566,762,020	-	-	566,762,020
Paid balances during the year	(884,887,252)	-	-	(884,887,252)
<b>Balance - End of the Year</b>	<b>566,762,020</b>	<b>-</b>	<b>-</b>	<b>566,762,020</b>

\* This item represents the provision for expected credit loss for the balances of foreign Central Banks movement for the year ended December 31, 2023 and 2022:

	2023	2022
	JD	JD
Beginning balance	42,202	45,876
Expected credit losses during the year	(5,614)	(3,674)
<b>Balance – End of the Year</b>	<b>36,588</b>	<b>42,202</b>



## 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,	
	2023	2022	2023	2022	2023	2022
	JD	JD	JD	JD	JD	JD
Current accounts and demand accounts	1,886,490	12,350,963	131,420,838	143,776,077	<b>133,307,328</b>	<b>156,127,040</b>
Deposits maturing within or less than 3 months	18,137,629	32,954,255	171,831,200	169,897,731	<b>189,968,829</b>	<b>202,851,986</b>
<b>Total</b>	<b>20,024,119</b>	<b>45,305,218</b>	<b>303,252,038</b>	<b>313,673,808</b>	<b>323,276,157</b>	<b>358,979,026</b>
Provision for expected credit loss	(22,881)	(49,165)	(209,665)	(255,944)	<b>(232,546)</b>	<b>(305,109)</b>
<b>Net</b>	<b>20,001,238</b>	<b>45,256,053</b>	<b>303,042,373</b>	<b>313,417,864</b>	<b>323,043,611</b>	<b>358,673,917</b>

- The non-interest bearing balances at banks and financial institutions are amounted to JD 27.4 million as of December 31, 2023 (JD 29.1 million as of December 31, 2022).

- There were no restricted balances as of December 31, 2023 and 2022.

The following represents the movement on balances at banks and financial institutions for the year ended December 31, 2023 and 2022:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	358,979,026	-	-	<b>358,979,026</b>
New balances during the year	323,276,157	-	-	<b>323,276,157</b>
Paid balances during the year	(358,979,026)	-	-	<b>(358,979,026)</b>
<b>Balance - End of the Year</b>	<b>323,276,157</b>	-	-	<b>323,276,157</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	411,128,248	-	-	<b>411,128,248</b>
New balances during the year	358,979,026	-	-	<b>358,979,026</b>
Paid balances during the year	(411,128,248)	-	-	<b>(411,128,248)</b>
<b>Balance - End of the Year</b>	<b>358,979,026</b>	-	-	<b>358,979,026</b>

- The following represents the movement on the provision for expected credit losses for balances at banks and financial institutions during the year ended December 31, 2023 and 2022:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	305,109	-	-	305,109
Impairment on new balances during the year	232,546	-	-	232,546
Reversed from impairment on paid balances	(305,109)	-	-	(305,109)
<b>Balance - End of the Year</b>	<b>232,546</b>	<b>-</b>	<b>-</b>	<b>232,546</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	330,134	-	-	330,134
Impairment on new balances during the year	305,109	-	-	305,109
Reversed from impairment on paid balances	(330,134)	-	-	(330,134)
<b>Balance - End of the Year</b>	<b>305,109</b>	<b>-</b>	<b>-</b>	<b>305,109</b>

## 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,	
	2023	2022	2023	2022	2023	2022
	JD	JD	JD	JD	JD	JD
From 3 months to 6 months	30,000,000	30,000,000	11,427,972	13,342,604	41,427,972	43,342,604
From 6 months to 9 months	-	5,000,000	472,050	3,349,641	472,050	8,349,641
From 9 months to 12 months	-	-	3,027,587	5,175,797	3,027,587	5,175,797
<b>Total</b>	<b>30,000,000</b>	<b>35,000,000</b>	<b>14,927,609</b>	<b>21,868,042</b>	<b>44,927,609</b>	<b>56,868,042</b>
Provision for expected credit losses	-	(896)	(175,796)	(228,873)	(175,796)	(229,769)
<b>Net</b>	<b>30,000,000</b>	<b>34,999,104</b>	<b>14,751,813</b>	<b>21,639,169</b>	<b>44,751,813</b>	<b>56,638,273</b>

- There were no restriction on deposits as of December 31, 2023 and 2022.

- The following represents movement on deposits at banks and financial institutions for the year ended December 31, 2023 and 2022:

For the Year ended December 31, 2023	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	56,868,042	-	-	<b>56,868,042</b>
New balances during the year	44,927,609	-	-	<b>44,927,609</b>
Paid balances during the year	(56,868,042)	-	-	<b>(56,868,042)</b>
<b>Balance - End of the Year</b>	<b>44,927,609</b>	-	-	<b>44,927,609</b>

For the Year ended December 31, 2022	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	50,861,519	-	-	<b>50,861,519</b>
New balances during the year	56,868,042	-	-	<b>56,868,042</b>
Paid balances during the year	(50,861,519)	-	-	<b>(50,861,519)</b>
<b>Balance - End of the Year</b>	<b>56,868,042</b>	-	-	<b>56,868,042</b>

- 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, 2023 and 2022:

For the Year ended December 31, 2023	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	229,769	-	-	<b>229,769</b>
Impairment on new balances during the year	175,796	-	-	<b>175,796</b>
Reversed from impairment on paid balances	(239,262)	-	-	<b>(239,262)</b>
Foreign currency translation difference	9,493	-	-	<b>9,493</b>
<b>Balance - End of the Year</b>	<b>175,796</b>	-	-	<b>175,796</b>

For the Year ended December 31, 2022	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	223,557	-	-	<b>223,557</b>
Impairment on new balances during the year	261,281	-	-	<b>261,281</b>
Reversed from impairment on paid balances	(223,557)	-	-	<b>(223,557)</b>
Foreign currency translation difference	(31,512)	-	-	<b>(31,512)</b>
<b>Balance - End of the Year</b>	<b>229,769</b>	-	-	<b>229,769</b>

## 8. Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

Quoted Financial Assets	December 31,	
	2023	2022
	JD	JD
Companies shares and funds listed in financial markets	4,425,551	4,569,196
<b>Total</b>	<b>4,425,551</b>	<b>4,569,196</b>
<b>Unquoted Financial Assets</b>		
Companies shares not listed in financial markets	-	450,584
<b>Total</b>	<b>-</b>	<b>450,584</b>
<b>Net</b>	<b>4,425,551</b>	<b>5,019,780</b>

## 9. Financial Assets at Fair Value through Other Comprehensive Income

The details of this item are as follows:

	December 31,	
	2023	2022
	JD	JD
Shares with available market prices	5,794,878	-
Shares and funds with no available market prices	45,578,991	42,699,806
<b>Total Shares</b>	<b>51,373,869</b>	<b>42,699,806</b>
Jordanian treasury bonds	180,139,559	156,116,575
Jordanian government bills and bonds	37,348,952	36,634,173
Foreign governments bills and bonds	68,231,824	73,142,623
Corporate bonds	66,659,891	60,793,016
<b>Total Bonds</b>	<b>352,380,226</b>	<b>326,686,387</b>
Less: Provision of expected credit loss	(291,467)	(291,189)
<b>Total Bonds – Net</b>	<b>352,088,759</b>	<b>326,395,198</b>
<b>Total</b>	<b>403,462,628</b>	<b>369,095,004</b>

- The maturity dates for Bonds range from year 2024 to year 2036.

- Interest rates on bonds and treasury bills ranges from 1.4% to 7.67%.

The following represents the movement on shares at fair value through other comprehensive during the year ended December 31, 2023 and 2022:

	As of December 31,	
	2023	2022
	JD	JD
Fair value as of beginning of the year	42,699,806	26,347,895
New investments during the year	6,728,145	16,223,178
Changes in fair value during the year	1,990,783	128,733
Foreign currency translation difference	(44,865)	-
<b>Balance – End of the Year</b>	<b>51,373,869</b>	<b>42,699,806</b>

The following represents the movement on bonds at fair value through other comprehensive income during the year ended December 31, 2023 and 2022:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Fair value – beginning of the year	323,781,644	2,904,743	-	<b>326,686,387</b>
New investments during the year	95,181,309	-	-	<b>95,181,309</b>
Matured investments during the year	(80,291,355)	-	-	<b>(80,291,355)</b>
Transferred to stage (2)	(5,889,206)	5,889,206	-	-
Change in fair value during the year	8,970,664	20,684	-	<b>8,991,348</b>
Amortization of premium/ discount	1,047,873	168,447	-	<b>1,216,320</b>
Adjustments resulted from changes in exchange rates	375,243	220,974	-	<b>596,217</b>
<b>Balance – End of the Year</b>	<b>343,176,172</b>	<b>9,204,054</b>	-	<b>352,380,226</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Fair value – beginning of the year	346,858,682	3,325,213	-	<b>350,183,895</b>
New investments during the year	126,557,163	-	-	<b>126,557,163</b>
Matured investments during the year	(126,294,889)	-	-	<b>(126,294,889)</b>
Change in fair value during the year	(22,509,389)	(297,978)	-	<b>(22,807,367)</b>
Amortization of premium/ discount	(239,274)	(49,295)	-	<b>(288,569)</b>
Adjustments resulted from changes in exchange rates	(590,649)	(73,197)	-	<b>(663,846)</b>
<b>Balance – End of the Year</b>	<b>323,781,644</b>	<b>2,904,743</b>	-	<b>326,686,387</b>

The following represents the movement on the provision for expected credit losses during the year ended December 31, 2023 and 2022:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance – beginning of the year	195,993	95,196	-	<b>291,189</b>
Expected credit losses for new investment during the year	10,364	-	-	<b>10,364</b>
Reversed from impairment on matured investment	(635)	-	-	<b>(635)</b>
Effect on provision due to adjustments between stages during the period	-	73,255	-	<b>73,255</b>
Effect on provision resulted from adjustments	(28,922)	(67,429)	-	<b>(96,351)</b>
Adjustments resulted from changes in exchange rates	13,333	312	-	<b>13,645</b>
<b>Balance – End of the Year</b>	<b>190,133</b>	<b>101,334</b>	<b>-</b>	<b>291,467</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance – beginning of the year	244,415	88,997	-	<b>333,412</b>
Expected credit losses for new investment during the year	7,628	-	-	<b>7,628</b>
Reversed from impairment on matured investment	(17,860)	-	-	<b>(17,860)</b>
Effect on provision resulted from adjustments	(18,495)	15,704	-	<b>(2,791)</b>
Adjustments resulted from changes in exchange rates	(19,695)	(9,505)	-	<b>(29,200)</b>
<b>Balance – End of the Year</b>	<b>195,993</b>	<b>95,196</b>	<b>-</b>	<b>291,189</b>

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

The details of this item are as follows:

The following represents the movement on direct credit facilities at fair value through profit or loss during the year:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance – beginning of the year	61,967,403	96,646,207
Paid credit facilities during the year	(32,641,948)	(33,011,991)
Effect of adjustments	368,650	736,948
Change in fair value during the year	1,802,477	(2,403,761)
<b>Balance – End of the Year</b>	<b>31,496,582</b>	<b>61,967,403</b>

## 11. Direct Credit Facilities at Amortized Cost - Net

The details of this item are as follows:

	December 31,	
	2023	2022
	JD	JD
<b>Individuals (retail)</b>		
Overdraft accounts	9,894,896	6,682,614
Loans and discounted bills *	1,021,291,763	1,013,188,951
Credit cards	26,592,656	21,758,620
<b>Real estate loans</b>	<b>1,403,494,485</b>	<b>1,339,598,002</b>
Includes Housing loans	838,630,863	823,105,737
<b>Companies:</b>		
<b>Large</b>		
Overdraft accounts	218,591,162	183,894,872
Loans and discounted bills *	1,299,797,498	1,286,913,983
<b>Small and Medium</b>		
Overdraft accounts	103,772,398	72,131,316
Loans and discounted bills *	345,959,026	305,107,960
<b>Government and public sector</b>	<b>620,198,707</b>	<b>554,693,620</b>
<b>Total</b>	<b>5,049,592,591</b>	<b>4,783,969,938</b>
Less: Provision of expected credit losses	(450,901,539)	(432,204,392)
Interest in suspense	(156,146,571)	(142,698,719)
<b>Net Direct Credit Facilities</b>	<b>4,442,544,481</b>	<b>4,209,066,827</b>

\* Net after deducting interest and commission received in advance and unearned revenues of JD 25,225,416 as of December 31, 2023 (JD 25,360,666 as of December 31, 2022).

- Non-performing credit facilities amounted to JD 388,939,256 which is equivalent to 7.65% of total direct credit facilities (at amortized cost and at fair value) as of December 31, 2023 (JD 330,824,845 which is equivalent to 6.83% of total direct credit facilities (at amortized cost and at fair value) as of December 31, 2022).
- Non-performing credit facilities after deducting interest and commissions in suspense amounted to JD 265,332,134 which is equivalent to 5.39% of the total direct credit facilities balance (at amortized cost and at fair value) after deducting interest and commission in suspense as of December 31, 2023 (JD 213,045,163 which is equivalent to 4.53 % of the total credit facilities balance (at amortized cost and at fair value) after deducting interest and commission in suspense as of December 31, 2022).
- Non-performing credit facilities transferred to off-the consolidated statement of financial position amounted to JD 40,594,540 during the year 2023 (JD 38,872,186 during the year 2022). The off-balance sheet items balance is amounted to JD 478,218,410 as of December 31, 2023 (JD 439,638,170 as of December 31, 2022).
- Direct credit facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 520,190,865 which is equivalent to 10.2% of total direct credit facilities (at amortized cost and at fair value) as of December 31, 2023 (JD 521,300,521 which is equivalent to 10.8 % as of December 31, 2022).



The following represents the movement on direct credit facilities during the year ended December 31, 2023 and 2022:

	2023						
	Stage (1)		Stage (2)		Stage (3)		Total
	Individual	Collective	Individual	Collective	Stage (3)	Total	
	JD	JD	JD	JD	JD	JD	
Beginning of the Year	2,165,398,505	1,813,945,729	318,585,521	127,462,028	358,578,155	4,783,969,938	
New credit facilities during the year	710,665,320	366,523,574	32,993,848	24,199,834	6,737,885	1,141,120,461	
Paid credit facilities during the year	(364,078,631)	(251,005,946)	(35,010,658)	(12,337,645)	(11,855,728)	(674,288,608)	
Transferred to stage (1)	30,516,697	29,704,018	(28,143,365)	(26,123,277)	(5,954,073)	-	
Transferred to stage (2)	(63,075,279)	(47,750,236)	64,748,981	50,185,434	(4,108,900)	-	
Transferred to stage (3)	(4,948,653)	(28,246,991)	(5,621,279)	(42,014,623)	80,831,546	-	
Effect of adjustments	(112,894,589)	(59,281,703)	(2,363,447)	(3,737,055)	20,938,857	(157,337,937)	
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(45,020,841)	(45,020,841)	
Adjustments resulted from changes in exchange rates	2,832,279	4,054,310	554,745	(5,713)	(6,286,043)	1,149,578	
<b>Balance - End of the Year</b>	<b>2,364,415,649</b>	<b>1,827,942,755</b>	<b>345,744,346</b>	<b>117,628,983</b>	<b>393,860,858</b>	<b>5,049,592,591</b>	

	2022						
	Stage (1)		Stage (2)		Stage (3)		Total
	Individual	Collective	Individual	Collective	Stage (3)	Total	
	JD	JD	JD	JD	JD	JD	
Balance - beginning of the year	1,804,380,052	1,703,704,617	422,857,459	116,766,703	388,877,961	4,436,586,792	
Reclassification	29,864	(29,864)	336,130	(336,130)	-	-	
<b>Adjusted Balance - Beginning of the Year</b>	<b>1,804,409,916</b>	<b>1,703,674,753</b>	<b>423,193,589</b>	<b>116,430,573</b>	<b>388,877,961</b>	<b>4,436,586,792</b>	
New credit facilities during the year	685,852,827	507,180,360	34,626,797	19,735,002	5,415,523	1,252,810,509	
Paid credit facilities during the year	(225,578,236)	(290,748,090)	(21,298,645)	(10,088,669)	(28,499,997)	(576,213,637)	
Transferred to stage (1)	66,115,163	37,067,402	(65,123,444)	(31,928,755)	(6,130,366)	-	
Transferred to stage (2)	(20,245,844)	(43,831,753)	27,136,509	48,197,714	(11,256,626)	-	
Transferred to stage (3)	(1,671,909)	(9,237,331)	(24,205,812)	(14,719,262)	49,834,314	-	
Effect of adjustments	(144,831,086)	(68,421,577)	(56,449,952)	873,384	13,303,815	(255,525,416)	
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(52,507,701)	(52,507,701)	
Adjustments resulted from changes in exchange rates	1,347,674	(21,738,035)	706,479	(1,037,959)	(458,768)	(21,180,609)	
<b>Balance - End of the Year</b>	<b>2,165,398,505</b>	<b>1,813,945,729</b>	<b>318,585,521</b>	<b>127,462,028</b>	<b>358,578,155</b>	<b>4,783,969,938</b>	

The following represents the movement on the provision for expected credit loss during the year ended December 31, 2023 and 2022:

	Corporate		SME's		Retail		Real Estate		Governmental and Public		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>For the Year ended December 31, 2023</b>												
Balance at the beginning of the year	208,433,406	43,270,920	43,114,322	137,305,942	79,802	432,204,392						
Reclassification	85,182	(144,963)	19,252	40,529	-	-						
<b>Adjusted Beginning Balance of the Year</b>	<b>208,518,588</b>	<b>43,125,957</b>	<b>43,133,574</b>	<b>137,346,471</b>	<b>79,802</b>	<b>432,204,392</b>						
Impairment on new credit facilities during the year	8,369,543	5,068,351	4,444,245	7,100,671	133,657	25,116,467						
Recovered from impairment on paid credit facilities	(5,264,325)	(5,613,445)	(2,944,076)	(6,242,112)	(5,605)	(20,069,563)						
Transferred (from) to stage (1) – net	(435,790)	56,370	3,414,279	2,783,043	-	5,817,902						
Transferred (from) to stage (2) – net	(398,796)	(119,332)	(4,197,742)	(4,312,331)	-	(9,028,201)						
Transferred (from) to stage (3) – net	834,586	62,962	783,463	1,529,288	-	3,210,299						
Effect on provision at the end of the year due to reclassification between stages	4,186,544	2,030,643	14,721,327	6,355,848	-	27,294,362						
Effect resulted from to adjustments	4,662,134	3,238,145	1,187,375	(14,460,482)	8,236,224	2,863,396						
Credit facilities written off and transferred to off balance sheet items	(13,300,992)	(1,162,439)	(1,346,479)	(728,512)	-	(16,538,422)						
Adjustments resulted from changes in exchange rates	(64,277)	27,289	(149)	68,044	-	30,907						
<b>Balance at the End of the Year</b>	<b>207,107,215</b>	<b>46,714,501</b>	<b>59,195,817</b>	<b>129,439,928</b>	<b>8,444,078</b>	<b>450,901,539</b>						
<b>Redistribution:</b>												
Provision on an individual basis	206,292,014	46,076,081	48,190,456	102,299,981	8,444,078	411,302,610						
Provision on a collective basis	815,201	638,420	11,005,361	27,139,947	-	39,598,929						

For the Year ended December 31, 2022	Corporate		SME's		Retail		Real Estate		Governmental and Public		Total	
	JD		JD		JD		JD		JD		JD	
Balance at the beginning of the year	236,260,062		49,939,793		45,059,443		122,135,952		76,858		453,472,108	
Reclassification	1,368,143		(484,665)		16,335		(899,813)		-		-	
<b>Adjusted Beginning Balance of the Year</b>	<b>237,628,205</b>		<b>49,455,128</b>		<b>45,075,778</b>		<b>121,236,139</b>		<b>76,858</b>		<b>453,472,108</b>	
Impairment on new credit facilities during the year	6,565,196		5,583,089		3,633,544		6,532,747		15,486		22,330,062	
Recovered from impairment on paid credit facilities	(10,764,193)		(5,743,874)		(4,615,403)		(5,911,843)		-		(27,035,313)	
Transferred (from) to stage (1) – net	1,282,163		1,058,524		4,253,847		5,175,155		1,448		11,771,137	
Transferred (from) to stage (2) – net	(5,826,998)		(2,911,844)		(4,375,961)		(5,312,204)		(1,448)		(18,428,455)	
Transferred (from) to stage (3) – net	4,544,835		1,853,320		122,114		137,049		-		6,657,318	
Effect on provision at the end of the year due to reclassification between stages	8,214,023		91,829		2,559,742		(20,084)		(1,117)		10,844,393	
Effect resulted from to adjustments	(12,065,359)		261,174		(3,292,426)		16,337,304		(11,425)		1,229,268	
Credit facilities written off and transferred to off balance sheet items	(21,054,336)		(6,433,312)		(246,749)		(836,395)		-		(28,570,792)	
Adjustments resulted from changes in exchange rates	(90,130)		56,886		(164)		(31,926)		-		(65,334)	
<b>Balance at the End of the Year</b>	<b>208,433,406</b>		<b>43,270,920</b>		<b>43,114,322</b>		<b>137,305,942</b>		<b>79,802</b>		<b>432,204,392</b>	
<b>Redistribution:</b>												
Provision on an individual basis	207,478,053		42,581,054		31,839,939		108,930,162		79,802		390,909,010	
Provision on a collective basis	955,353		689,866		11,274,383		28,375,780		-		41,295,382	

## Interest in Suspense

The following is the movement on interest in suspense:

	Corporate		SME's		Retail		Real Estate		Governmental and Public		Total	
	JD		JD		JD		JD		JD		JD	
<b>For the Year Ended December 31, 2023</b>												
Balance at the beginning of the year	47,842,871		25,103,210		31,830,670		37,921,968		-			142,698,719
Reclassification	(40)		(12,414)		19,082		(6,628)		-			-
<b>Adjusted Beginning Balance of the Year</b>	<b>47,842,831</b>		<b>25,090,796</b>		<b>31,849,752</b>		<b>37,915,340</b>		-			<b>142,698,719</b>
Interest suspended on new exposure during the year	13,608		114,035		166,207		105,967		-			399,817
Interest in suspense transferred to income from exposure paid during the year	(1,754,799)		(223,845)		(435,258)		(733,007)		-			(3,146,909)
Effect on interest suspended due to reclassification between stages	274,892		88,590		616,380		2,120,106		-			3,099,968
Effect on interest in suspense due to adjustments	16,276,386		5,275,952		7,770,229		5,685,965		6,533,833			41,542,365
Credit facilities written off and transferred to off balance sheet items	(13,970,369)		(3,923,338)		(5,397,710)		(5,191,002)		-			(28,482,419)
Adjustments resulted from changes in exchange rates	(13,200)		47,713		153		364		-			35,030
<b>Balance at the End of the Year</b>	<b>48,669,349</b>		<b>26,469,903</b>		<b>34,569,753</b>		<b>39,903,733</b>		<b>6,533,833</b>			<b>156,146,571</b>

	Corporate		SME's		Retail		Real Estate		Governmental and Public		Total	
	JD		JD		JD		JD		JD		JD	
<b>For the Year Ended December 31, 2022</b>												
Balance at the beginning of the year	41,236,413		31,527,946		27,680,494		32,403,684		-			132,848,537
Reclassification	10,022		(331,081)		48,658		272,401		-			-
<b>Adjusted Beginning Balance of the Year</b>	<b>41,246,435</b>		<b>31,196,865</b>		<b>27,729,152</b>		<b>32,676,085</b>		-			<b>132,848,537</b>
Interest suspended on new exposure during the year	793,300		91,809		46,320		99,612		-			1,031,041
Interest in suspense transferred to income from exposure paid during the year	(183,040)		(515,403)		(530,113)		(1,271,174)		-			(2,499,730)
Effect on interest suspended due to reclassification between stages	348,045		(45,912)		(334,841)		(517,194)		-			(549,902)
Effect on interest in suspense due to adjustments	16,496,733		5,156,662		5,953,162		8,170,552		-			35,777,109
Credit facilities written off and transferred to off balance sheet items	(10,849,119)		(10,818,429)		(1,033,132)		(1,236,229)		-			(23,936,909)
Adjustments resulted from changes in exchange rates	(9,483)		37,618		122		316		-			28,573
<b>Balance at the End of the Year</b>	<b>47,842,871</b>		<b>25,103,210</b>		<b>31,830,670</b>		<b>37,921,968</b>		-			<b>142,698,719</b>

- The following are the exposures according to IFRS (9) as of December 31, 2023 and 2022:

Item	2023												
	Stage (1)			Stage (2)			Stage (3)			Interest in Suspense	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			Direct Credit Facilities	Provision for Expected Credit Loss
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporate entities	1,214,784,509	13,523,694	60,592	163,745,946	65,727,313	8,713,899	139,858,205	127,856,208	39,894,858				1,262,612,096
SME's	331,024,459	3,049,481	18,721	51,923,302	12,692,864	64,884	66,783,663	30,972,156	26,386,298				376,547,020
Retail	931,947,031	4,696,538	647	41,587,478	7,937,069	36,406	84,244,806	46,562,210	34,532,700				964,013,745
Real estate loans	1,094,403,698	22,906,417	2,361	206,116,603	70,249,877	16,707,244	102,974,184	36,283,634	23,194,128				1,234,150,824
Governmental and public	620,198,707	8,444,078	6,533,833	-	-	-	-	-	-				605,220,796
<b>Total</b>	<b>4,192,358,404</b>	<b>52,620,208</b>	<b>6,616,154</b>	<b>463,373,329</b>	<b>156,607,123</b>	<b>25,522,433</b>	<b>393,860,858</b>	<b>241,674,208</b>	<b>124,007,984</b>				<b>4,442,544,481</b>

Item	2022												
	Stage (1)			Stage (2)			Stage (3)			Interest in Suspense	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			Direct Credit Facilities	Provision for Expected Credit Loss
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporate entities	1,178,248,391	7,461,094	26,872	134,929,302	57,392,180	6,897,265	157,631,162	143,580,132	40,918,734				1,214,532,578
SME's	258,473,247	2,261,436	34,021	53,915,535	10,813,810	54,140	64,850,494	30,195,674	25,015,049				308,865,146
Retail	929,727,782	4,965,680	5,454	43,191,705	7,780,817	67,087	68,710,698	30,367,825	31,758,129				966,685,193
Real estate loans	1,058,201,194	24,258,602	5,061	214,011,007	83,184,944	16,447,093	67,385,801	29,862,396	21,469,814				1,164,370,092
Governmental and public	554,693,620	79,802	-	-	-	-	-	-	-				554,613,818
<b>Total</b>	<b>3,979,344,234</b>	<b>39,026,614</b>	<b>71,408</b>	<b>446,047,549</b>	<b>159,171,751</b>	<b>23,465,585</b>	<b>358,578,155</b>	<b>234,006,027</b>	<b>119,161,726</b>				<b>4,209,066,827</b>

The following represents the distribution of total credit facilities by internal credit rating for large corporates:

Credit rating categories based on the Bank's internal system:	December 31, 2023				2022
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
From (1) To (5)	1,121,098,940	45,414,460	-	1,166,513,400	1,151,583,430
From (6) To (7)	87,046,852	111,371,724	-	198,418,576	152,622,626
From (8) To (10)	-	-	133,189,135	133,189,135	134,109,550
Not rated	6,638,717	6,959,762	6,669,070	20,267,549	32,493,249
<b>Total</b>	<b>1,214,784,509</b>	<b>163,745,946</b>	<b>139,858,205</b>	<b>1,518,388,660</b>	<b>1,470,808,855</b>

The following represents the movement on credit facilities for large corporates during the year ended December 31, 2023 and 2022:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	1,171,175,788	7,072,603	124,818,137	10,111,165	157,631,162	1,470,808,855
Reclassification	4,431,224	399,206	-	-	-	4,830,430
<b>Adjusted Balance - Beginning of the Year</b>	<b>1,175,607,012</b>	<b>7,471,809</b>	<b>124,818,137</b>	<b>10,111,165</b>	<b>157,631,162</b>	<b>1,475,639,285</b>
New credit facilities during the year	359,819,062	2,771,848	16,818,699	86,792	202,950	379,699,351
Paid credit facilities	(239,645,508)	(1,745,032)	(17,067,795)	(1,222,759)	(288,552)	(259,969,646)
Transferred to stage (1)	16,992,043	-	(16,992,043)	-	-	-
Transferred to stage (2)	(49,061,640)	-	49,061,640	-	-	-
Transferred to stage (3)	(892,713)	-	(2,584,692)	(3,510)	3,480,915	-
Effect of adjustments	(58,114,250)	1,171,818	2,485,942	(1,504,505)	12,674,856	(43,286,139)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(27,271,361)	(27,271,361)
Adjustments resulted from changes in exchange rates	1,295,307	(885,247)	246,292	(507,417)	(6,571,765)	(6,422,830)
<b>Balance - End of the Year</b>	<b>1,205,999,313</b>	<b>8,785,196</b>	<b>156,786,180</b>	<b>6,959,766</b>	<b>139,858,205</b>	<b>1,518,388,660</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
<b>Balance - beginning of the year</b>	<b>1,071,368,164</b>	<b>13,331,238</b>	<b>185,626,196</b>	<b>14,474,366</b>	<b>170,712,926</b>	<b>1,455,512,890</b>
Reclassification	5,274,646	(3,119,348)	(314,000)	(2,382,720)	4,416,937	3,875,515
<b>Adjusted Balance - Beginning of the Year</b>	<b>1,076,642,810</b>	<b>10,211,890</b>	<b>185,312,196</b>	<b>12,091,646</b>	<b>175,129,863</b>	<b>1,459,388,405</b>
New credit facilities during the year	365,104,950	452,085	7,419,159	1,697	3,609,816	376,587,707
Paid credit facilities	(139,721,848)	(2,495,021)	(6,346,069)	(916,102)	(13,004,273)	(162,483,313)
Transferred to stage (1)	39,186,139	1,207,141	(39,186,139)	(1,131,320)	(75,821)	-
Transferred to stage (2)	(11,061,058)	(580,767)	15,274,942	580,767	(4,213,884)	-
Transferred to stage (3)	-	-	(18,466,604)	(135,738)	18,602,342	-
Effect of adjustments	(159,853,665)	(1,632,380)	(19,534,061)	(264,177)	10,085,859	(171,198,424)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(31,903,455)	(31,903,455)
Adjustments resulted from changes in exchange rates	878,460	(90,345)	344,713	(115,608)	(599,285)	417,935
<b>Balance - End of the Year</b>	<b>1,171,175,788</b>	<b>7,072,603</b>	<b>124,818,137</b>	<b>10,111,165</b>	<b>157,631,162</b>	<b>1,470,808,855</b>

The following represents the movement on the provision for credit loss for large corporates credit facilities during the year ended December 31, 2023 and 2022:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	7,250,383	210,711	56,647,538	744,642	143,580,132	208,433,406
Reclassification	78,470	6,712	-	-	-	85,182
<b>Adjusted Balance Beginning of the Year</b>	<b>7,328,853</b>	<b>217,423</b>	<b>56,647,538</b>	<b>744,642</b>	<b>143,580,132</b>	<b>208,518,588</b>
Impairment losses on new credit facilities during the year	2,208,132	16,592	5,989,436	1,141	154,242	8,369,543
Reversed from impairment losses on paid credit facilities	(717,283)	(28,769)	(4,331,254)	(57,851)	(129,168)	(5,264,325)
Transferred to stage (1)	297,104	-	(297,104)	-	-	-
Transferred to stage (2)	(717,934)	-	717,934	-	-	-
Transferred to stage (3)	(14,960)	-	(819,450)	(176)	834,586	-
Effect due to reclassification between stages	(14,258)	-	3,632,857	-	567,945	4,186,544
Effect of adjustments	5,107,854	(52,231)	3,407,748	132,849	(3,934,086)	4,662,134
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(13,300,992)	(13,300,992)
Adjustments resulted from changes in exchange rates	5,830	(112,659)	4,763	(45,760)	83,549	(64,277)
<b>Balance - End of the Year</b>	<b>13,483,338</b>	<b>40,356</b>	<b>64,952,468</b>	<b>774,845</b>	<b>127,856,208</b>	<b>207,107,215</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	16,532,448	117,445	66,977,623	2,459,777	150,172,769	236,260,062
Reclassification	47,940	(28,859)	(76,387)	(520,385)	1,945,834	1,368,143
<b>Adjusted Balance Beginning of the Year</b>	<b>16,580,388</b>	<b>88,586</b>	<b>66,901,236</b>	<b>1,939,392</b>	<b>152,118,603</b>	<b>237,628,205</b>
Impairment losses on new credit facilities during the year	3,147,140	1,444	552,857	86	2,863,669	6,565,196
Reversed from impairment losses on paid credit facilities	(2,330,139)	(14,196)	(1,133,308)	(172,752)	(7,113,798)	(10,764,193)
Transferred to stage (1)	1,261,015	92,524	(1,261,015)	(87,104)	(5,420)	-
Transferred to stage (2)	(64,627)	(6,749)	2,858,943	6,749	(2,794,316)	-
Transferred to stage (3)	-	-	(7,334,127)	(10,444)	7,344,571	-
Effect due to reclassification between stages	(1,132,091)	(77,706)	1,554,957	10,557	7,858,306	8,214,023
Effect of adjustments	(10,226,019)	78,604	(5,500,346)	(853,627)	4,436,029	(12,065,359)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(21,054,336)	(21,054,336)
Adjustments resulted from changes in exchange rates	14,716	48,204	8,341	(88,215)	(73,176)	(90,130)
<b>Balance - End of the Year</b>	<b>7,250,383</b>	<b>210,711</b>	<b>56,647,538</b>	<b>744,642</b>	<b>143,580,132</b>	<b>208,433,406</b>

The following represents the distribution of total credit facilities by internal credit rating for SME's:

Credit rating categories based on the Bank's internal system:	December 31, 2023				2022
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
From (1) To (5)	242,968,001	5,908,097	-	248,876,098	183,736,071
From (6) To (7)	52,035,247	41,492,605	82,397	93,610,249	84,443,748
From (8) To (10)	-	-	55,542,037	55,542,037	50,108,184
Not rated	36,021,211	4,522,600	11,159,229	51,703,040	58,951,273
<b>Total</b>	<b>331,024,459</b>	<b>51,923,302</b>	<b>66,783,663</b>	<b>449,731,424</b>	<b>377,239,276</b>

The following represents the movement on credit facilities for SME's during the year ended December 31, 2023 and 2022:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	214,893,172	43,580,075	49,997,951	3,917,584	64,850,494	377,239,276
Reclassification	(6,313,837)	(399,206)	-	-	(12,941)	(6,725,984)
<b>Adjusted Balance - Beginning of the Year</b>	<b>208,579,335</b>	<b>43,180,869</b>	<b>49,997,951</b>	<b>3,917,584</b>	<b>64,837,553</b>	<b>370,513,292</b>
New credit facilities during the year	136,797,124	18,908,241	15,730,521	697,353	1,454,993	173,588,232
Paid credit facilities	(47,415,808)	(7,798,771)	(16,894,716)	(1,155,222)	(2,404,662)	(75,669,179)
Transferred to stage (1)-net	9,185,622	1,099,422	(9,170,224)	(1,004,358)	(110,462)	-
Transferred to stage (2)-net	(9,716,891)	(4,418,624)	10,591,118	4,665,452	(1,121,055)	-
Transferred to stage (3)-net	(2,184,741)	(1,046,821)	(2,061,365)	(860,847)	6,153,774	-
Effect of adjustments	(1,773,236)	(9,718,500)	(1,076,931)	(1,355,719)	2,784,200	(11,140,186)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(5,085,777)	(5,085,777)
Adjustments resulted from changes in exchange rates	1,531,852	(4,184,614)	284,346	(381,641)	275,099	(2,474,958)
<b>Balance - End of the Year</b>	<b>295,003,257</b>	<b>36,021,202</b>	<b>47,400,700</b>	<b>4,522,602</b>	<b>66,783,663</b>	<b>449,731,424</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	180,990,168	32,936,029	51,576,212	3,067,462	81,246,674	349,816,545
Reclassification	(19,753,561)	3,135,724	416,732	2,426,780	(1,162,164)	(14,936,489)
<b>Adjusted Balance - Beginning of the Year</b>	<b>161,236,607</b>	<b>36,071,753</b>	<b>51,992,944</b>	<b>5,494,242</b>	<b>80,084,510</b>	<b>334,880,056</b>
New credit facilities during the year	116,417,030	25,186,549	24,921,427	1,046,569	219,262	167,790,837
Paid credit facilities	(58,559,206)	(6,801,476)	(11,135,023)	(499,019)	(5,891,071)	(82,885,795)
Transferred to stage (1)-net	15,657,289	1,811,877	(15,527,384)	(1,542,095)	(399,687)	-
Transferred to stage (2)-net	(6,995,287)	(2,495,204)	9,178,567	2,737,913	(2,425,989)	-
Transferred to stage (3)-net	(858,746)	(862,166)	(4,770,913)	(2,289,156)	8,780,981	-
Effect of adjustments	(12,470,514)	(8,064,954)	(5,017,917)	(906,037)	1,601,467	(24,857,955)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(17,251,741)	(17,251,741)
Adjustments resulted from changes in exchange rates	465,999	(1,266,304)	356,250	(124,833)	132,762	(436,126)
<b>Balance - End of the Year</b>	<b>214,893,172</b>	<b>43,580,075</b>	<b>49,997,951</b>	<b>3,917,584</b>	<b>64,850,494</b>	<b>377,239,276</b>



The following represents the movement on the provision for credit loss for SME's credit facilities during the year ended December 31, 2023 and 2022:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	1,954,362	307,074	10,431,018	382,792	30,195,674	<b>43,270,920</b>
Reclassification	(122,229)	(6,712)	-	-	(16,022)	<b>(144,963)</b>
<b>Adjusted balance - Beginning of the Year</b>	<b>1,832,133</b>	<b>300,362</b>	<b>10,431,018</b>	<b>382,792</b>	<b>30,179,652</b>	<b>43,125,957</b>
Impairment losses on new credit facilities during the year	1,139,450	132,617	3,130,724	30,917	634,643	<b>5,068,351</b>
Reversed from impairment losses on paid credit facilities	(280,293)	(62,721)	(3,871,949)	(92,871)	(1,305,611)	<b>(5,613,445)</b>
Transferred to stage (1)	304,513	108,061	(298,994)	(75,625)	(37,955)	-
Transferred to stage (2)	(326,157)	(21,391)	859,368	131,917	(643,737)	-
Transferred to stage (3)	(3,965)	(4,691)	(613,893)	(122,105)	744,654	-
Effect due to reclassification between stages	(196,817)	(101,093)	444,198	157,626	1,726,729	<b>2,030,643</b>
Effect of adjustments	308,963	41,870	2,225,353	1,632	660,327	<b>3,238,145</b>
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(1,162,439)	<b>(1,162,439)</b>
Adjustments resulted from changes in exchange rates	12,005	(133,365)	8,268	(35,512)	175,893	<b>27,289</b>
<b>Balance - End of the Year</b>	<b>2,789,832</b>	<b>259,649</b>	<b>12,314,093</b>	<b>378,771</b>	<b>30,972,156</b>	<b>46,714,501</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	2,000,839	240,083	8,712,767	780,274	38,205,830	<b>49,939,793</b>
Reclassification	(61,373)	25,352	76,821	536,290	(1,061,755)	<b>(484,665)</b>
<b>Adjusted balance - Beginning of the Year</b>	<b>1,939,466</b>	<b>265,435</b>	<b>8,789,588</b>	<b>1,316,564</b>	<b>37,144,075</b>	<b>49,455,128</b>
Impairment losses on new credit facilities during the year	1,038,096	172,602	4,334,126	67,258	(28,993)	<b>5,583,089</b>
Reversed from impairment losses on paid credit facilities	(358,954)	(38,364)	(983,157)	(93,620)	(4,269,779)	<b>(5,743,874)</b>
Transferred to stage (1)	849,202	337,728	(811,141)	(260,686)	(115,103)	-
Transferred to stage (2)	(99,514)	(20,853)	1,121,635	109,599	(1,110,867)	-
Transferred to stage (3)	(4,208)	(3,831)	(2,339,878)	(731,373)	3,079,290	-
Effect due to reclassification between stages	(724,869)	(327,814)	(128,504)	84,833	1,188,183	<b>91,829</b>
Effect of adjustments	(687,921)	(63,214)	426,372	(100,170)	686,107	<b>261,174</b>
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(6,433,312)	<b>(6,433,312)</b>
Adjustments resulted from changes in exchange rates	3,064	(14,615)	21,977	(9,613)	56,073	<b>56,886</b>
<b>Balance - End of the Year</b>	<b>1,954,362</b>	<b>307,074</b>	<b>10,431,018</b>	<b>382,792</b>	<b>30,195,674</b>	<b>43,270,920</b>

The following represents distribution of total credit facilities by internal credit rating for Retail:

Credit rating categories based on the Bank's internal system:	December 31, 2023				2022
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
From (1) To (5)	72,277,857	1,600,113	-	<b>73,877,970</b>	<b>58,672,926</b>
From (6) To (7)	1,541,638	742,008	-	<b>2,283,646</b>	<b>2,570</b>
From (8) To (10)	-	-	951,485	<b>951,485</b>	<b>2,631,083</b>
Not rated	858,127,536	39,245,357	83,293,321	<b>980,666,214</b>	<b>980,323,606</b>
<b>Total</b>	<b>931,947,031</b>	<b>41,587,478</b>	<b>84,244,806</b>	<b>1,057,779,315</b>	<b>1,041,630,185</b>

The following represents the movement on credit facilities for individuals during the year ended December 31, 2023 and 2022:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	56,227,858	873,499,924	2,595,155	40,596,550	68,710,698	<b>1,041,630,185</b>
Reclassification	-	(97,043)	-	22,373	21,154	<b>(53,516)</b>
<b>Adjusted Balance - Beginning of the Year</b>	<b>56,227,858</b>	<b>873,402,881</b>	<b>2,595,155</b>	<b>40,618,923</b>	<b>68,731,852</b>	<b>1,041,576,669</b>
New credit facilities during the year	40,801,163	200,841,527	22,109	7,145,268	3,001,045	<b>251,811,112</b>
Paid credit facilities	(17,309,240)	(130,979,611)	(608,289)	(5,478,943)	(2,627,885)	<b>(157,003,968)</b>
Transferred to stage (1)	462,825	15,537,938	(462,825)	(14,227,403)	(1,310,535)	-
Transferred to stage (2)	(992,721)	(21,283,651)	1,061,885	21,978,557	(764,070)	-
Transferred to stage (3)	(197,786)	(12,188,855)	(64,582)	(6,655,643)	19,106,866	-
Effect of adjustments	(5,172,603)	(66,754,139)	(150,220)	(4,171,857)	4,849,453	<b>(71,399,366)</b>
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(6,744,189)	<b>(6,744,189)</b>
Adjustments resulted from changes in exchange rates	-	(448,555)	-	(14,657)	2,269	<b>(460,943)</b>
<b>Balance - End of the Year</b>	<b>73,819,496</b>	<b>858,127,535</b>	<b>2,393,233</b>	<b>39,194,245</b>	<b>84,244,806</b>	<b>1,057,779,315</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	48,706,745	797,021,986	2,062,780	35,229,566	60,310,699	<b>943,331,776</b>
Reclassification	135,512	(212,788)	-	(39,119)	78,299	<b>(38,096)</b>
<b>Adjusted Balance - Beginning of the Year</b>	<b>48,842,257</b>	<b>796,809,198</b>	<b>2,062,780</b>	<b>35,190,447</b>	<b>60,388,998</b>	<b>943,293,680</b>
New credit facilities during the year	30,771,476	320,775,763	972,229	11,298,660	810,355	<b>364,628,483</b>
Paid credit facilities	(18,349,721)	(180,898,147)	(38)	(6,003,691)	(2,135,775)	<b>(207,387,372)</b>
Transferred to stage (1)	1,033,778	12,313,278	(728,013)	(10,059,555)	(2,559,488)	-
Transferred to stage (2)	(517,549)	(17,387,142)	517,549	18,927,150	(1,540,008)	-
Transferred to stage (3)	(251,806)	(6,378,876)	(72,883)	(4,746,364)	11,449,929	-
Effect of adjustments	(5,300,907)	(51,621,403)	(156,525)	(4,002,791)	3,575,876	<b>(57,505,750)</b>
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(1,279,881)	<b>(1,279,881)</b>
Adjustments resulted from changes in exchange rates	330	(112,747)	56	(7,306)	692	<b>(118,975)</b>
<b>Balance - End of the Year</b>	<b>56,227,858</b>	<b>873,499,924</b>	<b>2,595,155</b>	<b>40,596,550</b>	<b>68,710,698</b>	<b>1,041,630,185</b>

The following represents the movement on the provision for credit loss for retail credit facilities during the year ended December 31, 2023 and 2022:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - Beginning of the year	575,431	4,390,249	896,683	6,884,134	30,367,825	<b>43,114,322</b>
Reclassification	-	(265)	-	1,896	17,621	<b>19,252</b>
<b>Adjusted balance - Beginning of the Year</b>	<b>575,431</b>	<b>4,389,984</b>	<b>896,683</b>	<b>6,886,030</b>	<b>30,385,446</b>	<b>43,133,574</b>
Impairment losses on new facilities during the year	324,567	874,696	8,520	676,622	2,559,840	<b>4,444,245</b>
Reversed from impairment losses on matured facilities	(90,196)	(594,494)	(21,430)	(625,104)	(1,612,852)	<b>(2,944,076)</b>
Transferred to stage (1)	208,541	3,391,096	(208,541)	(2,750,356)	(640,740)	-
Transferred to stage (2)	(18,773)	(103,079)	43,627	480,219	(401,994)	-
Transferred to stage (3)	(2,707)	(60,799)	(18,956)	(1,743,735)	1,826,197	-
Effect due to reclassification between stages	(203,028)	(3,326,310)	131,276	4,172,874	13,946,515	<b>14,721,327</b>
Effect of adjustments	(173,728)	(494,252)	176,960	(167,060)	1,845,455	<b>1,187,375</b>
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(1,346,479)	<b>(1,346,479)</b>
Adjustments resulted from changes in exchange rates	-	(411)	-	(560)	822	<b>(149)</b>
<b>Balance - End of the Year</b>	<b>620,107</b>	<b>4,076,431</b>	<b>1,008,139</b>	<b>6,928,930</b>	<b>46,562,210</b>	<b>59,195,817</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - Beginning of the year	619,129	7,034,807	1,119,630	10,354,215	25,931,662	<b>45,059,443</b>
Reclassification	5,453	2,692	-	(15,100)	23,290	<b>16,335</b>
<b>Adjusted balance - Beginning of the Year</b>	<b>624,582</b>	<b>7,037,499</b>	<b>1,119,630</b>	<b>10,339,115</b>	<b>25,954,952</b>	<b>45,075,778</b>
Impairment losses on new facilities during the year	317,593	1,500,428	117,230	1,181,546	516,747	<b>3,633,544</b>
Reversed from impairment losses on matured facilities	(142,469)	(1,521,725)	(23)	(1,789,411)	(1,161,775)	<b>(4,615,403)</b>
Transferred to stage (1)	513,648	3,966,833	(329,203)	(2,958,118)	(1,193,160)	-
Transferred to stage (2)	(7,826)	(150,252)	7,826	894,991	(744,739)	-
Transferred to stage (3)	(9,858)	(58,698)	(29,249)	(1,962,208)	2,060,013	-
Effect due to reclassification between stages	(491,623)	(3,912,550)	40,878	2,977,040	3,945,997	<b>2,559,742</b>
Effect of adjustments	(228,616)	(2,470,973)	(30,443)	(1,798,309)	1,235,915	<b>(3,292,426)</b>
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(246,749)	<b>(246,749)</b>
Adjustments resulted from changes in exchange rates	-	(313)	37	(512)	624	<b>(164)</b>
<b>Balance - End of the Year</b>	<b>575,431</b>	<b>4,390,249</b>	<b>896,683</b>	<b>6,884,134</b>	<b>30,367,825</b>	<b>43,114,322</b>

The following represents the distribution of total credit facilities by internal credit rating for Real Estate:

Credit rating categories based on the Bank's internal system:	December 31, 2023				2022
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
From (1) To (5)	167,219,464	13,909,827	1,778,221	<b>182,907,512</b>	<b>208,313,626</b>
From (6) To (7)	2,175,411	125,254,405	19,843	<b>127,449,659</b>	<b>107,472,784</b>
From (8) To (10)	-	-	26,604,920	<b>26,604,920</b>	<b>27,325,581</b>
Not rated	925,008,823	66,952,371	74,571,200	<b>1,066,532,394</b>	<b>996,486,011</b>
<b>Total</b>	<b>1,094,403,698</b>	<b>206,116,603</b>	<b>102,974,184</b>	<b>1,403,494,485</b>	<b>1,339,598,002</b>

The following represents the movement on credit facilities for Real Estate during the year ended December 31, 2023 and 2022:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	168,408,067	889,793,127	141,174,278	72,836,729	67,385,801	<b>1,339,598,002</b>
Reclassification	1,882,613	97,043	-	(22,373)	(8,213)	<b>1,949,070</b>
<b>Adjusting Balance - Beginning of the Year</b>	<b>170,290,680</b>	<b>889,890,170</b>	<b>141,174,278</b>	<b>72,814,356</b>	<b>67,377,588</b>	<b>1,341,547,072</b>
New credit facilities during the year	47,517,222	144,001,958	422,519	16,270,421	2,078,897	<b>210,291,017</b>
Paid credit facilities	(29,612,781)	(110,482,532)	(439,858)	(4,480,721)	(6,534,629)	<b>(151,550,521)</b>
Transferred to stage (1)	3,876,207	13,066,658	(1,518,273)	(10,891,516)	(4,533,076)	-
Transferred to stage (2)	(3,304,027)	(22,047,961)	4,034,338	23,541,425	(2,223,775)	-
Transferred to stage (3)	(1,673,413)	(15,011,315)	(910,640)	(34,494,623)	52,089,991	-
Effect of adjustments	(17,704,132)	16,019,118	(3,622,238)	3,295,026	630,348	<b>(1,381,878)</b>
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(5,919,514)	<b>(5,919,514)</b>
Adjustments resulted from changes in exchange rates	5,120	9,572,726	24,107	898,002	8,354	<b>10,508,309</b>
<b>Balance - End of the Year</b>	<b>169,394,876</b>	<b>925,008,822</b>	<b>139,164,233</b>	<b>66,952,370</b>	<b>102,974,184</b>	<b>1,403,494,485</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	106,855,352	860,415,364	176,598,172	63,995,309	76,607,662	<b>1,284,471,859</b>
Reclassification	14,373,267	166,548	233,396	(341,071)	(3,333,072)	<b>11,099,068</b>
<b>Adjusting Balance - Beginning of the Year</b>	<b>121,228,619</b>	<b>860,581,912</b>	<b>176,831,568</b>	<b>63,654,238</b>	<b>73,274,590</b>	<b>1,295,570,927</b>
New credit facilities during the year	61,286,513	160,765,963	1,313,984	7,388,076	776,090	<b>231,530,626</b>
Paid credit facilities	(7,584,078)	(100,553,446)	(3,817,486)	(2,669,857)	(7,468,878)	<b>(122,093,745)</b>
Transferred to stage (1)	3,243,887	21,735,106	(2,687,838)	(19,195,785)	(3,095,370)	-
Transferred to stage (2)	(1,671,950)	(23,368,640)	2,165,451	25,951,884	(3,076,745)	-
Transferred to stage (3)	(561,357)	(1,996,289)	(895,412)	(7,548,004)	11,001,062	-
Effect of adjustments	(7,536,452)	(7,102,840)	(31,741,449)	6,046,389	(1,959,387)	<b>(42,293,739)</b>
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(2,072,624)	<b>(2,072,624)</b>
Adjustments resulted from changes in exchange rates	2,885	(20,268,639)	5,460	(790,212)	7,063	<b>(21,043,443)</b>
<b>Balance - End of the Year</b>	<b>168,408,067</b>	<b>889,793,127</b>	<b>141,174,278</b>	<b>72,836,729</b>	<b>67,385,801</b>	<b>1,339,598,002</b>

The following represents the movement on the provision for credit loss for Real Estate credit facilities during the year ended December 31, 2023 and 2022:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	collective	Individual	collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	5,353,217	18,905,386	73,714,549	9,470,394	29,862,396	137,305,942
Reclassification	43,759	265	-	(1,896)	(1,599)	40,529
<b>Adjusted Balance - Beginning of the Year</b>	<b>5,396,976</b>	<b>18,905,651</b>	<b>73,714,549</b>	<b>9,468,498</b>	<b>29,860,797</b>	<b>137,346,471</b>
Impairment losses on new facilities during the year	1,538,660	1,754,119	39,356	1,824,207	1,944,329	7,100,671
Reversed from impairment losses on matured facilities	(848,932)	(1,448,589)	(53,511)	(709,218)	(3,181,862)	(6,242,112)
Transferred to stage (1)	1,673,407	1,829,924	(727,922)	(1,413,457)	(1,361,952)	-
Transferred to stage (2)	(84,837)	(446,295)	435,622	998,281	(902,771)	-
Transferred to stage (3)	(42,545)	(146,611)	(216,397)	(3,388,458)	3,794,011	-
Effect resulted from reclassification between stages	(1,590,411)	(1,625,092)	(101,408)	2,237,254	7,435,505	6,355,848
Effect of adjustments	(1,056,053)	(905,624)	(12,062,592)	145,236	(581,449)	(14,460,482)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(728,512)	(728,512)
Adjustments resulted from changes in exchange rates	73	2,596	2,312	57,525	5,538	68,044
<b>Balance - End of the Year</b>	<b>4,986,338</b>	<b>17,920,079</b>	<b>61,030,009</b>	<b>9,219,868</b>	<b>36,283,634</b>	<b>129,439,928</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	collective	Individual	collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	2,591,947	4,167,151	72,358,809	10,827,155	32,190,890	122,135,952
Reclassification	8,012	783	5,802	(7,041)	(907,369)	(899,813)
<b>Adjusted Balance - Beginning of the Year</b>	<b>2,599,959</b>	<b>4,167,934</b>	<b>72,364,611</b>	<b>10,820,114</b>	<b>31,283,521</b>	<b>121,236,139</b>
Impairment losses on new facilities during the year	2,057,017	2,468,509	152,670	1,230,295	624,256	6,532,747
Reversed from impairment losses on matured facilities	(140,161)	(285,882)	(1,494,791)	(628,007)	(3,363,002)	(5,911,843)
Transferred to stage (1)	1,044,828	4,291,700	(839,471)	(3,555,088)	(941,969)	-
Transferred to stage (2)	(56,931)	(68,827)	306,694	921,442	(1,102,378)	-
Transferred to stage (3)	(20,699)	(14,916)	(492,892)	(1,652,889)	2,181,396	-
Effect resulted from reclassification between stages	(935,769)	(3,691,493)	64,084	1,373,607	3,169,487	(20,084)
Effect of adjustments	804,948	12,051,463	3,652,693	985,690	(1,157,490)	16,337,304
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(836,395)	(836,395)
Adjustments resulted from changes in exchange rates	25	(13,102)	951	(24,770)	4,970	(31,926)
<b>Balance - End of the Year</b>	<b>5,353,217</b>	<b>18,905,386</b>	<b>73,714,549</b>	<b>9,470,394</b>	<b>29,862,396</b>	<b>137,305,942</b>

The following represents the distribution of total credit facilities by internal credit rating for Government and public sector:

Credit rating categories based on the Bank's internal system:	December 31, 2023				2022
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
From (1) To (5)	620,198,707	-	-	<b>620,198,707</b>	<b>554,693,620</b>
<b>Total</b>	<b>620,198,707</b>	-	-	<b>620,198,707</b>	<b>554,693,620</b>

The following represents the movement on credit facilities for Government and Public Sector during the year ended December 31, 2023 and 2022:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	554,693,620	-	-	<b>554,693,620</b>
New credit facilities during the year	125,730,749	-	-	<b>125,730,749</b>
Paid credit facilities	(30,095,294)	-	-	<b>(30,095,294)</b>
Effect of adjustments	(30,130,368)	-	-	<b>(30,130,368)</b>
<b>Balance - End of the Year</b>	<b>620,198,707</b>	-	-	<b>620,198,707</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	396,459,623	6,994,099	-	<b>403,453,722</b>
New credit facilities during the year	112,272,858	-	-	<b>112,272,858</b>
Paid credit facilities	(1,363,383)	(29)	-	<b>(1,363,412)</b>
Transferred to stage 1	6,994,070	(6,994,070)	-	-
Effect of adjustments	40,330,452	-	-	<b>40,330,452</b>
<b>Balance - End of the Year</b>	<b>554,693,620</b>	-	-	<b>554,693,620</b>

The following represents the movement on the provision for credit loss for Government and public sector credit facilities during the year ended December 31, 2023 and 2022:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	79,802	-	-	<b>79,802</b>
Impairment losses on new facilities during the year	133,657	-	-	<b>133,657</b>
Reversed from impairment losses on matured facilities	(5,605)	-	-	<b>(5,605)</b>
Effect of adjustments	8,236,224	-	-	<b>8,236,224</b>
<b>Balance - End of the Year</b>	<b>8,444,078</b>	-	-	<b>8,444,078</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	75,410	1,448	-	<b>76,858</b>
Impairment losses on new facilities during the year	15,486	-	-	<b>15,486</b>
Reversed from impairment losses on matured facilities	-	-	-	-
Transferred to stage 1	1,448	(1,448)	-	-
Effect resulted from reclassification between stages	(1,117)	-	-	<b>(1,117)</b>
Effect of adjustments	(11,425)	-	-	<b>(11,425)</b>
<b>Balance - End of the Year</b>	<b>79,802</b>	-	-	<b>79,802</b>

## 12. Financial Assets at Amortized Cost - Net

The details of this item are as follows:

	December 31,	
	2023	2022
	JD	JD
<b>Quoted Financial Assets:</b>		
Jordanian Treasury Bills	48,167,881	77,994,538
Jordanian treasury bonds	1,636,729,257	1,478,601,281
Governmental or guaranteed by government bonds	492,681,023	471,544,622
Foreign governments bonds	126,419,639	36,992,951
Corporate bonds and debentures	114,894,517	166,354,313
<b>Total Quoted Financial Assets</b>	<b>2,418,892,317</b>	<b>2,231,487,705</b>
<b>Unquoted Financial Assets:</b>		
Corporate bonds and debentures	3,000,001	3,000,001
Total Unquoted Financial Assets	3,000,001	3,000,001
Total	2,421,892,318	2,234,487,706
Less: Provision for excepted credit loss	(3,369,108)	(3,503,260)
<b>Net</b>	<b>2,418,523,210</b>	<b>2,230,984,446</b>
<b>Bonds and Bills Analysis:</b>		
At fixed rate	2,415,001,102	2,227,482,202
At floating rate	3,522,108	3,502,244
<b>Total</b>	<b>2,418,523,210</b>	<b>2,230,984,446</b>

- The maturity dates for Bonds range from year 2024 to year 2036.

- Interest rate on bonds and Treasury Bills ranges from 3% to 7.68%.

- The Bank did not enter into repurchase agreements with the Central Bank of Jordan against mortgaging treasury bonds as of December 31, 2023 (JD 46.9 Million as of December 31, 2022) as stated in Note (19).



- The following is the movement on the financial assets at amortized cost during the year ended December 31, 2023 and 2022:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	2,231,487,705	-	3,000,001	2,234,487,706
New investments during the year	698,221,424	-	-	698,221,424
Matured investments	(514,173,029)	-	-	(514,173,029)
Amortization of premium/ discount	3,356,217	-	-	3,356,217
<b>Balance - End of the Year</b>	<b>2,418,892,317</b>	<b>-</b>	<b>3,000,001</b>	<b>2,421,892,318</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	1,993,689,642	-	3,000,001	1,996,689,643
New investments during the year	888,071,549	-	-	888,071,549
Matured investments	(652,617,134)	-	-	(652,617,134)
Amortization of premium/ discount	2,342,089	-	-	2,342,089
Adjustments resulted from changes in exchange rates	1,559	-	-	1,559
<b>Balance - End of the Year</b>	<b>2,231,487,705</b>	<b>-</b>	<b>3,000,001</b>	<b>2,234,487,706</b>

The following is the movement on the provision for expected credit loss during the year ended December 31, 2023 and 2022:

	2023			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	503,260	-	3,000,000	3,503,260
Expected credit losses on new investments during the year	32,597	-	-	32,597
Expected credit losses on matured investments during the year	(79,291)	-	-	(79,291)
Effect of adjustments	(100,512)	-	-	(100,512)
Adjustments resulted from changes in exchange rates	13,054	-	-	13,054
<b>Balance - End of the Year</b>	<b>369,108</b>	<b>-</b>	<b>3,000,000</b>	<b>3,369,108</b>

	2022			
	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
Balance - beginning of the year	1,421,581	-	3,000,000	4,421,581
Expected credit losses on new investments during the year	130,644	-	-	130,644
Expected credit losses on matured investments during the year	(54,231)	-	-	(54,231)
Effect of adjustments	(971,921)	-	-	(971,921)
Adjustments resulted from changes in exchange rates	(22,813)	-	-	(22,813)
<b>Balance - End of the Year</b>	<b>503,260</b>	<b>-</b>	<b>3,000,000</b>	<b>3,503,260</b>

### 13. Property and Equipment - Net

The details of this item are as follows:

For the Year Ended December 31, 2023	Lands	Buildings and Construction	Equipment, Furniture and Fixtures	Vehicles	Computers Hardware	Total
	JD	JD	JD	JD	JD	JD
<b>Cost:</b>						
Balance - beginning of the year	27,211,211	94,073,120	142,754,693	2,073,793	37,849,623	<b>303,962,440</b>
Additions	-	1,048,378	11,693,334	324,918	5,186,347	<b>18,252,977</b>
Disposals	-	(40,529)	(5,462,700)	(191,793)	(2,549,412)	<b>(8,244,434)</b>
Transferred to assets available for sale	(302,176)	(786,344)	(605,654)	(63,910)	-	<b>(1,758,084)</b>
Foreign currency exchange differences	(21,161)	(307,167)	(419,852)	(680)	(154,879)	<b>(903,739)</b>
<b>Balance - End of the Year</b>	<b>26,887,874</b>	<b>93,987,458</b>	<b>147,959,821</b>	<b>2,142,328</b>	<b>40,331,679</b>	<b>311,309,160</b>
<b>Accumulated Depreciation:</b>						
Balance - beginning of the year	-	15,689,702	105,635,921	1,974,901	23,829,445	<b>147,129,969</b>
Depreciation for the year	-	1,936,436	9,191,435	88,643	4,266,062	<b>15,482,576</b>
Disposals	-	(20,516)	(5,309,094)	(184,380)	(2,471,987)	<b>(7,985,977)</b>
Transferred to assets available for sale	-	(660,495)	(582,039)	(63,908)	-	<b>(1,306,442)</b>
Foreign currency exchange differences	-	(63,209)	(98,955)	(9,141)	(70,708)	<b>(242,013)</b>
<b>Balance - End of the Year</b>	<b>-</b>	<b>16,881,918</b>	<b>108,837,268</b>	<b>1,806,115</b>	<b>25,552,812</b>	<b>153,078,113</b>
Net book value of property and equipment	26,887,874	77,105,540	39,122,553	336,213	14,778,867	<b>158,231,047</b>
Payments on purchased property and equipment	-	-	64,151	-	-	<b>64,151</b>
Projects under construction	-	479,968	470,645	-	-	<b>950,613</b>
<b>Net Book Value – End of the Year</b>	<b>26,887,874</b>	<b>77,585,508</b>	<b>39,657,349</b>	<b>336,213</b>	<b>14,778,867</b>	<b>159,245,811</b>
<b>For the Year Ended December 31, 2022</b>						
<b>Cost:</b>						
Balance - beginning of the year	28,748,664	92,670,485	140,403,842	2,256,666	41,008,510	<b>305,088,167</b>
Additions	-	1,486,001	5,454,618	65,924	4,439,113	<b>11,445,656</b>
Disposals	-	-	(2,949,427)	(249,400)	(7,534,582)	<b>(10,733,409)</b>
Impairment during the year	(901,057)	-	-	-	-	<b>(901,057)</b>
Transferred to assets available for sale	(631,743)	-	-	-	-	<b>(631,743)</b>
Foreign currency exchange differences	(4,653)	(83,366)	(154,340)	603	(63,418)	<b>(305,174)</b>
<b>Balance - End of the Year</b>	<b>27,211,211</b>	<b>94,073,120</b>	<b>142,754,693</b>	<b>2,073,793</b>	<b>37,849,623</b>	<b>303,962,440</b>
<b>Accumulated Depreciation:</b>						
Balance - beginning of the year	-	13,791,799	99,852,890	2,124,596	27,291,333	<b>143,060,618</b>
Depreciation for the year	-	1,909,101	8,679,169	98,957	4,060,194	<b>14,747,421</b>
Disposals	-	-	(2,852,954)	(249,399)	(7,490,180)	<b>(10,592,533)</b>
Foreign currency exchange differences	-	(11,198)	(43,184)	747	(31,902)	<b>(85,537)</b>
<b>Balance - End of the Year</b>	<b>-</b>	<b>15,689,702</b>	<b>105,635,921</b>	<b>1,974,901</b>	<b>23,829,445</b>	<b>147,129,969</b>
Net book value of property and equipment	27,211,211	78,383,418	37,118,772	98,892	14,020,178	<b>156,832,471</b>
Payments on purchased property and equipment	-	-	5,676,656	-	67,128	<b>5,743,784</b>
Projects under construction	-	222,812	-	-	-	<b>222,812</b>
<b>Net Book Value – End of the Year</b>	<b>27,211,211</b>	<b>78,606,230</b>	<b>42,795,428</b>	<b>98,892</b>	<b>14,087,306</b>	<b>162,799,067</b>

- Property and equipment include fully depreciated assets of JD 94,212,662 as of December 31, 2023 compared with JD 89,553,327 as of December 31, 2022.

-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, 2023	Goodwill	Computer Software	Other *	Total
	JD	JD	JD	JD
Balance - beginning of the year	358,397	19,280,615	1,935,268	<b>21,574,280</b>
Additions	-	7,318,776	-	<b>7,318,776</b>
Amortization for the year	-	(6,678,120)	-	<b>(6,678,120)</b>
<b>Balance - End of the Year</b>	<b>358,397</b>	<b>19,921,271</b>	<b>1,935,268</b>	<b>22,214,936</b>
For the Year Ended December 31, 2022				
Balance - beginning of the year	358,397	17,637,537	1,935,268	<b>19,931,202</b>
Additions	-	7,847,643	-	<b>7,847,643</b>
Amortization for the year	-	(6,204,565)	-	<b>(6,204,565)</b>
<b>Balance - End of the Year</b>	<b>358,397</b>	<b>19,280,615</b>	<b>1,935,268</b>	<b>21,574,280</b>

\* 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 and no impairment recognized as of December 2023 and 2022.

- The balance of computer system and software include payments on account for the purchase of computer software amounted to JD 3,770,609 as of December 31, 2023 compared with JD 4,257,288 as of December 31, 2022.

## 15. Other Assets - Net

The details of this item are as follows:	December 31,	
	2023	2022
	JD	JD
Accrued revenues and interest	40,643,445	35,137,243
Prepaid expenses	5,511,636	4,541,139
Assets seized by the Bank *	58,261,619	63,489,483
Gain of hedging derivative valuation	950,459	3,056,240
Cheques under collection	10,898,152	18,412,462
Other	10,924,218	14,216,729
<b>Total</b>	<b>127,189,529</b>	<b>138,853,296</b>
Provision for expected credit loss **	(116,957)	(310,576)
<b>Net</b>	<b>127,072,572</b>	<b>138,542,720</b>

\* 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,	
	2023	2022
	JD	JD
Balance - beginning of the year	63,489,483	64,750,491
Additions	17,550,732	8,874,175
Disposals	(19,169,821)	(8,629,226)
Impairment loss	(3,587,460)	(1,500,000)
Foreign currency exchange differences	(21,315)	(5,957)
<b>Balance - End of the Year</b>	<b>58,261,619</b>	<b>63,489,483</b>

The following is a summary of the movement on impairment provisions on assets seized by the bank:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance - beginning of the year	13,399,076	12,192,031
Impairment loss for the year	3,587,460	1,500,000
Disposals from provision resulted from sales	(7,082,109)	(292,955)
<b>Balance - End of the Year</b>	<b>9,904,427</b>	<b>13,399,076</b>

\*\* The following is a summary of the movement on expected credit loss provision for the years 2023 and 2022:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance - beginning of the year	310,576	255,576
(Recovery) expense for the year	(20,333)	55,000
Provisions no longer needed	(173,286)	-
<b>Balance - End of the Year</b>	<b>116,957</b>	<b>310,576</b>

## 16. Bank and Financial Institutions Deposits

The details of this item are as follows:

	December 31, 2023			December 31, 2022		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Current accounts and demand deposits	15,484,653	64,033,834	<b>79,518,487</b>	104,282,715	99,749,241	<b>204,031,956</b>
Deposits due within 3 months	77,493,559	475,264,481	<b>552,758,040</b>	52,299,384	494,582,524	<b>546,881,908</b>
Deposits due within 3- 6 months	31,000,000	28,360,000	<b>59,360,000</b>	45,326,298	73,780,375	<b>119,106,673</b>
More than one year	17,927,576	7,090,000	<b>25,017,576</b>	-	-	-
	<b>141,905,788</b>	<b>574,748,315</b>	<b>716,654,103</b>	<b>201,908,397</b>	<b>668,112,140</b>	<b>870,020,537</b>

## 17. Customers' Deposits

The details of this item are as follows:

December 31, 2023	Retail	Corporate	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD
Current accounts and demand deposits	647,613,803	236,807,008	430,712,285	66,939,912	<b>1,382,073,008</b>
Saving deposits	1,671,351,743	1,311,191	56,381,184	633,401	<b>1,729,677,519</b>
Time and notice deposits	1,274,527,111	430,570,714	88,655,400	467,137,629	<b>2,260,890,854</b>
Certificates of deposit	232,032,528	44,802,038	375,377	-	<b>277,209,943</b>
Others	47,218	-	-	-	<b>47,218</b>
<b>Total</b>	<b>3,825,572,403</b>	<b>713,490,951</b>	<b>576,124,246</b>	<b>534,710,942</b>	<b>5,649,898,542</b>
<b>December 31, 2022</b>					
Current accounts and demand deposits	699,774,514	226,078,047	414,947,863	45,275,582	<b>1,386,076,006</b>
Saving deposits	1,870,038,572	648,136	38,977,231	2,568,460	<b>1,912,232,399</b>
Time and notice deposits	1,165,479,550	232,589,624	68,205,310	287,937,015	<b>1,754,211,499</b>
Certificates of deposit	229,389,380	35,186,258	882,873	-	<b>265,458,511</b>
Others	47,418	-	-	-	<b>47,418</b>
<b>Total</b>	<b>3,964,729,434</b>	<b>494,502,065</b>	<b>523,013,277</b>	<b>335,781,057</b>	<b>5,318,025,833</b>

- The deposits of the public sector and the Government of Jordan inside the Kingdom amounted to approximately JD 522.1 million, representing 9.2% of total deposits as of December 31, 2023 (approximately JD 317.8 million, representing 5.98% of total deposits as of December 31, 2022).
- Non-interest bearing deposits amounted to JD 1.48 billion, representing 26.1% of total deposits as of December 31, 2023 (JD 1.55 billion, representing 29.2% of total deposits as of December 31, 2022).
- Restricted deposits (Restricted withdrawal) amounted to JD 103.8 million, representing 1.8% of total deposits as of December 31, 2023 (JD 105.9 million, representing 2.0% of total deposits as of December 31, 2022).
- Dormant accounts amounted to JD 185.3 million, representing 3.3% of total deposits as of December 31, 2023 (JD 237.7 million, representing 4.5% of total deposits as of December 31, 2022).

## 18. Cash Margins

The details of this item are as follows:	December 31,	
	2023	2022
	JD	JD
Margins against direct credit facilities	148,654,927	135,556,896
Margins against indirect credit facilities	133,018,772	121,783,742
Dealing margins	251,232	479,074
Other margins	14,212,302	16,191,766
	<b>296,137,233</b>	<b>274,011,478</b>

## 19. Borrowed Funds

The details of this item are as follows:

	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending interest rate
<b>December 31, 2023</b>							
<b>Central Bank of Jordan loans:</b>							
SME's Support programs	16,109,324	110	75	Semi Annual	Financial Solvency	2.5% to 6.9%	Guaranteed 6.0% to 9.85% Without Guarantee: 6.5% to 10.35%
Main Economical Sectors Support Programs	62,633,631	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	33,053,236	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2.00%
<b>Borrowing / local institutions</b>	139,129,219	27	27	Monthly/Semi annual	Financial Solvency / Mortgage	4.25% to 8%	8.5% to 11%
<b>Borrowing / foreign insinuations</b>	46,163,855	99	97	Semi annual	Financial Solvency	6.06% to 6.97%	Based on interest rate at the bank
<b>Total</b>	<b>297,089,265</b>						

- The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2024 to year 2039.
- Borrowed funds from local institutions includes an amount of JD 90 million that borrowed from Jordan Mortgage Refinance Co and The maturity dates of these borrowed funds range from year 2024 to year 2029.
- Borrowed funds with a fixed interest rate amounted to JD 252,133,133 and borrowed funds with a variable interest rate amounted to JD 44,956,132.
- The maturity dates of borrowed funds from foreign insinuations range from year 2024 to year 2028.
- Borrowed funds during 2023 amounted to JD 139,743,704 and settled borrowed funds amounted to JD 195,725,742 during 2023, excluding repurchase agreement.
- There were no renewed loans during the year 2023.

	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending interest rate
<b>December 31, 2022</b>							
<b>Central Bank of Jordan loans:</b>							
SME's Support programs	16,021,917	109	82	Semi Annual	Financial Solvency	2.5% to 5.69%	Guaranteed 6.0% to 9.14% Without Guarantee: 6.5% to 9.69%
Main Economical Sectors Support Programs	52,484,329	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	43,163,329	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2.00%
Repurchase agreements	45,708,178	Based on each agreement			Government bonds	4.50% to 6.00%	-
<b>Borrowing / local institutions</b>	154,000,000	20	20	Monthly/Semi annual	Financial Solvency / Mortgage	4.25% to 6.35%	7.25% to 10.50%
<b>Borrowing / foreign insinuations</b>	87,401,728	160	160	Semi annual	Financial Solvency	4.14% to 6.65%	Based on interest rate at the bank
<b>Total</b>	<b>398,779,481</b>						

- The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2023 to year 2039.
- The financial liabilities against repurchase agreements will due in 2023.
- Borrowed funds from local institutions includes an amount of JD 130 million that borrowed from Jordan Mortgage Refinance Co and the maturity dates of these borrowed funds range from year 2023 to year 2029.
- Borrowed funds with a fixed interest rate amounted to JD 307,529,045 and borrowed funds with a variable interest rate amounted to JD 91,250,436.
- The maturity dates of borrowed funds from foreign insinuations range from year 2023 to year 2028.
- Borrowed funds during 2022 amounted to JD 189,938,501 and settled borrowed funds amounted to JD 128,844,414 during 2022, excluding repurchase agreement.
- The renewed loans amounted to JD Nil during the year 2022.

## 20. Leases

### a. Right of use assets

The Bank leases many assets, including lands and buildings, the average lease term is 8 years, and the following is the movement over the right to use assets during the year:

	For the Year Ended December 31	
	2023	2022
	JD	JD
Beginning balance	21,723,075	24,653,212
Add: additions during the year	4,039,685	1,591,428
Less: Depreciation for the year	(3,703,380)	(3,548,890)
Cancelled contracts	(668,284)	(708,203)
Exchange difference	(26,470)	(264,472)
<b>Balance – End of the Year</b>	<b>21,364,626</b>	<b>21,723,075</b>

### Amounts that were recorded in the statement of profit or loss:

	For the Year Ended December 31	
	2023	2022
	JD	JD
Depreciation for the year	3,703,380	3,548,890
Interest for the year	1,472,285	1,463,175
<b>Lease Expense during the Year</b>	<b>5,175,665</b>	<b>5,012,065</b>

### b. lease liabilities

	For the Year Ended December 31	
	2023	2022
	JD	JD
Beginning balance	21,110,267	23,680,698
Add: Additions during the year	4,031,299	1,591,428
Interest during the year	1,472,285	1,463,175
Less: Paid during the year	(5,304,027)	(4,713,500)
Cancelled contracts	(376,690)	(626,797)
Exchange difference	131,089	(284,737)
<b>Balance – End of the Year</b>	<b>21,064,223</b>	<b>21,110,267</b>



## 21. Sundry Provisions

The details of this item are as follows:

For the Year Ended December 31, 2023	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	10,068,431	7,703,536	12,608,858	<b>30,380,825</b>
Net provision for the year	2,489,529	662,909	38,089	<b>3,190,527</b>
Provision used during the year	(997,106)	(544,018)	(206,750)	<b>(1,747,874)</b>
Currency translation for the year	-	-	(590,606)	<b>(590,606)</b>
<b>Balance - End of the Year</b>	<b>11,560,854</b>	<b>7,822,427</b>	<b>11,849,591</b>	<b>31,232,872</b>

For the Year Ended December 31, 2022	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	7,349,252	7,218,126	13,531,804	<b>28,099,182</b>
Net provision for the year	2,637,615	744,463	(290,973)	<b>3,091,105</b>
Transfers during the year	410,000	15,000	(410,000)	<b>15,000</b>
Provision used during the year	(328,459)	(274,053)	(7,314)	<b>(609,826)</b>
Currency translation for the year	23	-	(214,659)	<b>(214,636)</b>
<b>Balance - End of the Year</b>	<b>10,068,431</b>	<b>7,703,536</b>	<b>12,608,858</b>	<b>30,380,825</b>

## 22. Income Tax

### a. Income tax provision

The movement on the income tax provision is as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance - beginning of the year	53,415,160	55,815,858
Income tax paid	(68,809,941)	(66,235,794)
Accrued income tax	74,370,593	63,002,549
Accrued income tax of distribution profits from a subsidiaries	2,813,347	867,382
Currency translation	(112,684)	(34,834)
<b>Balance - End of the Year</b>	<b>61,676,475</b>	<b>53,415,161</b>

### b. Income tax expense appearing in the consolidated statement of profit or loss represents the following:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Provision for income tax for the year	74,370,593	63,002,549
Deferred tax assets	(25,115,084)	(31,433,749)
Amortization of deferred tax assets	26,300,326	29,870,898
deferred tax liabilities	1,074,500	2,874,680
Amortization of deferred tax liabilities	(2,813,347)	-
Accrued income tax of distribution profits from a subsidiaries	2,813,347	867,382
<b>Total</b>	<b>76,630,335</b>	<b>65,181,760</b>

### c. Reconciliation of the accounting profit with taxable profit:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Accounting profit for the year	217,404,924	197,564,308
Non-taxable income	(32,894,368)	(35,908,000)
Non-deductible expenses for tax purposes	32,428,762	19,683,109
<b>Taxable Profit</b>	<b>216,939,318</b>	<b>181,339,417</b>
<b>Effective Income Tax Rate</b>	<b>35.2%</b>	<b>33.0%</b>

- 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

- The Bank reached a final settlement with the Income and Sale Tax Department in Jordan up to the year 2020. The Bank declared taxes were paid, and income tax returns for the years 2021 and 2022 were filed. The related income tax returns were not reviewed by the Income and Sale Tax Department in Jordan up to the date by which these consolidated financial statements were issued.

- A final settlement for income tax has been reached for Palestine branches up to the year 2021, income tax returns were filed and The Bank declared taxes were paid for the year 2022.
- The income tax for the International Bank for Trade and Finance /Syria was paid up to the year 2022.
- The income tax for the Housing Bank for Trade and Finance /Algeria was paid up to the year 2022.
- The income tax for Jordan International Bank/ London was paid up to the year 2022.
- A final settlement for income tax has been reached for International Financial Centre Company up to the year 2022.
- A final settlement for income tax has been reached for Specialized Leasing Company up to the year 2020, and declared taxes were paid and income tax returns were filed for the years 2021 and 2022.

## e. Deferred Income Tax Assets / Liabilities

The details of this item are as follows:

					December 31	
	For the Year Ended December 31, 2023				2023	2022
	Beginning Balance	Amounts Released	Amounts Added	Ending Balance	Deferred Tax	
	JD	JD	JD	JD	JD	JD
<b>Assets</b>						
Expected credit loss	269,250,058	(58,071,343)	54,215,556	265,394,271	<b>93,915,123</b>	<b>95,775,713</b>
Suspended interest	25,823,400	-	3,917,798	29,741,198	<b>10,389,434</b>	<b>9,132,394</b>
Provision for indemnities	6,844,769	(698,503)	1,331,031	7,477,297	<b>2,689,161</b>	<b>2,461,676</b>
Impairment of real estate	13,399,076	(7,082,109)	3,587,460	9,904,427	<b>3,562,062</b>	<b>4,818,889</b>
Other provisions	11,306,497	(706,207)	963,355	11,563,645	<b>4,158,789</b>	<b>4,066,307</b>
Financial assets valuation difference and accumulated losses	29,902,315	(7,291,954)	-	22,610,361	<b>5,837,761</b>	<b>8,292,347</b>
Goodwill impairment loss	2,452,420	-	-	2,452,420	<b>318,815</b>	<b>318,816</b>
Others	10,353,143	(7,220,905)	8,472,916	11,605,154	<b>4,173,716</b>	<b>3,723,440</b>
<b>Total</b>	<b>369,331,678</b>	<b>(81,071,021)</b>	<b>72,488,116</b>	<b>360,748,773</b>	<b>125,044,861</b>	<b>128,589,582</b>
<b>Liabilities</b>						
Difference valuation of financial assets	10,832,037	-	3,733,096	14,565,133	<b>5,238,254</b>	<b>3,895,671</b>
Undistributed earnings form subsidiaries	19,164,527	(18,755,650)	7,163,330	7,572,207	<b>1,135,833</b>	<b>2,874,679</b>
<b>Total</b>	<b>29,996,564</b>	<b>(18,755,650)</b>	<b>10,896,426</b>	<b>22,137,340</b>	<b>6,374,087</b>	<b>6,770,350</b>

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

	For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
	Assets	Liabilities	Assets	Liabilities
	JD	JD	JD	JD
Balance - beginning of the year	128,589,582	6,770,350	122,196,386	6,853,746
Additions	25,414,036	2,417,084	37,815,494	2,874,679
Disposals	(29,098,207)	(2,813,347)	(31,270,560)	(2,958,075)
Currency translation	139,450	-	(151,738)	-
<b>Balance - End of the Year</b>	<b>125,044,861</b>	<b>6,374,087</b>	<b>128,589,582</b>	<b>6,770,350</b>

\* Deferred tax assets and liabilities for Jordan branches were calculated at a rate of 38% as of December 31, 2023 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,	
	2023	2022
	JD	JD
Certified cheques	37,748,026	43,429,725
Provision for indirect facilities' expected credit loss	36,127,209	35,377,288
Transfers in process	58,048,042	31,892,390
Accrued expenses	24,192,474	30,490,659
Accrued interest	38,105,289	22,057,845
Other payable accounts	24,487,533	20,978,117
Payments in process	16,948,019	11,132,513
Dividends payable to shareholders	11,183,336	7,454,441
Accounts payable	2,736,123	5,834,049
Interests and commissions received in advance	4,968,773	5,063,055
General management trusts	4,383,652	4,979,733
Unrealized loss / hedge derivatives	2,333,746	2,048,066
Prizes	1,768,836	1,616,818
Amounts payable to correspondent banks	1,438,673	1,407,285
Others	4,422,083	3,304,356
<b>Total</b>	<b>268,891,814</b>	<b>227,066,340</b>

The following is the movement on indirect facilities during the year:

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	970,690,613	68,557,365	29,294,851	5,708,465	20,792,613	<b>1,095,043,907</b>
New exposure during the year	527,837,885	19,043,923	1,942,789	164,985	48,814	<b>549,038,396</b>
Matured exposure during the year	(383,862,633)	(19,242,425)	(4,547,881)	(84,785)	(2,392,029)	<b>(410,129,753)</b>
Transferred to stage (1)	2,176,098	401,646	(2,148,398)	(397,146)	(32,200)	-
Transferred to stage (2)	(7,617,826)	(290,410)	8,646,376	308,410	(1,046,550)	-
Transferred to stage (3)	(120,000)	(86,000)	(175,500)	(2,000)	383,500	-
Effect of the reclassification	(37,982,052)	(11,620,614)	614,424	(431,179)	313,054	<b>(49,106,367)</b>
Adjustments resulted from changes in exchange rate	3,639,958	(1,802,738)	20,311	(679,298)	(339,936)	<b>838,297</b>
<b>Balance at the End of the Year</b>	<b>1,074,762,043</b>	<b>54,960,747</b>	<b>33,646,972</b>	<b>4,587,452</b>	<b>17,727,266</b>	<b>1,185,684,480</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	879,962,296	65,193,881	70,044,694	6,345,472	19,401,318	<b>1,040,947,661</b>
New exposure during the year	467,475,609	13,932,253	3,270,513	77,948	86,234	<b>484,842,557</b>
Matured exposure during the year	(379,611,721)	(10,488,113)	(18,781,758)	(354,534)	(1,018,222)	<b>(410,254,348)</b>
Transferred to stage (1)	24,836,241	1,620,752	(24,810,241)	(1,488,258)	(158,494)	-
Transferred to stage (2)	(2,589,424)	(475,238)	2,978,374	476,238	(389,950)	-
Transferred to stage (3)	(31,000)	(76,200)	(2,129,527)	(1,000)	2,237,727	-
Effect of the reclassification	(18,564,972)	3,285,621	(1,278,421)	1,400,755	634,069	<b>(14,522,948)</b>
Adjustments resulted from changes in exchange rate	(786,416)	(4,435,591)	1,217	(748,156)	(69)	<b>(5,969,015)</b>
<b>Balance at the End of the Year</b>	<b>970,690,613</b>	<b>68,557,365</b>	<b>29,294,851</b>	<b>5,708,465</b>	<b>20,792,613</b>	<b>1,095,043,907</b>

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

	2023					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	8,643,993	287,164	7,684,490	310,411	18,451,230	<b>35,377,288</b>
Impairment loss on new exposure during the year	5,690,688	87,425	82,141	15,830	20,230	<b>5,896,314</b>
Reversed impairment loss on matured exposure	(3,568,467)	(246,226)	(418,780)	(4,007)	(2,270,474)	<b>(6,507,954)</b>
Transferred to stage (1)	85,576	17,897	(69,919)	(17,897)	(15,657)	-
Transferred to stage (2)	(238,669)	(2,133)	919,823	7,667	(686,688)	-
Transferred to stage (3)	(1,435)	(529)	(54,072)	(105)	56,141	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	(75,914)	(15,449)	(632,140)	18,095	191,185	<b>(514,223)</b>
Effect of the adjustments	375,846	136,460	608,647	415,843	379,960	<b>1,916,756</b>
Adjustments resulted from changes in exchange rate	55,808	(8,611)	96	(71,525)	(16,740)	<b>(40,972)</b>
<b>Balance at the End of the Year</b>	<b>10,967,426</b>	<b>255,998</b>	<b>8,120,286</b>	<b>674,312</b>	<b>16,109,187</b>	<b>36,127,209</b>

	2022					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	8,072,411	292,651	9,743,753	225,130	17,297,575	<b>35,631,520</b>
Impairment loss on new exposure during the year	3,286,571	128,289	110,912	3,299	15,577	<b>3,544,648</b>
Reversed impairment loss on matured exposure	(3,746,238)	(99,110)	(1,508,761)	(26,426)	(750,809)	<b>(6,131,344)</b>
Transferred to stage (1)	629,933	185,363	(618,765)	(120,396)	(76,135)	-
Transferred to stage (2)	(15,468)	(4,073)	231,994	4,073	(216,526)	-
Transferred to stage (3)	(171)	(698)	(372,958)	(517)	374,344	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	867,321	(139,957)	10,760	13,434	1,146,094	<b>1,897,652</b>
Effect of the adjustments	(435,204)	(60,584)	87,224	268,102	661,044	<b>520,582</b>
Adjustments resulted from changes in exchange rate	(15,162)	(14,717)	331	(56,288)	66	<b>(85,770)</b>
<b>Balance at the End of the Year</b>	<b>8,643,993</b>	<b>287,164</b>	<b>7,684,490</b>	<b>310,411</b>	<b>18,451,230</b>	<b>35,377,288</b>

## 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, 2023 and 2022.

### Share premium

The share premium is JD 328,147,537 as of December 31, 2023 and 2022.

## 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
	2023	2022	
	JD	JD	
Statutory reserve	296,295,588	274,745,075	According to the applicable laws and regulations
Special reserve	11,743,708	11,553,745	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,	
	2023	2022
	JD	JD
Balance at the beginning of the year	(134,490,422)	(128,208,080)
Net changes during the year	3,665,142	(6,282,342)
<b>Balance at End of the Year</b>	<b>(130,825,280)</b>	<b>(134,490,422)</b>

## 27. Fair Value Reserve - Net

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

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance – beginning of the year	(10,908,261)	3,542,409
Unrealized gain (loss) - Debt instruments	8,916,680	(22,488,840)
Unrealized gain - Shares	1,990,783	185,022
Deferred tax assets	(2,576,882)	4,895,073
Deferred tax liabilities	(1,342,583)	2,958,075
Net change in the valuation reserve of financial assets at fair value through comprehensive income after tax	6,987,998	(14,450,670)
<b>Balance at End of the Year</b>	<b>(3,920,263)</b>	<b>(10,908,261)</b>

## 28. Retained Earnings

The movement on retained earnings is as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance – beginning of the year	416,843,387	367,183,950
Income for the year	136,729,879	129,500,828
Dividends distribution *	(78,750,000)	(63,000,000)
Transferred to reserve	(21,758,764)	(16,841,391)
The effect of the disposal of a subsidiary	(98,553)	-
<b>Balance – End of the Year</b>	<b>452,965,949</b>	<b>416,843,387</b>

- The Bank cannot use a restricted amount of JD 6,275,955 from retained earing which represents the financial assets revaluation differences in accordance with the instructions of Jordan Securities Commission.
- Retained earnings includes an amount of JD 628,167 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 125,044,861 from retained earing 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 482,849 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.

\* The distributed cash dividends during 2023 were 25% of the authorized and paid-up capital (equivalent to JD 78.750 million).



## 29. Proposed Dividends

The proposed cash dividends for the current year amounted to 25% of authorized and paid-in capital as of December 31, 2023 equivalent to JD 78,750 million and it's subject to the approval of the General Assembly of shareholders.

## 30. Subsidiaries with Material Non-controlling Interest

### First: Percentage owned by non-controlling interests

	As of December 31, 2023 and 2022		
	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, 2023 and 2022:

	As of December 31, 2023			
	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	121,542,317	434,760,664	393,526,479	6,744,709
Other assets	1,539,324	16,444,204	5,259,042	271,442
<b>Total Assets</b>	<b>123,081,641</b>	<b>451,204,868</b>	<b>398,785,521</b>	<b>7,016,151</b>
Financial Liabilities	80,753,483	268,402,777	309,678,375	-
Other Liabilities	6,497,327	63,288,321	9,529,647	588,908
<b>Total Liabilities</b>	<b>87,250,810</b>	<b>331,691,098</b>	<b>319,208,022</b>	<b>588,908</b>
<b>Total Equity</b>	<b>35,830,831</b>	<b>119,513,770</b>	<b>79,577,499</b>	<b>6,427,243</b>
<b>Total Liabilities and Equity</b>	<b>123,081,641</b>	<b>451,204,868</b>	<b>398,785,521</b>	<b>7,016,151</b>
<b>Non-Controlling Interest</b>	<b>18,252,225</b>	<b>17,927,065</b>	<b>19,894,375</b>	<b>1,446,130</b>
	As of December 31, 2022			
	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	151,045,649	393,836,113	358,969,413	7,101,086
Other assets	2,773,358	14,456,454	5,287,742	224,272
<b>Total Assets</b>	<b>153,819,007</b>	<b>408,292,567</b>	<b>364,257,155</b>	<b>7,325,358</b>
Financial Liabilities	111,778,253	227,395,324	286,262,778	-
Other Liabilities	5,814,764	50,986,998	6,377,568	1,141,619
<b>Total Liabilities</b>	<b>117,593,017</b>	<b>278,382,322</b>	<b>292,640,346</b>	<b>1,141,619</b>
<b>Total Equity</b>	<b>36,225,990</b>	<b>129,910,245</b>	<b>71,616,809</b>	<b>6,183,739</b>
<b>Total Liabilities and Equity</b>	<b>153,819,007</b>	<b>408,292,567</b>	<b>364,257,155</b>	<b>7,325,358</b>
<b>Non-Controlling Interest</b>	<b>18,453,519</b>	<b>19,486,537</b>	<b>17,904,202</b>	<b>1,391,341</b>

**b. Condensed statement of profit or loss before elimination of inter-company transactions for the year ended December 31, 2023 and 2022:**

	For the Year Ended December 31, 2023			
	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	6,733,197	24,149,615	17,718,101	748,457
Profit (loss) for the year	3,485,136	9,018,744	3,636,097	243,504
<b>Total Comprehensive Income</b>	<b>3,485,136</b>	<b>9,018,744</b>	<b>3,831,803</b>	<b>243,504</b>
<b>Attributable to non-controlling interest</b>	<b>1,775,328</b>	<b>1,352,812</b>	<b>957,951</b>	<b>54,788</b>

	For the Year Ended December 31, 2022			
	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	5,326,729	14,974,378	14,137,767	742,559
Profit (loss) for the year	1,846,586	6,816,144	3,158,170	250,256
<b>Total Comprehensive Income</b>	<b>1,846,586</b>	<b>6,816,144</b>	<b>2,126,141</b>	<b>250,256</b>
<b>Attributable to non-controlling interest</b>	<b>940,425</b>	<b>1,022,490</b>	<b>531,535</b>	<b>56,308</b>

**c. Condensed statement of cash flows for material subsidiaries for the year ended December 31, 2023 and 2022:**

	For the Year Ended December 31, 2023			
	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	2,486,252	(44,038,207)	(14,963,585)	(1,679,104)
Investing cash flows	34,619	(90,492,708)	11,600,798	(420)
Financing cash flows	-	(22,249,247)	-	-
Effect of change in exchange rates	(7,565,978)	5,568,636	(1,776,666)	-
<b>Net Increase /(Decrease)</b>	<b>(5,045,107)</b>	<b>(151,211,526)</b>	<b>(5,139,453)</b>	<b>(1,679,524)</b>

	For the Year Ended December 31, 2022			
	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	(6,070,690)	(48,170,163)	9,452,891	1,774,984
Investing cash flows	(830,616)	(26,381,016)	20,012,216	(3,420)
Financing cash flows	-	(6,988,525)	(10,381,499)	-
Effect of change in exchange rates	(2,383,167)	(270,827)	5,784,926	-
<b>Net Increase /(Decrease)</b>	<b>(9,284,473)</b>	<b>(81,810,531)</b>	<b>24,868,534</b>	<b>1,771,564</b>

**d. The cash dividends from the subsidiaries (The Housing bank for Trade and Finance/ Algeria) amounted to JD 15.9 million after deducting the tax on cash dividends.**

## 31. Interest Income

The details of this item are as follows:	For the Year Ended December 31,	
	2023	2022
	JD	JD
<b>Direct Credit Facilities:</b>		
<b>Individual retail customer:</b>		
Overdraft	326,951	302,765
Loans and discounted bills	103,788,764	79,030,826
Credit cards	2,764,260	2,339,722
<b>Real estate mortgages</b>	<b>104,843,809</b>	<b>70,494,118</b>
<b>Large corporates</b>		
Overdraft	14,401,138	12,331,730
Loans and discounted bills	101,196,329	73,821,936
<b>SME's</b>		
Overdraft	7,137,405	4,674,684
Loans and discounted bills	25,261,054	21,954,908
<b>Government and Public Sector</b>	<b>35,780,097</b>	<b>27,459,999</b>
Balances at central banks	8,892,712	4,730,737
Balances and deposits at banks and financial institutions	18,416,700	7,469,659
Financial assets at fair value through other comprehensive income	16,033,308	13,367,455
Financial assets at amortized cost	121,758,113	99,039,962
<b>Total</b>	<b>560,600,640</b>	<b>417,018,501</b>

## 32. Interest Expense

The details of this item are as follows:	For the Year Ended December 31,	
	2023	2022
	JD	JD
Banks and financial institutions deposits	42,449,480	17,228,002
<b>Customers deposits:</b>		
Current accounts and demand deposits	3,039,635	702,717
Saving deposits	4,911,729	4,675,379
Time and notice deposits	97,598,364	45,171,632
Certificates of deposit	11,633,213	6,782,626
Cash margin	4,336,832	2,462,667
Borrowed funds	13,885,032	12,651,650
Deposits insurance fees	4,709,174	6,841,686
Lease liability	1,472,285	1,463,175
<b>Total</b>	<b>184,035,744</b>	<b>97,979,534</b>

### 33. Net Commission Income

The details of this item are as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Commission income:		
Direct credit facilities	10,854,769	11,174,029
Indirect credit facilities	16,091,191	13,501,528
Less: Commission expense	(124,414)	(230,990)
<b>Net Commission Income</b>	<b>26,821,546</b>	<b>24,444,567</b>

### 34. Net Gain from Foreign Currency Exchange

The details of this item are as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
From trading	3,012,082	3,222,194
From re-valuation	6,094,996	5,426,773
<b>Total</b>	<b>9,107,078</b>	<b>8,648,967</b>

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

The details of this item are as follows:

	Realized		Unrealized		Dividends	Total
	Gain	(Loss)	Gain	(Loss)	Received	
	JD	JD	JD	JD	JD	
<b>For the Year 2023</b>						
Corporate shares	61,178	-	-	(429,926)	188,488	<b>(180,260)</b>
Credit facilities	-	-	1,802,477	-	-	<b>1,802,477</b>
<b>Total</b>	<b>61,178</b>	<b>-</b>	<b>1,802,477</b>	<b>(429,926)</b>	<b>188,488</b>	<b>1,622,217</b>
<b>For the Year 2022</b>						
Corporate shares	-	(11,464)	269,004	-	171,569	<b>429,109</b>
Credit facilities	-	-	-	(2,403,761)	-	<b>(2,403,761)</b>
<b>Total</b>	<b>-</b>	<b>(11,464)</b>	<b>269,004</b>	<b>(2,403,761)</b>	<b>171,569</b>	<b>(1,974,652)</b>

## 36. Other Income

The details of this item are as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Fees on salaries accounts	3,285,277	3,328,702
Credit cards income	6,190,735	5,830,719
Safety deposit box rental income	573,637	565,996
Commissions on returned checks	441,259	459,990
Customer account management fees	5,995,901	5,834,948
Net income from recovered loans	480,951	1,182,802
Brokerage services fees	481,284	521,500
Banking services fees	1,251,061	1,821,252
Income on transfers	3,221,792	3,606,230
Miscellaneous income	3,395,069	2,051,819
Unrealized (loss) gain / hedge derivatives	(1,802,477)	2,403,761
<b>Total</b>	<b>23,514,489</b>	<b>27,607,719</b>

## 37. Employees Expenses

The details of this item are as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Salaries, benefits and allowances	76,118,744	68,163,314
Bank's contribution in social security	8,642,967	7,823,623
Bank's contribution in the saving fund	273,907	256,247
End-of-service indemnity	2,489,529	2,637,615
Medical expenses	4,726,791	4,486,425
Training expenses	863,425	627,031
Travel and transportation expenses	1,465,519	1,140,895
Others	1,280,263	1,206,390
<b>Total</b>	<b>95,861,145</b>	<b>86,341,540</b>

## 38. Other Expenses

The details of this item are as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Information technology	15,842,777	13,512,297
Marketing and promotion	5,026,701	4,205,054
External and professional services	2,102,468	1,659,259
Workplace expenses	14,205,502	14,344,010
Financial institutions subscription fees	3,968,189	3,572,999
Stationery expenses	1,986,359	1,811,756
Fees on credit facilities processing	747,754	861,729
Other expenses	18,636,407	22,779,751
<b>Total</b>	<b>62,516,157</b>	<b>62,746,855</b>

### 39. Expected Credit Loss Expense – Net

The details of this item are as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balances at central banks	(5,614)	(3,674)
Balances banks and financial institutions	(72,563)	(25,025)
Deposits at banks and financial institutions	(63,466)	37,724
Financial assets at fair value through other comprehensive income	(13,367)	(13,023)
Financial assets at amortized cost	(147,206)	(895,508)
Direct credit facilities	35,204,662	7,368,410
Indirect credit facilities (commitments and contingent liabilities)	790,893	(168,462)
Other assets	(20,333)	55,000
<b>Total</b>	<b>35,673,006</b>	<b>6,355,442</b>

### 40. Earnings Per Share

The details of this item are as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Profit for the year attributable to shareholders' (JD)	136,729,879	129,500,828
Weighted average number of shares (share)	315,000,000	315,000,000
<b>Basic and diluted earnings per share attributable to shareholders of the Bank</b>	<b>0.434 JD</b>	<b>0.411 JD</b>

### 41. Cash and Cash Equivalents

The details of this item are as follows:

	As of December 31,	
	2023	2022
	JD	JD
Cash and balances with central banks maturing within 3 months	553,726,515	694,009,973
Add: Balances with banks and financial institutions maturing within 3 months	323,276,157	358,979,026
Less: Banks and financial institutions deposits maturing within 3 months	(632,276,527)	(750,913,864)
	<b>244,726,145</b>	<b>302,075,135</b>

## 42. Financial Derivative Instruments

The details of this item are as follows:

			Nominal Value	Nominal Value per Maturity		
	Positive Fair Value	Negative Fair Value		Due in three Months	Due in 3 - 12 Months	More than 1 year
	JD	JD		JD	JD	JD
<b>For the Year 2023</b>						
Traded Financial Derivatives:						
Forward foreign currency contracts	92,970	-	5,699,000	3,015,359	2,683,641	-
Interest rate option contracts	-	(173,391)	6,387,736	-	-	6,387,736
<b>Hedge derivatives:</b>						
Forward foreign currency contracts	516,394	(2,769,718)	312,382,799	282,041,331	30,341,468	-
Currency swap contracts	-	-	41,905,000	-	10,000,000	31,905,000
Interest rate swap contracts	777,068	-	31,905,000	-	31,905,000	-
Interest rate option contracts	173,391	-	6,387,736	-	-	6,387,736
<b>For the Year 2022</b>						
<b>Traded Financial Derivatives:</b>						
Forward foreign currency contracts	-	(136,421)	25,389,247	24,506,614	882,633	-
Interest rate option contracts	-	(297,305)	6,387,736	-	-	6,387,736
Hedge derivatives:						
Forward foreign currency contracts	500,038	(1,934,988)	256,141,404	240,568,562	15,572,842	-
Currency swap contracts	-	-	34,815,000	-	10,000,000	24,815,000
Interest rate swap contracts	2,579,545	-	63,810,000	-	31,905,000	31,905,000
Interest rate option contracts	297,305	-	6,387,736	-	-	6,387,736

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

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

Company Name	Ownership	Investment Currency	Paid-up capital in the investing currency	
			December 31,	
			2023	2022
			JD	JD
The Housing Bank for Trade and Finance / Algeria	85%	Algerian Dinar	20 Billion	20 Billion
International Bank for Trade and Finance / Syria	49,063%	Syrian Lira	10.5 Billion	8.4 Billion
International Financial Center	77,5%	Jordanian Dinar	5 Million	5 Million
Specialized Lease Finance Co.	100%	Jordanian Dinar	30 Million	30 Million
Jordan Real Estate Investment Co. (liquidated)	100%	Jordanian Dinar	-	40 thousand
Jordan International Bank / London	75%	Sterling Pound	65 Million	65 Million
International Financial Center / Syria	46,704%	Syrian Lira	100 Million	100 Million

International Bank for Trade and Finance – Syria (subsidiary) 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:**

	Related Party				Total as of December 31,	
	Major Shareholders	Subsidiaries	Board of Directors	Executive Management	2023	2022
	JD	JD	JD	JD	JD	JD
<b>Financial Position Items:</b>						
Total deposits with related parties	10,922,913	67,192,596	-	-	78,115,509	113,000,105
Total deposits form related parties	762,944,385	73,928,688	3,499,590	5,418,083	845,790,746	713,064,255
Loans and advances granted to related parties	37,833,057	290,440	1,050,098	1,970,428	41,144,023	54,580,219
Loans and facilities granted by related parties	-	2,151,329	-	-	2,151,329	2,624,541
Financial assets at fair value through other comprehensive income	6,829,762	-	-	-	6,829,762	6,706,608
<b>Items Off-statement of Financial Position</b>						
Letters of guarantees and credits	14,021,963	3,005,106	-	-	17,027,069	20,483,072
Forward foreign currency contracts	51,323,442	-	-	-	51,323,442	64,462,155
Interest rate swap contracts	31,905,000	-	-	-	31,905,000	63,810,000

**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	2023	2022
	JD	JD	JD	JD	JD	JD
Interest and commissions income	6,550,291	3,246,795	63,075	127,826	9,987,987	2,266,196
Interest and commissions expense	36,980,166	4,252,260	105,175	213,932	41,551,533	16,714,147
Consulting fees	42,518	-	-	-	42,518	131,126
Rent income	-	159,069	-	-	159,069	147,069

- Interest expense rates range from 0% to 16.5%.

- Interest income rates range from 0% to 11.25%.

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

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Salaries, bonuses, and other benefits	3,777,420	3,398,595
Salaries, bonuses, and other benefits / subsidiaries	2,702,774	2,288,228



## 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:

							Total	
							For the Year Ended December 31,	
	Retail Banking	Corporate	Corporate Finance	Treasury	Other	Eliminationw	2023	2022
	JD	JD	JD	JD	JD	JD	JD	JD
Gross Income	329,486,913	221,294,123	5,945,507	198,910,961	3,167,346	(136,748,800)	622,056,050	475,942,045
Expected credit loss for the year	(13,362,849)	(16,441,209)	(6,171,166)	302,218	-	-	(35,673,006)	(6,355,442)
Segment results	155,355,620	77,702,255	(4,450,530)	(1,598,571)	3,167,345	-	230,176,119	215,841,607
Unallocated expenses	-	-	-	-	-	-	(12,771,195)	(18,277,299)
Income before tax							217,404,924	197,564,308
Income Tax							(76,630,335)	(65,181,760)
<b>Profit for the Year</b>							140,774,589	132,382,548
Depreciation and amortization							25,864,076	24,500,876
Capital expenditures							20,530,933	20,233,249
							<b>December 31,</b>	
							2023	2022
							JD	JD
<b>Segment Assets</b>	<b>4,520,091,066</b>	<b>2,706,199,247</b>	<b>74,863,133</b>	<b>3,818,082,978</b>	<b>1,407,443,617</b>	<b>-</b>	<b>12,526,680,041</b>	<b>12,263,076,661</b>
Elimination of assets between segments	(2,633,113,081)	-	-	(647,964,295)	(693,766,917)	-	(3,974,844,293)	(3,933,024,098)
Unallocated assets							125,044,861	128,589,582
<b>Total Assets</b>							<b>8,676,880,609</b>	<b>8,458,642,145</b>
<b>Segment Liabilities</b>	<b>4,371,417,911</b>	<b>2,771,316,305</b>	<b>78,589,151</b>	<b>3,772,394,578</b>	<b>323,770,875</b>		<b>11,317,488,820</b>	<b>11,125,834,020</b>
Elimination of liabilities between segments	-	(951,349,809)	(33,142,723)	(2,990,351,761)	-		(3,974,844,293)	(3,933,024,098)
Unallocated liabilities							6,374,087	6,770,350
<b>Total Liabilities</b>							<b>7,349,018,614</b>	<b>7,199,580,272</b>

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

	Inside Jordan		Outside Jordan		Total	
	2023	2022	2023	2022	2023	2022
	JD	JD	JD	JD	JD	JD
Gross income	501,183,084	397,380,049	120,872,966	78,561,996	622,056,050	475,942,045
Total assets	6,789,770,745	6,761,225,175	1,887,109,864	1,697,416,970	8,676,880,609	8,458,642,145
Capital expenditures	15,696,364	17,904,290	4,834,569	2,328,959	20,530,933	20,233,249

## 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,	
	2023	2022
	JD	JD
<b>1. Common Equity Tier 1 Capital</b>		
<b>Paid-in capital</b>	<b>315,000,000</b>	<b>315,000,000</b>
<b>Retained earnings after deducting the proposed dividends</b>	<b>366,828,980</b>	<b>328,937,494</b>
<b>Other comprehensive income items</b>	<b>(134,745,543)</b>	<b>(145,398,683)</b>
Net fair value reserve	(3,920,263)	(10,908,261)
Foreign currency translation reserve	(130,825,280)	(134,490,422)
<b>Share premium</b>	<b>328,147,537</b>	<b>328,147,537</b>
<b>Statutory reserve</b>	<b>296,295,588</b>	<b>274,726,787</b>
<b>Other reserve</b>	<b>11,743,708</b>	<b>11,553,745</b>
<b>Non-controlling Interest</b>	<b>17,594,850</b>	<b>14,583,616</b>
<b>Total capital of common stock</b>	<b>1,200,865,120</b>	<b>1,127,550,496</b>
<b>Regulatory amendments (Propositions of the capital)</b>	<b>(160,139,089)</b>	<b>(157,248,008)</b>
Goodwill and other intangible assets	(22,214,936)	(21,574,280)
Deferred tax assets	(125,044,861)	(128,589,582)
Investments in capital of non-consolidated subsidiaries	-	(40,681)
Mutual fund investments in the capital of Banking, Financial and Insurance Entities (within CET1)	(12,879,292)	(7,043,465)
<b>Total primary capital</b>	<b>1,040,726,031</b>	<b>970,302,488</b>
<b>2. Additional Paid – Up Capital</b>		
Non-controlling Interest	3,104,974	2,573,579
Total additional capital	3,104,974	2,573,579
<b>Net additional capital</b>	<b>3,104,974</b>	<b>2,573,579</b>
<b>Net additional capital Tier 1.</b>	<b>1,043,831,005</b>	<b>972,876,067</b>
<b>3. Tier 2</b>		
General banking risk reserve		
Provision of credit loss for stage (1) not exceeding 1.25% of assets exposed to credit loss	64,261,410	49,234,104
Non-controlling Interest	4,139,964	3,431,439
<b>Total supported capital</b>	<b>68,401,374</b>	<b>52,665,543</b>
<b>Regulatory amendments (Propositions of the capital)</b>	<b>-</b>	<b>-</b>
<b>Net additional capital Tier 2</b>	<b>68,401,374</b>	<b>52,665,543</b>
<b>Regulatory capital</b>	<b>1,112,232,379</b>	<b>1,025,541,610</b>
<b>Total weighted assets risk average.</b>	<b>5,905,441,161</b>	<b>5,488,730,057</b>
<b>Capital Adequacy ordinary shareholders (CET1)Ratio%</b>	<b>17.62%</b>	<b>17.68%</b>
<b>Capital Adequacy Tier 1 Ratio %</b>	<b>17.68%</b>	<b>17.72%</b>
<b>Capital Adequacy Ratio %</b>	<b>18.83%</b>	<b>18.68%</b>

## 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, 2023		December 31, 2022	
	Book Value	Fair Value	Book Value	Fair Value
	JD	JD	JD	JD
Financial assets at amortized cost	2,418,523,210	2,421,892,318	2,230,984,446	2,234,487,706
Direct credit facilities – net	4,442,544,481	4,442,544,481	4,209,066,827	4,209,066,827

## 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.

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.

### The Group's Operations in Palestine

The war in the Gaza Strip during the last quarter of 2023 resulted in destruction of economic and service facilities. Furthermore, numerous economic and commercial sectors in the West Bank have been adversely impacted by recurrent restrictions and closures. These factors have significantly increased the potential risks associated with the Group's operations in Palestine. While there are no notable credit exposures in the Gaza Strip, the complete outcome of the conflict remains difficult to foresee. The management is diligently monitoring the situation and proactively addressing anticipated effects in compliance with best practices and regulatory standards.

Expected credit losses have been assessed based on a range of anticipated economic scenarios, taking into account impairment indicators for exposures in sectors potentially affected by the conflict. This evaluation includes the Bank management's estimates regarding the impact on specific sectors or customers. Management maintains confidence in the Group's ability to sustain operations in Palestine in the future.

### 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 conceded 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 analysis system (Credit Lens/Moody's) 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 0100-), 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 analysis system (Credit Lens/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 grade - with the exception of grade (1).

### 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 Credit Lens 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 \* Probability of Default \* 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% for overdrafts and 34.4% 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.

#### Unfunded Facilities:

The exposure at default for Non-funded facilities is reached by multiplying the granted limit by the expected percentage of utilization and then compare it with the utilization balance and consider the higher value.

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 42% to 46.1%

The expected future cash flows for non-funded facilities is discounted at the interest rate applied on such facilities when it gets liquidated. (10% for foreign currency facilities and 14% for Jordanian Dinar).

#### Loss Given Default (LGD):

The LGD is calculated and determined through the following:

- Analyzing the collections from the defaulted loans historically for the previous 10 years 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 LGD, 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 to reach the percentage of LGD to be applied on the loans classified under stage III in terms of DPD to determine the LGD on the number of days of non payment.
- For collateralized facilities granted against Cash margin, Bank LGs and securities, the value of collateral is deducted from the exposure at default after applying haircut.

## Probability of default (PD):

Definition of default is summarized by the existence of payment dues on customer facilities for more than 90 days or 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 sever 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 behavior for 1 year before and 1 year after each data point of the conducted study.
- Using the related Macroeconomic factors to predict the average Observed Default Rate for the coming years such as (GDP, Unemployment, Inflation, Price index), multiple scenarios are performed to test the economic appropriateness of all economic variables annually to reach the approved economic variable for the purposes of building tables of Probability of Default.
- Using Regression analysis to predict the average Observed Default Rates for the years from 2024 to 2029 through applying the liner 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 PD over the life of the financial instrument to become as it is at present time.

## 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) multiplied by the expected percentage of utilization (42%, 34.4% , 47.2% 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:**

Determining the common elements in measuring the credit risk of the retail portfolio 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 for the exposures less the JD 250,000.

**Funded Facilities:**

The exposure at default is calculated by discounting the expected future cash flows depending on expected cash flow of the facilities for each 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 for non-rated customers. 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).

**Loss Given Default (LGD):**

The LGD is calculated and determined through the following:

- Analyzing the collections from the defaulted loans historically for the previous 10 years 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 to determine the LGD on the number of days of non payment.
- For collateralized facilities granted against Cash margin, Bank LGs and securities, the value of collateral is deducted from the exposure at default after applying haircut.

### Probability of Default (PD):

- Historical data has been used to calculate the ODR at the level of each sub-portfolio.
- The Macro economic factors have been used to predict the ODR for the next five years.

## 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 consider 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 considering 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:

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

### 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 consider 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):

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

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	Change in total government revenues (percentage of GDP) Lag 2 Volume of exports of goods and services (percentage change) Lag 5 Total investment - percentage growth rate (percentage of GDP) Lag 2
Medium Enterprises	Total government expenditures - (percentage of GDP) Lag 1 Annual change in inflation - rolling four-quarter average Lag 2

### Retail portfolio

Pool name	macro factor used
Cars Loan	Quarterly percentage change in inflation - Lag 2 Total government expenditures - (percentage of total expenditures)
Mortgage	Gross Domestic Product at constant prices Total investment as a percentage of Gross Domestic Product
Personal high risk	Inflation rates Lag 4 Total government expenditures - (percentage of Gross Domestic Product) Lag1
Personal low risk	Inflation rate Total government expenditures - (percentage of Gross Domestic Product)
Small Business loans	Current account balance
	General revenues as a percentage of Gross Domestic Product Inflation rates
Credit cards	Annual percentage change in inflation - Lag 4 Total government expenditures - (percentage of Gross Domestic Product)

### 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. Accounts that have ratings (7+,7,7) according to the internal rating system
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.

### **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 a, 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.

<b>Total investment percentage of GDP</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Base scenario	16.42%	16.27%	16.04%	15.92%	15.95%
Adverse scenario	13.83%	13.68%	13.45%	13.33%	13.36%
Positive scenario	19.00%	18.86%	18.62%	18.50%	18.54%
<b>Government expenditures</b>					
Base scenario	3.51%	3.45%	3.42%	3.41%	3.40%
Adverse scenario	3.45%	3.39%	3.36%	3.35%	3.33%
Positive scenario	3.57%	3.51%	3.49%	3.47%	3.46%
<b>Inflation</b>					
Base scenario	2.51%	2.58%	2.47%	2.49%	2.49%
Adverse scenario	4.27%	4.33%	4.22%	4.24%	4.24%
Positive scenario	0.76%	0.83%	0.71%	0.73%	0.735%

## 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 5,570,836,488 as of December 31, 2023 (JD 5,140,126,684 as of December 31, 2022). 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 2023:	Collateral Fair Value																					
	Total Exposure Value		Cash Margin		Equity Shares		Accepted Bank Grantee		Real Estate		Vehicles		Jordanian government		Others		Total Collateral Value		Net Exposure		Expected Credit Loss	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	458,188,122	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	458,188,122	-	-	36,588	
Balances at banks and financial institutions	323,276,157	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	323,276,157	-	-	232,546	
Deposits at banks and financial institutions	44,927,609	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,927,609	-	-	175,796	
<b>Credit facilities at amortized cost:</b>																						
<b>Individual</b>	1,057,779,315	57,673,669	5,911,707	2,568,139	97,943,957	51,022,267	-	22,121,254	237,240,993	820,538,322	59,195,817											
Real estate mortgages	1,403,494,485	5,696,487	-	-	1,309,653,262	89,184	-	18,639,612	1,334,078,545	69,415,940	129,439,928											
Large corporates	1,518,388,660	20,882,297	75,458,375	10,247,196	182,047,424	30,786,524	11,409,647	55,579,282	386,410,745	1,131,977,915	207,107,215											
SME's	449,731,424	27,802,058	-	11,047,072	146,942,474	16,084,155	-	62,284,260	264,160,019	185,571,405	46,714,501											
Government and Public Sector	620,198,707	-	-	-	19,118,472	-	476,643,949	-	495,762,421	124,436,286	8,444,078											
<b>Direct credit facilities at fair value through the profit or loss</b>	31,496,582	-	-	-	-	-	31,496,582	-	31,496,582	-	-											
<b>Bonds and bills</b>																						
Within: Financial assets at fair value through other comprehensive income	352,380,226	-	-	-	-	-	217,488,511	-	217,488,511	134,891,715	291,467											
Within: Financial assets at amortized cost	2,421,892,318	-	44,026,609	-	-	-	2,177,578,161	115,206,240	2,336,811,010	85,081,308	3,369,108											
<b>Total</b>	<b>8,681,753,605</b>	<b>112,054,511</b>	<b>125,396,691</b>	<b>23,862,407</b>	<b>1,755,705,589</b>	<b>97,982,130</b>	<b>2,914,616,850</b>	<b>273,830,648</b>	<b>5,303,448,826</b>	<b>3,378,304,779</b>	<b>455,007,044</b>											
<b>Items Off-statement of Financial Position</b>																						
<b>Letter of guarantees</b>	<b>455,174,583</b>	<b>46,933,613</b>	<b>-</b>	<b>-</b>	<b>25,961,869</b>	<b>182,250</b>	<b>-</b>	<b>11,285,690</b>	<b>84,363,422</b>	<b>370,811,161</b>	<b>30,779,743</b>											
<b>Letter of credit</b>	<b>652,451,631</b>	<b>81,397,771</b>	<b>-</b>	<b>-</b>	<b>1,329,268</b>	<b>-</b>	<b>98,912,094</b>	<b>528,058</b>	<b>182,167,191</b>	<b>470,284,440</b>	<b>3,947,855</b>											
<b>Other</b>	<b>78,058,266</b>	<b>857,049</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>857,049</b>	<b>77,201,217</b>	<b>1,399,611</b>											
<b>Total</b>	<b>9,867,438,085</b>	<b>241,242,944</b>	<b>125,396,691</b>	<b>23,862,407</b>	<b>1,782,996,726</b>	<b>98,164,380</b>	<b>3,013,526,944</b>	<b>285,644,396</b>	<b>5,570,836,488</b>	<b>4,296,601,597</b>	<b>491,134,253</b>											



For the Year 2022:	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	566,762,020	-	-	-	-	-	-	-	-	-	-	566,762,020	42,202
Balances at banks and financial institutions	358,979,026	-	-	-	-	-	-	-	-	-	-	358,979,026	305,109
Deposits at banks and financial institutions	56,868,042	-	-	-	-	-	-	-	-	-	-	56,868,042	229,769
<b>Credit facilities at amortized cost:</b>													
Individual	1,041,630,185	43,342,953	7,779,053	3,298,173	86,150,282	52,093,293	-	18,712,223	211,375,977	830,254,208	43,114,322		
Real estate mortgages	1,339,598,002	9,195,064	-	-	1,245,702,821	42,906	-	9,541,088	1,264,481,879	75,116,123	137,305,942		
Large corporates	1,470,808,855	22,917,596	113,692,326	10,789,474	173,911,144	32,228,864	22,819,105	72,486,802	448,845,311	1,021,963,544	208,433,406		
SME's	377,239,276	24,095,537	-	7,259,771	112,085,083	12,855,104	-	58,098,882	214,394,377	162,844,899	43,270,920		
Government and Public Sector	554,693,620	-	-	-	12,792,271	-	435,525,451	-	448,317,722	106,375,898	79,802		
<b>Direct credit facilities at fair value through the profit or loss</b>	<b>61,967,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,967,403</b>	<b>-</b>	<b>61,967,403</b>	<b>-</b>	<b>-</b>		
<b>Bonds and bills</b>													
Within: Financial assets at fair value through other comprehensive income	326,686,388	-	-	-	-	-	192,750,748	-	192,750,748	133,935,640	291,189		
Within: Financial assets at amortized cost	2,234,487,706	-	6,026,500	-	-	-	2,028,140,441	-	2,034,166,941	200,320,765	3,503,260		
<b>Total</b>	<b>8,389,720,523</b>	<b>99,551,150</b>	<b>127,497,879</b>	<b>21,347,418</b>	<b>1,630,641,601</b>	<b>97,220,167</b>	<b>2,741,203,148</b>	<b>158,838,995</b>	<b>4,876,300,358</b>	<b>3,513,420,165</b>	<b>436,575,921</b>		
<b>Items Off-statement of Financial Position</b>													
<b>Letter of guarantees</b>	<b>436,654,137</b>	<b>47,180,232</b>	<b>-</b>	<b>-</b>	<b>27,399,836</b>	<b>34,741</b>	<b>-</b>	<b>11,708,263</b>	<b>86,323,072</b>	<b>350,331,065</b>	<b>31,032,621</b>		
<b>Letter of credit</b>	<b>586,795,618</b>	<b>70,621,688</b>	<b>-</b>	<b>-</b>	<b>1,380,201</b>	<b>-</b>	<b>102,638,810</b>	<b>513,311</b>	<b>175,154,010</b>	<b>411,641,608</b>	<b>3,357,632</b>		
<b>Other</b>	<b>71,594,152</b>	<b>2,349,244</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,349,244</b>	<b>69,244,908</b>	<b>987,035</b>		
<b>Total</b>	<b>9,484,764,430</b>	<b>219,702,314</b>	<b>127,497,879</b>	<b>21,347,418</b>	<b>1,659,421,638</b>	<b>97,254,908</b>	<b>2,843,841,958</b>	<b>171,060,569</b>	<b>5,140,126,684</b>	<b>4,344,637,746</b>	<b>471,953,209</b>		

2. Direct Credit facility Exposures Distributions (At amortized cost and at fair value):

2023						
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	557,298,137	8,370,315	0.07%	600,360,101	42.6%
2	Performing Loans	163,771,181	50,399	0.09%	184,276,203	56.6%
+2	Performing Loans	1,147,899	3,954	0.07%	1,315,288	29.4%
-2	Performing Loans	84,871,541	172,394	0.76%	107,130,124	46.9%
3	Performing Loans	199,893,004	319,916	0.42%	230,296,452	51.1%
-3	Performing Loans	148,032,662	1,441,963	0.53%	155,161,543	53.5%
+3	Performing Loans	134,292,828	223,840	0.83%	142,115,566	42.8%
4	Performing Loans	93,340,765	415,150	1.31%	82,916,897	49.1%
-4	Performing Loans	163,336,616	1,577,441	2.30%	168,261,456	56.8%
+4	Performing Loans	108,870,361	329,998	1.14%	110,186,327	52.9%
5	Performing Loans	143,136,527	2,344,762	3.35%	153,800,351	59.5%
-5	Performing Loans	433,656,643	16,454,340	6.40%	330,853,215	57.1%
+5	Performing Loans	92,223,268	815,545	2.12%	91,848,019	49.2%
6	Performing Loans	156,949,681	56,854,407	42.03%	157,335,108	56.5%
-6	Performing Loans	119,595,529	36,913,584	32.77%	119,104,216	60.9%
+6	Performing Loans	59,804,864	1,659,467	5.72%	60,866,208	62.1%
7	Performing Loans	53,808,078	32,748,826	60.43%	53,544,532	61.2%
-7	Performing Loans	30,256,097	10,046,245	66.07%	29,306,501	57.2%
+7	Performing Loans	1,347,883	507,782	64.70%	1,312,406	51.7%
Unrated	Performing Loans	1,946,516,353	48,217,495	16.51%	1,980,921,843	37.1%
		<b>4,692,149,917</b>	<b>219,467,823</b>		<b>4,760,912,356</b>	
8	Substandard Debt	5,840,861	2,839,658	100%	5,714,191	58.7%
Unrated	Substandard Debt	28,039,108	7,845,481	100%	27,935,986	51.2%
9	Doubtful Debts	5,357,725	2,610,981	100%	5,308,398	54.9%
Unrated	Doubtful Debts	40,452,707	13,026,568	100%	40,424,582	51.8%
10	Bad Loans	205,048,744	122,169,457	100%	190,456,436	88.5%
Unrated	Bad Loans	104,200,111	82,941,571	100%	103,565,099	63.8%
		<b>388,939,256</b>	<b>231,433,716</b>		<b>373,404,692</b>	
<b>Total</b>		<b>5,081,089,173</b>	<b>450,901,539</b>		<b>5,134,317,048</b>	

The above exposures are not rated by external rating institutions.

2022						
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	538,290,292	45,130	0.06%	556,196,287	19.2%
2	Performing Loans	125,931,047	10,089	0.04%	129,098,146	55.6%
+2	Performing Loans	3,832,169	5,430	0.06%	5,230,866	48.6%
-2	Performing Loans	63,620,485	162,291	1.13%	75,611,597	42.3%
3	Performing Loans	229,505,397	224,625	0.24%	268,168,491	45.9%
-3	Performing Loans	80,092,463	140,400	1.02%	88,125,509	43.3%
+3	Performing Loans	130,442,075	72,542	0.25%	152,577,219	44.6%
4	Performing Loans	82,423,343	1,750,388	0.91%	95,379,034	51.4%
-4	Performing Loans	170,045,374	860,811	2.01%	179,382,741	43.4%
+4	Performing Loans	104,009,132	481,450	0.74%	110,114,358	52.5%
5	Performing Loans	181,144,227	2,546,027	3.99%	186,917,145	44.4%
-5	Performing Loans	371,239,021	9,821,829	5.06%	380,619,433	56.3%
+5	Performing Loans	140,140,164	18,487,377	5.54%	147,051,362	52.4%
6	Performing Loans	107,666,182	28,015,694	18.40%	111,437,531	55.0%
-6	Performing Loans	105,518,705	48,509,777	25.74%	105,743,426	51.3%
+6	Performing Loans	27,411,314	5,106,447	9.23%	29,062,860	51.4%
7	Performing Loans	34,890,680	21,822,814	55.97%	34,898,522	62.7%
-7	Performing Loans	67,947,352	26,597,627	47.56%	67,255,173	58.7%
+7	Performing Loans	1,107,492	477,668	63.00%	1,107,492	50.0%
8	Performing Loans	1,869,158	1,848,499	100.00%	1,848,499	60.5%
Unrated	Performing Loans	1,947,986,424	48,622,298	13.90%	1,976,390,543	40.4%
		<b>4,515,112,496</b>	<b>215,609,213</b>		<b>4,702,216,234</b>	
8	Substandard Debt	11,321,607	10,455,268	100%	10,893,802	63.1%
Unrated	Substandard Debt	8,078,442	2,933,625	100%	7,562,271	41.7%
9	Doubtful Debts	5,719,243	3,945,228	100%	5,158,872	58.5%
Unrated	Doubtful Debts	5,180,818	1,919,525	100%	4,540,090	54.0%
10	Bad Loans	194,993,291	117,833,234	100%	129,614,870	83.7%
Unrated	Bad Loans	105,531,444	79,508,299	100%	61,257,880	68.0%
		<b>330,824,845</b>	<b>216,595,179</b>		<b>219,027,785</b>	
<b>Total</b>		<b>4,845,937,341</b>	<b>432,204,392</b>		<b>4,921,244,019</b>	

### 3. Credit risk according to economic sectors:

#### a. Distributions according to financial instruments exposure:

	2023										Total
	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	-	-	-	-	-	-	-	458,151,534	-	458,151,534	
Balances at banks and financial institutions	323,043,611	-	-	-	-	-	-	-	-	323,043,611	
Deposits at banks and financial institutions	44,751,813	-	-	-	-	-	-	-	-	44,751,813	
Credit facilities at amortized cost	188,562,787	492,580,537	507,455,899	1,215,661,365	62,723,633	4,903,475	965,163,327	605,220,801	400,272,657	4,442,544,481	
Credit facilities at fair value through profit or loss	-	31,496,582	-	-	-	-	-	-	-	31,496,582	
Bonds and bills:											
Within: Financial assets at fair value through other comprehensive income	66,634,055	-	-	-	-	-	-	285,454,704	-	352,088,759	
Within: Financial assets at amortized cost	106,135,246	-	-	-	-	-	-	2,303,777,407	8,610,557	2,418,523,210	
<b>Total for the Year</b>	<b>729,127,512</b>	<b>524,077,119</b>	<b>507,455,899</b>	<b>1,215,661,365</b>	<b>62,723,633</b>	<b>4,903,475</b>	<b>965,163,327</b>	<b>3,652,604,446</b>	<b>408,883,214</b>	<b>8,070,599,990</b>	
Letter of guarantees	-	-	424,394,841	-	-	-	-	-	-	424,394,841	
Letter of credit	-	-	648,503,776	-	-	-	-	-	-	648,503,776	
Other liabilities	-	-	76,658,654	-	-	-	-	-	-	76,658,654	
<b>Total</b>	<b>729,127,512</b>	<b>524,077,119</b>	<b>1,657,013,170</b>	<b>1,215,661,365</b>	<b>62,723,633</b>	<b>4,903,475</b>	<b>965,163,327</b>	<b>3,652,604,446</b>	<b>408,883,214</b>	<b>9,220,157,261</b>	
	2022										Total
	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	-	-	-	-	-	-	-	566,719,818	-	566,719,818	
Balances at banks and financial institutions	358,673,917	-	-	-	-	-	-	-	-	358,673,917	
Deposits at banks and financial institutions	56,638,273	-	-	-	-	-	-	-	-	56,638,273	
Credit facilities at amortized cost	208,613,406	350,488,660	454,123,695	1,219,952,485	50,114,788	3,559,718	968,655,200	554,613,819	398,945,056	4,209,066,827	
Credit facilities at fair value through profit or loss	-	61,967,403	-	-	-	-	-	-	-	61,967,403	
Bonds and bills:											
Within: Financial assets at fair value through other comprehensive income	60,501,827	-	-	-	-	-	-	265,893,371	-	326,395,198	
Within: Financial assets at amortized cost	155,337,916	-	-	-	-	-	-	2,065,133,393	10,513,137	2,230,984,446	
<b>Total for the Year</b>	<b>839,765,339</b>	<b>412,456,063</b>	<b>454,123,695</b>	<b>1,219,952,485</b>	<b>50,114,788</b>	<b>3,559,718</b>	<b>968,655,200</b>	<b>3,452,360,401</b>	<b>409,458,193</b>	<b>7,810,445,882</b>	
Letter of guarantees	-	-	405,621,516	-	-	-	-	-	-	405,621,516	
Letter of credit	-	-	583,437,986	-	-	-	-	-	-	583,437,986	
Other liabilities	-	-	70,607,117	-	-	-	-	-	-	70,607,117	
<b>Total</b>	<b>839,765,339</b>	<b>412,456,063</b>	<b>1,513,790,314</b>	<b>1,219,952,485</b>	<b>50,114,788</b>	<b>3,559,718</b>	<b>968,655,200</b>	<b>3,452,360,401</b>	<b>409,458,193</b>	<b>8,870,112,501</b>	

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

Item	2023					
	Stage (1)		Stage (2)		Stage (3)	
	Individual	Collective	Individual	Collective	Stage (3)	Total
	JD	JD	JD	JD	JD	JD
Financial	714,729,070	2,327,370	9,924,704	1,988,144	158,224	729,127,512
Industrial	478,909,806	11,315,324	29,166,810	2,345,761	2,339,418	524,077,119
Trading	1,474,374,515	88,616,462	65,249,661	23,418,672	5,353,860	1,657,013,170
Real-estate	199,719,969	898,730,267	48,856,180	49,537,160	18,817,789	1,215,661,365
Agriculture	58,345,603	657,697	2,926,610	145,239	648,484	62,723,633
Equity	-	4,849,221	45,053	-	9,201	4,903,475
Individual	95,806,238	843,491,525	2,524,799	21,781,987	1,558,778	965,163,327
Government and public sector	3,643,501,727	-	9,102,719	-	-	3,652,604,446
Other	344,839,260	10,360,141	47,802,242	4,970,577	910,994	408,883,214
<b>Total</b>	<b>7,010,226,188</b>	<b>1,860,348,007</b>	<b>215,598,778</b>	<b>104,187,540</b>	<b>29,796,748</b>	<b>9,220,157,261</b>
Item	2022					
	Stage (1)		Stage (2)		Stage (3)	
	Individual	Collective	Individual	Collective	Stage (3)	Total
	JD	JD	JD	JD	JD	JD
Financial	824,637,505	2,805,649	9,819,630	2,404,203	98,352	839,765,339
Industrial	371,715,293	11,393,819	24,592,314	3,840,305	914,332	412,456,063
Trading	1,331,013,813	103,675,551	53,239,384	23,752,945	2,108,621	1,513,790,314
Real-estate	239,571,088	860,729,015	58,967,336	57,905,027	2,780,019	1,219,952,485
Agriculture	44,664,595	427,755	4,820,018	89,505	112,915	50,114,788
Equity	106	3,413,191	139,413	-	7,008	3,559,718
Individual	80,987,589	862,463,081	2,055,328	21,921,667	1,227,535	968,655,200
Government and public sector	3,449,550,855	-	2,809,546	-	-	3,452,360,401
Other	368,599,658	13,483,976	22,413,716	4,457,839	503,004	409,458,193
<b>Total</b>	<b>6,710,740,502</b>	<b>1,858,392,037</b>	<b>178,856,685</b>	<b>114,371,491</b>	<b>7,751,786</b>	<b>8,870,112,501</b>

## 4. Exposure distribution according to geographical distribution

### a. Total exposure distribution according to geographic region:

	2023										Total
	Inside Jordan	Other Middle Eastern Countries	Europe	Asia	Africa	America	Other Countries	Total			
	JD	JD	JD	JD	JD	JD	JD	JD	JD		
Balances at central banks	242,837,295	151,998,760	-	-	63,315,479	-	-	-	-	458,151,534	
Balances at banks and financial institutions	20,001,238	34,366,372	134,913,701	602,189	4,881,293	128,278,818	-	-	-	323,043,611	
Deposits at banks and financial institutions	30,000,000	-	10,506,163	4,245,650	-	-	-	-	-	44,751,813	
Credit facilities at amortized cost	3,467,565,643	390,595,812	302,369,160	-	244,749,691	-	37,264,175	-	-	4,442,544,481	
Credit facilities at fair value through profit or loss	31,496,582	-	-	-	-	-	-	-	-	31,496,582	
Bonds and bills:											
Within: Financial assets at fair value through other comprehensive income	217,488,511	25,998,527	53,798,275	8,570,307	8,552,012	37,681,127	-	-	-	352,088,759	
Within: Financial assets at amortized cost	2,239,445,751	55,206,975	4,742,602	-	115,206,240	1,801,845	2,119,797	-	-	2,418,523,210	
<b>Total for the year</b>	<b>6,248,835,020</b>	<b>658,166,446</b>	<b>506,329,901</b>	<b>13,418,146</b>	<b>436,704,715</b>	<b>167,761,790</b>	<b>39,383,972</b>	<b>-</b>	<b>-</b>	<b>8,070,599,990</b>	
Letter of guarantees	261,469,677	60,718,800	10,059,653	-	92,146,711	-	-	-	-	424,394,841	
Letter of credit	484,826,523	34,477,149	5,389,107	2,767,529	121,043,468	-	-	-	-	648,503,776	
Other liabilities	50,756,928	-	25,901,726	-	-	-	-	-	-	76,658,654	
<b>Total</b>	<b>7,045,888,148</b>	<b>753,362,395</b>	<b>547,680,387</b>	<b>16,185,675</b>	<b>649,894,894</b>	<b>167,761,790</b>	<b>39,383,972</b>	<b>-</b>	<b>-</b>	<b>9,220,157,261</b>	
	2022										Total
Inside Jordan	Other Middle Eastern Countries	Europe	Asia	Africa	America	Other Countries	Total				
JD	JD	JD	JD	JD	JD	JD	JD	JD			
Balances at central banks	204,343,443	149,372,477	-	-	213,003,898	-	-	-	-	566,719,818	
Balances at banks and financial institutions	45,256,053	67,955,494	106,761,125	679,418	4,887,493	133,134,334	-	-	-	358,673,917	
Deposits at banks and financial institutions	34,999,104	11,070,651	10,568,518	-	-	-	-	-	-	56,638,273	
Credit facilities at amortized cost	3,437,833,410	372,867,933	256,231,219	-	142,134,265	-	-	-	-	4,209,066,827	
Credit facilities at fair value through profit or loss	61,967,403	-	-	-	-	-	-	-	-	61,967,403	
Bonds and bills:											
Within: Financial assets at fair value through other comprehensive income	192,750,743	28,216,230	54,148,164	9,863,514	8,204,126	33,212,421	-	-	-	326,395,198	
Within: Financial assets at amortized cost	2,135,878,756	56,520,079	3,510,601	-	25,808,686	5,367,274	3,899,050	-	-	2,230,984,446	
<b>Total for the year</b>	<b>6,113,028,912</b>	<b>686,002,864</b>	<b>431,219,627</b>	<b>10,542,932</b>	<b>394,038,468</b>	<b>171,714,029</b>	<b>3,899,050</b>	<b>-</b>	<b>-</b>	<b>7,810,445,882</b>	
Letter of guarantees	241,959,536	72,622,099	9,656,637	-	81,383,244	-	-	-	-	405,621,516	
Letter of credit	492,670,460	31,312,389	5,958,065	3,225,207	50,271,865	-	-	-	-	583,437,986	
Other liabilities	35,379,541	-	35,227,576	-	-	-	-	-	-	70,607,117	
<b>Total</b>	<b>6,883,038,449</b>	<b>789,937,352</b>	<b>482,061,905</b>	<b>13,768,139</b>	<b>525,693,577</b>	<b>171,714,029</b>	<b>3,899,050</b>	<b>-</b>	<b>-</b>	<b>8,870,112,501</b>	

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

	2023							
	Stage (1)		Stage (2)			Stage (3)		Total
	Individual	Collective	Individual	Collective	Stage (3)	Total		
	JD	JD	JD	JD	JD	JD		
Inside Jordan	5,195,818,832	1,598,058,700	141,968,551	61,428,657	48,613,408	7,045,888,148		
Other Middle Eastern countries	706,187,062	21,019,408	34,096,279	25,642,576	(33,582,930)	753,362,395		
Europe	298,524,076	216,728,151	5,162,900	15,468,766	11,796,494	547,680,387		
Asia	12,386,190	3,348,095	27,488	215,848	208,054	16,185,675		
Africa	617,870,641	18	30,599,946	-	1,424,289	649,894,894		
America	144,519,591	19,951,340	696,598	1,351,602	1,242,659	167,761,790		
Other countries	34,919,796	1,242,295	3,047,016	80,091	94,774	39,383,972		
<b>Total</b>	<b>7,010,226,188</b>	<b>1,860,348,007</b>	<b>215,598,778</b>	<b>104,187,540</b>	<b>29,796,748</b>	<b>9,220,157,261</b>		
	2022							
	Stage (1)		Stage (2)			Stage (3)		Total
	Individual	Collective	Individual	Collective	Stage (3)	Total		
	JD	JD	JD	JD	JD	JD		
Inside Jordan	5,025,471,054	1,626,759,239	119,620,093	71,938,565	39,249,498	6,883,038,449		
Other Middle Eastern countries	723,078,642	47,031,954	28,390,571	24,656,908	(33,220,723)	789,937,352		
Europe	294,703,694	165,027,925	6,210,873	15,875,774	243,639	482,061,905		
Asia	12,485,910	1,126,908	52,658	102,457	206	13,768,139		
Africa	499,867,202	59	24,353,602	9	1,472,705	525,693,577		
America	153,428,511	16,451,297	211,334	1,616,426	6,461	171,714,029		
Other countries	1,705,489	1,994,655	17,554	181,352	-	3,899,050		
<b>Total</b>	<b>6,710,740,502</b>	<b>1,858,392,037</b>	<b>178,856,685</b>	<b>114,371,491</b>	<b>7,751,786</b>	<b>8,870,112,501</b>		

**5. Credit exposures that have been reclassified:**  
**a. Total credit exposures that have been reclassified:**

	2023					
	Stage (2)		Stage (3)			
	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures that have been Reclassified	Percentage of Exposures that have been Reclassified
Credit facilities	JD	JD	JD	JD	JD	%
	463,373,329	114,934,415	393,860,858	80,831,546	195,765,961	3.9%
<b>Bonds and bills:</b>						
Within: Financial assets at amortized cost	-	-	3,000,001	-	-	0.0%
Within: Financial assets at fair value through other comprehensive income	9,204,054	5,889,206	-	-	5,889,206	8.8%
<b>Total</b>	<b>472,577,383</b>	<b>120,823,621</b>	<b>396,860,859</b>	<b>80,831,546</b>	<b>201,655,167</b>	<b>3.4%</b>
Letter of guarantees	34,612,864	8,878,502	17,727,267	383,500	9,262,002	2.0%
Letter of credit	1,742,524	-	-	-	-	-
Other liabilities	1,879,036	76,284	-	-	76,284	0.1%
<b>Total</b>	<b>38,234,424</b>	<b>8,954,786</b>	<b>17,727,267</b>	<b>383,500</b>	<b>9,338,286</b>	<b>0.8%</b>
<b>Total</b>	<b>510,811,807</b>	<b>129,778,407</b>	<b>414,588,126</b>	<b>81,215,046</b>	<b>210,993,453</b>	<b>2.9%</b>
	2022					
	Stage (2)		Stage (3)			
	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures that have been Reclassified	Percentage of Exposures that have been Reclassified
Credit facilities	JD	JD	JD	JD	JD	%
	446,047,549	75,334,223	358,578,155	49,834,314	125,168,537	2.6%
<b>Bonds and bills:</b>						
Within: Financial assets at amortized cost	2,904,743	-	-	-	-	0.0%
Within: Financial assets at fair value through other comprehensive income	-	-	3,000,001	-	-	0.0%
<b>Total</b>	<b>448,952,292</b>	<b>75,334,223</b>	<b>361,578,156</b>	<b>49,834,314</b>	<b>125,168,537</b>	<b>1.5%</b>
Letter of guarantees	28,904,219	3,093,436	20,792,613	2,237,727	5,331,163	1.2%
Letter of credit	3,104,996	294,944	-	-	294,944	0.1%
Other liabilities	2,994,100	66,232	-	-	66,232	0.1%
<b>Total</b>	<b>35,003,315</b>	<b>3,454,612</b>	<b>20,792,613</b>	<b>2,237,727</b>	<b>5,692,339</b>	<b>0.5%</b>
<b>Total</b>	<b>483,955,607</b>	<b>78,788,835</b>	<b>382,370,769</b>	<b>52,072,041</b>	<b>130,860,876</b>	<b>1.4%</b>



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

Description	2023									
	Exposures that have been Reclassified			Expected Credit Loss due to Reclassified Exposures						
	Exposures Reclassified from Stage (2)	Exposures Reclassified from Stage (3)	Total	Stage (2)		Stage (3)		Total		
	JD	JD	JD	Individual JD	Collective JD	Individual JD	Collective JD	Individual JD	Collective JD	JD
Credit facilities	114,934,415	80,831,546	195,765,961	2,056,551	1,610,417	7,199,448	-	10,866,416	-	10,866,416
Within: Financial assets at fair value through other comprehensive income	5,889,206	-	5,889,206	-	-	-	-	-	-	-
<b>Total</b>	<b>120,823,621</b>	<b>80,831,546</b>	<b>201,655,167</b>	<b>2,056,551</b>	<b>1,610,417</b>	<b>7,199,448</b>	<b>-</b>	<b>10,866,416</b>	<b>-</b>	<b>10,866,416</b>
Letter of guarantees	8,878,502	383,500	9,262,002	899,578	7,249	56,141	-	962,968	-	962,968
Letter of credit	-	-	-	-	-	-	-	-	-	-
Other liabilities	76,284	-	76,284	20,245	418	-	-	20,663	-	20,663
<b>Total</b>	<b>8,954,786</b>	<b>383,500</b>	<b>9,338,286</b>	<b>919,823</b>	<b>7,667</b>	<b>56,141</b>	<b>-</b>	<b>983,631</b>	<b>-</b>	<b>983,631</b>
<b>Total</b>	<b>129,778,407</b>	<b>81,215,046</b>	<b>210,993,453</b>	<b>2,976,374</b>	<b>1,618,084</b>	<b>7,255,589</b>	<b>-</b>	<b>11,850,047</b>	<b>-</b>	<b>11,850,047</b>
Description	2022									
	Exposures that have been Reclassified			Expected Credit Loss due to Reclassified Exposures						
	Exposures Reclassified from Stage (2)	Exposures Reclassified from Stage (3)	Total	Stage (2)		Stage (3)		Total		
	JD	JD	JD	Individual JD	Collective JD	Individual JD	Collective JD	Individual JD	Collective JD	JD
Credit facilities	75,334,223	49,834,314	125,168,537	4,295,098	1,932,781	14,665,270	-	20,893,149	-	20,893,149
<b>Total</b>	<b>75,334,223</b>	<b>49,834,314</b>	<b>125,168,537</b>	<b>4,295,098</b>	<b>1,932,781</b>	<b>14,665,270</b>	<b>-</b>	<b>20,893,149</b>	<b>-</b>	<b>20,893,149</b>
Letter of guarantees	3,093,436	2,237,727	5,331,163	223,829	4,056	374,344	-	602,229	-	602,229
Letter of credit	294,944	-	294,944	606	-	-	-	606	-	606
Other liabilities	66,232	-	66,232	7,559	17	-	-	7,576	-	7,576
<b>Total</b>	<b>3,454,612</b>	<b>2,237,727</b>	<b>5,692,339</b>	<b>231,994</b>	<b>4,073</b>	<b>374,344</b>	<b>-</b>	<b>610,411</b>	<b>-</b>	<b>610,411</b>
<b>Total</b>	<b>78,788,835</b>	<b>52,072,041</b>	<b>130,860,876</b>	<b>4,527,092</b>	<b>1,936,854</b>	<b>15,039,614</b>	<b>-</b>	<b>21,503,560</b>	<b>-</b>	<b>21,503,560</b>

## 6. Credit Risk Exposures (after provision for impairment, outstanding interest and before collateral and other risk mitigations):

Financial Position Items	December 31,	
	2023	2022
	JD	JD
Balances at central banks	458,151,534	566,719,818
Balances at banks and financial institutions	323,043,611	358,673,917
Deposits at banks and financial institutions	44,751,813	56,638,273
Credit facilities at amortized cost		
Individual	964,013,745	966,685,193
Real estate mortgages	1,234,150,824	1,164,370,092
Corporates		
Large corporates	1,262,612,096	1,214,532,578
SME's	376,547,020	308,865,146
Government and Public Sector	605,220,796	554,613,818
Direct credit facilities at fair value through profit or loss:		
Large corporates	31,496,582	61,967,403
Bonds and bills		
Within: Financial assets at amortized cost	2,418,523,210	2,230,984,446
Within: Financial assets at fair value through other comprehensive income	352,088,759	326,395,198
<b>Total</b>	<b>8,070,599,990</b>	<b>7,810,445,882</b>
<b>Items Off-statement of Financial Position</b>		
Letter of guarantees	424,394,841	405,621,516
Letter of credit	648,503,776	583,437,986
Un-utilized facilities ceilings	76,658,654	70,607,117
<b>Total</b>	<b>1,149,557,271</b>	<b>1,059,666,619</b>
<b>Total</b>	<b>9,220,157,261</b>	<b>8,870,112,501</b>

The above table represents the maximum credit exposure of the Bank as of December 31, 2023 and 2022 without considering collateral or other credit risk mitigations.

The relative distribution of exposures is as follows:

- 9.0% of total exposures are due to balances with central banks and banks and financial institutions (2022: 11.1%).
- 48.5% of the total exposure is due to loans and advances (2022: 48.2%).
- 30.1% of the total exposure resulted from investments in bonds, debentures, and funds (2022: 28.8%).
- 12.5% of total exposure resulted from off-balance sheet items and other items (2022: 11.9%).

## 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 during the year 2023. These loans amounted to JD 8.8 million for the year 2023 (JD 28.1 million for the year 2022).

The scheduled debt balance represents the rescheduled loans whether it's still under watch list or transferred to performing. And it's also includes loans that subsequently classified as non-performing these loans amounted to JD 2.85 million during the year 2023.

### 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 246.1 million in 2023 against JD 453.1 million for the year 2022.

## 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):

Classification grade	2023			
	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-	-	8,544,638	-	<b>8,544,638</b>
A+	-	18,990,843	1,753,737	<b>20,744,580</b>
A	-	6,271,820	-	<b>6,271,820</b>
A-	-	23,960,632	-	<b>23,960,632</b>
BBB+	-	8,866,122	3,539,459	<b>12,405,581</b>
BBB	-	-	1,768,371	<b>1,768,371</b>
BB+	-	-	1,790,037	<b>1,790,037</b>
Unclassified	-	-	105,894,199	<b>105,894,199</b>
Governmental or guaranteed by the government	-	285,454,704	2,303,777,407	<b>2,589,232,111</b>
<b>Total</b>	-	<b>352,088,759</b>	<b>2,418,523,210</b>	<b>2,770,611,969</b>

2022				
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-	-	8,385,892	-	<b>8,385,892</b>
A+	-	17,183,652	1,748,571	<b>18,932,223</b>
A	-	5,682,349	3,541,780	<b>9,224,129</b>
A-	-	22,317,640	3,897,821	<b>26,215,461</b>
BBB+	-	6,932,294	3,546,462	<b>10,478,756</b>
BBB	-	-	1,753,673	<b>1,753,673</b>
BB+	-	-	1,810,162	<b>1,810,162</b>
Unclassified	-	-	149,765,642	<b>149,765,642</b>
Governmental or guaranteed by the government	-	265,893,371	2,064,920,335	<b>2,330,813,706</b>
<b>Total</b>	-	<b>326,395,198</b>	<b>2,230,984,446</b>	<b>2,557,379,644</b>

- Other financial assets through comprehensive income includes bonds amounted to JD 9,204,054 classified under stage (2).
- Other financial assets at amortized cost includes bonds amounted to JD 3,000,000 listed under “unclassified” and it is classified under stage (3). Noting that this bond is fully provisioned.

## Market Risk

Market risk is defined as the risk of Losses from financial positions or from off-statement of Financial Position 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 profit or loss statement. The bank does not have a debt instruments classified at fair value through profit or loss as of December 31 2023 and 2022.

### 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

## 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 Statement of Profit or Loss	Effect of Decreasing Exchange Rate Currency by 1% on the 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
	JD	JD	JD	JD
<b>Sensitivity Analysis for 2023</b>				
Euro	85,722	(85,722)	55,548	(55,548)
Great Britain pound	543,295	(543,295)	352,055	(352,055)
Australian dollar	59	(59)	38	(38)
Swiss franc	302	(302)	196	(196)
Canadian dollar	192	(192)	125	(125)
Japanese yen	(1,168)	1,168	(757)	757
Syrian pound	22,047	(22,047)	14,286	(14,286)
Algerian dinar	1,395,966	(1,395,966)	904,586	(904,586)
<b>Sensitivity Analysis for 2022</b>				
Euro	71,838	(71,838)	48,131	(48,131)
Great Britain pound	(363,779)	363,779	(542,954)	542,954
Australian dollar	(43)	43	(29)	29
Swiss franc	227	(227)	152	(152)
Canadian dollar	243	(243)	163	(163)
Japanese yen	(1,168)	1,168	(782)	782
Syrian pound	21,500	(21,500)	14,405	(14,405)
Algerian dinar	1,399,194	(1,399,194)	937,460	(937,460)

## 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.

	VAR	
	2023	2022
	JD	JD
Financial assets at fair value through profit or loss	(177,800)	(227,004)
Financial assets at fair value through other comprehensive income	(2,421,949)	(2,132,092)

### Interest Rate Re-Pricing Gap:

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

		2023												
		Interest Rate Re-Pricing Gap:												
For the Year 2023	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	JD	JD	
<b>Assets</b>														
Cash and balances at central banks	128,452,395	-	-	-	-	-	-	-	-	-	-	425,237,532	-	553,689,927
Balances at banks and financial institutions	262,375,666	33,284,729	-	-	-	-	-	-	-	-	-	27,383,216	-	323,043,611
Deposits at banks and financial institutions	-	-	-	41,408,571	-	-	3,343,242	-	-	-	-	-	-	44,751,813
Financial assets through profit and loss	-	-	-	-	-	-	-	-	-	-	-	4,425,551	-	4,425,551
Financial assets at fair value through other comprehensive income	17,999,810	71,216,502	32,627,283	6,518,099	223,727,065	-	-	-	-	-	51,373,869	-	-	403,462,628
Direct credit facilities at amortized Cost - net	838,012,802	1,552,170,992	493,505,112	795,306,333	472,368,357	424,942,050	-	-	-	-	(133,761,165)	-	-	4,442,544,481
Direct credit facilities at fair value through the profit or loss	-	-	15,544,082	15,952,500	-	-	-	-	-	-	-	-	-	31,496,582
Financial assets at amortized cost	123,546,712	102,061,369	136,616,132	113,245,871	1,911,765,212	31,287,914	-	-	-	-	-	-	-	2,418,523,210
Property and equipment	-	-	-	-	-	-	-	-	-	-	-	159,245,811	-	159,245,811
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	22,214,936	-	22,214,936
Right of use assets	-	-	-	-	-	-	-	-	-	-	-	21,364,626	-	21,364,626
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	125,044,861	-	125,044,861
Other assets	1,706,830	-	-	604,091	586,881	-	-	-	-	-	124,174,770	-	-	127,072,572
<b>Total Assets</b>	<b>1,372,094,215</b>	<b>1,758,733,592</b>	<b>719,701,180</b>	<b>934,970,136</b>	<b>2,608,447,515</b>	<b>456,229,964</b>	<b>826,704,007</b>	<b>8,676,880,609</b>						
<b>Liabilities</b>														
Banks and financial institutions Deposits	296,606,235	286,759,924	77,287,576	7,090,000	-	-	-	-	-	-	-	48,910,368	-	716,654,103
Customers deposits	1,064,949,354	909,563,302	552,008,511	375,742,428	126,290,494	49,445,049	2,571,899,404	-	-	-	-	2,571,899,404	-	5,649,898,542
Margin accounts	69,933,531	31,984,033	34,569,276	41,617,382	29,506,584	2,926,221	85,600,206	-	-	-	-	85,600,206	-	296,137,233
Loans and borrowings	13,924,824	23,783,019	95,369,375	32,227,594	99,818,862	31,965,591	-	-	-	-	-	-	-	297,089,265
Sundry provisions	-	-	-	-	-	-	-	-	-	-	-	31,232,872	-	31,232,872
Income tax provision	-	-	-	-	-	-	-	-	-	-	-	61,676,475	-	61,676,475
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	6,374,087	-	6,374,087
Lease Liability	-	-	-	1,881,702	3,175,806	16,006,715	-	-	-	-	-	-	-	21,064,223
Other liabilities	731,701	199,641	646,558	455,991	1,479,849	782,254	264,595,820	-	-	-	-	-	-	268,891,814
<b>Total Liabilities</b>	<b>1,446,145,645</b>	<b>1,252,289,919</b>	<b>759,881,296</b>	<b>459,015,097</b>	<b>2,602,271,595</b>	<b>101,125,830</b>	<b>3,070,289,232</b>	<b>7,349,018,614</b>						
<b>Interest rate re-pricing gap</b>	<b>(74,051,430)</b>	<b>506,443,673</b>	<b>(40,180,116)</b>	<b>475,955,039</b>	<b>2,348,175,920</b>	<b>355,104,134</b>	<b>(2,243,585,225)</b>	<b>1,327,861,995</b>						

2022																
Interest Rate Re-Pricing Gap:																
For the Year 2022	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	
<b>Assets</b>																
Cash and balances at central banks	82,929,343		-		-		-		-		-		611,038,428		693,967,771	
Balances at banks and financial institutions	257,522,224		72,100,883		-		-		-		-		29,050,810		358,673,917	
Deposits at banks and financial institutions	45,959		-		34,594,731		21,997,583		-		-		-		56,638,273	
Financial assets through profit and loss	450,584		-		-		-		-		-		4,569,196		5,019,780	
Financial assets at fair value through other comprehensive income	10,264,470		13,760,421		35,090,368		14,872,684		244,191,612		8,290,838		42,624,611		369,095,004	
Direct credit facilities at amortized Cost – net	874,346,226		1,587,488,398		370,223,341		568,215,051		436,542,708		530,469,343		(158,218,240)		4,209,066,827	
Direct credit facilities at fair value through the profit or loss	-		-		14,109,903		15,952,500		31,905,000		-		-		61,967,403	
Financial assets at amortized cost	17,161,851		93,883,641		79,359,749		296,161,772		1,706,388,609		38,028,824		-		2,230,984,446	
Property and equipment	-		-		-		-		-		-		162,799,067		162,799,067	
Intangible assets	-		-		-		-		-		-		21,574,280		21,574,280	
Right of use assets	-		-		-		-		-		-		21,723,075		21,723,075	
Deferred tax assets	-		-		-		-		-		-		128,589,582		128,589,582	
Other assets	298,008		-		-		-		-		-		138,244,712		138,542,720	
<b>Total Assets</b>	<b>1,243,018,665</b>		<b>1,767,233,343</b>		<b>533,378,092</b>		<b>917,199,590</b>		<b>2,419,027,929</b>		<b>576,789,005</b>		<b>1,001,995,521</b>		<b>8,458,642,145</b>	
<b>Liabilities</b>																
Banks and financial institutions Deposits	555,942,243		123,141,878		119,106,673		-		-		-		71,829,743		870,020,537	
Customers' deposits	915,088,414		726,728,521		474,585,568		273,142,910		107,186,429		44,051,768		2,777,242,223		5,318,025,833	
Margin accounts	77,437,336		24,252,170		34,663,379		37,184,630		12,309,857		19,717,142		68,446,964		274,011,478	
Loans and borrowings	20,452,222		28,951,200		52,157,825		69,589,741		172,251,981		55,376,512		-		398,779,481	
Sundry provisions	-		-		-		-		-		-		30,380,825		30,380,825	
Income tax provision	-		-		-		-		-		-		53,415,161		53,415,161	
Deferred tax liabilities	-		-		-		-		-		-		6,770,350		6,770,350	
Lease Liability	-		-		-		2,316,018		4,863,801		13,930,448		-		21,110,267	
Other liabilities	292,119		163,484		726,573		459,502		1,427,797		1,373,623		222,623,242		227,066,340	
<b>Total Liabilities</b>	<b>1,569,212,334</b>		<b>903,237,253</b>		<b>681,240,018</b>		<b>382,692,801</b>		<b>298,039,865</b>		<b>134,449,493</b>		<b>3,230,708,508</b>		<b>7,199,580,272</b>	
<b>Interest rate re-pricing gap</b>	<b>(326,193,669)</b>		<b>863,996,090</b>		<b>(147,861,926)</b>		<b>534,506,789</b>		<b>2,120,988,064</b>		<b>442,339,512</b>		<b>(2,228,712,987)</b>		<b>1,259,061,873</b>	

## Concentration of Foreign Currency Risk:

Items / Currency	US Dollar		Euro		Sterling Pound		Japanese Yen		Syrian Lira		Algerian Dinar		Other		Total	
	JD		JD		JD		JD		JD		JD		JD		JD	
<b>2023</b>																
<b>Assets</b>																
Cash and balances at central banks	144,488,534	17,472,003	245,535	156	8,241,809	47,980,874	96,816,417	315,245,328								
Balances at banks and financial institutions	176,825,165	77,081,555	20,639,955	598,723	1,446,895	4,819,534	36,264,508	317,676,335								
Deposits at banks and financial institutions	4,198,068	-	-	-	-	-	10,562,247	14,760,315								
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-								
Direct credit facilities at amortized cost	697,392,819	55,381,879	259,886,061	1,103,118	6,213,813	243,688,107	179,771,387	1,452,437,184								
Direct credit facilities at fair value through the profit or loss	31,496,582	-	-	-	-	-	-	31,496,582								
Financial assets at fair value through other comprehensive income	146,841,980	7,307,614	17,858,256	-	14,168	-	5,794,878	177,816,896								
Financial assets at amortized cost - net	544,624,034	-	-	-	-	115,206,240	9,403,200	669,233,474								
Property and equipment - net	-	-	510,536	-	502,714	1,719,768	203,958	2,936,976								
Intangible assets	-	-	2,637,124	-	13,950	1,554,232	697,166	4,902,472								
Right of use asset	-	-	1,683,331	-	60,752	2,071,947	1,679,806	5,495,836								
Deferred tax assets	-	-	1,956,710	-	-	1,577,389	-	3,534,099								
Other assets	13,564,816	483,110	272,590	2,088	385,783	11,444,858	1,877,864	28,031,109								
<b>Total Assets</b>	<b>1,759,431,998</b>	<b>157,726,161</b>	<b>305,690,098</b>	<b>10,704,085</b>	<b>16,879,884</b>	<b>430,062,949</b>	<b>343,071,431</b>	<b>3,023,566,606</b>								
<b>Liabilities</b>																
Banks and financial institutions deposits	510,657,360	64,036,065	13,002,038	104,719	149,125	-	6,405,938	594,355,245								
Customers' deposits	1,275,556,397	84,560,163	130,052,520	560,283	8,423,634	224,418,248	205,346,091	1,928,917,336								
Margin accounts	84,212,106	6,765,395	-	261,217	1,730,847	29,479,729	47,923,305	170,374,599								
Borrowed funds	46,163,855	-	-	-	-	-	-	46,163,855								
Sundry provisions	12,828	20,350	-	-	7,570,465	-	306,556	7,910,199								
Income tax provision	-	-	577,608	-	108,504	2,235,786	-	2,921,898								
Deferred tax liability	-	-	-	-	-	1,135,833	-	1,135,833								
Lease liability	-	-	1,683,331	-	4,660	1,544,833	1,773,810	5,006,634								
Other liabilities	39,694,498	8,403,371	4,533,595	-	3,263,977	60,015,880	8,263,949	124,175,270								
<b>Total Liabilities</b>	<b>1,956,297,044</b>	<b>163,785,344</b>	<b>149,849,092</b>	<b>926,219</b>	<b>21,251,212</b>	<b>318,830,309</b>	<b>270,019,649</b>	<b>2,880,958,869</b>								
<b>Net Financial Position Items</b>	<b>(196,865,046)</b>	<b>(6,059,183)</b>	<b>155,841,006</b>	<b>9,777,866</b>	<b>(4,371,328)</b>	<b>111,232,640</b>	<b>73,051,782</b>	<b>142,607,737</b>								
<b>Off-financial position Contingent Liabilities</b>	<b>890,749,231</b>	<b>136,234,561</b>	<b>27,403,068</b>	<b>3,032,353</b>	<b>1,889,129</b>	<b>79,840,554</b>	<b>127,573,270</b>	<b>1,266,722,166</b>								
<b>2022</b>																
<b>Total Assets</b>	<b>1,807,078,894</b>	<b>162,048,875</b>	<b>255,871,055</b>	<b>683,877</b>	<b>40,135,435</b>	<b>377,985,384</b>	<b>308,856,910</b>	<b>2,952,660,430</b>								
<b>Total Liabilities</b>	<b>2,042,825,798</b>	<b>153,846,570</b>	<b>145,553,254</b>	<b>1,014,023</b>	<b>43,889,388</b>	<b>257,762,934</b>	<b>248,178,526</b>	<b>2,893,070,693</b>								
<b>Net Financial Position Items</b>	<b>(235,746,904)</b>	<b>8,202,305</b>	<b>110,317,801</b>	<b>(330,146)</b>	<b>(3,754,153)</b>	<b>120,222,450</b>	<b>60,678,384</b>	<b>59,589,737</b>								
<b>Off-financial Position Contingent Liabilities</b>	<b>687,289,166</b>	<b>122,192,557</b>	<b>35,851,058</b>	<b>15,809,623</b>	<b>6,158,084</b>	<b>78,601,893</b>	<b>80,029,472</b>	<b>1,025,931,853</b>								



## 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.

The below schedule summarizes the liabilities distributed (Non discounted) based on remaining contractual maturity period on the date of financial statements:

	2023		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		
<b>Liabilities:</b>																			
Banks and financial institutions deposits	297,255,061		289,269,073		78,809,175		7,369,169										48,910,367		721,612,845
Customers' deposits	1,065,778,635		1,929,864,089		556,479,780		381,829,455		95,261,603		13,978,635		1,629,812,085				5,673,004,282		5,673,004,282
Margin accounts	69,978,405		32,066,125		34,768,914		42,098,063		30,415,387		3,061,412		85,600,207				297,988,513		297,988,513
Loans and borrowings	13,949,483		23,951,482		96,889,324		33,254,849		108,303,465		36,041,204		-				312,389,807		312,389,807
Sundry provisions	-		-		-		-		-		-		31,232,872				31,232,872		31,232,872
Income tax provision	14,000,000		-		38,417,363		9,259,112		-		-		-				6,167,675		6,167,675
Deferred tax liabilities	-		-		-		-		-		-		-		6,374,087		6,374,087		6,374,087
Lease liability	-		-		-		2,377,324		5,746,703		16,816,040		-		-		25,140,067		25,140,067
Other liabilities	731,701		199,641		646,558		455,991		1,479,849		782,254		264,595,820				268,891,814		268,891,814
<b>Total Liabilities</b>	<b>1,461,693,285</b>		<b>2,275,350,410</b>		<b>806,011,114</b>		<b>476,843,963</b>		<b>241,207,007</b>		<b>70,679,545</b>		<b>2,066,525,438</b>				<b>7,398,310,762</b>		<b>7,398,310,762</b>
<b>TOTAL ASSETS (ACCORDING TO THEIR EXPECTED MATURITY)</b>	<b>1,049,892,810</b>		<b>648,174,347</b>		<b>750,847,343</b>		<b>703,889,876</b>		<b>3,439,870,408</b>		<b>1,337,288,556</b>		<b>766,917,269</b>				<b>8,676,880,609</b>		<b>8,676,880,609</b>
<b>2022</b>																			
<b>Liabilities:</b>																			
Banks and financial institutions deposits	556,454,173		125,595,451		120,093,770		-		-		-		71,829,742				871,973,136		871,973,136
Customers' deposits	921,677,792		1,931,555,953		461,185,180		286,542,117		108,255,447		13,786,510		1,620,889,639				5,343,892,638		5,343,892,638
Margin accounts	77,466,052		24,288,144		34,779,068		37,432,837		12,528,972		20,243,590		68,446,965				275,185,628		275,185,628
Loans and borrowings	20,479,151		29,103,676		52,775,895		71,239,018		183,138,306		60,626,205		-				417,362,251		417,362,251
Sundry provisions	-		-		-		-		-		-		30,380,825				30,380,825		30,380,825
Income tax provision	8,163,738		-		39,631,425		5,619,998		-		-		-				53,415,161		53,415,161
Deferred tax liabilities	-		-		-		-		-		-		-		6,770,350		6,770,350		6,770,350
Lease liability	-		-		-		2,920,676		6,269,523		16,690,672		-		-		25,880,871		25,880,871
Other liabilities	292,119		163,484		726,573		459,502		1,427,797		1,373,623		222,623,242				227,066,340		227,066,340
<b>Total Liabilities</b>	<b>1,584,533,025</b>		<b>2,108,706,708</b>		<b>709,191,911</b>		<b>404,214,148</b>		<b>311,620,045</b>		<b>112,720,600</b>		<b>2,020,940,763</b>				<b>7,251,927,200</b>		<b>7,251,927,200</b>
<b>TOTAL ASSETS (ACCORDING TO THEIR EXPECTED MATURITY)</b>	<b>1,019,969,208</b>		<b>566,747,130</b>		<b>521,281,519</b>		<b>935,703,896</b>		<b>3,185,764,313</b>		<b>1,539,914,943</b>		<b>689,261,136</b>				<b>8,458,642,145</b>		<b>8,458,642,145</b>

### Liquidity coverage Ratio (LCR):

The average liquidity coverage ratio for the year was 169% and 166.2% for Jordan Branches and the Banking Group respectively. The liquidity coverage ratio as of in December 31, 2023 was 186.7% and 179.7% for Jordan Branches and the Banking Group respectively.

Following are the details of the calculation as of December 31, 2023:

	December 31, 2023	
	Jordan Branches	Banking Group
	JD 000'	JD 000'
High qualified liquid assets before adjustments	2,424,876	2,545,549
High qualified liquid assets after adjustments	2,424,876	2,545,549
Net Cash outflow	<b>1,298,480</b>	<b>1,416,597</b>
<b>Liquidity Coverage Ratio (LCR)</b>	<b>186.7%</b>	<b>179.7%</b>

Off- statement of financial position to items:

	Up to 1 Year	1 - 5 Years	Over 5 Years	Total
	JD	JD	JD	JD
<b>2023</b>				
Letters of credit and acceptances	632,788,926	19,662,705	-	<b>652,451,631</b>
Un-utilized ceilings	774,933,607	-	-	<b>774,933,607</b>
Letters of guarantee	381,701,512	59,814,648	13,668,075	<b>455,184,235</b>
<b>Total</b>	<b>1,789,424,045</b>	<b>79,477,353</b>	<b>13,668,075</b>	<b>1,882,569,473</b>
<b>2022</b>				
Letters of credit and acceptances	483,941,323	102,854,295	-	<b>586,795,618</b>
Un-utilized ceilings	603,293,844	-	-	<b>603,293,844</b>
Letters of guarantee	374,762,456	48,955,079	12,946,253	<b>436,663,788</b>
<b>Total</b>	<b>1,461,997,623</b>	<b>151,809,374</b>	<b>12,946,253</b>	<b>1,626,753,250</b>

## 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).

	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
<b>December 31, 2023</b>				
<b>Financial assets:</b>				
Financial assets at fair value through other comprehensive income	357,883,637	-	45,578,991	<b>403,462,628</b>
Financial assets at fair value through profit or loss	4,425,551	-	-	<b>4,425,551</b>
Direct credit facilities at fair value through the profit or loss	31,496,582	-	-	<b>31,496,582</b>
<b>Total</b>	<b>393,805,770</b>	<b>-</b>	<b>45,578,991</b>	<b>439,384,761</b>
<b>December 31, 2022</b>				
<b>Financial assets</b>				
Financial assets at fair value through other comprehensive income	326,395,198	-	42,699,806	<b>369,095,004</b>
Financial assets at fair value through profit or loss	4,569,196	-	450,584	<b>5,019,780</b>
Direct credit facilities at fair value through the profit or loss	61,967,403	-	-	<b>61,967,403</b>
<b>Total</b>	<b>392,931,797</b>	<b>-</b>	<b>43,150,390</b>	<b>436,082,187</b>

The below table shows the movement on level 3 financial assets:

	For the Year Ended in December 31	
	2023	2022
	JD	JD
Fair value as of beginning of the year	43,150,390	26,798,479
New investments during the year	2,523,582	16,223,178
Changes in fair value during the year	(50,116)	128,733
Foreign currency translation difference	(44,865)	-
<b>Total</b>	<b>45,578,991</b>	<b>43,150,390</b>

## 49. Fiduciary Accounts

Investment accounts managed on behalf of customers amounted to JD 452 thousand as of December 31, 2023 against JD 525 thousand as of December 31, 2022. These accounts are not included in the assets and liabilities of the Bank's financial statements. The fees and commissions for managing those accounts are shown in the consolidated profit or loss statement. The management's commissions and fees on these accounts JD 32,910 for 2023 (JD 84,229 for 2022) 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:

2023	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
<b>Assets</b>			
Cash and balances at central banks	407,178,859	146,511,068	<b>553,689,927</b>
Balances at banks and financial institutions	323,043,611	-	<b>323,043,611</b>
Deposits at banks and financial institutions	44,751,813	-	<b>44,751,813</b>
Financial assets at fair value through profit or loss	4,425,551	-	<b>4,425,551</b>
Credit facilities at amortized cost - net	1,676,857,509	2,765,686,972	<b>4,442,544,481</b>
Direct credit facilities at fair value through profit or loss	31,496,582	-	<b>31,496,582</b>
Financial assets at fair value through other comprehensive income	128,392,883	275,069,745	<b>403,462,628</b>
Financial assets at amortized cost	475,470,085	1,943,053,125	<b>2,418,523,210</b>
Property and equipment - net	-	159,245,811	<b>159,245,811</b>
Intangible assets	-	22,214,936	<b>22,214,936</b>
Right of use asset	-	21,364,626	<b>21,364,626</b>
Deferred tax assets	-	125,044,861	<b>125,044,861</b>
Other assets	41,187,483	85,885,089	<b>127,072,572</b>
<b>Total Assets</b>	<b>3,132,804,376</b>	<b>5,544,076,233</b>	<b>8,676,880,609</b>
<b>Liabilities:</b>			
Banks and financial institutions deposits	716,654,103	-	<b>716,654,103</b>
Customers' deposits	2,037,351,422	3,612,547,120	<b>5,649,898,542</b>
Margin accounts	185,162,547	110,974,686	<b>296,137,233</b>
Loans and borrowings	165,304,812	131,784,453	<b>297,089,265</b>
Sundry provisions	498,488	30,734,384	<b>31,232,872</b>
Income tax provision	61,676,475	-	<b>61,676,475</b>
Deferred tax liabilities	1,135,833	5,238,254	<b>6,374,087</b>
Lease liability	5,057,508	16,006,715	<b>21,064,223</b>
Other liabilities	155,569,498	113,322,316	<b>268,891,814</b>
<b>Total Liabilities</b>	<b>3,328,410,686</b>	<b>4,020,607,928</b>	<b>7,349,018,614</b>
<b>Net</b>	<b>(195,606,310)</b>	<b>1,523,468,305</b>	<b>1,327,861,995</b>

2022	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
<b>Assets</b>			
Cash and balances at central banks	553,925,667	140,042,104	<b>693,967,771</b>
Balances at banks and financial institutions	358,673,917	-	<b>358,673,917</b>
Deposits at banks and financial institutions	56,638,273	-	<b>56,638,273</b>
Financial assets at fair value through profit or loss	4,569,197	450,583	<b>5,019,780</b>
Credit facilities at amortized cost - net	1,406,257,537	2,802,809,290	<b>4,209,066,827</b>
Direct credit facilities at fair value through the profit or loss	30,062,403	31,905,000	<b>61,967,403</b>
Financial assets at fair value through other comprehensive income	73,987,943	295,107,061	<b>369,095,004</b>
Financial assets at amortized cost	486,567,011	1,744,417,435	<b>2,230,984,446</b>
Property and equipment - net	-	162,799,067	<b>162,799,067</b>
Intangible assets	-	21,574,280	<b>21,574,280</b>
Right of use asset	-	21,723,075	<b>21,723,075</b>
Deferred tax assets	-	128,589,582	<b>128,589,582</b>
Other assets	42,957,402	95,585,318	<b>138,542,720</b>
<b>Total Assets</b>	<b>3,013,639,350</b>	<b>5,445,002,795</b>	<b>8,458,642,145</b>
<b>Liabilities:</b>			
Banks and financial institutions deposits	870,020,537	-	<b>870,020,537</b>
Customers' deposits	1,788,603,812	3,529,422,021	<b>5,318,025,833</b>
Margin accounts	168,585,783	105,425,695	<b>274,011,478</b>
Loans and borrowings	171,150,989	227,628,492	<b>398,779,481</b>
Sundry provisions	456,317	29,924,508	<b>30,380,825</b>
Income tax provision	53,415,161	-	<b>53,415,161</b>
Deferred tax liabilities	2,874,680	3,895,670	<b>6,770,350</b>
Lease liability	2,603,546	18,506,721	<b>21,110,267</b>
Other liabilities	122,548,083	104,518,257	<b>227,066,340</b>
<b>Total Liabilities</b>	<b>3,180,258,908</b>	<b>4,019,321,364</b>	<b>7,199,580,272</b>
<b>Net</b>	<b>(166,619,558)</b>	<b>1,425,681,431</b>	<b>1,259,061,873</b>

## 51. Contractual Commitments and Contingent Liabilities

This item consists of the following:

Credit commitments and commitments:

	December,31	
	2023	2022
	JD	JD
Letters of credit	535,653,303	483,501,097
Acceptances	116,798,327	103,294,521
<b>Letters of guarantee:</b>		
Payment	183,091,674	172,620,903
Performance	203,335,170	189,606,793
Other	68,757,390	74,436,092
Forward foreign currency contracts	318,081,799	281,530,651
Currency swap contracts	41,905,000	34,815,000
Unutilized direct credit facilities ceilings	774,933,607	603,293,844
<b>Total</b>	<b>2,242,556,270</b>	<b>1,943,098,901</b>

Contractual commitments:

	December,31	
	2023	2022
	JD	JD
Property and equipment purchase contracts	2,130,291	2,164,648
Construction projects contracts	2,244,769	3,773,721
Other procurement contracts	8,603,180	4,115,563
<b>Total</b>	<b>12,978,240</b>	<b>10,053,932</b>

## 52. Lawsuits Raised by and against the Bank

Lawsuits raised against the Bank amounted to JD 23.5 million as of December 31, 2023 (JD 32.4 million as of December 31, 2022). In the opinion of the Bank's management and legal advisor, no liabilities will arise therefrom that exceed the booked provision of JD 7.8 million as of December 31, 2023 (JD 7.7 million as of December 31, 2022).

the lawsuits raised by the Bank against others amounted to JD 670.6 million as of December 31, 2023 (JD 627.7 million as of December 31, 2022).



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**05**

**Governance Report**







## Introduction

Sound Corporate Governance is one of the main pillars that enables institutions to achieve their future goals, aspirations and sustainable growth. The bank strongly believes in the importance of adopting the best standards and leading practices in governance, strengthening trust, transparency, and fairness in its activities in front of depositors, shareholders, and all of the bank's stakeholders. The Housing Bank affirms its complete commitment to apply the rules and instructions of corporate governance.

The Housing Bank has reinforced a culture of corporate governance, and adopted the concept at all levels of work. It has remained abreast of the continuous development in the banking sector, in line with the latest international practices and developments in corporate governance legislation and laws. Since 2008, the bank has adopted a Corporate Governance Manual which serves as the primary guide for spreading corporate governance within the bank, the manual complies with the instructions of the relevant local regulatory authorities and aligns with best international practices. The manual is reviewed and updated periodically and continuously. It may be viewed on the bank's website at the following link:

<https://hbtf.com/uploads/202402//corporate-governance-guide.pdf>

Due to the importance of upholding corporate governance principles, the bank has put in place several mechanisms and procedures. The procedures are continuously reviewed and updated when needed, to seek the highest levels of sound governance. They include, but are not limited to:

- Updating and reviewing the authority matrix across the bank. This involves clearly establishing the respective limits of authority for the Board, its committees, and executive management in a way that contributes to organization and governing the decision-making process, and setting explicit responsibilities and accountability thresholds to ensure the effective workflow at the bank.
- Periodically updating relevant policies and procedures to comply with any legislative amendments related to corporate governance issued by regulatory authorities.
- Ensuring the suitability of the Board, with the necessary qualifications, expertise and technical skills to monitor the bank's performance and required standards.
- Ensuring that the standards, requirements, and conditions of independence, required by Independent Board members, are met initially and continuously.
- Updating and reviewing the Code of Professional Conduct and Conflict of Interest at the board level to enable its members to carry out the duties entrusted to them, in accordance with the highest ethical standards and uncompromised integrity in all the Board's work, while governing cases of potential conflicts of interest.
- Updating the formation of the Board committees in accordance with applicable instructions.
- Updating the Charter of the Board of Directors, and the charters of its respective committees, periodically and when needed.

## The First Pillar: The Board of Directors and Committees

### Composition of the Board of Directors:

The Board currently consists of 13 non-executive members, including 5 independent members who meet the required experience and competencies. The Board's composition takes into account the representation of women among its members, and is elected by the General Assembly by secret ballot and through proportional voting. This gives each shareholder the option to distribute the number of votes according to the number of shares he owns, provided that the shareholder has the right to use votes for one candidate or distribute to more than one candidate, whereas, each share has one vote, eliminating any possibility of recurrence. The Chairman and the Vice Chairman of the Board are elected at the first meeting held by the Board, upon their election by the General Assembly.

Decisions are made by the Board and committees by a majority vote, without individual powers for any member. In the event of a draw, the side with which the Chairman voted prevails. Furthermore, there is a clear separation of roles between the Chairman of the Board and the Chief Executive Officer ("CEO"), and between the tasks of the Board and 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 Manual and the Board Charter which includes monitoring ongoing banking conditions and financial performance. This is accomplished through monthly financial performance reports covering the bank's main activities, periodic reports covering implementation progress in regard to 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.

### Meetings of the Board and its Committees:

Meeting schedules for the Board of Directors and its committees, as approved by the Board, were adhered to, and the Board of Director's secretariat prepared the original minutes documenting all meetings, decisions, and assignments, and followed up on their implementation, taking into consideration all related regulations and instructions.

## Names of current and resigned Board members and Representatives of entities as of 31/12/2023:

Membership Status	Independent/ Non-Independent	Executive/Non- Executive	Date of Representative Appointment	Representative Name	Date of appointment of the member	Board Member Name
Chairman of the Board	Independent	Non-Executive	-	Himself	21/4/2016	Mr. Abdelaleh Mohamad Abdel Rahman Alkhatib
Vice Chairman	Non-Independent	Non-Executive	31/1/2008	Mr. Yousef Mahmoud Hussain Al-Neama	31/1/2008	Qatar National Bank
Current Board Member	Non-Independent	Non-Executive	9/3/2014	Mr. Ramzi Talat Abdel Jawad Mari		
Current Board Member	Non-Independent	Non-Executive	12/7/2015	Mr. Khalid Majid Mohammed Al-Nuaimi		
Current Board Member	Non-Independent	Non-Executive	2/7/2019	Mrs. Maryam Mohammed Ali Al-Kuwari		
Current Board Member	Non-Independent	Non-Executive	7/9/2021	Mrs. Munirah Assad Abdel Aziz AlAjjeel	7/9/2021	Kuwait Investment Authority - Kuwait
Current Board Member	Non-Independent	Non-Executive	28/2/2022	Mr. Mohammed Ali Abdullah Addairat	30/6/1997	Libyan Foreign Bank
Current Board Member	Non-Independent	Non-Executive	9/10/2023	Mr. Fadi Abdelwahab Abdelfattah Abughhaush	13/4/2000	Social Security Corporation / Jordan
Current Board Member	Non-Independent	Non-Executive	1/9/2023	Mr. Abdallah Mohammad Muflih Abu Jamous		
Current Board Member	Independent	Non-Executive	-	Himself	8/4/2021	Mr. Ramzi Tayseer Mohammed Abdeljaber
Current Board Member	Independent	Non-Executive	-	Himself	21/4/2016	Mrs. Sheikha Yousuf Abdallah Al Farsi
Current Board Member	Independent	Non-Executive	-	Himself	23/4/2017	Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif
Current Board Member	Independent	Non-Executive	-	Himself	25/10/2023	Mr. Najji Mohammed Issa Belgasem
Membership Status	Independent/ Non-Independent	Executive/ Non- Executive	Date of Representative Resign	Representative Name	Date of Member's Resignation	Name of the Resigned Board Member
Resigned Board Member	Non-Independent	Non-Executive	1/9/2023	Mr. Fadi Khalid Mufleh Al Alawneh - Representative of the Social Security Corporation / Jordan.	-	-
Resigned Board Member	Non-Independent	Non-Executive	1/10/2023	Dr. Hamzeh Ahmad Khalifah Jaradat, Representative of the Social Security Corporation / Jordan.	-	-
Resigned Board Member	Non-Independent	Non-Executive	18/10/2023	Mr. Mukhtar Elhadi Eltaweel - Representative of the Libyan Foreign Bank.	-	-

## **All board memberships held by a Board member in public shareholding companies:**

There are no memberships for current natural board members in Jordanian public shareholding companies.

## **Name of the Bank's Corporate Governance Officer**

Mrs. Dana Sami Abu Salah instead of Mrs. Hadeel Nawaf Ibrahim as of 08/11/2023.

## **Names of the Board Committees:**

- Corporate Governance Committee
- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- IT Governance Committee
- Compliance Committee
- Facilities Committee
- Institutional Performance Committee

## Names of the Chairman and members of the Audit Committee, with a brief of their qualifications and expertise in the fields of finance and accounting

**Audit Committee:** The majority of committee members have suitable practical experience or professional certificates in accounting, finance, external or internal auditing, or banking.

Member Name	Position	Qualifications and Expertise in Financial and Accounting Matters
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif	(Chairman of the Committee)	<p><b>Qualification:</b> Bachelor of Economics / 1980.</p> <p><b>Professional Experience:</b></p> <ul style="list-style-type: none"> <li>Assistant Department Head of Asian Countries - Kuwait Fund for Arab Economic Development / Kuwait 1983.</li> <li>Head of Department of Arab Countries and the Mediterranean - Kuwait Fund for Arab Economic Development / Kuwait 1986.</li> <li>Director of Operations - Kuwait Fund for Arab Economic Development / Kuwait 1997.</li> <li>Deputy Governor of the OPEC Fund for International Development / Austria 1987.</li> </ul> <p><b>Memberships in other Committes and boards:</b> None.</p> <p><b>Previous memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>Board Member - Kuwaiti Algerian Investment Company / Luxembourg 1986.</li> <li>Chairman of the Board of Directors - Real Estate Development Company / Britain 1997.</li> <li>Member of the Supreme Administrative Committee - Al-Aqsa and Al-Quds Intifada Fund - Islamic Development Bank 2009 – 2015.</li> <li>Member of the Board of Directors - Arab Bank for Development in Africa / Sudan 2008 – 2015.</li> <li>Member of the Investment Committee - Arab Bank for Economic Development in Africa / Sudan 2008 – 2015.</li> <li>Member of the Coordination Committee - Gaza Reconstruction Program 2009 – 2015.</li> </ul>
Mr. Ramzi Talat Abdel Jawad Mari	Committee Member	<p><b>Qualification:</b> Master of Accounting / 1998, Certified Public Accountant (CPA).</p> <p><b>Current Position:</b> Group Chief Financial Officer / Qatar National Bank.</p> <p><b>Memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>Member of the Board of Directors of QNB Capital / Qatar.</li> <li>Board Member of QIHL / Luxembourg.</li> <li>Board Member QNB Finansbank / Turkey.</li> </ul> <p><b>Previous memberships in other Committes and boards:</b> Board Member QNB Al Ahli / Egypt.</p>
Mrs. Sheikha Yousuf Abdallah Al Farsi	Committee Member	<p><b>Qualification:</b> Master of Finance / 2005.</p> <p><b>Current Position:</b> Chief Operating Officer, Bank Muscat.</p> <p><b>Professional Experience:</b></p> <ul style="list-style-type: none"> <li>Former Assistant Director of Finance and Strategic Planning, Bank Muscat.</li> <li>Former Head of Strategy &amp; Corporate Services, Bank Muscat.</li> </ul> <p><b>Memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>Member of the Board of Directors of the Association of Banks / Sultanate of Oman.</li> </ul> <p><b>Previous memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>Member of the Board of Directors of BM JBR Limite.</li> </ul>

Member Name	Position	Qualifications and Expertise in Financial and Accounting Matters
Mr. Ramzi Tayseer Mohammed Abdeljaber	Committee Member	<p><b>Qualification :</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Computer Information Systems / 1993</li> <li>• Master of Business Administration / 1998.</li> </ul> <p><b>Professional Experience:</b></p> <ul style="list-style-type: none"> <li>• Associate / McKinsey &amp; Company (1998-2000).</li> <li>• Co-Founder / Financial Network (2000-2004).</li> <li>• Head of Business Development/Investcorp Holding.</li> <li>• Chief Operating Officer (Global CAO) / Investcorp Holding (2004 - 2023).</li> <li>• Worked in several international companies</li> <li>• (McKinsey &amp; Co., Palo Alto, California and Andersen Consulting, Middle East)</li> </ul> <p><b>Memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>• Independent Member, Investment Committee, Investment and Development Office (IDO), Government of Ras Al Khaimah.</li> <li>• Senior Advisor to BCG.</li> <li>• Vice Chairman of INJAZ Al-Arab.</li> <li>• Member of the Institute of Directors / Britain.</li> <li>• Honorary member, GCC Board Directors Institute</li> </ul> <p><b>Previous memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>• Chairman of Investcorp Investments LLC / Qatar(2017 - 2023).</li> <li>• Member of the Operational Committee / Investcorp Holding (2004 - 2023).</li> <li>• Board Member / Investcorp Holding (2015 - 2023).</li> <li>• Member of the GCC Board Directors Institute (2007-2016).</li> <li>• Board Member of Hydrasun (2013-2017).</li> <li>• Member of the Board of Directors of INJAZ Bahrain (2006-2007).</li> <li>• Member of the Young Presidents Organization.</li> <li>• Member of the e-government team appointed by His Majesty King Abdullah II.</li> </ul>
Mr. Naji Mohammed Issa Belgasem	Committee Member	<p><b>Qualification:</b> Bachelor of Accounting / University of Tripoli, Libya 1993 - Master International banking and finance - UK Bedfordshire</p> <p><b>Current Position:</b> Director of Research and Statistics Department / Central Bank of Libya</p> <p><b>Professional Experience:</b></p> <ul style="list-style-type: none"> <li>• Lecturer in Accounting at the Center for Administrative and Financial Sciences / Tripoli - Libya (1993-1995).</li> <li>• Researcher and financial analyst at the Research and Statistics Department of the Central Bank of Libya / 1995 - present.</li> <li>• Deputy Director of Research (2011 - 2016).</li> <li>• Director of the Banking and Monetary Supervision Department at the Central Bank of Libya since 2022 - until now.</li> </ul> <p><b>Memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>• Member of the Board of Directors of BIA Bank Paris/France.</li> <li>• Member of the Board of Directors of the Insurance Supervisory Authority / Libya.</li> <li>• Member of the Board of Directors of Muamalat Financial Services / Libya.</li> </ul> <p><b>Previous memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>• Member of the Board of Directors of the National Commercial Bank / Libya (2012-2021).</li> <li>• Member of the Board of Executive Directors of the Arab Monetary Fund (2019-2021).</li> </ul>

Name of Resigned Member	Position	Qualifications and Expertise in Financial and Accounting Matters
<p>Dr. Hamzeh Ahmad Khalifah Jaradat (Membership in the Committee until 30/4/2023)</p>	<p>Committee Member</p>	<p><b>Qualification:</b> Bachelor of Economics and Computer Science / Yarmouk University 1987 - Master in Economics / University of Jordan 1994 - PhD in Macroeconomics, Monetary Policy, Econometrics and Finance / University of Tennessee - USA 2000.</p> <p><b>Current Position:</b> Director of Business Development and Research / Social Security Investment Fund.</p> <p><b>Professional Experience:</b></p> <ul style="list-style-type: none"> <li>• Manager, Contributions Support Directorate, Social Security Investment Fund, Jordan, February 2018-March 2019.</li> <li>• Manager, Research and Studies Department, Social Security Investment Fund, Jordan September 2015 – February 2018</li> <li>• Director General of Jordan Post, May 2014 – May 2015.</li> <li>• Director, Public Private Partnership Unit, Ministry of Finance, Jordan (2013- 2014)</li> <li>• Director of Public Debt, Ministry of Finance, 2012 – 2013.</li> <li>• Senior Economist at the International Monetary Fund / Regional Center for Economics and Finance, Kuwait 2011-2012.</li> <li>• Advisor to the Minister of Finance, Ministry of Finance, 2004 – 2011.</li> <li>• Economic Researcher, Studies and Research Department, Central Bank of Jordan, 1989-2000.</li> <li>• Assistant Professor of Economics, University of Tennessee and University College Hannover, USA, 1996-2004 .</li> <li>• National Coordinator, OECD-MENA Governance Initiative, Jordan; Member of the MENA Governance Group and Network of Public Finance Experts / 2009–2014</li> </ul> <p><b>Memberships in other Committes and boards:</b> None.</p> <p><b>Previous memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>• Member of the Board of Directors of several companies and Chairman of a number of committees, including (Arab Bank, Jordan Press Foundation (Al-Rai), Amman Stock Exchange Company, Jordan Commercial Bank, National Electric Power Company, Jordan Airports Company, Jordan Telecom Company / Orange).</li> </ul>
<p>Mr. Mukhtar Elhadi Eltaweel (Membership in the Committee from 1/5/2023 to 18/10/2023)</p>	<p>Committee Member</p>	<p><b>Qualification:</b> Bachelor of Accounting / University of Garyounis 1992 / Master of Accounting / Libyan Academy Tripoli 2003 / PhD in Accounting and Finance / University of Gloucestershire-UK 2011.</p> <p><b>Current Position:</b> Director of the Small and Medium Enterprises Support Unit / Central Bank of Libya</p> <p><b>Professional Experience:</b></p> <ul style="list-style-type: none"> <li>• Director of Banking supervision and monetary Department, Central Bank of Libya, 2017-2022.</li> <li>• Assistant Manager of Al-Wehda Bank, Misurata, 2000-2003.</li> <li>• Head of Accounting and Foreign Exchange Department, 1996-2000.</li> <li>• Dean of the School of Administrative and Financial Sciences - Misurata Libyan Academy, 2015-2016.</li> <li>• Misurata University Vice President for Administrative and Financial Affairs, 2014-2015.</li> <li>• Director of International Cooperation Office, Misurata University 2013-2015.</li> <li>• Assistant Professor, Department of Accounting, Misurata University, 2015.</li> <li>• Associate Professor, Department of Accounting, Misurata University, 2019.</li> </ul> <p><b>Memberships in other Committes and boards:</b> Member of the Board of Directors of the Banking Holding Company for West African States</p> <p><b>Previous memberships in other Committes and boards:</b></p> <ul style="list-style-type: none"> <li>• Member of the National Anti-Money Laundering and Terrorism Financing Committee, 2017-2022.</li> <li>• Member of the National Board of Payments, 2019-2022.</li> <li>• Member of the Board of Directors of the Banking Holding Company for West African States, 2019.</li> <li>• Board Member of Jumhouria Bank, 2014-2016</li> <li>• Member of the Board of Directors and Chairman of the Audit Committee – Arab Investment and Export Credit Guarantee Corporation, Arab Monetary Fund 2017-2023.</li> </ul>

## Names of the Chairman and members of the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Risk Management Committee; number of meetings of each committee in 2023, indicating members presence:

### Audit Committee

The Audit Committee held (6) meetings in 2023. and below is a table showing the members' attendance at these meetings:

Member Name	First meeting 5/1/2023	Second meeting 24/1/2023	Third meeting 26/4/2023	Fourth meeting 19/7/2023	Fifth meeting 25/10/2023	Sixth meeting 14/12/2023
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Chairman of the Committee)	Present	Present	Present	Present	Present	Present
Mr. Ramzi Talat Abdel Jawad Mari (Committee Member)	Not present	Present	Present	Present	Present	Present
Mrs. Sheikha Yousuf Abdallah Al Farsi (Committee Member)	Present	Not present	Present	Present	Present	Present
Mr. Ramzi Tayseer Mohammed Abdeljaber (Committee Member)	Present	Present	Present	Present	Present	Present
Mr. Naji Mohammed Issa Belgasem (Membership in the Committee as of 25/10/2023)	-	-	-	-	-	Present
Name of Resigned Member	First meeting 5/1/2023	Second meeting 24/1/2023	Third meeting 26/4/2023	Fourth meeting 19/7/2023	Fifth meeting 25/10/2023	Sixth meeting 14/12/2023
Dr. Hamzeh Ahmad Khalifah Jaradat (his membership in the committee until 30/4/2023).	Present	Present	Present	-	-	-
Mr. Mukhtar Elhadi Eltaweel (Membership in the Committee from 1/5/2023 to 18/10/2023)	-	-	-	Present	-	-

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee held (2) meetings in 2023. and below is a table showing the members' attendance at these meetings:

Member Name	First meeting 24/01/2023	Second meeting 19/07/2023
Ms. Sheikha Yousuf Abdallah Al Farsi (Committee Chair)	Present	Present
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Committee Member)	Present	Present
Mr. Ramzi Talat Abdel Jawad Mari (Committee Member)	Present	Present



## Corporate Governance Committee

The Corporate Governance Committee held (3) meetings in 2023. and below is a table showing the members' attendance at these meetings:

Member Name	First meeting 26/1/2023	Second meeting 26/4/2023	Third meeting 20/7/2023
Mr. Abdelelah Mohamad Abdel Rahman Alkhatib (Chairman of the Committee)	Present	Present	Present
Mr. Yousef Mahmoud Hussain Al-Neama (Committee Member)	Present	Present	Present
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Committee Member)	Present	Present	Present

## Risk Management Committee

The Risk Management Committee held (5) meetings in 2023. and below is a table showing the members' attendance at these meetings:

Member Name	First meeting 25/1/2023	Second meeting 15/2/2023	Third meeting 26/4/2023	Fourth meeting 18/7/2023	Fifth meeting 26/10/2023
Mr. Ramzi Tayseer Mohammed Abdeljaber (Chairman of the Committee as of 1/5/2023)	-	-	-	Present	Present
Mrs. Sheikha Yousuf Abdallah Al Farsi (Committee Member)	Present	Not present	Present	Present	Present
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Membership in the Committee as of 1/5/2023)	-	-	-	Present	Present
Mr. Khalid Majid Mohammed Al-Nuaimi (Committee Member)	Present	Present	Present	Not present	Present
Mr. Fadi Abdelwahab Abdelfattah Abughaush (Membership in the Committee as of 09/10/2023)	-	-	-	-	Present
Mrs. Maryam Mohammed Ali Al-Kuwari (Membership in the Committee until 30/4/2023)	Present	Present	Present	-	-
Mrs. Munirah Assad Abdel Aziz AlAjeel (Membership in the Committee until 30/4/2023)	Present	Present	Present	-	-
Mr. Mohammed Ali Abdullah Addarrat (Membership in the Committee until 30/4/2023)	Present	Present	Present	-	-
Mr. Ammar Bashir Ali Al-Safadi / Chief Executive Officer (membership in the Committee until 30/4/2023)	Present	Present	Present	-	-
Name of Resigned Member	First meeting 25/1/2023	Second meeting 15/2/2023	Third meeting 26/4/2023	Fourth meeting 18/7/2023	Fifth meeting 26/10/2023
Dr. Hamzeh Ahmad Khalifah Jaradat (Membership in the committee from 1/5/2023 until 1/10/2023).	-	-	-	Present	-
Mr. Fadi Khalid Mufleh Al Alawneh (Chairman of the Committee until 30/4/2023).	Present	Present	Present	-	-

## Number of Audit Committee Meetings with the External Auditor during 2023

- The Audit Committee met with the external auditor once during the year, without the presence of Senior Executive Management or their representatives.
- The Audit Committee held (4) meetings with the external auditor during the year, in the presence of Senior Executive Management or their representatives.

The Committee met with the Auditor General twice during the year of 2023, without the presence of Senior Executive Management or their representatives.

## Number of Board meetings in 2023, indicating members presence:

The Board of Directors held (6) meetings in 2023, and below is a table showing the members' attendance at these meetings:

Board Member Name	First meeting 26/1/2023	Second meeting 27/4/2023	Third meeting 20/7/2023	Fourth meeting 15/9/2023	Fifth meeting 26/10/2023	Sixth meeting 14/12/2023
Mr. Abdelelah Mohamad Abdel Rahman Alkhatib (Chairman of the Board)	Present	Present	Present	Present	Present	Present
Mr. Yousef Mahmoud Hussain Al-Neama (Vice-Chairman of the Board)	Present	Present	Present	Present	Present	Present
Mr. Khalid Majid Mohammed Al-Nuaimi	Present	Present	Present	Present	Present	Present
Mr. Ramzi Talat Abdel Jawad Mari	Present	Present	Present	Present	Present	Present
Mrs. Maryam Mohammed Ali Al-Kuwari	Present	Present	Present	Present	Present	Present
Mrs. Munirah Assad Abdel Aziz AlAjeel	Present	Present	Present	Present	Present	Present
Mr. Mohammed Ali Abdullah Addarrat	Present	Present	Present	Present	Present	Present
Mr. Fadi Abdelwahab Abdelfattah Abughaush (as of 9/10/2023)	-	-	-	-	Present	Present
Mr. Abdallah Mohammad Muflih Abu Jamous (as of 1/9/2023)	-	-	-	Present	Present	Present
Mr. Ramzi Tayseer Mohammed Abdeljaber	Present	Present	Present	Present	Present	Present
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif	Present	Present	Not present	Present	Present	Present
Mrs. Sheikha Yousuf Abdallah Al Farsi	Present	Present	Present	Present	Present	Present
Mr. Naji Mohammed Issa Belgasem	-	-	-	-	Present	Present
Name of Resigned Board Member	First meeting 26/1/2023	Second meeting 27/4/2023	Third meeting 20/7/2023	Fourth meeting 15/9/2023	Fifth meeting 26/10/2023	Sixth meeting 14/12/2023
Mr. Fadi Khalid Mufleh Al Alawneh Representative of the Social Security Corporation / Jordan (resigned as of 1/9/2023).	Present	Present	Present	-	-	-
Dr. Hamzeh Ahmad Khalifah Jaradat - Representative of the Social Security Corporation / Jordan (Resigned as of 1/10/2023)	Present	Present	Present	Present	-	-
Mr. Mukhtar Elhadi Eltaweel - Representative of the Libyan Foreign Bank (resigned as of 18/10/2023)	Present	Present	Present	-	-	-

## The Second Pillar: Executive Management

The Board delegates responsibilities and authorities to the executive management to enable it to carry out its daily business and monitor the integrity of performance.

### Executive positions in the company and the names of the persons who occupy them as of 31/12/2023:

Executive Position Name	Name of the person holding the position
Chief Executive Officer	Ammar Bashir Ali Al-Safadi
Chief Business Officer	Vasken Samuel Samuel Ajemian
Chief Operations Officer	Ahmed Fadil Mohammed Al-Khader
Chief Financial Officer	Nidal Lutfi Abdellatif Ahmad
Head of Credit	Amro "Mohammad Walid" Mousa
Head of Internal Audit - acting	Basil Mousa Ahmad Isbahe
Head of Treasury & Investments	George Sarkis George Nahhas
Head of Risk Management	Ali Hasan Ali Al-Mimi
Legal Counselor	Wael Ismail Mahmoud Asfour
Head of Compliance	Nayef Hashem Nayef Al-Hussein

## The Third Pillar: Planning and Strategy Development

The Board adopts a long-term strategy to achieve the bank's objectives, and oversees the performance of senior executive management in achieving these objectives through periodic meetings with senior executive management and periodic reports of the Bank's performance.

## The Fourth Pillar: Control Functions

The bank has a general internal control framework that includes the following:

- Internal control systems covering all banking activities, which are evaluated annually by internal and external auditors, and reported to the Board of Directors.
- The bank has an Internal Audit Department that performs specific tasks and duties in accordance with the "Internal Audit Charter" approved by the Board. The department is granted the necessary authorities and independence needed to perform its tasks to the fullest extent, 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. There is a specialized department for this purpose, which is the Risk Management Department.
- The bank has a Compliance and Anti-Money Laundering Department, which submits periodic reports on its work to the Board through the Compliance Committee.
- Effective compliance monitoring mechanisms, systems, and procedures to ensure safety of operations and activities, and monitoring compliance with all regulatory requirements, applicable laws, and international standards at all levels of bank management.
- An external auditor to the bank is appointed by the General Assembly, upon Board recommendation and taking corporate governance requirements into account. The external auditor submits an annual report on the integrity of the financial statements, including the evaluation of the internal control system related to the preparation and presentation of the financial statements. This report is then presented to the Board and the General Assembly.

## The Fifth Pillar: Shareholders’ Rights and Investor Relations

The bank is committed to holding General Assembly meetings, allowing all shareholders to participate and have the right to vote. The bank commits to providing them with complete, sufficient information about the bank, to ensure fair treatment without discrimination. During 2023, the bank enhanced its communication channels with current and potential investors by applying the best international standards & practices in investor relations management and disclosure & transparency standards. Various communication channels were provided, including direct communication with Shareholders Affairs and Investor Relations officers, and the bank’s website. In addition, the bank published presentations explaining the financial position of the bank, in accordance with the rules of investor relations management issued by the Amman Stock Exchange (“ASE”), the Companies Law and the instructions of regulatory authorities.

## The Sixth Pillar: Disclosure and Transparency

The principle of disclosure and transparency is a key principle in corporate governance. It aims to ensure that shareholders and other stakeholders are aware of, and comprehend the necessary and material developments and information resulting from the bank’s daily operations and future directions. Disclosure contributes to creating an environment of trust, transparency and accountability by providing important financial and non-financial information of interest to stakeholders. This must be done in a clear and comprehensive manner, in a timely manner and appropriate mechanism, enabling them to evaluate the Bank’s management and monitor its performance.

The bank seeks to apply the latest standards related to disclosure and transparency as an integral part of the adoption and application of governance principles. Thus, the bank is committed to the principle of disclosure of all required information transparently, in line with the respective instructions issued by the regulatory authorities, the bank’s disclosure and transparency policy, through available means of disclosure (ASE website, Housing Bank website, and relevant media).

## The Seventh Pillar: Code of Conduct

Housing Bank is committed to maintaining the highest levels of professional and ethical behavior, which contributes to enhancing trust and partnership between the bank and its stakeholders. The bank adopts a Code of Professional Conduct at the Board level, to enable its members to carry out the duties entrusted to them, with the highest ethical standards and uncompromised integrity in all its work. The Conflict of Interest Policy has also been added to the Code of Conduct at the Board level. The policy governs potential conflicts of interest, and the mechanisms for addressing, resolving, and disclosing them. It also defines the fundamental principles to guide the Board members in such cases. In addition, the Code of Professional Conduct and business ethics at the employee level includes the most important principles and practices that 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 of Directors

**Abdelelah Alkhatib**

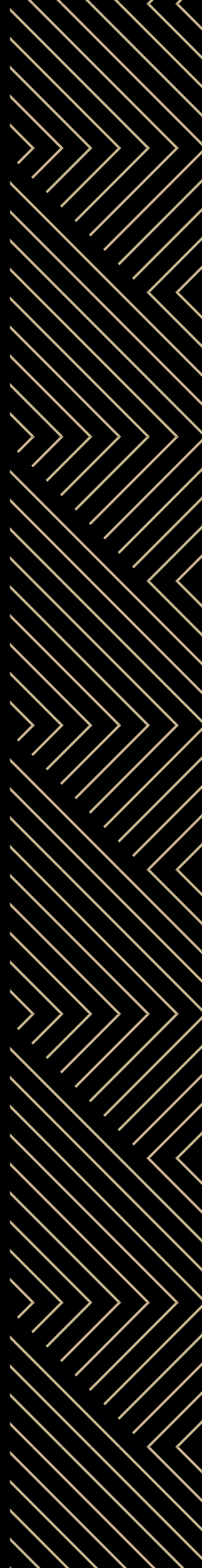


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and we look forward to a bright future and  
keeping pace of providing benchmark financial  
solutions

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**Disclosure Data**





## 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 2024.

### Second Declaration

The Board of Directors acknowledges its responsibility for the preparation of the financial statements and the accuracy and adequacy of the financial statements and information contained in the report, as well as its responsibility for providing an effective control system in the bank and for the adequacy of internal control and control 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 their relatives.

Name	Adjective	Signature
Mr. Abdelelah Mohamad Abdel Rahman AlKhatib	Chairman	
Mr. Yousef Mahmoud Hussain Al-Neama	Vice-Chairman	
Mr. Khalid Majid Mohammed Al-Nuaimi	Board Member	
Mr. Ramzi Talat Abdel Jawad Mari	Board Member	
Mrs. Maryam Mohammed Ali Al-Kuwari	Board Member	
Mrs. Munirah Assad Abdel Aziz AlAjeel	Board Member	
Mr. Mohammed Ali Abdullah Addarrat	Board Member	
Mr. Abdallah Mohammad Muflih Abu Jamous	Board Member	
Mr. Fadi Abdelwahab Abdelfattah Abughaush	Board Member	
Mrs. Sheikha Yousuf Abdullah Al Farsi	Board Member	
Mr. Fawzi Yousef Abdel Mohsen AlHunaif	Board Member	
Mr. Ramzi Tayseer Mohammad Abdel Jaber	Board Member	
Mr. Naji Mohammed Issa Belgasem	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. Abdelelah Mohamad Abdel Rahman AlKhatib	Chairman	
Mr. Ammar Bashir Ali Al-Safadi	Chief Executive Officer	
Mr. Nidal Lutfi Abdellatif 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. It operates mainly in the Hashemite Kingdom of Jordan, as well as Palestine and Bahrain, as well as through its subsidiaries in the following countries: International Bank for Trade and Finance / Syria, Housing Bank for Trade and Finance / Algeria, Jordan International Bank / London, Specialized Financial Leasing Company / Jordan, International Financial Center Company / Jordan.

## The Volume of Capital Investment

The volume of capital investment in the bank represents investment in the capital of other companies, and it totaled 324,154,385 JD at the end of 2023, compared to 316,115,230 JD at the end of 2022 (including investment in subsidiaries and affiliates that are excluded when preparing the consolidated financial statements).

## Qualifications and Training Programs

The following table shows the number of participants in the training programs held during the year 2023:

Statement	Number of participants
Internal and local courses and seminars	1,964
External training courses held in Arab and foreign countries	36
Study of professional certificates in the bank's various fields of work	56
E-Learning	*2,989

\* Includes bank employees in Jordan, Palestine, and Bahrain branches, and employees of the Specialized Leasing Company.

The table below shows the courses offered in 2023:

Statement	Training opportunities
Behavioral and administrative courses	616
Microsoft Office application courses	1
Specialized courses for branches	2,599
Specialized career courses for departments	1,898
E-Learning	23,164
Other	47
<b>Total</b>	<b>28,325</b>



## Number of Employees

### Number of Housing Bank Group employees categorized by their qualification at the end of 2023

The Housing Bank Group had 4,040 employees at the end of 2023, categorized as per their qualifications as follows:

Qualification	Branches inside and outside Jordan			Banks and subsidiaries inside and outside Jordan					
	Jordan Branches (Parent Company)	Palestine Branches	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	Representative Offices (Libya, Iraq, UAE)
PhD	3	-	-	1	-	1	-	-	-
Master	211	25	4	19	4	15	5	1	-
High diploma	2	1	-	-	201	10	-	-	1
Bachelor	2,043	245	28	270	7	18	30	6	4
diploma	194	16	-	64	72	1	2	1	2
General Secondary School	392	28	2	59	29	11	8	2	2
<b>Total</b>	<b>2,845*</b>	<b>315</b>	<b>34</b>	<b>413</b>	<b>313</b>	<b>56</b>	<b>45</b>	<b>10</b>	<b>9</b>

\*391 of the above are unclassified employees.

## Number of Employees in Branches in Jordan at the End of 2023

The bank has 2,845 employees in Jordan, including 1,791\* employees working in various departments and duty positions in the public administration, and 1,054 employees working in branches distributed as follows:

Branch name	Number	Branch name	Number	Branch name	Number	Branch name	Number	Branch name	Number
<b>Amman Governorate</b>		Abu Alanda	13	Dahiyyat Al Amir Rashid	7	Al Azraq Al Shamali	6	<b>Al Mafrq Governorate</b>	
Main branch	15	Al Jowaideh	11	Al Sweifieh	6	Hai Maasoom	6	Al Mafrq	15
Al Abdali	26	Marj Al Hammam	12	Dabouq	7	Free Zone / Alzarqa	6	<b>Ajloun Governorate</b>	
Al Abdali Mall	9	Na'ur	8	Shafa Badran	6	Al Zarqa Al Jadeeda	14	Ajloun	13
Al madina	10	Al Muwaqar	6	<b>Irbid Governorate</b>		Autostrad Al Zarqa	9	Kafr Anja	5
Jabal Amman	11	Tlaa Al Ali	11	Irbid	15	<b>Al Balqa Governorate</b>		<b>Al Tafila Governorate</b>	
Jabal al Hussein	11	King Abdullah II Industrial City	6	Ar-Ramtha	10	Al Fhais	10	Al Tafila	9
Al Wihdat	12	Al Hurriah Street	12	Martyr Wasfi Safi Al-Tal St./ Al ramtha	4	Al Salt	13	Al Hasa	7
Marka	14	Al Bayader	13	Al Shona Al Shmaliya	10	Al Baqaa	9	<b>Aqaba Governorate</b>	
Prince Hassan District	9	Airport	10	Deir Abi Said	8	Deir alla	8	Aqaba	13
Al Hashimi Al Shamali	11	Al Ithaa	8	Al Husun	11	Al Shona Al Janoobia	8	Showiekh Mall	14
Ras Al Ain	12	Um Al Sumaq	12	Aydoun	8	Bawabit Alsalt	8	<b>Jerash Governorate</b>	
Al Ashrafiyeh	10	Iskan young	4	Palestine Street	14	Alkaramah	6	Jarash	12
Al Nuzha	10	Al Rabia	10	Al Kareema	6	<b>Maan Governorate</b>		<b>Mobile branches</b>	
Sports City	10	Abdullah Ghosha Street	10	Al Yarmouk	8	Maan	10	Second Mobile Branch	5
Commercial Complex	10	Al Rawabi District	3	Al Hassan Industrial City	6	Petra	9	<b>Total</b>	<b>1,054</b>
Tarek	13	Zahran	10	Al Qubba Circle	15	Al Shobak	6		
Abu Nusair	11	Almadina Almonwarah	11	30th Street / Irbid	14	Al Husainiah	5		
Hay Nazzal	9	City Mall	21	Bani Kanana	7	<b>Karak Governorate</b>			
Abdoun	11	Airport St.	8	<b>Zarqa Governorate</b>		Karak	12		
Park Plaza	17	Medical City St.	7	Shabib Palace	11	Potash	10		
Gardens	13	Dahiyyat Alyasameen	8	Al Zarqa	14	Mutah	11		
Um Uthaina	9	Mecca Street	8	Al Rusaifeh	9	Al Qasr	10		
Al Jbeiha	13	Taj Mall	14	Hiteen	6	Al thanyah	7		
Sweileh	11	Private banking services	7	Al Jabal al Shamali	10	<b>Madaba Governate</b>			
Sahab	9	Deir Ghabar	6	Al Dleil	8	Madaba	13		

\* 391 of the above are unclassified employees.

## Number of Employees in Palestine Branches at the End of 2023

Branch name	Number
Regional Management	176
Ramallah	14
Gaza	10
Nablus	14
Hebron	13
Halhul	8
Bir Zeit	8
Khan Younis	5
Jenin	12
Bethlehem	11
Yatta	6
Tormosaya	5
Althahriah	8
Al Masyoon	10
Tulkarem	7
Rafidia	8
<b>Total</b>	<b>315</b>

## Number of Employees in the international Bank for Trade and Finance/Syria at the end of 2023

Branch name	Number	Branch name	Number	Branch name	Number
General Management	222	Al Tijara	8	Mahrada	6
Al Hijaz	16	Zabadani*	-	Hasaka*	-
Al Pakistan	15	Homs	11	Lathikia	14
Al Yarmouk*	-	Tartus - Thawrah st.	11	Al Suwayda	9
Hosh Blass *	-	Tartus - Banks st.	12	Qamishli*	-
		Faisal	13		
Doma*	-	Halab- Sheraton	8	Deir al Zor*	-
Dummar Project	7	Al Jamiliya*	-	Barzeh Residences	8
Al Hariqa	7	Sheikh Najjar*	-	Abu Rummana	10
Germana	9	Shahba Mall*	-	Town Center	7
Qassa*	-	Daraa*	-	<b>Total</b>	<b>413</b>
Mazza	11	Hama	9		

\* Branches are closed due to the prevailing conditions in Syria.

## Number of Employees in Housing Bank for Trade and Finance/Algeria at the end of 2023

Branch name	Number
General Management	173
Dali Ibrahim	34
Blida	14
Wohran	21
Setif	12
Dar Al Bayda	17
Bejaia	13
Constantine	13
Rouiba	10
Batna	6
<b>Total</b>	<b>313</b>

## Number of employees in the specialized company for Leasing Finance at the end of 2023

Branch name	Number
General Administration	36
Irbid Branch	5
Aqaba Office	4
<b>Total</b>	<b>45</b>

## The nature of the 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	10.5 billion Syrian pounds	49.063%
Housing Bank for Trade and Finance / Algeria	Public Shareholding	Commercial banking	20 billion Algerian dinars	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%

\*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.

\*\* The company's general assembly agreed on March 1, 2022 to a voluntary liquidation. The liquidation and write-off procedures of the company were completed on November 2, 2023.

## A Brief about the Board of Directors as of December 31, 2023.



### **Mr. Abdelelah Mohamad Abdel Rahman Alkhatib**

**Title:** Chairman of the Board of Directors / Chairman of the Corporate Governance Committee.

**Date of Birth:** 31 March 1953

Abdelelah Mohammad AlKhatib has held multiple senior positions in both the public and private sectors and has contributed to the Jordanian and international communities throughout his career.

He served twice as Foreign Minister of Jordan (1998-2002 and 2005-2007 ) before that he was Minister of Tourism and Antiquities (1995 -1996).

In 2010 he was appointment as the first Chairman of the Social and Economic Council, and in 2012 he lead the newly established Independent Elections Commission which conducted the 2013 elections.

He is currently a member of the Upper House of Parliament ( the Senate)

On the international stage, in 2011, he acted as Special Envoy of the Secretary General of the United Nations to Libya.

Currently he is chairman of the HOUSING BANK, and previously he was general manager and then chairman of the board of the Jordan Cement Company and also general manager of Al Daman for Investment. Alkhatib has been member of the board of directors of the Central Bank of Jordan. An active contributor to the work of civil society, Mr. AlKhatib was elected chairman of the Royal Society for the Conservation of Nature and serves as a member of the King Hussein Cancer Foundation Board of Trustees.

He holds an MA in International Communication from 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.

He has lectured at the Paris School of International Affairs at Science Po in Paris, between 2014-2020.



## Mr. Yousef Mahmoud Hussain Al-Neama

**Title:** Vice Chairman - Representative of Qatar National Bank

**Current position:** Group Chief Business Officer / Qatar National Bank

**Date of Birth:** 5 January 1965

**Qualifications:** B.Sc. Aviation Management, 1989; Master of Business Administration, 2004.

### Memberships in HBTF Board Committees:

- Chairman, Credit Committee.
- Chairman, Institutional Performance Committee.
- Corporate Governance Committee.

### Memberships in other Commissions and Boards:

- Vice-Chairman, Mansour Bank / Iraq.
- Vice-Chairman, QNB Finansbank / Turkey.

### Previous Memberships in other Commissions and Boards:

- Chairman, Qatar National Bank / Syria.
- Board Member, Bank of Commerce & Development / Libya.



## Mr. Ramzi Talat Abdel Jawad Mari

**Title:** Board Member - Representative of Qatar National Bank

**Current position:** Group Chief Financial Officer / QNB

**Date of Birth:** 2 January 1966

**Qualifications:** Master 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 Mohammed Al-Nuaimi

**Title:** Board Member – Representative of Qatar National Bank

**Current position:** Executive Vice President Group QNB First / QNB

**Date of Birth:** 5 December 1976

**Qualifications:** B.Sc. Management, 2000

### Memberships in HBTB Board Committees:

- Credit Committee.
- Institutional Performance Committee.
- Risk Management Committee.

### Memberships in other Commissions and Boards:

None.

### Previous Memberships in other Commissions and Boards:

None.



## Mrs. Maryam Mohammed Ali Al-Kuwari

**Title:** Board Member – Representative of Qatar National Bank

**Current position:** Senior Executive Vice President Group Information Technology / Qatar National Bank

**Date of Birth:** 16 June 1975

**Qualifications:** Bachelor of Computer Science, 1999.

### Memberships in HBTB Board Committees:

- Chairman, IT Governance Committee.
- Compliance Committee.

### Memberships in other Commissions and Boards:

None.

### Previous Memberships in other Commissions and Boards:

- Board Member QNB Financial Services



**Mrs. Munirah Assad Abdel Aziz AlAjeel**

**Title:** Board Member - Representative of Kuwait Investment Authority/Kuwait.

**Current position:** Manager of the Asian Equities – Acting / Kuwait Investment Authority, State of Kuwait.

**Date of Birth:** 26 October 1985

**Qualifications:** Bachelor of Finance, 2007.

**Professional Certification:** Chartered Financial Analyst (CFA), 2017.

**Memberships in HBTF Board Committees:**

- Credit Committee.
- Institutional Performance 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. Mohammed Ali Abdullah Addarrat**

**Title:** Board Member – Representative of Libyan Foreign Bank

**Current position:** Chairman – Libyan Foreign Bank

**Date of Birth:** 14 September 1975

**Qualifications:** Bachelor of Telecommunications and Information Technology, 2000.

**Memberships in HBTF Board Committees:**

- Credit Committee.
- Institutional Performance Committee.
- IT Governance Committee.

**Memberships in Other Commissions and Boards:**

- Special Envoy from Libyan Government to USA.
- Vice-Chairman, BACB Bank, since 10/2023.

**Previous Memberships in Other Commissions and Boards:**

- Regional Manager – Canon Solutions America, 2018-2021.
- Leading Advisor for Central Bank of Libya Governor 2015-2017.
- Member of The Libyan Council of Representatives, 2012-2014.
- General Manager MENA Region – Lexmark International, 2009-2012.





## Mr. Abdallah Mohammad Muflih Abu Jamous

**Title:** Board Member – Representative of Social Security Corporation/Jordan.

**Current position:** Director General Advisor – Strategic Planning Affairs – Social Security Corporation/Jordan.

**Date of Birth:** 30 January 1977

**Qualifications:** MBA/MIS (Management Information Systems) / 2015.

### Professional Certificates:

- Certified Internal Business Agility Assessor (Agile Leadership) / Tibai.
- Project Management Professional (PMP), Project Management Institute / USA.
- PMI Risk Management Professional (RMP), Project Management Institute / USA.
- Certified Strategic Planner (CSP), Institute of Certified Business Consultants / USA.

### Memberships in HBTF Board Committees:

- Chairman, Compliance Committee.
- Credit Committee.
- Institutional Performance Committee.

### Memberships in other Commissions and Boards:

None.

### Previous Memberships in other Commissions and Boards:

- Board Member, Jordan Telecommunications Company / Orange (Risk Management Committee Chairman, Audit Committee member).



## Mr. Fadi Abdelwahab Abdelfattah Abughaush

**Title:** Board Member – Representative of Social Security Corporation / Jordan.

**Current position:** Internal Audit Unit Manager – Social Security Investment Fund, Jordan.

**Date of Birth:** 5 March 1979

**Qualifications:** Bachelor of Accounting, 2001

### Professional Certificates:

- Jordanian Certified Public Accountant (JCPA).
- Certified Internal Auditor (CIA).

### 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:

- Board Member, Jordan Commercial Bank.
- Board Member, Cairo Amman Bank.
- Board Member, Arab Potash Company.
- Board Member, Union Bank.
- Board Member, Shareco Brokerage Company.



## Mr. Fawzi Yousef Abdel Mohsen 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.
- Risk Management 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 Abdallah Al Farsi

**Title:** Board Member – Independent

**Current position:** Chief Operating Officer / 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 Mohammad AbdelJaber

**Title:** Board Member – Independent

**Date of Birth:** 18 November 1971

**Qualifications:** Master of Business Administration (Massachusetts Institute of Technology MIT), 1998.

### Memberships in HBTf Board Committees:

- Chairman, Risk Management Committee.
- Audit Committee.
- IT Governance Committee.

### Memberships in other Commissions and Boards:

- Senior Advisor, Boston Consulting Group.
- Independent Member, Investment & Development Office, Ras Al Khaimah.
- Vice-Chairman, Injaz Al-Arab.
- Member, Institute of Directors, UK.
- Honorary Fellow of the GCC Board of Directors Institute.

### Previous Memberships in other Commissions and Boards:

- Chairman of Investcorp Investments, LLC, Qatar, (2017-2023).
- Member of Operating Committee, Investcorp Holdings, (2004-2023).
- Global CAO, Investcorp Holdings, (2004-2023).
- Member of Investment Council, Investcorp Holdings, (2015-2023).
- Member of GCC Board of Directors Institute, (2007-2016).
- Member of Hydrasun Board of Directors (2013-2017).
- Member of Board Director, Injaz Al-Bahrain (2006-2007).
- Member of Young Presidents' Organization.
- 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)



## Mr. Naji Mohammed Issa Belgasem

**Title:** Board Member – Independent.

**Current position:** Director of Research and Statistics Department – Central Bank of Libya.

**Date of Birth:** 21 May 1970

**Qualifications:** MSc degree in International Banking and Finance, Bedfordshire University, UK / 2010.

### Memberships in HBTf Board Committees:

- Audit Committee
- Compliance Committee.

### Memberships in other Commissions and Boards:

- Deputy Libyan Central Bank Governor at IMF, AMF.
- Board Member, Banque BIA Paris.
- Board Member, Libyan Insurance Supervisory Authority.
- Board Member, Libyan Moamalat Financial Services Company.

### Previous Memberships in other Commissions and Boards:

- Board Member, National Commercial Bank (NBC), Libya.
- Member of the Board of Executive Directors, Arab Monetary Fund.

## Board Members resigned during 2023



### Mr. Mukhtar Elhadi Mohammad Eltaweel

**Title:** Board Member – Representative of Libyan Foreign Bank, till 18/10/2023.

**Current position:** Manager – SME's support Unit – Central Bank of Libya.

**Date of Birth:** 21 June 1970

**Qualifications:** PhD Accounting and Finance, 2011.

#### Memberships in HBTf Board Committees:

- Audit Committee.
- Compliance Committee

#### Memberships in Other Commissions and Boards:

Board Member – Bank Holding Company for West Africa Countries.

#### Previous Memberships in Other Commissions and Boards:

- Manager – Banking & Cash Supervision Department – Central Bank of Libya, 2017–8/2022.
- Chairman – Financial Inclusion Committee – Central Bank of Libya.
- Chairman – IBAN Committee – Central Bank of Libya.
- Member – Strategic Committee – Central Bank of Libya, 2019-2021.
- Board Member & Chairman of Revision Committee – Arab Investment & Export Credit Guarantee, Arab Monetary Fund, 3/2017-2023.
- Member – National Payment Council, 8/2019-2022.
- Member – National Committee for Anti Money Laundering and Terrorist Financing, 8/2017-2022.
- Associate Professor – Department of Accountancy – Misurata University, 2019.
- Dean – Administrative and Financial Sciences School – Libyan Academy Misrata, 2015–2016.
- Assistant Professor – Department of Accountancy – Misurata University, 2015.
- Board Member & Risk Committee – Jumhuria Bank, 2014-2016.
- Vice-President – Administrative & Financial Affairs – Misurata University, 2014-2015.
- Director – International Cooperation Office – Misurata University, 2013-2015.
- Dean of Faculty of Economics and Political Sciences – Misurata University, 3/2012-8/2013.
- Head of Postgraduate Department – Faculty of Economics – Misurata University, 12/2011-3/2012.
- Academic staff Member – Faculty of Economics and Political Sciences – Misurata University, 2004-2019.
- Assistant Manager – Wahda Bank– Misurata, 2000-2003.
- Head of accounting for a foreign currency Department – Wahda Bank – Misurata, 1996-2000.



## Dr. Hamzeh Ahmad Khalifa Jaradat

**Title:** Board Member – Representative of Social Security Corporation, Jordan, till 1/10/2023.

**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.
- Risk Management 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 Press Foundation (Alrai), Amman Stock Exchange Company, Commercial Bank, National Electricity Company, Jordan Airports Company, Jordan Telecom/ Orange).



## **Mr. Fadi Khalid Muflih Al Alawneh**

**Title:** Board Member – Representative of Social Security Corporation / Jordan, until 1/9/2023.

**Current position:** Treasury and Loans Directorate – Social Security Investment Fund, Jordan.

**Date of Birth:** 21 January 1976

**Qualifications:** Master of Financial and Banking Sciences / 2003

### **Memberships in HBTF Board Committees:**

- Chairman, Compliance Committee
- Credit 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.

**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. Abdelalah Mohamad Abdel Rahman Alkhatib	21/4/2016	Himself	Non-executive - independent	0.004%
Mr. Yousef Mahmoud Hussain Al-Neama	31/1/2008	Qatar National Bank	Non-executive - non-independent	38.571%
Mr. Khalid Majid Mohammed Al-Nuaimi	12/7/2015		Non-executive - non-independent	
Mr. Ramzi Talat Abdel Jawad Mari	9/3/2014		Non-executive - non-independent	
Mrs. Maryam Mohammed Ali Al-Kuwari	2/7/2019		Non-executive - non-independent	
Mrs. Munirah Assad Abdel Aziz AlAjeel	7/9/2021		Kuwait Investment Authority	
Mr. Mohammed Ali Abdullah Addarrat	28/2/2022	Libyan Foreign Bank	Non-executive - non-independent	17.242%
Mr. Abdallah Mohammad Muflih Abu Jamous	1/9/2023	Social Security Corporation / Jordan	Non-executive - non-independent	15.421%
Mr. Fadi Abdelwahab Abdelfattah Abughaush	9/10/2023		Non-executive - non-independent	
Mrs. Sheikha Yousuf Abdullah Al Farsi	21/4/2016	Herself	Non-executive - independent	0.004%
Mr. Fawzi Yousef Abdel Mohsen AlHunaif	23/4/2017	Himself	Non-executive - independent	0.004%
Mr. Ramzi Tayseer Mohammad Abdel Jaber	8/4/2021	Himself	Non-executive - independent	0.003%
Mr. Najji Mohammed Issa Belgasem	25/10/2023	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	Board Member Name	Position	Nationality	Number of shares owned by the member		Number of shares owned by the companies controlled by them	
				2022	2023	2022	2023
1	<b>Mr. Abdelrahman Mohamad Abdel Rahman Alkhatib</b>	Chairman of the Board of Directors	Jordanian	12,500	12,500	None	None
2	<b>Qatar National Bank</b> Represented by: Mr. Yousef Mahmoud Hussain Al-Neama	Vice-Chairman	Qatari	121,499,200	121,499,200	None	None
3	Mr. Khalid Majid Mohammed Al-Nuaimi	Board Member	Qatari	None	None	None	None
4	Mr. Ramzi Talat Abdel Jawad Mari	Board Member	Jordanian	None	None	None	None
5	Mrs. Maryam Mohammed Ali Al-Kuwari	Board Member	Qatari	None	None	None	None
6	<b>Kuwait Investment Authority</b> Represented by: Mrs. Munirah Assad Abdel Aziz AlAjjeel	Board Member	Kuwaiti Kuwaiti	58,617,556 None	58,617,556 None	None None	None None
7	<b>Libyan Foreign Bank</b> Represented by: Mr. Mohammed Ali Abdullah Addairrat	Board Member	Libyan Libyan	54,311,427 None	54,311,427 None	None None	None None
8	<b>Social Security Corporation / Jordan</b> Represented by: Mr. Abdallah Mohammad Muflih Abu Jamous	Board Member	Jordanian	48,576,000	48,576,000	None	None
9	Mr. Fadi Abdelwahab Abdelfattah Abughhaush	Board Member	Jordanian	None	None	None	None
10	<b>Mrs. Sheikha Yousuf Abdallah Al Farsi</b>	Board Member	Omani	12,500	12,500	None	None
11	<b>Mr. Fawzi Yousef Abdel Mohsen AlHunaif</b>	Board Member	Kuwaiti	12,500	12,500	None	None
12	<b>Mr. Ramzi Tayseer Mohammad AbdelJaber</b>	Board Member	Jordanian	10,000	10,000	None	None
13	<b>Mr. Najji Mohammed Issa Belgasem</b>	Board Member	Libyan	None	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**

Board Member 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	
		2022	2023	2022	2023
		Mr. Abdelalah Mohamad Abdel Rahman Alkhatib	Jordanian	None	None
Mr. Yousef Mahmoud Hussain Al-Neama	Qatari	None	None	None	None
Mr. Khalid Majid Mohammed Al-Nuaimi	Qatari	None	None	None	None
Mr. Ramzi Talat Abdel Jawad Mari	Jordanian	None	None	None	None
Mrs. Maryam Mohammed Ali Al-Kuwari	Qatari	None	None	None	None
Mrs. Munirah Assad Abdel Aziz Al-Ajeel	Kuwaiti	None	None	None	None
Mr. Mohammed Ali Abdullah Addarrat	Libyan	None	None	None	None
Mr. Abdallah Mohammad Muflih Abu Jamous	Jordanian	None	None	None	None
Mr. Fadi Abdelwahab Abdelfattah Abughhaush	Jordanian	None	None	None	None
Mrs. Sheikha Yousuf Abdallah Al Farsi	Omani	None	None	None	None
Mr. Fawzi Yousef Abdel Mohsen AlHunaif	Kuwaiti	None	None	None	None
Mr. Ramzi Tayseer Mohammad Abdel Jaber	Jordanian	None	None	None	None
Mr. Najj Mohammed Issa Belgasem	Libyan	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

Name	Position	Nationality	Number of shares owned by the member		Number of shares owned by the companies controlled by them	
			2022	2023	2022	2023
Ammar Bashir Ali Al-Safadi	Chief Executive Officer	Jordanian	None	None	None	None
Vasken Samuel Samuel Ajemian	Chief Business Officer	Jordanian	None	None	None	None
Ahmed Fadil Mohammed Al-Khader	Chief Operations Officer	Jordanian	None	None	None	None
Nidal Lutfi Abdallatif Ahmad	Chief Financial Officer	Jordanian	None	None	None	None
Amro "Mohammad Walid" Anis Mousa	Head of Credit	Jordanian	None	None	None	None
Basil Mousa Ahmad Isbahe	Head of Internal Audit- Acting	Jordanian	None	None	None	None
George Sarkis George Nahhas	Head of Treasury and Investment	Jordanian	None	None	None	None
Ali Hasan Ali Al-Mimi	Head of Risk Management	Jordanian	None	None	None	None
Wael Ismail Mahmoud Asfour	Legal Counselor	Jordanian	None	None	None	None
Nayef Hashem Nayef Al-Hussein	Head of Compliance	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**

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	
		2022	2023	2022	2023
Ammar Bashir Ali Al-Safadi	Jordanian	None	None	None	None
Vasken Samuel Samuel Ajemian	Jordanian	None	None	None	None
Ahmed Fadil Mohammed Al-Khader	Jordanian	None	None	None	None
Nidal Lutfi Abd allatif Ahmad	Jordanian	None	None	None	None
Amro "Mohammad Walid" Anus Mousa	Jordanian	None	None	None	None
Basil Mousa Ahmad Isbahe	Jordanian	None	None	None	None
George Sarkis George Nahhas	Jordanian	None	None	None	None
Ali Hasan Ali Al-Mimi	Jordanian	None	None	None	None
Wael Ismail Mahmoud Asfour	Jordanian	None	None	None	None
Nayef Hashem Nayef Al-Hussein	Jordanian	None	None	None	None

## Number of Shares owned by the resigned Board Members and the companies controlled by any of them comparison with last year

Board Member Name	Nationality	Number of shares owned by the member		Number of shares owned by the companies controlled by them	
		2022	2023	2022	2023
Dr. Hamzeh Ahmad Khalifah Jaradat	Jordanian	175	5,175	None	None
Mr. Fadi Khalid Muflih Al Alawneh	Jordanian	None	None	None	None
Mr. Mukhtar Elhadi Mohammad Eitaweel	Libyan	None	None	None	None

## Number of shares owned by relatives of resigned Board Members and companies controlled by any of them comparison with last year

Board Member Name	Nationality	Number of shares owned by the relatives (spouse and minor children)		Number of shares owned by the companies controlled by them	
		2022	2023	2022	2023
Dr. Hamzeh Ahmad Khalifah Jaradat	Jordanian	None	None	None	None
Mr. Fadi Khalid Muflih Al Alawneh	Jordanian	None	None	None	None
Mr. Mukhtar Elhadi Mohammad Eitaweel	Libyan	None	None	None	None

## Number of shares owned by the resigned members of executive management and the companies controlled by them in comparison with last year

Name	Position	Nationality	Number of shares owned by the member		Number of shares owned by the companies controlled by them	
			2022	2023	2022	2023
Ibtissam Mohamed Sobhi EL-Ayoubi	Chief Operations Officer	Jordanian	None	None	None	None
Riyad Ali Ahmad Taweel	Head of Treasury & Investments	Jordanian	None	None	None	None

## Number of Shares owned by the relatives of the resigned member of executive management and the companies controlled by them in comparison with last year

Name	Nationality	Number of Shares owned by the member		Number of Shares owned by the companies controlled by them	
		2022	2023	2022	2023
Ibtissam Mohamed Sobhi EL-Ayoubi	Jordanian	None	None	None	None
Riyad Ali Ahmad Taweel	Jordanian	None	None	None	None

- **Loans granted by the bank to board members:**

These are shown in note 43 in the consolidated financial statements.

- **Transactions between the bank, board members, and related parties:**

These are shown in note 43 in the consolidated financial statements.

- **Loans granted by the bank to resigned board members:**

None.

- **Transactions between the bank, resigned board members, and the parties related to them:**

None.

## Meetings of the Board of Directors and its Committees

### First: Board of Directors Meetings

The Board of Directors held (6) meetings in 2023. Below is a table showing the members' attendance at these meetings:

Board Member Name	First meeting 26/1/2023	Second meeting 27/4/2023	Third meeting 20/7/2023	Fourth meeting 15/9/2023	Fifth meeting 26/10/2023	Sixth meeting 14/12/2023
Mr. Abdelelah Mohamad Abdel Rahman Alkhatib (Chairman)	Present	Present	Present	Present	Present	Present
Mr. Yousef Mahmoud Hussain Al-Neama (Vice-Chairman of the Board)	Present	Present	Present	Present	Present	Present
Mr. Khalid Majid Mohammed Al-Nuaimi	Present	Present	Present	Present	Present	Present
Mr. Ramzi Talat Abdel Jawad Mari	Present	Present	Present	Present	Present	Present
Mrs. Maryam Mohammed Ali Al-Kuwari	Present	Present	Present	Present	Present	Present
Mrs. Munirah Assad Abdel Aziz AlAjeel	Present	Present	Present	Present	Present	Present
Mr. Mohammed Ali Abdullah Addarrat	Present	Present	Present	Present	Present	Present
Mr. Abdallah Mohammad Muflih Abu Jamous (as of 1/9/2023)	-	-	-	Present	Present	Present
Mr. Fadi Abdelwahab Abdelfattah Abughaush (as of 9/10/2023)	-	-	-	-	Present	Present
Mr. Ramzi Tayseer Mohammad Abdeljaber	Present	Present	Present	Present	Present	Present
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif	Present	Present	Not present	Present	Present	Present
Mrs. Sheikha Yousuf Abdallah Al Farsi	Present	Present	Present	Present	Present	Present
Mr. Naji Mohammed Issa Belgasem (as of 25/10/2023)	-	-	-	-	Present	Present
Name of the resigned Board Member	First meeting 26/1/2023	Second meeting 27/4/2023	Third meeting 20/7/2023	Fourth meeting 15/9/2023	Fifth meeting 26/10/2023	Sixth meeting 14/12/2023
Mr. Fadi Khalid Mufleh Al Alawneh Representative of the Social Security Corporation / Jordan (resigned as of 1/9/2023).	Present	Present	Present	-	-	-
Dr. Hamzeh Ahmad Khalifah Jaradat - Representative of the Social Security Corporation / Jordan (Resigned as of 1/10/2023)	Present	Present	Present	Present	-	-
Mr. Mukhtar Elhadi Mohammad Eltaweel - Representative of the Libyan Foreign Bank (resigned as of 18/10/2023)	Present	Present	Present	-	-	-

## Second: Credit Committee meetings

The Credit Committee held (2) meetings during 2023, and the following shows the attendance of Committee Members.

Member's Name	First meeting 20/7/2023	Second meeting 26/10/2023
Mr. Yousef Mahmoud Hussain Al-Neama (Chairman of the Committee)	Present	Present
Mr. Khalid Majid Mohammed Al-Nuaimi	Present	Present
Mrs. Munirah Assad Abdel Aziz AlAjeel	Present	Present
Mr. Mohammed Ali Abdullah Addarrat (Membership in the Committee as of 1/5/2023)	Present	Present
Mr. Abdallah Mohammad Muflih Abu Jamous (Membership in the Committee as of 1/9/2023)	-	Present
Name of the resigned Board Member	First meeting 20/7/2023	Second meeting 26/10/2023
Mr. Fadi Khalid Mufleh Al Alawneh (Membership in the Committee until 1/9/2023)	Present	-
Mr. Mukhtar Elhadi Mohammad Eltaweel (Membership in the Committee until 30/4/2023)	-	-

## Third: Institutional Performance Committee Meetings

The Institutional Performance Committee held one meeting during 2023, and the following shows the attendance of Committee Members.

Member's Name	First meeting 14/12/2023
Mr. Yousef Mahmoud Hussain Al-Neama (Chairman of the Committee)	Present
Mr. Khalid Majid Mohammed Al-Nuaimi	Present
Mrs. Munirah Assad Abdel Aziz AlAjeel	Present
Mr. Mohammed Ali Abdullah Addarrat	Present
Mr. Abdallah Mohammad Muflih Abu Jamous	Present



## Fourth: Audit Committee

The Audit Committee held (6) meetings in 2023. and below is a table showing the members' attendance at these meetings:

Member Name	First meeting 05/01/2023	Second meeting 24/1/2023	Third meeting 26/4/2023	Fourth meeting 19/7/2023	Fifth meeting 25/10/2023	Sixth meeting 14/12/2023
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Chairman of the Committee)	Present	Present	Present	Present	Present	Present
Mr. Ramzi Talat Abdel Jawad Mari	Not present	Present	Present	Present	Present	Present
Mrs. Sheikha Yousuf Abdallah Al Farsi	Present	Not present	Present	Present	Present	Present
Mr. Ramzi Tayseer Mohammad Abdeljaber	Present	Present	Present	Present	Present	Present
Mr. Naji Mohammed Issa Belgasem (Membership in the Committee as of 25/10/2023)	-	-	-	-	-	Present
Name of the Resigned Member	First meeting 5/1/2023	Second meeting 24/1/2023	Third meeting 26/4/2023	Fourth meeting 19/7/2023	Fifth meeting 25/10/2023	Sixth meeting 14/12/2023
Dr. Hamzeh Ahmad Khalifah Jaradat (his membership in the committee until 30/4/2023).	Present	Present	Present	-	-	-
Mr. Mukhtar Elhadi Mohammad Eltaweel (Membership in the Committee from 1/5/2023 to 18/10/2023)	-	-	-	Present	-	-

## Fifth: Nomination and Remuneration Committee

The Nomination and Remuneration Committee held (2) meetings in 2023. Below is a table showing the members' attendance at these meetings:

Member Name	First meeting 24/1/2023	Second meeting 19/7/2023
Ms. Sheikha Yousuf Abdallah Al Farsi (Chairman of the Committee)	Present	Present
Mr. Ramzi Talat Abdel Jawad Mari	Present	Present
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif	Present	Present

## Sixth: Risk Management Committee

The Risk Management Committee held (5) meetings in 2023. Below is a table showing the members' attendance at these meetings:

Member Name	First meeting 25/1/2023	Second meeting 15/2/2023	Third meeting 26/4/2023	Fourth meeting 18/7/2023	Fifth meeting 26/10/2023
Mr. Ramzi Tayseer Mohammad Abdeljaber (Chairman of the Committee as of 1/5/2023)	-	-	-	Present	Present
Mr. Khalid Majid Mohammed Al-Nuaimi	Present	Present	Present	Not present	Present
Mr. Fadi Abdelwahab Abdelfattah Abughaush (Membership in the Committee as of 9/10/2023)	-	-	-	-	Present
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif (Membership in the Committee as of 1/5/2023)	-	-	-	Present	Present
Mrs. Sheikha Yousuf Abdallah Al Farsi	Present	Not present	Present	Present	Present
Mrs. Maryam Mohammed Ali Al-Kuwari (Membership in the Committee until 30/4/2023)	Present	Present	Present	-	-
Mrs. Munirah Assad Abdel Aziz AlAjeel (Membership in the Committee until 30/4/2023)	Present	Present	Present	-	-
Mr. Mohammed Ali Abdullah Addarrat (Membership in the Committee until 30/4/2023)	Present	Present	Present	-	-
Mr. Ammar Bashir Ali Al-Safadi / Chief Executive Officer (membership in the Committee until 30/4/2023)	Present	Present	Present	-	-
Name of the resigned member	First meeting 25/1/2023	Second meeting 15/2/2023	Third meeting 26/4/2023	Fourth meeting 18/7/2023	Fifth meeting 26/10/2023
Mr. Fadi Khalid Mufleh Al Alawneh (Chairman of the Committee until 30/4/2023).	Present	Present	Present	-	-
Dr. Hamzeh Ahmad Khalifah Jaradat (Membership in the committee from 1/5/2023 until 1/10/2023).	-	-	-	Present	-

## Seventh: Corporate Governance Committee

The Corporate Governance Committee held (3) meetings in 2023. and below is a table showing the members' attendance at these meetings:

Member Name	First meeting 26/1/2023	Second meeting 26/4/2023	Third meeting 20/7/2023
Mr. Abdelelah Mohamad Abdel Rahman Alkhatib (Chairman of the Committee)	Present	Present	Present
Mr. Yousef Mahmoud Hussain Al-Neama	Present	Present	Present
Mr. Fawzi Yousef Abdel Mohsen Al-Hunaif	Present	Present	Present

## Eighth: IT Governance Committee Meetings

The IT Governance Committee held (5) meetings during 2023, and the following shows the attendance of Committee Members:

Member Name	First meeting 25/1/2023	Second meeting 12/4/2023	Third meeting 19/7/2023	Fourth meeting 25/10/2023	Fifth meeting 21/11/2023
Mrs. Maryam Mohammed Ali Al-Kuwari (Chairman of the Committee)	Present	Present	Present	Present	Present
Mrs. Munirah Assad Abdel Aziz AlAjeel	Present	Present	Present	Present	Present
Mr. Mohammed Ali Abdullah Addarrat	Present	Present	Present	Present	Present
Mr. Fadi Abdelwahab Abdelfattah Abughaush (as of 9/10/2023)	-	-	-	present	Present
Mr. Ramzi Tayseer Mohammad Abdel Jaber	Present	Present	Present	Present	Present
Name of the resigned member	First meeting 25/1/2023	Second meeting 12/4/2023	Third meeting 19/7/2023	Fourth meeting 25/10/2023	Fifth meeting 21/11/2023
Dr. Hamzeh Ahmad Khalifah Jaradat (Membership in the committee until 1/10/2023).	Present	Present	Present	-	-

## Ninth: Compliance Committee meetings

The Compliance Committee held (4) meetings during 2023, and the following shows the attendance of Committee Members:

Member's Name	First meeting 25/1/2023	Second meeting 12/4/2023	Third meeting 19/7/2023	Fourth meeting 25/10/2023
Mr. Abdallah Mohammad Muflih Abu Jamous ((Chairman of the Committee as of 1/9/2023)	-	-	-	Present
Mrs. Maryam Mohammed Ali Al-Kuwari (Membership in the committee as of 1/5/2023)	-	-	Present	Present
Mrs. Sheikha Yousuf Abdallah Al Farsi	Present	Present	Present	Present
Mr. Naji Mohammed Issa Belgasem (Membership in the committee as of 25/10/2023)	-	-	-	-
Mr. Ramzi Tayseer Mohammed Abdeljaber (Membership in the committee until 30/4/2023)	Present	Present	-	-
Name of the resigned member	First meeting 25/1/2023	Second meeting 12/4/2023	Third meeting 19/7/2023	Fourth meeting 25/10/2023
Mr. Fadi Khalid Mufleh Al Alawneh (Chairman of the Committee from 1/5/2023 until 1/9/2023)	-	-	Present	-
Mr. Mukhtar Elhadi Mohammad Eltaweel (Membership in the Committee until 18/10/2023)	Present	Present	Present	-

# Summary of the Duties and Responsibilities of the Bank's Board Committees and the Powers Granted to Committees by the Board

## Corporate Governance Committee

- Directing and supervising the process of developing and updating the Corporate Governance Manual, and monitoring compliance in its application. Additionally, ensuring that the manual is published for public viewing on the bank's website, or any other suitable means.
- Overseeing the development of a professional Code of Conduct for the Board of Directors, updating and reviewing it regularly, managing and monitoring compliance with its provisions, and recommending approval from the Board.
- Submitting periodic reports to the Board on the assessment outcomes of compliance with the Corporate Governance Manual and its provisions.
- Reviewing the composition of the Board committees regularly, and submitting recommendations to the Board thereon.
- Ensuring that the Governance Report is prepared and presented to the General Assembly through the Board.

## Audit Committee

- Reviewing the scope, results, adequacy and effectiveness of the bank's internal and external audit.
- Reviewing 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 and termination of the external auditor, and the fees and conditions related to his contract, including any assigned tasks outside the scope of audit, in addition to evaluating his independence.
- Undergoing audit and review of all the bank's activities. Reviewing and approving the annual internal audit plan and its amendments, making sure to include the activities of other regulatory departments and those assigned to external parties, according to the activities' degree of risk.
- Verifying the extent of the external auditor's independence. Reviewing and evaluating his objectivity throughout the contracting period to ensure that there is no conflict of interest between the bank and the external auditor.
- Reviewing and overseeing the procedures that enable an employee to confidentially report any error in financial reporting or any other matters. The committee shall ensure that arrangements are in place for an independent investigation, and that the results of the investigation are monitored and handled objectively.
- Ensuring that the auditor reviews and audits the utilization and management of IT resources and projects, as well as the bank's processes.

## Nomination and Remuneration Committee

- Studying the suitability of candidates to join the Board.
- Recommending to the Board the candidates qualified to join Senior Executive Management.
- Ensuring that Board members attend workshops or seminars on banking topics, including risk management, corporate governance and recent banking developments.
- Determining whether a 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.
- Setting, regularly reviewing, and implementing a performance evaluation and remuneration policy for the bank's executives, and recommending its approval to the Board. The committee also recommends determining the salaries, rewards and other privileges of the CEO and other Senior Executive Management.
- Ensuring the existence of a replacement and succession policy and plan for Senior Executive Management.
- Appointing the Nominee Director(s) in all subsidiary banks and companies, based on the recommendation of the CEO.

## **Risk Management Committee**

- Reviewing the bank's risk management framework.
- Reviewing the bank's risk management strategy before attaining board approval.
- Keeping abreast of developments affecting the bank's risk management, and submitting periodic reports on these developments to the Board.
- Recommending to the Board the approval of a comprehensive document on the type and level of acceptable risk for all the bank's activities, within a comprehensive risk management framework and strategy.
- Verifying that there is no discrepancy between the actual risks the bank is exposed to and the bank's risk appetite approved by the Board.
- Ensuring the independence of risk management and its place in the organizational structure; reviewing and recommending risk management policies to the Board for approval.

## **IT Governance Committee**

- Adopting strategic IT objectives and appropriate organizational structures, including Steering Committees at the Senior Executive Management level, in particular the steering committee for information technology, and recommending to the Board to approve them.
- Adopting the general framework for the management, control and monitoring of IT resources and projects in accordance with the best international practices, specifically (COBIT), and the instructions of the Central Bank of Jordan.
- Adopting the matrix of institutional objectives, and the objectives of information and associated technology, in accordance with the instructions of the Central Bank of Jordan.
- Adopting a matrix of responsibilities (RACI Chart) for the core processes of IT governance and recommending it to the Board.
- Ensuring that there is a general framework for IT risk management and any amendments thereto that are compatible and integrated with the overall general framework for risk management at the bank, which meets all IT governance processes issued by the Central Bank of Jordan.
- Adopting the budget of IT resources and projects, in line with the strategic objectives of the bank.
- Studying the budget of IT resources and projects and any amendments thereto, in line with the strategic objectives of the bank, and recommending them to the Board for approval.
- General supervision and review the progress of IT operations, resources, and projects to ensure its adequacy and effective contribution to achieving the requirements and business of the bank.

## **Compliance Committee**

- Overseeing the efficiency and effectiveness of the Compliance Control Department, and its various functions in assessing the degree of effectiveness with which the bank manages non-compliance risks.
- Ensuring the existence of a bank compliance policy and related procedures, and overseeing its implementation.
- Ensuring the bank's compliance with applicable laws, regulations, instructions, and standards, pertaining to all the bank's business. Ensuring and overseeing the compliance and sound application of instructions of the various regulatory bodies.
- Taking necessary measures to promote the values of integrity and sound professional practice within the bank.
- Supervising compliance with the regulatory authorities' instructions, making efforts within the bank to lay effective foundations in anti-money laundering and combatting terrorist financing, international sanctions, and monitoring compliance.

## **Credit Committee**

- Studying the credit policy and recommending it to the Board for approval.
- Deciding on the credit facilities that fall within its powers, and presenting what was exceeded to the Board.

## **Institutional Performance Committee**

- Studying the estimated budget and annual business plan of the bank and any amendments thereto, and recommend to the Board for approval.
- Reviewing the bank's performance and conditions.
- Studying the main policies of the bank's activities that fall within the scope of the committee's work, and recommending them to the Board.
- Studying the investment policy and recommending it to the Board.
- Studying the real estate sale transactions that have been transferred to the bank that exceed the authorities of executive management, and recommending them to the Board.

## Overview of Senior Management with Executive Authority as of 31 December 2023

### Ammar Bashir Ali 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**

None.

**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, Jordan Capital and Investment Fund.
- Vice Chairman, Jordan Payments and Clearing Company.
- Vice Chairman, Association of Banks in Jordan.
- Board Member, Al Hussein Fund for Creativity and Excellence.
- Board of Trustees Member, Yarmouk University.
- Board of Trustees Member, Jordan River Foundation.

## Vasken Samuel Samuel Ajemian

**Position:** Chief Business Officer

**Date of Birth:** 28 June 1972

**Appointment date:** 5 September 2017

**Qualifications:** B.Sc. in Business Administration, 1995

### **Work experiences:**

- 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.



## Ahmed Fadil Mohammed Al-Khader

**Position:** Chief Operations Officer

**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 experiences:**

- Chief Operations Officer /Housing Bank for Trade and Finance, since 8/2023.
- General Auditor /Housing Bank for Trade and Finance (8/2021- 8/2023)
- 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, International Bank for Trade and Finance – Syria.
- Board member, CRIF Jordan.
- Board member, Jordan Association for Certified Public Accountants.

## **Nidal Lutfi abd allatif Ahmad**

**Position:** Chief Financial Officer

**Date of Birth:** 22 August 1964

**Appointment date:** 2 January 2019

**Qualifications:**

- Master's in Accounting / 1994.
- B.Sc. Accounting / 1990.

**Professional Certificate:** Certified Public Accountant (CPA) / 1998.

**Work experiences:**

- 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.

## Amro “Mohammad Walid” Anis Mousa

**Position:** Head of Credit

**Date of Birth:** 29 May 1971

**Appointment date:** 23 November 2008

### Qualifications:

- B.Sc. Economics/ Political Science, 1994, The American university In Cairo

### 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 experiences:

- Head of Credit /Housing Bank for Trade and Finance, since 2019.
- Senior Executive Manager Credit Review Department / Housing Bank for Trade and Finance, (2011-2019).
- Large Corp Credit Review Manager / Housing Bank for Trade and Finance, (2008-2011)
- The Banking Assistant to the CEO-General Manager/ Jordan Commercial Bank during the period (2005-2008).
- Advisor appointed by the European Investment Bank (EIB) /SME Fund/Syria in 2008.
- Corporate Facilities Department / Société Générale Jordan Bank, during the period (2003-2005).
- 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.
- Board Member, Mesc Company for High and Medium Voltage Cables / Jordan.

## **Basil Mousa Ahmad Isbahe**

**Position:** Head of Internal Audit– Acting

**Date of Birth:** 31 May 1980

**Appointment date:** 22 September 2019

### **Qualifications:**

- Master’s in Accounting, 2005.
- B.Sc. in Accounting, 2002.

### **Professional certificate:**

- CAMS, CIA, CMA, CFE.

### **Work experiences:**

- Head of Internal Audit- Acting /Housing Bank for Trade and Finance, in addition to his position.
- Head of Business and Operations Audit /Housing Bank for Trade and Finance, since 09/2019 to date.
- Senior Compliance Examiner/Financial Services Regulatory Authority/ Canada,(2/2014-9/2019).
- Assistant Head of Group of Internal Audit / Rashed Abdul Rahman, KSA, (5/2012-4/2013)
- Internal Audit Quality Assurance/ Public Pension Agency, KSA (7/2007- 5/2012).
- Senior Consultant/ EY, (4/2006-5/2007).
- Auditor/ Arab Bank, (11/2002-4/2006).

### **Memberships in HBTF Board Committees:**

None.

### **Memberships in other Commissions and Boards:**

None.

## **George Sarkis George Nahhas**

**Position:** Head of Treasury & Investments

**Date of Birth:** 1 June 1981.

**Appointment date:** 31 August 2008.

### **Qualifications:**

- B.Sc. Civil Engineering – The Hashemite University, Jordan/ 2003.
- MA Engineering Management – UTS, Australia/ 2007.

**Professional Certificate:** Chartered Valuation Analyst (CVA) / 2008.

### **Work experiences:**

- Head of Treasury and Investment / Housing Bank for Trade and Finance, since 12/2023.
- Manager, Investment and Financial consulting/ Housing Bank for Trade and Finance, (4/2019-12/2023).
- Manager, Capital Markets Investment Center/Housing Bank for Trade and Finance, (4/2018-4/2019).
- Unit Head- International Investments /Housing Bank for Trade and Finance, (10/2012-4/2018).
- International investments Officer /Housing Bank for Trade and Finance, (8/2008-10/2012).
- Senior Corporate Finance Consultant / PKF ProGROUP consulting. (10/2007-8/2008).
- Financial Research Analyst/ Arab Advisor Group, (7/2007-10/2007).
- Marketing Manager/ Rimal Company, (12/2003-7/2005).

### **Memberships in HBTF Board Committees:**

None.

### **Memberships in other Commissions and Boards:**

- Chairman, International Financial Center Company.
- Chairman, Commercial Banks Company.
- Vice Chairman, Jordanian Commercial Banks for Investments Group

## Ali Hasan Ali Al-Mimi

**Position:** Head of Risk Management

**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 experiences:**

- Head of Risk Management/Housing Bank for Trade and Finance, since 8/2021 to date.
- General Auditor /Housing Bank for Trade and Finance, (2018-2021).
- Internal Audit Department / Housing Bank for Trade and Finance, (2000-2021).

**Memberships in HBTF Board Committees:**

None.

**Memberships in other Commissions and Boards:**

- Board Member, Jordan Mortgage Refinance Company.

## **Wael Ismail Mahmoud Asfour**

**Position:** Legal Counselor

**Date of Birth:** 26 July 1972

**Appointment date:** 1 June 2008

**Qualifications:**

- Bachelor's in Law / 1994.

**Work experiences:**

- 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.

## Nayef Hashem Nayef Al-Hussein

**Position:** Head of Compliance

**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.
- Certified Cryptoasset Anti-Financial Crime Specialist (CCAS) / 2023.

**Work experiences:**

- Head of Compliance, Housing Bank for Trade and Finance, since 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



## Senior Management Members with Executive Authority who resigned during the Year 2023

### Ibtissam Mohamed Ibrahim EL-Ayoubi

**Position:** Chief Operations Officer, till 22/5/2023.

**Date of Birth:** 1 April 1959

**Appointment date:** 23 May 2021

#### Qualifications:

- Master of Monetary Sciences and Banking (MMB) from the American University of Beirut 1990
- Bachelor of Accounting from the Arab University of Beirut - 1983

#### Professional Certificates:

- Certificate in Governance and its applications.
- GRC certified (Governance, Risk, Compliance and audit) / Canada (ICAEA)

#### Work Experiences:

- Chief Operating Officer- Housing Bank, (23/5/2021-22/5/2023).
- Board Member – Jordan Ahli Bank (4/2015-4/5/2021).
- Chief Support Officer Capital Bank (1/1/2008- 7/12/2010).
- Project Manager - Arab Bank (19/11/2005 - 31/12/2007).
- Head of the Ladies Sector, Arab National Bank/Saudi Arabia (29/6/2002 - 31/8/2005).
- Executive Manager (Operations, Research and Development, Human Resources and Systems....) at several banks/ Arab Bank, Bank of Jordan, Commercial Bank (1983-6/2002).
- Professor of Practicing at Al Hussein Technical University (HTU) (2018-23/5/2021).
- Vast experience in financial and management consultancy, restructuring and systems applications at both public and private in Jordan and other countries (2011-2021).

#### Memberships in HBTF Board Committees:

None.

#### Memberships in other Commissions and Boards:

- Board Member, Specialized Leasing Company.
- Board Member, Jordanian Hashemite Fund for Human Development (JUHOD).
- Board Member, Association of Women in decision-making positions (WOB).

## Riyad Ali Ahmad Taweel

**Position:** Head of Treasury & Investments, till 31/8/2023

**Date of Birth:** 1 September 1971.

**Appointment date:** 22 July 2007.

**Qualifications:** Bachelor of Economics / 1992

**Professional Certificate:** Chartered Financial Analyst (CFA) / 2000.

### Work experiences:

- Head of Treasury & Investments/ Housing Bank for Trade and Finance, 2009-8/2023.
- Manager, International Investment Center/Housing Bank for Trade and Finance 2007-2009.
- Market Risk Management Investment Analyst/ABC Bank (Bahrain), 2006-2007.
- Capital Market Manager/Export and Finance Bank, 2005-2006.
- 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.

## Remunerations Policy

**A- 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.**

**B- 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.
- Following and monitoring the employee's performance to determine their training needs and developing a plan to improve their result.
- Assisting in making the necessary decisions to maximize the benefit of human resources by assigning the right person to the right position.
- Documenting and saving 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 2023

(JDs)

Name	Position	Total Annual salaries	Annual transportation Allowance	Annual Remunerations	Annual Travel Expenses	Total Annual Benefits
Mr. Abdelelah Mohamad Abdel Rahman Alkhatib	Chairman	-	455,250	5,000	1,315	461,565
Mrs. Sheikha Yousuf Abdallah Al Farsi	Board Member	-	155,000	5,000	5,753	165,753
Mr. Fawzi Yousef Abdel Mohsen AlHunaif	Board Member	-	155,000	5,000	2,653	162,653
Mr. Ramzi Tayseer Mohammad Abdel Jaber	Board Member	-	160,500	5,000	830	166,330
Mr. Najji Mohammed Issa Belgasem	Board Member	-	22,000	-	2,768	24,768
<b>Qatar National Bank, represented by:</b>						
Mr. Yousef Mahmoud Hussain Al-Neama	Vice Chairman	-	155,000	5,000	7,090	167,090
Mr. Khalid Majid Mohammed Al-Nuaimi	Board Member	-	155,000	5,000	8,863	168,863
Mr. Ramzi Talat Abdel Jawad Mari	Board Member	-	160,500	5,000	7,090	172,590
Mrs. Maryam Mohammed Ali Al-Kuwari	Board Member	-	160,500	5,000	7,090	172,590
<b>Kuwait Investment Authority, represented by:</b>						
Mrs. Munirah Assad Abdel Aziz AlAjeel	Board Member	-	155,000	5,000	4,199	164,199
<b>Libyan Foreign Bank, represented by:</b>						
Mr. Mohammed Ali Abdullah Addarrat	Board Member	-	153,226	4,192	18,400	175,818
<b>Social Security Corporation / Jordan, represented by:</b>						
Mr. Abdallah Mohammad Murfih Abu Jamous	Board Member	-	42,000	-	955	42,955
Mr. Fadi Abdelwahab Abdelfattah Abughauha	Board Member	-	31,500	-	-	31,500

## In-Kind Benefits received by any Board Member:

None.

## Benefits and Remunerations for resigned Board Members During 2023

(JD)

Name	Position	Total Annual salaries	Annual transportation Allowance	Annual Remunerations	Annual Travel Expenses	Total Annual Benefits
Mr. Fadi Khalid Muflih Al Alawneh	Board Member	-	108,000	5,000	-	113,000
Dr. Hamzeh Ahmad Khalifah Jaradat	Board Member	-	129,000	5,000	830	134,830
Mr. Mukhtar Elhadi Mohammad Eitaweel	Board Member	-	90,705	3,356	3,670	97,731
Mr. Akram Khalifa Grew*	Board Member	-	7,274	808	-	8,082
Mr. Elhadi Emgahid Abultife*	Board Member	-	7,274	808	-	8,082

\* Resigned during 2022 and the amounts outlined in the schedule were disbursed during 2023.

## In-Kind Benefits received by any resigned Board Member:

None.

## Benefits and Remunerations for Senior Executive Management Members during 2023

(JD)

Name	Post	Total annual salaries	Annual transportation Allowance	Annual Remunerations	Annual travel expenses	Total annual benefits
Ammar Bashir Ali Al-Safadi	Chief Executive Officer	561,378	-	550,000	7,750	1,119,128
Vasken Samuel Samuel Ajemian	Chief Business Officer	315,867	2,880	162,728	4,000	485,475
Ahmed Fadil Mohammed Al-Khader	Chief Operations Officer	169,769	2,880	52,250	-	224,899
Nidal Lutfi Abd allatif Ahmad	Chief Financial Officer	235,057	2,880	110,050	1,200	349,187
Amro "Mohammad Walid" Anus Mousa	Head of Credit	151,495	2,880	50,212	800	205,388
Basil Mousa Ahmad Isbahe	Head of Internal Audit- Acting	80,894	1,200	21,750	-	103,844
George Sarkis George Nahhas	Head of Treasury and Investment	80,763	1,200	14,500	-	96,463
Ali Hasan Ali Al-Mimi	Head of Risk Management	152,205	2,880	50,361	1,600	207,046
Wael Ismail Mahmoud Asfour	Legal Counselor	109,919	1,100	37,847	-	148,866
Nayef Hashem Nayef Al-Hussein	Head of Compliance	144,710	1,200	47,926	2,600	196,436

## Benefits in-kind received by any member of senior executive management:

None

## Benefits and Remunerations for Resigned Senior Executives during 2023:

Name	Post	Total annual salaries	Annual transportation Allowance	Annual Remunerations	Annual travel expenses	End of service benefits	Total annual benefits
Ibtissam Mohamed Sobhi EL-Ayoubi	Chief Operations Officer	88,874	960	138,000	-	104,074	331,908
Riyad Ali Ahmad Taweel	Head of Treasury & Investments	122,593	1,920	65,111	1,200	164,697	355,521

## Benefits in-kind for Resigned Senior Executives during 2023:

None

## Shareholders who own %1 or more of the Bank's Capital for the year 2023

Shareholder's 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	58,617,556	18.609%	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%	-	-	-
<b>Total</b>		<b>297,581,853</b>	<b>94.471%</b>	-	-	-	-

- The number of Jordanian shareholders is 2,880, whose equity percentage of the capital constitute 19.008%.
- The number of Arab and foreign shareholders is 443, whose equity percentage of the capital constitute 80.992%.

## 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 2022	Equity to Capital Ratio	Number of shares by the end of 2023	Equity to Capital Ratio
Qatar National Bank	121,499,200	38.571%	121,499,200	38.571%
Kuwait Investment Authority	58,617,556	18.609%	58,617,556	18.609%
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%
<b>Total</b>	<b>283,004,183</b>	<b>89.843%</b>	<b>283,004,183</b>	<b>89.843%</b>

## The Bank's competitive position and market share from the Banking sector in Jordan

Statement	Market share (2023)
Assets	11.9%
Customer deposits	10.8%
Direct Credit Facilities	11.3%

In addition to the main bank's activity in the Hashemite Kingdom of Jordan, the bank carries out activities through its foreign branches in Palestine and Bahrain and its subsidiaries (International Bank for Trade and Finance / Syria, Housing Bank for Trade and Finance / Algeria, Jordan International Bank / London, Specialized Financial Leasing Company / Jordan , International Financial Center Company / Jordan), and it is not possible to determine the competitive position of the bank in these markets.

## Degree of dependence on specific suppliers and/or key customers (domestically and externally)

There are no specific suppliers or customers, local or foreign, whose dealings with the Bank constitute more than 10% of the total purchases and/or sales.

## Description of any government protection or privileges that the bank or any of its products enjoys, and a description of any patents or franchises

- There is no governmental protection or privileges enjoyed by the bank or any of its products under laws, regulations, or others.
- There are no patents or franchise rights obtained by the bank.

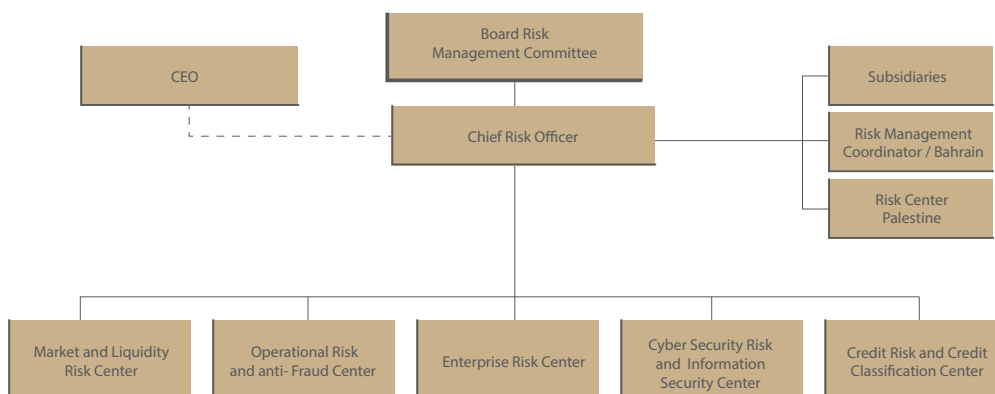
## Description of any government decisions issued by the government, international organizations, or others that have a material impact on the bank’s business, products, or competitiveness

- There are no decisions issued by the government, international organizations, or others that have a material impact on the bank’s work, products, or competitiveness.
- International quality standards do not apply to the bank business, knowing that the bank implements all applicable laws, regulations, instructions, and standards that are related to its business, according to international banking practices and international requirements.

## Bank Risk Management

The bank is exposed to a range of risks, and these risks are reflected in the note number 47 of the 2023 Financial Statement. The Risk Management monitors acceptable risk levels for all risks facing the bank, which have been identified and defined within the enterprise risk profile and ensures that the specified limits are not exceeded for all types of risks, whether these limits are defined by the regulatory authorities or within the Bank’s internal policies and methodologies.

Among the most important enterprise risks which the bank is exposed to include: credit risk, reputational risk, strategic risk, operational and anti-fraud risk, market and liquidity risk, interest rate risk, cyber security & information security risk, business continuity and ESG (Environmental, Social and Governance) risks. These risks are monitored using multiple systems, methodologies and measurement tools that include a mixture of quantitative and qualitative methods in monitoring and measuring risks in a manner consistent with the regulations of the regulatory authorities and adopted bank policies. The Risk Management is linked administratively to the CEO and functionally to the Risk Management Committee emanating from the Board of Directors. The following figure shows the organizational structure of the Risk Management:





## The achievements of the bank are supported by numbers and a description of the bank's milestones during 2023

These are shown in the 2023 performance analysis.

## The financial impact of operations of a non-recurring nature occurred during 2023 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 2023 performance analysis.

## Analysis of the bank's financial position and business results during 2023

These are shown in the 2023 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 2023

(JD)

Statement	Audit fees (after tax)	Consultations and other fees (after tax)	Total
Jordan Branches	299,930	11,600	311,530
Palestine Branches	44,486	7,714	52,200
Bahrain Branch	33,715	21,725	55,440
International Bank for Trade and Finance / Syria	15,300	-	15,300
Housing Bank for Trade and Finance / Algeria	54,632	-	54,632
Jordan International Bank / London	187,866	9,060	196,926
Specialized Leasing Company	8,120	3,480	11,600
International Financial Center Company	6,960	-	6,960
Jordan Real Estate Investments and Commercial Services Company (The company has been permanently liquidated on 2/11/2023)	-	-	-
<b>Total</b>	<b>651,009</b>	<b>53,579</b>	<b>704,588</b>

## Donations and Grants for 2023

### Monetary Donations

The bank's monetary donations in 2023 amounted to JD 2,599,149; the following table shows beneficiaries with the amount donated:

Beneficiary	Donation Amount (JD)
King Hussein Cancer Foundation	170,000
Ministry of Social Development	160,000
Jordan River Foundation	150,000
Housing Bank Abdoun Park	120,000
Himmatna Association	100,000
Tkiyet Um Ali	50,000
Jordan Hashemite Fund for Human Development	50,000
Princess Taghrid Institute	50,000
Middle East University	35,000
Al-Aman Fund for the Future of Orphans	30,000
Waqf Thareed	25,000
Health Care Accrediation Council	25,000
Princess Alia Foundation	20,575
Al-Awn Humanitarian Club	20,000
Ministry of Culture/ Jerash Festival	20,000
Young Muslim Women's Association/ Bunayat Centre for Special Education	16,500
Jordan Media Institute	15,000
Income and Sales Tax Department/ E-Invoicing System	15,000
Public Security Directorate	15,000
Jordanian Children's Villages Association – SOS	15,000
Dar Abu Abdullah Association for Philanthropy and Development	14,400
Promise Welfare Society	10,025
Mutah University	10,000
Jordan Basketball Federation	10,000
Arab Group for the Protection of Nature Society	10,000
Jordan Association for Medical Insurance	10,000
Al-Faisaly Sports Club	15,000
Jordan Chamber of Commerce	10,000
Al Hussein Technical University	9,399
Jordan Taekwondo Federation	8,500
Royal Marine Conservation Society	6,000
Jordan Press Association	6,000
Jordan Hashemite Charity Organization	5,250

Beneficiary	Donation Amount (JD)
The Royal Institute for Inter-Faith Studies	5,000
Diwan Alkarak	5,000
Sana for special individual	5,000
El-Hassan Youth Award	5,000
Alshabab Sport Club – Homenetmen	5,000
Elia Nuqul Foundation	3,700
Jordan Forum for Business and Professional Women	3,000
Mabarrat Um Al-Hussein	3,000
Jazeera Sport Club	3,000
Social Security Corporation	3,000
Salt Municipality	4,500
Darat Samir Shamma for Eldery	2,500
Association of Retired Servicemen and Veterans	2,500
Jubilee School	2,300
Princess Sumaya University for Technology	2,000
Royal Higher Committee for the Development of Salt Secondary School for Boys	2,000
Jordanian Iraqi Amity Assembly	2,000
Hashemite Committee for Disabled Soldiers	2,000
Al-Amal Society	2,000
General Federation of Jordanian Women	2,000
White Beds Society	1,500
Labayk ya watan Society	1,500
National Orthodox School Society	1,500
Al-Salt Charity Society	1,000
National Association for People with Special Needs	1,000
Al-Salt Municipality Friends Cultural Association	1,000
Ahl Alazm Blind Society	500
<b>Total</b>	<b>1,299,149 JD</b>

The bank also provided 1.3 million JDs in support of donation campaigns organized by a number of the bank's strategic partners—namely King Hussein Cancer Foundation, Tkiyet Um Ali, and Jordan Hashemite Charity Organization—in support of the people of Gaza, in line with the current circumstances.

## In-Kind Donations

The book value of the in-kind materials donated during 2023 was about JD 886.966, with a nominal value of about JD 156,283.274, and the donated non-monetary materials are computers, furniture, and machines.

The number of materials donated to the Princess Alia Initiative (8026) reams of A4 photocopy paper in 2023.

The following table shows the most important beneficiaries in Jordan:

Beneficiaries
Jordan Writer Association
Equality Association for Persons with Disabilities
Nusseibeh Bint Kaab Al Ansariya Elementary Mixed School / Al Muwaqqar
Al Murjan Charity Society
Jericho Palm City Charity Association
Village Residents Charity Association
Beit Dajan Charitable Society
Bir Ma'in Charitable Association
Khairat Allah Charitable Association
Zahr Al-Basateen Charitable Association
Sal Association for Culture and Arts
Bushra Ladies Charity Association
HRH Prince Ali Bin Al Hussein Club for the Deaf
Al Karima Youth Club
Khouribat El Souk Second Basic School for Girls
Department of Land and Survey Employees Club

## 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.

- As indicated in Clarification No. 43 of the 2023 Financial Statements, the bank has entered into transactions with senior shareholders and members of the Board of Directors and Senior Management within the Bank's normal activities, using interest rates and commercial commissions. All related-party credit facilities are considered operational, and no allowances have been made for them.
- During 2023, 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.

## The bank's contribution to protecting the environment

During the year 2023, 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 the Shmeisani district and the bank branches across Jordan.

## The bank's contribution to serving the local community

these are shown in the Bank's Activities

## 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://hbtf.com/uploads/202402//corporate-governance-guide.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://hbtf.com/uploads/202405--2403/03/it-governance-guide-v4-en.pdf>

## Handling customer complaints

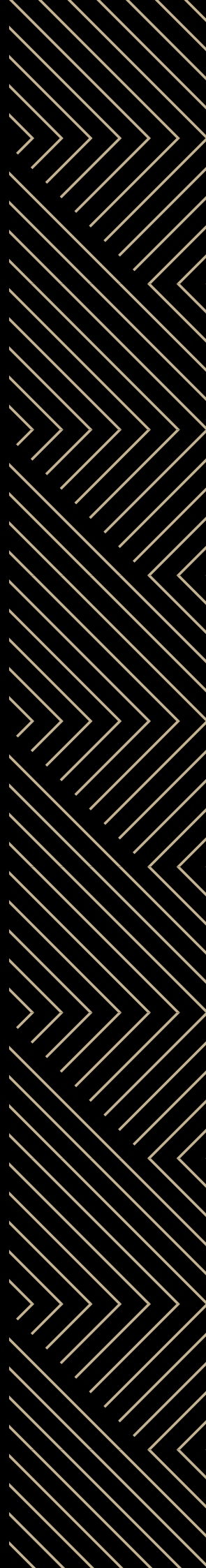
During the year 2022, the Customer Complaints Unit received (2,913) different types of customers complaints, such as: contracts and terms, work environment, interest rates, commissions and fees, code of conduct, electronic services, payment cards, remittances, marketing of products and services, collaterals and guarantors, and credit inquiry. The unit has studied and analyzed all these complaints, and informed the customers of the study results and the actions that have been taken as a result of these complaints. It classified these complaints per the bank's policies, where only 488 complaints were classified as actual complaints.

The Customer Complaints Unit submits a quarterly statistical report to the Board Compliance Committee, which includes all the complaints, actions that have been taken, and recommendations to improve the procedures of handling complaints in order to reduce their overall number. Accordingly, the compliance committee discusses these reports, evaluates the complaints and their causes, and their effect on the bank's reputation. It also evaluates the effectiveness of the corrective actions that have been taken to handle repetitive complaints, in order to prevent repeating them in the future.

**50 years**  
together, your bank forever

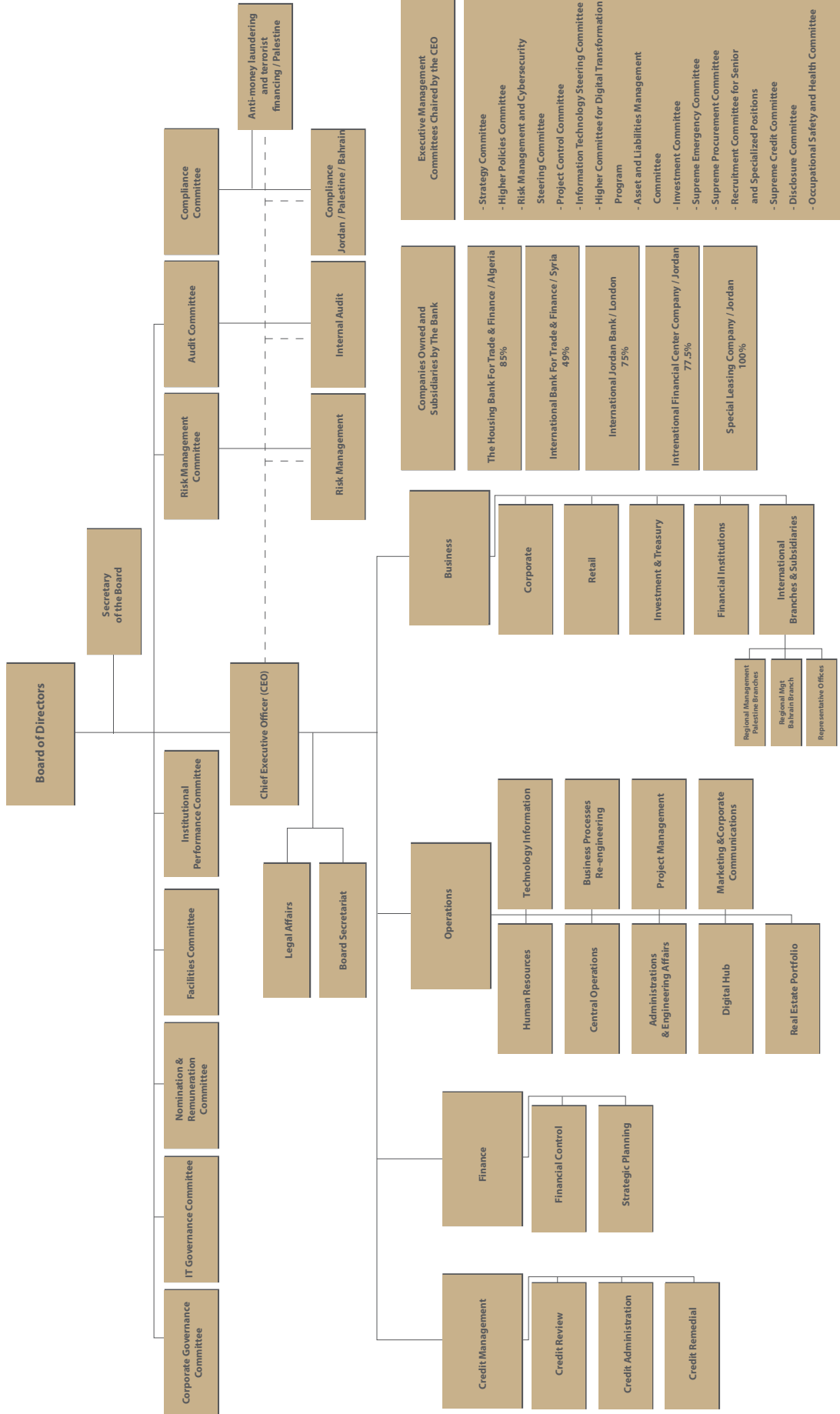
# 07

**Organizational  
Structures**

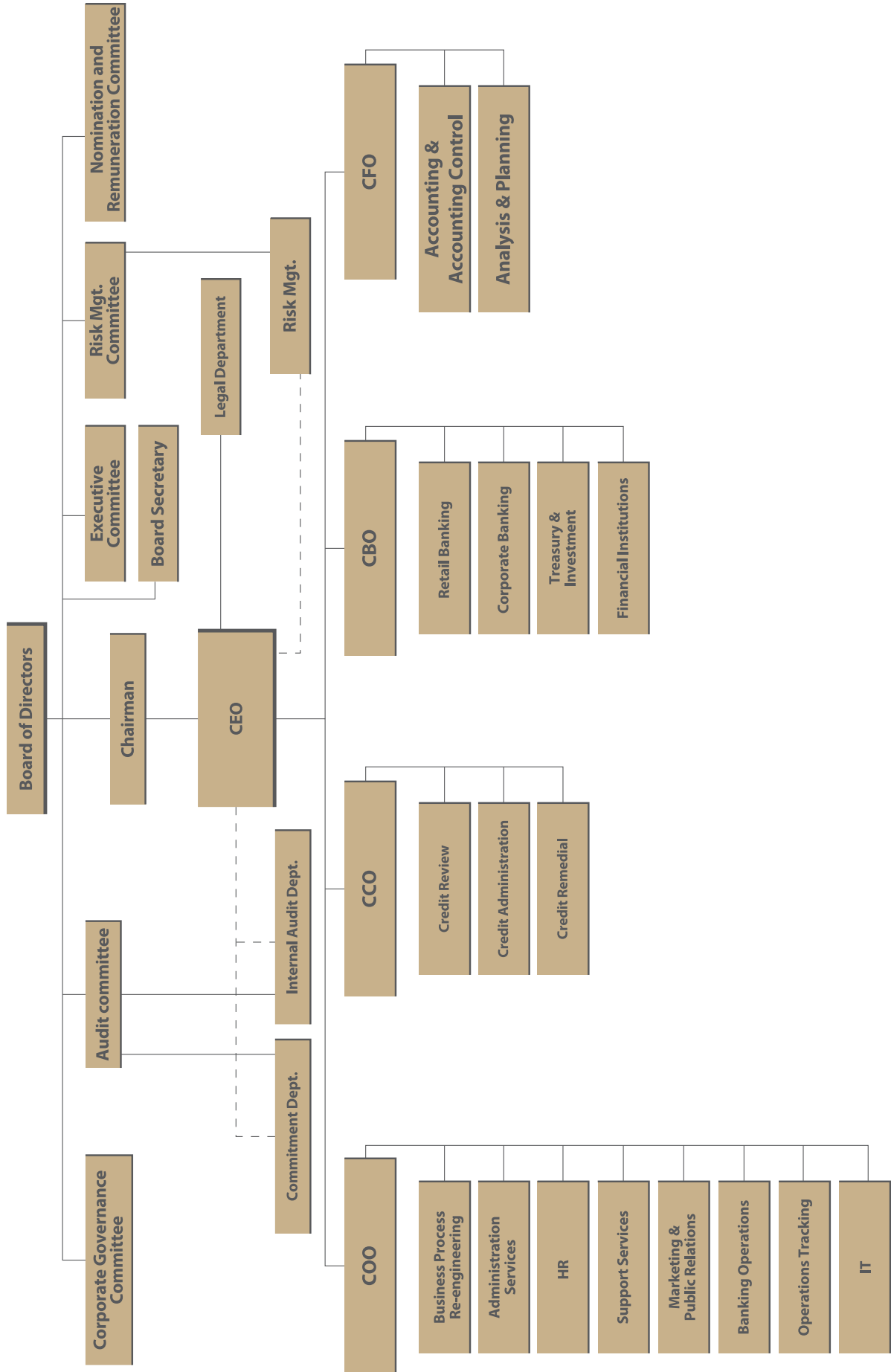




# Housing Bank for Trade & Finance Group

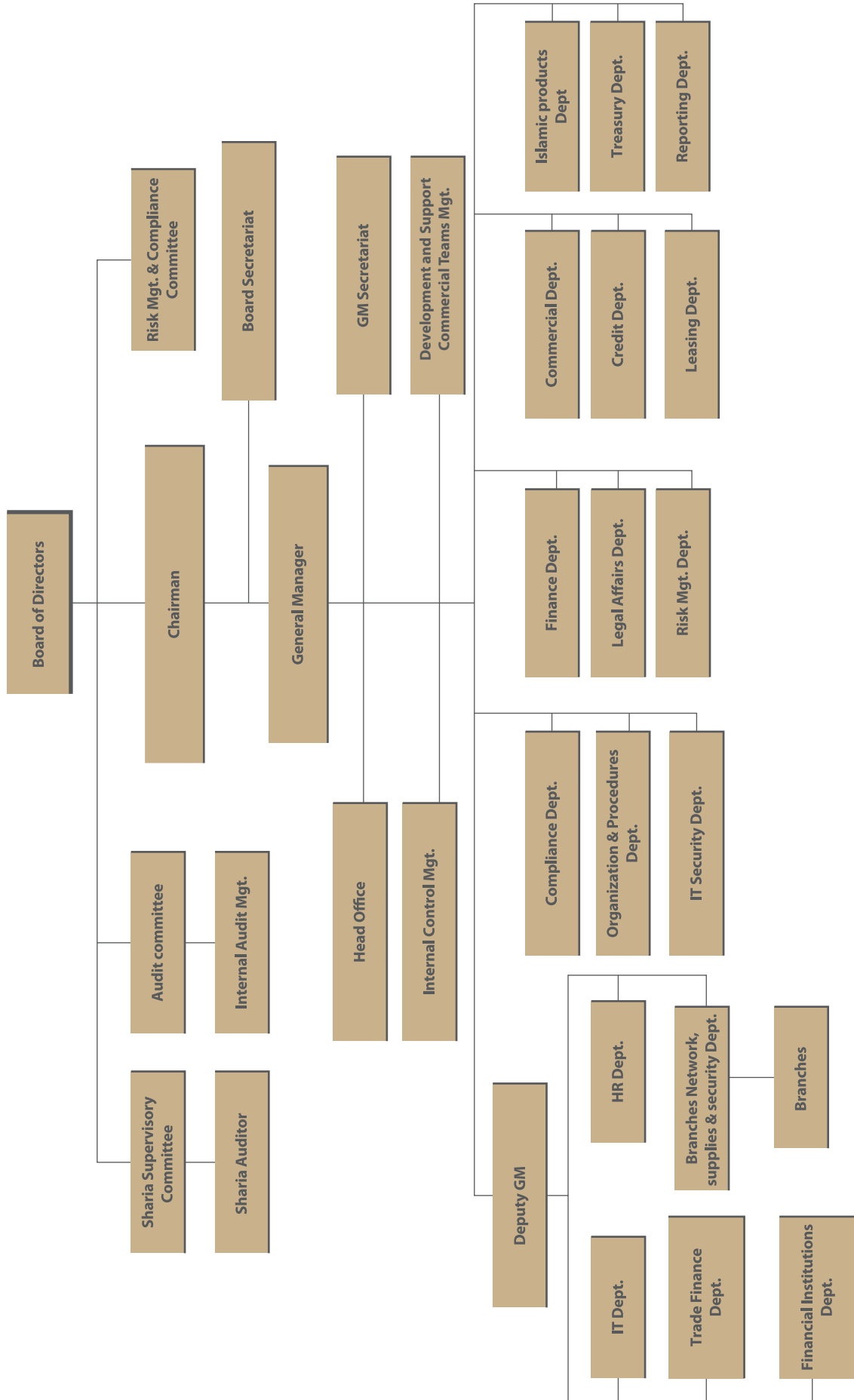


## International Bank for Trade & Finance - Syria

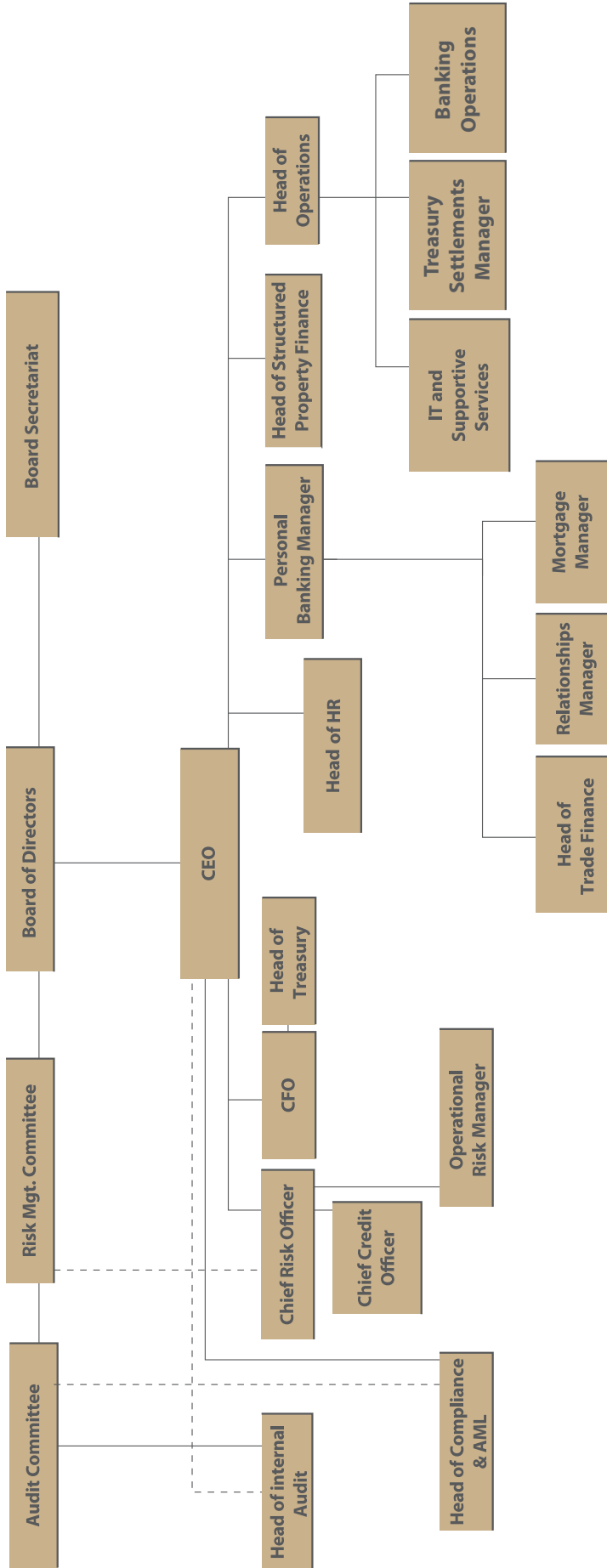




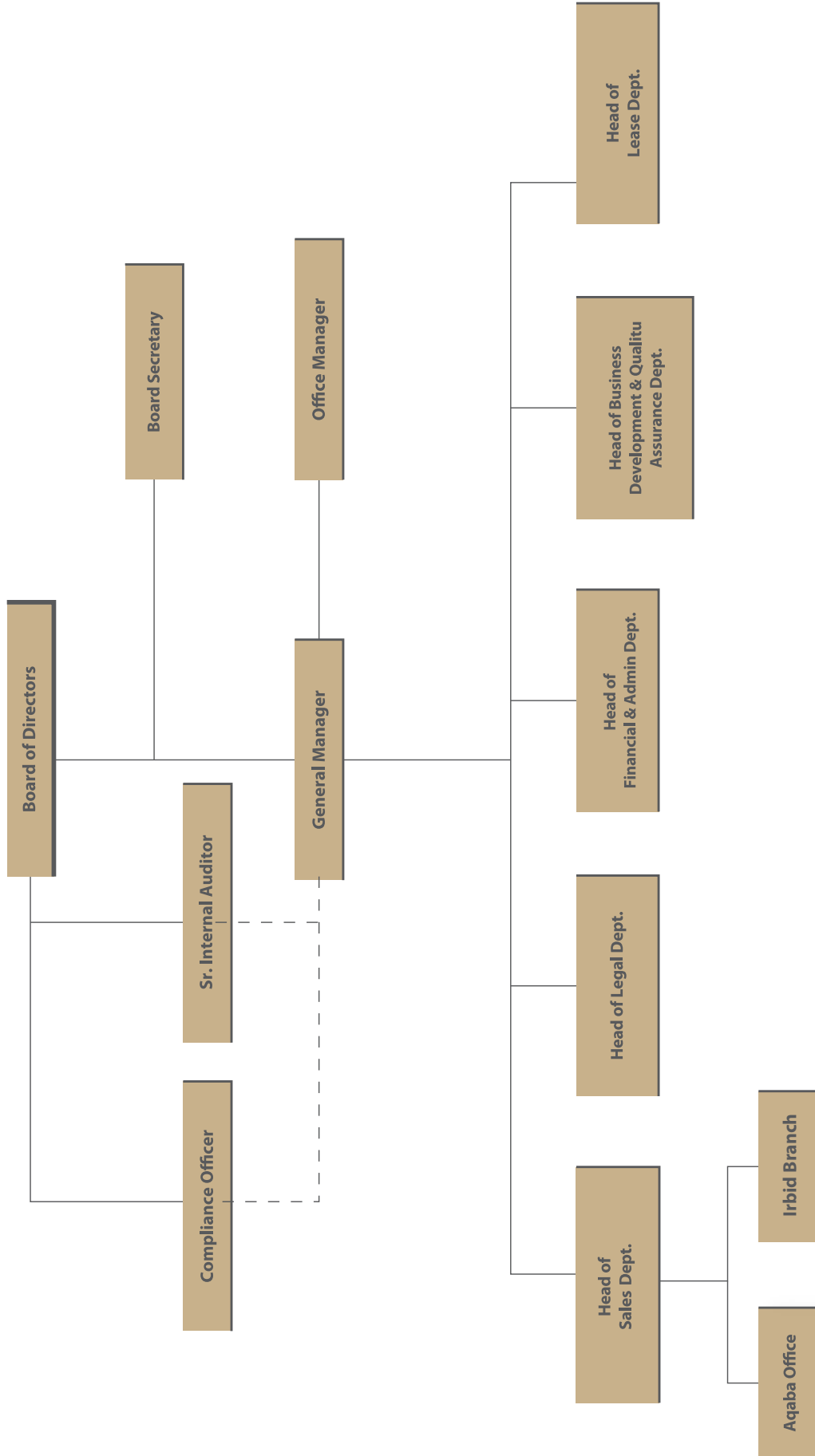
# The Housing Bank for Trade & Finance – Algeria



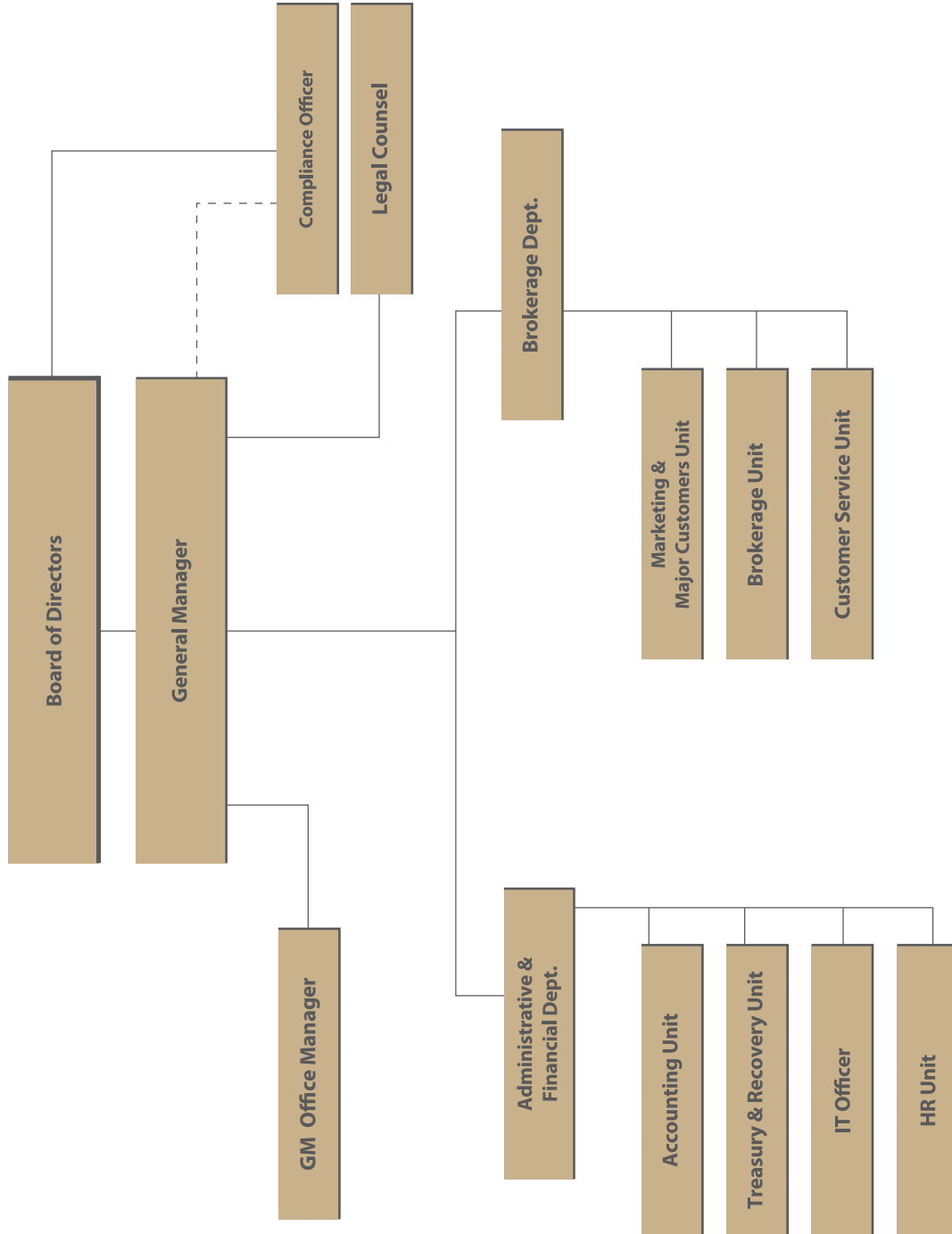
### Jordan International Bank - London



# Specialized Leasing Company



## International Financial Center 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		Email
			Latitude	Longitude	
<b>Amman Governorate</b>					
Main Branch	2423	Amman - Al-Shamisani - Prince Shakir Bin Zeid Street Building No. "37"	31.966012	35.876519	br028@hbtbf.com.jo
Abdali Mall	3490	Amman - Abdali - Abdali Mall	31.9632370	35.9081130	br001@hbtbf.com.jo
Abdali	5138	Amman - Abdali - Parliament St.	31.9610301	35.9116501	br001@hbtbf.com.jo
Al Madina	4060	Amman - King Hussein Street - Building No. 33	31.9540050	35.9317180	br003@hbtbf.com.jo
Jabal Amman	4070	Amman - Jabal Amman - Prince Mohamed Street-Building No. 252	31.9547666	35.9149128	br004@hbtbf.com.jo
Jabal Al Hussein	4075	Amman - Jabal Al-Hussein - Khaled Bin Al-Walid Street - Building No. 121	31.9646200	35.9216300	br005@hbtbf.com.jo
Al Wahdat	4088	Amman - Al-Wahdat - Prince Al Hasan Street - Building No. 263	31.9259200	35.9381300	br006@hbtbf.com.jo
Marka	4097	Amman - Marka - King Abdulla Street - Building No. 423	31.9796500	35.9842700	br007@hbtbf.com.jo
Prince Hassan District	4122	Amman - South Marka - Al-Rabwa Neighborhood - Salah Al-Hamlan Street - Al-Khasib Complex	31.9569336	35.9775482	br010@hbtbf.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@hbtbf.com.jo
Ras Al Ain	4136	Amman - Ras Al-Ain - Jerusalem Street - Building No. 10	31.944760	35.922693	br012@hbtbf.com.jo
Ashrafia	4145	Amman - Ashrafieh - Al-Imam Al-Shafa'i Street - Building No. 52	31.9372130	35.9333060	br013@hbtbf.com.jo
Al Nuzha	4146	Amman - Alnuzha - Saeed Bin Al-Musayib Street - Building 28	31.9741900	35.9262400	br015@hbtbf.com.jo
Al Madineh Al Rayadieh	4167	Amman - Al-Madina Al-Rayadieh Area - Martyr Street - Building 35	31.9874900	35.9021700	br016@hbtbf.com.jo
Al Tijiari Complex	2330	Amman - Al-Shamisani - Queen Noor Street - Bank Elisikan Complex - Building No. 91	31.9713580	35.9075820	br018@hbtbf.com.jo
Tarek	4186	Amman - Tariq Area - Tariq Street - Opp. Al-Nejma Halloyat	32.0027010	35.9400830	br020@hbtbf.com.jo
Abu Nussair	4193	Amman - Abu Nasair - Ibn Hedda Street - Al-Basala Neighborhood	32.0524680	35.8792900	br023@hbtbf.com.jo
Hay Nazzal	4200	Amman - Nazzal District - Bani Tazif Street - Building 6	31.9361400	35.9156900	br024@hbtbf.com.jo
Abdoun	4208	Amman - Abdoun - Cairo Street - Building 94	31.9535600	35.8793700	br025@hbtbf.com.jo
Park Plaza	2881	Amman - Sweifa - Salah Suhaimat Street - Park Plaza Complex	31.9585398	35.8689198	br026@hbtbf.com.jo
Gardens	4224	Amman - Talaa Al Ali - Wasfi Hill Street - Building No.27	31.970456	35.8898240	br027@hbtbf.com.jo
Um Uthaina	4270	Amman - Um Uthaina- Mecca Street - Al-Thawabet complex - Building No. 59	31.970456	35.876519	br030@hbtbf.com.jo

Branch Name	Telephone Number 06-5005555 EXT.	Address	Branch Location Coordinates		Email
			Latitude	Longitude	
Al Jubaiha	4281	Amman - Al Jubaiha - Abdulla Ali Al-Lozi Street – Building No. 31	32.0220890	35.8659870	br031@hbtf.com.jo
Sweileh	4306	Amman - Sweileh – Prince Raya Bint Al-Husseini street - Building No.26	32.0233600	35.8415600	br034@hbtf.com.jo
Sahab	4315	Amman - Sahab - Prince Hassan Street – Building No. 24	31.8715500	36.0045300	br035@hbtf.com.jo
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
Al Jouaida	4025	Amman - Jouida - 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 - Triangle of the Martyr's Neighborhood - bus Parking Vaults	31.8697100	35.8213750	br042@hbtf.com.jo
Al-Mwagar	4033	Amman - Al-Mwagar - Near the Circle of Martyr Sayel Al-Kharisha	31.8117670	36.1062470	br043@hbtf.com.jo
Tlaa Al Ali	4358	Amman - Talaa Al Ali - Wasfi Altal Street - Building No. 193	31.9930300	35.8626900	br044@hbtf.com.jo
King Abdallah II Industrial City	4365	Amman - Sahab - King Abdallah II Industrial City	31.8525880	36.0075810	br045@hbtf.com.jo
Al Horriya Street	4893	Amman - Al-Maqbalin - Al-Hariya Street - Building 140	31.8953718	35.9165294	br047@hbtf.com.jo
Al Bayader	4396	Amman - Bayadr 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 hall	31.7217170	35.9856760	br097@hbtf.com.jo
Al Ithaa	4700	Amman - Prince Al-Hasan District - Alsakhra Almosharfa st., building no. 5	31.9083080	35.9384010	br102@hbtf.com.jo
Urn Al Summaq	4720	Amman - Um Al-Summaq - Ousara Street - Building No. 17	31.983806	35.847518	br106@hbtf.com.jo
Al Aftal	3774	Housing Bank Park- Abdoun - Sa'ed Abdo Shamout St	31.9410400	35.8841000	br109@hbtf.com.jo
Al Rabia	4772	Amman - Dahiat Al-Rabia - AbdulRahman Abu Hasan Street - Samer Barham complex	31.9754450	35.8838660	br115@hbtf.com.jo
Abdallah Ghosha	4888	Amman - Abdulla Ghosha Street - Al-Husaini Complex - Building No. 55	31.9672240	35.8550510	br117@hbtf.com.jo
Al Rawabi District	3485	Amman - Al Bayader - Queen Zain Al-Sharaf Street - Petroleum Products Marketing Company - Building No. 316	31.9583210	35.8516780	br117@hbtf.com.jo
Zahrn	4840	Amman - Ibn Khaldun Street (Al-Khaddi Hospital) - Building No. 58	31.952042	35.9015100	br121@hbtf.com.jo
Madina munawarah	4905	Amman - Talaa Al Ali - Medina Munawarah Street - Building No. 194	31.9874500	35.8669300	br122@hbtf.com.jo
City Mall	4040	Amman - City Mall - Bank Banks	31.9801040	35.8369950	br123@hbtf.com.jo
Al Medina Al Tibiyah Street	4848	Amman - King Abdallah II Street - Near Khalda Circle - Building No. 185	31.9971600	35.8309300	br124@hbtf.com.jo
Dahiat Al Yasmeen	4949	Yasmeen District - Jabal Arafat Street - Building No. 13	31.9193700	35.8941000	br131@hbtf.com.jo
Makkah Street	4959	Amman - Mecca Street - Al-Husseini Complex - Building No. 141	31.9753292	35.8608609	br132@hbtf.com.jo

Branch Name	Telephone Number 06-5005555 EXT.	Address	Branch Location Coordinates		Email
			Latitude	Longitude	
Taj Mall	3800	Amman - Taj Mall - Saad Abdo Shamout Street	31.9408500	35.8878800	br134@hbtf.com.jo
Private Banking Services	5188	Amman – 5th Circle - Ryyed Al-Mufleh Street – Building No.7	31.9586710	35.8888780	br145@hbtf.com.jo
Airport Road	3470	Amman - Airport Road - Service Street - After Universal Schools by1.7-km	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
Dahiyat Al Amir Rashid	3838	Amman - Dahiyat Al-Amir Rashid - Al-Amira Thrawat Street – Next to Building 85 External Clinics for the Medical City Circle	31.9679310	35.8441910	br160@hbtf.com.jo
Al Sweifiya	4222	Amman - Sweifiya - Commercial Market - Mahmoud Obeidat Street	31.956035	35.881561	br161@hbtf.com.jo
Dabouq	3799	Amman - Sweileh - Dabouq Neighborhood – Tayama Complex - Building No. 29 on the Cut-off of Al-Bayt street with Al-Rakhaa Street	31.9921023	35.8140339	br162@hbtf.com.jo
Shafa Badran	4666	Shafa Badran - Arab Street - Near traffic light Shafa Badran	32.041170	35.907648	br165@hbtf.com.jo
<b>Irbid Governorate</b>					
Irbid	4927	Irbid - Al-Hashmi Street - Near Al-Hashmi Mosque	32.5570904	35.8556376	br052@hbtf.com.jo
Ramtha	4486	Ramtha - Downtown - Naser Al-Talaq Street	32.5616000	36.0113300	br060@hbtf.com.jo
Martyr's Street Wasfi Al-Tal/Ramtha	3840	Ramtha - Martyr Street Wasafi Al-Tal - Mojeea Fawaz Fawaz Al-Zoubi Complex	32.5664700	36.0154400	br060@hbtf.com.jo
Shona Al Shamaliya	4495	Shona Al-Shamaliya - King Faisal Street	32.6100700	35.6097300	br061@hbtf.com.jo
Deir Abi Said	4507	Deir Abi Saeed - King Hussein Street	32.5041140	35.6845380	br063@hbtf.com.jo
Al Hosn	4523	Irbid - Al-Hosn – Irbid Amman Street	32.4877400	35.8838700	br065@hbtf.com.jo
Aydoun	4539	Irbid - Aydoun - Main Street	32.5083375	35.8562031	br067@hbtf.com.jo
Palestine Street	4566	Irbid - Palestine Street - Al-Shaheed Circle Wasfi Al-Tal	32.5546100	35.8479100	br073@hbtf.com.jo
Al Kareema	4535	Irbid - Kareema - Main Street	32.2753600	35.5984700	br079@hbtf.com.jo
Yarmouk	4600	Irbid - Shafiq Arshidat Street	32.5422950	35.8506360	br080@hbtf.com.jo
Al Hassan Industrial City	4774	Irbid - Al-Hasan Industrial City	32.4996630	36.0209640	br114@hbtf.com.jo
Al Qubba Circle	4820	Irbid - King Abdulla Al-Thani Street – Al Qubba Circle	32.5462760	35.8576700	br120@hbtf.com.jo
30 <sup>th</sup> Street/ Irbid	3815	Irbid - Eastern Province - Al-Andalus Neighbourhood - Rusan Commercial Complex	32.5545500	35.8630900	br136@hbtf.com.jo
Bani Kanana	3434	Irbid - Sama Al-Rusan Triangle - Um Qais Street – opposite Al Saro Municipality	32.6387640	35.8359890	br155@hbtf.com.jo

Branch Name	Telephone Number 06-5005555 EXT.	Address	Branch Location Coordinates		Email
			Latitude	Longitude	
<b>Zarqa Province</b>					
Shabib Palace	4248	Zarqa - King Hussein Street – Housing Bank Complex Building No. 96	32. 0636600	36. 0843900	br029@hbtf.com.jo
Al Zarqaa	4407	Zarqa – Commercial Central - Sultan Abdul Hameed Street	32. 0619400	36. 0919600	br051@hbtf.com.jo
Al Rosaifa	4477	Zarqa - Al-Rosaifa - King Hussein Street - Building No. 184	32. 017946	36. 041623	br059@hbtf.com.jo
Hiteen	4536	Zarqa - Hiteen Camp - King Hussein Street - Building No. 452	32. 0071500	36. 0072300	br066@hbtf.com.jo
Al Jabal Al Shamali	4680	Al-Rosaifa - Al-Jabal Al-Shamali - King Abdullah II Street - Building No. 218	32. 0280720	36. 0361730	br093@hbtf.com.jo
Al Dleil	4693	Zarqa - Al-Dleil - Main Street – opposite Al-Naser Gas station	32. 1320100	36. 2726700	br101@hbtf.com.jo
Al Azraq Al Shamali	4729	Al Azraq al Shamali - Baghdad Main Street	31. 8829200	36. 8327800	br107@hbtf.com.jo
Hay Masoum	4736	Zarqa – Hay Masoum - Abdul Hamid Sharaf Street – King Abdulla II Circle	32. 0779470	36. 0746310	br108@hbtf.com.jo
Al-Hura area/Zarqa	3888	Zarqa – Banks Field- Duty Free Area	32. 0901310	36. 2146440	br127@hbtf.com.jo
Al Zarqa Al Jadeeda	4920	Zarqa - New Zarqa - Mecca Street- Al-Kurdi Plaza Complex	32. 0857580	36. 0867180	br129@hbtf.com.jo
Utostrad Al Zarqa	3866	Zarqa - Wadi Al-Wager - Highway Street Governmental Circle District	32. 044941	36. 093683	br140@hbtf.com.jo
<b>Al Balqa Governorate</b>					
Al Fhais	4291	Al-Fhais - Al-Alali – King Abdulla II street	32. 0018230	35. 7773680	br032@hbtf.com.jo
Salt	4293	Salt - Prince Hamza Bin Al-Hussin Street Building No. 139	32. 0427646	35. 7270630	br033@hbtf.com.jo
Al Baqaa	4372	Al-Baqaa Camp - opposite the Saleh 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
Al Shona al Janobieh	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 al Salt	4983	Salt - The Entrance of the Salt - the Dabbaneh Signal – opposite the Salt Legal Court	32. 056979	35. 7471000	br133@hbtf.com.jo
<b>Karak Governorate</b>					
Al Karak	4636	Karak - City Hall - Al-Nuzha Street	31. 1851800	35. 7035740	br084@hbtf.com.jo
Al Potas	4645	Karak – Al Ghore Farm- Residential City	31. 2448670	35. 5290940	br085@hbtf.com.jo
Mutah	4665	Mutah - 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 the Karak Agriculture Directorate	31. 1724600	35. 7360020	br162@hbtf.com.jo
<b>Maan Governorate</b>					
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



Branch Name	Telephone Number 06-5005555 EXT.	Address	Branch Location Coordinates		Email
			Latitude	Longitude	
Al Shobak	4659	Shobak - Najil - Main Street	30. 5191800	35. 5417700	br087@hbtf.com.jo
Al Hessiniya	3850	Ma'an - Al-Hessiniya Municipality - Al-Hessiniya Municipal Building	30. 5948240	35. 7982920	br137@hbtf.com.jo
<b>Madaba Governorate</b>					
Madaba	4971	Madaba - Madaba Education Directorate Street - near the Evangelical Church	31. 719388	35. 791768	br056@hbtf.com.jo
<b>Mafrqa Governorate</b>					
Mafrqa	4444	Al-Mafrqa - King Talal Street	32. 3430160	36. 2087720	br054@hbtf.com.jo
<b>Ajloun Governorate</b>					
Ajloun	4433	Ajloun - Castle Street - Opposite City Hall	32. 332982	35. 751298	br053@hbtf.com.jo
Kufranjah	3930	Ajloun - Kufranjah - Main Street	32. 2981500	35. 7042490	br072@hbtf.com.jo
<b>Al, Tafila Governorate</b>					
Al Tafila	4618	Tafila - Main Street	30. 8369100	35. 6057000	br082@hbtf.com.jo
AL Hasa	4672	Al Hasa - Residential City - New Commercial Market	30. 8555400	35. 9728800	br089@hbtf.com.jo
<b>Aqaba Governorate</b>					
Aqaba	4605	Aqaba - Corniche Street	29. 5260041	35. 0019094	br081@hbtf.com.jo
Showeikh Mall	4991	Aqaba - Showeikh Mall	29. 5438900	35. 0156300	br081@hbtf.com.jo
<b>Jerash Governorate</b>					
Jarash	4448	Jerash - Kairouan Circle - Wasfi Al Tal Street - Next to Ya Hala Restaurants and seating areas	32. 2821420	35. 8949380	br055@hbtf.com.jo
<b>Mobile Branches</b>					
Mobile Bus branch 2	5541	This Branch roam all the regions of the Kingdom			br158@hbtf.com.jo

## Foreign Branches

Branch Name	Phone	Address	Email
<b>Palestine</b>			
<b>Regional Management</b>	<b>+970 2 2945500</b>	<b>Jerusalem Street - Padico House Building - P.O. Box 1473</b>	<b>info.pal@hbtf.com.jo</b>
Ramallah	+970 2 2945500	Postal Street - Rukab Building / P.O. Box 1473	br401@hbtf.com.jo
Gaza	+970 8 2826322	Martyrs Street - Tower of Palestine / P.O. Box 5010	br402@hbtf.com.jo
Nablus	+970 9 2386060	Al Hussein circle - Al-Hawari Building / P.O.Box 1660	br403@hbtf.com.jo
Hebron	+970 2 2250055	Wadi Al-Tuffah Street - Almanara Circle / P.O. Box 285	br404@hbtf.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@hbtf.com.jo
Bir Zeit	+970 2 2945500	Ramallah - Public Street - Next to the main roundabout / P.O. Box 40	br406@hbtf.com.jo
Khan Younis	+970 8 2079401	Gaza - Abu Hamid Roundabout - Jalal Street / P.O. Box 7073	br407@hbtf.com.jo
Jenin	+970 4 2505223	Abu Bakr Street / P.O. Box 50	br408@hbtf.com.jo
Bethlehem	+970 2 2740375	Al Mahd Street - City Centre / P.O. Box 30	br409@hbtf.com.jo
Yatta	+970 2 2273301	Hebron - Yatta - Roqaa Street - next to the police station	br410@hbtf.com.jo
Termsaya	+970 2 2805263	Ramallah - Termsaya - Abu Raslan Commercial Complex / P.O. Box 4	br411@hbtf.com.jo
Al Dhahiriya	+970 2 2266779	Hebron - Al-Dhahiriya - Near Al-Dhahiriya Police Station	br412@hbtf.com.jo
Almasyouns	+970 2 2945500	Jerusalem Street - Padico House Building - P.O. Box 1473	br413@hbtf.com.jo
Tulkarem	+970 9 2696662	Jerusalem University Open Street next to KFC	br414@hbtf.com.jo
Rafidia	+970 9 2353612	Martyr Yasser Arafat Street next to Al Bashara Church	br415@hbtf.com.jo
<b>Bahrain</b>			
<b>Bahrain Branch</b>	<b>+973 17 225227</b>	<b>Bahrain - Manama Center - Government Street / P.O. Box 5929</b>	<b>bahrain@hbtf.com.jo</b>

## Addresses of Subsidiary Banks and Companies International Bank for Trade and Finance / Syria

Bank Name	Phone	Address
<b>General Management</b>	<b>+963 11 23880000</b>	<b>Damascus - Al-Saba Bahrat - Pakistan Street / P.O. Box 10502</b> <b>Website: www.ibtf-sy.com Email: info@ibtf.com.sy</b>
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-Reeja Square / Closed
Hosh Plas - Town Center	+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 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
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 Jumailya	+963 21 2231945	Aleppo - Al-Jumailya
Sheikh Najjar	+963 21 4712860	Aleppo - Industrial City - Sheikh Najjar / Closed
Shahba Mall	+963 21 2520092	Aleppo - Shahba Mall / Closed
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
Dar Albida Branch	+213 (0) 23 61 45 44	Algeria - 59 Mohamed Khamisti Street - Dar Albida	Agence-105@housingbankdz.com
Bejaia Branch	+213 (0) 34 11 33 51	Algeria - Fragmentation Karim Belkassem 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
Rouiba	+ 213 (0) 23 85 57 01	Algeria- alaqar complex 206 division 10 Rouiba municipality	Agence-108@housingbankdz.com
Batna	+ 213 (0) 33 81 54 52	Algeria - Al-Manshar Industrial Zone Project 648/484 Promotional Housing Group No. 278 Block 273 Building - Batna	Agence-109@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	Email
International Financial Center	+962 6 5696724	Shmeisani - 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	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.sljco.com
	Irbid Branch	Irbid - King Abdullah II Street - Dome Roundabout - Housing Bank Building	slc@hbtf.com.jo
	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	hbtfLibya@hbtf.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	hbtfAbudhabi@hbtf.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@hbtf.com.jo





**Head Office**

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P. O. Box 7693, Amman 11118, Jordan



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Facsimile: 00962 (5690207)  
Toll-Free: 080022111  
Swift: HBHOJOAXXXX



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