



***Khaleeji Bank BSC  
Corporate Governance Report  
for the year ended 31 December 2025***

## **CORPORATE GOVERNANCE & OTHER DISCLOSURES**

### **1. Corporate governance structure**

Khaleeji Bank B.S.C. (“the Bank” or “Khaleeji”) is governed by the Bahrain Commercial Companies Law No. 21 of 2001 and its amendments (the “Companies Law”), the Kingdom of Bahrain Corporate Governance Code (the “CGC”), volume 2 and volume 6 of the Rulebook of the CBB (and in particular the High-Level Controls (“HC Module”)), and the Bahrain Stock Exchange Law of 1987 (collectively, the “Regulations”).

The Bank acknowledges its responsibility to all its stakeholders and is committed to the highest standards of corporate governance. The Bank believes good corporate governance enhances stakeholder value and provides an appropriate guidance to the Board, its committees, and the Bank’s Executive Management to carry out their duties in the best interest of the Bank and its stakeholders. The Bank maintains the highest levels of transparency, accountability and good management, through the adoption the highest standards of corporate governance, and monitoring of corporate strategies, goals and policies to comply with its regulatory and ethical responsibilities.

### **2. Code of conduct**

The Board has approved a code of conduct for all staff of the Bank and the Board members. The Code includes the process of dealing with conflict of interests. It also binds the Directors, Executive Management and staff to the highest standard of professionalism and diligence on discharging their duties. All Board members and senior management of the Bank have affirmed compliance with the Code of Conduct. A declaration is made by the Board members prior to each Board meeting confirming that they have disclosed all external appointments and notified the Chairman if there have been any changes to their external appointments since the previous meeting. Board members are excluded from dealings in matters related to an external entity where they hold an appointment at that entity.

### **3. Compliance with regulations**

The Bank always ensures compliance with the regulations applicable to an Islamic licensed bank. It would report any non-compliance with the guidelines should there be any. The Bank’s obligations to comply with the Regulations have been addressed through following a Corporate Governance Handbook in accordance with the corporate governance (“CG”) and the High-Level Controls Module of the CBB Rulebook. The CG Handbook was developed to manage the Board and committees Charter, Management Committee Charters, Board and Management Code of Conduct, Conflict of Interest Policy, Whistle Blowing Policy, Corporate Governance Guidelines, Social Responsibility, Directors’ Appointment Agreement, Board and Directors’ Evaluation, and a Key Persons’ Dealing Policy.

The Bank is committed to continuously review and develop its corporate governance policies to ensure compliance with the changing requirements of the Regulations and to ensure compliance with the international corporate governance best practice. The Bank, through its Board and Board Committees, endeavors to deliver the highest standards of governance for the benefit of its stakeholders.

### **4. Board of directors**

As at 31 December 2025, the Bank’s Board of Directors comprise of ten members (six appointed as representatives of major shareholders in the bank, three independent members elected by shareholders at the Ordinary General Meeting (“OGM”) meeting for a renewable three-year term), and a fourth independent member appointed pursuant to paragraph (a) of Article (197) of the Commercial Companies Law, whose appointment was later ratified by shareholders during the General Assembly meeting held on March 17, 2025, with an absence of women representation in the Board.

The current composition of the Board complies with the requirements of the Regulations, except for the requirements stated in paragraph 16 below.

The Board Nominations, Remunerations and Governance Committee (“BNRGC”) reviews the skills and qualifications required of directors on periodic basis for potential nominee director. A nominee director may be elected by the shareholders upon receiving majority of votes during the election process. Positions at the Board are filled in compliance with the Bank’s Articles of Association and the Commercial Companies Law. A Director’s membership to the Board shall terminate in the cases provided for by the Companies Law and the Articles of Association of the Bank.

The Chairman of the Board of Directors is charged with regular supervision and assessment of executive management and is responsible for leading the Board, ensuring its effectiveness, monitoring the performance of the Chief Executive Officer (“the CEO”), and maintaining a dialogue with the Bank’s stakeholders. The Board has constituted certain committees with specific delegated authorities to oversee and guide the management in specific areas of the Bank’s operations and decision-making. The Board, either directly or through its various committees, will oversee the management of the Bank.

The Board has formalized the division of work responsibilities between the Board and the Bank’s management. Working in consultation with the Bank’s management team, the Board provides oversight for the overall management of the Bank’s business. The Board reviews and approves the corporate strategy for the Bank and has overall responsibility for risk management, financial reporting and corporate governance issues. Matters that specifically require Board approval include, amongst other things, the financial statements and the acquisition and disposal of companies. The Board also ensures that the Bank upholds the Bank’s core values including the values set out in the Bank’s internal policies.

The Board Audit and Risk Management Committee (“BARMC”) in addition to the functions of control, ensures that all policies prescribed are reviewed and updated on annual basis. The Risk management department in conjunction with the Internal Audit and Control unit ensures the policies and procedures are updated and adhered to under the oversight of the related management committees. The Board is also responsible for approving any related party transaction as per the Bank’s authority matrix. In addition, any material transaction defined by the Bank (10% of the Banks’ capital) should be approved by the Board. The preparation of the consolidated financial statements of the Bank and the Group’s undertaking to operate in accordance with Islamic Sharia rules and principles is the responsibility of the Board of Directors. The duties, functions, and responsibilities are detailed in the Bank’s Corporate Governance Framework.

In compliance with the CBB requirements, the position of the Chairman and that of the CEO are segregated and there is no amalgamation of responsibilities in these two positions.

Members of the Board always have access to the Bank’s management. The CEO together with the Bank’s senior management monitors the Bank’s performance against pre-set corporate objectives and manages the Bank’s day-to-day affairs based upon the policies, objectives, strategies and guidelines lay down and approved by the Board from time to time.

The Board of Directors of the Bank comprises of Executive and Non-Executive Directors. The Board has four independent members (out of a total of ten Directors).

Upon appointment, each Director is provided with a comprehensive, formal and tailored induction which includes, amongst other things, a review of the Board’s role and duties and the relevant Director’s roles and duties to the Bank; meetings with the bank’s senior management; visits to the Bank’s branches and other sites if needed; presentations to explain the Bank’s strategic plans and significant financial, accounting, risk and legal issues and compliance programs; and meetings with internal and external auditors and legal

counsel. In compliance with requirements of CBB’s Rulebook, the Board and its committees are also individually evaluated and assessed for their performance effectiveness. The Board has conducted an evaluation of its performance and the performance of each committee and each individual director during the year 2025.

Each independent Director of the Bank is a professional in their field and possesses a background in the financial and banking field.

The Board of Directors and its committees receive regular reports on various aspects of the Bank’s business from senior management as well as from Internal Audit, Risk Management, Financial Control, Compliance & AML, Sharia Coordination and Implementation Department, Internal Sharia Audit, and Operations Departments.

The Chairman, the Board of Directors, and the Board Committees have direct access to the Corporate Secretary, Heads of Internal Audit, Risk Management, Regulatory Compliance, Internal Sharia Audit, and Shari’a Sharia Coordination and Implementation.

**The names, title, and other positions held by the Board of Directors are set out below:**

<p><b>Yousif Abdulla Taqi</b> <i>Chairman</i></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Director since March 2024 (Non-Independent and Non-Executive).</li> <li>• Over 36 Years of experience in the fields of Islamic Banking, Audit, and Advisory Services.</li> <li>• Board member in Bapco Refining BSC</li> <li>• Board member in Bahrain Marina Development Company W.L.L</li> <li>• Board member in Infinity Capital W.L.L</li> </ul> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>• Honorary Doctoral Degree from Husson University – USA</li> <li>• Bachelor of Science in Accounting from Husson University – USA</li> <li>• Certified Public Accountant “CPA”</li> </ul>	<p><b>Sh. Ahmed Bin Isa Al Khalifa</b> <i>Vice Chairman</i></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Director since March 2017 (Independent and Non-Executive)</li> <li>• Over 36 years of experience in governance and Project &amp; information management</li> </ul> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>• Master Certificate in Project Management from the George Washington University – USA.</li> <li>• BSc in Computer Science from Saint Edwards University – USA.</li> </ul>
<p><b>Ali Murad Ali Murad</b> <i>Board Member</i></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Director since April 2022 (Non-Independent and Non-Executive).</li> <li>• Over 24 years of experience in the Banking and Private Sectors, as well as the fields of Credit Analysis, Treasury, Private Banking, and Investment</li> <li>• Vice Chairman and Co-Founder of Pinnacle W.L.L. – Bahrain</li> <li>• Board Member of GFH Financial Group</li> <li>• Board Member in several companies such as GFH Capital SA, GFH</li> </ul>	<p><b>Mazen Ibrahim Abdulkarim</b> <i>Board Member</i></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Director since September 2020 (Non-Independent and Non-Executive).</li> <li>• Over 31 Years of experience in the fields of Banking and financial Investments.</li> <li>• Board Member of Esterad Investment Company B.S.C. – Kingdom of Bahrain.</li> <li>• Board Member of Gulf Investment Corporation G.S.C. – Kuwait.</li> <li>• Board Member of Sayacorp Aqar W.L.L. – Kingdom of Bahrain.</li> </ul> <p><b>Qualification:</b></p>

<p>Partners Ltd. Dubai, Al Areen Holding Company, and EAT app</p> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>BSc and BA in Marketing from Suffolk University, Boston, Massachusetts – USA</li> </ul>	<ul style="list-style-type: none"> <li>BSc with Honours in Finance from Bentley University – USA.</li> </ul>
<p><b>Reyadh Eid Al Yaqoob</b> <i>Board Member</i></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>Director since October 2018 (Independent and Non-Executive)</li> <li>36 Years of experience in the field of Leadership, Management &amp; Project Supervision within the Government Sector</li> </ul> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>MSc in Systems Management from the Naval Postgraduate School, USA</li> <li>National Diploma in Aerospace Studies from the Brunel</li> <li>Certificate in Operation Research (OR) from the Royal Military College of Science – UK</li> <li>Successfully completed a Workshop on the Future of Corporate Governance - American University - KOGOD School of Business</li> <li>Successfully completed a Workshop on Principles of Financial Restructuring - Executive Education Academy</li> <li>Successfully completed a Workshop on Global Corporate Governance Challenges - Executive Education Academy</li> <li>Successfully completed a Workshop on Digital Business Strategy Harnessing Our Digital Future - Massachusetts Institute of Technology</li> </ul>	<p><b>H.E. Ayman Tawfiq Almoayed</b> <i>Board Member</i></p> <p><b>Experience:</b></p> <p>(Non- Independent and Non-Executive)</p> <ul style="list-style-type: none"> <li>Director since March 2024</li> <li>Over 22 Years of experience in the public and private sectors</li> <li>Secretary General of the Supreme Council for Youth and Sports, after spending close to 4 years as Minister of Youth and Sports Affairs (2018 – 2022)</li> <li>Chairman of Arab Shipbuilding and Repair Yard Company “ASRY”</li> <li>Chairman of Hope Fund</li> <li>Chairman of Chambers &amp; Guilds WLL</li> <li>Chairman of Sports Cities Company</li> <li>Chairman of Arabian Gulf Capital</li> <li>Supervisory Board Chairman of Kempinski Hotel – Germany</li> <li>Board Member of the General Sports Authority</li> </ul> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>Master’s in Business Administration focused on Business of Law from the University of Cambridge – UK</li> <li>Bachelor of Laws from the University of Kent – UK College – USA</li> </ul>

<p><b>Sh. Isa Bin Khalid Al Khalifa</b> <b>Board Member</b></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Director since March 2024 (Independent and Non-Executive).</li> <li>• Over 21 Years of experience in the fields of Corporate Banking and Investment</li> <li>• Board Member &amp; Audit Committee Chairman of Alba BSC "ALBA"</li> <li>• Founder and Managing Director of Seaspring WLL</li> </ul> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>• Master's in Science in Global Financial Analysis from Bentley College – USA</li> <li>• Bachelor of Science in Economics &amp; Finance from Bentley College – USA</li> </ul>	<p><b>Salah Sharif</b> <b>Board Member</b></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Director since December 2024 (Non-Independent and Executive)</li> <li>• Over 38 Years of experience in many fields in the Banking Sector</li> <li>• COO of GFH Financial Group – Bahrain</li> <li>• Chairman of Student Quarters – USA</li> <li>• Chairman of Big Sky Asset Management – USA</li> <li>• Board Member in several Projects and Operating Companies that fall under the GFH Financial Group Brand</li> <li>• Board Member of Infracorp B.S.C.c - Bahrain</li> </ul> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>• MBA with Distinction from Glamorgan University – Wales</li> </ul>
<p><b>Dawod Mohamed Alghoul</b> <b>Board Member</b></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Director since December 2024 (Independent and Non-Executive).</li> <li>• Over 21 years of experience in Financial Planning, Strategy, Investment, and Financial Restructuring</li> <li>• CEO Financial Services and Group Chief Investment Officer, Ethmar International Holding – UAE</li> <li>• Board Member of Solidarity First Insurance – Jordan</li> </ul> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>• Certified Public Accountant "CPA"</li> <li>• Master's in accounting from the University of Colorado – USA</li> <li>• BSc In Accounting from the University of Jordan – Jordan</li> </ul>	<p><b>Mr. Razi Abdulghafar Al Merbati</b> <b>Board Member</b></p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>• Director since May 2025,</li> <li>• Over 23 Years of experience in banking and finance including Islamic investments, advisory, private banking and wealth management</li> <li>• CEO of GFH Capital – S.A. and the Group Chief Placement Officer of GFH Financial Group,</li> <li>• Board Member of Esterad Investment Company – Kingdom of Bahrain</li> <li>• Board Member of Gulf Central Company – Kingdom of Saudi Arabia</li> </ul> <p><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>• BSc. In Business Informatics, AMA International University, Kingdom of Bahrain</li> </ul>
<p>*</p>	<p>The qualifying criteria for 'Independent Directors' are as per the Corporate Governance guidelines of the CBB.</p>

## 5. Quorum required for adoption of Board resolutions

The required quorum for the meetings of the BOD and AGM shall be in accordance with the provisions of the Articles of Association of the Bank. The BOD may pass its resolutions by post, e-mail, fax, conference calls, video calls or any other means of audio or video communication.

**6. Refraining from voting on any decision or anything subject to a possible conflict of interest.**

As per Bahrain Commercial Companies Law and CBB's regulations, Board members are required to disclose potential conflicts as well as refrain from participating in any conflicted decisions. This includes potential conflicts that may arise when a Director takes up a position with another company or has any material transactions with the Bank. In addition, exposures to major shareholders, directors and senior management are governed by the regulations of the CBB.

Related party transactions are entered into in compliance with Article 189 of the Commercial Companies Law. Details of related party transactions, carried out at arm's length, are disclosed in Note 29 of the financial statements.

Khaleeji is committed to professionally managing potential conflicts of interest which may arise during business to meet the Bank's obligations. As such, the Bank maintains a conflict-of-interest policy outlining clear and transparent procedures for dealing with instances falling under the abovementioned scenarios, in line with CBB Rulebook Volume 2 and Volume 6 in addition to the provisions of the Bahrain Commercial Companies Law. In the event of a conflict of interest occurring, the individual must promptly disclose any matter that may result, or has already resulted, in a conflict of interest.

The conflicted individual must additionally abstain from getting involved in or voting on any matter where they may have a conflict of interest or where their objectivity or ability to properly fulfil duties may otherwise be compromised. Any decision to enter into a transaction in which an approved person appears to have a material conflict of interest must be formally or unanimously approved by the entire Board. These events are recorded in the applicable Board or subcommittees meeting minutes.

Below illustrates the instances whereby a Board Member has abstained from voting because of conflict of interest. It is to be noted the below is inclusive of the Board and its Subcommittees.

Ser .	Board Member Name	Abstainin g from Voting Instances	Approval Authority	Status	Abstainin g from Voting Instances	Approval Authority	Status
1	Yousif Taqi	6	Board of Directors	Approved	1	BICC	Approved
2	Sh. Ahmed Bin Isa Al Khalifa	2	Board of Directors	Approved			
3	HE Ayman Almoayed	6	Board of Directors	Approved	1	BICC	Approved
4	Reyadh Al Yaqoob	1	Board of Directors	Approved			
5	Ali Murad	4	Board of Directors	Approved	1	BICC	Approved
6	Mazen Abdulkarim	3	Board of Directors	Approved	-	-	-
7	Salah Sharif	4	Board of Directors	Approved	-	-	-
8	Hisham Al Rayes	2	Board of Directors	Approved	-	-	-
9	Razi Almerbati	1	Board of Directors	Approved	-	-	-

## 7. Board of directors' interests

As of the year ended 31 December 2025, the members of the Board collectively held zero shares in the Bank.

Director's name	No. of Shares As of Dec. 2024	No. of Shares As of Dec. 2025	Movement During the Year	% of SubTotal Shares
Yousif Abdulla Taqi	-	-	-	-
Sh. Ahmed Bin Isa Al Khalifa	-	-	-	-
HE Ayman Tawfiq Almoayed	-	-	-	-
Razi Almerbati	-	-	-	-
Reyadh Eid Al Yaqoob	-	-	-	-
Ali Murad Ali Murad	-	-	-	-
Sh. Isa Bin Khalid Al Khalifa	-	-	-	-
Mazen Ibrahim Abdulkarim	-	-	-	-
Dawod Mohamed Alghoul	-	-	-	-
Salah Abdulla Sharif	-	-	-	-
<b>Total</b>	-	-	-	-

## 8. Board committees

The Board of Directors has constituted three Committees with specific delegated authorities.

Committee	Members	Primary responsibilities
Board Nominations, Remunerations and Governance Committee (BNRGC)	<ul style="list-style-type: none"> <li>Reyadh Eid Al Yaqoob (Independent and Non-Executive)</li> <li>Sh. Isal Al Khalifa (Independent and Non-Executive)</li> <li>Mazen Ibrahim Abdulkarim (Non-Independent and Non-Executive)</li> </ul>	<ul style="list-style-type: none"> <li>Human Resources.</li> <li>Compensation and incentives.</li> <li>Administration.</li> <li>Corporate Governance.</li> <li>ESG.</li> </ul>
Board Audit and Risk Management Committee (BARMC)	<ul style="list-style-type: none"> <li>Sh. Ahmed Bin Isa Al Khalifa (Independent and Non-Executive)</li> <li>Reyadh Eid Al Yaqoob (Independent and Non-Executive)</li> <li>Sh. Isal Al Khalifa (Independent and Non-Executive)</li> <li>Mazen Ibrahim Abdulkarim (Non-Independent and Non-Executive)</li> <li>Salah Sharif (Non-Independent and Non-Executive)</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit.</li> <li>External Audit.</li> <li>Compliance.</li> <li>Anti-Money Laundering.</li> <li>Risk management.</li> <li>Policies related to risk management.</li> </ul>
Board Investment and Credit Committee (BICC)	<ul style="list-style-type: none"> <li>Yousif Taqi (Non-Independent and Executive)</li> <li>Ali Murad Ali Murad (Non-Independent and Non-Executive)</li> <li>Ayman Almoayed (Non-Independent and Non-Executive)</li> <li>Dawod Alghoul (Independent and Non-Executive)</li> <li>Razi Almerbati (Non-Independent and Non-Executive)</li> <li>Sattam Sulaiman Algozaibi (non-voting member)</li> </ul>	<ul style="list-style-type: none"> <li>Investment &amp; credit approval.</li> <li>Setting limits.</li> <li>Investment policies.</li> <li>Asset Liability Management.</li> <li>Banking relationship.</li> <li>Oversight of Off-Balance Sheet Vehicles.</li> </ul>

Meetings of the Board and its committees are held as and when required but in accordance with the Regulations the Board meets at least once a quarter. The Board of Directors met six times in 2025. The Bank held its Annual General Assembly (AGM) and the Extraordinary General Meeting (EGM) on 17 March 2025. In addition to physical meetings, several written resolutions were circulated to the Directors during 2025 for approval by email.

During the year, the Board Audit and Risk Management Committee (BARMC) held five meetings (minimum 4 per year), the Board Investment and Credit Committee (BICC) held

seven meetings (minimum 4 per year), the Board Nominations, Remunerations and Governance Committee (BNRGC) held nine meetings (minimum 2 per year).

## 9. Election system of directors and any termination arrangements

The system for the election and termination of Directors is governed by the Companies Law and Articles –18-20 of the Bank’s AOA. Also, Articles 28 and 29 of the AOA define the cases in which the Bank may terminate the Director’s membership. Furthermore, in line with the Article 179 of Companies Law and Articles 21 the of AOA, in case of vacancy for one or more Board members, the Board shall elect by a secret ballot or otherwise, a substitute amongst certain number of candidates, proposed by at least two Board members until the first General Meeting is held.

## 10. Board and Subcommittees meeting dates and attendance

### ▪ Board of Directors meetings

Meetings dates during the year 2025							
	10 Feb.	11 May	13 Jul.	24 Sep.	6 Nov.	30 Dec.	Attendance %
Yousif Taqi	✓	✓	✓	✓	✓	✓	100%
Sh. Ahmed Bin Isa Al Khalifa	✓	✓	✓	✓	✓	✓	100%
HE Ayman Almoayed	✓	✓	✓	✓	✓	✓	100%
Reyadh Al Yaqoob	✓	✓	✓	✓	✓	✓	100%
Ali Murad	✓	✓	-	✓	✓	✓	75%
Sh. Isa Bin Khalid Al Khalifa	✓	✓	✓	✓	✓	✓	100%
Mazen Abdulkarim	✓	✓	✓	✓	✓	✓	100%
Dawod Alghoul	✓	✓	✓	✓	✓	-	75%
Salah Sharif	✓	✓	✓	✓	✓	✓	100%
Hisham Al Rayes 1	✓	✓	-	-	-	-	100%
Razi Almerbati 2	-	-	✓	-	✓	-	50%
1 Resigned from the Board on 11 May 2025							
2 Joined the Board on 28 May 2025							

### ▪ BNRGC meetings

	9 Feb.	6 Mar.	13 Mar.	27 Mar.	7 May	10 July	24 July	23 Sep.	5 Nov.
Reyadh Eid Al Yaqoob	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sh. Isa Al Khalifa	✓	✓	✓	✓	✓	✓	✓	✓	✓
Salah Sharif 1	✓	✓	✓	-	✓	✓	✓	✓	-
Mazen Abdulkarim 2	-	-	-	-	-	-	-	-	✓

1 The committee was reconstituted on 19 October 2025

2 Joined the committee on 19 October 2025

▪ **BARMC meetings**

	23 Jan.	9 Feb.	7 May.	23 Sep.	5 Nov.
Sh. Ahmed Bin Isa Al Khalifa	✓	✓	✓	✓	✓
Mazen Ibrahim Abdulkarim	✓	✓	✓	✓	✓
Sh. Isa Al Khalifa	✓	✓	✓	✓	✓
Reyadh Alyaqoob	✓	✓	✓	✓	✓
Salah Sharif	✓	✓	✓	✓	✓

▪ **BICC meetings**

	10 Feb.	14 Apr.	8 May	10 Jul.	28 Aug.	24Sep.	6 Nov.
Yousif Taqi	✓	✓	✓	✓	✓	✓	✓
Ali Murad Ali Murad	✓	✓	✓	✓	✓	✓	✓
Ayman Almoayed	✓	✓	✓	✓	✓	-	✓
Dawod Alghoul	✓	✓	✓	✓	✓	✓	✓
Sattam Algosaibi	✓	✓	✓	✓	✓	✓	✓
Razi Almurbatl <sup>1</sup>	-	-	-	✓	✓	✓	✓

<sup>1</sup> Joined the committee on 10 July 2025

**11. Shari'a Supervisory Board (SSB)**

The Bank's Shari'a Supervisory Board consists of four Islamic scholars who review the Bank's compliance with general Shari'a principles and specific fatwas, rulings and guidelines issued. Their review includes examination of evidence relating to the documentation and procedures adopted by the Bank to ensure that its activities are conducted in accordance with Islamic Shari'a principles.

<p><b>Sh. Dr. Fareed Yaqoob Al-Miftah</b> <b>Chairman</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Member of the Supreme Council of Islamic Affairs.</li> <li>○ Undersecretary – Court of Cassation, Supreme Judicial Council – Bahrain.</li> <li>○ Member, International Islamic Fiqh Academy.</li> <li>○ Former judge of the high Shari'a Court.</li> <li>○ Former Lecturer at the University of Bahrain.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ BA &amp; Master degree from Imam Muhammad ibn Saud University – KSA.</li> <li>○ Ph.D. from the University of Edinburgh – United Kingdom.</li> </ul> </li> </ul>	<p><b>Sh. Dr. Fareed Mohammed Hadi</b> <b>Vice Chairman and Executive Member</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Assistant Professor at the College of Business Administration, University of Bahrain.</li> <li>○ Founder of Islamic Banking and Finance B.Sc. and Master Programs, University of Bahrain.</li> <li>○ Member – Board of Directors BCC Waqf Fund, Central Bank of Bahrain.</li> <li>○ Chairperson and member of a number of Shari'a Supervisory Board in Islamic banks &amp; insurance companies.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ BA &amp; Master degree from Imam Muhammad ibn Saud University – KSA</li> <li>○ Ph.D. in Ibn Hazm's Methodology of Jahala, University of Edinburgh – UK.</li> <li>○ Ph.D. in Al-Bukhari's Methodology, University of Mohammed V – Morocco. Ph.D. in Islamic Studies.</li> </ul> </li> </ul>
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<p><b>Sh. Dr. Nizam Mohammed Saleh Yaqoobi</b> <b>Member</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Member of the Shari'a Council of AAOIFI, Bahrain.</li> <li>○ Member of Centralized Shari'a Supervisory Board of the Central Bank of Bahrain.</li> <li>○ Chairperson and member of a number of Shari'a Supervisory Board in Islamic banks &amp; insurance companies.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ BA in Economics and Comparative Religion from the McGill University – Canada.</li> <li>○ Ph.D. in Islamic Studies.</li> </ul> </li> </ul>	<p><b>Sh. Dr. Mohamed Yousif Abdulsalam</b> <b>Executive Member</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Head of Shari'a and Corporate Secretary at GFH.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Ph.D. in Islamic Accounting from the American University – USA</li> <li>○ MBA in Islamic Accounting and Financial Control from the American University – USA</li> <li>○ Bachelor's in Islamic Accounting from Imam Mohammad ibn Saud Islamic University – KSA</li> </ul> </li> </ul>
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## 12. Executive management committees

The Board of Directors delegates the authority for day-to-day management of the business to the Chief Executive Officer (CEO) who is responsible for implementing the Bank's strategic plan. The CEO manage the Bank through the following key management committees:

<b>Committee</b>	<b>Primary responsibilities</b>
Management Committee	Strategy, Performance review, Budget, Administration
Asset Liability Management Committee	Balance sheet management, Funding, Liquidity, Banking Relationships
Executive Credit & Investment Committee	Review of Credit proposal, Review of investments, Exit and credit proposals, Monitoring of investments, Risk Management policies, Risk review, Provisions and impairment.
Executive Risk Management Committee	Risk Management policies, Risk review, and Compliance.
Human Resources Committee	Approving the policies and strategy of human resources
Provisioning Committee	Review provisioning levels for defaulted financing, assess account staging and approve upgrades, and endorse action plans and provisioning recommendations submitted by the Remedial Management Committee.
Remedial Management Committee	Evaluate and manage defaulted clients, guiding remedial actions, monitoring progress and legal cases, reviewing asset-quality reports, and recommending restructuring and provisioning measures.
IT Steering Committee	Reviews, monitors and prioritizes major IT projects from a cross-functional perspective. The Committee sets the direction for the Bank's use of IT. Approves the IT strategic plan, and other IT-related policies.

### 13. Executive management & other senior management

The names and title of each member of executive and other Senior Management are set out below:

<p><b>Sattam Sulaiman Algosaibi</b> <b>Chief Executive Officer</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 28 years of experience in the Islamic Banking industry.</li> <li>○ Joined the Bank in 2018.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Master of Business Administration from DePaul University – USA.</li> <li>○ BSc in Accounting Science from King Fahad University of Petroleum &amp; Minerals – KSA.</li> </ul> </li> </ul>	<p><b>Mohammed Abdulla Saleh</b> <b>Assistant General Manager - Legal, Regulatory, and Corporate Affairs</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 25 years of experience in Management, Islamic Banking, Law, Corporate Governance, Compliance, Anti-Money Laundering, and Human Resources.</li> <li>○ Joined the Bank in 2009.</li> </ul> </li> <li>• <b>Qualifications:</b> <ul style="list-style-type: none"> <li>○ Masters in IT, Media, and eCommerce Law from the University of Essex – UK.</li> <li>○ BSc in Law from Dubai Police Academy – UAE.</li> <li>○ Advanced Diploma in Islamic Finance from Bahrain Institute of Banking and Finance “BIBF”.</li> <li>○ Diploma in Business Management from the University of Bahrain.</li> <li>○ Diploma in Police Sciences from Dubai Police Academy – UAE.</li> <li>○ ICA International Diploma in Compliance from the International Compliance Association “ICA”.</li> <li>○ Attended the Waqf Fund - Leadership Grooming Program for Islamic Banks at Ivey Business School in Western University (Canada &amp; Hong Kong).</li> <li>○ Certified Board Secretary.</li> </ul> </li> </ul>
<p><b>Dr. Abdulnasser Omar Al Mahmood</b> <b>Head of Shari’a Coordination &amp; Implementation</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 36 years of experience in Shari’a Audit and Islamic Banking.</li> <li>○ Joined the Bank in 2008.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Doctor of Philosophy in Islamic Banking &amp; Finance -International Islamic University Malaysia</li> <li>○ Master’s in Business Administration with thesis in Shari’a Control and Review in Islamic Banks from Gulf University – Kingdom of Bahrain.</li> <li>○ BSc in Shari’a and Islamic Studies from Qatar University.</li> <li>○ Associate Diploma in Shari’a Control from Cambridge University of Training – UK.</li> <li>○ Advanced Diploma in Islamic Commercial Jurisprudence “ADICJ”</li> </ul> </li> </ul>	<p><b>Mohamed Ebrahim Al Hashimi</b> <b>Head of Operations</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 24 years of experience in Islamic Banking Operations.</li> <li>○ Joined the Bank in 2006.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ BSc in Business Information System from University of Bahrain.</li> <li>○ Certified Islamic Professional Accountant Program “CIPA”.</li> <li>○ Attended Executive Leadership Development Program at Darden School of Business in the University of Virginia – USA.</li> </ul> </li> </ul>

<p>from Bahrain Institute of Banking and Finance "BIBF".</p>	
<p><b>Abdulkarim Mohamed Al Zakari</b> <b>Chief Financial Officer</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 19 years of experience in Risk Management, Quantitative Modeling &amp; Analytics, and Credit Review Management in Islamic Banking.</li> <li>○ Joined the Bank in 2020.</li> </ul> </li> <li>• <b>Qualifications:</b> <ul style="list-style-type: none"> <li>○ Master of Business Administration from London Business School - UK</li> <li>○ BSc in Investment and Financial Risk Management from City University, CASS Business School – UK.</li> <li>○ Chartered Financial Analyst "CFA" from the CFA Institute – USA.</li> <li>○ Certificate in Quantitative Finance "CQF" from the CQF Institute – UK.</li> <li>○ Holder of the Professional Risk Manager "PRM" certificate from the PRMIA Institute – USA.</li> <li>○ Attended a Transformational Leadership Program at Harvard Business School – USA.</li> <li>○ Attended an Executive Program at INSEAD University – France.</li> </ul> </li> </ul>	<p><b>Osama Ali Hasan</b> <b>Chief Technology Officer</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 28 years of experience in the field of Information Technology and Banking.</li> <li>○ Joined the Bank in 2021.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Master of Science in Information Systems Management from the University of Liverpool – UK.</li> <li>○ B.Sc. in Computer Science from Isra University – Hashemite Kingdom of Jordan.</li> </ul> </li> </ul>
<p><b>Mohammed Hamad Fakhri</b> <b>Head of Internal Audit</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 20 years of experience in Internal Audit, Risk Management, Governance, and controls both in Islamic Retail and Investment Banking.</li> <li>○ Joined the Bank in 2012.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ BSc in Accounting from University of Bahrain.</li> <li>○ Chartered Financial Analyst "CFA" from the Chartered Financial Analyst Institute "CFA" – USA.</li> <li>○ Certified Internal Auditor "CIA" from the Institute of Internal Auditors – USA.</li> <li>○ Attended the Waqf Fund Internal Auditor Grooming Program at (Turkiye).</li> </ul> </li> </ul>	<p><b>Nawaf Abdulsalam Al Hosani</b> <b>Head of Internal Shari'a Audit and Shari'a Board Secretary</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 18 years of experience in Shari'a Audit, Compliance, and Governance of Islamic Banks and Investment Structures.</li> <li>○ Joined the Bank in 2008.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Master's in Business Administration with concentration on Islamic Finance from University College of Bahrain.</li> <li>○ BA in Islamic Studies "Shari'a" from the University of Bahrain.</li> <li>○ Certified Shari'a Advisor &amp; Auditor "CSAA" from Accounting &amp; Auditing Organization for Islamic Financial Institution "AAOIFI".</li> <li>○ Certified Islamic Professional Accountant "CIPA" from Accounting and Auditing Organization for Islamic Financial Institution "AAOIFI".</li> <li>○ Advanced Diploma in Islamic Commercial Jurisprudence "ADICJ" from Bahrain Institute of Banking and Finance "BIBF".</li> </ul> </li> </ul>

<p><b>Ahmed Mohamed Burashid</b>  <b>Head of Corporate Banking, Investments, and Debt Capital Markets</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 20 years of experience in Corporate Banking, Treasury, and Investment Portfolio Management</li> <li>○ Joined the Bank in 2018.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Master's in Finance from DePaul University – USA.</li> <li>○ BSc in Commerce with Honours from DePaul University – USA.</li> <li>○ Attended the Waqf Fund Corporate Banking Leadership Grooming Program at Ivey Business School in Western University (United Kingdom).</li> </ul> </li> </ul>	<p><b>Ameera Ahmed Alabbasi</b>  <b>Head of Retail Banking</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 22 years of experience in Corporate and Retail Banking.</li> <li>○ Joined the Bank in 2008.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Master of Business Administration Concentration in General Business from DePaul University – USA.</li> <li>○ BSc in Marketing from the University of Bahrain.</li> <li>○ Associate Professional Risk Manager "APRM" from Professional Risk Managers' International Association "PRMIA" – USA.</li> <li>○ Attended Islamic Finance Management Development Program at Coventry University – UK.</li> <li>○ Attended the Waqf Fund Retail Banking Leadership Grooming Program at Ivey Business School in Western University (Canada &amp; Hong Kong).</li> </ul> </li> </ul>
<p><b>Roomi Siddiqui</b>  <b>Head of Treasury</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 31 years of experience in Treasury and Investments</li> <li>○ Joined the Bank in 2024</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Master's in Business Administration from the Institute of Business Management – Pakistan</li> <li>○ Bachelors of Commerce from D.H.A Degree College, Karachi – Pakistan</li> </ul> </li> </ul>	<p><b>Amit Yashpal</b>  <b>Chief Risk Officer</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 33 years of experience in Commercial, Retail, Investment Conventional, Islamic Banks, and Consulting in all areas of risk and banking – Retail, Corporate Credit, Credit Review and Treasury/Investment.</li> <li>○ Joined the Bank in 2025.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Master of Information Management and Systems from University of California, Berkeley, USA</li> <li>○ Chartered Financial Analyst, CFA Charter Holder, CFA Institute, USA</li> <li>○ Chartered Alternative Investment Analyst, CAIA Charter Holder, CAIA Association, USA</li> <li>○ Financial Risk Manager, FRM, Global Association of Risk Professionals, GARP, USA</li> <li>○ Project Management Professional, PMP, Project Management Institute, PMI, USA</li> </ul> </li> </ul>

<p><b>Fajer Sami Albusmait</b> <b>Head of Compliance</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 15 years of experience in Compliance and supervising Islamic Banks and Financial Institution in the Kingdom of Bahrain.</li> <li>○ Joined the Bank in 2019.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ BSc in Banking &amp; Finance from University of Bahrain.</li> <li>○ International Compliance Association (ICA).</li> <li>○ Certified Shari'a Advisor and Auditor (CSAA).</li> <li>○ Advance Diploma in Islamic Finance "ADIF" from Bahrain Institute of Banking and Finance "BIBF".</li> <li>○ Islamic Shari'a Studies from Bahrain Institute for Shari'a Studies.</li> </ul> </li> </ul>	<p><b>Mohamed Abbas Radhi</b> <b>Head of Anti-Financial Crimes</b></p> <ul style="list-style-type: none"> <li>• <b>Experience:</b> <ul style="list-style-type: none"> <li>○ Over 19 years of experience in Anti-Financial crimes and compliance.</li> <li>○ Joined the Bank in 2019.</li> </ul> </li> <li>• <b>Qualification:</b> <ul style="list-style-type: none"> <li>○ Master of Arts in International Management from Bournemouth University - UK.</li> <li>○ BSc in Systems Engineering and Management (International Management with Combined Studies) from Open University – UK.</li> <li>○ ICA International Diploma in Compliance.</li> <li>○ Certified Anti-Money Laundering Specialist (CAMS)</li> <li>○ Certified International Compliance Officer.</li> <li>○ Chain Analysis Cryptocurrency Fundamentals Certification (CCFC).</li> </ul> </li> </ul>
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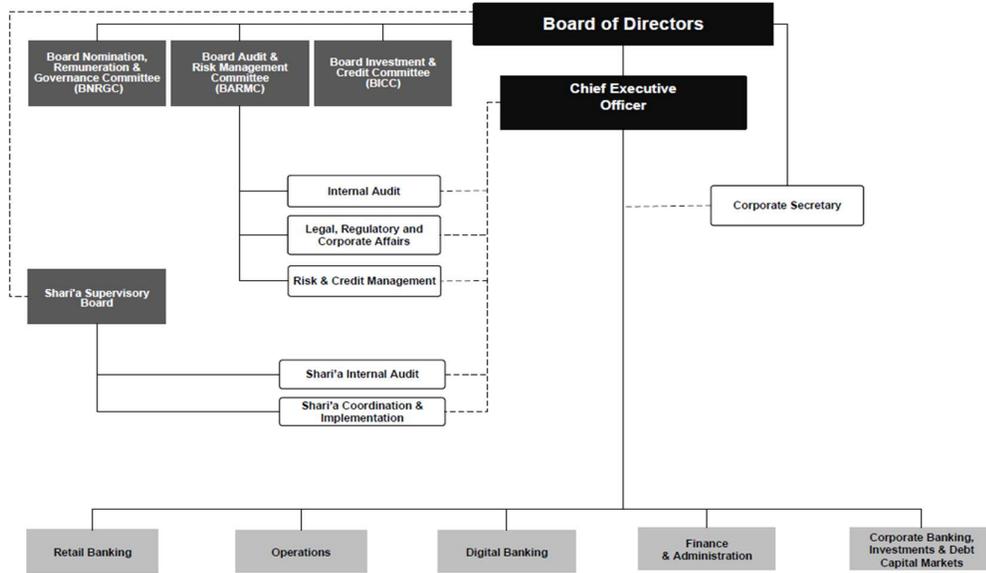
#### 14. Executive and senior management interests

The following table indicates the executive and senior management shareholding as 31 December 2025:

Executive and senior management	Number of outstanding shares at 31 December 2025	Number of outstanding shares at 31 December 2024
Sattam Sulaiman Algosaibi	-	-
Mohammed Abdulla Saleh	-	-
Abdul-Nasser Omar Al-Mahmood	-	-
Mohamed Ebrahim Alhashimi	-	-
Abdulkarim Mohamed Alzakri	5,008	-
Osama Ali Hassan	29,794	-
Mohamed Hamad Fakhri	19,582	-
Nawaf Abdulsalam Al Hosani	-	-
Ahmed Mohamed Burashid	-	-
Ameera Ahmed Al Abbasi	-	-
Roomi Siddiqui	-	-
Fajer Sami Albusmait	-	-
Mohamed Abbas Radhi	-	-
<b>Total</b>	<b>54384</b>	<b>0</b>

## 15. Organizational chart

Set out below is the Bank's organization chart, which outlines the different committees and the lines of reporting, as of 31 December 2025.



## 16. Board of Directors & Executive Management compensation

The Bank has both a short-term and long-term compensation structure for its executive management which has been developed based on current market surveys and industry norms. The Bank also had an incentive scheme where in eligible employees were awarded a combination of shares and cash incentives on achievement of pre-determined performance targets. During 2025, the total remuneration of top 6 executives, including CEO and Senior Financial Officer including other allowances and benefits was BD 2,114,834.

The Bank's board remuneration is determined in line with the provisions of Article 188 of the Companies Law, and their annual remuneration is subject to the approval of the shareholders during the AGM at the end of each year. The Board of Directors is also entitled to sitting fees. The table below illustrates a full account of everything paid to the members of the board of directors during the financial year in the form of salaries, dividends, allowance for attendance (sitting fees), allowance for representation and other expenses:

- First: Executive Management Remuneration Details for Top 6 Executives:**

Executive management	Fixed paid salaries and allowances	Variable remuneration (Bonus)	Any other cash/ in kind remuneration for 2025	Aggregate Amount
Remuneration of top 6 executives, including CEO* and Senior Financial Officer**	1,156,251	818,124	140,459	2,114,834

All amounts in Bahraini Dinars.

\*The highest authority in the executive management of the company, the name may vary: (CEO, President, General Manager (GM), Managing Director...etc.)

\*\* The company's highest financial officer (CFO, Finance Director, ...etc.)

Note 1 - The variable remuneration includes cash and shares based remuneration. Significant portion of variable remuneration is subject to deferral over 3 years as per the Central Bank of Bahrain regulations.

Note 2 - Remuneration details include compensation earned by executive management in their role as Board members of investee companies or other subsidiaries.

• **Second: Board of Directors' Remuneration Details:**

Name	Fixed remunerations				Variable remunerations				End-of-service award	Aggregate amount (Does not include expense allowance)	Expenses Allowance
	Total allowance for attending Board and committee meetings	Remunerations of the chairman and BOD	Others*	Total	Remunerations of the chairman and BOD	Incentive plans	Others**	Total			
<b>First: Independent Directors:</b>											
1- Sh. Ahmed Bin Isa Al Khalifa	22,500	27,500	-	50,000	-	-	-	-	-	50,000	-
2- Reyadh Eid Al Yaqoob	36,000	27,500	-	63,500	-	-	-	-	-	63,500	-
3- Sh. Isa Bin Khalid Al Khalifa	36,000	15,000	-	51,000	-	-	-	-	-	51,000	-
4- Dawood Alghoul	23,000	15,000	-	38,000	-	-	-	-	-	38,000	-
<b>Second: Non-Executive Directors:</b>											
1- Ali Murad	23,000	15,000	-	38,000	-	-	-	-	-	38,000	-
2- Mazen Ibrahim Abdulkarim	24,000	15,000	-	39,000	-	-	-	-	-	39,000	-
3- Yousif Abdulla Taqi	25,500	27,500	25,500	78,500	-	-	-	-	-	78,500	-
4- H.E. Ayman Al Moayed	24,000	15,000	-	39,000	-	-	-	-	-	39,000	-
<b>Third: Executive Directors:</b>											
1- Hisham Ahmed Al Rayes	5,000	11,500	-	16,500	-	-	-	-	-	16,500	-
2- Salah Abdulla Sharif	33,000	15,000	-	48,000	-	-	-	-	-	48,000	-
3- Razi Abdulghafar Al Murbati	11,000	10,000	-	21,000	-	-	-	-	-	21,000	-
<b>Total</b>	<b>263,000</b>	<b>194,000</b>	<b>25,500</b>	<b>482,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>482,500</b>	<b>-</b>
<p><b>Note: All amounts are stated in Bahraini</b></p> <p><b>Other remunerations:</b>  * It includes in-kind benefits – specific amount - remuneration for technical, administrative and advisory works (if any).  ** It includes the board member's share of the profits - Granted shares (insert the value) (if any).</p> <p><b>Notes:</b>  1. The Bank does not have any variable remuneration payments, end of service benefits, or expense allowances paid to its directors.  2. Board remuneration represents payments proposed for the year 2025 which are subject to the approval of the shareholders in upcoming Annual General Meeting dated 12th March 2026.</p>											

**17. Shari'a compliance, Regulatory compliance and Anti-Money Laundering**

Compliance with Shari'a laws, regulatory and statutory requirements is an ongoing process and the Bank is conscious of its responsibilities in observing all applicable provisions and best international practices in its functioning. The Bank has established the Shari'a Compliance Function and the Regulatory Compliance Function in keeping with Basel and CBB guidelines. The respective units act as a focal point for all Shari'a and regulatory compliance and for adapting other best practice compliance principles.

Anti-Money Laundering measures form an important area of the Compliance Function. The Bank has an Anti-Money Laundering and Combating Terrorist Financing Policy and

Procedure approved by the Board, which contains sound Customer due diligence measures, procedure for identifying and reporting suspicious transactions, a program for periodic awareness training to staff, record-keeping, and a designated Money Laundering Reporting Officer (MLRO). The Bank's Anti-Money Laundering measures are reviewed by independent external auditors every year and their report is submitted to the CBB. The Bank is committed to combating money laundering and is in compliance with the guidelines issued by the CBB in relation to Anti-Money Laundering requirements.

As per Comply or Explain Principle, which stipulates the need to elucidate the non-compliance cases and provide clarification on the same in event non-compliance with the rules and guidelines of the HC Module, the Bank wishes to clarify the following:

- The bank has obtained an exemption from the Central Bank of Bahrain with regard to the requirements contained in Article HC 3.2.2, which requires that the Chairman of the Board be an independent member.

#### **18. Audit fees charged by the external auditor and other non-audit services provided by the external auditor and fees paid**

The Audit fees charged to external auditors is BD 227 thousands, and non audit services provided by external auditors is BD 12 thousands.

#### **19. Related party Transactions**

For detailed discussion on the related party transactions, kindly refer to notes (no. 32) on the consolidated financial statement for the year ended 31 December 2025. All related party transactions are approved by the Board of Directors and disclosed to the shareholders in the Annual General Meeting.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the parent company, other significant shareholders and entities over which the Group and the shareholders exercises significant influence, directors, sharia board members and executive management of the Group. The transactions with these parties were made on agreed commercial terms.

Details of Directors' interests in the Bank's ordinary shares as at the end of the year were Nil (2024: Nil).

Compensation of key management personnel

Key management personnel of the Group comprise the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

The key management personnel compensation during the year is as follows:

	<b>2025 BD '000</b>	<b>2024 BD '000</b>
Board member fees and allowances	483	353
Sharia Supervisory Board fees	53	50
Salaries and other short-term benefits	2,115	1,867
Post employment benefits	147	88

The key management personnel balances as of the end the year is as follows:

	<b>31 December 2025 BD '000</b>	31 December 2024 BD '000
Balances due to key management as compensation	639	560

The related party balances and transactions included in these consolidated financial statements are as follows:

<b>31 December 2025</b>	<b>Associates</b>	<b>Directors / Key management personnel and shari'a board members</b>	<b>Parent company / other significant shareholders / entities in which directors are interested</b>	<b>Total</b>
	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>
<b>Assets</b>				
Financing contracts	-	4,509	86,591	<b>91,100</b>
Investment securities	-	-	2,284	<b>2,284</b>
Equity accounted investees	6,948	-	-	<b>6,948</b>
Investment in sukuk and other yielding investments	-	-	58,297	<b>58,297</b>
Other assets	-	-	153	<b>153</b>
<b>Liabilities and Quasi-equity</b>				
Placement from financial institutions, Non-FIs and individuals	-	4,096	119,629	<b>123,725</b>
Customers' current accounts	243	879	21,537	<b>22,659</b>
Other liabilities	-	639	-	<b>639</b>
Quasi-equity	313	1,805	133,974	<b>136,092</b>

<b>31 December 2024</b>	<b>Associates</b>	<b>Directors / Key management personnel and shari'a board members</b>	<b>Parent company / other significant shareholders / entities in which directors are interested</b>	<b>Total</b>
	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>	<b>BD '000</b>
<b>Assets</b>				
Financing contracts	-	3,995	23,091	27,086
Investment securities	-	-	2,284	2,284
Equity accounted investees	6,516	-	-	6,516
Investment in sukuk and other yielding investments	-	-	58,297	58,297
Other assets	-	-	66	66
<b>Liabilities and Quasi-equity</b>				

Placement from financial institutions, Non-FIs and individuals	-	2,439	61,908	64,347
Customers' current accounts	699	350	13,687	14,736
Other liabilities	-	560	-	560
Quasi-equity	318	2,147	29,855	32,320

## 2025

	Associates	Directors / Key management personnel and shari'a board members	Parent company / other significant shareholders / entities in which directors are interested	Total
	BD '000	BD '000	BD '000	BD '000
<b>Income</b>				
Income from financing contracts	-	266	2,500	<b>2,766</b>
Income from investment securities	-	-	-	-
Share of results from equity accounted investees	432	-	-	<b>432</b>
Income from sukuk and other yielding investments	-	-	1,749	<b>1,749</b>
Fees and other income, net	-	-	14	<b>14</b>
<b>Expenses</b>				
Finance expense on placements from financial institutions, non-financial institutions and individuals	-	88	925	<b>1,013</b>
Net income attributable to quasi-equity	15	56	2,432	<b>2,503</b>
Staff cost	-	2,262	-	<b>2,262</b>
Other expenses	-	536	-	<b>536</b>

## 2024

	Associates	Directors / Key management personnel and shari'a board members	Parent company / other significant shareholders / entities in which directors are interested	Total
	BD '000	BD '000	BD '000	BD '000
<b>Income</b>				
Income from financing contracts	-	224	2,044	2,268
Income from investment securities	5,792	-	-	5,792
Share of results from equity accounted investees	(504)	-	-	(504)
Income from sukuk and other yielding investments	-	-	2,394	2,394
Fees and other income, net	-	-	-	-

Expenses				
Finance expense on placements from financial institutions, non-financial institutions and individuals	-	105	5,837	5,942
Net income attributable to quasi-equity	18	84	3,952	4,054
Staff cost	-	1,956	-	1,956
Other expenses	-	405	-	405

During the year 2024, 47% of the AT1 Sukuk with a par value of BD 28,261 thousand were converted into 282,610 thousand ordinary shares of BD 0.100 each representing 25% of the Bank's issued and paid-up capital. Furthermore, the Shareholders resolved to approve the redemption of the remaining 53% of the AT1 Sukuk of BD 31,739 thousand in cash.

Additionally, during 2024, the Group disposed of its share in HH Hotel Properties W.L.L. & Al Areen Hotels W.L.L. through a financing arrangement during the year.

Also, during the 2024, BD 438 thousand paid to related parties relating to donations.

#### **20. Penalties paid to the Central Bank of Bahrain**

During 2025, no penalty was charged to the Bank by the Central Bank of Bahrain (CBB) for failure to comply with CBB requirements.

#### **21. Board approved policy on the employment of relatives of approved persons**

The Bank does not permit the employment of immediate relatives of current employees. Employment of other relatives is permitted. However, employees who are relatives shall not be placed within the same department or same direct line of supervision. In case of marriage, the Bank reserves the right to terminate the employment of one of the spouses. The HR will disclose to the board of directors on an annual basis relatives of any approved persons (including SSB members) occupying controlled functions within the Bank up to the 4th degree of kinship.

#### **22. Board Evaluation**

During 2025, the Board conducted an evaluation of its performance and the performance of each committee and each individual director. The evaluation process included assessing how the Board operates, evaluating the performance of each committee in light of its specific purposes and responsibilities, reviewing each director's work, his attendance at Board and committee meetings, and his constructive involvement in discussions and decision making, and reviewing the Board's current composition against its desired composition with a view toward maintaining an appropriate balance of skills and experience and a view toward planned and progressive refreshing of the Board.

### 23. Share Capital and distribution of ownership of shares

The shareholders, in their Extraordinary General Assembly meeting on 4 March 2024 resolved to convert 47% of the AT1 Sukuk with a par value of BD 28,261 thousand into 282,610 thousand ordinary shares of BD 0.100 each representing 25% of the Bank's issued and paid-up capital. As a result, the issued and paid-up capital increased to 1,130,441 thousand shares of BD 0.100 each (excluding 47,588 thousand treasury shares).

	<b>31 December 2025 BD '000</b>	31 December 2024 BD '000
<b>Authorised:</b> 3,000,000,000 ordinary shares of BD 0.100 each	<b>300,000</b>	300,000
<b>Issued and fully paid up:</b> 1,130,440,712 ordinary shares (2024: 1,130,440,712 shares) of BD 0.100 each	<b>113,044</b>	113,044

*Distribution schedule of equity shares, setting out the number of holders and percentage in the following categories:*

#### 31 December 2025

Categories*	Number of Shares	Number of Shareholders	% of total outstanding shares
Less than 1%	67,296,367	338	5.95%
1% up to less than 5% **	56,430,775	2	4.99%
5% up to less than 10%	69,057,399	1	6.11%
50% and above	937,656,171	1	82.95%
	<b>1,130,440,712</b>	<b>342</b>	<b>100%</b>

\* Expressed as a percentage of total outstanding shares of the Bank.

\*\* Includes treasury shares.

#### 31 December 2024

Categories*	Number of Shares	Number of Shareholders	% of total outstanding shares
Less than 1%	76,139,052	322	6.73%
1% up to less than 5% **	47,588,090	1	4.21%
5% up to less than 10%	69,057,399	1	6.11%
50% and above	937,656,171	1	82.95%
	<b>1,130,440,712</b>	<b>325</b>	<b>100%</b>

\* Expressed as a percentage of total outstanding shares of the Bank.

\*\* Includes treasury shares.

*Names and nationalities of the major shareholders and the number of equity shares held in which they have an interest of 5% or more of outstanding shares:*

**31 December 2025**

	<b>Nationality</b>	<b>Number of shares</b>	<b>% of total outstanding shares</b>
GFH Financial Group*	Bahrain	937,656,171	82.95%
Royal Humanitarian Foundation	Bahrain	69,057,399	6.11%

\* These shares are held by KHCB Asset Company & SICO B.S.C on behalf of GFH Financial Group, the Parent.

**31 December 2024**

	<b>Nationality</b>	<b>Number of shares</b>	<b>% of total outstanding shares</b>
GFH Financial Group*	Bahrain	937,656,171	82.95%
Royal Humanitarian Foundation	Bahrain	69,057,399	6.11%

\* These shares are held by KHCB Asset Company & SICO B.S.C on behalf of GFH Financial Group, the Parent.

**24. Earnings prohibited by Shari'a and the annual Zakah contribution**

For detailed discussion on how non-Shari'a-compliant earnings and expenditure occur and the manner in which they are disposed of; and the annual zakah contributions of the bank, kindly refer to notes (no. 5) on the consolidated financial statement for the year ended 31 December 2025.

**25. Review of internal control processes and procedures**

Internal Controls are systems designed, introduced and maintained by the Bank's management and top-level executives, to provide a substantial degree of assurance in achieving business objective, while complying with the policies and regulations, safeguarding the assets, maintaining efficiency and effectiveness in regular operations and reliability of financial statements.

All Khaleeji staff members share responsibility of implementing adequate internal controls measures within their respective work context.

Further, Internal Audit conducts risk based reviews to ensure the existence of sound implementation of internal controls across Bank's various activities and operations.

Board Audit Risk Management Committee (BARMC) assists the Board of Directors in fulfilling its oversight responsibilities by reviewing the systems of internal controls which are established by Management and approved by the Board of Directors.

**26. Governance Arrangements to Ensure Shari'a Compliance**

Effective implementation of Shari'a Governance is pivotal basis for controlling and drafting the Shari'a compliance in Khaleeji. The Bank endeavors to continually update and adopt best practices in the areas of Sharia governance and compliance with Islamic Shari'a rules and

principles in its activities. This adherence is embodied in Khaleeji by adopting an effective framework for Sharia Governance that commensurate and proportionate to the size and nature of the Banks business in accordance with the Rulebook, V-2 issued by the Central Bank of Bahrain.

The Bank has adopted four main components that formed its Sharia Governance framework and is considered as the highest degree of commitment to the Shari'a Governance Framework issued by the Central Bank of Bahrain. These components are:

1. Shari'a Supervisory Board;
2. Internal Shari'a Audit function;
3. Shari'a Coordination and Implementation Function; and
4. Independent External Shari'a Compliance Audit.

This Shari'a Governance framework and arrangements ensure that the Bank is in compliance with Shari'a rules and principles, SSB's Fatwas and decisions, Shari'a related policies and procedures, AAOIFI's Shari'a standards, relevant rulings of the CSSB and the regulations, resolutions and directives issued by the CBB.

## **27. Dealing with Complaints**

Khaleeji takes its customer complaints very seriously. The customers Investment Account Holders may provide their feedback, suggestion or complaint through different channels, such as call center, branches, or through email [Complaints@khcbonline.com](mailto:Complaints@khcbonline.com).

If the complaints team is unable to resolve the matter immediately; the complaints team will send a written acknowledgment of the complaints to the client within 5 working days. Complaints are addressed promptly in accordance with their urgency, in an equitable, objective and efficient manner. The complaint team will investigate independently the matter and will provide the client with an update on her/his complaints through contacting them with the contact numbers, written letters or emails. The customer is also outlined with the options that are open to pursue the matter further.

## **28. Consumer awareness programmes for information on new products and services**

During 2025, Khaleeji Bank has continued to implement an integrated strategy to enhance client awareness of its banking products & services, drawing on a balanced mix of traditional and digital channels in line with accelerating digital transformation and evolving client behaviour. The Bank focused on strengthening its on-ground presence and direct engagement with the public, alongside expanding digital campaigns targeting diverse client segments within the Kingdom of Bahrain.

The year witnessed the launch and enhancement of a number of innovative banking products & services, most notably the upgraded "Al Waffer" Account, offering total prizes exceeding USD 4 million, as well as the introduction of the "Ajyal Al Waffer" category, aimed at instilling a culture of saving among children and the youth. Khaleeji has also continued promoting the "Hafeez" business platform following its enhancement, enabling instant registration using digital ID and biometric verification, thereby improving customer experience and facilitating access to digital banking services.

As part of its efforts to strengthen direct engagement, the Bank successfully implemented interactive campaigns across several prominent shopping malls, including City Center Bahrain, Al Liwan, and Marassi Galleria, to raise awareness of our savings products and various financing solutions. This was complemented by Khaleeji's active participation in Cityscape Bahrain 2025, during which it signed cooperation agreements and launched joint financing campaigns in support of national housing programs.

The Bank also focused on regional expansion of its digital services by enabling GCC nationals to open digital bank accounts through the mobile application, in addition to launching advanced digital services such as Visa+ for mobile-based transfers across GCC countries and real-time audit confirmation reports. These initiatives enhanced operational efficiency and reinforced the Bank's position as a leading digital banking institution.

## **29. Social functions and charitable contributions of the bank**

In the year 2025, Khaleeji Bank has continued to fulfil its national and social role, driven by its firm commitment to the principles of social responsibility and sustainability, in alignment with Bahrain Economic Vision 2030 and the Sustainable Development Goals. The Bank's contributions focused on education, youth empowerment, environmental sustainability, and sports, in addition to supporting community and institutional initiatives.

Khaleeji has maintained its support for the education sector through the launch of its annual training program "Banking Gateway" for 2025, which attracted 40 university students, alongside organising field visits in collaboration with the Central Bank of Bahrain, contributing to the development of national talent and enhancing professional readiness. In addition, the Bank sponsored the Academic Excellence Award at the American University of Bahrain and signed Memorandums of Understanding with several educational institutions to provide innovative financing solutions, supporting the sector's sustainability and promoting financial literacy among the youth.

As part of its commitment to ESG principles, Khaleeji has actively participated in the Kingdom's Tree Week in cooperation with the Capital Governorate, undertaking the planting of one of the main streets in the Seef District. This initiative underscores the Bank's role in supporting environmental initiatives and raising community awareness of sustainability. Khaleeji has also continued to integrate environmental considerations into its operational policies and institutional initiatives, in support of long term national environmental objectives.

On the sports and community front, the Bank supported a number of local activities and tournaments, including sponsorship of the "Khaleeji Padel Cup", participation in national youth and technology initiatives, and the organisation of internal events aimed at enhancing employee wellbeing, such as Bahrain Sports Day activities and Khaleeji's employee recognition program "STARS". These efforts contribute to strengthening a culture of belonging and institutional excellence.

In conclusion, these efforts reflect the Bank's commitment to its role as a responsible national institution striving to create a sustainable and positive impact within the community, enhance its contribution to comprehensive development, and support national talent, reinforcing its position as an active partner in the Kingdom of Bahrain's economic and social development journey.

## **30. KHCB's Shareholders' rights**

The Bank has a public disclosure on its website in shareholders' rights. Basic KHCB's shareholders rights include but are not limited to:

- a) Secure methods of ownership registration;
- b) The transfer of shares;
- c) Obtaining relevant and material information on the corporation on a timely and regular basis;
- d) Participating and voting in general shareholder meetings;
- e) Electing and removing members of the board;
- f) Sharing in the profits of the corporation;

- g) Presentations by independent advisers; and
- h) Participating in corporate events.



**Yousif Abdulla Taqi**  
**Chairman**



**Sh. Ahmed Bin Isa Al Khalifa**  
**Vice Chairman**