



IIRA reaffirms Shari'a Quality Rating of Jordan Islamic Bank (JIB)

Manama, May 12, 2026– Islamic International Rating Agency (“IIRA”) has reaffirmed the Shari’a Quality Ratings of Jordan Islamic Bank (“JIB”) at AA+ (SQ). JIB is a leading Islamic bank in the region and offers Shari’a compliant products and services catering to a range of customers’ banking needs.

The Bank’s product suite has continually evolved to introduce new functionalities for its customers both on the asset and liability side. While the asset-side product suite is pre-dominantly constituted of deferred sale-based structures, followed by Ijarah, the bank has innovated through service ijarah based structures as well. A recently introduced product is “Split Card” based on Murabaha and Ijarah services and Qard Hasan Contracts, whereby balance is to be settled every month and customers may opt for repayments that can be made on an instalment basis. On the liability side, both Mudarabah and Wakala based structures are used. Non-compliant income remains limited.

An updated and inclusive regulatory framework that provides guidance for governance principles to be instituted by banks reflecting each institution’s commitment to Shari’a compliant banking, ESG standards, and general banking operations, has supported the governance environment in Jordanian banks. For Shari’a compliant banks like JIB, the access and authority vested in the Shari’a Supervisory Board, and the system of checks and balances, with reporting to the Board of Directors through its committees, strengthens the governance infrastructure. Senior management, inclusive of key staff specialized in Shari’a, have remained stable. The Shari’a Supervisory Board remains active, convening frequently and exercises independence through transparent remuneration systems and direct access to relevant staff. An annual report by the Shari’a Supervisory Board declares the adequacy of sample checks and provides assurance to stakeholders, regarding the bank’s compliance with Shari’a principles.

The Bank has dispensed its fiduciary responsibility effectively, innovating in products to meet the needs of the investors and customers, maintaining sound asset quality, and a conservative risk profile. Returns to stakeholders are stable and competitive, reflecting sound business practices. Adequate dispensation of fiduciary responsibility is also evident from sustained market presence and a wide retail customer base. The bank has further distinguished itself as a forerunner in managing its carbon footprint and providing environment focused financing, in addition to giving back to the society through events, contributions and social financing.

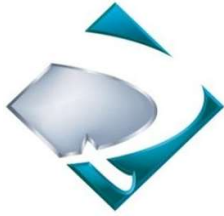
For further information on this rating announcement, please contact IIRA at iira@iirating.com.

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Shari'a Quality Rating Report
Jordan Islamic Bank
May 2026



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SHARI'A QUALITY RATING REPORT

Jordan Islamic Bank

Report Date:

May 12, 2026

Latest Rating (May 12,2026)	Latest Rating (May 04,2025)
Shari'a Quality Rating (SQR)	Shari'a Quality Rating (SQR)
AA+ (sq)	AA+ (sq)

Company Information

- **Incorporation year:** 1978
- **Listed on:** Amman Stock Exchange
- **External Auditors:** PricewaterhouseCoopers
- **Key Shareholders:** Al Baraka Group – 66.0%
Social Security Corporation – 5.8%
- **Chairman:** H.E. Mr. Abdullah bin Ibrahim bin Suleiman Al-Howaish
- **Chief Executive Officer:** H.E. Dr. Hussein Said Saifan
- **Branches & Banking offices as at December 2025:** 105 (86 Branch and 19 Cash Office)

CORPORATE PROFILE

Jordan Islamic Bank ('JIB' or 'the Bank') is one of the first few Islamic banks in the world and the largest and oldest in the Hashemite Kingdom of Jordan ('Jordan'), set up under the Jordan Islamic Bank law in 1978. Subsequently the said law was repealed and the bank now falls under the Islamic Banking chapter within the Banking law. A clear vision statement guides the institution, which commits the Bank to Shari'a principles. Over time, the Bank has evolved to offer a full range of corporate and retail banking, with the now added suite of digital products, to serve the needs of its customers. Its 1200+ customer accounts are being served by a country-wide branch network, in addition to 5 digital self-service corners and 332 ATMs. New bank strategy 2025-2029 envisages launching several initiatives and projects primarily aimed at enhancing the customer experience by launching new branches in promising and vital areas, improving the designs of existing branches, developing the range of digital channel services, and launching new programs and products targeted through marketing campaigns and offers to specific segments. Also the Bank offered an expanded range of specialized financing solutions for both individuals and companies.

Reflective of the stable economic environment in Jordan and the growing footprint of Islamic banks, JIB has grown over the years to yield stable returns to shareholders, while maintaining a conservative risk profile. JIB is a systemically important bank in the country constituting 11.11% of total banking assets and 45.45% of the Islamic banking segment as of YE2024. A listed bank - JIB is operative under the regulatory purview of the Central Bank of Jordan (CBJ) and also complies with listing requirements of the Amman Stock Exchange.

The management team has remained stable over the years, and is currently led by H.E. Dr. Hussein Said Saifan as the CEO of the bank. As a pioneering bank, JIB has been recognized year after year as a premium provider of Islamic financial services, having been named the best Islamic Bank in Jordan and best Banking Group, as well as for corporate governance in Jordan. Moreover, the bank is also noted as the best retail bank of Jordan and the best retail bank in social responsibility in the country for the year 2025, among several other distinctions, and as acknowledged by reputed publications and institutions. Compliant with regulations that distinguish Islamic banks from others, the organizational structure of the Bank is designed to uphold the principles of Shari'a compliant banking.

Sponsors' profile

Al Baraka Group B.S.C. ("ABG" or "the group" and erstwhile Al Baraka Banking Group) holds majority shareholding in JIB, in addition to holding material ownership in subsidiaries and associates operating as Islamic financial institutions across the Middle East, North Africa and South Asia. Headquartered in Bahrain, ABG is a Bahrain closed shareholding company licensed as a 'category 1 – Investment Business Firm' by the Central Bank of Bahrain (CBB). Consolidated ABG assets stood at about US\$31.012bn at end YE2025, while consolidated net earnings expanded 15.7% YoY to US\$356.8mn for YE'2025 (YE'2024: US\$308.5mn). ABG had a consolidated network of 690 branches having grown from 679 branches at prior year-end, and a increased workforce of 11,074 staff as of YE2025 (YE2024: 10,799).

THE ISLAMIC BANKING INDUSTRY IN JORDAN

The banking industry in Jordan has remained resilient over the years. Comprising 20 banks, of which 15 are local and the rest foreign, the industry features 4 Islamic banks in all. Despite geopolitical headwinds, the banking sector has held steady, with non-performance measures still largely contained, sufficient liquidity and average capital adequacy considerably above prudent threshold.

The Islamic banking industry has grown over the years, now constituting 24.44% of total banking deposits. Islamic banking windows are not permitted in Jordan with only Islamic banks offering Shari'a compliant services. While the regulatory environment is conducive, with a comprehensive framework of governance advised to Islamic banks, the economy and capital markets lack the depth necessary to allow for robust and diversified Islamic banking investment opportunities.

Islamic banking in Jordan has remained centered around Murabaha and Mudarabah structures on the asset and liability side of banking respectively. Organized tawaruq has largely been avoided. The industry continues to grow and evolve and will likely continue to expand its footprint in Jordan.

A recent development on the regulatory front is the green finance Strategy of the CBJ which envisages the banking sector's gradual adoption of Environment, Social and Governance (ESG) principles. Viewed to be in line with the broader objectives of Islamic finance as the overarching philosophy, the principle of ESG centered finance is well-aligned with ethical finance.

The green finance strategy of the CBJ targets growth in green finance by 30% till 2028 and enhancing the banking sector's capacity for climate risk governance and management, and protecting the banking system from climate change induced risks. It is estimated that to address climate change risks, the Jordanian economy needs an investment of about US\$10bn by 2030. As the sector's alignment with ESG principles advances, 50% of banks in Jordan report inclusion of green finance as part of their strategic plans and 41% plan to incorporate green finance in their credit policies. The CBJ aims to institute the Climate Change risk and Green Finance division, to implement policies that pave the way for sustainable banking, promote Islamic sustainable finance and take initiatives like the issuance of the National Green Taxonomy recently, and expected launch of the Green Credit Guarantee program and the Green Loan Framework.

Such regulatory initiatives with their focus on integrating sustainability principles with Islamic finance would also serve to give a boost sustainable Islamic finance in the country.

PRODUCT AND SERVICE LEVEL COMPLIANCE

Product Features and Approval Process

Regulatory and centralized oversight over product design has ensured that Jordan Islamic Bank has deployed standardized contracts for use across a comprehensive product range. JIB continues to add new products to its suite of services, involving structures catering to financing for obtaining services such as tourism, healthcare and educational finance. The General Fatwa Department of Jordan also concurs that all Jordan Islamic Bank products, launched after the approval of the Shari'a Supervisory Board (SSB), are compatible with Islamic Shari'a.

On the asset-side, financing is offered across corporate, retail, and social segments through diverse Shari'a contracts. The financing portfolio of JIB chiefly constitutes deferred sales receivables (Murabaha and

Table 1: Financing Portfolio

In millions of JD	2022	2023	2024	2025
Deferred sales receivables and other receivables	2,962	2,967	3,137	3,578
% Contribution	76.2%	75.5%	75.7%	77.0%
Ijarah Muntahia Bitamleek	888	922	964	1,034
% Contribution	22.8%	23.5%	23.3%	22.0%
Musharakah	38	40	42	43
% Contribution	1.0%	1.0%	1.0%	1.0%
Net Financing Portfolio	3,888	3,929	4,144	4,655

Musawamah) and Ijarah Muntahia Bittamleek, which represented 77.0% and 22.0% of the total portfolio, respectively and 99% collectively, at end-2025 (2024: 75.7% and 23.3%). Musharakah financing continues to account for only 1.0%. Qard Hasan based facilities are also provided for social financings on a restricted basis. The structural composition of the portfolio has been largely similar year on year. Deferred sales receivables also include structures essentially based on Istisna'a, in addition to Murabaha. As of YE2025, the Bank's net financing portfolio amounted to JD 4,655 million (2024: JD 4,144 million).

Placements with both the Central Bank of Jordan and other commercial banks are maintained under Qard Hasan current accounts. Working capital and trade finance, as well as long-term corporate loans, are primarily structured under Murabaha, Istisna (including parallel Istisna), and Ijarah. Agricultural financing is extended using Murabaha and Ijarah Muntahia Bittamleek, where land is leased to the farmer culminating in eventual ownership transfer; agricultural supplies are sold on deferred payment basis. In addition, the Bank extends Securities Murabaha – a relatively new product - whereby Shari'a-compliant equities are purchased on behalf of clients and deposited in their portfolios, with the client retaining responsibility for liquidation, and payment of purchase price to follow, over a selected period at a predetermined price structured as Murabaha.

The Bank has also developed a number of tailored retail products to meet specific customer needs. Personal financing is restricted to asset-backed exposures such as household appliances or services, under Murabaha, Musawamah. The Salary Advance facility is based on Qard Hasan and is capped at 75% of salary, with no minimum threshold. The contract tenor is one year, with a fixed annual service charge of JD 25 and monthly deductions. Complementing this, the Bank has developed sectoral Service Ijarah products whereby the Bank purchases the service from the provider and resells it to the client on an installment basis. Utilized chiefly in the areas of finance not backed by a physical asset, such as education, and religious tourism. If a revenue-sharing agreement is in place, the profit is collected

from the provider (discounted price); otherwise, it is collected from the client (profit over original price).

In the same vein, a "Split Card" product under Murabaha and Ijarah services and Qard Hasan contract has been introduced that allows customers to make purchases within a pre-set limit, with transactions settled at the end of the month. Clients have the option to convert payments into installments ranging from 3 to 24 months at pre-agreed profit rates. This card may also be used for travel-related payments, including Umrah fees, and remains under further development. Importantly, the Bank also maintains a Qard Hasan-based Charge Card, for which an annual renewal fee is levied without linkage to the credit limit. Loyalty points are awarded to cardholders as hiba (gift), reflecting the Bank's Shari'a-compliant approach to customer incentives. Staff members are offered housing finance through Diminishing Musharakah, while customers are offered housing finance on the basis of Ijarah Muntahia Bittamleek and Murabaha. The Bank does not extend receivable financing, overdraft facilities, or unrestricted cash financing.

JIB offers off-balance sheet facilities in the form of Letters of Credit and Letters of Guarantee, both extended under guarantee or agency contracts for a fee.

The Bank does not impose late payment penalties; instead, it provides relief through rescheduled Murabaha and rescheduled Ijarah contracts, executed without altering the pricing terms but adjusting tenor or rental amounts. Repossessed assets, when they arise, are recorded at the lower of transfer-date value or fair value, with no profit recognized except against prior period losses.

On the liability side, customer deposits are mobilized through Shari'a-based structures. Current accounts are maintained under Qard Hasan, while savings accounts are structured on a Mudarabah basis. Term deposits are offered under either Mudarabah or Wakalah arrangements, in both local and foreign currencies, for individuals and corporates, with relevant disclosure of return distribution.

Profit Distribution Mechanism

The profit-sharing ratio (PSR) of joint investment account holders (IAH) is pre-agreed at the time of contracting with the Bank. In 2025, at 30% of the annual average balance of saving accounts, 70% of notice accounts, and 90% of the minimum balance of term deposit accounts deemed to have been invested. However, as per management, PSR for savings account has been reduced to 30% of the annual average balance during 2025. The Bank bears all administrative expenses except for insurance expenses on Ijarah Muntahia Bittamleek assets, which are allocated to the joint investment accounts profit.

The Bank's Mudarib share for unrestricted investment accounts is capped at 40% for Jordanian Dinar accounts and 50% for foreign currency accounts (2024: 40% and 50%, respectively), remaining the same through H1'2025. In 2024, the Bank waived part of its share, resulting in an effective average of 27.65% for Jordanian Dinar accounts (27.8% in H1 and 27.5% in H2). This waiver facilitated profit distributions of JD 14.4 mn to all unrestricted investment account holders (2024: JD 19.2 mn) and JD 21.8 mn to some unrestricted investment account holders (2024: JD 15.7 mn). For foreign currency accounts, the Bank's effective Mudarib share declined to 30.9% (27.2% in H1 and 34.6% in H2), with profits distributed of JD 1.6 mn to all unrestricted investment account holders (2024: JD 1.5 mn) and JD 1.9 mn to some unrestricted investment account holders (2024: JD 1.1 mn). On the whole, the

effective Mudarib share has been rising again since the trough of H1'2024, having fallen sharply over prior years. Mudarib share waived for both Jordanian Dinar and foreign currency account has collectively been decreasing since H2'24, falling further in H1'2025 given the softened return expectations of account holders.

For Wakala Bi al Istithmar accounts, the Bank charges a fixed Wakala fee of 2% on invested capital. Profits above a 3% threshold, net of dividend tax, are shared equally between the Bank and investors as an incentive arrangement. In 2025, the Bank waived part of its Wakala fee and its share in the profit surplus, foregoing JD 6.2 mn (2024: JD 6.2 mn) in favor of investors.

The Bank utilizes Mudarabah and Wakalah contracts for managing restricted IAH accounts in separate investment pools, following each fund's specific investment policy and terms and conditions. The Bank's Mudarib share remained unchanged during 2024, ranging from 7% to 25% for Jordanian Dinar accounts and 20% to 45% for foreign currency accounts. The Wakala fee also remained unchanged, between 0.7% and 1.25% of managed funds. Profit rates distributed to restricted account holders were 5.8% in Jordanian Dinars and between 2.2%–4.8% for foreign currencies.

Income Purification

In line with its approved policy, the Bank disposes off any income generated from Shari'a non-compliant sources by directing such amounts towards charitable causes. Unlike common practice in many jurisdictions, the Bank does not impose late payment charges on financed customers. Accordingly, non-compliant receipts are not derived from penalty income but primarily arise from dividend income on Shari'a-compliant equity investments that require partial purification, as well as from errors or omissions in transaction execution.

According to management representation, the Bank's non-halal receipts amounted between JD 5000-JD 6000. Moreover, its non-halal receipts during H1'25 remained below JD 10,000. These amounts are disposed off immediately in accordance with the Bank's Shari'a compliance framework. The Non-Compliant receipts are not subject to explicit audit procedures by the external auditors.

Key point: The Bank's product suite has continually evolved to introduce new functionalities for its customers both on the asset and liability side. While the asset-side product suite is predominantly constituted of deferred sale-based structures, followed by Ijarah, the bank has innovated through service ijarah based structures as well. A recently introduced product is a Split Card based on Murabaha and Ijarah services and Qard Hasan contract, whereby balance is to be settled every month and customers may opt for repayments that can be made on an instalment basis. On the liability side, both Mudarabah and Wakala based structures are used. Non-compliant income remains limited and only constitutes returns on balances placed conventionally for routine transfers, or transactional errors.

CORPORATE AND SHARI'A GOVERNANCE FRAMEWORK

Regulatory Environment

The Central Bank of Jordan has updated its governance and Shari'a governance requirements from time to time. These have been enhanced by governance and management of information and related technology instructions in 2016 and the Green Finance Strategy 2023-2028, among others. Following specific and distinct guidelines for corporate governance in banks and Shari'a governance guidelines for Islamic banks, the CBJ in 2023, issued a combined code of governance applicable to both general banking and Islamic banking institutions, which laid down all common principles of governance to both banking segments, as well as additional requirements for Islamic banks.

The corporate governance requirements are comprehensive in that these lay down directives pertaining to the institution of the Board and its committees and its disciplined conduct, tasks assigned to executive management, avoidance of conflicts of interests and the institution of systems and controls to effectively counter banking risks. These also include the institution of a risk management function, identification and remuneration of administrators to align management interest with those of the long-term interest of shareholders and other stakeholders, and ensuring an effective compliance set up, in addition to internal and external auditing mechanisms.

Specific provisions applicable to Islamic banks relate to institution of the Islamic Jurisprudence and Supervision Board, setting the fit and proper criteria of its members and requiring separate and independent departments to ensure compliance with Shari'a principles, and institution of Shari'a audit procedures integrated with an internal audit system. With well-defined functional responsibilities of compliance and internal audit requirements in the area of Shari'a governance, the CBJ in its requirements, allocates additional responsibilities to the Audit and the Nomination and Compensation Committees of Islamic banks.

Jordan has also adopted the Accounting, Shari'a and Governance standards issued by the Accounting and Auditing Organization standards for Islamic Financial Institutions (AAOIFI) and Islamic Financial Services Board (IFSB) standards for better alignment with international best practices in the Islamic finance sector in Jordan. More recently the CBJ has launched its sustainability drive, with banks having issued their sustainability reports under Global Reporting Initiative (GRI) standards.

Board of Directors ("The Board") ("BoD")

Table 4: Board Composition

Board Members	Role & Shareholder Representation
H.E. Mr. Abdullah bin Ibrahim bin Suleiman Al-Howaish	Chairman /ABG
H.E. Mr. Houssein Bin Al-Habib Bin Al-Haj Amor	Vice-Chairman /ABG
H.E. Mr. Issa Haidar Issa Murad	ABG
H.E. Mrs. Malak Fawzi Ragheb Ghanem	ABG
H.E. Mr. Daham Mashhour Daham Al-Fayez	ABG
H.E. Ms. Suzanne Yahia Jawdat Abu Alrous	SSC (Social Security Corporation)
H.E. Mr. Jamal Ahmed Mufleh Al-Sarayrah	Independent
H.E. Dr. Tayseer Radwan Saleem Al-Samadi	Independent
H.E. Eng. Abed AL Rahim Fathi Salim Al-Boucai	Independent
H.E. Dr. Khawla Fareez Awad Al Nobani	Independent
H.E. Mr. Ghassan bin Ahmed bin Mohammed Amoudi	Independent

Following the last review, no changes have been observed in the composition of the Board of Directors (BoD). The Board was reconstituted in 2023 through elections, and Mr. Abdullah Ben Ibrahim Ben Suleiman Al-Howaish, was appointed as the new Chairman and as a representative of ABG.

The BoD comprises eleven members and independent representation exceeds minimum regulatory requirements. Female representation is also ensured in line with CBJ recommendations.

Role of BoD in Shari'a Governance

The BoD carries overall responsibility for safeguarding the interests of stakeholders and ensuring that Shari'a non-compliance risks are effectively managed. In this regard, the Board oversees the establishment of a comprehensive Shari'a control framework, which includes the SSB, the Internal Shari'a Audit Department, and the Shari'a Compliance Monitoring Department.

The Board approves the appointment, resignation, or termination of the Heads of Internal Shari'a Audit and Shari'a Compliance, subject to obtaining non-objection of the CBJ. It is also responsible for approving a policy that sets eligibility standards and conditions for SSB members, ensuring periodic review of the policy, and evaluating the performance of the SSB and its individual members on an annual basis through the Nomination and Compensation Committee. Results of the evaluation are submitted to the CBJ.

The Board ensures that a robust Shari'a control system operates independently across all business units. This includes verifying that all activities, contracts, products, and services comply with Shari'a principles and the fatwas of the SSB, and that the CEO implements SSB decisions. The Board also ensures that the SSB takes into account the broader legislative and regulatory environment, including Article 53/A of the Banking Law. The Board approves key policies, including those governing profit distribution, revenue, expense and loss allocation, the relationship between the Bank, shareholders, and Investment account holders, and the publication of fatwas. It also approves the Shari'a compliance manual, which outlines procedures for seeking fatwas, and facilitating communication between stakeholders and the SSB. The Board further ensures that clients can request explanations of fatwas, all of which are published on the Bank's website within two months of approval.

The Board approves the Internal Shari'a Audit Charter and ensures the department reports directly to the Audit Committee, with copies of reports submitted to the SSB and the CEO. It verifies that Internal Shari'a Audit operates independently, has full access to records and information, and is positioned in the organizational structure in a manner that supports independence. Similarly, the independence of the Shari'a Compliance Monitoring Department is also ensured by the BoD, in addition to ensuring that sufficient resources and qualified personnel are available, and approving its organizational structure and operating procedures.

The Board maintains regular interaction with the SSB, holding at least two joint meetings annually, and reviews the semi-annual and annual Shari'a compliance reports prepared by the SSB. It also ensures that SSB opinions are sought on all policies, contracts, and agreements with Shari'a implications, including non-banking matters where relevant. In fulfilling these responsibilities, the Board requires adherence to governance standards issued by AAOIFI. Through these measures, the Board ensures that Shari'a oversight remains independent, well-resourced, and effectively embedded in the Bank's governance structure, while holding senior management accountable for the implementation of SSB decisions.

The Board of Directors convened seven times during 2025. Ten members recorded full attendance, while one member attended seven of the eight meetings held during the year. The Board has formed seven committees, namely the Corporate Governance Committee ("BCGC"), Nomination & Remuneration Committee ("BNRC"), Risk Management Committee ("BRC"), Audit Committee ("BAC"), Credit Facility Committee ("BCFC"), IT Governance Committee ("BITC"), and Compliance Committee ("BCC"). Of these committees, 5 are required by the code of corporate governance of the CBJ. No new committees have been formed since 2022.

Table 5: Board Committees Meetings

Committee	Meeting held as of 2025
Corporate Governance Committee "BCGC"	2
Nomination and Remunerations Committee "BNRC"	3
Risk Management Committee "BRC"	4
Audit Committee "BAC"	6
Credit Facilities Committee "BCFC"	6
IT Governance Committee "BITC"	4
Compliance Committee "BCC"	4

Shari'a control elements are required to be embedded as part of the regulatory obligations of Audit Committee and Nomination and Remuneration Committee. A clear reference in terms of reference of other key committees of the Board would ensure active involvement of members in Shari'a related

matters. The appointment and remuneration of the SSB members as well as annual appraisal through a process of self-appraisal is included in the terms of reference of the Remuneration and Compensation Committee. Following our last review, there are no changes to committees' composition. IIRA views that the inclusion of an SSB member in BCGC may harmonize the assessment of the governance framework in line with best practices recommended by AAOIFI and IFSB. Board committee meetings during 2024 were in line with the TORs with a high level of attendance, as illustrated in Table 5.

Table 6: Board Committees Composition

Committee	Members	Role	Comments
Corporate Governance Committee "BCGC"	H.E. Mr. Abdullah bin Ibrahim bin Suleiman Al-Howaish	Chairman	2 independent members and 1 non-independent (Chairman)
	H.E. Mr. Jamal Ahmed Mufleh Al-Sarayrah	Vice-Chairman	
	H.E. Eng. Abed AL Rahim Fathi Salim Al-Boucai	Member	
Nomination and Remunerations Committee "BNRC"	H.E. Mr. Ghassan bin Ahmed bin Mohammed Amoudi	Chairman	2 independent members, including the Chairman, and 1 non-independent member
	H.E. Eng. Abed AL Rahim Fathi Salim Al-Boucai	Vice-Chairman	
	H.E. Mr. Houssein Bin Al-Habib Bin Al-Haj Amor	Member	
Risk Management Committee "BRC"	H.E. Mr. Jamal Ahmed Mufleh Al-Sarayrah	Chairman	3 independent members, including the Chairman, and 1 non-independent member
	H.E. Mr. Houssein Bin Al-Habib Bin Al-Haj Amor	Vice-Chairman	
	H.E. Mr. Ghassan bin Ahmed bin Mohammed Amoudi	Member	
	H.E. Dr. Khawla Fareez Awad Al Nobani	Member	
Audit Committee "BAC"	H.E. Dr. Tayseer Radwan Saleem Al-Samadi	Chairman	3 independent members, including the Chairman, and 1 non-independent member
	H.E. Eng. Abed AL Rahim Fathi Salim Al-Boucai	Vice-Chairman	
	H.E. Mr. Issa Haidar Issa Murad	Member	
	H.E. Dr. Khawla Fareez Awad Al Nobani	Member	
Credit Facilities Committee "BCFC"	H.E. Mr. Abdullah bin Ibrahim bin Suleiman Al-Howaish	Chairman	4 non-independent members, including the Chairman, and 1 independent member
	H.E. Mr. Houssein Bin Al-Habib Bin Al-Haj Amor	Vice Chairman	
	H.E. Mrs. Malak Fawzi Ragheb Ghanem	Member	
	H.E. Mr. Daham Mashhour Daham Al-Fayez	Member	
	H.E. Mr. Ghassan bin Ahmed bin Mohammed Amoudi	Member	
IT Governance Committee "BITC"	H.E. Mr. Issa Haidar Issa Murad	Chairman	4 non-independent members, including the Chairman, and 1 independent member
	H.E. Dr. Tayseer Radwan Saleem Al-Samadi	Vice-Chairman	
	H.E. Mrs. Malak Fawzi Ragheb Ghanem	Member	
	H.E. Ms. Suzanne Yahia Jawdat Abu Alrous	Member	
	H.E. Mr. Daham Mashhour Daham Al-Fayez	Member	
Compliance Committee "BCC"	H.E. Eng. Abed AL Rahim Fathi Salim Al-Boucai	Chairman	2 independent members, including the Chairman, and 2 non-independent members
	H.E. Mr. Issa Haidar Issa Murad	Vice-Chairman	
	H.E. Mr. Jamal Ahmed Mufleh Al-Sarayrah	Member	
	H.E. Ms. Suzanne Yahia Jawdat Abu Alrous	Member	

Shari'a Supervisory Board ("SSB")

Following the last review, no changes have been observed in the composition of the Shari'a Supervisory Board (SSB). Exceeding the regulatory requirement of a minimum of three members, JIB has appointed four members. Sheikh Yusef Hassan Yusef Khalawi was the most recent addition in 2022, while the remaining three members were re-elected in 2023 for a four-year term, and as per regulatory directive, with the next election scheduled for 2026. There is no maximum number of terms that a member may remain on Board.

Members of the SSB are elected by the General Assembly upon recommendation of the Board of Directors and are subject to the Fit and Proper Test requirements set by the Central Bank of Jordan, with each member requiring CBJ's approval before formal appointment. Dr. Mahmoud Ali Mosleh Sartawi continues to serve as Chairman of the SSB. Members must meet minimum criteria as set by CBJ, which includes minimum qualification and experience requirements, as well as an independent position by ensuring no material connections – familial or otherwise – that might impair the member's/s' independence.

To ensure independence and credibility of the SSB, the bank publishes an acknowledgement by the SSB members, that no member received any benefit, in cash or in-kind that was not specifically declared to stakeholders. The SSB complies with strict guidelines for ensuring independence as required by the CBJ, and duly confirms its adherence to these each year.

Meetings and Attendance

The Shari'a Supervisory Board convened six times during 2025, exceeding the minimum regulatory requirement of six meetings per year. Three members recorded full attendance, while one member attended eight of the nine meetings.

Meetings were also attended by senior management representatives, including the Chief Executive Officer, Head of Internal Audit, and Head of Compliance. In addition, the SSB held biannual meetings with the Board of Directors, the Audit Committee, and the external auditors.

Table 3: SSB Composition and Meetings

Members	Role	Meetings attended as of Dec'2025	Active Since
H.E. Dr. Mahmoud Ali Mosleh Al Sartawi	Chairman	6	26/4/2005
H.E. Dr. Abdul Rahman Ibrahim Zaid Al Kelani	Vice-Chairman	6	28/4/2015
H.E. Dr. "Mohammad Khair" Mohammad Salem Al-Issa	Member	6	25/4/2012
H.E. Mr. Youssef Hassan Youssef Khalawi	Member	6	21/5/2022

Terms of Reference of SSB

SSB is primarily responsible for directing the Bank's operations in accordance with Shari'a principles, monitoring compliance, and providing independent assessments to stakeholders. Its responsibilities include oversight of the Bank's Articles of Association and by-laws to ensure alignment with Islamic Shari'a, development of procedural manuals that define its operational framework and reporting relationships, and issuing fatwas and opinions on policies, contracts, products, and transactions with Shari'a implications. Moreover, it ensures that the Bank's code of conduct is applied to the members of the Shari'a Supervisory Board.

The SSB also reviews reports submitted by the Internal Shari'a Audit and Shari'a Compliance Monitoring departments, provides feedback on draft findings, and oversees the adequacy of resources and staffing of these functions. It issues semi-annual reports to the Board of Directors and an annual report to the General Assembly on the effectiveness of Shari'a controls, highlighting any material weaknesses, and ensuring these reports are also shared with the Audit Committee and the Central Bank of Jordan.

Additional responsibilities include consulting with the Nomination and Remuneration Committee regarding the appointment or termination of the Heads of Internal Shari'a Audit and Shari'a Compliance Monitoring departments, and verifying that staff in these areas meet minimum qualification requirements. The SSB is also mandated to review and approve policies on profit distribution, loss allocation, and the relationship between shareholders and investment account holders, ensuring appropriate disclosure.

The Board further liaises with shareholders, the Board of Directors, and external auditors, attends general assembly meetings, and presents its annual Shari'a report. As per the Bank's code of corporate governance, the SSB must meet with the Audit committee, Board of Directors and external auditors at least once every 6 months.

Assessment and Remuneration

The members of the SSB are evaluated annually by the Nomination and Remuneration Committee. SSB members are compensated through a fixed sitting fee and reimbursement for attendance related expenses. Most importantly, the remuneration structure of the SSB is independent of the bank's financial performance, which reflects best practices. The Bank's compensation to SSB members collectively amounted to JD 114.6k during 2024 (2023: 103.2) – slightly higher than prior year, in part reflecting the more frequent meetings of the Shari'a Supervisory Board.

Shari'a Board Report

The SSB's annual report, conforming to the guidelines of presentation as given by the IFSB and AAOIFI, is published as part of the annual report. The annual report for 2024 states that the SSB has reviewed the principles and the contracts utilized by the Bank, underlying transactions necessary to formulate an opinion as to the degree of Shari'a compliance. Each type of transaction was reviewed through the support of the Internal Shari'a Audit and Shari'a compliance department.

The SSB was given access to all necessary information required to validate Shari'a compliance in procedures, processes and transactions undertaken by the Bank, to the satisfaction of the SSB to conclude:

- All contracts, operations and transactions executed within the year were in compliance with principles of Islamic Shari'a.
- Distribution of profits and charging of loss is as per the applicable Shari'a principles.
- Any receipts not in full compliance with Shari'a were excluded from revenues and duly disposed off as charity.

- A declaration as to the responsibility of paying zakat being vested with shareholders and the owners of the unrestricted accounts is provided as part of the report and goes on to explain the basis of zakat payable and the amount payable per dinar of investment and per share.

Management

H.E. Dr. Hussein Said Mohammed Saifan has served as the Bank's Chief Executive Officer/General Manager since May 2019. He brings over 30 years of banking experience, the majority of which has been with JIB. The senior management team is experienced, with most members having a long-standing association with the Bank. Shari'a control functions are also headed by staff who have been associated with the Bank for several years and command appropriate access and authority to dispense their professional obligations.

Management is responsible for implementing policies and procedures in line with Shari'a principles, including securing approval of all transactions, policies, and contracts by the Shari'a Supervisory Board. The organizational structure is designed to support the independence of both the Internal Audit and Internal Shari'a Audit departments.

Internal banking and Shari'a Control Mechanisms

The Bank's corporate governance guidelines provide a framework for a comprehensive internal control system, structured around the Risk Management and Compliance functions in addition to Internal Audit. These are supplemented by the Internal Shari'a Audit and Shari'a Compliance departments, reflecting the Bank's Shari'a governance requirements. The internal Shari'a audit staff is monitored by the Internal Shari'a Audit Manager in accordance with the Board-approved performance evaluation policy. The Shari'a Audit Department is staffed by ten employees, including the Head and two senior officers. Given the Bank's product suite and branch network, staffing levels are considered adequate. The department reports to the Audit Committee, with copy of its report issued to the Shari'a Supervisory Board and the CEO.

The Internal Shari'a audit function operates under a Board approved charter which defines roles and responsibilities. The function prepares an annual audit plan, to monitor the adequacy of Shari'a control systems and ensuring that the policies and procedures are aligned with principles of Shari'a and that the bank is compliant with fatwas issued by the Shari'a Supervisory Board. In its whistle blowing policy, the bank encourages employees to report any observed lapses in authority including any Shari'a violations.

The Shari'a Audit Department is mandated to provide independent and objective assurance regarding the adequacy and effectiveness of Shari'a control systems. Its scope of work extends to all operational centers, activities, and subsidiaries of the Bank. The department's functions include reducing Shari'a risk by identifying errors, following up on observations to prevent recurrence, and recommending improvements to strengthen control systems. Particular emphasis is placed on the review of non-performing accounts to assess any negligence that may result in losses to be transferred to investors. The department also contributes to staff training to enhance awareness of Shari'a requirements, thereby supporting the Board of Directors in ensuring suitability of employees for their assigned roles.

As an integral part of Shari'a governance infrastructure within the Bank, the Shari'a Compliance Department, which is distinct from the Shari'a Audit Department in line with CBJ requirements, has been instituted. It is manned by three personnel, including the Head of Department.

The Shari'a compliance function provides day-to-day oversight to ensure adherence to Shari'a principles across operations. Its responsibilities include preparation of the Shari'a Compliance Guide and Policy, both of which have been approved by the Board of Directors and implemented across the Bank, and in the light of which the bank will identify and evaluate against Shari'a non-compliance risks, prepare an annual compliance plan, develop Shari'a compliance programs and institute a system in coordination with the Risk Management Department to monitor material Shari'a non-compliance risks. The Compliance function also monitors adherence to fatwas and resolutions issued by the Shari'a Supervisory Board (SSB). As per CBJ requirements, the compliance division reports to the SSB via a dotted line and directly to the CEO of the Bank. The bank's code of corporate governance lays down minimum qualification requirements for Shari'a compliance staff, requiring familiarity with AAOIFI and IFSB standards. The Shari'a compliance department is expected to coordinate with the Internal Shari'a audit department, review all new products requiring the approval of the SSB and contribute to employee skill development in the area of Shari'a.

The Bank has adopted documented charters for the SSB, Shari'a Audit, and Shari'a Compliance departments, setting out clear rules and principles for Shari'a supervision. The SSB remains the apex authority for Shari'a compliance.

The Board of Directors and its Committees regularly review reports submitted by internal and external auditors, internal Shari'a auditors, and regulatory authorities. Management is required to address observations raised and implement corrective actions to prevent recurrence. As of end-2024, the Board has declared the Bank's internal control, compliance, and Shari'a governance systems to be adequate and effective, while emphasizing that work is ongoing to further strengthen these systems and mechanisms.

Key Point: An updated and inclusive regulatory framework that provides guidance for governance principles to be instituted by banks reflecting each institution's commitment to Shari'a compliant banking, ESG standards, and general banking operations, has supported the governance environment in Jordanian banks. For Shari'a compliant banks like JIB, the access and authority vested in the Shari'a Supervisory Board, and the system of checks and balances, with reporting to the Board of Directors through its committees, strengthens the governance infrastructure. Senior management, inclusive of key staff specialized in Shari'a, have remained stable. The Shari'a Supervisory Board remains active, convening frequently and exercises independence through transparent remuneration systems and direct access to relevant staff. An annual report by the Shari'a Supervisory Board declares the adequacy of sample checks and provides assurance to stakeholders, regarding the bank's compliance with Shari'a principles.

Corporate Social Responsibility ("CSR")

Since 2022, the Bank has been issuing its Sustainability report under GRI standards. Although the bank has been reporting on its social activities since 2012 under its own initiative, recent reports follow a global trend and Group level commitment to sustainability reporting. The Bank reiterates its commitment to sustainability as a cornerstone of faith-based banking and the adoption of social values such as the support of women and youth in society.

JIB has continued its focus on supporting professionals, craftsmen, and SMEs through its affiliate, Alsamaha for Banking & Investment. In 2024, Alsamaha financed 295 projects with a total value of JD 6.1 mn. These facilities were extended across a wide range of beneficiaries, including women-led projects. The financing was structured through Shari'ah-compliant modes, with Murabaha and Diminishing Musharaka being key instruments, aligned with the Bank's overall strategy of promoting Islamic financial solutions for productive sectors. The projects funded during the year contributed to preserving existing employment opportunities while also facilitating new job creation, reflecting the Bank's broader role in supporting economic participation and reducing unemployment.

Social responsibility and regard for stakeholders are integral to the Bank's philosophy, rooted in the principles of Shari'a. Since inception, the Bank has emphasized social initiatives such as channeling donations towards *Qard al-Hasan* for the underprivileged, reflecting its commitment to equitable financial services.

The 2024 Sustainability Report reinforces the Bank's alignment with the United Nations Sustainable Development Goals (SDGs) 2030, covering all 17 goals and 169 targets. The report highlights the Bank's efforts across three dimensions:

- **Employees:** professional development, training programs, and capacity-building initiatives.
- **Society:** provision of inclusive banking services, expansion of social financing tools, and active participation in industry events, professional forums, and thought leadership platforms.
- **Nation:** contributions to sustainable economic development through financial intermediation, social initiatives, and responsible banking practices.

In promoting a greener economy, the Bank has directed financing towards environmentally friendly solutions, such as electric and hybrid vehicles, energy-efficient housing, and renewable energy projects. The *Shamsuna* project continues to support financing for solar cells and heaters, complementing broader renewable energy adoption. In 2024, the Bank strengthened its financing for education, healthcare, and housing, recognizing these as the foundations of societal well-being.

In line with the Bank's CSR and Sustainability objectives, JIB continued its commitment to green energy and has increased renewable energy sources for its consumption continuously. In 2024, the number of branches and offices utilizing solar power systems reached 77, in addition to the Head Office, IT building, Bonded Center, archive building, and disaster recovery center.

The year also marked the commissioning of the Irbid/Naima solar station in February 2024, with a generation capacity of 990 KWP, providing electricity to branches and offices in the northern region. This development complements the existing Amman station (2.7 MWP, commissioned in 2018) and the Madaba/Dhiban station (936 KWP, launched in 2021), which cater to the central governorates.

These facilities, combined with rooftop solar installations across the Bank's network, provide a broader renewable energy base. Operations and maintenance of these systems are regularly monitored to ensure efficiency and reliability. Since initiating the program in 2013, the Bank has gradually expanded its renewable energy capacity, contributing to reduced electricity costs and a lower reliance on the national grid, in addition to having contributed to the conservation of natural resources and reducing own carbon footprint. Embracing digital channels has also contributed to limiting paper usage and efficient utilization of perishable resources.

According to the Articles of Association of the Bank, 'JIB aims to meet economic and social needs in the area of banking services....' highlighting commitment to society and social needs. The Bank expanded its community outreach by supporting charitable and humanitarian programs, financial literacy initiatives, and partnerships with local organizations to enhance social development. These efforts are supplemented by policies promoting gender diversity, youth empowerment, and financial inclusion, which remain central themes of the Bank's CSR strategy. Moreover conferences and seminars organized and supported by the bank aim to spread awareness of sustainable banking, financial innovation and principles of Islamic banking

Donations and Qard al Hasan

In 2025, the Bank extended "Al Qard Al Hasan" facilities amounting to approximately JD 24.9mn, benefiting around 29.3k clients. This remained the same at JD 24.9 mn provided in 2024, which benefited approximately 27.5k clients. In collaboration with the Al-Afaf Charity Association, the Bank disbursed JD 243k in 2025 to support 243 young individuals preparing for marriage. The Bank also continued to mobilize deposits in the "Al Qard Al Hasan" account from clients wishing to provide interest-free loans through the Bank. By end-2025, the balance of this account stood at JD 2.3 mn. Since inception, JIB has disbursed a cumulative JD 468mn under this program, benefiting approximately 607k individuals.

Table 7: Donations

In JD'000	Amount
Jordan Hashemite Fund for Human Development/ The Campaign for Charity and Goodness	15.0
Health and Education Initiative through the Association of Banks in Jordan	2,606.1
Al-Aman Fund for the Future of the Orphans	25.0
King Hussein Cancer Center	24.4
Holy Quran Associations and Competitions	4.1
Charitable and medical associations and bodies, and zakat committees	77.0
Tkiyet Um Ali	5.0
Ministry of Endowments, Islamic Affairs and Holy Places	61.0
Royal Air Force	5.0
Agricultural Lending Institution	7.5
Public Security Directorate	10.0
Total	2,840.1

The Bank sponsored programs on various television and radio stations and maintained a dedicated newspaper page on Islamic banking and finance to promote financial awareness. Contributions were made to charitable organizations, including the King Hussein Cancer Center, associations supporting individuals with special needs and the elderly, and the Al-Aman Fund for the Future of Orphans. The Bank also organized community-oriented initiatives such as the annual Ramadan iftar for orphans from charitable organizations and extended monetary gifts to couples participating in mass wedding ceremonies arranged by the Al Afaf Charity Association.

The Bank has been managing a Mutual insurance fund for those who are unable to make repayments due to unavoidable circumstances. In 2025, the number of compensated cases amounted to 419, with total compensation payments of JD 3.2mn. Since the establishment of the fund up to YE2025, cumulative compensation reached 4,831 cases, with total disbursements of approximately JD 27.6 mn. JIB expanded the scope of insured obligations by raising the coverage ceiling from JD 150,000 to JD 200,000.

***Key Point:** JIB's CSR activities underscore its long-term commitment to social needs of the society. Global trends towards sustainability reporting have transformed JIB's public disclosures in this regard to standardize efforts towards transparency. The Bank has been issuing its sustainability report aligned with GRI standards since 2022. Over the years the bank has significantly upscaled its drive towards ESG conscious financing in response to the government and CBJ's strategic directive.*

Protection of the Investment Account Holders' Rights

Acknowledgement of the IAH rights is emphasized in the Corporate Governance Guide and effective disclosures allow stakeholders to assess the bank's financial strength. The bank has maintained a loyal customer base, which is heavily dominated by a retail clientele.

Relationship with Employees

As of end-2025, the Bank's total staff strength stood at 2,414 employees (2024: 2,445), reflecting a marginal increase. Headcount has remained largely stable in recent years, as the Bank continues to optimize operations through greater reliance on digitization and process efficiency.

The Bank remains committed to employee development through a comprehensive training framework that covers both Shari'a centric knowledge and commercial banking expertise. During 2024, the Bank arranged 619 training programs (2024: 833), covering a mix of in-person and online sessions. A total of 13,115 staff members benefitted from these initiatives, compared to 10,947 participants in the previous year, indicating enhanced employee engagement with learning activities. Training is coordinated by the Bank's Academy for Human Resource Training and Development, while specialized training programs outside Jordan are also offered.

Transparency Standards

JIB conforms to high standards of transparency in terms of both financial and governance related disclosures as well as those disclosures pertaining to governance as an Islamic institution including a code of corporate governance instituted at the Bank, which provides important details regarding the Shari'a governance framework in effect. Disclosures compare well to peers and reflect compliance with regulatory directives. Over the years JIB's disclosures have been enhanced to become increasingly transparent. A recent addition to disclosures is the sustainability report compiled as per the GRI framework, having augmented previous disclosures pertaining to CSR activities. Moreover, the Bank provides disclosures regarding key products and basic underlying structures that make them compliant with Shari'a, as well as all fatwas having been issued by the Shari'a Supervisory Board.

Financial disclosures with regards to Shari'a compliant profit and loss attribution are also provided in the annual report with both half yearly and annual disclosures regarding Mudarib share limits, effective mudarib share and share of mudarib waived in favor of all and/or select investment accountholders. In addition, the Bank discloses the maximum percentage of investor funds deemed invested in the joint investment pool, classified by the nature and tenor of funds placed. Details are also provided on the wakala fee charged. While the amount of non-permissible income has been negligible, its breakdown by source will further enhance disclosures.

***Key Point:** A high level of transparency is consistently maintained in terms of financial and Shari'a governance disclosures as well as disclosures pertaining to attribution of profits and fee arrangements connected with participatory banking. Recent disclosures including sustainability reporting as per international guidelines and upgraded disclosures such as Shari'a rulings over the years, support the transparency standards followed by the bank.*

Fiduciary Responsibility and Performance

Partly reflective of the stable economic environment, the bank has grown steadily, with a largely maintained risk profile. Over the years, asset quality reflects the low level of gross non-performance hovering around 2.2% as at end September 2025, and sustained net non-performance below 1%. This gives confidence to investors, reflecting circumspect decision making. Margins have compressed as the banking sector remains competitive and selective in terms of business opportunities. RoAA remains at a still healthy 1.06% (annualized) for 9M'25. Moreover, the Bank remains compliant with liquidity requirements, maintaining liquid reserves at a healthy level. The bank's performance has allowed it to maintain strong franchise value, reflected in the sustained high market share as the largest Islamic bank in the Kingdom.

In line with applicable laws, the Bank is not authorized to deduct Zakah on behalf of shareholders, unrestricted and restricted investment account holders, or participants in Al-Wakala Bi Al-Istithmar. The responsibility for discharging Zakah obligations on these balances rests with the owners of funds. To facilitate compliance, the Bank calculates Zakah per share for shareholders and the Zakah per dinar for unrestricted investment account holders and discloses these figures in its annual report.

***Key Point:** The Bank has dispensed its fiduciary responsibility effectively, innovating in products to meet the needs of the investors and customers, maintaining sound asset quality, and a conservative risk profile. Returns to stakeholders are stable and competitive, reflecting sound business practices. Adequate dispensation of fiduciary responsibility is also evident from sustained market presence and a wide retail customer base. The bank has further distinguished itself as a forerunner in managing its carbon footprint and providing environment focused financing, in addition to giving back to the society through events, contributions and social financing.*

Shari'a Quality Rating Scales & Definitions

IIRA uses a scale of AAA (sq) to B (sq) to rate Shari'a Quality Compliance with AAA (sq) being the highest possible rating and B (sq) being the lowest possible rating.

AAA (sq) – In IIRA's opinion, an entity/instrument rated AAA (sq) conforms to highest level of standards of Shari'a requirements in all aspects of Shari'a quality analysis.

AA (sq) – In IIRA's opinion, an entity/instrument rated AA (sq) conforms to very high level of standards of Shari'a requirements in all aspects of Shari'a quality analysis.

A (sq) – In IIRA's opinion, an entity/instrument rated A (sq) conforms to high level of standards of Shari'a requirements and has very few weaknesses in some areas of Shari'a quality analysis.

BBB (sq) – In IIRA's opinion, an entity/instrument rated BBB (sq) conforms to moderately high level of standards of Shari'a requirements and has few weaknesses in some areas of Shari'a quality analysis.

BB (sq) – In IIRA's opinion, an entity/instrument rated BB (sq) conforms to satisfactory level of standards of Shari'a requirements and has some weaknesses in some areas of Shari'a quality analysis.

B (sq) – In IIRA's opinion, an entity/instrument rated B (sq) conforms to adequate level of standards of Shari'a requirements and has weaknesses in some areas of Shari'a quality analysis.

Note: IIRA appends modifiers + or - to each generic rating classification from AA through B. The modifier + indicates that the obligation ranks in the higher end of its generic rating category; no modifier indicates a mid-range ranking; and the modifier - indicates a ranking in the lower end of that generic rating category.



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