

# 10 ← CORPORATE GOVERNANCE REVIEW

## Corporate Governance Framework

Bahrain Islamic Bank B.S.C. (“BisB” or the “Bank”) is committed to upholding the highest standards of corporate governance by way of balancing entrepreneurship, regulatory compliance, and industry best practices, while creating value for all stakeholders. It also involves having the right checks and balances in place throughout the organization to ensure that the Bank’s processes are within an adequate, efficient, and robust internal control and governance framework. The Corporate Governance Policy was amended to take into account all revisions made as per the revised HC Module published by the CBB in 2023.

## Statement of Responsibility

The Board of Director (the “Board”) is ultimately accountable to the shareholders for the creation and delivery of strong sustainable financial performance and long-term shareholder value through strategic initiatives. The Chairman is responsible for leading the Board, ensuring its effectiveness, monitoring the performance of the Executive Management and maintaining a dialogue with the Bank’s shareholders. The Board has established the following Committees to assist it in carrying out its responsibilities:

1. Executive Committee (“EC”);
2. Audit Committee (“AC”);
3. Nomination, Remuneration, Governance, and Sustainability Committee (“NRGSC”);
4. Board Risk and Compliance Committee (“BRCC”); and
5. Board Independent Committee (“BIC”)\*.

\*The Board Independent Committee has been formed to handle an advisory role and provide advice and recommendations to the Board of Directors on issues related to integration and synergies between National Bank of Bahrain (NBB) and Bahrain Islamic Bank (BisB). BisB’s corporate governance framework is built on a code of conduct, policies, procedures, internal controls, risk management, Shari’a review and audit, internal and external audit and compliance functions. The framework is based on effective communications, transparent disclosures, performance measurement and accountability. An independent Internal Audit function is established within the Bank that reports functionally to the AC.

## Code of Conduct

BisB conducts its business in accordance with the highest standards of ethical behavior. A Business Code of Conduct has been developed, based on the Central Bank of Bahrain (“CBB”) Principles of Business regulations, to govern the personal and professional conduct of the directors and employees of the Bank. The code is based on the following principals:

1. Integrity;
2. Conflicts of Interest;
3. Due Skill, Care and Diligence;
4. Confidentiality;
5. Market Conduct;
6. Customer Assets;
7. Customer Interests;
8. Relations with Regulators;
9. Adequate Resources;
10. Management, System and Controls.

The requirements under each of the above principles are made available to the Board and employees of the Bank. The Board monitors any exceptions to the above principles by way of reviewing formal reports issued to the Board’s AC.

## Compliance

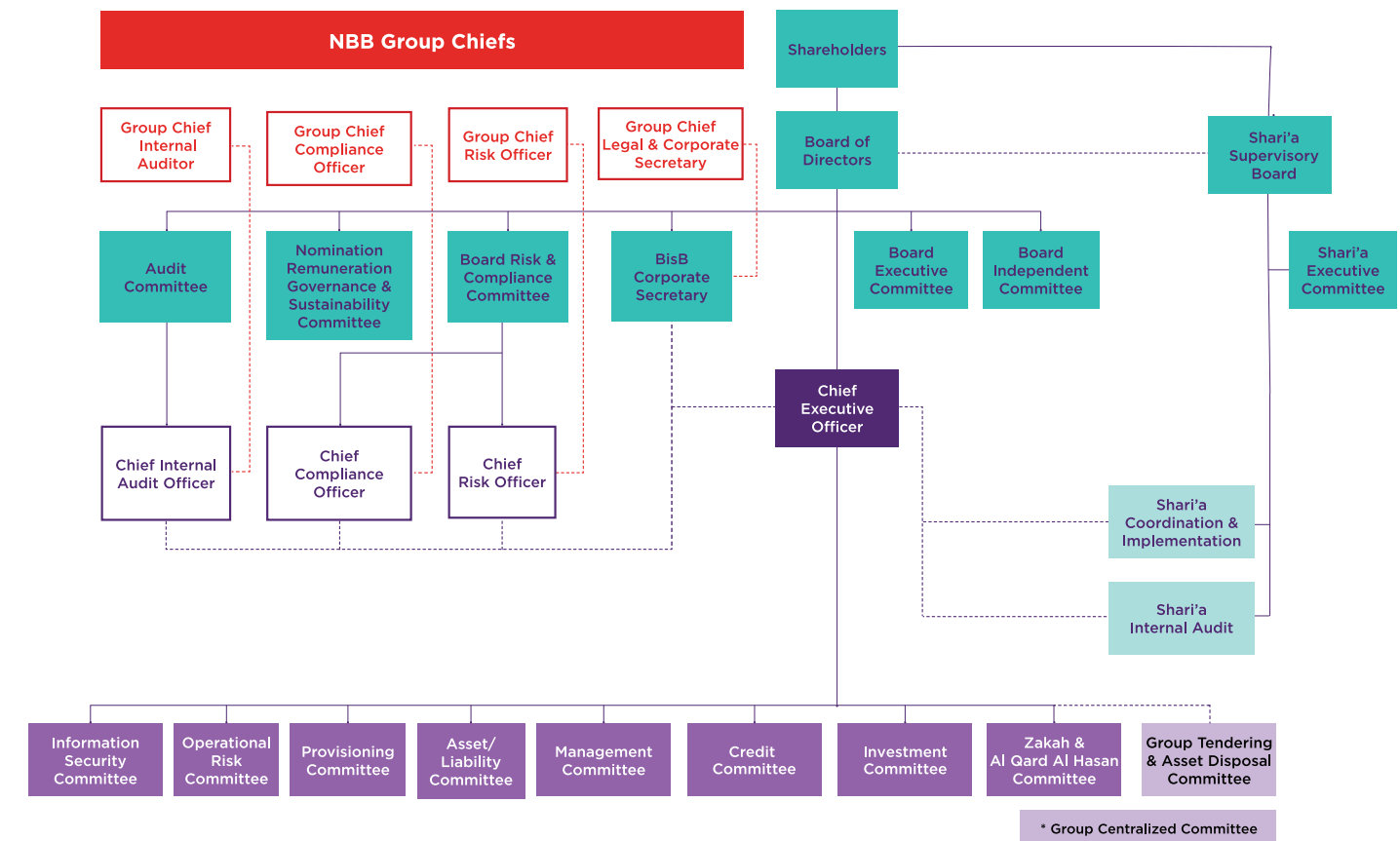
Compliance is an independent function that reports to the BRCC. The Compliance function, guided by the Board’s approved policies, works with various business and control functions of the Bank to ensure compliance with the applicable rules and regulations of the relevant regulatory authorities. Given the digital business strategy of the Bank, as well as the expanding regulatory scrutiny and enforcement, the Compliance Department of the Bank is keeping up with the digital advancements by participating in the risk management process from regulatory compliance perspective.

## Communications

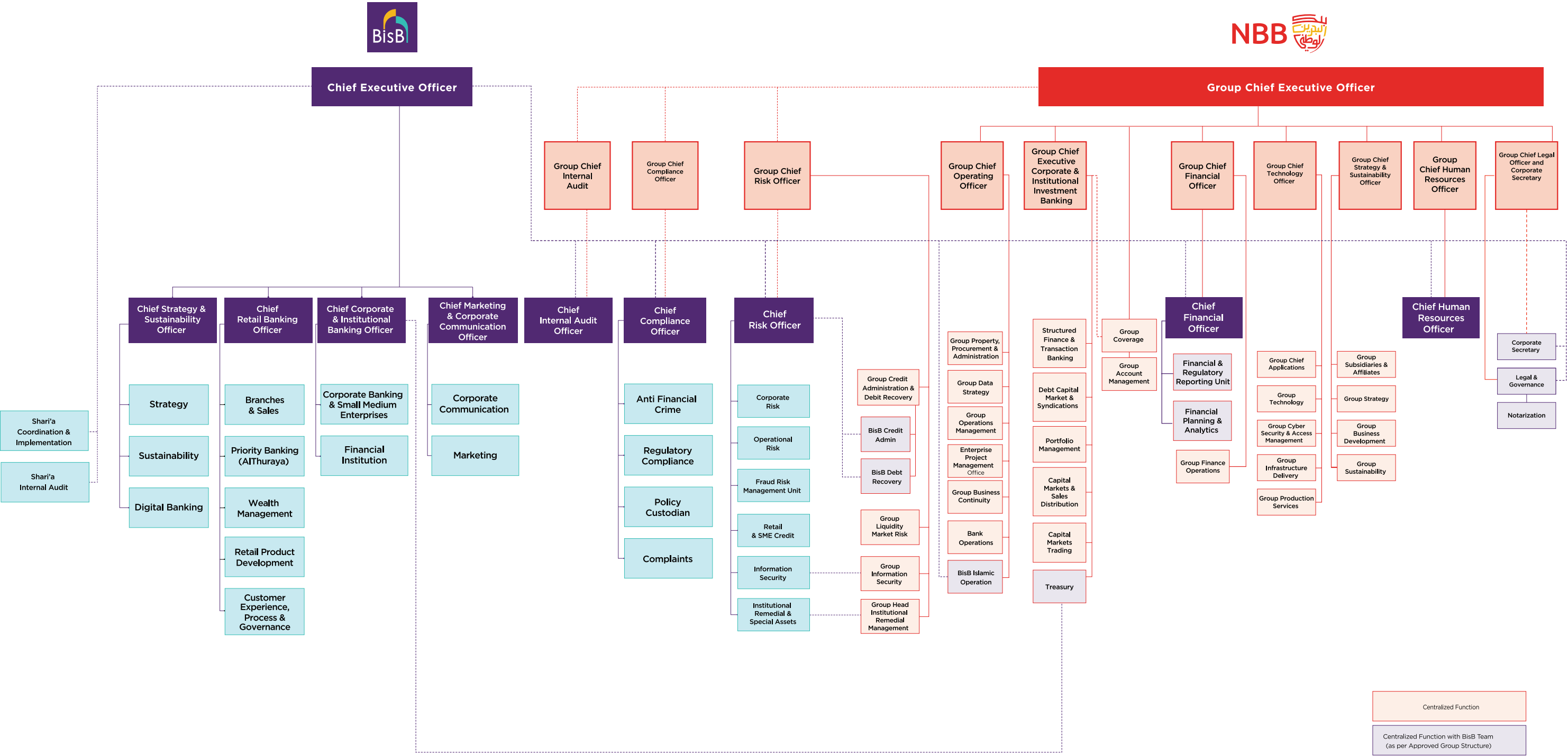
BisB conducts all communications with its stakeholders in a professional, honest, transparent, understandable, accurate and timely manner. Main communication channels include the annual report, website, and regular announcements in the appropriate local media.

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## Governance Structure



Governance Structure



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Board of Directors Composition\*

No.	Director	Designation	Start Date	Term
1.	Dr. Esam Abdulla Fakhro	Non-Executive Director	23 Mar 2016	Third
2.	Mr. Khaled Yusuf AbdulRahman	Non-Executive Director	23 Mar 2016	Third
3.	Mr. Usman Ahmed**	Executive Director	11 January 2023	First
4.	Mr. Mohammed Abdulla Nooruddin	Independent Director	21 Mar 2019	Second
5.	Mr. Khalid Abdulaziz Al Jassim	Independent Director	21 Mar 2019	Second
6.	Mr. Marwan Khaled Tabbara	Independent Director	21 Mar 2019	Second
7.	Mr. Saqer Abdulmohsin Al Sijari	Independent Director	28 Mar 2022	First
8.	Mr. Isa Hasan Maseeh	Executive Director	19 Apr 2020	Second
9.	Mr. Gaby Samir El Hakim***	Executive Director	11 January 2023	First
10.	Ms. Rana Abdulaziz Qambar****	Executive Director	22 May 2023	First

\*10% of the Board Members is represented by women.  
\*\* In replacement of Mr. Jean-Christophe Durand.  
\*\*\* In replacement of Mr. Yaser Alsharifi.  
\*\*\*\* In replacement of Ms. Dana Buheji.  
The detailed profiles of the Board members are available on the Bank's website.

Board of Directors' Responsibilities

The primary responsibility of the Board of Directors is to provide effective governance over the Bank's affairs for the benefit of its stakeholders and to balance the interests of its diverse constituencies, including associated concerns, employees, and other stakeholders. In all actions taken by the Board, the Directors are expected to exercise their business judgment in what they reasonably believe to be in the best interests of the Bank.

The Board will approve and oversee the implementation of the Bank's strategies and will review and approve the Bank's strategic plan. As part of its strategic review process the Board will review major action and business plans, set performance objectives, and oversee major investments, divestitures, and acquisitions. The Board is also ultimately responsible to ensure effective risk management function, regulatory compliance, adequate internal controls, preparation of financial statements as well as compliance with Shari'a rulings. Every year, the Board reviews the progress of the strategic plan.

One of the Board's most important responsibilities is identifying, evaluating, and selecting candidates for the Board of Directors. The Board will seek members from diverse professional backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. Directors should have had experience in positions with a high degree of responsibility, be leaders in the companies or institutions with which they are affiliated and be selected based upon the contributions they can make to the Board.

The Board may not necessarily carry out all these responsibilities but should ensure that these have been delegated to various Board committees or Executive Management committees to act on their behalf and communicate periodic reports to the Board for their review.

Induction of New Directors

The Bank provides an orientation program for new Directors which includes presentations by senior management on the Bank's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its operations, its Code of Conduct, its management structure and executive officers and its internal and external auditors. A guideline for new Board members was created under a codified document called the 'New Board Member Onboarding Guidelines'. This document is in place to ensure that new Board members are able to fulfil their governance responsibilities and director duties, and most importantly adjust to the Bank as soon as possible.

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Code of Conduct

The Bank adopts a Code of Conduct and other internal policies and guidelines to comply with the laws, rules and regulations that govern the Bank's business operations. The Code of Conduct applies to all employees of the Bank as well as to Directors.

Review of Internal Control Processes and Procedures

The Audit Committee assists the Board in fulfilling its oversight responsibility relating to the performance of the internal audit function, which regularly reviews and ensures adherence to internal control processes and procedures.

Board Membership

The Board of Directors' membership term is three years, subject to renewal. The current term started in March 2022 and is expected to end in March 2025. Shareholders owning 10% or more of the share capital have the right to nominate a representative on the Board of Directors in proportion to the number of Board members. A secret ballot is held at the Ordinary General Meeting for electing the remaining Board members. The Board of Directors elect, by a secret ballot, a Chairman and Vice Chairman for a renewable term of three years.

Membership of the Board of Directors can be terminated in the following cases:

1. If a member fails to attend at-least 75% of the meetings without a reasonable excuse;
2. If he/she tenders his resignation in writing;
3. If he/she fails to fulfil any related conditions referred to the Bank's Articles of Association;
4. If he/she is appointed or elected in violation of the provisions of the CBB Law and/or Bahrain Commercial Companies Law;
5. If he/she abuses his/her membership for carrying on other business that competes with or is detrimental to the Bank's business;
6. If the shareholder who nominated him/her applies for his/her removal; or
7. If the shareholder who nominated him/her is no longer a shareholder or loses its eligibility to nominate a representative on the Board of Directors.

Board Meetings and Attendance

Minimum Number of Meetings Required = 4

Director	20 Feb 23	03 May 23	02 Aug 23	10 Sep 23	09 Oct 23	31 Oct 23	20 Nov 23	06 Dec 23	Attendance Percentage
Dr. Esam Abdulla Fakhro	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Khaled Yusuf AbdulRahman	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Usman Ahmed*	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Mohammed Abdulla Nooruddin	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Khalid Abdulaziz Al Jassim	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Marwan Khaled Tabbara	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Saqer Abdulmohsin Al Sijari	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Isa Hasan Maseeh	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Gaby Samir El Hakim**	✓	✓	✓	✓	✓	✓	✓	✓	100%
Ms. Rana Abdulaziz Qambar***	-	-	✓	✓	✓	✓	✓	✓	100%

\* In replacement of Mr. Jean-Christophe Durand.  
\*\* In replacement of Mr. Yaser Alsharifi.  
\*\*\* In replacement of Ms. Dana Buheji.

- ✓ Participated physically  
✓ Participated via phone/video link

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### Board Committees

Board Committee	Members	Objectives
<b>Executive Committee (EC)</b>	Mr. Usman Ahmed* (Chairperson)  Members: 1. Mr. Khalid Yousif Abdul Rahman 2. Mr. Gaby Samir El Hakim**  * Appointed on 11th January 2023 in replacement of Mr. Jean Christophe Durand. **Appointed on 11th January 2023 in replacement of Mr. Yaser Alsharifi.	The EC assists the Board of Directors in fulfilling their responsibilities with regards to financing and investments activities, as well as any other matters not delegated to a specific Board Committee.  Accordingly, the EC is empowered to approve specific credit and investment proposals, review budgets, plans and major initiatives for eventual submission to the Board for approval, and to monitor the Bank's performance against business plan objectives.
<b>Audit Committee (AC)</b>	Mr. Khalid Abdulaziz Al Jassim (Chairperson)  Members: 1. Mr. Saqer Abdulmohsin Al Sijari 2. Mr. Isa Hasan Maseeh	The AC oversees the integrity and reporting of the Bank's quarterly and annual financial statements. It also covers review of audit findings, provisions, and impairments.
<b>Nomination, Remuneration, Governance, and Sustainability Committee (NRGSC)</b>	Dr. Esam Abdulla Fakhro (Chairperson)  Members: 1. Mr. Mohamed Abdulla Nooruddin 2. Mr. Usman Ahmed* 3. Mr. Marwan Khaled Tabbara  *Replacing Ms. Dana Buheji who resigned from BisB Board on 10th May 2023.	The NRGSC is responsible for developing and recommending changes from time to time in the Bank's nomination and remuneration policy, including the variable payment policy. It is also entrusted to identify and recommend persons occupying senior positions including Board members. Furthermore, the Committee also oversees Bank's governance related matters.  NRGSC is also responsible of ensuring the availability of a continuously growing awareness around Environmental, Social, and Governance (ESG) and sustainability areas.
<b>Board Risk and Compliance Committee (BRCC)</b>	Mr. Marwan Khaled Tabbara (Chairperson)  Members: 1. Mr. Mohamed Abdulla Nooruddin 2. Mr. Khalid Abdulaziz Al Jassim 3. Mr. Isa Hasan Maseeh	The BRCC is formed to assist the Board of Directors in fulfilling their regulatory as well as fiduciary responsibilities towards the stakeholders. Furthermore, the Committee also oversees compliance with legal and regulatory requirements.
<b>Board Independent Committee (BIC)</b>	Mr. Mohamed Abdulla Nooruddin (Chairperson)  Members: 1. Mr. Khalid Abdulaziz Al Jassim 2. Mr. Marwan Khaled Tabbara 3. Mr. Saqer Abdulmohsin Al Sijari	The BIC was initially formed to supervise the acquisition of BisB's shares has been reactivated to provide advice and recommendations to the Board of Directors on issues related to integration and synergies between (NBB) and (BisB).

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### Executive Committee Meetings and Attendance

Minimum Number of Meetings Required = 4

Members	23 Jan 23	06 Mar 23	19 Jun 23	24 Aug 23	18 Sep 23	27 Nov 23	Percentage
Mr. Usman Ahmed*	✓	✓	✓	✓	✓	✓	100%
Mr. Khalid Yousif Abdul Rahman	✓	✓	✓	✓	✓	✓	100%
Mr. Gaby Samir El Hakim**	✓	✓	✓	✓	✓	✓	100%

\* In replacement of Mr. Jean-Christophe Durand.  
\*\* In replacement of Mr. Yaser Alsharifi.

✓ Participated physically  
✓ Participated via phone/video link

### Audit Committee Meetings and Attendance

Minimum Number of Meetings Required = 4

Members	08 Feb 23	02 May 23	08 Jun 23	01 Aug 23	17 Sep 23	30 Oct 23	14 Dec 23	Percentage
Mr. Khalid Abdulaziz Al Jassim	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Saqer Abdulmohsin Al Sijari	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Isa Hasan Maseeh	✓	✓	✓	✓	✓	✓	✓	100%

✓ Participated physically  
✓ Participated via phone/video link

### Nomination, Remuneration, Governance, and Sustainability Committee Meetings and Attendance

Minimum Number of Meetings Required = 2

Members	01 Feb 23	15 Feb 23	15 Jun 23	13 Nov 23	Percentage
Dr. Esam Abdulla Fakhro	✓	✓	✓	✓	100%
Mr. Mohammed Abdulla Nooruddin	✓	✓	✓	✓	100%
Mr. Usman Ahmed*	-	-	✓	✓	100%
Mr. Marwan Khaled Tabbara	✓	✓	✓	✓	100%

\* In replacement of Ms. Dana Buheji.

✓ Participated physically  
✓ Participated via phone/video link

### Board Risk and Compliance Committee Meetings and Attendance

Minimum Number of Meetings Required = 4

Members	23 Jan 23	13 Mar 23	26 Mar 23	28 May 23	25 Jun 23	07 Sep 23	12 Sep 23	15 Nov 23	26 Nov 23	13 Dec 23	Percentage
Mr. Marwan Khaled Tabbara	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Mohammed Abdulla Nooruddin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Khalid Abdulaziz Al Jassim	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr. Isa Hasan Maseeh	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%

✓ Participated physically  
✓ Participated via phone/video link

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Board Independent Committee Meetings and Attendance

Minimum Number of Meetings Required = Upon Request

Members	23 Feb 23	18 Apr 23	23 Oct 23	Percentage
Mr. Mohammed Abdulla Nooruddin	✓	✓	✓	100%
Mr. Khalid Abdulaziz Al Jassim	✓	✓	✓	100%
Mr. Marwan Khaled Tabbara	✓	✓	✓	100%
Mr. Saqer Abdulmohsin Al Sijari	✓	✓	✓	100%

- ✓ Participated physically
- ✓ Participated via phone/video link

Evaluation of the Board and Each Committee

An enhanced Board performance evaluation has been conducted electronically for the year 2023 through the completion of a structured performance evaluation questionnaire form against certain pre-defined criteria as per the mandate of the Board and each of its committees on the effectiveness and contribution of the overall performance of the Board, its committees, and the performance of each Board member. (NRGSC) carried out an evaluation of the Board, its committees and all Board members through the distribution of questionnaires to each Board member. The NRGSC expressed its satisfaction with the positive results of the evaluation. The Board considers this as a beneficial exercise that can maintain the highest standards of governance to comply with the CBB rules and regulations.

Board of Directors Remuneration and Sitting Fees

The Board of Directors are paid an annual remuneration as approved by the shareholders at the Ordinary General Meeting. While the amount of the remuneration is not directly linked to the performance of the Bank, factors such as the Bank's performance, industry comparison and the time and effort committed by the Directors to the Bank, are considered for determining the total remuneration. In addition, Directors are paid sitting fees for attending the meetings of the Board and its various subcommittees. Non-resident directors are also entitled to travel expenses. Further details on the remunerations paid to Board as well as Senior Management are available under the remuneration disclosures of the annual financial and sustainability report.

Shari'a Supervisory Board Objective

The main objective of Shari'a Supervisory Board (SSB) is to advise the Bank on any Shari'a matter and to ensure compliance with the Shari'a tenets and requirements in their operations. The Shari'a Supervisory Board is entrusted with the duty of directing, reviewing, and supervising the activities of the Bank in order to ensure that the Bank is in compliance with Shari'a rules and Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). The profiles of the Shari'a Supervisory Board are available on the Bank's website.

The Shari'a Supervisory Board has established a Shari'a Coordination & Implementation function to ensure the Shari'a compliance of the Bank and performance of supervision and reviewer from the Shari'a point of view, in addition to the secretariat of the Shari'a Supervisory Board. The Shari'a Supervisory Board has also established an independent Internal Shari'a Audit function that reports any exceptions to the Shari'a fatwas and guidelines.

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Shari'a Board Meetings

Members	05 Mar 23	07 Jun 23	03 Oct 23	20 Nov 23	20 Nov 23*	Attendance Percentage
Sh. Dr. Abdul Latif Al Mahmood	✓	✓	✓	✓	✓	100%
Sh. Dr. Nedham Yacoubi	✓	✓	✓	✓	✓	100%
Sh. Adnan Al Qattan	✓	✓	✓	✓	✓	100%
Sh. Mohammed Al Juffairi	✓	✓	✓	✓	✓	100%

\* Meeting on the 20th of November was conducted with the Board of Directors.

- ✓ Participated physically
- ✓ Participated via phone/video link

Executive Management

The management structure that clearly defines roles, responsibilities, and reporting lines, is available in the annual report of the Bank. Within the management structure there are separate committees responsible for meeting on a regular basis to discuss and decide on the various strategic and tactical issues within their respective areas.

Name & Designation	Profession	Experience in years	Qualification
Yaser Abduljalil Alsharifi Chief Executive Officer	Business Administration	29	• BSc. of Business Administration Accounting Major, University of Massachusetts at Amherst • CPA from New Hampshire Board of Accountancy
Fatema Al Alawi Chief Retail Banking Officer From 2 May 2023	Business Administration	26	• BSc. In Business Administration, University of Bahrain
Jawad Abdulhadi Humaidan Chief Corporate & Institutional Banking	Economics & Finance	19	• Bachelor of Arts in Economics, Carleton University • MSc in Finance from DePaul University
Ameer Abdul Ghani Dairi Chief Financial Officer	Accounting	24	• CPA, New Hampshire Board of Accountancy • CMA, Chartered Institute of Management Accountants BSc in Accounting from the University of Bahrain
Afnan Ahmed Saleh Chief Human Resources Officer	Business Administration	24	• BSc. In Business Administration, University of Bahrain • MBA, University of Strathclyde
Ajay Kumar Jha Chief Risk Officer From 9 Jul 2023	Banking & Finance	27	• MBA (Finance), Institute of Management Studies, Devi Ahilya University, Indore, India • BSc Ramjas College, Delhi University, India
Mohamed Kadhém Alaali Chief Strategy & Sustainability Officer From 2 May 2023	Strategy & Sustainability	18	• Master of Business Administration, Business Strategy & Operations- GIES College of Business - University of Illinois • BSc of Science in Business, Information Systems, Murry state University, University of Bahrain



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Name & Designation	Profession	Experience in years	Qualification
Andrew Mario Stefan Corera <b>Chief Application Officer</b>	IT Professional in Banking & Finance	35	<ul style="list-style-type: none"> <li>Chartered Information Technology Practitioner (MBCS CITP)</li> <li>British Chartered Institute for IT Graduate in Management Information Systems and Design, National Institute of Business Management Sri Lanka</li> <li>PMP in Project Management</li> </ul>
Naeema Taheri <b>Chief Compliance Officer</b>	Banking & Financial Services	32	<ul style="list-style-type: none"> <li>BSc. in Business Administration, University of Bahrain</li> <li>International Diploma in Compliance, International Compliance Association (ICA), UK</li> <li>Certified Anti-Money Laundering Specialist (CAMS), USA Master Compliance Professional (MCP), USA</li> <li>Certified Compliance Officer (CCO), USA</li> <li>Professional Certificate in Capital Markets, Regulation and Compliance, USA</li> </ul>
Salman Mahmood Sayyar <b>Chief Internal Audit Officer</b> From 14 May 2023	Auditing & Banking	16	<ul style="list-style-type: none"> <li>BSc. In Accounting, University of Bahrain</li> <li>Certified Public Accountant (CPA), 2011</li> <li>Chartered Global Management Accountant (CGMA), 2013</li> <li>Certified Islamic Professional Accountant (CIPA), 2019</li> </ul>
Mahmood Ali Rabeea <b>Chief Marketing and Communications Officer</b> From 15 Oct 2023	Banking & Finance	21	<ul style="list-style-type: none"> <li>BSc of Arts- Publishing Media – Napier University, UK</li> </ul>
Hussain Ebrahim Al Banna <b>Head of Treasury</b>	Banking & Finance	20	<ul style="list-style-type: none"> <li>BSc. in Banking &amp; Finance, University of Bahrain</li> <li>Treasury and Capital Markets Diploma, BIBF</li> </ul>
Siddharth Kumar <b>Acting Chief Risk Officer and Head of Corporate &amp; Liquidity Risk</b> Resigned 15 Aug 2023	Finance	20	<ul style="list-style-type: none"> <li>Postgraduate in IT, Mumbai University</li> <li>Chartered Financial Analyst (CFA), CFA Institute, USA</li> <li>Professional Risk Manager (PRM)</li> <li>Certified Islamic Banker, CIBAFI</li> </ul>
Faisal Hamed Al Abdullah <b>Acting Head of Retail Banking and Head of Priority Banking</b> From 24 Oct 2022 to 2 May 2023	Banking & Finance	18	<ul style="list-style-type: none"> <li>BSc. in Banking &amp; Finance from Ahlia University in Bahrain</li> <li>Series 7</li> </ul>
Salah Yasein Ahmed <b>Head of Legal</b>	Legal	32	<ul style="list-style-type: none"> <li>BAR Certificate</li> <li>Legal Practitioner license</li> <li>Bachelor's Degree in Law – University of Khartoum</li> </ul>
Dr. Hamad Farooq Al-Shaikh <b>Head of Shari'a Coordination &amp; Implementation</b>	Shari'a	18	<ul style="list-style-type: none"> <li>PHD of Islamic Banking and Finance from Islamic International University Malaysia (IIUM)</li> <li>Masters of Shari'a, ALEmam ALAwzaie University, Lebanon</li> <li>Chartered Islamic Finance Professional (CIFP)</li> <li>Advanced Diploma in Islamic Commercial Jurisprudence (ADICJ), BIBF</li> </ul>

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Name & Designation	Profession	Experience in years	Qualification
Eman Mohammed AlBinghadeer <b>Head of Internal Shari'a Audit</b>	Shari'a	19	<ul style="list-style-type: none"> <li>Certified Shari'a Adviser and Auditor (CSAA) AAOIFI</li> <li>Certified Islamic Banker (CIB), CIBAFI</li> <li>Bachelor's Degree in Law and Shari'a, Qatar University</li> </ul>
			<ul style="list-style-type: none"> <li>Professional Diploma in Shari'a Auditing, CIBAFI</li> <li>Certified Specialist in Islamic Accounting (CSIA) Certified Islamic Banker (CIB), CIBAFI</li> <li>Certified Shari'a Adviser and Auditor (CSAA), AAOIFI Diploma in Computing and Business Studies, Bournemouth University and Technology Centre, UK</li> </ul>

### Management Committee

Committee(s)	Members	Objectives
<b>Management Committee (MANCO)</b>	<p>Yaser Abduljalil Alsharifi (Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"> <li>Ameer Abdul Ghani Dairi</li> <li>Mohamed Kadhém Alaali</li> <li>Afnan Ahmed Saleh</li> <li>Jawad Abdulhadi Humaidan</li> <li>Fatema Al Alawi</li> <li>Razi Amin</li> <li>Nabeel Kazim</li> <li>Hussain Al Banna</li> <li>Ajay Kumar Jha</li> </ul>	MANCO is the highest management body that reviews the Bank's strategy implementation. In addition, the committee also plays a significant role in establishing the policies, procedures and frameworks covering risk management, compliance, retail, and corporate banking. The Committee also monitors the performance of business, support, and control functions of the Bank.
<b>Asset &amp; Liability Committee (ALCO)</b>	<p>Yaser Abduljalil Alsharifi (Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"> <li>Ameer Abdul Ghani Dairi</li> <li>Ajay Kumar Jha</li> <li>Hussain Al Banna</li> <li>Jawad Abdulhadi Humaidan</li> <li>Fatema Al Alawi</li> <li>Hisham Saeed Al Kurdi</li> <li>Jaafar Mohamed Naser</li> </ul>	The purpose of Asset & Liability Committee is to function as a decision-making body and guiding force responsible for balance sheet planning from risk return perspective, including strategic management of yield and liquidity risks.
<b>Credit Committee</b>	<p>Yaser Abduljalil Alsharifi (Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"> <li>Ajay Kumar Jha</li> <li>Ahmed Askar</li> <li>Hussain Al Banna</li> </ul>	Credit Committee determines the Credit Policy of the Bank, identifies potential risks assumed by the Bank for different types of transactions. The CC has the authority to make a final decision on approval or rejection of proposed transactions within its delegated authority as well as to monitor the performance and quality of the bank's credit portfolio.

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Committee(s)	Members	Objectives
Investment Committee	<p>Yaser Abduljalil Alsharifi (Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"><li>• Ameer Abdul Ghani Dairi</li><li>• Ajay Kumar Jha</li><li>• Hussain Al Banna</li><li>• Nayef Al Naser</li></ul>	Investment Committee identifies potential risks assumed by the Bank for different types of investments (equity holdings, Sukuks, lands etc). The IC has the authority to make a final decision on approval or rejection of proposed transactions within its delegated authority as well as to monitor the performance and quality of the bank's investment portfolio.
Qard Al Hassan, Donation & Zakat	<p>Dr. Hamad Farooq AlShaikh (Chairperson)</p> <p>Nada Ishaq Abdul Karim (Vice Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"><li>• Hamad Al Bassam</li><li>• Nayef Alnasser</li><li>• Manar Hood Hashem</li></ul>	The main objective of Qard Al Hassan, Donation and Zakah Committee is to discharge the Group's social responsibilities toward its society through distributingzakah, charity funds, donations & good faith Qard for marriage, medical treatments, etc.
Project Steering Committee	<p>Yaser Abduljalil Alsharifi (Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"><li>• Nabeel Kazim</li><li>• Razi Amin</li><li>• Ameer Abdul Ghani Dairi</li><li>• Mohamed Kadhém Alaali</li><li>• George Faraj (Observer)</li><li>• Group EPMO Team (Enabler)</li></ul>	BisB Project Steering Committee's main objective is to ensure proper governance across BisB and the Group in relation to the projects' portfolios as part of the Enterprise Project Management Office (EPMO) while providing direction and taking necessary decisions to ensure investments achieve their goals within their set schedules and budgets in total alignment with BisB's strategic objectives and Group Strategy.
Provisioning Committee	<p>Yaser Abduljalil Alsharifi (Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"><li>• Ajay Kumar Jha</li><li>• Ahmed Askar</li><li>• Ameer Abdul Ghani Dairi</li><li>• Salah Yaseen Mohammed (Observer)</li><li>• Salman Sayyar (Observer)</li></ul>	Provisioning Committee reviews the Bank's provisions as well reviewing the progress on recovery for impaired assets and problem exposures.

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(Continued)

Committee(s)	Members	Objectives
Operational Risk Committee	<p>Ajay Kumar Jha (Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"><li>• Yaser Abduljalil Alsharifi</li><li>• Ameer Abdul Ghani Dairi</li><li>• Fatema Al Alawi</li><li>• Mohamed Khadem Alaali</li><li>• Naeema Hasan Taheri</li><li>• Afnan Ahmed Saleh</li><li>• Jawad Abdulhadi Humaidan</li><li>• Andrew Mario Stefan Corera</li><li>• Mohammed Isa Hammad</li><li>• Salman Sayyar</li><li>• Mahmood Ali</li><li>• Hussain Al Banna</li><li>• Hamad Farooq AlShaikh</li><li>• Eman AlBinghadeer</li><li>• Amal Saif Ahmed</li><li>• Sohail Kabeer</li><li>• Ebtisam Abdulkarim</li></ul>	Operational Risk Committee purpose is to: a) Oversee and review the Bank's operational risk framework. b) Assist the management in fulfilling its operational risk management responsibilities as defined by applicable laws and regulations.
Group Tendering & Asset Disposal Committee	<p>Fatima AlKooheji (Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"><li>• Rana Qambar</li><li>• Konstantinos Monogios</li><li>• Zaid Yusuf Khonji</li></ul>	As a part of the shared operating model, the Tendering and Asset Disposal Committee has been centralized to have an oversight over the related activities of both NBB and BisB.
Information Security Committee (ISC)	<p>Ajay Kumar Jha (vote) (Chairperson)</p> <p>Mohamed Isa Hammad (vote) (Vice Chairperson)</p> <p>Members:</p> <ul style="list-style-type: none"><li>• Yaser Abduljalil Alsharifi (vote)</li><li>• Jawad Abdulhadi Humaidan (vote)</li><li>• Razi Amin (vote)</li><li>• Naeema Hasan Taheri (vote)</li><li>• Fatema Al Alawi (vote)</li><li>• Salman Sayyar (observer)</li></ul>	<p>Information Security Committee is responsible for overseeing and approving the implementation of the information security and privacy strategy to protect its information assets, in line with BisB's strategic direction and risk appetite.</p> <p>The ISC provides the organizational framework for the corporate governance of information security and privacy, ensuring that the information security and privacy management requirements are integrated into the organization's processes to achieve its intended outcomes.</p> <p>The scope of the ISC covers all information systems used by the Bank or third parties.</p>

Succession Planning

Succession planning in the Bank is driven by our business strategy and forward-looking approach. The primary objective of the plan is to develop people to meet future demands of the Bank and ensure smooth business continuity. On an annual basis, the Human Resources Department of the Bank reviews and consults the Board’s NRGSC to ensure availability of a practical and executable succession plan.

Related Party Transactions and Conflict of Interest

Under the Bahrain Commercial Companies Law and the 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 shareholder, 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. All material service providers are selected following a satisfactory tendering process which is governed by the vendor management policy of the Bank. Any director or member of the senior management conflicted is excluded throughout the decision-making process. Details of related party transactions, carried out at arm’s length, are disclosed in Note 28 of the financial statements.

The Bank is committed to professionally manage 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 the 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 concerned 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 be otherwise compromised. Any decision to enter into a transaction in which an approved person appears to have a material conflict of interest must be formally and unanimously approved by the entire Board. These events are recorded in the applicable Board or subcommittees official proceedings.

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

Ser.	Board Member Name Name	Abstaining from Voting Instances	Approval Authority	Status
1	Dr. Esam Abdullah Fakhro	3	Board of Directors	Approved
2	Mr. Usman Ahmed	2	Board of Directors	Approved
3	Mr. Khalid Abdulaziz Al Jassim	1	Board of Directors	Approved
4	Mr. Marwan Khalid Tabbara	1	Board of Directors	Approved
5	Mr. Isa Hasan Maseeh	3	Board of Directors	Approved

Material Transactions Requiring Board Approval

The Board has delegated certain authorities to the Executive Management to ensure smooth and effective day to day management however, all material financing transactions, as provided in the delegation of authority matrix of the Bank, are subject to Board approval. Furthermore, major decisions such as change in strategy, changes in the organization structure, capital expenditures, amending policies and hiring Executive Management are subject to approval of either Board or relevant Board committees.

Exceptions to CBB’s Corporate Governance Regulations

Banks are required to comply with the High-Level Controls (HC) Module of the CBB Rulebook Volumes 2 and 6, which contains both Rules and Guidance. In accordance with the HC Module Volume 6, Rules must be complied with, but Guidance may either be complied with or non-compliance to be explained to the shareholders and to the CBB. Exceptions to guidance are explained as follows:

Reference	Explanation
HC-1.3.6	HC1.3.6- states that no one person should hold more than three directorships in public companies in the Kingdom of Bahrain, with the provision that no conflict of interest may exist. Dr. Essam Abdulla Fakhro, the Chairman of the Board, holds more than three directorships in public companies in the Kingdom of Bahrain. The Board is of the opinion that this does not impact the effectiveness and efficiency of the Board of Directors, as he provides adequate attention to his responsibilities and there is no conflict of interest between his other directorships and that of the Bank.
HC-1.4.5	HC1.4.5- states that the Chairman of the Board of Directors should be an independent director. The Bank’s Chairman, Dr. Essam Abdulla Fakhro is appointed by the National Bank of Bahrain (NBB) which is a Controller of the Bank. Accordingly, Dr. Fakhro is reported as a Non-Independent Director. The Board is of the view that given the seniority and experience of Dr. Essam Fakhro in business and leadership in addition to his ability to segregate between the interests of the Bank he is representing and the interests of BisB, he has been appointed in the position of the chairman of the Board. The CBB was notified of such appointment based on the previous CBB approval.
HC-1.8.6	HC1.8.6- states that the Board should establish a Corporate Governance Committee of at least three independent members and HC1.8.4- allows combination of committees. The Bank has combined the responsibility of the Corporate Governance Committee with that of the NRGSC. The Board is of the view that this does not compromise the high standards of corporate governance as the NRGSC has sufficient resources and time to discharge its duties and holds sufficient number of meetings to fulfil its responsibilities.
HC-5.3.2	HC5.3.2- states that the Remuneration Committee should include only independent directors or, alternatively, only non-executive directors of whom a majority are independent directors, and the Chairperson is an independent director. The Remuneration Committee of the Bank is combined with the Nomination, Governance and Sustainability Committee as allowed under HC-1.8.4. The Chairperson of the NRGSC, Dr. Essam Abdulla Fakhro, is treated as Non-Independent on the basis that his nomination is through NBB (a Controller of the Bank). The Board is of the view that given the seniority, leadership character and experience of Dr. Essam Fakhro, he has been appointed as a Chairperson of the NRGSC. The CBB was notified of such appointment based on the previous CBB approval. Additionally, the CBB has formally granted an exemption for Mr. Usman Ahmed as an Executive Director on the basis that his nomination will enable BisB to enhance Group Synergies and alignment which will ultimately create more efficient and more effective nomination, remuneration, governance, and sustainability initiatives.

Employments of Relatives

The Bank has a policy in place on employment of relatives to prevent the potential conflict of interest. As a matter of policy, employment of direct relatives is allowed but not in the same reporting line as the current family employee. The relatives should also not be in a sole checker/approval role for each other.

Remuneration of the External Auditors

KPMG Fakhro are the Group’s external auditors for the financial year ended 31 December 2023. Fees paid to KPMG during the year 2023 amount to BHD 167 thousand out of which BHD 83 thousand is for audit services, BHD 54 thousand is for audit related services required by regulatory bodies and BHD 30 thousand is for non-recurring non-audit services. During the Annual General Meeting held on 21st March 2023, the shareholders approved the re-appointment of KPMG as external auditors for the year ending 31st December 2023 and authorized the Board of Directors to determine their remuneration.

Information on Products and Services, and Availability of Financial Information

New product information, announcements and information related to all stakeholders are made available in a timely manner through various channels of communication which may include publications, website, direct mailers, electronic mail and local media. In addition, the Consolidated Financial Statements of at least past 5 years in addition to all supplementary disclosures required by CBB regulations, are available in the Bank’s website.

Customer Complaints

The Compliance Department is responsible for managing customer complaints. BisB customers may use the Bank’s website or the contact centre for lodging a complaint. All complaints are logged, monitored, and reported to the CBB. A user- friendly guide is made available to customers by way of a conspicuous notice and Bank’s website.



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### Whistleblowing Policy

The Board has adopted a Whistleblowing Policy (by appointing Mr. Khalid Al Jassim in his capacity as a board member and a Chairperson of the Audit Committee to be responsible for the Whistleblowing Policy) which provides all employees an opportunity to raise any observation regarding unethical and improper practices or any other wrongful conduct of a financial or legal nature in the Bank and to prohibit managerial personnel from taking any adverse action against employees for doing so.

### Major Shareholders Ownership (5% and above)

Shareholder	Nationality	Number of Shares	Percentage	Type of Ownership
National Bank of Bahrain	Bahraini	838,630,728	78.81 %	Majority Sovereign
General Council of Kuwaiti Awqaf	Kuwait	76,366,321	7.18 %	Sovereign

### Distribution of Ownership of Shares by Nationality

Country	Percentage	Number of Shares
Kingdom of Bahrain	87.41%	930,123,260
Kuwait	8.74%	92,950,238
United Arab Emirates	2.79%	29,710,341
Kingdom of Saudi Arabia	0.79%	8,398,088
Qatar	0.13%	1,333,923
Others	0.14%	1,542,737
Total	100.00%	1,064,058,587

### Changes in Distribution of Ownership shares of Directors, Shari'a Members, Approved Persons and Related Persons

Name	Shares as of 31 Dec 2022	Sold During 2023	Acquired During 2023	Shares as of 31 Dec 2023
<b>Directors</b>				
Dr. Esam Abdulla Fakhro *	352,500	-	-	352,500
Mr. Khalid Yousif Abdul Rahman **	-	-	-	-
Mr. Jean-Christophe Durand	-	Resigned from BisB Board on 11 Jan 2023		
Mr. Usman Ahmed	-	-	-	-
Mr. Khalid Abdulaziz Al Jassim	-	-	-	-
Mr. Saqer Abdulmohsin Al Sijari	-	-	-	-
Mr. Marwan Khaled Tabbara	-	-	-	-
Mr. Mohamed Abdulla Nooruddin	-	-	-	-
Mr. Isa Hasan Maseeh	-	-	-	-
Mr. Gaby El Hakim	-	-	-	-
Ms. Rana Qambar	-	-	-	-
Ms. Dana Buheji	-	Resigned from BisB Board on 10 May 2023		

\* Dr. Esam Abdulla Fakhro owns 50% of shares in Kingdom Investment which owns 861,250 number of shares in BisB.

\*\* Khalid Yousif Abdul Rahman owns 30.25% of shares in Yousif Abdul Rahman Engineer Holding Co WLL. which owns 536,020 number of shares in BisB.

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Shari'a Supervisory Board	Shares as of 31 Dec 2022	Sold During 2023	Acquired During 2023	Shares as of 31 Dec 2023
Shaikh Dr. Abdul Latif Mahmood Al Mahmood	545,159	-	-	545,159
Shaikh Dr. Nedham Mohamed Saleh Yacoubi	13,237	-	-	13,237
Shaikh Mohammed Jaffar Al Juffairi	-	-	-	-
Shaikh Adnan Abdulla Al Qattan	-	-	-	-

Approved Persons	Shares as of 31 Dec 2022	Sold During 2023	Acquired During 2023	Shares as of 31 Dec 2023
1. Yaser Abduljalil Alsharifi Chief Executive Officer	-	-	-	-
2. Ameer Abdul Ghani Dairi Chief Financial Officer	-	-	-	-
3. Ajay Kumar Jha Chief Risk Officer	-	-	-	-
4. Afnan Ahmed Saleh Chief Human Resources Officer	47,834	-	-	47,834
5. Jawad Abdulhadi Humaidan Chief Corporate and Institutional Banking Officer	-	-	-	-
6. Fatema Moosa Al Alawi Chief Retail Banking Officer	143,958	-	-	143,958
7. Salman Sayyar Chief Internal Audit Officer	-	-	-	-
8. Mahmood Al Rabea Chief Corporate Communications & Marketing Officer	-	-	-	-
9. Naeema Hasan Taheri Chief Compliance Officer	-	-	-	-
10. Mohamed Kadhém Alaali Chief Strategy & Sustainability Officer	-	-	-	-
11. Mohammed Isa Hammad Chief Information Security Officer	-	-	-	-
12. Hussain Ebrahim Al Banna Head of Treasury	-	-	-	-
13. Amal Saif Ahmed Head of Islamic Operations	-	-	-	-
14. Hussain Ali Bahram Head of Wealth Management	-	-	-	-

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Approved Persons	Shares as of 31 Dec 2022	Sold During 2023	Acquired During 2023	Shares as of 31 Dec 2023
15. Sohail Kabiruddin Head of Operational Risk	-	-	-	-
16. Faisal Hamed Al Abdullah Head of Thuraya Banking	-	-	-	-
17. Dr. Hamad Farooq AlShaikh Head of Shari'a Coordination & Implementation	-	-	-	-
18. Eman Mohammed AlBinghadeer Head of Shari'a Internal Audit	-	-	-	-
19. Ahmed Majeed Askar Head of Corporate Risk	-	-	-	-
20. Nayef Naser Yusuf Acting Head of Special Assets & Remedial	-	-	-	-
21. Hamad Hussain Al Qattan Deputy Money Laundering Reporting Officer	-	-	-	-
22. Ammar Fuad Alsabab Head of Financial Institutions	-	-	-	-
23. Saleh Isa Almhri Head of Retail Credit Review	-	-	-	-
24. Siddharth Kumar Acting Chief Risk Officer and Head of Corporate & Liquidity Risk	-	Resigned from BisB on 15 Aug 2023		
25. Mohamed Jamal Aish MLRO	-	Resigned from BisB on 25 May 2023		

As of 31 Dec 2023, the total number of shares held by the Board of Directors, Shari'a Supervisory Board members and the Approved Persons of the Bank are 1,102,688 which represents %0.1 of the total issued shares of the Bank. The shares held by the Approved Persons includes shares granted by the Bank under the Share Incentive Scheme.

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### Previous AGM Results

Results of the previous Ordinary General Meeting held on the 21st of March 2023 at 10:00 am at AlDana Hall (3)- Gulf Hotel Bahrain Convention and Spa, Manama through physical attendance with a quorum of 87.72%.

The following major items were discussed and approved at the meeting:

#	Items
1.	The minutes of the previous Ordinary General Assembly meeting no (46) held on 28th March 2022
2.	The Board of Director's report on the Bank's activities and its financial position
3.	Listened to the External Auditors report
4.	Listened to the Shari'a Supervisory Board's report
5.	The audited financial statements
6.	The notification of transactions carried out during the year ended 31st December 2022 between the Bank and related parties including major shareholders of the Bank as presented in note 28 of the consolidated financial statements, pursuant to Article 189 of the Bahrain Commercial Companies Law
7.	The Board of Directors recommendation to allocate the net profit of BD 12,567,396 for the year ended 31st December 2022, as follows: <ul style="list-style-type: none"> <li>a. BD 170,286 to Zakah fund and authorize the Board of Directors to distribute it.</li> <li>b. BD 250,000 for charitable donation and authorize the Board of Directors to distribute it.</li> <li>c. Transfer of BD 1,256,740 to the statutory reserve.</li> <li>d. Transfer of BD 10,890,370 to the retained earnings</li> </ul>
8.	The payment of a total amount of BD 273,906 as remuneration to the Board of Directors for the financial year ended on 31st December 2022, in addition to all benefits and privileges including the sitting fees for the financial year ending December 2022 and the sitting fees for the year 2023 at a similar rate of the previous year
9.	The Bank's Corporate Governance report for the year ended 31st December 2022 which includes the bank's commitment to the requirements of the Central Bank of Bahrain
10.	Absolved the members of the Board of Directors from liability for their actions during the year ended 31st December 2022
11.	The re-appointment of KPMG as external auditors for the year 2023 and authorize the Board of Directors to determine their fees, after obtaining the approval of the Central Bank of Bahrain
12.	No request was received to add a topic under others matters

Note: All reports and financial statements were for the financial year ended on 31st December 2022.