

# ANNUAL INTEGRATED REPORT 2025

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**Ajman Bank PJSC**

**Report and consolidated financial statements  
For the year ended 31 December 2025**

These audited consolidated financial statements are subject to Central Bank of UAE approval and adoption by shareholders at the Annual General Meeting.

## **Ajman Bank PJSC**

### **Independent auditor's report and consolidated financial statements For the year ended 31 December 2025**

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## **BOARD OF DIRECTORS' REPORT**

The Board of Directors has pleasure in submitting their report and the audited consolidated financial statements for the year ended 31 December 2025.

### ***Incorporation and registered offices***

Ajman Bank PJSC was incorporated as a Public Joint Stock Company listed on Dubai Financial Market. The registered address of the Bank is P.O. Box 7770, Ajman, United Arab Emirates. The Bank was legally incorporated on 17 April 2008 and was registered with the Securities and Commodities Authority on 12 June 2008 and obtained a license from the Central Bank of the UAE to operate as a Head Office on 14 June 2008. On 1 December 2008, the Bank obtained a branch banking license from UAE Central Bank and commenced its operations on 22 December 2008.

The Bank and its subsidiary i.e. Skyrise Properties (S.P.S - L.L.C) which was incorporated by the Bank on 19 January 2024 undertake the activities of real estate brokerage and property management services, and its subsidiary Ajman Senior Sukuk Ltd (Special Purpose Entity) which was incorporated on 30 January 2025 forms the "Group" and are together referred to as the "Group".

### ***Principal activities***

The principal activities of the Bank are to undertake banking, financing and investing activities through various Islamic financing and investment products such as Murabaha, Ijarah, Mudaraba, Musharaka, Wakala and Sukuk. The activities of the Bank are conducted in accordance with the Islamic Shariah principles and within the provisions of its Memorandum and Articles of Association.

### ***Basis of preparation of consolidated financial statements***

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and the applicable requirements of United Arab Emirates laws, including the UAE Federal Decree Law No. 32 of 2021 and Federal Decree Law No. 6 of 2025.

### ***Financial commentary***

The Group's results for the year 2025 showed strong financial performance as follows:

- Profit before tax is AED 548 million and profit after tax increased to AED 500 million for the year 2025 (respectively up by 25% and up by 25%) as compared to profit before tax of AED 440 million and profit after tax of AED 401 million for the year 2024.
- Net operating income of the Bank increased to AED 899 million (up by 22%) for the year 2025 as compared to AED 736 million in 2024.
- Total assets increased to AED 32.9 billion (up by 44%) as compared to AED 22.8 billion as at 31 December 2024.
- Total liabilities increased to AED 29.4 (up by 49%) as compared to AED 19.7 billion as at 31 December 2024.
- Islamic financing and investing assets (including due from banks and other financial institutions) increased to AED 21.4 billion (up by 39%) and Islamic customers' deposits (including due to banks and other financial institutions) increased to AED 26.6 billion (up by 40%).
- The bank continued to diversify its portfolio bringing the risk based real estate concentration down by 8.4%, while increasing exposure to high quality assets. Non-performing exposure ratio of the Bank also decreased from 9.91% in 2024 to 7.03%.
- Total equity of the Group increased to AED 3.5 billion (up by 12%) as compared to AED 3.1 billion in 2024.
- Staff costs and general and administrative expenses amounted to AED 412 million (up by 12%) in line with overall growth during the year.

### ***Board of Directors***

The following are the Directors of the Group as at 31 December 2025:

H.H. Sheikh Ammar Bin Humaid Bin Rashed Al Nuaimi	Chairman
H.H. Sheikh Rashed Bin Humaid Bin Rashed Al Nuaimi	Vice Chairman
Mr. Abdulla Mohammed Hassan Mohammed Al Hosani	Board Member
Mr. Mahmood Khaleel Ahmed Al Sayed Al Hashmi	Board Member
Mr. Faisal Hassan Ibrahim Galadari	Board Member
Mr. Ali Rashed Humaid Al Mazroei	Board Member
Mrs. Sarah Ahmed Abdulrahman Aljarman	Board Member

### ***Auditors***

The consolidated financial statements for the year ended 31 December 2025 have been audited by Deloitte & Touche (M.E.).

By order of the Board of Directors



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H.H. Sheikh Ammar Bin Humaid Bin Rashed Al Nuaimi  
Chairman  
28 January 2026

## **INDEPENDENT AUDITOR'S REPORT**

**The Shareholders**  
**Ajman Bank PJSC**  
**Ajman**  
**United Arab Emirates**

### **Report on the Audit of the Consolidated Financial Statements**

We have audited the consolidated financial statements of **Ajman Bank PJSC** ("the Bank") **and its subsidiary** (together, "the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

### **Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the United Arab Emirates and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Ajman Bank PJSC, Ajman (continued)

Key audit matter	How our audit address the key audit matter
<b>Allowance for expected credit loss on Islamic financing and investing assets</b>	
<p>The Group's Islamic financing and investing assets are carried in the consolidated statement of financial position at AED 17,730 million as at 31 December 2025. The expected credit loss ("ECL") allowance was AED 687 million as at this date, which comprised an allowance of AED 348 million against Stage 1 and 2 exposures and an allowance of AED 340 million against exposures classified under Stage 3.</p> <p>The audit of the impairment of Islamic financing and investing assets is a key area of focus because of its size (representing 54% of total assets), the significance and complexity of the estimates and judgments, which were used in classifying Islamic financing and investing assets into various stages and determining the ECL allowance and the level of audit effort required. Accordingly, this is considered a key audit matter.</p> <p>The consolidated financial statement risk arises from several aspects requiring substantial judgement of management, such as the estimation of probabilities of default and loss given defaults for various stages such as the determination of significant increases in credit risk (SICR) and credit-impairment status (default), the use of different modelling techniques and consideration of manual adjustments.</p> <p>The corporate portfolio of Islamic Financing and Investing assets is assessed individually for significant increase in credit risk ("SICR") and measurement of ECL. This requires management to capture all qualitative and quantitative reasonable and supportable information while assessing SICR, or while assessing credit-impaired criteria for the exposure. Management judgement is also applied in manually overriding stages in accordance with the Group's policies.</p> <p>The measurement of ECL for exposures classified as Stage 1 and Stage 2 are carried out by the models with limited manual intervention. However, it is important that models and its parameters (Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) and macroeconomic adjustments) are valid throughout the reporting period and are subject to a validation process.</p>	<p>We obtained a detailed understanding of the Group's Islamic financing and investing assets business processes including the critical accounting estimates and judgments used by management. This understanding enabled us to perform audit procedures on the computation and reasonableness/appropriateness of the ECL models. We have involved our subject matter experts to assist us in auditing the relevant ECL models as at 31 December 2025.</p> <p>We assessed the relevant controls in the abovementioned business process to determine if they were appropriately designed and implemented.</p> <p>We assessed, on a sample basis, that reported exceptions to policies and procedures as outlined in the Board risk appetite statement were approved by the Board Risk Committee, and the approval process was formally documented.</p> <p>For a sample of new / renewed corporate credit facilities, we checked that reported exceptions to limits, as set out in the Board approved delegation of authority matrix, were approved by the Board Credit Committee or its approved delegate and the approval process was formally documented.</p> <p>We understood and evaluated the relevant ECL models by involving our subject matter experts to determine if they were in compliance with the requirements of IFRS Accounting Standards. We tested the mathematical integrity of the relevant ECL models by performing recalculations on a sample basis. We assessed the consistency of various inputs and assumptions used by the Group's management to determine impairment.</p> <p>For allowances against exposures classified as Stage 1 and Stage 2, we obtained an understanding of the Group's methodology to determine the allowance, assessed the underlying relevant assumptions and the sufficiency of the data used by management. We selected samples of Islamic financing and investing assets and assessed the accuracy of the EAD, appropriateness of the PD and calculations of the LGD used by management in their ECL calculations and verified the integrity of data used as inputs to the models for these samples.</p>



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Ajman Bank PJSC, Ajman (continued)

Key audit matter	How our audit address the key audit matter
<b>Allowance for expected credit loss on Islamic financing and investing assets</b>	
<p>Impaired Islamic financing and investing assets for the corporate portfolio are measured on the basis of the present value of expected future cash flows including observable market prices and the fair value of the collateral. The impairment loss is calculated based on the shortfall in the Islamic financing and investing assets carrying value compared to the net present value of future cash flows using the effective profit rate. The factors considered when determining impairment losses on individually assessed accounts include the customer's aggregate borrowings, risk rating, value of the collateral and probability of successful repossession and the costs involved to recover the debts.</p> <p>Refer to note 4 to the consolidated financial statements for the accounting policy, note 5 for critical judgements and estimates and note 6 for disclosures on credit risk.</p>	<p>We assessed the Group's determination of SICR and the resultant basis for classification of exposures into various stages. For samples of exposures, we assessed the Group's staging criteria, including the basis for movement between stages.</p> <p>We performed an independent credit assessment for a sample of customers, by assessing quantitative and qualitative factors, including assessments of the financial performance of the customers, the source of their repayments and their history and other relevant risk factors.</p> <p>For a sample of individually assessed stage 3 customers, we assessed; where applicable:</p> <ul style="list-style-type: none"><li>• The estimated future discounted cash flows used in the measurement of ECL, including the discount rates used and the probable scenario analysis; and</li><li>• The valuation and enforceability of collateral, including the underlying key assumptions.</li></ul> <p>We also assessed the relevant disclosures in the consolidated financial statements to determine if they were in compliance with the requirements of IFRS Accounting Standards.</p>

### Other Information

Management is responsible for the other information. The other information comprises the Board of Directors' report which, we obtained prior to the date of this auditor's report and the Fatwa and Sharia Supervision Board's report, which is expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance or conclusion thereon.

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining information of the annual report of the Group, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Ajman Bank PJSC, Ajman (continued)

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021, as amended, and UAE Federal Decree Law No (6) of 2025, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Ajman Bank PJSC, Ajman (continued)

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

As required by the UAE Federal Decree Law No. (32) of 2021, as amended, we report that for the year ended 31 December 2025:

- we have obtained all the information we considered necessary for the purposes of our audit;
- the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021, as amended;
- the Bank has maintained proper books of account;
- the financial information included in the Board of Directors' report is consistent with the Bank's books of account;
- note 12 to the financial statements of the Bank discloses its investments in shares during the financial year ended 31 December 2025;
- note 30 to the financial statements of the Bank discloses material related party transactions, the terms under which they were conducted and principles of managing conflict of interests;
- note 34 to the financial statements discloses social contributions made during the financial year ended 31 December 2025; and
- based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Bank has contravened during the financial year ended 31 December 2025 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021, as amended; or of its Articles of Association, which would materially affect its activities or its financial position as at 31 December 2025.

Further, as required by UAE Federal Decree Law No. (6) of 2025, we report that we have obtained all the information and explanations we considered necessary for the purpose of our audit.

### Deloitte & Touche (M.E.)

Firas Anabtawi  
Registration No. 5482  
28 January 2026  
Dubai  
United Arab Emirates



**Consolidated statement of financial position  
as at 31 December 2025**

	Notes	2025 AED'000	2024 AED'000
<b>ASSETS</b>			
Cash and balances with the Central Bank	9	4,268,362	2,459,522
Due from banks and other financial institutions	10	3,675,853	2,400,828
Islamic financing and investing assets, net	11	17,729,506	12,959,402
Islamic investment securities at fair value	12	5,696,890	3,694,208
Investment properties	13	401,200	391,545
Property and equipment	14	171,597	136,414
Other Islamic assets	15	920,043	812,429
<b>Total assets</b>		<b>32,863,451</b>	<b>22,854,348</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Islamic customers' deposits	16	23,745,824	18,061,567
Due to banks and other financial institutions	17	2,886,261	979,651
Sukuk financing instrument	37	1,816,798	-
Other liabilities	18	942,317	701,320
<b>Total liabilities</b>		<b>29,391,200</b>	<b>19,742,538</b>
<b>Equity</b>			
Share capital	19	2,723,500	2,723,500
Treasury shares	19	(3,977)	(34,478)
Statutory reserve	20	308,441	277,753
Investment fair value reserve		(205,079)	(218,075)
General impairment reserve	21	-	-
Retained earnings		649,366	363,110
<b>Total equity</b>		<b>3,472,251</b>	<b>3,111,810</b>
<b>Total liabilities and equity</b>		<b>32,863,451</b>	<b>22,854,348</b>

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the consolidated financial statements present fairly, in all material respects, the financial position, financial performance and cash flows of the Group.

  
H.H. Sheikh Ammar Bin Humaid Al Nuaimi  
Chairman

  
Mustafa Al Khalfawi  
Chief Executive Officer

The accompanying notes 1 to 38 form an integral part of these consolidated financial statements.



**Consolidated statement of profit or loss  
for the year ended 31 December 2025**

	Notes	2025 AED'000	2024 AED'000
<b>Operating income</b>			
Income from Islamic financing and investing assets	22	<b>1,126,712</b>	1,172,374
Income from Islamic investment securities	23	<b>260,508</b>	138,072
Fees, commission and other income	24	<b>261,695</b>	190,708
		<hr/>	<hr/>
<b>Total operating income before depositors' share of profit</b>		<b>1,648,915</b>	1,501,154
Depositors' share of profits		<b>(750,359)</b>	(764,947)
		<hr/>	<hr/>
<b>Net operating income</b>		<b>898,556</b>	736,207
		<hr/>	<hr/>
<b>Expenses</b>			
Staff costs	25	<b>(272,956)</b>	(251,410)
General and administrative expenses	26	<b>(116,111)</b>	(94,820)
Depreciation of property and equipment	14	<b>(23,363)</b>	(23,438)
Write-back of expected credit losses on financial assets	27	<b>49,716</b>	73,240
Reversal of Impairment loss on non-financial assets	15	<b>12,550</b>	-
		<hr/>	<hr/>
<b>Total expenses</b>		<b>(350,164)</b>	(296,428)
		<hr/>	<hr/>
<b>Profit before tax for the year</b>		<b>548,392</b>	439,779
Income tax expense	36	<b>(48,354)</b>	(39,129)
		<hr/>	<hr/>
<b>Profit after tax for the year</b>		<b>500,038</b>	400,650
		<hr/>	<hr/>
<b>Basic and diluted earnings per share (AED)</b>	28	<b>0.203</b>	0.163
		<hr/>	<hr/>

The accompanying notes 1 to 38 form an integral part of these consolidated financial statements.

**Consolidated statement of comprehensive income  
for the year ended 31 December 2025**

	<b>2025</b> <b>AED'000</b>	2024 AED'000
<b>Profit for the year</b>	<b>500,038</b>	400,650
<b>Other comprehensive income/(loss):</b>		
<i>Items that will not be reclassified subsequently to the statement of profit or loss</i>		
Fair value (loss)/gain on equity securities at FVTOCI	<b>(26,384)</b>	2,063
Corporate income tax	<b>2,375</b>	(170)
	<b>(24,009)</b>	1,893
<i>Items that will be reclassified subsequently to the statement of profit or loss</i>		
Fair value gain on Sukuk investment securities at FVTOCI, net of deferred taxes	<b>118,874</b>	60,655
Reclassification to the consolidated statement of profit or loss	<b>(48,193)</b>	(3,549)
	<b>70,681</b>	57,106
<b>Other comprehensive income for the year</b>	<b>46,672</b>	58,999
<b>Total comprehensive income for the year</b>	<b>546,710</b>	459,649

The accompanying notes 1 to 38 form an integral part of these consolidated financial statements.

**Consolidated statement of changes in equity  
for the year ended 31 December 2025**

	Share capital AED'000	Treasury shares AED'000	Statutory reserve AED'000	Investment fair value reserve AED'000	General impairment reserve AED'000	Retained earnings AED'000	Total AED'000
At 1 January 2024	2,723,500	(27,675)	253,676	(276,735)	60,835	(58,649)	2,674,952
Profit for the year	-	-	-	-	-	400,650	400,650
Other comprehensive income	-	-	-	58,999	-	-	58,999
Total comprehensive income for the year	-	-	-	58,999	-	400,650	459,649
Treasury shares (Note 19)	-	(6,803)	(15,988)	-	-	-	(22,791)
Transfer on disposal of equity instruments at FVTOCI	-	-	-	(339)	-	339	-
Transfer to statutory reserve (Note 20)	-	-	40,065	-	-	(40,065)	-
Transfer from general impairment reserve (Note 21)	-	-	-	-	(60,835)	60,835	-
At 31 December 2024	2,723,500	(34,478)	277,753	(218,075)	-	363,110	3,111,810
Profit for the year	-	-	-	-	-	500,038	500,038
Other comprehensive income	-	-	-	46,672	-	-	46,672
Total comprehensive income for the year	-	-	-	46,672	-	500,038	546,710
Treasury shares (Note 19)	-	30,501	(19,316)	-	-	-	11,185
Transfer on disposal of equity instruments at FVTOCI	-	-	-	(33,676)	-	33,676	-
Transfer to statutory reserve (Note 20)	-	-	50,004	-	-	(50,004)	-
Dividends (Note 19)	-	-	-	-	-	(197,454)	(197,454)
At 31 December 2025	2,723,500	(3,977)	308,441	(205,079)	-	649,366	3,472,251

The accompanying notes 1 to 38 form an integral part of these consolidated financial statements.

**Consolidated statement of cash flows  
for the year ended 31 December 2025**

	Notes	2025 AED'000	2024 AED'000
<b>Cash flows from operating activities</b>			
Profit before tax for the year		548,392	439,779
<i>Adjustments for:</i>			
Depreciation of property and equipment	14	23,363	23,438
Amortisation of discount on Islamic investment securities at amortised cost		-	(187)
Provision / (Write back of) for credit loss expense on financial assets	27	(49,716)	(73,240)
Reversal of Impairment charge for non-financial assets	15	(12,550)	-
Income from Islamic investment securities		(190,566)	(120,748)
Fair value gain on investment properties	13	(5,724)	(3,700)
Realized gain on disposal of Islamic investment securities		(69,942)	(8,940)
Gain on disposal of property and equipment		85	-
<b>Operating cash flows before changes in operating assets and liabilities</b>		<b>243,342</b>	<b>256,402</b>
<i>Changes in operating assets and liabilities:</i>			
Islamic financing and investing assets		(4,693,532)	598,523
Due from banks and other financial institutions		(1,621,500)	(126,866)
Statutory deposit with the Central Bank		(106,456)	(212,425)
International Murabahat with the Central Bank		350,000	1,500,000
Other Islamic assets		(99,480)	610,022
Islamic customers' deposits		5,684,257	(1,663,181)
Due to banks and other financial institutions		1,906,610	(625,103)
Other liabilities		212,317	16,116
Corporate tax paid		(39,508)	-
<b>Net cash generated from operating activities</b>		<b>1,836,050</b>	<b>353,488</b>
<b>Cash flows from investing activities</b>			
Purchase of Islamic investment securities		(8,732,254)	(1,387,090)
Proceeds from sale of Islamic investment securities		6,843,868	794,287
Purchase of property and equipment	14	(58,631)	(34,065)
Profit income on Islamic investment securities		193,823	134,300
Additions to investment properties	13	(3,931)	(2,090)
<b>Net cash used in investing activities</b>		<b>(1,757,125)</b>	<b>(494,658)</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(197,454)	-
Sukuk financing instrument issued		1,816,798	-
Treasury shares		11,186	(22,791)
<b>Net cash generated from / (used in) financing activities</b>		<b>1,630,530</b>	<b>(22,791)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>1,709,455</b>	<b>(163,961)</b>
Cash and cash equivalents as at 1 January		1,817,452	1,981,413
<b>Cash and cash equivalents as at 31 December</b>	29	<b>3,526,907</b>	<b>1,817,452</b>

The accompanying notes 1 to 38 form an integral part of these consolidated financial statements.

## Notes to the consolidated financial statements

### For the year ended 31 December 2025

#### 1. General information

Ajman Bank PJSC (the “Bank”) was incorporated as a Public Joint Stock Company listed on Dubai Financial Market. The registered address of the Bank is P.O. Box 7770, Ajman, United Arab Emirates (“UAE”). The Bank was legally incorporated on 17 April 2008 and was registered with the Securities and Commodities Authority (“SCA”) on 12 June 2008 and obtained a license from the Central Bank of the UAE to operate as a Head Office on 14 June 2008. On 1 December 2008, the Bank obtained a branch banking license from UAE Central Bank and commenced its operations on 22 December 2008.

On 8 September 2025, the UAE Federal Decree Law No. (6) of 2025 regarding the Central Bank, Regulation of Financial Institutions and Activities, and Insurance Business was issued and came into effect on 16 September 2025 which repealed the UAE Federal Law No. 14 of 2018. The Bank must within a period of one year from the date of the enforcement of its provisions from 16 September 2025 (“the transitional period”) comply with the provisions of the UAE Federal Decree Law No. (6) of 2025.

In addition to its Head office in Ajman, the Bank operates through ten branches and two pay offices in the UAE.

The principal activities of the Bank are to undertake banking, financing and investing activities through various Islamic financing and investment products such as Murabaha, Ijarah, Mudaraba, Musharaka, Wakala and Sukuk. The activities of the Bank are conducted in accordance with the Islamic Shariah principles and within the provisions of its Memorandum and Articles of Association.

These consolidated financial statements combines the activities of the Bank’s head office, its branches and its subsidiary as disclosed below.

Name of Subsidiary	Beneficial ownership interest		Legal ownership interest		Date of incorporation and Country	Principal activities
	2025	2024	2025	2024		
Skyrise Properties (S.P.S - L.L.C)	100%	100%	100%	100%	19 January 2024 - United Arab Emirates	Real estate brokerage and property management services
Ajman Senior Sukuk Ltd.	100%	-	-	-	30 January 2025 - Cayman Islands	Special Purpose Entity

#### 2. Application of new and revised IFRS Accounting Standards

##### 2.1 New and revised IFRS Accounting Standards applied with no material effect on the condensed consolidated financial statements

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in these condensed consolidated interim financial information. The application of these revised IFRS Accounting Standards has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to Lack of Exchangeability

Other than the above, there are no other significant IFRS Accounting Standards and amendments that were effective for the first time for the financial year beginning on or after 1 January 2025.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**2. Application of new and revised IFRS Accounting Standards (continued)**

**2.2 New and revised IFRS Accounting Standards in issue but not yet effective**

The Group has not early adopted the following new and revised standards that have been issued but are not yet effective. The management is in the process of assessing the impact of the new requirements.

<b><u>New and revised IFRS</u></b>	<b><u>Effective for annual periods beginning on or after</u></b>
Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments Disclosures</i> regarding the classification and measurement of financial instruments	1 January 2026
The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	
Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments Disclosures</i> regarding purchase power arrangements	1 January 2026
The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.	
IFRS 18 <i>Presentation and Disclosures in Financial Statements</i>	1 January 2027
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendment to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures</i> relating to treatment of sale or contribution of assets from investors	Effective date deferred indefinitely.

**3. Definitions**

The following terms are used in the consolidated financial statements with the meaning specified:

**Murabaha**

Murabaha in banking practice is a contract whereby the Group (the "Seller") sells an asset to its customer (the "Purchaser"), on a deferred payment basis, after purchasing the asset and gaining possession thereof and title thereto, where the Seller has purchased and acquired that asset, based on a promise received from the Purchaser to buy the asset once purchased according to specific Murabaha terms and conditions. The Murabaha sale price comprises the cost of the asset and a pre-agreed profit amount. Murabaha profit is internally accounted for on a time-apportioned basis over the period of the contract based on the principal amount outstanding. The Murabaha sale price is paid by the Purchaser to the Seller on an installment basis over the period of the Murabaha as stated in the contract.

**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****3. Definitions (continued)****Wakala**

Wakala is an agreement between two parties whereby one party is a fund provider (the “Muwakkil”) who provides a certain amount of money (the “Wakala Capital”) to an agent (the “Wakeel”), who invests the Wakala Capital in a Shariah compliant manner and according to the feasibility study or investment plan submitted to the Muwakkil by the Wakeel. The Wakeel is entitled to a fixed fee (the “Wakala Fee”) as a lump sum amount or a percentage of the Wakala Capital. The Wakeel may be granted any excess over and above a certain pre-agreed rate of return as a performance incentive. In principle the Wakala profit is distributed on declaration or distribution by the Wakeel. However, since the Wakala profit is always reliably estimated it is internally distributed on a time-apportioned basis over the Wakala tenure based on the Wakala Capital outstanding. The Wakeel would bear the loss in case of its misconduct, negligence or violation of any of the terms and conditions of the Wakala Agreement; otherwise the loss would be borne by the Muwakkil, provided the Muwakkil receives satisfactory evidence that such loss was due to force majeure and that the Wakeel neither was able to predict the same nor could have prevented the negative consequences of the same on the Wakala. Under the Wakala agreement the Group may act either as Muwakkil or as Wakeel, as the case may be.

**Istisna’**

Istisna’ is a sale contract between two parties whereby the Group (the “Sani” or “Seller”) undertakes to construct, for its customer (the “Mustasni” or “Purchaser”), a specific asset or property (being “Al-Masnoo”) according to certain pre-agreed specifications to be delivered during a pre-agreed period of time in consideration of a pre-determined price, which comprises the cost of construction and a profit amount. The work undertaken is not restricted to be accomplished by the Sani’ alone and the whole or part of the construction or development can be undertaken by third parties under the control and responsibility of the Sani’. Under an Istisna’ contract, the Group could be the Sani’ or the Mustasni’. Istisna’a profit (difference between the sale price of Al-Masnoo to the customer and the Group’s total Istisna’a cost) is internally accounted for on a time-apportioned basis over the period of the contract based on the principal amount outstanding.

**Mudaraba**

Mudaraba is a contract between two parties whereby one party is a fund provider (the “Rab Al Mal”) who would provide a certain amount of funds (the “Mudaraba Capital”), to the other party (the “Mudarib”). Mudarib would then invest the Mudaraba Capital in a specific enterprise or activity deploying its experience and expertise for a specific pre-agreed share in the resultant profit, if any. The Rab Al Mal is not involved in the management of the Mudaraba activity. In principle the Mudaraba profit is distributed on declaration or distribution by the Mudarib. However, since the Mudaraba profit is always reliably estimated it is internally distributed on a time-apportioned basis over the Mudaraba tenure based on the Mudaraba Capital outstanding. The Mudarib would bear the loss in case of its misconduct, negligence or violation of any of the terms and conditions of the Mudaraba contract; otherwise the loss would be borne by the Rab Al Mal, provided the Rab Al Mal receives satisfactory evidence that such loss was due to force majeure and that the Mudarib neither was able to predict the same nor could have prevented the negative consequences of the same on the Mudaraba. Under the Mudaraba contract the Group may act either as Mudarib or as Rab Al Mal, as the case may be.

**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****3. Definitions (continued)****Musharaka**

Musharaka is an agreement between the Group and its customer, whereby both parties contribute towards the capital of the Musharaka (the “Musharaka Capital”). The Musharaka Capital may be contributed in cash or in kind, as valued at the time of entering into the Musharaka. The subject of the Musharaka may be a certain investment enterprise, whether existing or new, or the ownership of a certain property either permanently or according to a diminishing arrangement ending up with the acquisition by the customer of the full ownership. The profit is shared according to a pre-agreed profit distribution ratio as stipulated under the Musharaka agreement. In principle Musharaka profit is distributed on declaration or distribution by the managing partner. However, since the Musharaka profit is always reliably estimated, it is internally distributed on a time-apportioned basis over the Musharaka tenure based on the Musharaka Capital outstanding. Whereas the loss, if any, is shared in proportion to their capital contribution ratios, provided in the absence of the managing partner’s negligence, breach or default, the Group receives satisfactory evidence that such loss was due to force majeure and that the managing partner neither was able to predict the same nor could have prevented the negative consequences of the same on the Musharaka.

**Ijarah**

Ijarah is an agreement whereby the Group (the “Lessor”) leases an asset to its customer (the “Lessee”) (after purchasing or acquiring the specified asset, either from a third party seller or from the customer itself, according to the customer’s request and based on his promise to lease), against certain rental payments for specific lease term or periods, payable on fixed or variable rental basis.

The Ijarah agreement specifies the leased asset, duration of the lease term, as well as, the basis for rental calculation and the timing of rental payment. The Lessee undertakes under this agreement to renew the lease periods and pay the relevant rental payment amounts as per the agreed schedule and applicable formula throughout the lease term.

The Lessor retains the ownership of the asset throughout the lease term. At the end of the lease term, upon fulfillment of all the obligations by the Lessee under the Ijarah agreement, the Lessor will sell the leased asset to the Lessee at nominal value based on a sale undertaking given by the Lessor.

Ijarah rentals accrue upon the commencement of the lease and continues throughout the lease term based on the outstanding fixed rentals (which predominantly represent the cost of the leased assets).

**Sukuk**

Sukuk are certificates of equal value representing undivided shares in ownership of tangible assets, usufruct and services or (in the ownership of) the assets of particular projects or special investment activity. The Group may invest in Sukuk in the secondary market or participate in new Sukuk or issue Sukuk.



**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****4. Material accounting policy information****(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and the applicable requirements of United Arab Emirates laws, including the UAE Federal Decree Law No. 32 of 2021; as amended and Federal Decree Law No. 6 of 2025.

**(b) Basis of preparation**

The consolidated financial statements of the Group have been prepared on the historical cost basis except for certain financial instruments and investment properties that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for assets, goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account when pricing the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value such as value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than that quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated financial statements are presented in Arab Emirates Dirham (AED) and all values are rounded to the nearest thousands dirham, except when otherwise indicated.

The principal accounting policies are set out below:

**(c) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, unrestricted balances held with central and other banks and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of change in their fair value, and are used by the Group in the management of its short term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(d) Due from banks**

Due from banks are stated at cost less any amounts written-off and allowance for impairment, if any.

**(e) Financial instruments**

Financial assets and liabilities are recognised when Bank becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

***Business model assessment***

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular profit rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected
- The frequency, volume and timing of sales in prior periods, the reasons for such sales; and
- Its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

***Financial assets***

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at FVTPL. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognised immediately in profit or loss.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

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

- (i) financing instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and profit on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- (ii) financing instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the instruments, and that have contractual cash flows that are SPPI, are subsequently measured at fair value through other comprehensive income (FVTOCI);
- (iii) all other financing instruments (e.g. instruments managed on a fair value basis or held for sale) and equity investments are subsequently measured at FVTPL. However, the Group may make the following irrevocable election/designation at initial recognition of a financial asset on an asset-by-asset basis;
- (iv) the Group may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies, in other comprehensive income (OCI); and
- (v) the Group may irrevocably designate a financing instruments that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

*Islamic financing and investing assets*

Islamic financing and investing assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financing and receivables (including cash and cash equivalents, Islamic finance receivables, due from banks and other financial institutions, and other receivables) are measured at amortised cost using the effective profit method, less any impairment.

Profit income is recognised by applying the effective profit rate.

**(i) Financing instruments at amortised cost or at FVTOCI**

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

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are solely payments of principal and profit on the principal outstanding (SPPI).

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

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

**(i) Financing instruments at amortised cost or at FVTOCI (continued)**

Contractual cash flows that are SPPI are consistent with a basic financing arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic financing arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Group's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

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

At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model.

The Group reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Group has not identified a change in its business models.

When a financing instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Financing instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

**(ii) Financial assets at FVTPL**

Financial assets at FVTPL are:

- (i) assets with contractual cash flows that are not SPPI; or/and
- (ii) assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- (iii) assets designated at FVTPL using the fair value option.

These assets are measured at fair value, with any gains/losses arising on remeasurement recognized in profit or loss.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

**(ii) Financial assets at FVTPL (continued)**

*Fair value option*

A financial instrument with a reliably measurable fair value can be designated as FVTPL (the fair value option) on its initial recognition even if the financial instrument was not acquired or incurred principally for the purpose of selling or repurchasing. The fair value option can be used for financial assets if it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities, or recognizing related gains and losses on a different basis (an “accounting mismatch”). The fair value option can be elected for financial liabilities if: (i) the election eliminates an accounting mismatch; (ii) the financial liability is part of a portfolio that is managed on a fair value basis, in accordance with a documented risk management or investment strategy; or (iii) there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract. These instruments cannot be reclassified out of the FVTPL category while they are held or issued. Financial assets designated as FVTPL are recorded at fair value and any unrealized gains or losses arising due to changes in fair value are included in investment income.

**(iii) Reclassifications**

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Group’s financial assets. During the current period and previous accounting period, there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

**(iv) Impairment**

The Group recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Due from banks and other financial institutions
- Islamic investments securities at FVTOCI
- Islamic financing and investing assets
- Other Islamic assets
- Off balance sheet exposures subject to credit risk

No impairment loss is recognised on Islamic equity investments.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

**(iv) Impairment (continued)**

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

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).
- A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.
- ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EPR.
- for undrawn financial commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Group if the holder of the commitment draws down the finance and the cash flows that the Group expects to receive if the finance is drawn down; and
- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed financing instrument less any amounts that the Group expects to receive from the holder, the customer or any other party.

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

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

**(v) Credit-impaired financial assets**

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

- significant financial difficulty of the customer or issuer;
- a breach of contract such as a default or past due event;
- the financier of the customer, for economic or contractual reasons relating to the customer's financial difficulty, having granted to the customer a concession that the financier would not otherwise consider;
- the financier of the customer has downgraded the ratings because of deterioration in financial condition of the customer; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event-instead; the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether financing instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if sovereign and corporate financing instruments are credit impaired, the Group considers factors such as delinquency, watchlist indication, restructuring flag, deterioration in credit ratings and the ability of the customer to raise funding.

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

**(vi) Purchased or originated credit-impaired (POCI) financial assets**

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Group recognized all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognized in profit or loss. A favourable change for such assets creates an impairment gain.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

**(vii) Definition of default**

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

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

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

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. Further, there are cases where the criteria of 90 days overdue are rebutted based on management assessment. When assessing if the customer is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate financing a qualitative indicator used is the 'watchlist flag', which is not used for retail financing. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Group uses a variety of sources of information to assess default which are either developed internally or obtained from external sources.

**(viii) Significant increase in credit risk**

The Group monitors all financial assets, issued financial commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL. The Group's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Group monitors all financial assets, issued financial commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

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

For corporate financing, forward-looking information includes the future prospects of the macroeconomic indicators like Crude Oil price, GDP growth rate, real estate price index, etc. obtained from regulatory guidelines, economic expert reports, financial analysts, governmental bodies and other similar organisations, as well as consideration of various internal and external sources of actual and forecast economic information. For retail, financing forward looking information includes the same economic forecasts as corporate financing with additional forecasts of local economic indicators.



**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

**(viii) Significant increase in credit risk (continued)**

The Group allocates its counterparties to a relevant internal credit risk grade depending on their credit quality. The Group considers the credit risk upon initial recognition of asset and whether there has been a significant increase in it on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal risk grade;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations;
- actual or expected significant changes in the operating results of the customer;
- significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customers in the group and changes in the operating results of the customer; and
- Macroeconomic information: in its models, the Group relies on a broad range of forward looking information as economic inputs, such as: average crude oil prices, real estate Dubai and Abu Dhabi, inflation, GDP growth rate etc. along with various transformations of the same. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the consolidated financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments using expert credit judgement.

Regardless of the analysis above, a significant increase in credit risk is presumed if a customer is more than 30 days past due in making a contractual payment.

The qualitative factors that indicate significant increase in credit risk are reflected in PD models on a timely basis.

However, the Group still considers separately some qualitative factors to assess if credit risk has increased significantly. For corporate financing there is particular focus on assets that are included on a 'watch list' given an exposure is on a watch list once there is a concern that the creditworthiness of the specific counterparty has deteriorated.

For retail financing, when an asset becomes 30 days past due, the Group considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

**(ix) Modification and derecognition of financial assets**

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

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

**(ix) Modification and derecognition of financial assets (continued)**

The Group renegotiates finances to customers in financial difficulty to maximise collection and minimise the risk of default. A finance forbearance is granted in cases where although the customer made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the customer is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the finance, changes to the timing of the cash flows of the finance (principal and profit payment), reduction in the amount of cash flows due (principal and profit forgiveness) and amendments to covenants. The Group has an established forbearance policy which applies for corporate and retail financing.

When a financial asset is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy a modification results in derecognition when it gives rise to substantially different terms.

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

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

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

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

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

*Financial assets (continued)*

**(x) Write-offs**

Financial assets are written off when there is no reasonable expectation of recovery, such as a customer failing to engage in a payment plan with the company. The company categorises a finance or receivable for write off after almost all possible avenues of payments have been exhausted. However where finances or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

*Financial liabilities*

**(i) Classification and subsequent measurement**

In both the current period and prior period, financial liabilities are classified and subsequently measured at amortised cost, except for:

- Financial liabilities at fair value through profit or loss: the classification is applied to Islamic derivatives and other financial liabilities designated as such at initial recognition. Gains and losses on financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in fair value of the financial liability that is attributable to the changes in credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains or losses attributable to changes in the credit risk of the liability are also presented in the profit or loss;
- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition or when the continuing involvement approach applies. When the transfer of financial assets did not qualify for derecognition, a financial liability is recognised for the consideration received for the transfer; and
- Financial guarantee contracts and financial commitments.

*Effective profit method*

The effective profit method is a method of calculating the amortised cost of a financial liability and of allocating profit expense over the relevant period. The effective profit rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective profit rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

***Financial liabilities (continued)***

**(ii) Derecognition**

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Group and its original financier of financing instruments with substantially different terms, as well as substantial modifications of the terms of existing liabilities, are accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective profit rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors such as, currency that the instrument is denominated in, changes in the type of profit rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of financing instruments or modification of terms is accounted for as an extinguishment, any cost or fees incurred are recognised as part of the gain or loss on extinguishment. If an exchange or modification is not accounted for as an extinguishment, any cost or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

**Financial guarantee contracts**

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

Financial guarantee contracts issued by a Bank entity are initially measured at their fair values and, if not designated as at FVTPL and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

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

Financial guarantee contracts not designated at FVTPL are presented as provisions on the statement of financial position and the remeasurement is presented in other revenue.

The Group has not designated any financial guarantee contracts as at FVTPL.

**Islamic derivative financial instruments**

Islamic derivative financial instruments are primarily used in trading activities. These are also used to manage our exposure to profit, currency, credit and other market risks. All Islamic derivative financial instruments are recorded in statement of financial position at fair value.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(e) Financial instruments (continued)**

**Islamic derivative financial instruments (continued)**

When Islamic derivative financial instruments are used in trading activities, the realized and unrealized gains and losses on these Islamic derivative financial instruments are recognized in other income. Islamic derivative financial instruments with positive fair values are presented as asset and Islamic derivative financial instruments with negative fair values are reported as liabilities. In accordance with our policy for offsetting financial assets and financial liabilities, the net fair value of certain Islamic derivative assets and liabilities are reported as an asset or liability, as appropriate. Valuation adjustments are included in the fair value of Islamic derivative assets and Islamic derivative liabilities. Premiums paid and premiums received are part of Islamic derivative assets and Islamic derivative liabilities, respectively. When derivatives are used to manage our own exposures, we determine for each derivative whether hedge accounting can be applied.

**(f) Property and equipment**

***Recognition and measurement***

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

***Subsequent costs***

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in the statement of profit or loss as incurred.

***Depreciation***

Depreciation is recognised in statement of income on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(f) Property and equipment (continued)**

***Depreciation (continued)***

The estimated useful lives for the current and comparative periods are as follows:

	<b><i>Years</i></b>
Leasehold improvements	7
Computers equipment and software	3 to 7
Furniture, fitting and equipment	5
Vehicles	5
Right-of-use assets	2 to 5
Buildings	40

Depreciation methods, useful lives and residual values are reassessed at the reporting date. Gain and losses on disposals are determined by comparing proceeds with the carrying amount. The differences are included in the statement of profit or loss.

Capital work in progress is stated at cost. When commissioned, capital work in progress is transferred to the appropriate asset category and depreciated in accordance with the Group's accounting policies.

**(g) Investment properties**

Investment properties is held to earn rental income and/or capital appreciation. Investment properties includes cost of initial purchase, developments transferred from property under development, subsequent cost of development, and fair value adjustments. Investment properties is reported at valuation based on fair value at the end of the reporting period. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The fair value is determined on a periodic basis by independent professional valuers. Fair value adjustments on investment properties are included in the statement of profit or loss in the period in which these gains or losses arise.

All other repairs and maintenance costs are charged to the statement of profit or loss during the financial period in which they are incurred. The fair value of Investment properties is based on the nature, location and condition of the specific asset.

**(h) Assets acquired in settlement of Islamic financing and investing assets**

The Group occasionally acquires real estate and other collateral in settlement of Islamic financing and investing assets. Such real estate and other collateral are stated at the lower of the net recognized value of Islamic financing and investing assets and the current fair value of such assets at the date of acquisition. Gains or losses on disposal and recognized losses on revaluation are recognized in the statement of profit or loss.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(i) Islamic customers' deposits, due to banks and other financial institutions and other liabilities**

Islamic customers' deposits, due to banks and other financial institutions and other liabilities are initially recognised at fair value and subsequently measured at amortised cost.

**(j) Provisions and contingent liabilities**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities, which include certain guarantees and letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events not wholly within the Group's control. Contingent liabilities are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements.

**(k) Acceptances**

Acceptances are recognised as financial liabilities in the statement of financial position with a contractual right of reimbursement from the customer as a financial asset. Therefore, commitments with respect to acceptances have been accounted for as financial assets and financial liabilities.

**(l) Revenue recognition**

Income from Islamic financing and investing assets and Islamic investments securities, including fees which are considered an integral part of the effective profit of a financial instrument, are recognized in the statement of profit or loss using the effective profit rate method.

**(m) Fees, commission and other income**

Fees, commission and other income from banking services provided by the Group are recognized on an accrual basis when the service has been provided.

**(n) Dividend income**

Dividend income is recognised when the Group's right to receive the payment is established.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(o) Employees' benefits**

The Group provides end of service benefits for its expatriate employees. The entitlement to these benefits is based upon the employees' length of service and completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Pension and national insurance contributions for the U.A.E. citizens are made by the Group in accordance with the applicable laws and regulations for U.A.E. citizens.

**(p) Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that have suffered an impairment loss are reviewed for possible reversal of impairment at each reporting date.

**(q) Taxation**

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the parent company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets arising from deductible temporary differences, unused tax losses, or unused tax credits are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.



**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**4. Material accounting policy information (continued)**

**(q) Taxation (continued)**

*Deferred tax (continued)*

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination."

**(r) Foreign currency transactions**

Transactions denominated in foreign currencies are translated into AED at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into AED at the foreign exchange rates ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into AED at the foreign exchange rates ruling on the date of the transaction. Realised and unrealised exchange gains and losses have been dealt within the statement of profit or loss.

**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****4. Material accounting policy information (continued)****(s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is a person or group of persons that allocates resources and assesses the performance of the operating segments of an entity. The Group has determined the Executive Committee as its chief operating decision maker. All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated in head office. Income and expenses directly associated with each segment are included in determining business segment performance.

**(t) Fiduciary activities**

The Group acts as trustee/manager and in other capacities that result in holding or placing of assets in a fiduciary capacity on behalf of trusts or other institutions. Such assets and income arising thereon are not included in the Group's consolidated financial statements as they are not assets of the Group.

**(u) Offsetting of financial assets and liabilities**

Financial assets and liabilities are offset and reported net in the statement of financial position only when there is a legally enforceable right to set off the recognised amounts or when the Branches intend to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**(v) Fair value measurement principles**

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in the statement of profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****4. Material accounting policy information (continued)****(v) Fair value measurement principles (continued)**

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a demand deposit is not less than the amount payable on demand, using the present value from the first date on which the amount could be required to be paid.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

**5. Critical accounting judgments and key sources of estimation uncertainty**

The Group's consolidated financial statements and its financial result are influenced by accounting policies, assumptions, estimates and management judgment, which necessarily have to be made in the course of preparation of the consolidated financial statements.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgments are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgments for certain items are especially critical for the Group's results and financial situation due to their materiality.

**Critical judgments in applying the Group's accounting policies**

The following are the critical judgments, apart from those involving estimations, that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in consolidated financial statements:

***Business model assessment***

Business model assessment: Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continue to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**5. Critical accounting judgments and key sources of estimation uncertainty (continued)**

**Critical judgments in applying the Group's accounting policies (continued)**

***Significant increase of credit risk***

Significant increase of credit risk: As explained in Note 6, ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. However, in assessing whether the credit risk of an asset has significantly increased the Group takes into account reasonable and supportable qualitative and quantitative forward looking information to classify portfolio into respective stages.

***Establishing groups of assets with similar credit risk characteristics***

ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics e.g. instrument type, credit risk, stage classification etc.. The Group monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that if there is a credit risk characteristics change there is appropriate re-segmentation of the assets is performed. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets.

***Models and assumptions used***

The Group uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

***a) Classification and measurement of financial assets and liabilities***

The Group classifies financial instruments, or its component parts, at initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement and the definitions of the instruments. The substance of the financial instrument, rather than the legal form, governs its reclassification in the statement of financial position.

The Group determines the classification at initial recognition and, when allowed and appropriate, re-evaluates this designation at every statement of financial position date.

In measuring financial assets and liabilities, some of the Group's assets and liabilities are measured at a fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages independent professionally qualified valuers to perform the valuation. The Group works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

***b) Fair value measurement***

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include considerations of liquidity and model inputs such as volatility for longer dated derivatives and discount rates, prepayment rates and default rate assumptions for asset backed securities. The management believes that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of financial instruments.

**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****5. Critical accounting judgments and key sources of estimation uncertainty (continued)****Key sources of estimation uncertainty**

The following are key estimations that the management has used in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements:

- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and determining the forward looking information relevant to each scenario: When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.
- Probability of default (PD): PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.
- Loss Given Default (LGD): LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the financier would expect to receive, considering cash flows from collateral and integral credit enhancements.

**6. Financial risk management**

The Group's activities expose it to a variety of financial risks and involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial services business, and the operational risks are an inevitable consequence of being in business. The Group's aim is, therefore, to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Group's financial performance.

Risk is inherent in the Group's activities but it is managed through a process of ongoing identification, measurement and monitoring, and is subject to risk limits and other controls.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of realizable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in market conditions, products and emerging best practice. The Risk management tone is set right at the top from the Board of Directors ("Board") and gets implemented through a well-defined risk management structure and framework.

**6.1 Risk management Framework**

The Group's Risk Management Framework is comprised of a collection of principles designed to help the Group anticipate and handle risks more effectively. Core objective of risk management framework is to provide a reasonable degree of assurance to the Board that the risks threatening to the Bank's achievement of its core purpose are being identified, measured, monitored and controlled through an effective integrated risk management framework.

The Group manages risks using three lines of defence. Business departments along with support and control divisions, as the first line of defence, identify, control and manage risk in their day-to-day activities by ensuring that activities are within the Group's risk appetite and follow all relevant internal policies and processes. Risk, Compliance and Internal Shariah Control departments, as the second line of defence, monitors and facilitates the implementation of effective risk management practices and assists the first line of defence in risk-related matters. Internal audit and internal Shariah audit, as the third line of defence, provides assurance to management and the Board of the effectiveness of risk management practices employed by the first two lines of defence.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.2 Risk management structure**

The Board oversees the affairs of the Group, including approving and overseeing the implementation of the Group-wide Risk Management framework. To ensure Risk Management is accorded specialized attention, the Board has established and delegated various authorities to the Board Risk Committee.

*Board of Directors*

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. Board ensure appropriate risk management framework, internal control, compliance and reporting systems are in place and operating efficiently.

*Board Executive Committee (“BEC”)*

The BEC is to assist the Board in fulfilling its responsibilities with respect to overseeing the implementation of the overall strategy, business plan and objectives.

*Board Audit Committee (“BAC”)*

The BAC is to assist the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the Group’s process for monitoring compliance with laws and regulatory requirements and the code of conduct/fraud policy.

*Board Risk Committee (“BRC”)*

The BRC mandate is to assist the Board in ensuring that the Group manages risk in accordance with its risk management framework including the Board approved risk appetite limits for all relevant risk categories and risk concentrations through policies, procedures, and process by providing governance, oversight and strategic direction.

*Board Compliance Committee (“BCC”)*

The BCC is to assist the Board in fulfilling its responsibilities with respect to overseeing the management of the Group’s compliance with applicable laws and regulations issued by the Central Bank and other applicable authorities, and reviewing the implementation of compliance and financial crime management policy framework across Ajman Bank.

*Board Nomination and Compensation Committee (“BNCC”)*

The BNCC mandate is to assist the Board in overseeing the affairs related to the Group’s human capital including implementation of the overall compensation and performance management framework and ensures its alignment with Bank’s long-term interests.

*Internal Shariah Supervision Committee (“ISSC”)*

The ISSC is responsible for Shariah governance in terms of overview and approval of products and documentation in relation to Shariah compatibility and overall Shariah compliance as mentioned in Standard Re. Shariah Governance – issued by Central Bank of UAE under the notice No. CBUAE/BSN/N/2020/2123.

*Risk Department (“RD”)*

The RD is responsible to provide independent oversight on the Risk Management activities across the Group. Responsibilities shall include the implementation of regulatory guidelines and best practices for respective risk areas, establishment and maintaining risk related policies and procedure to ensure risk

**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****6. Financial risk management (continued)****6.2 Risk management structure (continued)**

remains within the acceptable range as approved by the Board. the Department is responsible for managing credit risk, market & liquidity risk, operational & fraud risk, conduct risk against the risk appetite framework established for the Group.

*Internal Audit*

Management processes at the Group are audited periodically by the internal audit function, which examines both the adequacy of the procedures and the Group's compliance with the procedures. Internal audit discusses the results of its assessments with management, and reports its findings and recommendations directly to the Board Audit Committee.

**6.2.1 Risk measurement and reporting systems**

The Group measures credit risk losses using existing IFRS-9 regulation, where macro-economic models are used to do the early recognition of impairment along with the categorization of customers into different level of risk buckets. Whereas market, liquidity and operational risks are measured using standards currently enforced under regulatory guidelines. Further, the Group uses quantitative and qualitative analysis and methods to estimate existing and potential risks and revise risk strategies based on risk appetite. These analysis and methods reflect the expected loss likely to arise in normal course of business where as Bank also estimate unexpected losses which might occur due to unforeseen events based on statistical techniques and probabilities associated with it.

The Group also runs multiple stress scenarios based on mild and extreme macroeconomic events which are likely to occur, as well as idiosyncratic risk factors which are specific to the Group. This helps the Group in doing its own internal assessment of the capital and liquidity requirement and in turn establish the risk appetite framework of the Group.

Monitoring and controlling risks are primarily performed in relation to limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept, with additional emphasis on selected industries.

***Model Risk Management***

The Group uses a number of quantitative models in a many of its business and regulatory activities. The extensive use of models in decision making, under-writing a credit facility, provisioning requires to oversee this process and manage risk arising from this process called 'model risk'.

The Group has established a framework to manage the development, implementation, approval, validation and ongoing use of modeling processes. It sets out an effective governance and management structure with clearly defined roles and responsibilities, policies and controls for managing model risk across the model lifecycle. The Framework is reviewed on a regular basis to ensure it meets regulatory standards and international practices.

The Group has an independent model management function that is responsible to execute independent model validation. It provides final outcome model validation and recommend to MOC (Modeling Committee) to approve the use of the new model based on validation outcomes.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.2 Risk management structure (continued)**

**6.2.2 Credit risk and concentrations of risk**

Credit risk is defined as the risk that the Group's customers, clients or counter parties fail to perform or are unwilling to pay profit, repay the principal or otherwise to fulfil their contractual obligations under finance agreements or other credit facilities, thus causing the Group to suffer a financial loss.

Credit risk also arises through the downgrading of counter parties, whose credit instruments are held by the Group, thereby resulting in the value of the assets to fall. As credit risk is the Group's most significant risk, considerable resources, expertise and controls are devoted to managing this risk within the core departments of the Group.

***Management of credit risk***

The Group's approach to credit risk management is based on the foundation of independent risk management as well as applicable regulatory standards. This is ensured through a well-defined and robust organization structure duly supported by various risk committees, systems, policies, procedures and processes providing a strong risk infrastructure and management framework.

- Establishment of an authorization structure and limits for the approval and renewal of credit facilities;
- Reviewing and assessing credit exposures in accordance with the authorization structure and limits, prior to facilities being sanctioned to customers; renewals and reviews of facilities are subject to the same review process;
- Diversification of financing and investment activities;
- Limiting concentrations of exposure to industry sectors, geographic locations and counterparties; and
- Reviewing compliance, on an ongoing basis, with agreed exposure limits relating to counterparties, industries and countries and reviewing limits in accordance with the Group's risk management strategy and market trends.

The following data are typically used to monitor the Group's exposures:

- Payment record, including payment ratios and ageing analysis;
- Extent of utilization of granted limit;
- Forbearances (both requested and granted);
- Changes in business, financial and economic conditions;
- Credit rating information supplied by external rating agencies; and
- Information obtained by periodic review of customer files including audited financial statements review, market data such as prices of credit default swaps (CDS) or quoted bonds/sukuk where available, changes in the financial sector the customer operates etc.



**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.2 Risk management structure (continued)**

**6.2.3 Significant increase in credit risk**

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

Bank assessed significant increase in credit risk for group of assets and moved from stage 1 to stage 2 based on following factors:

- Credit risk rating change beyond the Group's established threshold related to initial recognition;
- Instrument is past due beyond 30 days; and
- Instrument's credit risk is considered higher based on qualitative criteria of the Group.

The instruments moved to stage 2 from stage 1 remain in the stage until they perform for a sustained period as per the Bank's policy.

**6.2.4 Internal credit risk ratings**

In order to adequately assess the credit exposure profile, the Group has acquired a globally acclaimed system for obligor and facility internal risk rating. It facilitates the analysis of credit proposals by putting a robust risk rating system as well as structurally supports to the Group in estimating various elements of risk. The system is comprised of 22 notch obligor risk rating in ten scales from 1 to 10 ((1 to 7 are performing with modifiers and 8, 9 & 10 non-performing rating grades). Such a credit risk grades are defined using both quantitative and qualitative factors that are indicative of default. The table below provides a mapping of the Group's internal credit risk grades to external ratings.

<i>Bank's credit risk grades</i>	<i>Agency rating</i>	<i>Description</i>
1	AAA	Minimal Risk
2	AA+ to AA-	Very Low credit risk
3	A+ to A-	Low credit risk
4	BBB+ to BBB-	Moderate credit risk
5	BB+ to BB-	Substantial credit risk
6	B+ to B-	High credit risk
7	CCC+ to C	Very High credit risk
8	DDD	Substandard
9	DD	Doubtful
10	D	Loss

The credit risk grades are designed and calibrated to reflect the risk of default as credit risk deteriorates. As the credit risk increases the difference in risk of default between grades changes. Each exposure is allocated to a credit risk grade at initial recognition, based on the available information about the counterparty. The exposures are monitored and the credit risk grade is updated to reflect current information. The monitoring procedures followed are both general and tailored to the type of exposure.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.2 Risk management structure (continued)**

**6.2.5 Measurement of ECL**

The Group calculates ECL using statistical models and based on probability-weighted scenarios. IFRS9 considers the calculation of ECL by multiplying the probability of default (PD), loss given default (LGD) and exposure of default (EAD). The Group has developed methodologies and models taking into account the relative size, quality and complexity of the portfolios.

These risk parameters are generally derived from developed statistical models and other historical data and are adjusted to reflect forward-looking information.

The key elements used in the computation of ECL are as follows:

Probability of default (PD): is an estimate of the likelihood of default over a given time horizon;

- Loss given default (LGD): is an estimate of the loss arising in the case where default occurs at a given time;
- Exposure at default (EAD): is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date.

These elements are derived from internally developed statistical models based on our historical data and the macroeconomic data provided by the Moody's Analytics. They are adjusted to reflect probability-weighted forward-looking information.

***Macroeconomic factors, scenarios and forward looking information***

IFRS9 requires an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions. When estimating the ECL, the Group considered three scenarios (baseline, upturn and downturn) with a weightage of 40%, 30% and 30% respectively.

Macroeconomic factors and forward looking information are required to be incorporated into the measurement of ECL. Measurement of ECL at each reporting period should reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

The table below summarises the principal macroeconomic indicators included in the economic scenarios used for UAE which is the country where the Group operates and therefore is the country that has a material impact on ECLs.

- Residential properties - Abu Dhabi and Dubai
- Real Gross Domestic Product (GDP)
- Real Domestic Demand
- Real Private Consumption Expenditure
- Real Change in Inventories
- Real Imports of Goods and Services
- Real Gross Fixed Capital Formation

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.2 Risk management structure (continued)**

**6.2.5 Measurement of ECL (continued)**

PD is an estimate at certain point in time which is derived based on model output of regression of historical observed default rates against macro-economic variables. These outputs are calibrated against through the cycle (TTC) PD which is currently used by the Group, and assessed using rating tools tailored to various categories of counterparties and exposures. These statistical models are based on market data, as well as internal data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures by building term structure of default using the cumulative survival probability.

LGD is an estimate of the loss magnitude arising on in case the customer defaults. It is based on the difference between the contractual cash flows due and those that the financier would expect to receive, taking into account cash flows from any collateral. The LGD models for secured assets consider forecasts of future collateral valuation taking into account sale discounts, time to realization of collateral, cost of realization of collateral and cure rates (i.e. exit from non-performing status). LGD models for unsecured assets consider time of recovery and recovery rates. The calculation is on a discounted cash flow basis, where the cash flows are discounted by the original effective profit rate (EPR) of the finance.

EAD represent the expected exposures in the event of a default. The Group derives the EAD from the current exposures to the counterparty and the potential changes to the current amount allowed under the contract including amortization. The EAD for the on balance sheet items are its gross carrying amount whereas for off balance sheet items such as letters of credits, financial and general guarantees undrawn non-cancellable finance commitments are estimated by applying credit conversion factors on the committed exposures.

The measurement of loss allowance is done on individual basis for both corporate and retail portfolio

The Group has in place policies, which govern the determination of eligibility of various collaterals, to be considered for credit risk mitigation, which includes the minimum operational requirements that are required for the specific collateral to be considered as effective risk mitigation. The Group's major collaterals are mortgaged properties, investments, vehicles and deposits under loan.

The collateral is valued periodically, depending on the type of collateral. Specifically for mortgaged property, a framework for valuation of mortgaged properties is established to ensure adequate policies and procedures are in place for efficient and proper conduct of valuation of mortgaged properties and other related activities in relation to the interpretation, monitoring and management of valuation of mortgaged properties.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.2 Risk management structure (continued)**

**6.2.5 Measurement of ECL (continued)**

Summarised information of the Group's maximum exposure to credit risk before collateral held per class of financial asset (subject to impairment) is provided in following table:

<b>2025</b>	<b>Stage 1 AED'000</b>	<b>Stage 2 AED'000</b>	<b>Stage 3 AED'000</b>	<b>Total AED'000</b>
Balances with the Central Bank	4,099,771	-	-	4,099,771
Due from banks and other financial institutions	3,686,932	-	-	3,686,932
Islamic financing and investing assets	15,684,768	1,207,724	1,524,286	18,416,778
Islamic investment securities at FVTOCI*	5,450,017	25,067	-	5,475,084
Other Islamic financial assets	218,287	7,497	43,783	269,567
Financial commitments and financial guarantees (off balance sheet exposures)	2,230,256	78,645	-	2,308,901
<b>Total maximum exposure</b>	<b>31,370,031</b>	<b>1,318,933</b>	<b>1,568,069</b>	<b>34,257,033</b>
Expected credit loss allowance (Note 27)	(157,576)	(239,178)	(371,506)	(768,260)
<b>Total</b>	<b>31,212,455</b>	<b>1,079,755</b>	<b>1,196,563</b>	<b>33,488,773</b>

<b>2024</b>	<b>Stage 1 AED'000</b>	<b>Stage 2 AED'000</b>	<b>Stage 3 AED'000</b>	<b>Total AED'000</b>
Balances with the Central Bank	2,284,795	-	-	2,284,795
Due from banks and other financial institutions	2,408,361	-	-	2,408,361
Islamic financing and investing assets	10,553,677	1,674,538	1,577,530	13,805,745
Islamic investment securities at FVTOCI*	3,402,625	22,606	-	3,425,231
Other Islamic financial assets	191,608	26,064	41,310	258,982
Financial commitments and financial guarantees (off balance sheet exposures)	402,603	44,062	29,255	475,920
<b>Total maximum exposure</b>	<b>19,243,669</b>	<b>1,767,270</b>	<b>1,648,095</b>	<b>22,659,034</b>
Expected credit loss allowance (Note 27)	(117,129)	(274,448)	(505,179)	(896,756)
<b>Total</b>	<b>19,126,540</b>	<b>1,492,822</b>	<b>1,142,916</b>	<b>21,762,278</b>

(\*) Impairment allowance is recognised under "Revaluation reserve of investments designated at FVTOCI".

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.2 Risk management structure (continued)**

**6.2.5 Measurement of ECL (continued)**

*Risks relating to credit-related commitments*

The Group makes available to its customers, guarantees and letters of credit which require that the Group makes payments in the event that the customer fails to fulfil certain obligations to other parties. These instruments expose the Group to a similar risk to financing and investing assets and these are monitored by the same control processes and policies.

**6.3 Credit risk and concentrations of risk**

*Concentration of credit risk*

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Group monitors concentrations of credit risk by industry sectors and geographic location. Identified concentration of credit risk is controlled and managed accordingly.

*By geographic location*

Based on the domicile of the counterparties, the following table sets out the Group's main credit exposures at their carrying amounts, categorized by geographical region:

**On balance sheet items**

	<b>UAE</b>	<b>GCC</b>	<b>Other</b>	<b>Total</b>
<b>2025</b>	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>
Balances with the Central Bank	4,099,771	-	-	4,099,771
Due from banks and other financial institutions	247,913	1,109,503	2,329,516	3,686,932
Islamic financing and investing assets:				
- Consumer banking	5,925,624	31,633	5,069	5,962,326
- Wholesale banking	11,261,683	616,814	575,282	12,453,779
- Treasury	673	-	-	673
Islamic investment securities at FVTOCI	2,525,377	2,452,308	497,399	5,475,084
Other Islamic financial assets	269,567	-	-	269,567
<b>Total</b>	<b>24,330,608</b>	<b>4,210,258</b>	<b>3,407,266</b>	<b>31,948,132</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.3 Credit risk and concentrations of risk (continued)**

*Concentration of credit risk (continued)*

*By geographic location (continued)*

**On balance sheet items (continued)**

	UAE AED'000	GCC AED'000	Other AED'000	Total AED'000
2024				
Balances with the Central Bank	2,284,795	-	-	2,284,795
Due from banks and other financial institutions	393,370	755,685	1,259,306	2,408,361
Islamic financing and investing assets:				
- Consumer banking	6,229,352	31,776	5,555	6,266,683
- Wholesale banking	7,276,139	60,262	201,988	7,538,389
- Treasury	673	-	-	673
Islamic investment securities at amortised cost	-	-	-	-
Islamic investment securities at FVTOCI	1,166,980	2,065,998	182,900	3,415,878
Other Islamic financial assets	258,982	-	-	258,982
Total	17,610,291	2,913,721	1,649,749	22,173,761

**Off balance sheet items**

	UAE AED'000	GCC AED'000	Other AED'000	Total AED'000
<b>2025</b>				
Letters of credit and guarantee (excluding commitments)	1,465,972	18,363	116,069	1,600,404
Total	1,465,972	18,363	116,069	1,600,404

	UAE AED'000	GCC AED'000	Other AED'000	Total AED'000
2024				
Letters of credit and guarantee (excluding commitments)	431,521	18,363	26,036	475,920
Total	431,521	18,363	26,036	475,920

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.3 Credit risk and concentrations of risk (continued)**

**Credit risk exposure per class of financial asset, internal rating and stage**

An analysis of the Group's credit risk exposure per class of financial asset (subject to impairment), internal rating and stage without taking into account the effects of any collateral or other credit enhancements is provided in the following tables. These amounts in the table represent gross carrying amounts. For financial commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

• **Due from banks and other financial institutions**

	Stage 1 12 months ECL AED'000	Stage 2 Life time ECL AED'000	2025 Stage 3 Life time ECL AED'000	POCI Life time ECL AED'000	Total AED'000	2024 Total AED'000
Normal	3,686,932	-	-	-	3,686,932	2,408,361
<b>Gross carrying amount</b>	<b>3,686,932</b>	-	-	-	<b>3,686,932</b>	<b>2,408,361</b>
Impairment allowance	(11,079)	-	-	-	(11,079)	(7,533)
<b>Carrying amount</b>	<b>3,675,853</b>	-	-	-	<b>3,675,853</b>	<b>2,400,828</b>

• **Islamic financing and investing assets**

	Stage 1 12 months ECL AED'000	Stage 2 Life time ECL AED'000	2025 Stage 3 Life time ECL AED'000	POCI Life time ECL AED'000	Total AED'000	2024 Total AED'000
Normal	15,684,768	585,514	-	-	16,270,282	11,398,980
Watchlist	-	622,210	-	-	622,210	829,235
Substandard	-	-	355,804	-	355,804	161,943
Doubtful	-	-	243,411	-	243,411	299,336
Loss	-	-	925,071	-	925,071	1,116,251
<b>Gross carrying amount</b>	<b>15,684,768</b>	<b>1,207,724</b>	<b>1,524,286</b>	-	<b>18,416,778</b>	<b>13,805,745</b>
Impairment allowance	(118,107)	(229,515)	(339,650)	-	(687,272)	(846,343)
<b>Carrying amount</b>	<b>15,566,661</b>	<b>978,209</b>	<b>1,184,636</b>	-	<b>17,729,506</b>	<b>12,959,402</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.3 Credit risk and concentrations of risk (continued)**

• **Islamic investment securities at FVTOCI**

	Stage 1 12 months ECL AED'000	Stage 2 Life time ECL AED'000	2025 Stage 3 Life time ECL AED'000	POCI Life time ECL AED'000	Total AED'000	2024 Total AED'000
Normal	5,450,017	25,067	-	-	5,475,084	3,425,231
<b>Gross carrying amount</b>	<b>5,450,017</b>	<b>25,067</b>	<b>-</b>	<b>-</b>	<b>5,475,084</b>	<b>3,425,231</b>
Impairment allowance	(12,464)	(567)	-	-	(13,031)	(9,353)
<b>Carrying amount</b>	<b>5,437,553</b>	<b>24,500</b>	<b>-</b>	<b>-</b>	<b>5,462,053</b>	<b>3,415,878</b>

• **Other Islamic financial assets**

	Stage 1 12 months ECL AED'000	Stage 2 Life time ECL AED'000	2025 Stage 3 Life time ECL AED'000	POCI Life time ECL AED'000	Total AED'000	2024 Total AED'000
Normal	218,287	-	-	-	218,287	191,634
Watchlist	-	7,497	-	-	7,497	26,038
Substandard	-	-	176	-	176	185
Doubtful	-	-	1,511	-	1,511	249
Loss	-	-	42,096	-	42,096	40,876
<b>Gross carrying amount</b>	<b>218,287</b>	<b>7,497</b>	<b>43,783</b>	<b>-</b>	<b>269,567</b>	<b>258,982</b>
Impairment allowance	(651)	(314)	(31,855)	-	(32,820)	(24,685)
<b>Carrying amount</b>	<b>217,636</b>	<b>7,183</b>	<b>11,928</b>	<b>-</b>	<b>236,747</b>	<b>234,297</b>



**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.3 Credit risk and concentrations of risk (continued)**

• **Financial commitments and financial guarantees**

	Stage 1	Stage 2	2025	POCI		2024
	12 months	Life time	Stage 3	Life time		
	ECL	ECL	Life time	ECL	Total	Total
	AED'000	AED'000	ECL	AED'000	AED'000	AED'000
Normal	2,230,256	27,079	-	-	2,257,335	446,409
Watchlist	-	51,566	-	-	51,566	256
Substandard	-	-	-	-	-	806
Loss	-	-	-	-	-	28,449
<b>Gross carrying amount</b>	<b>2,230,256</b>	<b>78,645</b>	<b>-</b>	<b>-</b>	<b>2,308,901</b>	<b>475,920</b>
<b>Impairment allowance</b>	<b>(15,276)</b>	<b>(8,782)</b>	<b>-</b>	<b>-</b>	<b>(24,058)</b>	<b>(8,842)</b>
<b>Carrying amount</b>	<b>2,214,980</b>	<b>69,863</b>	<b>-</b>	<b>-</b>	<b>2,284,843</b>	<b>467,078</b>

As mentioned above in the significant increase in credit risk section, under the Group's monitoring procedures, a significant increase in credit risk is identified before the exposure has defaulted, and at the latest when the exposure becomes 30 days past due. This is the case mainly for Islamic financing and investing assets to customers and more specifically for retail financing exposures because for corporate financing and other exposures, there is more customer specific information available which is used to identify significant increase in credit risk. The table below provides an analysis of the gross carrying amount of Islamic financing and investing assets to customers by past due status:

	2025		2024	
	Gross		Gross	
	carrying	ECL	carrying	ECL
	amount	AED'000	amount	AED'000
	AED'000		AED'000	
Normal or Past due up to 30 days	16,800,315	341,830	12,049,470	411,171
Past due 31 - 60 days	72,614	6,045	148,346	10,919
Past due 61 - 90 days	76,353	9,193	185,095	19,661
Past due 91 - 180 days	115,957	12,635	254,803	63,899
Past due of more than 180 days	1,351,539	317,569	1,168,031	340,693
	<b>18,416,778</b>	<b>687,272</b>	<b>13,805,745</b>	<b>846,343</b>

**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****6. Financial risk management (continued)****6.3 Credit risk and concentrations of risk (continued)****Collateral held as security and other credit enhancements**

The Group holds collateral or other credit enhancements to mitigate credit risk associated with financial assets. The Group holds financial instrument of AED 2.5 billion for which regulatory minimum LGD is applied (i.e. 1% for fully cash secured or 5% fully collateralised other than cash) at 31 December 2025 (31 December 2024: AED 3.4 billion).

**Mortgage financing**

The Group holds residential and commercial properties as collateral for the mortgage financing it grants to its customers. The Group monitors its exposure to retail mortgage financing using the LTV ratio, which is calculated as the ratio of the gross amount of the finance, or the amount committed for financing commitments, to the value of the collateral. The valuation of the collateral excludes any adjustments for obtaining and selling the collateral. At 31 December 2025, the carrying amount of credit impaired mortgage financing was AED 247 million (2024: AED 132 million) and the value of the respective collateral was AED 405 million (2024: AED 243 million).

**Personal financing**

The Group's personal financing portfolio consists of unsecured financing and credit cards.

**Corporate financing**

The Group requests collateral and guarantees for corporate financing. The most relevant indicator of corporate customers' creditworthiness is an analysis of their financial performance and their liquidity, leverage, management effectiveness and growth ratios. The valuation of collateral is closely monitored especially if the performance of financing deteriorates.

For credit-impaired financing the Group obtains appraisals of collateral to inform its credit risk management actions. At 31 December 2025, the net carrying amount of credit impaired Islamic financing and investing assets to corporate customers was AED 58 million (2024: AED 1,384 million) and the value of the respective collateral was AED 158 million (2024: AED 1,732 million).

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.3 Credit risk and concentrations of risk (continued)**

**Islamic investment securities**

*Islamic investment securities*

Islamic investment securities comprise of investment in Sukuk and equity shares.

The table below presents analysis of investments by external rating agency at 31 December 2025 and 2024:

	<b>2025</b>	2024
	<b>AED'000</b>	AED'000
AAA	<b>349,455</b>	336,944
AA to AA-	<b>365,307</b>	135,955
A+ to A-	<b>1,316,597</b>	754,702
BBB+ to BBB-	<b>1,492,166</b>	244,287
BB+ to BB	<b>1,006,143</b>	691,324
B+ to B-	<b>620,384</b>	401,771
CCC	-	50,762
Unrated	<b>546,838</b>	1,078,463
	<b>5,696,890</b>	3,694,208

**6.4 Market risk**

Market risk arises from changes in market rates such as market price, foreign exchange and profit rate. Market risk management is designed to limit the amount of potential losses on open positions which may arise due to unforeseen changes in profit rates, currency rates and price movements. The Group uses appropriate models, based on standard market practice, for the valuation of its positions and receives regular market information in order to regulate market risk.

The trading market risk framework comprises the following elements:

- Limits to ensure that risk-takers do not exceed aggregate risk and concentration parameters set by senior management.
- Independent mark-to-market valuations, reconciliation of positions and tracking of stop-losses for trading positions are performed on a timely basis.

The policies, procedures and the trading limits are set to ensure the effective implementation of the Group's market risk policies. These policies are reviewed periodically to ensure they remain in line with the Group's overall market risk policies.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.4 Market risk (continued)**

*Profit rate risk*

Profit rate risk arises from the possibility that changes in profit rates will affect future profitability or the fair values of financial instruments. The Group is exposed to profit rate risk as a result of mismatches or gaps in the amounts of assets, liabilities and off-balance sheet instruments that mature or re-price in a given period.

The Group is exposed to the effects of fluctuations in the prevailing levels of profit rates which arise from the Islamic financing and investing assets amounting to AED 17,729 million (2024: AED 12,959 million), investment securities amounting to AED 5,462 million (2024: AED 3,416 million), International Murabaha with Central bank AED 2,900 million (2024: AED 1,200 million), due from banks and financial institutions AED 3,626 million (2024: AED 2,384 million), customer deposits amounting to AED 17,524 million (2024: AED 13,241 million) and AED 2,883 million (2024: AED 956 million) from due to banks and other financial institutions.

*Sensitivity analysis*

The amount mentioned in the table below reflect an equal but opposite potential effect on profit or loss based on assumed 50 basis point negative or positive movement in profit rates with all other variables being constant.

	2025	Effect on	2024	Effect on
	Total	profit/(loss)	Total	profit/(loss)
	AED'000	AED'000	AED'000	AED'000
Profit based assets	<b>30,553,682</b>	<b>40,367</b>	19,222,424	50,867
Profit based liabilities	<b>28,448,883</b>	<b>65,515</b>	14,331,543	35,847

*Currency risk*

The Group is not significantly exposed to movements in foreign currency exchange rates as its assets and liabilities are mainly denominated in AED, GCC currency or USD.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.4 Market risk (continued)**

*Price risk*

Price risk is the possibility that investment pricing will fluctuate, affecting the fair value of investments and other instruments that derive their value from a particular instrument or index of price.

The Group manages the price risk by maintaining a diversified portfolio in terms of geographical and industry distribution.

The amount mentioned in the table below reflect an equal but opposite potential effect on profit before tax and investments based on assumed 5% strengthening or weakening prices with all other variable constant.

	<b>Benchmark</b>	<b><i>Impact on equity</i></b>	
		<b>2025</b>	<b>2024</b>
		<b>AED'000</b>	<b>AED'000</b>
Islamic investments securities at fair value	± 5%	<b>284,845</b>	184,710

**6.5 Liquidity risk management**

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and availability of high quality liquid asset which could be used as collateral to secure additional funding, if required.

The primary tool for monitoring liquidity is the maturity mismatch analysis, which is monitored over successive time bands and across functional currencies. Guidelines are established for the cumulative negative cash flow over successive time bands.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.5 Liquidity risk management (continued)**

**Maturity profile:**

The maturity profile of the assets and liabilities at 31 December 2025 based on the remaining period from the end of the reporting period to the contractual maturity date is as follows:

	<b>Within 3 months AED'000</b>	<b>Over 3 to 6 months AED'000</b>	<b>Over 6 to 12 months AED'000</b>	<b>Over 1 to 5 years AED'000</b>	<b>Over 5 years AED'000</b>	<b>Undated AED'000</b>	<b>Total AED'000</b>
<b>Assets</b>							
Cash and balances with Central Bank	3,918,362	-	350,000	-	-	-	<b>4,268,362</b>
Due from banks and other financial institutions	1,451,928	460,659	334,053	1,429,213	-	-	<b>3,675,853</b>
Islamic financing and investing assets, net	1,980,123	1,377,388	802,718	6,611,150	6,141,198	816,929	<b>17,729,506</b>
Islamic investments securities at fair value	138,629	-	-	-	5,558,261	-	<b>5,696,890</b>
Investment properties	-	-	-	-	-	401,200	<b>401,200</b>
Property and equipment	-	-	-	-	-	171,597	<b>171,597</b>
Other Islamic assets	236,747	-	-	-	-	683,296	<b>920,043</b>
<b>Total assets</b>	<b>7,725,789</b>	<b>1,838,047</b>	<b>1,486,771</b>	<b>8,040,363</b>	<b>11,699,459</b>	<b>2,073,022</b>	<b>32,863,451</b>
<b>Liabilities and equity</b>							
Islamic customers' deposits	7,402,578	4,460,276	7,655,547	3,937,247	290,176	-	<b>23,745,824</b>
Due to banks and other financial institutions	2,019,636	500,000	-	366,625	-	-	<b>2,886,261</b>
Sukuk financing instrument	-	-	-	1,816,798	-	-	<b>1,816,798</b>
Other liabilities	578,757	-	-	-	-	363,560	<b>942,317</b>
Equity	-	-	-	-	-	3,472,251	<b>3,472,251</b>
<b>Total liabilities and equity</b>	<b>10,000,971</b>	<b>4,960,276</b>	<b>7,655,547</b>	<b>6,120,670</b>	<b>290,176</b>	<b>3,835,811</b>	<b>32,863,451</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.5 Liquidity risk management (continued)**

**Maturity profile:**

The maturity profile of the assets and liabilities at 31 December 2024 based on the remaining period from the end of the reporting period to the contractual maturity date is as follows:

	<b>Within 3 months AED'000</b>	<b>Over 3 to 6 months AED'000</b>	<b>Over 6 to 12 months AED'000</b>	<b>Over 1 to 5 years AED'000</b>	<b>Over 5 years AED'000</b>	<b>Undated AED'000</b>	<b>Total AED'000</b>
<b>Assets</b>							
Cash and balances with Central Bank	2,109,522	350,000	-	-	-	-	<b>2,459,522</b>
Due from banks and other financial institutions	1,027,837	424,844	317,176	630,971	-	-	<b>2,400,828</b>
Islamic financing and investing assets, net	1,064,218	2,052,662	773,007	4,630,366	4,439,149	-	<b>12,959,402</b>
Islamic investments securities at fair value	19,881	-	406,649	1,865,909	1,123,439	278,330	<b>3,694,208</b>
Investment properties	-	-	-	-	-	391,545	<b>391,545</b>
Property and equipment	-	-	-	-	-	136,414	<b>136,414</b>
Other Islamic assets	214,705	5,187	-	-	-	592,537	<b>812,429</b>
<b>Total assets</b>	<b>4,436,163</b>	<b>2,832,693</b>	<b>1,496,832</b>	<b>7,127,246</b>	<b>5,562,588</b>	<b>1,398,826</b>	<b>22,854,348</b>
<b>Liabilities and equity</b>							
Islamic customers' deposits	4,425,176	3,177,843	7,239,343	2,977,415	241,790	-	<b>18,061,567</b>
Due to banks and other financial institutions	479,651	-	-	500,000	-	-	<b>979,651</b>
Other liabilities	564,072	5,187	-	-	-	132,061	<b>701,320</b>
Equity	-	-	-	-	-	3,111,810	<b>3,111,810</b>
<b>Total liabilities and equity</b>	<b>5,468,899</b>	<b>3,183,030</b>	<b>7,239,343</b>	<b>3,477,415</b>	<b>241,790</b>	<b>3,243,871</b>	<b>22,854,348</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.5 Liquidity risk management (continued)**

The table below summarizes the maturity profile of the Group's financial liabilities at 31 December based on contractual undiscounted repayment obligations, including cash flows pertaining to principal repayment and profit payable to maturity

	Less than 3 months AED'000	3 months to 1 year AED'000	1 year to 5 year AED'000	Over 5 years AED'000	Total AED'000
<b>31 December 2025</b>					
<b>Liabilities</b>					
Islamic customers' deposits	7,554,352	12,516,253	3,948,918	290,175	24,309,698
Due to banks and other financial institutions	2,019,636	544,415	419,709	-	2,983,760
Sukuk financing instrument	-	-	2,306,789	-	2,306,789
Other liabilities	578,757	-	-	363,560	942,317
Equity	-	-	-	3,472,251	3,472,251
<b>Total liabilities</b>	<b>10,152,745</b>	<b>13,060,668</b>	<b>6,675,416</b>	<b>4,125,986</b>	<b>34,014,815</b>
<b>31 December 2024</b>					
<b>Liabilities</b>					
Islamic customers' deposits	4,137,177	9,523,283	356,059	4,702,154	18,718,673
Due to banks and other financial institutions	456,606	-	500,000	23,196	979,802
Sukuk financing instrument	-	-	-	-	-
Other liabilities	-	-	-	701,320	701,320
Equity	-	-	-	3,111,810	3,111,810
<b>Total liabilities</b>	<b>4,593,783</b>	<b>9,523,283</b>	<b>856,059</b>	<b>8,538,480</b>	<b>23,511,605</b>

During the year, the key measure used by the Group for managing liquidity risk is the ratio prescribed by Central Bank. For this purpose, only high quality liquid assets were considered, which include cash and cash equivalents, Murabaha with Central Bank and Shariah compliant securities (Sukuk) with 0% risk weight with a liquid market. Denominator comprise of total liabilities excluding provisions from total liabilities. This prescribed ratio was more stringent and comprehensive in managing the Group's liquidity positions. The liquidity ratio at the reporting dates were as follows:

	2025	2024
At 31 December	19%	17%



## Notes to the consolidated financial statements

### For the year ended 31 December 2025 (continued)

#### 6. Financial risk management (continued)

##### 6.6 Operational risks

Operational Risk is the risk of loss arising from inadequate or failed internal processes, people, or systems, or from external events.

Bank's operational risk management strategy is aligned with the Bank's strategy, which aims to support Bank's business and operations objectives while contributing to UAE's national growth and prosperity, in a Sharia compliant manner. Further, the Bank has developed and adopted a comprehensive Operational Risk Policy and Framework in accordance with the Central Bank of the UAE's Regulation No. 163/2018, The Framework is designed to guide and shape the Bank's operational risk management practices while ensuring full adherence to the rules and principles of Islamic Sharia as interpreted by the Bank's Sharia Board

The Bank has implemented the following tools to identify, assess and monitor operational risk across the Bank:

- Operational Risk Appetite
- Risk Control Self-Assessment (RCSA) as part of Risk Assessment,
- KRI Framework as part of Risk Monitoring
- Operational Loss Event Reporting
- Outsourcing Risk Assessment
- Fraud Risk Monitoring and Assessment
- Business Continuity and Crisis Management
- Operational Risk awareness trainings across all departments and business units/branches.

The Bank has adopted a robust Business Continuity and Crisis Management Framework designed to mitigate the risk of business disruptions and safeguard the interests of shareholders, customers, and other stakeholders. To ensure readiness and resilience, the Bank conducts periodic testing of its business continuity and crisis management capabilities, enabling proactive management of any incident that may impact operations.

The Bank has developed a comprehensive Market Conduct Risk Framework aimed at safeguarding consumers' interests by establishing robust processes, controls, and mitigation measures. This framework is designed to effectively identify, manage, and minimize Market Conduct Risk across all aspects of the Bank's business operations.

The Bank has implemented three lines of defense as part of its Risk Governance based on Ajman Bank's environment. The first line of defense is Business Line Management where they are responsible for identifying, controlling, and mitigating operational risks inherent in their products, services and activities, in strict adherence to the Bank's policies, procedures, regulatory requirements, and Sharia principles.

The second line of defense is the Risk Management function, Compliance Management and Internal Sharia Control

These functions are responsible for establishing the governance framework, providing tools and methodologies, and delivering guidance to ensure effective risk management, regulatory compliance, and adherence to Sharia principles across all business and functional units.

The third line of defense is the Internal Audit and Internal Sharia Audit, they are responsible to independently assess the effectiveness and efficiency of the bank wide internal control, and provide an independent assurance to the stakeholders on the adequacy and effectiveness of the Bank's governance framework, including Risk Management, Compliance and Sharia Control

The Board, through the Board Risk Committee, has overall responsibility for managing operational risk at the Bank and ensures that the three lines of defense approach are implemented and operated in an appropriate and acceptable manner.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)****6.7 Climate-related matters**

The Group and its customers may face significant climate-related risks in the future. These risks include the threat of financial loss and adverse non-financial impacts that encompass the political, economic and environmental responses to climate change. The key sources of climate risks have been identified as physical and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels and risks. Transition risks may arise from the adjustments to a net-zero economy, e.g., changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand. These risks are receiving increasing regulatory, political and societal scrutiny, both within the country and internationally. While certain physical risks may be predictable, there are significant uncertainties as to the extent and timing of their manifestation. For transition risks, uncertainties remain as to the impacts of the impending regulatory and policy shifts, changes in consumer demands and supply chains.

Ajman Bank's ESG Framework holistically defines the Group's ESG vision, key fields of play, prioritized material ESG areas, as well as Group's strategic ESG objectives. Strategic objectives enable Group to set clear actions that drive towards ESG ambition across our three (3) defined key fields of play including business, own operations and communities. These strategies encompass well-defined goals, precise targets, and actionable plans for both mitigation and adaptation.

The Group is in the process of embedding climate risk in its risk framework, this year the Bank carried out a risk drivers' analysis to identify sources of potential climate risks and is finalizing a comprehensive climate risk policy/ framework. The Board Risk Committee is responsible for the oversight over management of climate risk. In addition, the Group will start assessing its model landscape to assess and incorporate climate-related risks and their impact on borrower's credit risk. The Group is also conducting climate risk stress testing to assess the potential impact on the portfolios and adhere to Central Bank of the UAE stress testing guidelines. In addition, this year the Bank implemented its inaugural Sustainable Finance Policy, which intends to mobilize more of the Bank's lending and investment into sustainable avenues,

The Group is making significant progress in building the knowledge and capacity of its workforce in matters relating to climate-related risk and Sustainable Finance and conducted targeted trainings for business line staff. Despite the progress, the Group acknowledges the need for further efforts to fully integrate climate in the Group's risk assessments and management protocols.

The Group is working in line with the UAE government's net-zero strategy and Federal Decree of 2024, striving for a net zero economy by 2050.

Therefore, the impact of this matter remains uncertain and depends on future developments that cannot be accurately predicted at this stage, and a reliable estimate of such an impact cannot be made at the date of authorisation of these consolidated financial statements. Notwithstanding, these developments could impact the Group's future financial results, cash flows and financial position.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.8 Capital management**

**6.8.1 Capital management objective**

The Group's objectives with managing capital, which is a broader concept than the 'equity' on the face of consolidated financial position are:

- To comply with the capital requirements set by the Central Bank of U.A.E.
- To safeguard the Group's ability to continue as a going concern and increase the returns for the shareholders; and
- To maintain a strong capital base to support the development of its business.

**6.8.2 Regulatory Capital**

The Group's lead regulator, the Central Bank of U.A.E. (CBUAE), sets the capital requirements for the Group as a whole. The Group and individual banking operations within the Bank are directly supervised by their respective local regulators.

After adoption of Basel III, the regulatory capital is computed under the following items:

**(i) Tier 1 capital, which is composed of:**

- a - Common equity tier 1 (CET 1) - comprise of share capital, statutory reserves, retained earnings and accumulated other comprehensive income reserves,
- b - Additional tier 1 (AT 1)- comprise of any instrument which is not included in CET1.

**(ii) Tier 2 capital, which includes general provisions (after implementation of IFRS - 9, the ECL classified that is classified under stage 1 and 2).**

In addition to the above, all banks are required to maintain a capital conservation buffer (CCB) to encourage the banks to hold capital over and above the minimum requirements.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.8 Capital management (continued)**

As per current requirement of the Central Bank of UAE, banks are required to maintain minimum capital levels as below:

	2025	2024
<b>Capital element</b>		
Minimum common equity tier 1 (CET 1) ratio	7%	7%
Minimum Tier I capital ratio	8.5%	8.5%
Minimum capital adequacy ratio	10.5%	10.5%
Capital conservation buffer (CCB)	2.5%	2.5%

The Group's assets are risk weighted as to their relative credit, market, and operational risk. Credit risk and market risk includes both on and off-balance sheet risks. Credit risk is defined as the risk of default on a financial obligation that may arise from a customer failing to make required payments. Such risk includes loss of principal and profit, disruption to cash flows, and increased collection costs. Market risk is defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices and includes profit rate risk, foreign exchange risk, equity exposure risk, commodity risk, and options risk. Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

For Central Bank reporting purposes, the Group is currently following the standardised measurement approach for credit, market and operational risk, as per Pillar 1 of Basel II.

The Group's policy is to maintain a strong capital base so as to maintain market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. Historically the Group has followed a conservative dividend policy to increase capital from internal resources to meet future growth.

The objectives, policies and processes are under constant review by management and are updated as and when required.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the year.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**6. Financial risk management (continued)**

**6.8 Capital management (continued)**

The Group is required to report capital resources and risk-weighted assets under the Basel III Pillar 1 framework, as shown in the following table:

	2025 AED'000	2024 AED'000
<b>Tier 1 capital</b>		
Share capital	2,723,500	2,723,500
Reserves	433,081	213,805
	<u>3,156,581</u>	<u>2,937,305</u>
<b>Tier 2 capital</b>		
General provision and fair value reserve	286,049	185,815
	<u>286,049</u>	<u>185,815</u>
<b>Total regulatory capital</b>	<u>3,442,630</u>	<u>3,123,120</u>
<b>Risk weighted assets</b>		
Credit risk	22,883,921	14,865,025
Market risk	126,879	86,777
Operation risk	1,488,600	1,400,108
	<u>24,499,400</u>	<u>16,351,910</u>
Total risk weighted assets	<u>24,499,400</u>	<u>16,351,910</u>
Capital adequacy ratio on regulatory capital	<u>14.05%</u>	<u>19.10%</u>
Capital adequacy ratio on Tier 1 capital	<u>12.88%</u>	<u>17.96%</u>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**7. Classification of financial assets and liabilities**

- (a) The table below sets out the Group's classification of each class of financial assets and liabilities and their carrying amounts as at 31 December:

	At fair value AED'000	Amortised cost AED'000	Total AED'000
<b>2025</b>			
<b>Financial assets:</b>			
Cash and balances with the Central Bank	-	4,268,362	4,268,362
Due from banks and other financial institutions	-	3,675,853	3,675,853
Islamic financing and investing assets, net	-	17,729,506	17,729,506
Islamic investments securities at fair value	5,696,890	-	5,696,890
Other Islamic assets	10,873	225,874	236,747
<b>Total</b>	<b>5,707,763</b>	<b>25,899,595</b>	<b>31,607,358</b>
<b>Financial liabilities:</b>			
Islamic customers' deposits	-	23,745,824	23,745,824
Due to banks and other financial institutions	-	2,886,261	2,886,261
Sukuk Financing Instrument	-	1,816,798	1,816,798
Other liabilities	120	578,637	578,757
<b>Total</b>	<b>120</b>	<b>29,027,520</b>	<b>29,027,640</b>
	At fair value AED'000	Amortised cost AED'000	Total AED'000
<b>2024</b>			
<b>Financial assets:</b>			
Cash and balances with the Central Bank	-	2,459,522	2,459,522
Due from banks and other financial institutions	-	2,400,828	2,400,828
Islamic financing and investing assets, net	-	12,959,402	12,959,402
Islamic investments securities at fair value	3,694,208	-	3,694,208
Other Islamic assets	359	234,297	234,656
<b>Total</b>	<b>3,694,567</b>	<b>18,054,049</b>	<b>21,748,616</b>
<b>Financial liabilities:</b>			
Islamic customers' deposits	-	18,061,567	18,061,567
Due to banks and other financial institutions	-	979,651	979,651
Other liabilities	56	564,016	564,072
<b>Total</b>	<b>56</b>	<b>19,605,234</b>	<b>19,605,290</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**8. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, differences can arise between book values and the fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to materially curtail the scale of its operation or to undertake a transaction on adverse terms.

*Valuation techniques and assumptions applied for the purposes of measuring fair value*

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of Islamic financial assets and Islamic financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair values of other Islamic financial assets and Islamic financial liabilities (excluding Islamic derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.
- The fair values of Islamic derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency Waad contracts are measured using quoted forward exchange rates and yield curves derived from quoted profit rates matching maturities of the contracts. Profit rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted profit rates.

*Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis*

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs, such as the Net Asset Value of the underlying Investments).

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**8. Fair value measurement (continued)**

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
<b>At 31 December 2025</b>				
<b>Financial assets</b>				
Islamic investments securities at fair value	5,631,529	-	65,361	5,696,890
Positive fair value of Islamic derivative financial instruments	10,878	-	-	10,878
	<u>5,642,407</u>	<u>-</u>	<u>65,361</u>	<u>5,707,768</u>
<b>Financial liabilities</b>				
Negative fair value of Islamic derivative financial instruments	120	-	-	120
	<u>120</u>	<u>-</u>	<u>-</u>	<u>120</u>
	<u><u>5,642,407</u></u>	<u><u>-</u></u>	<u><u>65,361</u></u>	<u><u>5,707,768</u></u>
	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
<b>At 31 December 2024</b>				
<b>Financial assets</b>				
Islamic investments securities at fair value	3,569,401	-	124,807	3,694,208
Positive fair value of Islamic derivative financial instruments	359	-	-	359
	<u>3,569,760</u>	<u>-</u>	<u>124,807</u>	<u>3,694,567</u>
<b>Financial liabilities</b>				
Negative fair value of Islamic derivative financial instruments	56	-	-	56
	<u>56</u>	<u>-</u>	<u>-</u>	<u>56</u>
	<u><u>3,569,760</u></u>	<u><u>-</u></u>	<u><u>124,807</u></u>	<u><u>3,694,567</u></u>

Notional amount of Islamic derivative financial instruments is AED 0.86 billion Tas at 31 December 2025 (2024: AED 0.6 billion).

There were no transfers between Level 1 and 2 during the year. Below is reconciliation of Level 3 fair value measurement of financial assets:

	2025 AED'000	2024 AED'000
Balance at 1 January	124,807	172,943
Purchases during the year	196	-
Fair valuation (loss)/gain	28,073	(38,136)
Disposals during the year	(87,715)	(10,000)
<b>Total</b>	<u><u>65,361</u></u>	<u><u>124,807</u></u>



**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**8. Fair value measurement (continued)**

**The effect of unobservable input on fair value measurement**

Although the Group believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used by  $\pm 10\%$  to reasonably possible alternative assumptions would have the following effects.

	Effect on OCI	
	Favorable AED'000	Unfavorable AED'000
<b>31 December 2025</b>	<b>6,536</b>	<b>(6,536)</b>
31 December 2024	12,481	(12,481)

- In respect of those financial assets and financial liabilities measured at amortised cost, which are of short term nature (up to 1 year), management believes that carrying amount is equivalent to its fair value.
- In respect of Islamic investments securities, management has used the quoted price when available to assess fair value or used a present value calculation (PVC) based on market observable inputs.
- Islamic financing and investing assets are fair valued based on PVC which takes into account original underlying cash financing credit grading and expected prepayments. These features are used to estimate the present value of the expected cash flows and using risk-adjusted profit rates. However, this technique is subject to inherent limitations, such as estimation of the appropriate risk-adjusted profit rate, and different assumptions and inputs would yield different results.
- Fair values of deposits from banks and customers are estimated using the PVC methodology, applying the applicable rates that are offered for deposits of similar maturities and terms. The fair value of deposits payable on demand is considered to be the amount payable at the reporting date.

**9. Cash and balances with the Central Bank**

- (a) The analysis of the Group's cash and balances with the Central Bank as at 31 December 2025 and 2024 is as follows:

	2025 AED'000	2024 AED'000
Cash on hand	168,591	174,727
Balances with the Central Bank:		
Current accounts	161,515	152,995
Reserve requirements with the Central Bank (*)	1,038,256	931,800
International Murabahat with the Central Bank	2,900,000	1,200,000
<b>Total</b>	<b>4,268,362</b>	<b>2,459,522</b>

Cash and balances with the Central Bank as at 31 December 2025 and 2024 were held within the U.A.E.

(\*) The reserve requirements kept with the Central Bank are not available for use in the Group's day to day operations, and cannot be withdrawn without the approval of the Central Bank. The level of reserve required changes periodically in accordance with the directives of the Central Bank.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**10. Due from banks and other financial institutions**

- (a) The analysis of the Group's due from banks and other financial institutions as at 31 December 2025 and 2024 is as follows:

	2025 AED'000	2024 AED'000
Current accounts	60,249	23,807
Islamic deposits with banks and financial institutions	3,626,683	2,384,554
	<u>3,686,932</u>	<u>2,408,361</u>
Less: Impairment loss allowance (Note 27)	(11,079)	(7,533)
<b>Total</b>	<u><u>3,675,853</u></u>	<u><u>2,400,828</u></u>

- (b) The geographical analysis of due from banks and other financial institutions as at 31 December 2025 and 2024 is as follows:

	2025 AED'000	2024 AED'000
Within the U.A.E.	247,913	375,513
Outside the U.A.E.	3,427,940	2,025,315
<b>Total</b>	<u><u>3,675,853</u></u>	<u><u>2,400,828</u></u>

**11. Islamic financing and investing assets, net**

- (a) The analysis of the Group's Islamic financing and investing assets, net, as at 31 December 2025 and 2024 is as follows:

	2025 AED'000	2024 AED'000
<b>Islamic financing assets</b>		
Vehicles murabahat	136,417	71,793
Commodities murabahat	6,793,169	5,726,859
<b>Total murabahat</b>	<u>6,929,586</u>	<u>5,798,652</u>
Ijarahs	9,180,940	7,753,164
Istisna'a	4,145	-
Islamic credit cards	153,227	90,391
	<u>16,267,898</u>	<u>13,642,207</u>
Deferred income	(661,017)	(631,257)
<b>Total Islamic financing assets</b>	<u><u>15,606,881</u></u>	<u><u>13,010,950</u></u>
<b>Islamic investing assets</b>		
Wakala	2,809,897	794,795
<b>Total Islamic investing assets</b>	<u><u>2,809,897</u></u>	<u><u>794,795</u></u>
<b>Total Islamic financing and investing assets</b>	<u><u>18,416,778</u></u>	<u><u>13,805,745</u></u>
Less: Impairment loss allowance (Note 27)	(687,272)	(846,343)
<b>Total Islamic financing and investing assets, net</b>	<u><u>17,729,506</u></u>	<u><u>12,959,402</u></u>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**11. Islamic financing and investing assets, net (continued)**

- (b) The Group, in the ordinary course of providing finance, holds collateral as security to mitigate credit risk associated with Islamic financing and investing assets. The collaterals include mortgage on land and buildings and lien on savings and investment deposits and equity. The estimated value of collaterals for Islamic financing and investing assets other than retail assets which are mainly asset-based financing, is as follows:

	<b>2025</b> <b>AED'000</b>	2024 AED'000
Property and mortgages	<b>8,235,582</b>	8,104,515
Deposits and equities	<b>1,260,774</b>	2,361,286

- (c) Analysis of Islamic financing and investing assets, net, by industry group and geography as at 31 December 2025 and 2024 are as follows:

	<b>Within the</b> <b>U.A.E.</b> <b>AED'000</b>	<b>Outside the</b> <b>U.A.E.</b> <b>AED'000</b>	<b>Total</b> <b>AED'000</b>
<b>2025</b>			
<b>Economic sector</b>			
Government	1,235,936	629,583	1,865,519
Manufacturing and services	5,528,011	413,596	5,941,607
Trade	1,078,875	-	1,078,875
Real estate	4,910,145	180,550	5,090,695
Consumer home finance	2,809,247	5,069	2,814,316
Consumer financing	1,625,766	-	1,625,766
	<u>17,187,980</u>	<u>1,228,798</u>	<u>18,416,778</u>
Impairment loss allowance			(687,272)
<b>Total</b>			<u><u>17,729,506</u></u>
	<b>Within the</b> <b>U.A.E.</b> <b>AED'000</b>	<b>Outside the</b> <b>U.A.E.</b> <b>AED'000</b>	<b>Total</b> <b>AED'000</b>
<b>2024</b>			
<b>Economic sector</b>			
Government	482,405	262,250	744,655
Manufacturing and services	3,116,486	31,776	3,148,262
Trade	607,137	-	607,137
Real estate	5,429,546	-	5,429,546
Consumer home finance	2,162,193	5,555	2,167,748
Consumer financing	1,708,397	-	1,708,397
	<u>13,506,164</u>	<u>299,581</u>	<u>13,805,745</u>
Impairment loss allowance			(846,343)
<b>Total</b>			<u><u>12,959,402</u></u>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**11. Islamic financing and investing assets, net (continued)**

- (d) The significant changes in the gross carrying amount of Islamic financing and investing assets during the year that contributed to changes in the loss allowance, is provided in the table below:

	<b>Stage 1</b> <b>AED'000</b>	<b>Stage 2</b> <b>AED'000</b>	<b>Stage 3</b> <b>AED'000</b>	<b>Total</b> <b>AED'000</b>
As at 1 January 2025	10,553,676	1,674,538	1,577,530	13,805,744
- Transfer to stage 1	604,822	(604,822)	-	-
- Transfer to stage 2	(723,013)	769,070	(46,057)	-
- Transfer to stage 3	(147,983)	(160,121)	308,104	-
Change in exposure	(776,852)	(401,306)	(74,542)	(1,252,700)
New financial assets recognized	6,993,953	28,479	2,742	7,025,174
Financial assets derecognized	(819,835)	(98,114)	(160,992)	(1,078,941)
Write-offs	-	-	(82,499)	(82,499)
<b>As at 31 December 2025</b>	<b>15,684,768</b>	<b>1,207,724</b>	<b>1,524,286</b>	<b>18,416,778</b>

	<b>Stage 1</b> <b>AED'000</b>	<b>Stage 2</b> <b>AED'000</b>	<b>Stage 3</b> <b>AED'000</b>	<b>Total</b> <b>AED'000</b>
As at 1 January 2024	10,188,344	1,908,374	2,313,095	14,409,813
- Transfer to stage 1	376,507	(376,507)	-	-
- Transfer to stage 2	(344,247)	812,039	(467,792)	-
- Transfer to stage 3	(39,736)	(28,056)	67,792	-
Change in exposure	1,031,679	(150,540)	(26,002)	855,137
New financial assets recognized	2,624,882	5,355	1,238	2,631,475
Financial assets derecognized	(3,283,752)	(496,127)	(305,256)	(4,085,135)
Write-offs	-	-	(5,545)	(5,545)
<b>As at 31 December 2024</b>	<b>10,553,677</b>	<b>1,674,538</b>	<b>1,577,530</b>	<b>13,805,745</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**11. Islamic financing and investing assets, net (continued)**

- (e) The table below analyse the movement of the ECL allowance during the year per class of Islamic financing and investing assets.

	<b>Stage 1 12-month ECL AED'000</b>	<b>Stage 2 Life time ECL AED'000</b>	<b>Stage 3 Lifetime ECL AED'000</b>	<b>Total AED'000</b>
Loss allowance as at 1 January 2025	96,137	271,903	478,303	846,343
Changes in the loss allowance				
- Transfer to stage 1	26,227	(26,227)	-	-
- Transfer to stage 2	(30,357)	47,530	(17,173)	-
- Transfer to stage 3	(98)	(7,025)	7,123	-
Change in credit risk	(21,967)	(51,114)	(27,981)	(101,062)
New financial assets recognized	53,661	4,059	119	57,839
Financial assets derecognized	(5,496)	(9,611)	(18,242)	(33,349)
Write-offs and other transfers	-	-	(82,499)	(82,499)
<b>Loss allowance as at 31 December 2025</b>	<b>118,107</b>	<b>229,515</b>	<b>339,650</b>	<b>687,272</b>

	<b>Stage 1 12-month ECL AED'000</b>	<b>Stage 2 Life time ECL AED'000</b>	<b>Stage 3 Lifetime ECL AED'000</b>	<b>Total AED'000</b>
Loss allowance as at 1 January 2024	68,904	88,597	476,319	633,820
Changes in the loss allowance				
- Transfer to stage 1	19,572	(19,572)	-	-
- Transfer to stage 2	(1,392)	9,318	(7,926)	-
- Transfer to stage 3	(1,377)	(832)	2,209	-
Change in credit risk	(2,956)	201,301	90,970	289,315
New financial assets recognized	22,886	2,240	500	25,626
Financial assets derecognized	(9,500)	(9,149)	(78,224)	(96,873)
Write-offs and other transfers	-	-	(5,545)	(5,545)
<b>Loss allowance as at 31 December 2024</b>	<b>96,137</b>	<b>271,903</b>	<b>478,303</b>	<b>846,343</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**12. Islamic investment securities at fair value**

	2025 AED'000	2024 AED'000
Islamic investment securities at FVTOCI		
Sukuk instruments*	5,462,053	3,415,878
Equity instruments	197,196	210,311
	<u>5,659,249</u>	<u>3,626,189</u>
Islamic investment securities at FVTPL		
Equity instruments	37,641	68,019
	<u>5,696,890</u>	<u>3,694,208</u>

- (a) The geographical analysis of the Islamic investment securities at fair value as at 31 December 2025 is as follows:

	Within the U.A.E. AED'000	Other G.C.C. countries AED'000	Rest of the world AED'000	Total AED'000
<b>2025</b>				
<b>Sukuk instruments at FVTOCI</b>				
Quoted	2,571,954	2,370,255	495,344	5,437,553
Unquoted	24,500	-	-	24,500
	<u>2,596,454</u>	<u>2,370,255</u>	<u>495,344</u>	<u>5,462,053</u>
<b>Equity instruments at FVTOCI</b>				
Quoted	156,336	-	-	156,336
Unquoted	196	-	40,664	40,860
	<u>156,532</u>	<u>-</u>	<u>40,664</u>	<u>197,196</u>
<b>Equity instruments at FVTPL</b>				
Quoted	37,641	-	-	37,641
	<u>37,641</u>	<u>-</u>	<u>-</u>	<u>37,641</u>
<b>Total</b>	<u>2,790,627</u>	<u>2,370,255</u>	<u>536,008</u>	<u>5,696,890</u>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**12. Islamic investment securities at fair value (continued)**

- (a) The geographical analysis of the Islamic investment securities at fair value as at 31 December 2024 is as follows:

	Within the U.A.E. AED'000	Other G.C.C. countries AED'000	Rest of the world AED'000	Total AED'000
<b>2024</b>				
<b>Sukuk instruments at FVTOCI</b>				
Quoted	1,179,621	2,030,857	182,900	3,393,378
Unquoted	22,500	-	-	22,500
	<u>1,202,121</u>	<u>2,030,857</u>	<u>182,900</u>	<u>3,415,878</u>
<b>Equity instruments at FVTOCI</b>				
Quoted	156,913	-	-	156,913
Unquoted	10,096	-	43,302	53,398
	<u>167,009</u>	<u>-</u>	<u>43,302</u>	<u>210,311</u>
<b>Equity instruments at FVTPL</b>				
Quoted	19,110	-	-	19,110
Unquoted	48,909	-	-	48,909
	<u>68,019</u>	<u>-</u>	<u>-</u>	<u>68,019</u>
<b>Total</b>	<u>1,437,149</u>	<u>2,030,857</u>	<u>226,202</u>	<u>3,694,208</u>

- (b) Analysis of Islamic investment securities at fair value by industry group as at 31 December 2025 and 2024 is as follows:

	2025 AED'000	2024 AED'000
Government	2,518,113	1,391,843
Manufacturing and services	2,016,187	803,541
Real estate	165,988	53,397
Financial institutions	996,602	1,445,427
<b>Total</b>	<u>5,696,890</u>	<u>3,694,208</u>

**\*Islamic investment securities at FVTOCI – Sukuk instruments**

The significant changes in the gross carrying amount of Islamic investment securities at FVTOCI - Sukuk instruments during the year that contributed to changes in the loss allowance, is provided in the table below:

	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000
As at 1 January 2025	3,402,625	22,606	-	3,425,231
- Transfer to stage 2				
Change in exposure	1,128,460	2,461	-	1,130,921
New financial assets recognised	1,231,453	-	-	1,231,453
Financial assets derecognized	(312,521)	-	-	(312,521)
<b>As at 31 December 2025</b>	<u>5,450,017</u>	<u>25,067</u>	<u>-</u>	<u>5,475,084</u>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**12. Islamic investment securities at fair value (continued)**

**\*Islamic investment securities at FVTOCI – Sukuk instruments (continued)**

	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000
As at 1 January 2024	2,498,904	-	-	2,498,904
- Transfer to stage 2	(28,521)	28,521	-	-
Change in exposure	712,385	(5,915)	-	706,470
New financial assets recognised	476,068	-	-	476,068
Financial assets derecognized	(256,211)	-	-	(256,211)
As at 31 December 2024	3,402,625	22,606	-	3,425,231

The tables below analyse the movement of the ECL allowance during the year per class of Islamic investment securities at FVTOCI - Sukuk instruments.

	Stage 1 12-month ECL AED'000	Stage 2 Life time ECL AED'000	Stage 3 Lifetime ECL AED'000	Total AED'000
Loss allowance as at 1 January 2025	9,247	106	-	9,353
- Transfer to stage 2				
Change in credit risk	2,845	461	-	3,306
New financial assets recognised	2,815	-	-	2,815
Financial assets derecognized	(2,443)	-	-	(2,443)
<b>Loss allowance as at 31 December 2025</b>	<b>12,464</b>	<b>567</b>	<b>-</b>	<b>13,031</b>

	Stage 1 12-month ECL AED'000	Stage 2 Life time ECL AED'000	Stage 3 Lifetime ECL AED'000	Total AED'000
Loss allowance as at 1 January 2024	3,963	-	-	3,963
- Transfer to stage 2	(21)	21	-	-
Change in credit risk	5,636	85	-	5,721
New financial assets recognised	600	-	-	600
Financial assets derecognized	(931)	-	-	(931)
Loss allowance as at 31 December 2024	9,247	106	-	9,353



**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**13. Investment properties**

(a) Movement in investment properties during the years ended 31 December 2025 and 2024 is as follows:

	2025 AED'000	2024 AED'000
As at 1 January	391,545	385,755
Additions during the year	3,931	2,090
Change in fair value during the year (Note 24)	5,724	3,700
<b>As at 31 December</b>	<b>401,200</b>	<b>391,545</b>

(b) Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2025 and 31 December 2024 are as follows:

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Fair value AED'000
<b>31 December 2025</b>	-	-	401,200	401,200
31 December 2024	-	-	391,545	391,545

The Group's investment properties consist of four commercial properties in the Emirate of Ajman. As at 31 December 2025 and 2024, the fair values of the properties are based on valuations performed by an accredited independent valuer who is a specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Using the discounted cash flow (DCF) method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate. The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behavior that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long-term vacancy rate.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**14. Property and equipment**

	<b>Leasehold improvements AED'000</b>	<b>Furniture, fittings and equipment AED'000</b>	<b>Vehicles AED'000</b>	<b>Computer equipment and software AED'000</b>	<b>Right-of-use assets AED'000</b>	<b>Capital work in progress* AED'000</b>	<b>Land and buildings AED'000</b>	<b>Total AED'000</b>
<b>Cost</b>								
At 31 December 2023	68,577	42,551	1,259	144,953	20,126	17,694	68,886	364,046
Additions	1,077	412	-	4,510	8,725	19,341	-	34,065
Transfers	643	1,768	-	5,956	-	(8,367)	-	-
Disposals	-	(9)	-	-	(9,568)	-	-	(9,577)
Write offs	(23,532)	-	-	-	-	-	-	(23,532)
At 31 December 2024	46,765	44,722	1,259	155,419	19,283	28,668	68,886	365,002
Additions	332	205	-	6,432	8,120	43,542	-	58,631
Transfers	154	505	-	12,299	-	(12,958)	-	-
Disposals	(2,340)	-	-	-	(332)	-	-	(2,672)
<b>At 31 December 2025</b>	<b>44,911</b>	<b>45,432</b>	<b>1,259</b>	<b>174,150</b>	<b>27,071</b>	<b>59,252</b>	<b>68,886</b>	<b>420,961</b>
<b>Accumulated depreciation</b>								
At 31 December 2023	59,631	39,326	607	114,953	10,493	-	13,249	238,259
Charge for year	2,852	1,491	150	13,256	4,694	-	995	23,438
Disposals	-	(9)	-	-	(9,568)	-	-	(9,577)
Write offs	(23,532)	-	-	-	-	-	-	(23,532)
At 31 December 2024	38,951	40,808	757	128,209	5,619	-	14,244	228,588
Charge for year	2,814	1,508	150	12,368	5,576	-	947	23,363
Disposals	(2,255)	-	-	-	(332)	-	-	(2,587)
<b>At 31 December 2025</b>	<b>39,510</b>	<b>42,316</b>	<b>907</b>	<b>140,577</b>	<b>10,863</b>	<b>-</b>	<b>15,191</b>	<b>249,364</b>
<b>Net book value</b>								
<b>At 31 December 2025</b>	<b>5,401</b>	<b>3,116</b>	<b>352</b>	<b>33,573</b>	<b>16,208</b>	<b>59,252</b>	<b>53,695</b>	<b>171,597</b>
At 31 December 2024	7,814	3,914	502	27,210	13,664	28,668	54,642	136,414

\* Capital work in progress comprises cost incurred on IT projects.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**15. Other Islamic assets**

	<b>2025</b>	2024
	<b>AED'000</b>	AED'000
Accrued income on Islamic financing and investing assets	<b>87,781</b>	75,363
Accrued income on Islamic investment securities	<b>53,002</b>	29,903
Prepaid expenses	<b>35,274</b>	8,060
Staff advances	<b>19,265</b>	15,197
Acceptances (Note 18)	<b>28,804</b>	5,797
Assets acquired in settlement of Islamic financing and investing assets, net (*)	<b>464,250</b>	530,050
Rent receivable	<b>20,198</b>	19,373
Other	<b>244,289</b>	153,371
	<b>952,863</b>	837,114
Less: Impairment loss allowance (Note 27)	<b>(32,820)</b>	(24,685)
	<b>920,043</b>	812,429

(\*) Assets acquired in settlement of Islamic financing and investing assets include properties with a carrying value of AED 418 million which are beneficially held by the Group but the title deed of these properties is not yet transferred in the Group's name (Note 31.3). The fair value of these assets amounted to AED 368 million (2024: AED 355). During the year, the Group reversed AED 13 million (2024: nil) from the impairment loss allowance which was booked during 2023. The impairment loss as at 31 December 2025 is AED 50 million (2024: AED 63 million) against these assets.

**16. Islamic customers' deposits**

(a) The analysis of the Islamic customers' deposits as at 31 December 2025 and 2024 is as follows:

	<b>2025</b>	2024
	<b>AED'000</b>	AED'000
Current accounts	<b>5,102,629</b>	4,356,089
<i>Mudarba deposits:</i>		
Savings accounts	<b>562,110</b>	468,233
Term deposits	<b>29,821</b>	25,700
	<b>5,694,560</b>	4,850,022
Wakala deposits	<b>16,932,492</b>	12,747,429
Escrow accounts	<b>978,201</b>	386,266
Margin accounts	<b>140,571</b>	77,850
	<b>23,745,824</b>	18,061,567

All Islamic customers' deposits as at 31 December 2025 and 2024 were held within the U.A.E.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**17. Due to banks and other financial institutions**

- (a) The analysis of the due to banks and other financial institutions as at 31 December 2025 and 2024 is as follows:

	2025 AED'000	2024 AED'000
Current accounts	3,541	23,196
Investment deposits	2,882,720	956,455
<b>Total</b>	<b>2,886,261</b>	<b>979,651</b>

- (b) The geographical analysis of the Group's due to banks and other financial institutions as at 31 December 2025 and 2024 is as follows:

	2025 AED'000	2024 AED'000
Within the U.A.E.	2,026,782	809,055
Outside the U.A.E.	859,479	170,596
<b>Total</b>	<b>2,886,261</b>	<b>979,651</b>

**18. Other liabilities**

	2025 AED'000	2024 AED'000
Accrued profit on Islamic customers' deposits and placements by banks	302,381	332,876
Provisions for staff salaries and benefits	44,793	39,084
Managers' cheques	227,535	120,095
Acceptances (Note 15)	28,804	5,797
Lease liability	16,402	12,446
Provision for income tax (Note 36)	47,886	39,129
Deferred tax liabilities (Note 36)	12,520	5,526
Impairment loss allowance on financial commitments and financial guarantees (Note 27)	24,058	8,842
Other	237,938	137,525
	<b>942,317</b>	<b>701,320</b>

**19. Share capital and treasury shares**

	2025 AED'000	2024 AED'000
<b>Share capital</b>		
2,723,500,000 (31 December 2024: 2,723,500,000) shares of AED 1 each, issued and fully paid	2,723,500	2,723,500

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**19. Share capital and treasury shares (continued)**

The Board of Directors has proposed a cash dividend of AED 0.0918 per share (9.18% of paid-up capital) at their meeting held on 28 January 2026.

The annual general meeting of the shareholders in its meeting held on 27 February 2025 approved to distribute cash dividends of AED 0.0725 per share (7.25% of paid-up capital) amounting to AED 197.4 million.

**Treasury shares**

The Group engaged a third-party licensed Market Maker on the Dubai Financial Market that offers liquidity provision services, to place buy and sell orders of the Bank's shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility. At 31 December 2025, the Market Maker held 3,977,000 of Ajman Bank's shares (31 December 2024: 34,478,543 shares) on behalf of the Group, which are classified under equity as treasury shares at par value of AED 1 at 31 December 2025 and 31 December 2024. During the year, AED 19 million (year ended 31 December 2024: AED 16 million) has been utilised from share premium reserve (included under statutory and other reserve) to account for premium paid on acquisition of treasury shares, net of realized gains/losses on disposal of such shares. At the end of the contract term with the Market Maker, the Bank will have the option to either transfer the outstanding shares under its name or dispose of the shares in the market.

**20. Statutory reserve**

The U.A.E. Commercial Companies Law and the Articles of Association of the Group, require that 10% of the profit attributable to the shareholders is transferred to a non-distributable statutory reserve until this reserve equals 50% of the paid-up share capital. This reserve is not available for distribution other than in circumstances stipulated by law. Included under statutory reserve is a share premium reserve amounting to AED'000 107,042 as at 31 December 2025 (2024: AED'000 126,357).

**21. General impairment reserve**

In accordance with the requirements of the credit risk management standards (CRMS) issued by CBUAE (Credit Risk Management Regulation and accompanying Standards, Circular No. 3/2024 dated 25/7/2024), the Group must ensure that the total provision corresponding to all Stage 1 and Stage 2 exposures is not less than 1.50% of the Credit Risk weighted assets as computed under the CBUAE capital regulations. Where the collective provisions held are lower, the shortfall (if any) is held in a dedicated non-distributable balance sheet reserve called the 'impairment reserve-general'. The amount held in the impairment reserve-general (if any) is deducted from the capital base (Tier 1 capital for Banks) when computing the regulatory capital. Also, This reserve is not available for payment of dividends.

**22. Income from Islamic financing and investing assets**

	<b>2025</b>	2024
	<b>AED'000</b>	AED'000
Income from Ijarahs	<b>491,222</b>	569,695
Income from Murabahat	<b>455,835</b>	493,595
Income from Wakala	<b>179,572</b>	109,081
Income from Istisna'a financing	<b>83</b>	3
	<b><u>1,126,712</u></b>	<u>1,172,374</u>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**23. Income from Islamic investment securities**

	<b>2025</b> <b>AED'000</b>	2024 AED'000
Income from Islamic investment securities at FVTOCI	<b>166,992</b>	123,443
Realized gain on disposal of Islamic investment securities at FVTOCI	<b>66,238</b>	8,940
Gain/(loss) on Islamic investment securities at FVTPL	<b>27,278</b>	(9,480)
Income from Islamic investment securities at amortised cost	<b>-</b>	15,169
<b>Total</b>	<b>260,508</b>	138,072

**24. Fees, commission and other income**

	<b>2025</b> <b>AED'000</b>	2024 AED'000
Processing and evaluation fees	<b>79,830</b>	18,476
Arrangement fee	<b>10,701</b>	13,494
Foreign exchange income	<b>19,984</b>	39,923
Trade related commission and fees	<b>12,278</b>	4,850
Investment agent fees	<b>15</b>	12,056
Account and credit card related fees	<b>42,116</b>	14,427
Rental income	<b>26,006</b>	61,856
Fair value gain on investment properties (Note 14)	<b>5,724</b>	3,700
Other	<b>65,041</b>	21,926
<b>Total</b>	<b>261,695</b>	190,708

**25. Staff costs**

	<b>2025</b> <b>AED'000</b>	2024 AED'000
Salaries and allowances	<b>188,283</b>	162,312
Other staff related cost	<b>84,673</b>	89,098
	<b>272,956</b>	251,410

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**26. General and administrative expenses**

	<b>2025</b>	2024
	<b>AED'000</b>	AED'000
Premises and equipment maintenance costs	<b>40,293</b>	26,176
Communication expenses	<b>9,047</b>	5,100
Legal, professional and consultancy fees	<b>17,776</b>	28,008
Security services including cash in transit services	<b>5,423</b>	3,652
Software license	<b>4,060</b>	4,802
License fees	<b>3,269</b>	2,818
Printing and stationary	<b>586</b>	715
Marketing, designing and product development expenses	<b>8,306</b>	2,143
Rental expenses	<b>1,172</b>	1,510
Finance lease charges	<b>352</b>	327
Others	<b>25,827</b>	19,569
	<b>116,111</b>	94,820

**27. Impairment allowance of financial assets**

The movement in impairment allowance by financial asset category is as follows:

	<b>Opening</b>	<b>Net charge</b>	<b>Write-off,</b>	<b>Closing</b>	<b>Net charge</b>
	<b>balance</b>	<b>during the</b>	<b>net of</b>	<b>balance</b>	<b>31 December</b>
	<b>AED'000</b>	<b>year</b>	<b>recoveries</b>	<b>AED'000</b>	<b>2024</b>
	<b>AED'000</b>	<b>AED'000</b>	<b>and other</b>	<b>AED'000</b>	<b>AED'000</b>
	<b>AED'000</b>	<b>AED'000</b>	<b>transfers</b>	<b>AED'000</b>	<b>AED'000</b>
Due from banks and other financial institutions (Note 10)	<b>7,533</b>	<b>3,546</b>	<b>-</b>	<b>11,079</b>	7,533
Islamic financing and investing assets (Note 11)	<b>846,346</b>	<b>(76,575)</b>	<b>(82,499)</b>	<b>687,272</b>	846,343
Islamic investment securities at FVTOCI (*)	<b>9,353</b>	<b>3,678</b>	<b>-</b>	<b>13,031</b>	9,353
Other Islamic assets (Note 16)	<b>24,682</b>	<b>4,419</b>	<b>3,719</b>	<b>32,820</b>	24,685
Financial commitments and financial guarantees (Note 31)	<b>8,842</b>	<b>15,216</b>	<b>-</b>	<b>24,058</b>	8,842
<b>Total</b>	<b>896,756</b>	<b>(49,716)</b>	<b>(78,780)</b>	<b>768,260</b>	896,756

(\*) Impairment allowance is recognised under “Revaluation reserve of investments designated at FVTOCI”.

The credit impairment provisions calculated in accordance with CBUAE requirements were in excess of ECL allowance calculated under IFRS 9 as explained in note 21.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**28. Basic and diluted earnings/(loss) per share**

Earnings/(loss) per share are computed by dividing the profit/(loss) for the year by the weighted average number of shares outstanding during the year as follows:

	2025	2024
<i>Basic earnings/(loss) per share</i>		
Profit/(loss) before tax for the year (AED'000)	<b>548,392</b>	439,779
Weighted average number of shares outstanding at 31 December (in thousands)	<b>2,704,273</b>	2,692,424
<b>Basic and diluted earnings per share (AED)</b>	<b>0.203</b>	0.163

As at 31 December 2025 and 2024, there were no potential dilutive shares outstanding.

**29. Cash and cash equivalents**

	2025 AED'000	2024 AED'000
Cash and balances with the Central Bank (Note 9)	<b>4,268,362</b>	2,459,522
Due from banks and other financial institutions (original maturity less than three months)	<b>646,801</b>	989,730
	<b>4,915,163</b>	3,449,252
Less: Statutory deposit with the Central Bank (Note 9)	<b>(1,038,256)</b>	(931,800)
Less: International Murabahat with the Central Bank (original maturity more than three months)	<b>(350,000)</b>	(700,000)
	<b>3,526,907</b>	1,817,452



**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**30. Related parties transactions**

Certain “related parties” (such as directors, key management personnel and major shareholders of the Group and companies of which they are principal owners) are customers of the Group in the ordinary course of business. Transactions with such related parties are made on substantially the same terms, including profit rates and collateral, as those prevailing at the same time for comparable transactions with external customers and parties. Such related party transactions are disclosed below.

The Group is controlled by Ajman Government who owns 31% (2024: 28%) of the issued and paid capital.

**Transactions**

Transactions with related parties are shown below:

	Major shareholders AED'000	2025 Director and other related parties AED'000	Total AED'000	Major shareholders AED'000	2024 Director and other related parties AED'000	Total AED'000
Depositors' share of profit	<b>297,140</b>	<b>7,892</b>	<b>305,032</b>	304,341	7,730	312,071
Income from Islamic financing and investing assets	<b>4,335</b>	<b>10,446</b>	<b>14,781</b>	5,215	10,067	15,282

During the year, AED 2.5 million (31 December 2024: AED nil) was approved as Directors' remuneration by the shareholders at the annual general meeting held on 27 February 2025 and recorded in the consolidated statement of profit or loss.

**Balances**

Balances with related parties at the reporting date are shown below:

	Major shareholders AED'000	2025 Director and other related parties AED'000	Total AED'000	Major shareholders AED'000	2024 Director and other related parties AED'000	Total AED'000
Islamic financing and investing assets	<b>170,371</b>	<b>309,827</b>	<b>480,198</b>	209,395	335,337	544,732
Customers' deposits	<b>7,266,943</b>	<b>256,267</b>	<b>7,523,210</b>	6,241,218	184,883	6,426,101

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**30. Related parties transactions (continued)**

*Compensation of management personnel*

Key management compensation is as shown below:

	<b>2025</b> <b>AED'000</b>	2024 AED'000
Short term employment benefits	<b>20,032</b>	9,780
Terminal benefits	<b>528</b>	339
Total	<b>20,560</b>	10,119

**31. Contingencies and commitments**

*31.1 Capital commitments*

At 31 December 2025, the Group had outstanding capital commitments of AED 104 million (31 December 2024: AED 47 million), which will be funded within the next twelve months.

*31.2 Credit related commitments and contingencies*

Credit related commitments include commitments to extend credit which are designed to meet the requirements of the Group's customers.

The Group had the following credit related commitments and contingent liabilities as at 31 December:

	<b>2025</b> <b>AED'000</b>	2024 AED'000
Commitments to extend credit	<b>708,497</b>	-
Letters of credit	<b>123,006</b>	34,643
Letters of guarantee	<b>1,477,398</b>	441,277
	<b>2,308,901</b>	475,920

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**31. Contingencies and commitments**

*31.2 Credit related commitments and contingencies (continued)*

Significant changes in the gross carrying amount of Financial commitments and financial guarantees during the year that contributed to changes in the loss allowance, is provided in the table below:

	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000
As at 1 January 2025	402,603	44,062	29,255	475,920
- Transfer to stage 1	10,337	(10,337)	-	-
- Transfer to stage 2	(8,137)	36,586	(28,449)	-
Change in exposure	136,663	(1,140)	-	135,523
New financial commitments and financial guarantees recognized	1,769,986	26,000	-	1,795,986
Financial commitments and financial guarantees derecognised	(81,196)	(16,526)	(806)	(98,528)
Write-offs				
<b>As at 31 December 2025</b>	<b>2,230,256</b>	<b>78,645</b>	<b>-</b>	<b>2,308,901</b>

	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000
As at 1 January 2024	316,207	73,557	345,082	734,846
- Transfer to stage 1	16,885	(16,885)	-	-
- Transfer to stage 2	(900)	900	-	-
Change in exposure	(40,501)	(10,270)	(4,085)	(54,856)
New financial commitments and financial guarantees recognized	140,913	-	-	140,913
Financial commitments and financial guarantees derecognised	(30,001)	(3,240)	(285,260)	(318,501)
Write-offs	-	-	(26,482)	(26,482)
<b>As at 31 December 2024</b>	<b>402,603</b>	<b>44,062</b>	<b>29,255</b>	<b>475,920</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**31. Contingencies and commitments (continued)**

*31.2 Credit related commitments and contingencies (continued)*

The tables below analyse the movement of the ECL allowance during the year per class of Financial commitments and financial guarantees.

	Stage 1 12-month ECL AED'000	Stage 2 Life time ECL AED'000	Stage 3 Lifetime ECL AED'000	Total AED'000
Loss allowance as at 1 January 2025	4,094	2,080	2,668	8,842
Changes in the loss allowance				
- Transfer to stage 1	1,511	(1,511)	-	-
- Transfer to stage 2	(283)	2,856	(2,573)	-
Change in credit risk	(465)	5,389	-	4,924
New financial commitments and financial guarantees recognized	11,259	278	-	11,537
Financial commitments and financial guarantees derecognised	(840)	(310)	(95)	(1,245)
Write-offs	-	-	-	-
<b>Loss allowance as at 31 December 2025</b>	<b>15,276</b>	<b>8,782</b>	<b>-</b>	<b>24,058</b>

	Stage 1 12-month ECL AED'000	Stage 2 Life time ECL AED'000	Stage 3 Lifetime ECL AED'000	Total AED'000
Loss allowance as at 1 January 2024	2,329	1,837	321,687	325,853
Changes in the loss allowance				
- Transfer to stage 1	475	(475)	-	-
Change in credit risk	(80)	916	(7,277)	(6,441)
New financial commitments and financial guarantees recognized	1,493	-	-	1,493
Financial commitments and financial guarantees derecognised	(123)	(198)	(285,260)	(285,581)
Write-offs	-	-	(26,482)	(26,482)
<b>Loss allowance as at 31 December 2024</b>	<b>4,094</b>	<b>2,080</b>	<b>2,668</b>	<b>8,842</b>

*31.3 Legal claims*

Litigation is a common occurrence in the banking industry due to the nature of the business. The Group has an established protocol for dealing with such claims, many of which are beyond its control. At the reporting date, the Group has several unresolved legal claims and based on the advice from legal counsel, management believes that these claims will not result in any material financial loss to the Group, other than what has been already provided for in these consolidated financial statements.

**Notes to the consolidated financial statements  
For the year ended 31 December 2025 (continued)****31. Contingencies and commitments (continued)***31.3 Legal claims (continued)*

During previous years, the Group signed settlement agreements with a customer wherein both parties agreed that the Group acquires the assets of the customer in settlement of the financial obligation. The carrying value of the properties recorded under “Assets acquired in settlement of Islamic financing and investing assets” was AED 418 million while the fair value of these properties amounted to AED 368 million. Accordingly, the Group booked net impairment loss of AED 50 million against these properties since the date of acquisition. The Group had a first-degree mortgage over the properties; however, the transfer of the title deed of the mortgaged properties in the Group’s name in accordance with provisions of the settlement agreements with the Group’s customer could not be completed due to some attachments and claims on such properties enforced by Dubai Courts in different cases filed by third parties against the Group and the Group’s customer.

The Dubai Court of First Instance judgement indicated that the third party shall have a claim to the properties under dispute in the limit of AED 250 million, in addition to interest and legal charges. On 20 July 2023, the Dubai Court of Appeal confirmed the judgment of the Dubai Court of First Instance. The Group has filed an appeal before the Dubai Court of Cassation demanding revocation of the previous judgments. The Dubai Court of Cassation issued its judgment on 22 April 2024 rejecting the appeal filed by the Group. During 2024, a Judicial committee has been formed by Amiri Decree, who issued its judgment on 7 October 2024 in favor of the Group whereby it has cancelled all the judgments issued against the Group and issued new judgment whereby it dismissed the case filed by the third party against the Group accordingly, the Group have reversed a provision of AED 285 million in 2024.

Based on above, the Group is in the process of filing execution against this customer and also pursuing substantive cases for the ownership of subject properties in Group’s name.

**32. Segment analysis**

Following the management approach of IFRS 8, operating segments are reported in accordance with the internal reporting provided to the Executive Committee (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses its performance.

For operating purposes, the Group is organised into the following business segments:

- Consumer banking – comprising personal banking and priority banking where various products are offered like private customer current accounts, savings accounts, deposits, credit and debit cards, personal finance and house mortgage;
- Wholesale banking - incorporating transactions with corporate bodies including government and public bodies and comprising of Islamic financing and investing assets, deposits, trade finance transactions, investment solutions, wealth management, leasing of commercial and residential properties; and
- Treasury - incorporating activities of the dealing room, related money market, foreign exchange transactions with other banks and financial institutions including the Central Bank of the UAE.

As the Group’s segment operations are all financial with a majority of revenues deriving income from Islamic financing and investing assets and the Executive Committee relies primarily on net income to assess the performance of the segment, the total income and expense for all reportable segments is presented on a net basis.

The Group’s management reporting is based on a measure of operating profit comprising income from Islamic financing and investing assets and securities, impairment charges, net fee and commission income, other income and expenses.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the balance sheet items.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**32. Segment analysis (continued)**

**Segment results of operations**

The segment information provided to the Board of Directors for the reportable segments is as follows:

	<b>Consumer banking AED'000</b>	<b>Wholesale banking AED'000</b>	<b>Treasury AED'000</b>	<b>Others AED'000</b>	<b>Total AED'000</b>
<b>At 31 December 2025</b>					
Net income from Islamic financing and investing assets	<b>260,309</b>	<b>242,023</b>	<b>(125,979)</b>	-	<b>376,353</b>
Income from Islamic investment securities	-	-	<b>260,508</b>	-	<b>260,508</b>
Write-back of / (provision for) expected credit losses on financial assets	<b>(33,016)</b>	<b>87,358</b>	<b>(4,626)</b>	-	<b>49,716</b>
Reversal of Impairment loss on non-financial asset	-	-	<b>12,550</b>	-	<b>12,550</b>
Fees, commission and other income	<b>57,561</b>	<b>126,026</b>	<b>69,179</b>	<b>8,929</b>	<b>261,695</b>
Staff costs	<b>(160,008)</b>	<b>(93,297)</b>	<b>(14,417)</b>	<b>(5,234)</b>	<b>(272,956)</b>
General and administrative expenses and depreciation of property and equipment	<b>(89,460)</b>	<b>(42,864)</b>	<b>(4,446)</b>	<b>(2,704)</b>	<b>(139,474)</b>
Income tax expense	<b>(4,792)</b>	<b>(23,064)</b>	<b>(20,409)</b>	<b>(89)</b>	<b>(48,354)</b>
<b>Operating profit/(loss)</b>	<b>30,594</b>	<b>296,182</b>	<b>172,360</b>	<b>902</b>	<b>500,038</b>
<b>Segment assets</b>	<b>5,826,430</b>	<b>15,466,396</b>	<b>9,431,323</b>	<b>2,139,302</b>	<b>32,863,451</b>
<b>Segment liabilities</b>	<b>13,614,846</b>	<b>10,998,474</b>	<b>2,019,919</b>	<b>2,757,961</b>	<b>29,391,200</b>

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**32. Segment analysis (continued)**

**Segment results of operations (continued)**

	Consumer banking AED'000	Wholesale banking AED'000	Treasury AED'000	Others AED'000	Total AED'000
At 31 December 2024					
Net income from Islamic financing and investing assets	279,453	248,654	(120,680)	-	407,427
Income from Islamic investment securities	-	-	138,072	-	138,072
Write-back of / (provision for) expected credit losses on financial assets	(21,520)	97,637	(2,877)	-	73,240
Fees, commission and other income	14,686	116,793	56,421	2,808	190,708
Staff costs	(153,035)	(88,014)	(7,507)	(2,854)	(251,410)
General and administrative expenses and depreciation of property and equipment	(73,456)	(41,077)	(3,345)	(380)	(118,258)
Income tax expense	(4,019)	(29,716)	(5,394)	-	(39,129)
Operating profit/(loss)	42,109	304,277	54,690	(426)	400,650
Segment assets	6,036,321	9,603,456	5,495,033	1,719,538	22,854,348
Segment liabilities	11,949,693	6,613,354	2,980	1,176,511	19,742,538

***Revenue from major products and services***

Revenue from major products and services are disclosed in Note 24 in the consolidated financial statements.

The revenue generated is mainly coming from transactions and activities within the United Arab Emirates.

***Information about major customers***

No single customer contributed 10% or more to the Group's revenue for both years ended 31 December 2025 and 2024.

**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**33. Maturity profile of financial liabilities**

	Up to 1 year AED'000	2025 1 - 5 years AED'000	Total AED'000
Islamic customers' deposits	19,518,401	4,227,423	23,745,824
Due to banks and other financial institutions	2,519,636	366,625	2,886,261
Sukuk financing instrument	-	1,816,798	1,816,798
Other financial liabilities	578,757	-	578,757
	<u>22,616,794</u>	<u>6,410,846</u>	<u>29,027,640</u>
Commitments and contingent liabilities	<u>340,257</u>	<u>1,968,644</u>	<u>2,308,901</u>
	Up to 1 year AED'000	2024 1 - 5 years AED'000	Total AED'000
Islamic customers' deposits	14,842,362	3,219,205	18,061,567
Due to banks and other financial institutions	479,651	500,000	979,651
Other financial liabilities	564,072	-	564,072
	<u>15,886,085</u>	<u>3,719,205</u>	<u>19,605,290</u>
Commitments and contingent liabilities	<u>142,104</u>	<u>333,816</u>	<u>475,920</u>

**34. Social contributions**

The social contribution (including donations and charities) made during the year amounted to AED 1 million (2024: AED 1.6 million).

**35. Comparative information**

Certain comparative amounts in these consolidated financial statements have been adjusted to confirm with the current period's presentation.

**36. Taxation**

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime is effective from 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for accounting periods beginning on or after 1 June 2023. The Cabinet of Ministers Decision No. 116 of 2022 specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted from the perspective of IAS 12 – Income Taxes. A rate of 9% will apply to taxable income exceeding AED 375,000 and a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.



**Notes to the consolidated financial statements**  
**For the year ended 31 December 2025 (continued)**

**36. Taxation (continued)**

During the year ended 31 December 2025, the Group has recorded a provision for current income tax amounting AED 48.3 million (31 December 2024: 39.1 million) in accordance with the CT Law, representing an effective tax rate of 8.8% and deferred taxation liability arising from investment securities amounting AED 7 million (31 December 2024: 5.5 million).

	<b>Total AED'000</b>
Net profit for the year before income tax expense	<b>548,392</b>
Tax at the company domestic rate of 9%	<b>49,322</b>
Tax effect of income not taxable in determining taxable profit	<b>(981)</b>
Tax effect of expenses that are not deductible in determining taxable profit	<b>13</b>
Tax expense for the year	<b>48,354</b>
Effective Tax Rate	<b>8.82%</b>

*Statement of other comprehensive income*

Fair value loss on equity securities at FVTOCI, net of current taxes	<b>(26,384)</b>
Tax at the Bank's domestic rate of 9%	<b>2,375</b>

The UAE Ministry of Finance (MOF) has enacted legislation to implement the Pillar Two GLoBE rules effective from 1 January 2025. This is facilitated through the recently issued Cabinet Decision No. 142 of 2025, which introduces the UAE Pillar Two legislation.

The Group is not subject to the UAE Pillar Two rules because its consolidated revenue is less than €750 million threshold. Therefore, there are no Pillar Two implications for the financial year ended 31 December 2025.

**37. Sukuk under issuance**

During the year ended 31 December 2025, the Group established a Sukuk issuance program. The Sukuk program allows the Group to issue Sukuk up to a total aggregate outstanding amount of USD 1.5 billion.

On 30 April 2025, the Group issued below Sukuk as first drawdown:

	<b>Expected annual profit rate</b>	<b>Maturity</b>	<b>Currency</b>	<b>Face value (million)</b>	<b>31 December 2025 AED'000 (audited)</b>	<b>31 December 2024 AED'000 (audited)</b>
Sukuk issued by the Bank	5.125%	April 2030	USD	500	1,816,798	-

*(Listed on Nasdaq Dubai and the London Stock Exchange)*

**38. Approval of consolidated financial statements**

The consolidated financial statements were approved by the Board of Directors and authorized for issue on 28 January 2026.



مصرف عجمان  
Ajman Bank

# 2025 CORPORATE GOVERNANCE REPORT



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# INTRODUCTION



## OUR VISION

# To be one of the favourite financial services brands

in the UAE and the entire region.



### **Service:** building lasting relationships

At the heart of Ajman Bank's transformation journey is our unwavering commitment to service excellence. Banking is not just about transactions; it is about building lasting relationships based on trust, integrity, and mutual respect. Our focus on service is reflected in every interaction with our customers, from branch greetings to personalised support through our contact centres.

To deliver exceptional service, we invest in our most valuable asset – our people. Our employees drive our success, and we are committed to their continuous development and empowerment. By listening to our customers and understanding their needs, we create a banking experience that is both convenient and rewarding.



### **Speed:** accelerating growth and innovation

In today's fast-paced world, speed is a necessity. At Ajman Bank, we recognise the importance of staying ahead in a rapidly evolving financial landscape. Our approach to speed encompasses technological advancements, process optimisation, and swift decision-making.

We have invested heavily in cutting-edge technology to enhance our digital capabilities. Our mobile and online banking platforms offer seamless, user-friendly experiences. From instant fund transfers to real-time account monitoring, our digital solutions ensure our customers can manage their finances with ease and efficiency.



## **Specialisation:** delivering tailored solutions

One size does not fit all. Our commitment to specialisation drives us to develop tailored solutions for different customer segments. Whether you are an individual seeking personalised financial advice, a small business aiming for growth, or a large corporation needing sophisticated banking solutions, we have the expertise to support your goals.

Our specialised teams understand the specific needs of each customer segment. This enables us to design products and services that are relevant and highly effective in meeting their financial objectives.



## **Simplicity:** making banking effortless

Simplicity is a core enabler of Ajman Bank's transformation journey, ensuring that banking is easy to understand, seamless to navigate, and effortless to experience. In an increasingly complex financial environment, our customers value clarity and convenience. Simplicity allows us to remove unnecessary friction and focus on what truly matters - delivering intuitive and meaningful experiences at every touch point.

We embed simplicity by streamlining and integrating our internal processes, systems, and ways of working, enabling our teams to serve customers with greater confidence and consistency. By reducing complexity behind the scenes, we create front-facing journeys that are clear, fast, and customer-friendly. Through thoughtful design, clear communication, and end-to-end ownership, we ensure that every interaction with Ajman Bank is straightforward, transparent, and easy to do business with.



# CHAIRMAN'S REPORT

## Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Chairman's Report of Ajman Bank PJSC ("Ajman Bank" or "the Bank") for the financial year ended 31 December 2025. The past two years have marked a period of sustained progress and strengthening performance for the Bank, underpinned by disciplined execution, balance-sheet resilience, and a clear strategic focus. We continue to advance our transformation in line with the UAE's vision for a competitive, digitally enabled Islamic banking sector. This momentum is reflected not only in our financial and operational results, but also in the growing strength, capability, and engagement of our people.

## Macroeconomic & Banking Environment

Throughout 2025, the UAE economy maintained solid momentum, supported by non-oil sector growth, sustained investment flows, and continued consumer and corporate confidence. The Islamic banking sector benefited from increased demand for Shariah-compliant financing, digital banking solutions, and treasury products. At the same time, tighter global liquidity conditions and regulatory developments were constantly shaping the operating environment. Ajman Bank responded proactively by reinforcing balance-sheet strength, expanding risk-adjusted financing activities, and accelerating technology-driven operational efficiency.

## Financial & Operational Performance

Ajman Bank delivered further improvement in its core performance during 2025. Revenue growth was supported by stable financing activities, prudent cost management, and expansion in fee-based and treasury income. Asset quality strengthened through disciplined underwriting and proactive remediation measures.

The Bank also made significant progress in advancing its digital transformation agenda. Enhancements to mobile banking, automation initiatives, customer-journey redesign, and cybersecurity upgrades contributed to improved service delivery and operational resilience. These achievements reflect the Bank's continued commitment to innovation and customer-centricity in support of long-term value creation.

## Corporate Governance & Regulatory Compliance

In accordance with legal and regulatory requirements, the Board maintained strong oversight of governance, internal control effectiveness, and regulatory compliance throughout 2025. The Board met regularly and ensured that decisions were taken in the best interests of all shareholders and stakeholders.

The Bank is keen on operating under a comprehensive governance framework comprising the Board of Directors, its committees, the Executive Management team, and the three lines of defence model. All Board committees including the Board Audit Committee, Board Risk Committee, Board Nomination & Remuneration Committee, Board Compliance Committee, and Board Executive Committee fulfilled their responsibilities in accordance with their respective charters and regulatory expectations.

The Bank remained in full compliance with the regulations and standards of the Central Bank of the UAE (CBUAE). All internal policies required to ensure compliance with CBUAE regulations covering corporate governance, risk management, internal controls, compliance, internal audit, financial reporting, external audit, and outsourcing were implemented and regularly reviewed by the Board for adequacy.

Disclosure and transparency requirements stipulated by the Capital Market Authority (CMA) (formerly the Securities and Commodities Authority (SCA)) and Dubai Financial Market (DFM) were also adhered to, with all material information disclosed to the market in a timely manner.

## Shariah Governance

As an Islamic financial institution, Shariah compliance remains central to Ajman Bank's identity and operations. The Internal Shariah Supervision Committee (ISSC) is committed to providing independent oversight, review product structures, monitor transactions, and ensure adherence to Shariah principles in line with guidance issued by the Higher Shariah Authority (HSA) of the CBUAE. Internal Shariah Audit and Shariah Compliance functions worked closely with the ISSC and management to verify full conformity across all activities.



### Risk Management & Internal Controls

During 2025, the Bank further strengthened its enterprise-wide risk management framework and internal control environment to address evolving regulatory expectations, macroeconomic uncertainty, and emerging financial and non-financial risks. Enhancements were made to credit risk assessment methodologies, technology-risk controls, operational resilience preparedness, and the integration of climate-related and ESG considerations into risk oversight.

The Internal Audit and Compliance functions continued to conduct risk-based reviews and rigorous monitoring of regulatory obligations, supporting a robust control environment aligned with CBUAE expectations. The Board maintained strong oversight of emerging risks, including digitalisation across the banking sector and the specific risk profile of Islamic banking.

Greater emphasis was placed on forward-looking risk assessment, stress testing, capital adequacy and resilience, and the integration of ESG and Shariah-related risks into strategic decision-making. The Board remains committed to ensuring that growth initiatives are executed within a clearly articulated and Board-approved risk appetite.

### Sustainability & ESG Progress

During the year, the Bank made significant progress in embedding Environmental, Social, and Governance (ESG) considerations across its operations, in line with the UAE's sustainability agenda and evolving regulatory expectations. A key milestone was the announcement of the Bank's Net Zero commitment and the establishment of a Sustainable Finance target for 2030, supported by the launch of a Sustainable Finance Framework.

The Bank introduced dedicated sustainable finance solutions for wholesale and retail customers, with the sustainable finance portfolio gaining strong momentum through the execution of more than 40 transactions. Internally, improved measurement methodologies enhanced the accuracy of Scope 1 and Scope 2 emissions reporting, while energy-efficiency initiatives delivered a 15% reduction in energy consumption and contributed to a 6% reduction in greenhouse-gas emissions.

### Human Capital

Our people remain a core driver of Ajman Bank's performance and long-term success. The strong results achieved over the past two years reflect the capability, commitment, and professionalism of our employees. During 2025, the Bank continued to invest in learning and development, leadership capability building, and Emiratisation initiatives to attract, retain, and develop high-calibre talent.

### Outlook for 2026

Looking ahead, Ajman Bank will continue to focus on prudent growth, digital transformation, innovation in Shariah-compliant products, operational efficiency, and enhanced customer experience. The Bank will remain vigilant in managing risks, maintaining full regulatory compliance, and upholding the highest standards of governance and transparency.

### Appreciation

On behalf of the Board, I extend our sincere appreciation to our shareholders for their continued confidence, to our valued customers for their continued trust, and to the management and employees of Ajman Bank for their dedication and commitment. We also thank CBUAE, CMA, and DFM for their continued guidance and support.

## H.H. Sheikh Ammar Bin Humaid Bin Rashid Al Nuaimi

Chairman



## OUR BOARD OF DIRECTORS



**Chairman**

**H.H. Sheikh Ammar Bin Humaid  
Bin Rashid Al Nuaimi**



**Vice Chairman**

**H.H. Sheikh Rashid Bin Humaid  
Bin Rashid Al Nuaimi**



**Board Member**

**Mr. Abdullah Mohammed  
Hassan Al Hosani**



**Board Member**

**Mr. Ali Rashid Humaid  
Al Mazroei**



**Board Member**

**Mr. Faisal Hassan Ibrahim  
Galadari**



**Board Member**

**Mr. Mahmood Khaleel  
Ahmed Al Hashimi**



**Board Member**

**Ms. Sarah Ahmed  
Abdulrahman Aljarman**



## Mr. Abdullah Mohammed Hassan Al Hosani

### Board Member

Mr. Abdullah Mohammed Hassan Al Hosani serves as a Board Member at Ajman Bank and is the Vice Chairman of Amanat Holdings PJSC. Mr. Al Hosani is a seasoned banking professional with 30 years of experience in the industry.

Throughout his career, Mr. Al Hosani has consistently contributed to the development of the banking industry with his in-depth knowledge and expertise, spanning diverse areas such as retail banking, commercial banking, business research, and quality assurance. His contributions have significantly aided the growth and advancement of the UAE's banking sector.

Mr. Al Hosani has held key leadership positions in renowned banking institutions across the UAE, including the National Bank of Abu Dhabi, First Gulf Bank, Commercial Bank of Dubai, and Bank of Oman / Mashreq Bank.

In addition to his achievements in the banking sector, Mr. Al Hosani has played a notable role in the growth of Al Salem Company Ltd as an investment firm in the UAE market.

Mr. Al Hosani currently sits on the boards of several leading organisations including Ajman Bank, Union Insurance Company. He holds a bachelor's degree in accounting and economics from UAE University in the United Arab Emirates.



## Mr. Ali Rashid Humaid Al Mazroei

### Board Member

Mr. Ali Rashid Humaid Al Mazroei is the Group Director & CEO of Bahri & Mazroei Holding. Established in 1968, the Group is now a leading lighting, electrical, security, building management, and life safety solutions provider and trader in the UAE with over 1500 employees. The Group also has diversified investments in Real Estate, Equities, Manufacturing, Travel & Tourism, and General Investments, which he is directly involved in.

From 2000 to 2007, he worked at Citibank N.A. where he was a Resident Vice President in the Financial Control Unit. He held various positions at regional and country levels such as TMEA Business Planning & Analysis Head, UAE Regulatory Head, and Director of CitiBusiness.

He currently also holds the following positions:

1. Board Member in National Bonds Corporation since 2011, and Chairman of its Investment Committee.
2. Board Member in Ajman Bank PJSC since 2021, and member of its Audit Committee (listed in DFM).
3. Chairman of ENBD REIT (CEIC) PLC since 2023 (listed in Nasdaq Dubai).
4. Board of Trustees Member at the Canadian University in Dubai since 2024 and Chairman of its Audit Committee.

Previously, he also held the following positions:

1. Board Member of Dubai Financial Market PJSC 2010-2021 and member of Audit Committee (listed in DFM).
2. Board Member of Taaleem Holding PJSC 2015-2022 and Chairman of its Audit Committee (listed in DFM).
3. Chairman of Audit Committee in Fidelity United Insurance PJSC 2017-2023 (listed in ADX).

Ali Al Mazroei holds an MBA Degree from Southern New Hampshire University (December 2002) and a Bachelor of Business Administration (BBA) from American University in Dubai (December 1999). Ali Al Mazroei is also a graduate from Dubai Family Business Management Programme (1st Batch - 2024) under Mohammed Bin Rashid Centre for Leadership Development.





## Mr. Faisal Hassan Ibrahim Galadari

### Board Member

Mr. Faisal Hassan Ibrahim Galadari, serving as a Board Member for Ajman Bank, is a prominent figure in the banking industry with an illustrious career spanning over 35 years. His guidance has been instrumental in navigating Ajman Bank through the competitive and fast-evolving banking landscape, highlighting his capacity for strategic innovation and organisational development.

As the Chief Executive Officer at Al Masraf Bank, Abu Dhabi, UAE, Mr. Galadari brings a wealth of experience in Corporate, Consumer, and Islamic Banking, as well as Branch Management.

Mr. Galadari's tenure is characterised by his dynamic and results-oriented approach, effectively transforming various operational and distribution channels, and significantly enhancing customer service and satisfaction. His expertise in financial services, coupled with a profound understanding of consumer marketing, branding, and customer loyalty, has led to the transformation of underperforming units into high-paced organisations under his guidance.

Before his impactful role at Al Masraf Bank, Mr. Galadari enriched the Commercial Bank of Dubai from 1984 to August 2013, assuming roles from Officer to General Manager of the Business Group, where he managed a comprehensive portfolio of banking services. He started his career at Bank of the Middle East as an operations officer, which set the foundation for his distinguished banking career.

Mr. Galadari holds a Bachelor of Commerce from Cairo University, Egypt, and has participated in several advanced management programmes at IMD Switzerland. His strategic leadership, profound industry knowledge, and commitment to excellence have established him as a key influencer and thought leader in the UAE's banking sector.



## Mr. Mahmood Khaleel Ahmed Al Hashimi

### Board Member

Mr. Mahmood Khaleel Ahmed Al Hashimi is regarded as one of the distinguished national talents in the United Arab Emirates. He has established a prominent professional standing over a career spanning more than three decades across the sectors of finance, economy, media, and tourism. Throughout his career, he has contributed significantly to the development of numerous governmental, semi-governmental, and private institutions, leaving a notable imprint in organisational achievement and innovation.

Mr. Al Hashimi possesses extensive experience in managing economic zones, free zones, industrial zones, and the logistics services sector. He also has strong capabilities in strategic planning, business development, and international investment—skills that have formed the cornerstone of the many initiatives and projects he has successfully led.

He currently serves as the Director General of the Department of Tourism, Culture, and Media in Ajman, where he works to enhance the emirate's position as a leading destination for tourism and commercial investment. He was also among the founding figures of several key government entities in Ajman, including the Department of Economic Development, Ajman Media City Free Zone, and the Private Education Affairs Office—reflecting his commitment to the emirate's comprehensive development.

Previously, Mr. Al Hashimi established and led Ajman Media City Free Zone from 2017 to 2022, and also held the position of Director General of Ajman Free Zone, in addition to heading the Department of Economic Development in Ajman. His professional experience extends to Dubai, where he served as Deputy CEO for Business Development at JAFZA, and to the Central Bank of the United Arab Emirates, where he began his career—laying a strong foundation for his distinguished professional journey.

Mr. Mahmood Al Hashimi holds a Bachelor's degree in Accounting from the United Arab Emirates University.



## Ms. Sarah Ahmed Abdulrahman Aljarman

### Board Member

Ms. Sarah Aljarman is a Board member of Ajman Bank. She stands out as a pioneering Emirati female professional in the broadcast media industry within the UAE. She currently holds the position of VP of TV Channels and Radio at Dubai Media Inc. (DMI), where her leadership extends across the national and international spectrum of media, business, and governmental engagements. Her career began at Dubai Media Inc., progressing rapidly to significant roles, including the Channel Manager of Dubai One TV in 2012. Ms. Aljarman has been instrumental in the launch of the Dubai One TV startup project, and her evolving role over the years has encompassed content creation, execution, programming, business development, and production.

In 2016, Ms. Aljarman was promoted to Director of General Channels, and her expertise was further recognised in 2022 when she was appointed as VP following a restructure by the Dubai Media Council. She has played a crucial role in collaborating with both government and private entities, significantly impacting the portrayal of the UAE's humanitarian, economic, business, health, social, and entertainment sectors through media.

With a strong academic background, Ms. Aljarman is a distinguished alumna of Sorbonne University, where she earned a master's degree in communications, media, and management. She is also a certified graduate from the inaugural Dubai Leaders Programme under the Mohammed bin Rashid School for Leadership Development and the Media Leaders Programme in collaboration with the Civil Defence College in Abu Dhabi.

An active participant in media panels, her notable contributions include speeches at TEDx, the Knowledge Summit, the World Future Energy Summit, the Arab Media Forum, and New York TV Week.

Ms. Aljarman has also served as a jury member for the International Emmy Awards. Her extensive career and educational achievements highlight her profound impact on both the media and financial sectors, making her a key figure in shaping public perception and media strategy in the region.

## MESSAGE FROM THE CEO

I am pleased to share that our strong performance in 2025 is a testament to the continued success of our transformation strategy, supported by our relentless commitment to innovation, customer-centric solutions, and robust corporate governance. This remarkable journey has been guided by our R.A.C.E. values of Remarkable Growth, Agile Teams, Continuous Improvement, and Exceptional Experience while remaining closely aligned with our three strategic priorities: 'Enhancing Shareholders Value', 'Increasing the Client Base' and 'Investing in the Human Capital'.

This year, the Bank achieved historic financial performance, registering the highest ever net profit in its history supported by a comprehensive business and operational strategy that recognises technological advancement, digitisation, process efficiency and resource optimisation, to enhance customer service as one of the topmost priorities for the Bank.

Building on Ajman Bank's record financial performance in 2024, this year, we saw even stronger growth and numerous achievements to be proud of. The Bank has achieved a record net profit before tax of AED 548.4 million, with an increase of 25% in 2025. The Bank's total assets reached to record level of AED 32.9 billion, growing from AED 22.9 billion registering a growth of 44% over the previous year. In addition, the Bank recorded improvements across key financial indicators with ROA at 1.8% up prior year by 12bps, ROE at 15.2% up prior year by 135bps, NPL at 7.03% down prior year by 288bps, cost to income ratio at 45.9% down prior year by 431bps, CAR & CET1 ratios at 14.05% and 12.88% respectively, driven by strong financing activities in line with the Bank's growth strategy, through disciplined credit and risk management, digitisation & automation initiatives resulting in efficiencies and optimisation across the Bank.

One of the most significant milestones in 2025 was the successful completion of Ajman Bank's inaugural Sukuk issuance. The USD 500 million, 5-year Sukuk, priced at a fixed profit rate of 5.125% per annum (130 bps over U.S. Treasuries), attracted overwhelming demand with an order book exceeding USD 2.7 billion—representing 5.4 times oversubscription. Listed on Nasdaq Dubai and the London International Securities Market, this landmark issuance reinforces investor confidence in Ajman Bank's strategy and the strength of the UAE economy.

In 2025, we took significant steps in our transformation journey, leveraging advanced technologies to enhance customer experience, operational efficiency and

offering innovative financial solutions to our wholesale banking, consumer banking, and treasury/institutional customers. Our focus on innovation has enabled us to introduce cutting-edge solutions that cater to the evolving needs of our customers, while maintaining the highest standards of security and compliance.

This year we extended our digital channels further by launching solutions enabling digital customer onboarding, credit card issuance, home finance, and auto finance. As one of the early adopters of generative AI in customer service, we launched "Hamad AI" our Gen AI avatar which went live on our mobile app, and which is also holographically deployed in one of our branches. We also introduced powerful other digital capabilities towards a 'one-stop digital shop' for our customers, our Flagship Digital Banking Platform "Ajman Bank One", that we announced in Gitex Global and will be launched in 2026. These included, most notably, OneX for customer experience feedback, Aani for instant payments, personal financial management, secure pay and wallets, and family banking, among many others. Digital enhancements were backed by upgrades to our core technological assets including the Core Banking System upgrade which went live in December this year.

We continued to enhance our corporate governance framework to further transparency, accountability, and ethical conduct, which are essential for maintaining trust and confidence among our stakeholders. We have strengthened our risk management practices and enhanced oversight mechanisms, ensuring robust compliance with regulatory requirements. This included, among other enhancements, the implementation of Credit Risk Management Standards (CRMS) in line with the Central Bank requirements.

In 2025, we made great strides in enhancing and empowering our people based on the 4Ps of our core values built around People, Prospect, Process and Product and the '4S' Operational Excellence parameters of Speed, Specialisation, Service and Simplicity. We rolled out multiple initiatives to address improvement priorities identified by our employees in our very first Employee Engagement Survey in 2024, which resulted in a 6% increase in employee engagement score in 2025. Notable programmes centred on Human Capital covered learning & development, rewards and recognition, capacity and team building, market and thought leadership, innovation, wellness and awareness. To ensure leadership continuity, we have embarked on a rigorous Succession Planning exercise at the N2 level.



This year the Bank won the prestigious NAFIS award, validating the effectiveness of our local talent development and Emiratisation programmes. On the ESG front, this year the Bank announced its Net Zero targets and committed to mobilising at least USD 1.1BN in Sustainable Finance by 2030 and published our inaugural Sustainable Finance Policy. I encourage you to read more about this and related topics in our Sustainability Report.

As we strengthen our foundations, I am confident that our commitment to excellence and sustainability will continue to drive our success. Transformation efforts initiated this year will see many more milestones and launches in 2026, facilitating customers across segments.

Looking forward to 2026, the Bank remains committed to accelerating its transformation journey with a clear focus on enhancing customer service, expanding digital channels and capabilities, and introducing innovative products and solutions.

I would like to extend my deepest gratitude to the Board of Directors, Executive Management, Ajman Bank staff and partners for their exceptional efforts and unwavering support. Their collective drive has been instrumental in propelling us forward and, together, we have achieved remarkable milestones.

Most importantly, I would like to thank our customers for their continued trust in the Bank. Together, we will continue to build a sustainable and prosperous future.



**Mustafa Mohammed Saeed Al Khalfawi**

Chief Executive Officer  
Ajman Bank

# AJMAN BANK EXECUTIVE MANAGEMENT

**Mustafa Al Khalfawi**

Chief Executive Officer



**Ediz Ozsoy**

Chief Financial Officer



**Kashif Raza**

Head of Wholesale Banking



**Rahul Talwalkar**

EVP & Chief Credit Officer



**Hend Al Ali**

Chief Human Resources Officer



**Majdi Darwish**

Chief Internal Auditor



**Thaera Taryam**

Chief Customer Experience Officer



**Muhammed Iqtadar**

Chief Compliance Officer



**Abdul Naser Al Mannaeie**

Head of Internal Shariah Audit



**Salem Al Shamsi**

Chief Operating Officer



**Adrian Hodges**

Treasurer



**Faizal Kundil**

Head of Consumer Banking



**Abhishek Sharma**

Chief Risk Officer



**Badreldin Elmogadam**

General Counsel & Board Secretary



**Maryam Al Shorafa**

Chief Corporate Communications Officer



**Zohaib Ali Zahid**

Head of Enterprise Project Management Office & ESG



**Dr. Fazal Abdul Rahim**

Head of Internal Shariah Control (ISCD) & ISSC Secretary



# EXECUTIVE MANAGEMENT



**Mustafa Al Khalfawi**  
Chief Executive Officer

## Appointment Date

September 2023

## Qualification

Executive Master's in Big Data and Business Analytics, ESCP Business School; Bachelor's in Marketing and Management, Ajman University of Science and Technology (AUST); Executive programmes: Frontiers in Finance – Yale School of Management; Leadership Programme in Eras of Disruption – Saïd Business School, University of Oxford.

## Experience

Over two decades of experience in the UAE banking sector with deep expertise in global banking, government and sovereign relationships, public sector coverage, and strategic investment banking. Previously held senior leadership roles at First Abu Dhabi Bank, including Head of Global Banking UAE and Global Head of Government, Sovereigns & Public Sectors, and CEO of its ADGM branch. Earlier career includes roles at Emirates NBD and Al-Futtaim Group. Throughout his career, he has led complex institutional portfolios and strategic growth initiatives within highly regulated financial environments.

## Current Role

As CEO of Ajman Bank, Mustafa Al Khalfawi leads Ajman Bank's overall strategy, transformation agenda and overall performance framework. He is focused on driving innovation, strengthening customer-centric banking, and enhancing the Bank's position in Shariah-compliant financial services. His leadership aims to elevate operational excellence and long-term sustainable growth.

## Directorships

Chairman, Skyrise Properties; Board Member, Union of Arab Banks representing the UAE Banking Federation; Advisory Council Member, Ajman University.

# EXECUTIVE MANAGEMENT



## Salem Al Shamsi

Chief Operating Officer

### Appointment Date

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November 2021

### Qualification

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Graduate of Eckerd College, Florida, specialising in International Business Management.

### Experience

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Salem Al Shamsi has over 23 years of experience in banking operations, retail banking, and strategic transformation. He has held senior roles within Ajman Bank and previously at Emirates Islamic Bank and National Bank of Dubai, leading large-scale operational and digital transformation initiatives.

His expertise spans operations governance, technology enablement, customer segmentation, process optimisation, and performance enhancement across complex banking environments.

### Current Role

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As Chief Operating Officer, Salem oversees operations, technology, digital banking, administration, and internal control functions. He is responsible for strengthening operational resilience, modernising service delivery frameworks, and aligning technology platforms with the Bank's strategic objectives. His leadership ensures efficiency, regulatory compliance, and scalable infrastructure to support sustainable institutional growth.

### Directorships

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Director, Skyrise Properties

# EXECUTIVE MANAGEMENT



**Ediz Ozsoy**  
Chief Financial Officer

**Appointment Date**

---

March 2024

**Qualification**

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Bachelor’s Degree in Economics, Istanbul University.

**Experience**

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Ediz Ozsoy is a global finance executive with over 30 years of experience in banking and financial services across multiple international jurisdictions. He previously served as Chief Financial Officer for Citibank entities in the UAE and Turkey, leading financial governance and capital management frameworks within multinational institutions.

His expertise includes financial strategy, capital optimisation, regulatory finance, balance sheet management, performance monitoring, and enterprise governance in complex banking environments.

**Current Role**

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As Chief Financial Officer, Ediz leads the Bank’s financial strategy, capital planning, and financial control framework. He safeguards balance sheet strength, ensures regulatory compliance, and supports strategic capital allocation aligned with Board-approved objectives. His mandate focuses on financial transparency, capital efficiency, and long-term institutional sustainability.

**Directorships**

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Director, Skyrise Properties



# EXECUTIVE MANAGEMENT



**Adrian Hodges**  
Treasurer

## Appointment Date

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April 2024

## Qualification

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BSc in Economics, University of Southampton, United Kingdom.

## Experience

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Adrian Hodges brings extensive international treasury and global markets experience across the Middle East, Asia, and Australia. He has held senior leadership roles at Commercial Bank of Dubai, First Gulf Bank, ADCB, and National Bank of Dubai, overseeing funding strategy, asset-liability management, and capital markets execution.

His expertise spans liquidity optimisation, Sukuk structuring, regulatory balance sheet management, and risk-adjusted portfolio oversight within complex regulatory environments.

## Current Role

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As Treasurer, Adrian is accountable for the Bank's balance sheet integrity and strategic funding framework. He oversees liquidity management, capital markets access, proprietary investment portfolios, and asset-liability governance in compliance with CBUAE requirements and Shariah principles. He also provides executive oversight of Global Markets and treasury platforms to ensure disciplined, sustainable growth.

# EXECUTIVE MANAGEMENT



## Kashif Raza

Head of Wholesale Banking

### Appointment Date

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March 2024

### Qualification

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Bachelor’s Degree in Commerce; MBA, Institute of Business Administration, Pakistan.

### Experience

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Kashif Raza has over 25 years of experience in corporate and investment banking across the UAE and GCC. He has held senior roles at Abu Dhabi Islamic Bank and Dubai Islamic Bank, leading syndicated financing, structured transactions, and Shariah-compliant capital market mandates.

His background includes institutional client coverage, sector-focused financing, and disciplined portfolio expansion aligned with regulatory frameworks.

### Current Role

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As Head of Wholesale Banking, Kashif leads corporate and institutional banking strategy, overseeing structured finance, trade finance, and capital markets activity. He drives sustainable revenue growth while ensuring prudent credit discipline, capital efficiency, and alignment with the Bank’s risk appetite and Shariah governance standards.

### Directorships

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Director, Skyrise Properties

# EXECUTIVE MANAGEMENT



**Faizal Kundil**

Head of Consumer Banking

## Appointment Date

January 2021

## Qualification

Bachelor's Degree in Commerce, University of Delhi; Leadership Acceleration Programme, Harvard Business School.

## Experience

Faizal Kundil is a senior consumer banking executive with more than 25 years of international experience in retail banking, consumer finance, and wealth management. He has held leadership roles at Citibank, Standard Chartered Bank, Dubai Islamic Bank, Emirates Islamic Bank, and FAB Group, managing large-scale retail portfolios and driving market expansion strategies.

His expertise includes product innovation, distribution optimisation, digital transformation, liability growth, asset portfolio management, and customer engagement strategy within competitive and highly regulated banking environments.

## Current Role

As Head of Consumer Banking, Faizal oversees retail, business banking, and wealth management portfolios. He drives sustainable asset growth, liability expansion, and customer value creation aligned with prudent risk governance.



**Rahul Talwalkar**

EVP & Chief Credit Officer

## Appointment Date

February 2024

## Qualification

CFA Charterholder; MBA, Indian Institute of Management Ahmedabad; Bachelor's Degree in Electrical Engineering.

## Experience

Rahul Talwalkar brings over 25 years of global credit leadership experience across Asia, Europe, and the Middle East. He has overseen large corporate and investment banking portfolios within leading financial institutions.

His expertise includes enterprise credit governance, portfolio optimisation, underwriting standards, and capital allocation discipline.

## Current Role

As Chief Credit Officer, Rahul oversees the Bank's enterprise-wide credit risk framework, ensuring alignment with the Board-approved risk appetite and safeguarding asset quality through disciplined underwriting and portfolio monitoring.



# EXECUTIVE MANAGEMENT



**Abhishek Sharma**  
Chief Risk Officer

## Appointment Date

September 2025

## Qualification

MBA in Finance, IIM Calcutta; Honours Degree in Commerce, University of Delhi.

## Experience

Abhishek Sharma has over two decades of experience in enterprise risk management across leading international financial institutions. He has led comprehensive risk governance frameworks covering credit, market, liquidity, operational, and financial crime risk.

His background includes strengthening institutional resilience through regulatory alignment and capital discipline.

## Current Role

As Chief Risk Officer, Abhishek leads the Bank's enterprise-wide risk strategy and governance framework. He provides independent oversight across all risk categories and ensures compliance with CBUAE requirements and Board-approved risk appetite.



**Hend Al Ali**  
Chief Human Resources Officer

## Appointment Date

August 2024

## Qualification

Bachelor's Degree in Management Information Systems, Dubai Women's College; Specialised professional training in Human Resources Management and Organisational Leadership.

## Experience

Hend Al Ali brings over 24 years of leadership experience in human capital strategy across banking and financial services sectors. She has led large-scale organisational transformation, workforce planning, and Emiratisation initiatives.

Her expertise spans governance alignment, performance management, leadership development, and culture transformation.

## Current Role

As Chief Human Resources Officer, Hend leads the Bank's enterprise-wide human capital strategy, ensuring organisational capability, leadership strength, and cultural alignment support sustainable growth.

# EXECUTIVE MANAGEMENT



## Badreldin Elmogadam

General Counsel &  
Board Secretary

### Appointment Date

November 2021

### Qualification

LL.B. (Honours), University of Khartoum; Certified Board Secretary and professional legal certifications.

### Experience

Badreldin Elmogadam has over 25 years of legal and governance experience within banking and Islamic finance institutions. He has advised on regulatory compliance, Shariah frameworks, and corporate governance structures.

His expertise includes legal structuring, regulatory oversight, and Board governance advisory.

### Current Role

As General Counsel & Board Secretary, he oversees the Bank's legal affairs and corporate governance framework, ensuring regulatory compliance and effective Board oversight.

### Directorships

Director, Skyrise Properties



## Majdi Darwish

Chief Internal Auditor

### Appointment Date

February 2020

### Qualification

Bachelor's Degree in Accounting; CPA, CIA, CISA, CISM, CFE and other professional certifications.

### Experience

Majdi Hussein Darwish has over two decades of experience in internal audit, enterprise risk, governance and internal control. His career includes leadership in audit transformation and alignment with global internal auditing standards.

He has implemented risk-based methodologies and strengthened governance control frameworks.

### Current Role

As Chief Internal Auditor, Majdi leads the independent internal audit function reporting to the Board Audit Committee, providing assurance over governance, risk management, and internal control effectiveness.

# EXECUTIVE MANAGEMENT



## Maryam Al Shorafa

Chief Corporate  
Communications Officer

### Appointment Date

February 2024

### Qualification

Postgraduate Degree in Educational / Instructional Technology, University of Southern Queensland; Higher Diploma in Information Administration, Dubai Women's College.

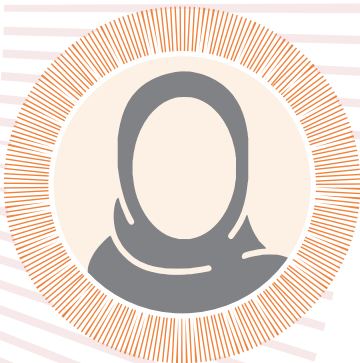
### Experience

Maryam Al Shorafa has over two decades of experience in corporate communications and brand strategy within the banking sector. She has played a central role in shaping Ajman Bank's corporate identity and institutional positioning since its establishment.

Her expertise includes corporate reputation management, stakeholder engagement, and integrated marketing strategy.

### Current Role

As Chief Corporate Communications Officer, Maryam leads enterprise-wide communications and brand governance strategy, strengthening institutional reputation and strategic positioning.



## Thaera Taryam

Chief Customer  
Experience Officer

### Appointment Date

March 2024

### Qualification

Degree, Al Ain University; Professional certifications in Islamic banking and financial services.

### Experience

Thaera Taryam has over 20 years of experience in Islamic and retail banking. She has led service excellence and digital transformation initiatives across customer-facing platforms.

Her expertise includes customer journey design, service governance, and operational optimisation.

### Current Role

As Chief Customer Experience Officer, Thaera oversees the Bank's customer experience strategy, ensuring service quality, regulatory alignment, and long-term client engagement.

# EXECUTIVE MANAGEMENT



## Zohaib Ali Zahid

Head of Enterprise  
Project Management  
Office & ESG

### Appointment Date

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November 2024

### Qualification

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MSc Finance, Leeds Beckett University; MBA Finance, University of Karachi.

### Experience

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Zohaib Ali Zahid has over 15 years of experience in transformation governance and ESG integration. He has led regulatory and strategic programme initiatives within financial institutions.

His expertise includes enterprise portfolio monitoring and sustainability framework implementation.

### Current Role

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As Head of Enterprise PMO & ESG, Zohaib oversees strategic programme governance and ESG integration, ensuring alignment with long-term sustainability and regulatory expectations.



## Muhammad Iqtadar

Chief Compliance Officer

### Appointment Date

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December 2023

### Qualification

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MBA, University of Northampton, United Kingdom; Bachelor of Commerce, University of Karachi; Higher Banking Diploma, Emirates Institute for Finance; Strategic Management and Leadership Diploma, CMI London; Multiple international professional certifications in compliance, governance, risk, information security, and financial crime prevention.

### Experience

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Muhammad Khalid Iqtadar has over 25 years of experience in regulatory compliance and financial crime prevention. He has led compliance transformation initiatives aligned with CBUAE regulations and international best practices.

His expertise includes AML/CFT governance, sanctions compliance, and enterprise-wide regulatory oversight.

### Current Role

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As Chief Compliance Officer, he leads the Bank's enterprise compliance framework, ensuring regulatory alignment, financial crime prevention, and institutional integrity.

# EXECUTIVE MANAGEMENT



## Dr Fazal Abdul Rahim

Head of Internal Shariah Control (ISCD) & ISSC Secretary

### Appointment Date

November 2024

### Qualification

PhD in Islamic Economics and Muamalat Administration, Universiti Sains Islam Malaysia (USIM); Master's Degree in Economics, University of Karachi; Bachelor's Degree in Islamic Studies & Arabic, University of Karachi; Postgraduate Diploma in Islamic Banking and Insurance; Certified Shariah Adviser and Auditor, AAOIFI (Bahrain).

### Experience

Dr Fazal Abdul Rahim is a senior Shariah governance specialist with over 28 years of experience in Islamic finance frameworks and Shariah compliance oversight. He has contributed significantly to regulatory alignment and Shariah governance harmonisation within UAE institutions.

### Current Role

As Head of ISCD & ISSC Secretary, he oversees the Bank's Shariah governance framework and ensures full compliance with ISSC and Higher Shariah Authority resolutions.

### Directorships

Internal None. Member of Shariah Boards at several Islamic financial institutions.

# EXECUTIVE MANAGEMENT



**Abdul Nasser  
Al Mannaie**

Head of Internal Shariah Audit

## Appointment Date

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May 2020

## Qualification

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Bachelor of Islamic Studies, College of Islamic & Arabic Studies; Certified Shariah Adviser and Auditor, AAOIFI.

## Experience

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Abdul Nasser has over 34 years of experience in Shariah compliance, product structuring, and supervisory oversight within Islamic financial institutions.

He has strengthened Shariah governance frameworks and assurance mechanisms across regulated environments.

## Current Role

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As Head of Internal Shariah Audit, he is responsible for ensuring compliance of Ajman Bank's activities, including transactions and the adequacy of internal procedures and Shariah governance frameworks, with Islamic Shariah.

## Directorships

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Chairman or Member of Shariah Supervisory Committees of several Islamic financial institutions in the UAE, including Gulf Navigation, Orient Takaful, SALAMA Takaful, Takaful Emarat, Meethaq Takaful, and Siraj Finance.

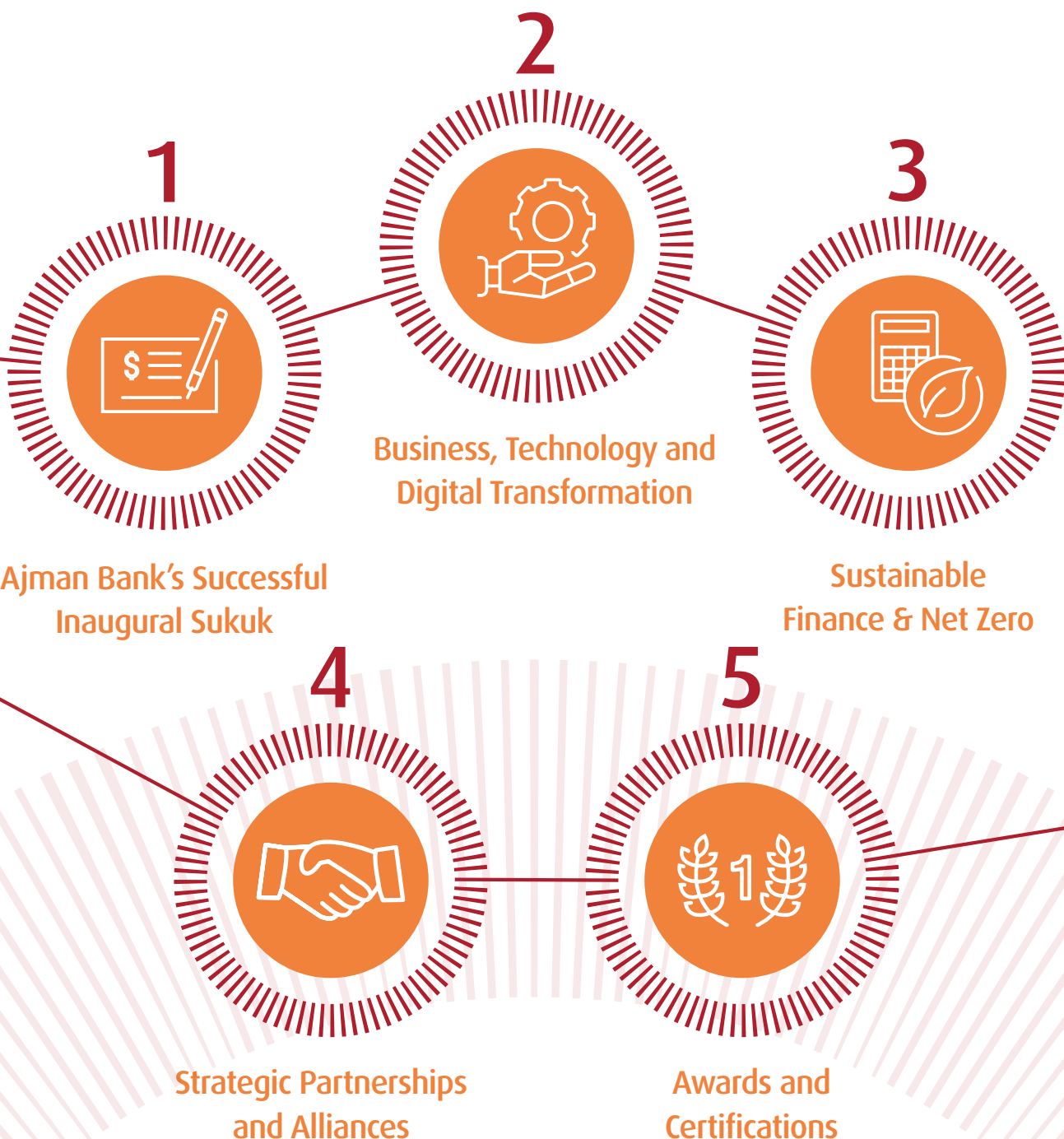


# KEY ACTIVITIES IN 2025



# 2025 – A YEAR OF STRATEGIC TRANSFORMATION, DIGITISATION AND UNPRECEDENTED GROWTH

## Key Activities and Developments





# AJMAN BANK'S SUCCESSFUL INAUGURAL SUKUK

1

## Ajman Bank Successfully Prices USD 500 Million Inaugural 5-Year Sukuk

One of the major developments that had the capital markets buzzing with Ajman Bank's name, came from the historic success of Ajman Bank's inaugural Sukuk issuance. Ajman Bank successfully launched its debut 5-year USD Sukuk — a landmark transaction that marks our entry into the international capital markets and a key milestone in our funding and transformation journey.

The results speak for themselves: a robust order book of over USD 2.7 billion, representing 5.4x oversubscription, participation from more than 100 global investors, and an impressive 35% allocation to international accounts — one of the highest levels of diversification seen in the regional debt capital market.

Issuance Type

**Debut 5-Year  
USD Sukuk**

Order Book Peak

**\$2.7 Billion+**

Oversubscription

**5.4x**

Investor Count

**100+ Global  
Investors**



## Celebrating a Major Successful Milestone — Core Banking System T24 Upgrade

Ajman Bank marked a significant milestone in its transformation journey with the successful upgrade of its Temenos T24 core banking system to Release 22—delivered four months ahead of schedule. This achievement reflects the Bank's commitment to innovation, operational resilience, and superior client service. The upgrade introduces advanced capabilities that strengthen our digital foundation, including enhanced product configuration, streamlined workflows, and improved transaction processing speed. It also delivers a modernised user experience and robust monitoring controls, ensuring compliance and scalability for future growth.



Executed seamlessly with minimal impact on client transactions, this project demonstrates disciplined planning and collaboration across multiple teams and partners. By going live ahead of the new financial year, Ajman Bank is well-positioned to accelerate product launches, improve efficiency, and deliver greater value to customers in 2026 and beyond.

# BUSINESS, TECHNOLOGY AND DIGITAL TRANSFORMATION

## Credit Cards Go Digital - Ajman Bank Launched Digital Credit Card Application Service

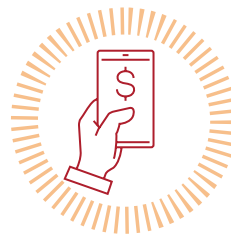
In 2025, Ajman Bank continued its digital transformation journey with the launch of an online credit card application service. Customers can now apply for credit cards seamlessly through the Ajman Bank Digital Connect App, reinforcing our commitment to innovation and customer convenience.



100% Digital  
Application



Seamless Authentication  
- UAE Pass



Instant Virtual  
Card



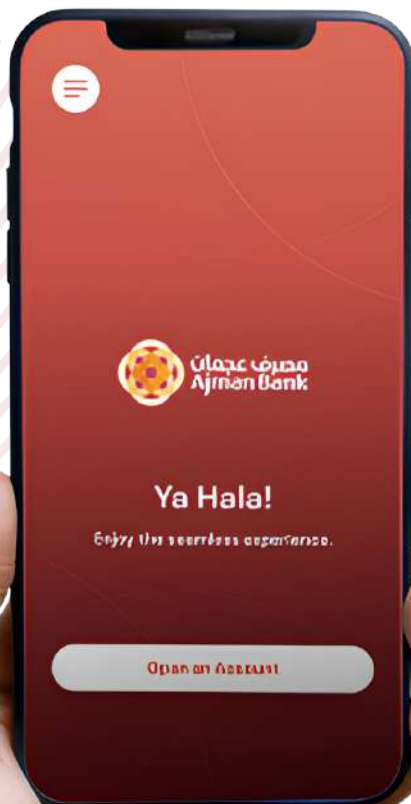
Welcome Cashback



Comprehensive  
Rewards Programme



Secure and  
Convenient





## Personal Finance Digitalisation via Mobile - Consumer Banking

Ajman Bank became the first bank in the UAE to launch a Buyout Finance journey via mobile app, offering NTB customers a fully digital experience for Fresh Finance and Buyout Finance. By integrating ACP and CodeBase platforms with UAE Pass authentication, we ensured secure, paperless operations and significantly reduced turnaround times. This initiative reflects our commitment to customer empowerment and operational excellence.

## Auto Finance Digitalisation via Mobile

The Auto Finance journey was completely reimagined, introducing an end-to-end digital process that allows customers to apply for auto finance anytime, anywhere. Through an intuitive mobile workflow, customers can submit applications, upload documents, track real-time status, and receive instant approvals—all without visiting a branch. Ajman Bank has enhanced customer convenience, improved operational efficiency, and strengthened its position as a leader in digital banking. The solution supports strategic goals of automation and innovation, delivering a modern, user-friendly experience that aligns with the UAE's vision for smart financial services. This initiative not only improves customer experience but also supports sustainability goals by eliminating paper usage.



## Issuance of No Liability Letter with QR Code via Mobile App

Ajman Bank introduced a secure and automated solution for issuing No Liability letters through the mobile app, complete with QR code verification. This innovation enhances customer convenience, improves process efficiency, and strengthens risk management, marking a significant step toward service automation.

## Launch of Host-to-Host Banking Services for Institutional Customers

In 2025, Ajman Bank implemented robust host-to-host capabilities that involve advanced API-driven integrated payment processing and financial services, moving beyond traditional banking to become a full-service digital enabler. The platform went live in June 2025 with selected customers.

This enhancement ensures competitive, transparent FX pricing while improving customer engagement and loyalty.

Successfully launched on June 1, 2025, the project has streamlined treasury operations, enhanced pricing accuracy, and reduced manual intervention. It reinforces Ajman Bank's commitment to innovation and superior digital services, positioning the bank as a leader in personalised FX offerings and driving strategic value for both customers and the organisation.





## FX WAAD - Treasury

The FX WAAD project was a critical enhancement to Ajman Bank's Intellect Treasury platform, designed to provide customers with seamless foreign exchange and currency hedging services through WAAD integration. This initiative streamlined FX operations by automating processes, improving accuracy in currency calculations, and enabling real-time transaction capabilities. It significantly enhanced customer experience for treasury clients while strengthening operational efficiency and compliance with regulatory standards.

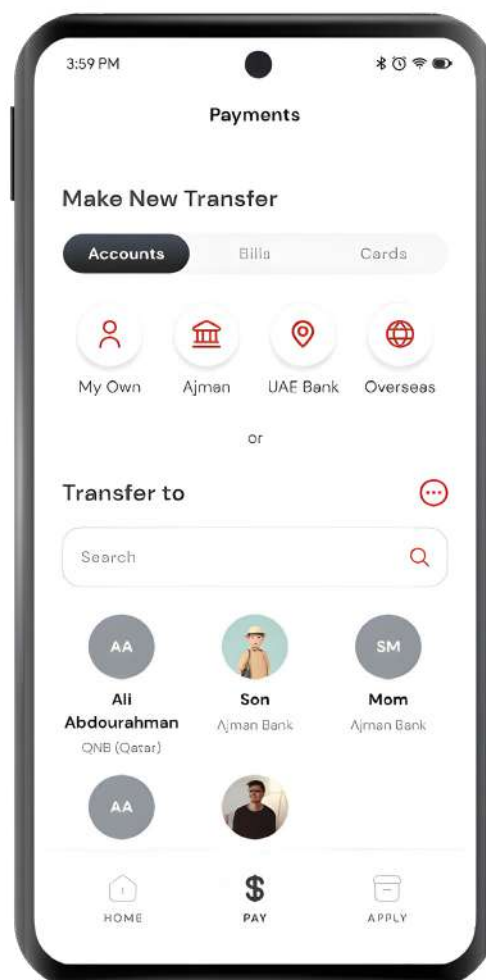
The project successfully went live on 24 January 2025, marking a major milestone in Ajman Bank's commitment to innovation in treasury services. By delivering faster, more reliable FX, hedging transactions, and reducing manual intervention, FX WAAD reinforces Ajman Bank's position as a forward-thinking institution, supporting strategic goals of digital transformation and superior customer service.

## Issuance of Liability Letter with QR Code via Mobile App

Similarly, the issuance of Liability letters via mobile app with QR code verification reflects Ajman Bank's focus on digital convenience and operational excellence. This feature not only safeguards the bank's risk but also supports retention strategies, showcasing Ajman Bank as a leader in digital transformation.

## FX Pricing - Treasury

The FX Digital Pricing project introduced advanced pricing capabilities within Ajman Bank's T24 core banking system to deliver differentiated online propositions for customers. By implementing tiered pricing structures and integrating a deal ticket system, the solution enables special transaction rates for Internet Banking and supports customised staff pricing through the mobile app. This enhancement ensures competitive, transparent FX pricing while improving customer engagement and loyalty.





## Launch of our first Digital Banking Extension in Branches

This year, Ajman Bank became the first bank in the UAE to introduce a high-tech Digital Section at its Main Branch in Ajman. First of its kind, this digital extension of the Branch fulfils a wide range of customers' day-to-day banking needs. The vibrant digital space is equipped with cutting-edge technology including Automated Teller Machines (ATMs), Cash and Cheque Deposit Machines (CCDMs), Interactive Teller Machines (ITM), mounted tablets, and our very first holographically deployed Generative AI Conversational Avatar – Hamad. Customers can execute a wide range of transactions and requests using the facilities of the digital extension in faster, easier and secure manner. Customers can converse with Hamad for their queries. The digital extension remains accessible to customers 24/7.



## Launch of Innovation Hub

As part of our ambitious transformation journey, Ajman Bank's first Innovation Hub has been launched to ignite fresh thinking, foster transformative collaboration, and crowd-source new business ideas from across the Bank.

One of the first initiatives of the Innovation Hub was the Ajman Bank Ideathon, a high-impact challenge designed to unleash creativity and inspire visionary ideas aligned with our Life Brand Vision. The challenge brought together 11 teams, each driven by purpose, innovation, and an entrepreneurial spirit.

## SUSTAINABLE FINANCE & NET ZERO

3

### Ajman Bank unveiled an ambitious Net Zero Strategy and AED 4 Billion Sustainable Finance Commitment by 2030

During this year, we announced our strategic commitment to mobilise AED 4 billion in sustainable finance by 2030, and to achieve Net Zero emissions across our operations (Scope 1 & 2 Emissions) by 2030 and overall Net Zero (Scope 1, 2 and 3) by 2050. This milestone was officially announced by our CEO Mustafa Al Khalfawi, marking a significant step forward in our sustainability journey and reaffirming Ajman Bank's dedication to responsible banking and climate leadership. Our commitment is in line with UAE Net Zero 2050 and Ajman 2030 Vision, at a ceremony at our Head Office in Ajman.



Subsequently, the Bank launched its inaugural Sustainable Finance Policy Framework to provide a concrete direction towards the above commitment.



Please refer to our Sustainability Report for more details.

# STRATEGIC PARTNERSHIPS AND ALLIANCES

4



## Department of Finance - Ajman

To strengthen digital financial integration, reduce bureaucracy, and improve the effectiveness of financial operations.



## Ajman Free Zone Authority

Agreement with the Ajman Free Zone Authority (AFZA) worth AED 54 million. The agreement provides a form of Islamic finance, known as Ijarah.



## Ajman Department of Land and Real Estate Regulation

Collaboration aimed at advancing financial integration and enhancing banking services through innovative and digital-first solutions.



## Meydan Zone Authority

To streamline financial processes for businesses operating in Meydan Free Zone by leveraging Ajman Bank's financial services and Meydan's digital infrastructure.





### ADGM

MoU with Abu Dhabi Global Market (ADGM), to support the growth needs of its global financial community.



برنامج الشيخ زايد للإسكان  
Sheikh Zayed Housing Programme



### Sheikh Zayed Housing Programme

MoU for enhanced home finance solutions for the UAENs.



### Abu Dhabi Export Office

Strengthening the UAE's global trade presence and facilitating growth in key sectors.



### Ajman Bank and Land Department Forge Strategic Alliance for Data Integrity

Ajman Bank entered into a landmark cooperation agreement with the Department of Land and Real Estate Regulation in Ajman, reinforcing a shared commitment to data confidentiality and transparency in property transactions.



### Ajman Department of Finance

Ajman Department of Finance partnered with Ajman Bank to boost digital transformation and streamline government financial operations.

## Strategic Partnership with EtihadWE

Ajman Bank and EtihadWe signed a strategic partnership in 2025 to finance infrastructure projects in the Northern Emirates, aligning financial expertise with service delivery for sustainable growth, supporting national goals, and enhancing development in Ajman and beyond. This collaboration focuses on innovative financing for key projects like energy storage, leveraging public-private partnerships to deliver essential services and meet community needs.



## Ajman University

Under the visionary directives of H.H. Sheikh Ammar bin Humaid Al Nuaimi, Ajman University and Ajman Bank embarked on a transformative partnership—bridging academia and industry to shape the future of financial education. Guided by His Highness's steadfast commitment to innovation and knowledge-driven progress, this initiative reflects Ajman's ambition to create an ecosystem where education and economic growth converge, empowering a new generation of agile, future-ready leaders.

At the heart of this groundbreaking collaboration stands the Ajman Bank Financial Markets Lab—a visionary initiative redefining the future of financial education in the UAE. More than a learning space, it is a dynamic hub where theory meets practice, designed to elevate experiential learning and accelerate the nation's journey toward a knowledge-driven economy. Backed by a strategic investment of AED 5 million from Ajman Bank, this 160 m<sup>2</sup> facility transcends the concept of a traditional classroom. Equipped with 36 advanced trading stations, real-time market data, and Bloomberg terminals—the very tools that power global markets—the lab immerses students in the pulse of international finance, sharpening their skills to thrive in an era defined by agility and innovation.

Strategic Investment  
**AED 5 Million**

Total Facility Area  
**160 m<sup>2</sup>**

Advanced  
Trading Stations  
**36 Units**

Real-Time Data  
**Bloomberg  
Terminals**





## Ajman Bank & Franklin Templeton Forge Strategic Partnership for Shariah-Compliant Investments

Ajman Bank has forged a landmark partnership with Franklin Templeton to expand access to world-class, Shariah-compliant investment opportunities in the UAE.



FRANKLIN  
TEMPLETON

## Advancing Wage Protection With Shariah Innovation: Ajman Bank – MENSA Alliance

Ajman Bank has joined forces with MENSA to elevate the UAE's Wage Protection System through scalable, Shariah-compliant digital infrastructure designed to empower both businesses and employees.



# AWARDS AND CERTIFICATIONS

# 5

## Ajman Bank Achieves ISO Certifications for Excellence

Ajman Bank successfully passed the ISO 9001:2015 and ISO 10002:2018 Surveillance-2 Audit conducted by TÜV on December 31, 2024.

ISO 9001:2015 is the internationally recognised standard for quality management systems, ensuring that an organisation's processes consistently meet customer expectations and regulatory requirements. By achieving this certification, Ajman Bank has demonstrated its ability to optimise its IT operations, streamline internal processes, and enhance service delivery to maintain a customer-centric approach.



His Highness Sheikh Rashid bin Humaid Al Nuaimi, Vice Chairman, presented the hard-attained certifications to Awatif Ibrahim Al Jesmi, Head of Technology GRC. Also present to recognise the efforts of the team were Mustafa Al Khalfwai (CEO), Salem Al Shamsi (COO) and Mamoun Al Homssey (CTO).





## Ajman Bank Earns ISO Prestige 9001:2015

We celebrated a new milestone as our Administration Division secured the prestigious ISO 9001:2015 certification, a global hallmark of quality and operational excellence.

H.H. Sheikh Rashid bin Humaid Al Nuaimi, Vice Chairman of the Board, extended his warm congratulations, praising the team's dedication and drive in achieving this benchmark. This certification stands as proof of a streamlined, well-documented, and ever-evolving quality management system, one that empowers our internal teams and propels the bank's strategic vision forward.



## Ajman Bank Triumphs at the Nafis 2025 Awards



### First Place Winner – Medium-Sized Entities, Banking Sector

In a proud testament to its unwavering commitment to national development, Ajman Bank has been awarded First Place in the Medium-Sized Entities category at the prestigious Nafis 2025 Awards. The honour celebrates the Bank's outstanding contribution to advancing Emiratisation, empowering Emirati professionals, and reinforcing the UAE's sustainable economic growth.



## Ajman Bank Commended by Al Nuaimiya Police Station for Exemplary Collaboration

In a gesture that reflects the power of institutional synergy, Ajman Bank was formally recognised by Al Nuaimiya Police Station for its outstanding collaboration and shared commitment to community engagement. The commendation was presented during a distinguished ceremony attended by senior officers and dignitaries from both public and private sectors.

Receiving the honour on behalf of the Bank were Mr. Salem Al Shamsi, Chief Operating Officer, and Ms. Thaera Taryam, Head of Excellence and Customer Experience — both of whom have been instrumental in fostering this impactful alliance.

This recognition underscores Ajman Bank's unwavering dedication to building meaningful partnerships that enhance public service.

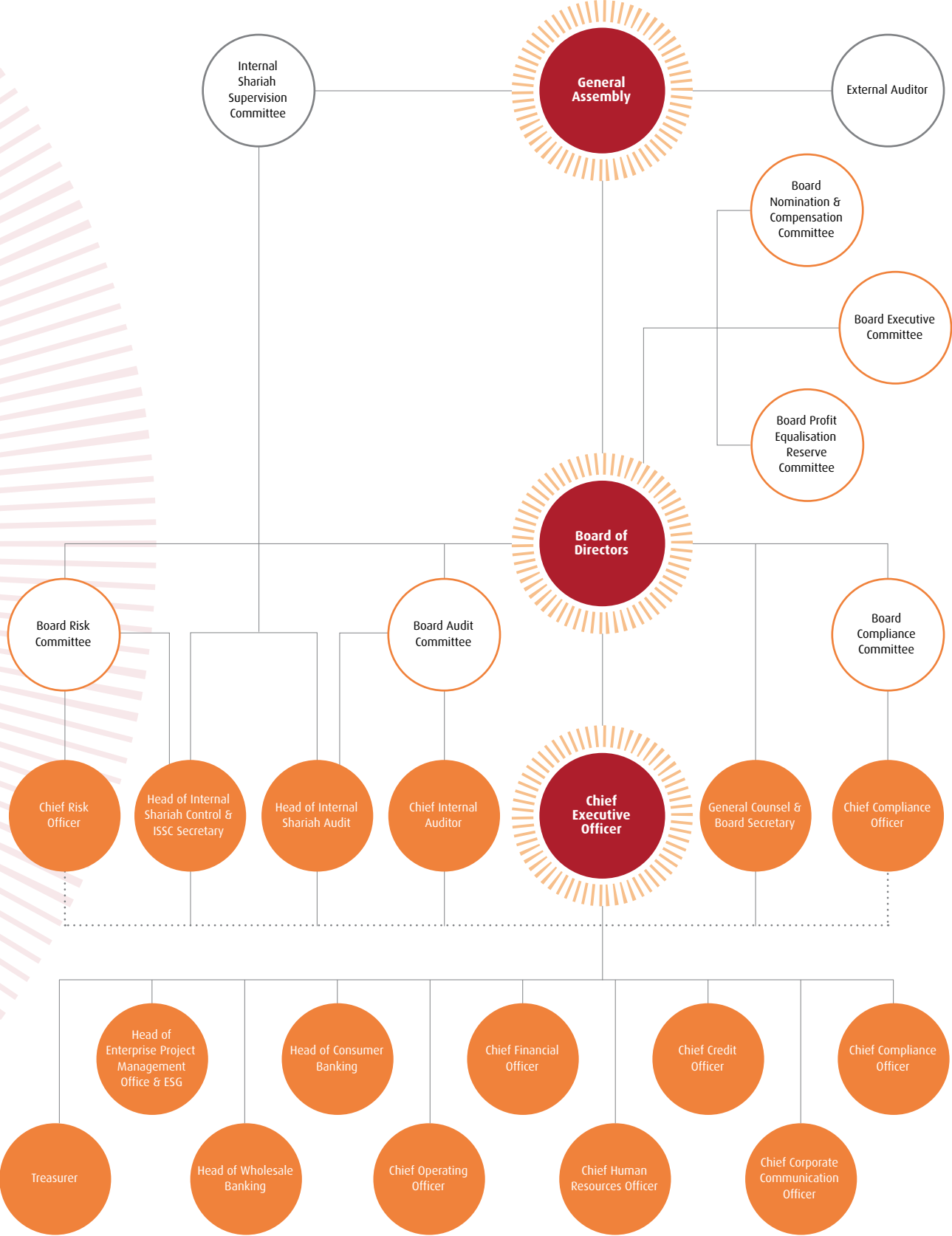




# OUR GOVERNANCE



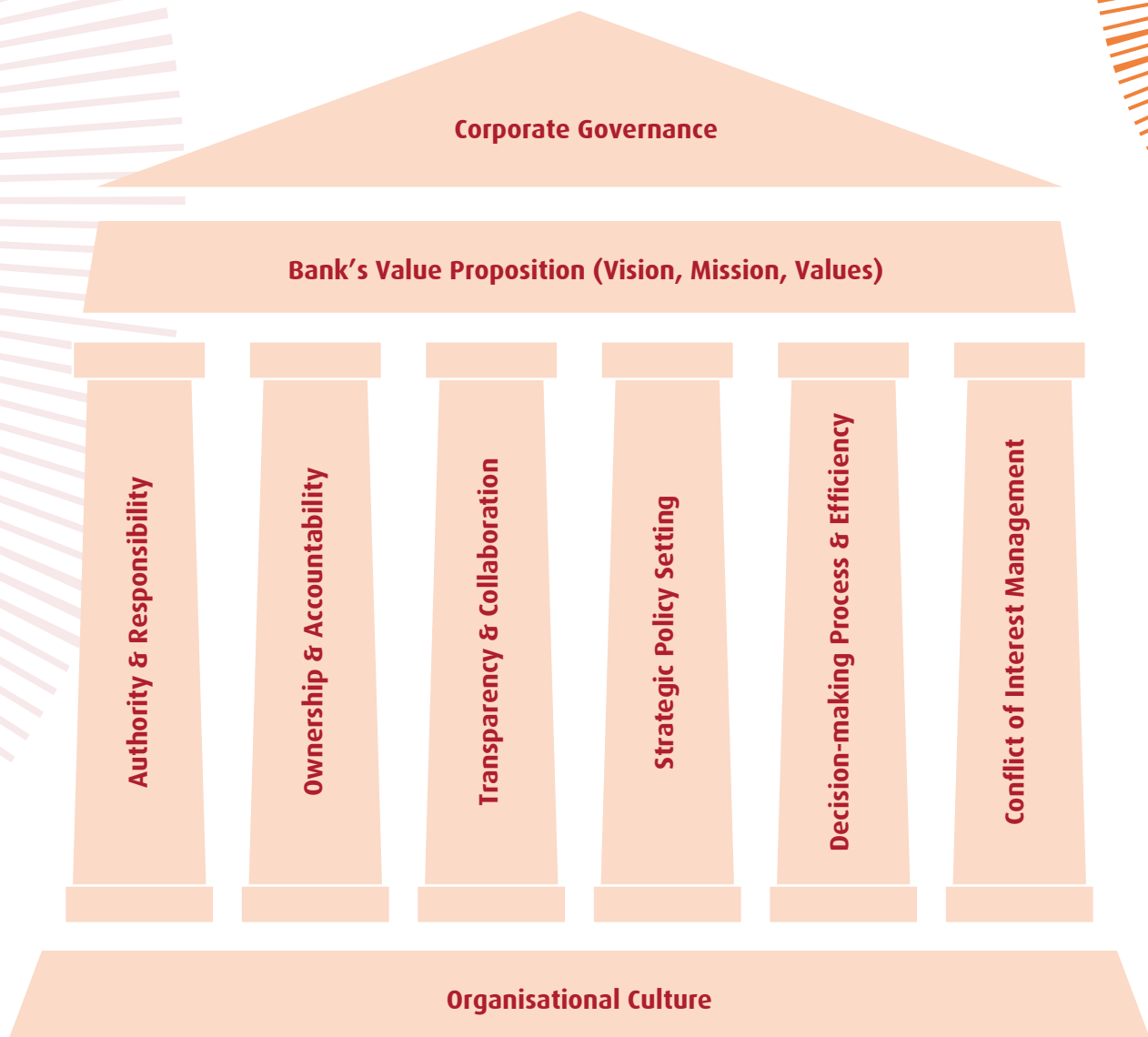
# OUR GOVERNANCE STRUCTURE



# OUR CORPORATE GOVERNANCE FRAMEWORK

Ajman Bank continued to maintain a robust corporate governance framework modelled on the highest industry practices and global standards to ensure that the corporate governance arrangements of the Bank remain adequate and efficient. The Bank is committed to continuously reviewing and improving its approach to remain at the forefront of best practice, adapting to changes in the regulatory, policy and business environment.

The Bank's governance framework is anchored in six key pillars: Authority & Responsibility; Ownership & Accountability; Transparency & Collaboration; Strategic Policy Setting; Decision-making Process & Efficiency; and Conflict of Interest Management. The Bank's Corporate Governance Framework codifies the minimum standards for the Bank's approach to governance, aligned with regulatory obligations and tailored to the Bank's risk profile, complexity, business strategy, and size. The Board and senior management bear ultimate responsibility for governance. The Board periodically reviews the framework (or elements thereof) to ensure its continued appropriateness. The Bank also ensures compliance with the Bank's Shariah governance (through its Internal Shariah Supervision Committee), given its Islamic-banking operations.





## Delegation of Authorities

The Board derives the powers and authorities from the applicable laws and regulations, the Articles of Association of the Bank, and the resolutions approved by the shareholders at their meetings from time to time and is in ultimate control of the Bank. The Bank's executive management operates under the Board-approved Delegation of Authority Framework (DOA) which clearly demarcates decisions reserved for the Board as well as those delegated to the Board committees and executive management. The DOA covers strategic, operational, financial, risk, compliance, and other material decisions. This ensures clarity of responsibilities, prevents overlaps, and supports accountability. Executive management is responsible for execution of strategy, day-to-day banking operations, risk and compliance management, and periodic reporting to the Board and its committees. In addition, the powers are also delegated through Powers of Attorney (POAs) to the Bank, as necessary.



## Code of Conduct for Directors

Ajman Bank's Code of Conduct for Directors conforms with the applicable Corporate Governance Regulations of the UAE and is classified into seven principles.

- Compliance with legislative & regulatory directives
- Stewardship
- Duty of Care & Diligence
- Duty of Loyalty & Confidentiality
- Management of Conflict of Interests
- Combatting Bribery, Corruption & Criminal Conduct
- Consumer Protection

It provides guiding principles for the Directors to follow and enables each director individually to identify and understand aspects of their conduct that may have a potential legal, regulatory, reputational, financial or other type of impact on the Bank, its stakeholders or the directors of the Board personally.



## Employee Code of Conduct

Ajman Bank believes that every employee has a responsibility to comply with the provisions of the Employee code. By adhering to Code of Conduct, we build a culture of trust, respect, and responsibility. It is through this kind of behavior that we can build strong relationships with our clients, partners, and the broader community. Ajman Bank being committed to the teachings of the Shariah principles, it is the policy of the Bank to conduct business by maintaining the highest standards of professional ethics and code of conduct.



## Professional Ethics

Ajman Bank's Employee Code of Conduct outlines the directives and standards which employees are required to maintain while performing their duties on behalf of the Bank. Conducting the business to the highest standards of professional ethics is crucial to the preservation of the Bank's corporate image.



## Integrity

Ajman Bank employees must act with integrity and in a fair, honest and professional manner with due skill, care and diligence at all times in their relationship with customers. All employees must treat every customer equally and keep their commitments.

As part of their responsibility, employees are expected to uphold these standards consistently and ensure their conduct reflects the Bank's values. Each employee is accountable for demonstrating integrity in all actions and decisions, thereby contributing to a culture of trust, professionalism and ethical behaviour.



## Customer Fair Treatment and Customer Protection Standards

Without any discrimination, all employees, with due skill, care and diligence, act fairly, honestly and professionally in their relationship with all customers, regardless of their religion, gender, age, income level, and marital status. Ajman Bank maintains a control framework that articulates and clearly demonstrates its values and culture with respect to treating consumers fairly and address such matters as:

- Good ethics, values and transparency in promoting and selling Financial Products and/or Services to consumers
- Positive consumers relations, complaint management and complaint resolution
- Assisting People of Determination
- Equal, fair treatment of all consumers
- Confidentiality and safeguarding of consumers' information and assets
- Addressing conflicts of interest;
- Service performance standards that provide timely delivery of Financial Products and/or Services.







## Corporate Governance Disclosures

Ajman Bank is committed to providing timely, consistent, and accurate information to its stakeholders. It always ensures that consistent disclosure practices are applied and that all members of the business community, including individual investors, have prompt and simultaneous access to the disclosed information. Accordingly, in its efforts to continuously enhance transparency and disclosures, in line with regulatory requirements and industry practices, Ajman Bank continues to review and update its disclosure requirements to cover the key quantitative and qualitative information related to financial performance and financial stability, risk management factors, remuneration, corporate governance, sustainability, related-party transactions, and others.



## Code of Conduct for Third Party Service Providers

Ajman Bank requires its third-party service providers to follow strict professional, ethical, and legal standards. For this purpose, the Bank established a Code of Conduct for Third Party Service Providers which outlines the key principles and standards that all suppliers, their

employees, and any subcontractors must adhere to while working with the Bank. Compliance with this code is a mandatory condition for any service provider entering into a service agreement with the Bank.

The Code of Conduct for Third Party Service Providers also mandates service providers to ensure that conflicts of interest are either avoided or managed to the extent possible or disclosed to the Bank with complete transparency and appropriately managed to safeguard the Bank's interests. In case a conflict of interest arises, at any time, the service provider must promptly disclose the same to the Bank and provide all necessary information to the Bank as required by the Bank to understand, investigate, and manage the conflict of interest.



## Outsourcing Materiality Assessment

Ajman Bank has a robust outsourcing materiality assessment process in place which is implemented to systematically assess all procurement activities across the Bank. This process enables the Bank to assess its outsourced activities objectively and consistently. The model also enables the Bank to effectively manage its material outsourced arrangements and conduct enhanced due diligence (where required) in line with regulatory requirements.

Given the growing reliance on third-party service providers across the banking industry, Ajman Bank continues to strengthen its third-party risk management framework. Material outsourcing arrangements are subject to enhanced due diligence, risk assessment, and ongoing performance monitoring, consistent with CBUAE outsourcing regulations and peer practices across Islamic banks in the UAE.



## Bribery, Corruption and Criminal Conduct

Ajman Bank has zero tolerance for corrupt and criminal conduct. Ajman Bank's directors, employees, and suppliers are forbidden to engage in any form of corruption or criminal misconduct, including fraud, breach of sanctions, money-laundering, insider trading, anti-competitive practices, bribery and corruption, and the violation of consumer and human rights.



## Information Security & Data Privacy

Customer data protection and privacy, being one of the material topics under the Bank's ESG programme, remains an area of continuous improvement and enhancement. The Bank undertook efforts to enhance the implementation of the Consumer Data Protection Framework to ensure protection of data, including adopting new technologies/tools that monitor the Bank's digital footprint, external surface, and brand protection.



## Insider Trading Policy

Ajman Bank aims to operate at the highest levels of integrity and transparency. It prohibits the misuse of Material and Non-Public Information (MNPI) in the trading of financial instruments. The Bank has an approved Insider Trading Policy that applies to all persons (including Ajman Bank's Board of Directors, and Executive Management) who have access or come into possession of MNPI or Inside Information before its public release. The Policy aims to:

- Assure adherence to the highest ethical standards of conduct.
- Reduce potential risks arising from the Bank's directors' and employees' (and other insiders) dealing in the Bank's securities.
- Identify sanctions and penalties of non-compliance to the Insider Trading Policy.
- Minimise the risk of contravening any relevant legal or regulatory requirements, and conflicts of interest with the Bank and/or its clients by ensuring the Bank's securities are traded only when there is no conflict of interest.



# OUR RISK GOVERNANCE MODEL

The Board of Directors and Senior Management are collectively responsible for establishing Ajman Bank’s objectives, and high-level strategies to achieve them and establishing governance structures to manage risks. The Board of Directors provides oversight of the Bank’s internal control system, risk management processes, and financial reporting integrity and establishes the Bank’s ethical tone, culture, and code of conduct. The Board also oversees the design, implementation, and monitoring of internal controls to support organisational objectives.

The Senior Management of Ajman Bank implements the strategies and objectives approved by the Board, ensuring the presence of appropriate processes and controls. Additionally, senior management provides regular and timely reports to the Board on the Bank’s performance, including risk exposures, internal control effectiveness, and compliance status.

In response to increased regulatory scrutiny and evolving risk complexity across the banking sector, Ajman Bank continues to enhance its risk governance model to ensure clear accountability, effective challenge, and timely escalation of material risks. The Bank’s Three Lines of Defence framework is aligned with CBUAE guidance and reflects leading practices observed across regional Islamic banking institutions. Ajman Bank’s Risk Governance Model is designed to meet regulatory requirements as well as best industry practices. Our Risk Model is based on the three lines of defence model as set out below:

## Risk Taxonomy

Model Risk	Strategic Risk	Compliance Risk	Credit Concentration Risk	Conduct Risk
Credit Risk	Profit Rate Risk	Operational Risk	Market Risk	Liquidity Risk
	Reputational Risk	Esg Risk	Information Security	

### FIRST LINE OF DEFENCE

Wholesale Banking	Consumer Banking	Credit	Treasury	Operations
Legal Affairs	Marketing & Communications	Human Resources	Information Technology	Finance

### SECOND LINE OF DEFENCE

Risk	Internal Shariah Control	Compliance
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### THIRD LINE OF DEFENCE

Internal Shariah Audit	Internal Audit
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## First line of defence

The first line of defence consists of the front-line employees of Business Units and Support Functions who conduct day-to-day operations of the Bank and manage key risk controls. The Business Units and Support Functions at Ajman Bank follow a systematic risk process and implement internal controls and other risk responses to treat the risks associated with the Bank's operations. It is the responsibility of Business Units and Support Functions to actively manage risks and periodically report on identified risks. The Business Units for Ajman Bank include Consumer and Wholesale Banking and Treasury, whereas support functions include functions such as Credit, Finance, Operations, Information Technology, etc. As the Bank's first line of defence these functions:

- Collaborate with other lines of defence, share information, coordinate efforts, and ensure a comprehensive approach to risk management.
- Identify and assess risks associated with their operational activities including understanding potential risks, their likelihood, and potential impacts on the Bank's objectives.
- Implement and adhere to internal control policies and procedures to mitigate risks.
- Comply with relevant laws, regulations, and internal policies including risk appetite related to their operational activities.
- Upon occurrence of any risk event, support second line of defence with investigating the incident, root cause analysis, and implement corrective measures to prevent recurrence.



## Second line of defence

The second line of defence for the Ajman Bank includes the Bank's Risk Department, Compliance, and Internal Shariah Control. The second line of defence ensures that the controls and risk management processes implemented by the first line of defence are designed appropriately.

The Risk Department led by the Chief Risk Officer provides independent oversight on the Risk Management of the Bank. Key responsibilities of the Risk Department include the establishment of policies and procedures, development of models for estimation of risk, and management of risks in a holistic manner across the Bank. The Risk Department also performs tasks related to identification of risk, conducting risk analysis, conducting data analytics and reporting observations/insights. The Risk Department has continued to mature its capabilities beyond traditional risk oversight, with increased focus on forward-looking risk analytics, stress testing, and scenario analysis. In line with peer Islamic banks, climate-related risks, ESG considerations, concentration risks, and liquidity stress scenarios are progressively incorporated into the Bank's enterprise risk assessments and Board reporting.

The Bank's Compliance Department, under the leadership of the Chief Compliance Officer, operates as an independent, objective, and authoritative oversight function, safeguarding the Bank's adherence to all applicable laws, regulations, and supervisory guidelines. The function proactively identifies, assesses, and monitors compliance risks, including exposures arising from local and international AML/CFT/CPF requirements, as well as wider regulatory obligations. It provides comprehensive and timely reporting to senior management on the Bank's overall compliance and financial crime risk profile, with particular emphasis on emerging and heightened risk areas. The Compliance Department ensures full adherence to all CBUAE regulations, standards, and supervisory requirements, and serves as the primary point of accountability for regulatory compliance matters.

In addition, the Compliance Department acts as a trusted advisor and an effective second line of defence, delivering expert guidance, independent assurance, robust oversight, and constructive challenge to the first line of defence. This role is especially pronounced in areas of elevated financial crime, sanctions, or regulatory risk, thereby strengthening a strong compliance culture, and ensuring risks are managed prudently, consistently, and in alignment with regulatory expectations and the Bank's defined risk appetite.

## Third line of defence

The third line of defence including Internal Audit and Shariah Audit works alongside the first and second lines to strengthen internal controls and risk management practices across the Bank leading to enhanced accountability, transparency, and governance. The Internal Audit Department performs the independent review of the Bank's Risk Management processes and activities of Ajman Bank's Business Units and Support Functions. By acting as an independent and objective function, the internal audit provides assurance to senior management and the Board of Directors regarding the Bank's risk management and control processes.

Ajman Bank's Internal Shariah Audit, undertakes Shariah audits, monitors the Bank's compliance with Islamic Shariah, and ensures the adequacy of internal procedures and Shariah governance frameworks. To ensure independence, the Internal Shariah Audit shall report findings directly to the ISSC and Board Audit Committee.

# AUDIT AND INTERNAL CONTROL

Oversight of financial reporting and integrity of Ajman Bank's financial disclosures are also key roles performed by the Board. The Board ensures that comprehensive and independent risk management, compliance, and audit functions, as well as an effective overall system of internal controls are in place. The Board Audit Committee assists the Board in discharging its responsibilities with regards to ensuring an effective internal control environment and approves the annual internal audit plan, as well as monitoring the effectiveness of Internal Audit and the measures committed to address identified deficiencies.

External Auditor	
a. Overview of Ajman Bank's auditor	
Profile of the Bank's auditor	Deloitte UAE has over 2,200 professionals based within five practice offices in Abu Dhabi, Dubai, Fujairah, Ras Al Khaimah and Sharjah. Deloitte is a full-service firm in the UAE and has well-developed practices serving diverse industries.
b. Statement of fees and costs related to the audit or services provided by the external auditor	
Audit office name	Deloitte & Touche M.E.
Name of audit partner	Julie Kassab
Number of years the audit office was assigned as the external auditor of the Bank	2 Years
Number of years the audit partner was assigned to audit the Bank	2 Years
Total Audit Fees for 2025 (AED)	AED 815,000 + VAT
Nature and description of non-audit services provided by the external auditor	<ul style="list-style-type: none"> <li>• Issuance of comfort letter on Sukuk programme.</li> <li>• ICFR gap assessment and assurance engagements</li> </ul>
Total Non-Audit Fees for 2025 (AED)	AED 1,050,354 + VAT
Nature and description of services provided in 2025 by an external auditor other than the appointed auditor	Ernst & Young Middle East was engaged in 2025 to issue comfort letter in connection with Sukuk Issuance (as predecessor auditor for 2023 financials).  AED 453,921 + VAT
Internal Control	
How the Internal Audit Department deals with any issues identified within the Bank (if any)	Audit findings if any are communicated by Internal Audit Division to the respective departments within the Bank and Senior Management. The Board Audit Committee is updated on the status of the actions taken to remediate the audit findings in the quarterly meeting.
Number of reports issued by the Internal Audit Department to the Board of Directors of the Bank	60 reports were issued during the Year 2025
Compliance	
Details of the fines (if any) in 2025 and how to avoid their recurrence in the future	None

# PEOPLE AND CULTURE

## Powering performance through Purpose, Passion and People

In 2025, Ajman Bank continued to strengthen a high performance culture by attracting the right talent, enhancing employee experience, and building capabilities aligned to the Bank's strategic priorities and the 4Ps of its core values, People, Prospect, Process and Product. Ajman Bank's people initiatives supported ongoing business and digital transformation, enabling positive organisational change while reinforcing its values and ways of working under RACE - Remarkable Growth, Agile Team, Continuous Improvement, and Exceptional Experience.

### 2025 Highlights (at a glance)

- 271 hires completed (specialised and high volume recruitment)
- 13,814 learning hours delivered across the Bank
- 9 employees attended overseas programmes and global learning experiences
- First Employee Engagement Survey launched in December 2024 in Arabic and English
- In total 350 employees were recognised through various initiatives like Spot Reward, RACE Award, Inhouse Training Award, Customer Excellence Award, Financial Excellence Award, Process Excellence Award, Recognition Vouchers, etc. across the bank; and 109 employees awarded through the RACE Awards across multiple categories
- Multiple automation and digitisation projects delivered in HC Operations
- Benefits enhancements introduced to strengthen employee wellbeing and retention

### Attracting and Onboarding Talent for Growth

The Talent Acquisition team implemented strategic recruitment initiatives with sourcing partnerships with universities, professional networks, and outsourcing agencies, with high onboarding efficiency. In 2025, the team successfully completed 271 hires, sourcing high quality candidates for both specialised and high volume positions. Internal transfers helped optimise deployment of talent across the Bank.

### Emiratisation: A Strategic Priority

Emiratisation remains a strategic priority for Ajman Bank and a key enabler of its long-term sustainability and transformation agenda. The Bank continues to invest in UAE nationals across all career stages, from graduate entry programmes to senior leadership roles, ensuring the development of a strong and future-ready national talent pipeline.

As of 31 December 2025, Ajman Bank employed 220 Emirati nationals, representing an Emiratisation ratio of 35.31%. Women comprised 65% of the Emirati workforce and UAE nationals held 35% of executive management roles, reflecting a growing Emirati representation across mid and senior-management levels. These impressive indicators demonstrate the Bank's sustained commitment to strengthening national leadership, developing future-ready talent, and enhancing succession readiness across the organisation.

Anchored by the Bank's flagship talent platform, ETHRAA, and aligned with the UAE Government's national talent agenda through the Emirati Talent Competitiveness Council (Nafis), Ajman Bank has progressed beyond short term hiring metrics to establish meaningful and sustainable career pathways. Particular focus has been placed on critical growth areas, including Shariah compliant and digital banking.

In recognition of these efforts, Ajman Bank was awarded first place in the Medium-Sized Entities within the Banking Sector category at the Nafis Awards in October 2025. This achievement underscores the Bank's leadership commitment to advancing Emiratisation and embedding Emirati talent at the core of its growth strategy and national contribution.

## Learning and Capability-Building

Learning and development remained a core people priority for Ajman Bank in 2025, underpinning both individual professional growth and enterprise wide capability building. During the year, the Bank delivered a total of 13,814 training hours, with focused investment in leadership development, technical expertise, and future-ready skills aligned to strategic objectives.

In 2025, five Ajman Bank employees successfully achieved Korn Ferry Job Evaluation certification, strengthening internal capability in job architecture and workforce governance.

International learning exposure continued through participation in high impact programmes and forums, including Strategic Leadership in the Era of Disruption, the Cambridge Islamic Finance Leadership Programme (IFLP) 2025, Mastering Islamic Liquidity Management, and the Gartner IT Symposium 2025 in Barcelona. These targeted learning investments support succession readiness, specialist capability development, and the Bank's broader transformation agenda.

## Listening to its People: Engagement and Action

Ajman Bank strengthened its listening culture with the launch of its first Employee Engagement Survey in December 2024, conducted in both English and Arabic and now embedded as an annual practice. With a strong 85% participation rate, the survey provided meaningful insights into employee sentiment, highlighting both strengths and opportunities for improvement. The overall engagement score stood at 69%.

Key improvement areas identified were Action, Feedback & Recognition, and Collaboration & Communication. In response, the Bank moved swiftly

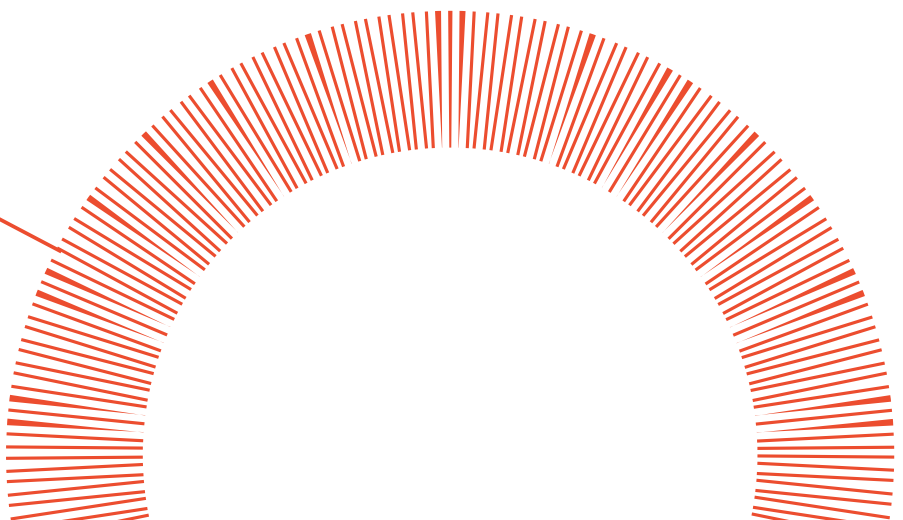
from insight to action by establishing dedicated workstreams sponsored by senior leadership to drive tangible change.

Throughout 2025, these workstreams delivered targeted initiatives designed to strengthen connection, transparency, and inclusion. These included CEO Skip Level Meetings, Open MIC sessions with EXCO, Coffee Connect, the City Build programme, RACE Awards, and enhanced recognition initiatives. Together, these actions reinforced a culture of openness, accessibility, and two way communication across the organisation.

The impact of this focused and deliberate approach was clearly reflected in the 2025 Employee Engagement Survey, which recorded an increased participation rate of 87% and an engagement score of 75% - a 6 point improvement year on year. This uplift demonstrates how listening, acting on feedback, and sustained leadership engagement translate directly into stronger employee connection and engagement across Ajman Bank.

## Employee Wellbeing and Belonging

Employee wellbeing continued to be a priority. The bank's monthly wellness calendar and activities are designed to strengthen their emotional, social, and physical wellbeing. Engagement moments and community-building activities such as Emirati Women's Day celebrations and Chaat Day also contributed to connection and inclusion across the Bank.





## Enhancing Employee Experience through HC Operations

In 2025, HC Operations advanced service excellence and efficiency through targeted automation and process improvement, supporting a faster, simpler employee experience. Several Automation projects were delivered that include Letter printing, Overtime and Claims automation, and End of Service calculation/payment. Several Benefits enhancements were introduced that include Soft finance benefit (5 basic salaries for employees with 5+ years of service), Rental advance for new joiners (no maximum cap), Salary advance (twice per year), and Relocation support for new hires. These enhancements support retention, improve employee financial wellbeing, and strengthen overall employee value proposition.

## Rewards & Organisation Development

Over the past year, Rewards and OD delivered key initiatives that strengthened governance, enhanced employee experience, and built organisational capability. Highlights included implementing the Control Function Allowance in 2025 to reinforce regulatory alignment and role independence; introducing Korn Ferry's market-leading salary benchmarking to strengthen compensation rigour and competitiveness; and upgrading the HRMS Performance Management system with a dedicated, more user-friendly module and access to historical performance data. We also advanced data-driven decision-making through improved reporting, data clean-up, and stronger analytics foundations. The upcoming automation of bonus letters further reflects the bank's focus on efficiency, accuracy, and continuous improvement.

## Succession Planning

Succession Planning is a critical component of Ajman Bank's risk management approach, ensuring leadership continuity and the long-term sustainability of the Bank. A robust succession framework supports sustained growth, financial resilience, and continued shareholder confidence.

The bank's Succession Planning Framework is built around five core objectives:

- Identify critical roles, key leadership positions, and essential capabilities across the Bank
- Assess talent and establish clear career pathways to enhance retention
- Accelerate leadership development for future readiness
- Ensure business continuity through proactive risk mitigation
- Maintain compliance with CBUAE regulatory requirements

In November 2025, the Bank conducted the Korn Ferry High Potential Assessment at the N2 level to further strengthen its succession planning framework. The 9 Box Talent Grid is being leveraged to enhance succession depth and leadership readiness and is being extended across all levels of the organisation to support robust succession coverage and targeted individual development plans for every employee. The identification of critical roles across the Bank is currently underway.

## Looking Ahead

Ajman Bank remains committed to fostering a high-performance workplace anchored in excellence, innovation, and shared success. In the year ahead, the bank will focus on strengthening organisational capabilities through targeted development pathways, advancing Emiratisation outcomes via structured talent pipelines and progression frameworks, accelerating employee experience enhancements through greater automation and process simplification, and closing the engagement gap to market benchmarks through clear, focused, and measurable actions.





# BOARD INFORMATION

## OVERVIEW OF THE BOARD

The Board of Ajman Bank aims to set the tone from the top and establish a culture of clear and effective Corporate Governance across the Bank, as well as ensure high standards and best practices in Corporate Governance, taking into consideration all applicable laws, regulations, and regulatory requirements.

The Board of Ajman Bank is vested with powers to conduct the Bank's operations and to achieve its Shariah compliant goals. Only the provisions of applicable laws, Ajman Bank's Articles of Association (AoA), or a resolution taken by the Bank's General Assembly, supersede and limit the authority and powers of the Board. The Board has the primary responsibility for the welfare of Ajman Bank by guiding and monitoring the business and affairs of the Bank.

The Board of Ajman Bank is responsible for approving the overall strategic direction and policy framework for Ajman Bank. This responsibility is discharged through the Board's oversight of Ajman Bank's management, which is responsible for the day-to-day conduct of the business. The Board also sets standards of conduct, including the Bank's general moral and ethical tone, compliance with applicable laws and regulations, standards for financial practices and reporting, qualitative standards for operations and services, and other standards that reflect the views of the Board as to the conduct of the business in the best interests of the Bank.

The Board is also responsible for ensuring that management maintains a system of internal control which provides assurance of effective and efficient operations, accurate financial reporting and compliance with law and regulations. In carrying out this responsibility, the Board shall consider what is appropriate for the Bank's business and reputation, the materiality of the financial and other risk inherent in the business and the relative cost and benefits of implementing such controls.



### Gender Diversity at Board Level

#### Election of first ever female member of the Board - Ms. Sarah Ahmed Abdulrahman Aljarman

The Board recognises the importance of gender, social, and ethnic diversity, and the strengths diversity brings to Board effectiveness. Diversity is considered when considering appointments at both Board and senior management level.

The three (3) years term of the Board came to an end in 2024. Board member elections were held in the Annual General Meeting of Shareholders held in April 2024. Ms. Sarah Ahmed Abdulrahman Aljarman was elected as a Board member in place of an outgoing director. The Bank welcomed Ms. Sarah Ahmed Abdulrahman Aljarman as the first ever female board member, a 14.29% female representation on the board.



# SELECTION, INDUCTION, TRAINING AND ASSESSMENT

## Directors' Identification, Selection and Induction Policy

Ajman Bank is aware of the importance of the role of the Board of Directors in ensuring the protection of the shareholders' and other stakeholders' interests, ensuring that the Bank is governed and directed to its purpose while complying with the applicable regulatory requirements and promoting long-term success of the Bank. The achievement of these objectives is linked to maintaining the right composition of the Board that comprises of members who collectively bring together the right balance of skills required for an effective Board. During 2025, the Board reviewed and approved an enhanced Directors' Identification, Selection, and Induction Policy incorporating regulatory updates and leading industry practices to ensure an up to date, clear, and rigorous process for identifying, selecting, and inducing new members to the Board.

## Selection of Board Members

Ajman Bank's Directors' Identification, Selection, and Induction Policy outlines the framework of the selection process for directors. Candidates to be appointed as members of the Board of Directors must meet requirements of trustworthiness, knowledge, experience, compatibility, and dedication, all in accordance with applicable regulations.

The process of board member appointment starts with identification of potential candidates, which may be triggered as and when a position in the Board becomes vacant, or if a new board member is required to be appointed upon completion of the Board's term or succession in case of a scheduled retirement or demise of an existing member.

The Board Nomination and Compensation Committee (BNCC) may identify/ nominate candidates for board membership, who shall be assessed in line with the fit and proper criteria and other regulatory requirements pertaining to board membership and composition. Qualified candidates who meet the Bank's requirements, fit and proper criteria and other regulatory requirements shall then be nominated for election by the General Assembly.

The Board, through the BNCC, continues to monitor that the areas of the relevant expertise are covered in the existing composition of the Board.

- Identification of candidates
- Assessment
- Nomination
- Election
- Induction

## Directors' Induction

Ajman Bank provides an extensive and robust Directors' Induction Programme for all newly appointed directors, which is tailored to fit their role, experience, and skillset. The induction programme includes meetings with other directors, executive management, comprehensive guidance on the duties and responsibilities of directors, as well as the following topics:

- Bank's Governance & Organisation
- Bank's Code of Conduct for Board Members
- Business & Strategy
- Policy Framework
- Risk Management
- Regulatory Environment
- Other Matters of Significance

## Board Training Programme

In order to provide a foundation for effective corporate governance, equipping directors with the prevailing global economic and regulatory awareness and knowledge, Ajman Bank develops training programmes every year to ensure directors understand their critical roles, legal duties, and strategic responsibilities, leading to better governance, improved decision-making, risk management, and overall organisational success by aligning the Board, enhancing skills, ensuring compliance, and fostering effective leadership. The Bank completed six training programmes in 2024 and has initiated action to finalise the training topics for 2025.

## Annual Board Assessment

The Board conducts an Annual Board Assessment in line with regulatory requirements. Under the direction of the Board, the Bank engaged an independent external third party and completed a comprehensive independent assessment of the Board as a whole, Board Committees, and Board members for the year 2024 broadly covering strategy, Board structure and composition, Board operations, skillset and experience of the Board, relationship with stakeholders, and Transparency and Disclosures parameters, among others. Recommendations are considered and adopted to enhance the governance. The Bank has initiated internal Board Assessment for 2025 on similar methodology.



## BOARD MEMBERS SHAREHOLDING

The ownership and transactions of the Board members, their spouses, and their children in the bank's shares during 2025:

Name	Board Members	Shares Held as at 1 January 2025	Total Sales	Total Purchases	Shares Held as at 31 December 2025
H.H. Sheikh Ammar Bin Humaid Bin Rashid Al Nuaimi	Chairman	60,681,336	-	14,245,041	74,926,377
H.H. Sheikh Rashid Bin Humaid Bin Rashid Al Nuaimi	Vice Chairman	103,916,568	-	30,500,000	134,416,568
Mr. Mahmood Khaleel Ahmed Al Hashimi	Board Member	-	-	-	-
Mr. Abdullah Mohammed Hassan Al Hosani	Board Member	-	-	-	-
Mr. Faisal Hassan Ibrahim Galadari	Board Member	-	-	-	-
Mr. Ali Rashid Humaid Al Mazroei	Board Member	-	-	-	-
Ms. Sarah Ahmed Abdulrahman Aljarman	Board Member	-	-	-	-



## RELATED PARTY TRANSACTIONS

Ajman Bank has a Related Party Transactions (RPTs) Policy that establishes the guiding principles to identify and manage actual and potential conflicts of interest in Ajman Bank. This Policy sets the ground rules that ensure that the Bank's decisions in connection with such RPTs are entered into in the best interests of Ajman Bank, its shareholders, and its customers.

Board members are required to disclose to the Bank all interests and relationships which could or might be seen to affect his/her ability to perform duties as a Board member. Any such interests declared are recorded in the Board's Register of Interests. Where a Board member has a personal interest in any matter which is to be considered by the Board, he/she will declare it to the Board at the earliest opportunity (irrespective of whether that interest is already set out in the Register of Interests or not). All transactions in which a director and/or other related parties might have potential interests are provided to the Board for its review and approval. Any director that is an interested party neither participates in the discussions nor votes on such matters.

During 2025, all RPTs, that were approved by the Board, were conducted on an arm's-length basis. Directors with potential conflicts did not participate in the relevant discussions or vote. These transactions were undertaken as part of Ajman Bank's day-to-day operations.

### Transactions

	FY 2025			FY 2024		
	Major Shareholders AED'000	Directors and other related parties AED'000	Total AED'000	Major Shareholders AED'000	Directors and other related parties AED'000	Total AED'000
Depositors' share of profit	297,140	7,892	305,032	304,341	7,730	312,071
Income from Islamic financing and investing assets	4,335	10,446	14,781	5,215	10,067	15,282

During the year, AED 2.5 million (31 December 2024: AED nil) was approved as Directors' remuneration by the shareholders at the annual general meeting held on 27 February 2025 and recorded in the consolidated statement of profit or loss.

## Balances

	FY 2025		FY 2024			
	Major Shareholders AED'000	Directors and other related parties AED'000	Total AED'000	Major Shareholders AED'000	Directors and other related parties AED'000	Total AED'000
Islamic financing and investing assets	170,371	309,827	480,198	209,395	335,337	544,732
Customers' deposits	7,266,943	256,267	7,523,210	6,241,218	184,883	6,426,101

## Compensation of Key Management Personnel

Key management personnel comprise those Executive Committee members ("EXCO") of the Group who are involved in the Group's strategic planning and decision making. Details of key management remuneration are as follows:

	FY 2025 AED'000	FY 2024 AED'000
Short term employment benefits	20,032	9,780
Terminal benefits	528	339
Total	20,560	10,119

Note: For more information, please refer to the Bank's financial statements for the year ended 31 December 2025.





# BOARD GOVERNANCE



# BOARD OF DIRECTORS

## I. Board Mandate

- The Board is responsible for approving the overall strategic direction and policy framework for Ajman Bank. This responsibility is discharged through Board's oversight of Ajman Bank's management, which is responsible for the day-to-day conduct of the business.
- Sets standards of conduct, including the Bank's general moral and ethical tone, compliance with applicable laws and regulations, standards for financial practices and reporting, qualitative standards for operations and services, and other standards that reflect the views of the Board as to the conduct of the business in the best interests of the Bank.
- Establishes policy direction and the fundamental objectives of the Bank.
- Supervises the management of the business and affairs of the Bank.
- Ensures that the principal risks facing the Bank are identified, assessed, and mitigated, and that there are systems in place to effectively monitor and manage these risks.
- Approves and thereafter reviews at least annually, the Bank's operational risk strategies, policies, and processes, including disaster recovery and business continuity plans.
- Assumes responsibility for the appointment of and performance evaluation of the Chief Executive Officer.
- Provides leadership and direction for the Bank in establishing and maintaining a high standard of corporate ethics and integrity.

The Chairman of the Board acknowledges his responsibility documented in the Board Charter, and his constant review of the Board's effectiveness.

## II. Board Attendance

The Board regularly discusses topics that are fundamental to the direction of Ajman Bank, including business performance, long-term planning, strategy, risk appetite and management, succession planning, and human resources. Please refer to the table below for the board meetings conducted in 2025:

Meeting Date	No. of Attendees	Name of Absent Member	No. of Resolutions Passed	Number of Director Attendees by Proxy
22 January 2025	7	-	16	-
18 April 2025	7	-	8	-
22 July 2025	6	H.H. Sheikh Rashid Bin Humaid Al Nuaimi	9	-
23 October 2025	7	-	13	-
21 November 2025	5	H.H. Sheikh Ammar Bin Humaid Al Nuaimi Ms. Sarah Ahmed Abdulrahman Aljarman	13	-
11 December 2025	6	Mr. Ali Rashid Humaid Al Mazroei	8	-

# BOARD EXECUTIVE COMMITTEE (BEC)

## I. BEC Mandate

- Assists the Board in carrying out its responsibilities, especially for tasks delegated by the Board when timing is critical, except for the matters reserved for the Board.
- Develops and implement Bank's overall strategy, business plan and objectives.
- Oversees the implementation of the Bank's governance framework and periodically reviews it to ensure that it remains appropriate in the light of material changes to the Bank's size, complexity, business strategy, markets, and regulatory requirements.
- Approves financing and credit proposals to the Bank clients, as per the Bank's Delegation of Authority (DoA) Manual, in line with rules and regulations for granting financing and credit proposals.
- Monitors and receives reports on the execution and completion of the Bank's major projects/expansions.
- Monitors the performance of the Bank and shall seek explanations for any departures or deviations from the approved plans, budgets and expectations.
- Recommends to the Board whether the Joint Ventures (JV) and Merger and Acquisition (M&A) are in-line with investment plans.
- Assists the Board Audit Committee and Board Risk Committee with the Committees' activities, issues, and related recommendations, when deemed necessary.
- Regularly receives management reports through the CEO and/or management Committees on the Bank's financial and operating performance, and assesses the same prior to presenting to the Board or approving as per Ajman Bank's internal DoA Manual.
- Regularly reviews policies and changes to the existing policies and the recommended changes when deemed necessary.
- Approves annual capital expenditures and disposal of capital assets as per Ajman Bank's internal DoA matrix.

## II. BEC Membership

Board Committee	Member Name	Member Position
Board Executive Committee	<ul style="list-style-type: none"> <li>• H.H Sheikh Rashid Bin Humaid Al Nuaimi</li> <li>• Mr. Abdullah Mohammed Hassan Al Hosani</li> <li>• Mr. Faisal Hassan Ibrahim Galadari</li> </ul>	<ul style="list-style-type: none"> <li>• Chairman*</li> <li>• Member</li> <li>• Member</li> </ul>

\* The BEC Chairman acknowledges his responsibility documented in the BEC Charter, and his constant review of the committee's effectiveness



III.BEC Attendance

Meeting Date	No. of Attendees	Name of Absent Member
17 January 2025	3	-
13 February 2025	2	Mr. Abdullah Al Hosani
6 March 2025	3	-
27 March 2025	3	-
11 April 2025	3	-
16 May 2025	3	-
20 June 2025	3	-
4 July 2025	3	-
12 September 2025	3	-
26 September 2025	3	-
10 October 2025	3	-
7 November 2025	3	-



# BOARD NOMINATION AND COMPENSATION COMMITTEE (BNCC)

## I. BNCC Mandate

- Establishes procedures for the recommendation and selection of candidates as executive, non-executive and independent directors of the Board.
- Assists in ensuring that an appropriate mix of skills, experience and expertise is held by Board members and Committee members who are enabled to discharge the responsibilities of a Director.
- Verifies ongoing independence of independent Board members.
- Assists in ensuring that appropriate compensation and remuneration policies for the Board and management in accordance with CBUAE's rules, applicable laws, and regulations, designed to meet the needs of the Bank and to enhance corporate and individual performance.
- Reviews and evaluates the performance of CEO, and annually evaluates the performance of the Board, Board Committees and Senior Management.
- Recommends/oversees the succession plan formulation and implementation process for the Board and Senior management.
- Supervises the Human Resources department's functions and activities.
- Reviews Human Resources Policies.
- Reviews, approves and oversees the implementation of the overall compensation framework and ensures alignment with Bank's long-term interests, sustainability, and financial soundness.

## II. BNCC Membership

Board Committee	Member Name	Member Position
• Board Nomination and Compensation Committee	<ul style="list-style-type: none"> <li>• H.H Sheikh Rashid Bin Humaid Al Nuaimi</li> <li>• Mr. Faisal Hassan Ibrahim Galadari</li> <li>• Mr. Ali Rashid Humaid Al Mazroei</li> </ul>	<ul style="list-style-type: none"> <li>• Chairman*</li> <li>• Member</li> <li>• Member</li> </ul>

\* The BNCC Chairman acknowledges his responsibility documented in the BNCC Charter, and his constant review of the committee's effectiveness.

## III. BNCC Attendance

Meeting Date	No. of Attendees	Name of Absent Member
14 January 2025	3	-

# BOARD AUDIT COMMITTEE (BAC)

## I. BAC Mandate

- Provides an open avenue of communication between Bank, the external auditors and the Board of Directors.
- Reviews the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- Reviews the performance of external auditor's service and recommends the appointment/ re-appointment or discharge of external auditor duties to the Board of Directors while the final decision rests with Annual general meeting. No objection to be obtained from CBUAE for dismissal or change of external auditors.
- Ensures that the Bank has an independent, permanent and effective Internal Audit function.
- Reviews and approves Internal Audit Plan and all major changes to the plan, its scope and budget for Internal Audit function to ensure that audit plan is prepared based on robust risk assessment including inputs from Senior Management and the Board and updated at least every year.
- Ensures that Internal Audit Plan scope covers and includes evaluation of effectiveness and efficiency of Internal Control, Risk Management, Compliance Function and Governance System and the entire Banks' activities including Branches and Risk measurement framework elements such as risk limits and internal models.
- Reviews Internal Audit reports including the response and the results of follow-up by Senior Management to ensure that timely and effective actions are taken to address audit findings.
- Reviews and approves the performance appraisal of the Chief Internal Auditor and concurs with the annual compensation and salary adjustment.
- Reviews interim and annual audited financial statements with the management to ensure that such financial statements have been prepared in accordance with and comply with the requirements of applicable International Financial Reporting Standards.
- Assesses the appropriateness of accounting policies, practices, and disclosures and whether the quality of financial reporting is adequate.
- Considers the effectiveness of the Bank's Internal Control System, including Information Technology Security and Controls.
- To review Related Party Transactions.
- Understands the scope of Internal and external auditors' review of internal control over financial reporting, and obtains reports on significant finding and recommendations, together with management's response.



## II. BAC Memberships

Board Committee	Member Name	Member Position
Board Audit Committee	<ul style="list-style-type: none"> <li>• Mr. Faisal Hassan Ibrahim Galadari</li> <li>• Mr. Mahmood Khaleel Ahmed Al Hashimi</li> <li>• Mr. Ali Rashid Humaid Al Mazroei</li> </ul>	<ul style="list-style-type: none"> <li>• Chairman*</li> <li>• Member</li> <li>• Member</li> </ul>

\* The BAC Chairman acknowledges his responsibility documented in the BAC Charter, and his constant review of the committee's effectiveness.

## III. BAC Attendance

Meeting Date	No. of Attendees	Name of Absent Member
21 January 2025	3	-
27 February 2025	3	-
18 April 2025	3	-
17 June 2025	3	-
21 June 2025	3	-
6 October 2025	3	-
20 October 2025	3	-
5 December 2025	3	-



# ANNUAL BAC REPORT 2025

## Major Resolutions and Directives

As part of the approved BAC Charter, the Committee played a major oversight role during the year 2025 in enhancing the governance and control pertaining to Bank's operations, policies, procedures, systems and Bank's financial statements in coordination with internal audit, external audit and Shariah audit.

### During 2025, the BAC

- Reviewed the audited financial statement, significant matters and external auditors' scope.
- Reviewed the performance of external auditor's service and recommending the appointment/re-appointment or discharge of external auditor duties to the Board of Directors.
- Ensured and evaluated the independence and effectiveness of the external auditor.
- Ensured that the Bank has an independent and effective Internal Audit function.
- Reviewed and approved Internal Audit Plan, strategy, audit manual, organisation structure, staffing and budget for Internal Audit function
- Reviewed Internal Audit reports including the response and the results of follow-up to ensure that timely and effective actions are taken to address audit findings.
- Reviewed and approved the performance appraisal of the Chief Internal Auditor and the annual compensation and salary adjustment.
- Reviewed Internal Shariah Audit Plan and reports.
- Held regular meetings with the Head of Internal Shariah Audit.
- Reviewed Related Party Transactions.

**During the year 2025 BAC issued many resolutions and directives to different stakeholders as follows:**

### Resolutions and Directives pertaining to External Audit

- Recommended to approve the Bank's financial statement for the year ended 2024 along with interim financial statements for Q1, Q2, Q3, and Q4 2025.
- Recommended to appoint Deloitte as external auditor for the audit and review of the Bank financial statement for the year 2025 (Q1, Q2, Q3, and Q4 - 2025) along with other related services – Pillar 3, BRF, and XBRL review for AED 802,500 excluding VAT and subsidiary audit.



### **Resolutions and Directives Pertaining to Executive Management**

- Enhance Trade Finance operations controls.
- Enhance controls for Consumer Products and Corporate Communication and Marketing in line with Consumer Protection Regulation (CPR).
- Assess the process of speeding up and reducing the TAT for opening new accounts.
- TAT for customer complaints to be properly monitored, tracked and closed within the approved timelines.
- Close all CBUAE audit observations within the timelines.
- Perform full analysis of Net Profit Margin (NPM) calculation for all segments comparing the actual to budget.
- Re-assessing the current policy, procedures and authority pertaining to IT projects, other projects, procurements and vendor selection processes.
- All points highlighted by the external auditor in ICFR gap assessment report are rectified in time.
- Closing all internal audit overdue observations.

### **Resolutions and Directives Pertaining to Internal Audit**

- Reviewed and approved the risk-based audit plan for the year 2025.
- Assessed the mid-year performance of Chief Internal Auditor (CIA) for the year 2025.
- Assessed the performance of Chief Internal Auditor for the year 2024
- To avoid any impact on audit plan progress and completion BAC directed to limit IAD's role in consultation and advisory services related to special assignments and tasks assigned by the Executive Management.

### **Resolutions and Directives Pertaining to Shariah Audit**

- Directed the Executive Management to rectify all findings and observations which were reported in Internal Shariah Audit.
- Directed Head of Shariah Audit to present the progress of the plan to BAC on regular basis.
- Reviewed Internal Shariah Audit Plan for the year 2025.

# BOARD RISK COMMITTEE (BRC)

## I. BRC Mandate

- Ensures that the Bank manages risk in accordance with its risk management framework including, limits for all relevant risk categories and risk concentrations through policies, procedures, and processes by providing governance oversight and strategic direction.
- Ensures that Bank has an adequately resourced Risk Management Function headed by CRO. The function shall be independent of the management and decision-making of the Bank's risk-taking functions and have a reporting line to the BRC.
- Ensures that the risk culture is disseminated across the Bank through relevant management Risk Committee, as well as through the risk management function.
- Verifies the independence of the Risk Management employees from activities that may expose the Bank to risk.
- Reviews, discusses, and provides recommendations to the management on risk management practices and guidance on strategies adopted by management.

## II. BRC Memberships

Board Committee	Member Name	Member Position
Board Risk Committee	<ul style="list-style-type: none"> <li>• Mr. Abdullah Mohammed Hassan Al Hosani</li> <li>• Mr. Mahmood Khaleel Ahmed Al Hashimi</li> <li>• Ms. Sarah Ahmed Abdulrahman Aljarman</li> </ul>	Chairman* Member Member

\* The BRC Chairman acknowledges his responsibility documented in the BRC Charter, and his constant review of the committee's effectiveness.

## III. BRC Attendance

Meeting Date	No. of Attendees	Name of Absent Member
25 March 2025	3	-
20 June 2025	3	-
7 August 2025	3	-
23 September 2025	3	-
9 December 2025	3	-



# BOARD COMPLIANCE COMMITTEE (BCC)

## I. BCC Mandate

In carrying out its mandate, the Committee:

- Oversees the establishment, implementation, and ongoing effectiveness of a comprehensive Compliance Framework, including Regulatory Compliance, Financial Crime Compliance (AML/CFT/CPF, sanctions), Market Conduct, and Consumer Protection.
- Monitors compliance with all applicable CBUAE laws, regulations, standards, circulars, notices, and supervisory expectations, and oversees the Bank's responses to regulatory inspections, examinations, thematic reviews, and supervisory communications.
- Reviews significant regulatory matters, supervisory findings, enforcement actions, penalties, and correspondence issued by the CBUAE or other relevant regulators and ensures timely escalation to the Board where required.
- Oversees adherence to internal policies and procedures, regulatory obligations, and internationally recognised standards and best practices, including FATF recommendations.
- Reviews and assesses the effectiveness, independence, authority, and resourcing of the Compliance Function, including its ability to meet CBUAE expectations.
- Oversees the identification, assessment, monitoring, and mitigation of regulatory, conduct, and financial crime risks, including risks related to customer outcomes, mis-selling, unfair treatment, and conflicts of interest.
- Provides oversight of the Bank's Market Conduct and Consumer Protection framework, including compliance with CBUAE Consumer Protection Regulations, complaint management, disclosure practices, product governance, pricing transparency, and fair treatment of customers.
- Reviews trends, root causes, and remediation actions arising from whistleblowing cases, and conduct-related incidents.
- Reviews findings, observations, and recommendations arising from internal audits, regulatory examinations, independent reviews, and external assessments related to compliance, financial crime, market conduct, and consumer protection.
- Promotes a strong compliance and ethical culture across the Bank, ensuring that regulatory compliance, customer fairness, and market integrity are embedded within governance, risk management, and business decision-making processes.

## II. BCC Membership

Board Committee	Member Name	Member Position
Board Compliance Committee	<ul style="list-style-type: none"> <li>• Mr. Mahmood Khaleel Ahmed Al Hashmi</li> <li>• Mr. Abdullah Mohammed Hassan Al Hosani</li> <li>• Ms. Sarah Ahmed Abdulrahman Aljarman</li> </ul>	<ul style="list-style-type: none"> <li>• Chairman*</li> <li>• Member</li> <li>• Member</li> </ul>

\* The BCC Chairman acknowledges his responsibility documented in the BCC Charter, and his constant review of the committee's effectiveness.

## III. BCC Attendance

Meeting Date	No. of Attendees	Name of Absent Member
20 March 2025	3	-
4 June 2025	3	-
27 August 2025	3	-
3 November 2025	3	-
17 December 2025	3	-

# BOARD PROFIT EQUALISATION RESERVE COMMITTEE (BPERC)

In compliance with the regulatory requirements, the Board established BPERC Committee in December 2025.

## I. BPERC Mandate

- To ensure regulatory compliance, governance, and policy oversight in relation to Profit Equalisation Reserve (PER) and Investment Risk Reserve (IRR).
- To monitor and review PER and IRR utilisation.
- To ensure compliance with Shariah principles and contractual obligations.
- To assess and manage risks, including displaced commercial risk (DCR).
- To review regulatory as well as other disclosures (including in relation to PER and IRR).
- To ensure alignment and adherence to the relevant internal policies and regulatory requirements across the Bank.

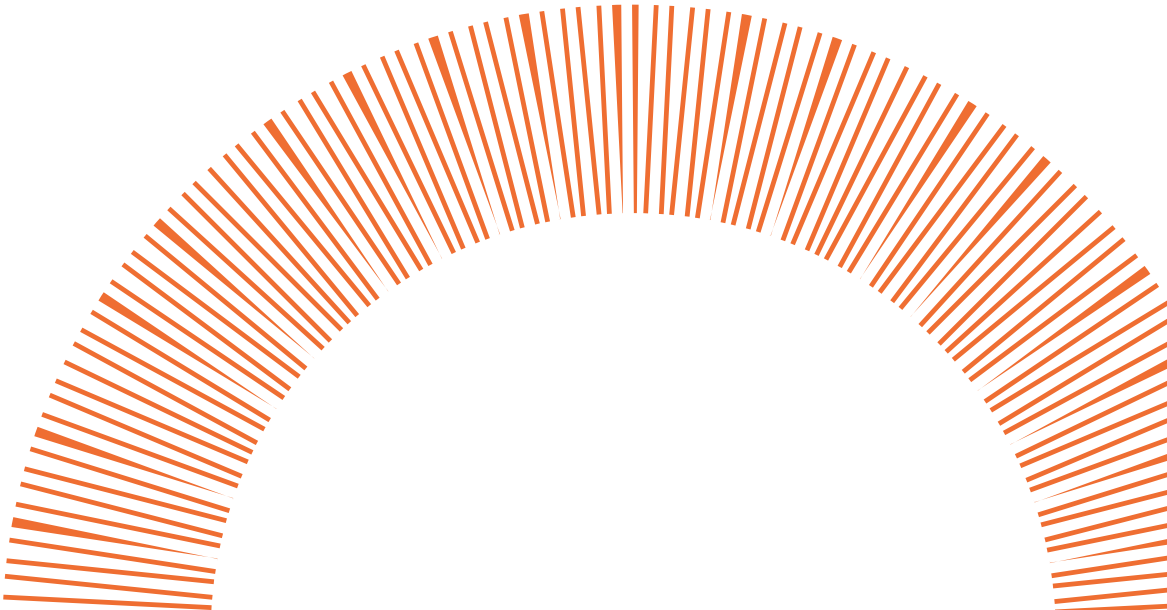
## II. BPERC Memberships

Board Committee	Member Name	Member Position
Board Profit Equalisation Reserve Committee	<ul style="list-style-type: none"><li>• Mr. Ali Rashid Humaid Al Mazroei</li><li>• Mr. Mahmood Khaleel Ahmed Al Hashimi</li><li>• Dr. Jassim Ali Al Shamsi (Non-Board member)</li></ul> Chairman and Executive member of ISSC	<ul style="list-style-type: none"><li>• Chairman*</li><li>• Member</li><li>• Member</li></ul>

\* The BPERC Chairman acknowledges his responsibility documented in the BPERC Charter, and his constant review of the committee’s effectiveness.

## III. BPERC Attendance

No committee meeting was held during 2025.



## GENERAL COUNSEL & BOARD SECRETARY

Name

**Badreldin Elmogadam**

Appointment Date

**November 2021**

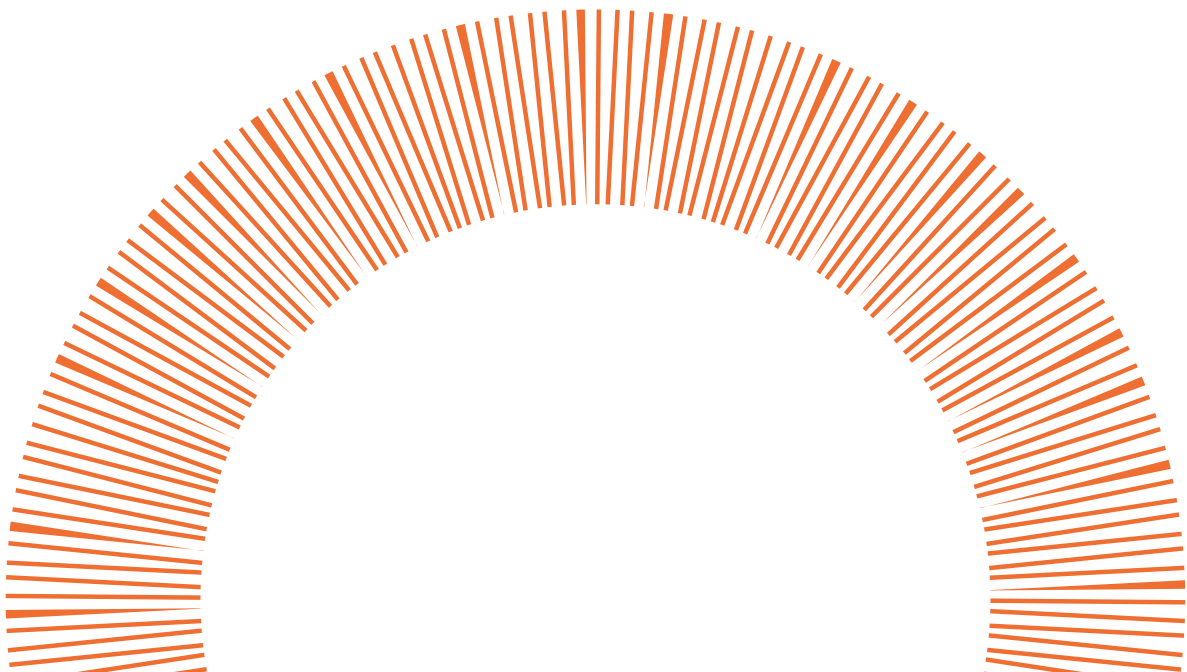
Email

**belmogadam@ajmanbank.ae**

### Special Resolution:

The following special resolution was presented and approved at the general assembly in 2025:

Approval of (A) the establishment of the Bank's USD 1.5 Billion Sukuk Issuance programme (the "programme"), which should be completed within one year from the date of the Annual General Assembly Meeting and (B) the issuance(s) of any sukuk under the programme which (i) are not convertible into shares of the Bank; (ii) rank pari passu or subordinated to senior debt of the Bank; and (iii) have a fixed tenor (such as from 5 to 60 years) with an aggregate face amount not exceeding USD 1.5 billion (or its equivalent in other currencies) offered internationally to eligible investors both inside and outside of the United Arab Emirates, at any time, whether directly or through a special purpose vehicle, with delegation to the Board of Directors or any person authorised by the Board of Directors in respect of both (A) and (B) to decide on the timing, amount, offering mechanism, transaction structure and other terms and conditions of such issuance(s) and the negotiation and agreement of any document related to the programme and any issuance (subject to obtaining the necessary approvals which may be required from the relevant regulatory authorities).



# INTERNAL SHARIAH SUPERVISION COMMITTEE



# INTERNAL SHARIAH SUPERVISION COMMITTEE (ISSC)

## I. ISSC Mandate

- To independently undertake Shariah supervision of all businesses, activities, products, services, contracts, documents and business charters of the Institution; as well as, the Bank's policies, accounting standards, operations and activities in general, memorandum of association, charter, financial statements, allocation of expenditures and costs, and distribution of profits between holders of investment accounts and shareholders (Institution's Activities) and issue Shariah resolutions in this regard, and
- Determine Shariah parameters necessary for the Bank's Activities, and the Bank's compliance with Islamic Shariah within the framework of the rules, principles, and standards set by the Higher Shariah Authority (HSA) to ascertain compliance of the Institution with Islamic Shariah.

Committee	Member name	Member position
Internal Shariah Supervision Committee	<ul style="list-style-type: none"> <li>• Prof. Dr. Jassim Ali Al-Shamsi</li> <li>• Dr. Ibrahim Ali Al-Mansoori</li> <li>• Dr. Yasser Hassan Ali Shihab Al Hosani</li> </ul>	<ul style="list-style-type: none"> <li>• Chairman &amp; Executive Member</li> <li>• Member</li> <li>• Member</li> </ul>

## II. Members

### Professor Dr. Jassim Ali Salem Al Shamsi

Professor Dr. Jassim Ali Salem Nasser Al Shamsi served as a Dean of the College of Shariah and Law (now College of Law) from 2006 to 2013 at the United Arab Emirates University. He obtained a doctorate in Law and Islamic Shariah. He started his academic career in 1990 and achieved professorship in 2001. He has been a member of the Higher Shariah Authority of the UAE Central Bank since its inception. He is also a Chairman of the Board of Trustees of the International Islamic Centre for Reconciliation and Arbitration since 2017. He serves as a chairman and a panel member on several Shariah Committees of Islamic financial institutions in UAE. He is a recipient of several awards inside and outside the country, such as Al Owais Award for Scientific Innovation from the President and His Highness Sheikh Mohammed bin Zayed Al Nahyan – "The state's federal personality for the year 2012". He has written several books on technical topics as well as many scientific research papers.

### Dr. Ibrahim Ali Al-Mansoori

Dr Ibrahim Ali Abdullah Al Mansoori, a Shariah scholar with more than 25 years of experience, has a Master's and PhD degrees in Islamic Banking and Economics. He served as a Director of Sharjah Centre for Islamic Economy at Al Qasimia University from 2013 until 2023. He has been a faculty member in the College of Shariah and Islamic Studies at the Al Qasimia University. He is currently a member of several Internal Shariah Supervision Committee of Islamic Financial institutions in UAE. He is an author of several research papers and carries out research on the contemporary matters relating to Islamic Banking and various Shariah matters.

### Dr. Yasser Hassan Ali Shihab Al Hosani

Dr. Yasser Al Hosani is a Shariah scholar who holds a PhD in Islamic Shariah. He currently serves as a Director of the Sharjah Centre for Islamic Economics at Al Qasimia University. In addition, he is also attached as an Assistant Professor at the College of Shariah and Islamic Studies, Department of Jurisprudence at Al Qasimia University. He is a preacher at the General Authority of Islamic Affairs and Endowments, and a Certified Shariah Auditor and Advisor from the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI). He is an author of several research papers and conducts research on the jurisprudence of Islamic transactions and contemporary jurisprudential issues.

### III. Duties fulfilled by the ISSC during the financial year

The ISSC conducted Shariah supervision of the Institution's Activities by reviewing those activities and monitoring them through the internal Shariah control division or section, internal Shariah audit, in accordance with the ISSC's authorities and responsibilities, and pursuant to the Regulatory Requirements in this regard. The ISSC's activities included the following:

- Convened eight (8) meetings during the year.
- Issuing fatwas, resolutions and opinions on matters presented to the ISSC in relation to the Institution's Activities.
- Monitoring compliance of policies, procedures, accounting standards, product structures, contracts, documentation, business charters, and other documentation submitted by the Institution to the ISSC for approval.
- Ascertaining the level of compliance of allocation of expenditures and costs, and distribution of profits between investment accounts holders and shareholders and between the investment accounts holders with parameters set by the ISSC.
- Supervision through the internal Shariah control division, internal Shariah audit, of the Institution's Activities including supervision of executed transactions and adopted procedures on the basis of samples selected from executed transactions, and reviewing reports submitted in this regard.
- Providing guidance to relevant parties in the Institution – to rectify (where possible) incidents cited in the reports prepared by internal Shariah control division, internal Shariah audit, and issuing of resolutions to set aside revenue derived from transactions in which non-compliances were identified for such revenue to be disposed towards charitable purposes.
- Approving corrective and preventive measures related to identified incidents to preclude their recurrence in the future.
- Specifying the amount of Zakat due on each share of the Institution.

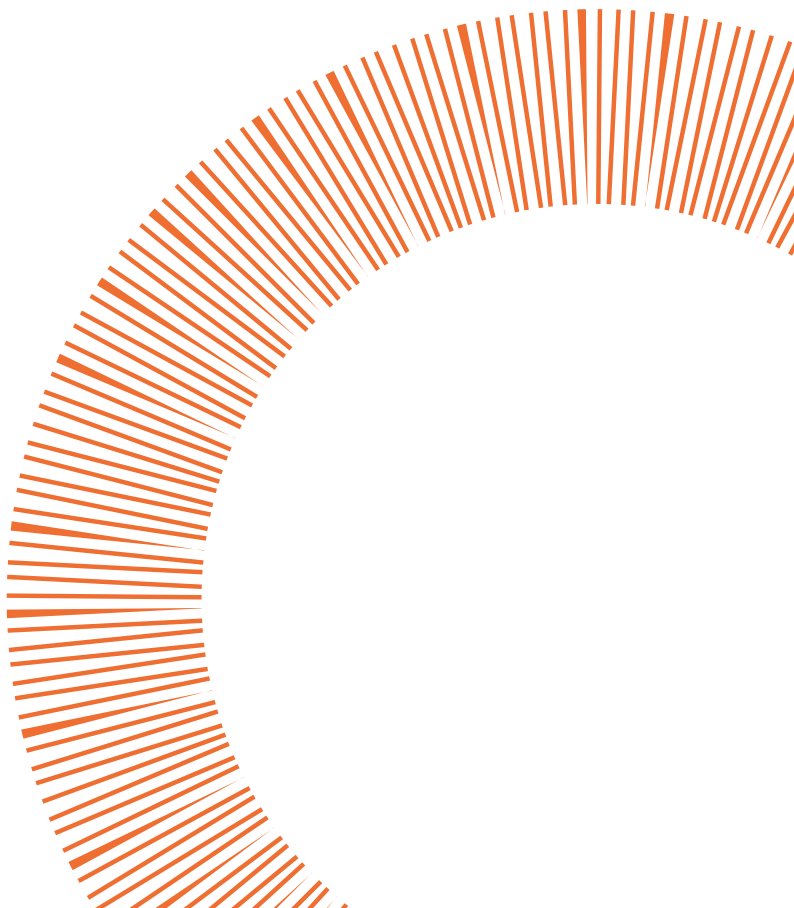
- Communicating with the Board and its subcommittees, and the senior management of the Institution (as needed) concerning the Institution's compliance with Islamic Shariah.
- Issuing Annual Shariah Reports on the compliance with Shariah rules and the resolutions of the HSA, or any other disclosures required by the Institution or the HSA.

The ISSC sought to obtain all information and interpretations deemed necessary in order to reach a reasonable degree of certainty that the Institution is compliant with Islamic Shariah.

### IV. Charity Contributions

According to ISSC, Ajman Bank is not permissible to earn income from the Shariah non-compliant activities/transactions and need to identify if there is any non Shariah-compliant income generated from such activities/transaction. All the Shariah Non-compliant income is set aside in a separate charity account to be disposed by the Ajman Bank under the supervision of the ISSC.

In year 2025, the ISSC has approved under the recommendations of the Charity Distribution Committee (CDC) the amount of AED 126,000.00 to be disbursed to approved charitable organisations in line with the recommendations of the BEC approved by the ISSC.





# REMUNERATION





## BOARD REMUNERATION

Board remuneration comprised of a fixed payment towards the Board membership and the Board Committees attendance fees. The Board Nomination and Compensation Committee and the Board review the Board remuneration in line with the regulatory stipulations, performance of the Bank, current and projected economic scenario, and accordingly recommend it to the General Assembly for approval by the Shareholders. The total remuneration paid to the Board members in the year 2025 is as follows:

Board Members	Board Committee Attendance Fees paid during 2025		2024 Board Remuneration paid during 2025 (AED)	Total Remuneration paid during 2025 (AED)
	No. of meeting	Amount (AED)		
Mr. Faisal Hassan Ibrahim Galadari	21	250,000	500,000	750,000
Mr. Abdulla Mohammed Hassan Al Hosani	21	235,000	500,000	735,000
Mr. Mahmood Khaleel Ahmed Al Hashimi	18	205,000	500,000	705,000
Ms. Sarah Ahmed Abdulrahman Aljarman	10	100,000	500,000	600,000
Mr. Ali Rashed Humaid Al Mazroei	9	90,000	500,000	590,000
		<b>880,000</b>	<b>2,500,000</b>	<b>3,380,000</b>

H.H. Sheikh Ammar Bin Humaid Bin Rashid Al Nuaimi (Chairman) and H.H. Sheikh Rashid Bin Humaid Bin Rashid Al Nuaimi (Vice Chairman) did not receive any remuneration.

The Bank has proposed AED 2,500,000 as the Directors' remuneration to be paid for 2025 in 2026, subject to the shareholders' approval at the annual general meeting currently scheduled for 3 March 2026.

# EXECUTIVE MANAGEMENT REMUNERATION

Ajman Bank acknowledges that its employees are a valuable asset and is committed to maintaining a fair and competitive remuneration system that supports the Bank's strategic objectives, aligns with regulatory requirements, and attracts and retains high-quality talent. Ajman Bank's Remuneration Policy is based on the principles of transparency, fairness, and performance and aims to ensure that the Bank's remuneration practices are consistent with the Bank's risk management framework and aligned with industry best practices. The Policy sets out the principles and framework for remuneration, review and amendment process, and compliance with legal and regulatory requirements.

Ajman Bank's Remuneration Policy is approved and overseen by the Board of Directors, with support from the Board Nomination & Compensation Committee (BNCC) and other stakeholders and is subject to review and amendment to ensure its ongoing effectiveness and compliance with legal and regulatory requirements.

The total remuneration paid in 2025 to the Bank's Executive Management (as noted on page 17), at the end of the financial year was AED 27,399,084.22 (2024: AED 18,867,208.63).



# MANAGEMENT COMMITTEES



## Empowerment and Transparency through transformed Management Committees

The role of the management committees is to assist the CEO in discharging the day-to-day responsibilities for managing the Bank, and they represent the most elevated level of oversight and decision-making in the Bank after the Board and the Board Committees. These committees provide forums for expertise, challenge, and decision making within the authority granted by the Bank's Delegation of Authority Framework. These committees act as a day-to-day check and balance to ensure power and authority within the Bank is adequately diversified to ensure a robust decision-making process.

Management Committees	Abbreviation	Description
Executive Committee	EXCO	EXCO provides a forum to discuss decisions on the overall Bank affairs. Including the Bank's strategy, governance, budgets, etc.
Credit Execution Committee	CEC	CEC supports the Board, the Board Committees, and senior management in overseeing the growth of the Wholesale Banking, Consumer Banking and Treasury business lines and making effective decisions, on the Bank's credit and investment risk exposures, in alignment and compliance with the Bank's approved Risk Appetite, Credit Risk Policies & Framework, CBUAEs Credit Risk Management Regulations and Standards and the authority delegated by the Board through the Delegation of Authority.
Asset & Liability Committee	ALCO	ALCO monitors and establishes, limits and guidelines within which Asset & Liability Management strategies are to be executed according to the limits set by the Board of Directors.
Executive Risk Committee	ERC	ERC oversees and monitors the Board approved risk appetite and Enterprise Risk Framework. It defines, develops, and periodically monitors the Bank's risk appetite metrics along with its related methodology, parameters, and tolerances.
IT Steering Committee	ITSC	Recommends and oversees IT-related strategic matters/projects.
Executive Compliance Committee	ECC	ECC oversees and supports effective and efficient management of Financial Crimes and Regulatory Compliance, including AML/CFT, Sanctions Risk Management, etc.
Human Resource Committee	HRC	HRC assists EXCO and the Board to implement strategic and operational human resource (HR) initiatives. It provides a forum to discuss and approve HR initiatives and actions.
Disciplinary Committee	DC	DC is responsible of assessing and overseeing internal cases requiring disciplinary action by the Bank.
Model Oversight Committee	MOC	MOC oversees the objective and strategy of the models employed within the Bank, ensuring these are fit for purpose.
New Products & Services Committee	NPSC	Provides active oversight and takes decisions pertaining to the launch of new Product and Service or material changes in the existing products/ services.
Vendor Management Committee	VMC	VMC oversees strategic vendor management and third-party suppliers.





**SHARE  
INFORMATION AND  
PERFORMANCE**

## I. Shareholding Ownership Structure (as of December 2025)

### Shareholder Ownership Percentage

The Government of Ajman	33.10%
H.H. Sheikh Humaid Rashid Bin Humaid Al Noaimi	15.98%
Free Float Investors	50.92%
Total	100.00%

The table below presents the distribution of ownership of Ajman Bank shares as of 31 December 2025.

Percentage of Owned Shares				
Shareholder Classification	Individuals	Corporate	Government	Total
UAE	40.9912	17.0016	33.1000	91.0928
GCC	0.7709	0.2247	0	0.9956
Arab	1.3597	0.0925	0	1.4522
Others	0.8236	5.6353	0	6.4589
Total	43.9454	22.9541	33.1002	100

The below presents the Ajman Bank shareholders pursuant to size of the ownership as of 31 December 2025.

Share(s) Ownership	Number of shareholders	Number of owned shares	Percentage of owned shares of Ajman Bank's capital
Less than 50,000	58,491	178,554,647	6.5561
From 50,000 to less than 500,000	732	108,072,798	3.9682
From 500,000 to less than 5,000,000	169	229,569,076	8.4292
More than 5,000,000	37	2,207,303,479	81.0466
Total	59,429	2,723,500,000	100

## II. Share Performance

The table below presents the comparative performance of the Bank's shares with the general market index and the sector index to which the Bank belongs during 2025.

Month	Ajman Bank	DFMGI	Banking
January	1.70	5180.370	3597.350
February	1.68	5317.630	3724.210
March	1.58	5096.240	3441.050
April	1.51	5307.150	3645.110
May	1.50	5480.510	3806.570
June	1.47	5705.760	3984.160
July	1.48	6159.150	4465.320
August	1.44	6063.610	4305.850
September	1.43	5839.640	4196.040
October	1.46	6059.430	4377.010
November	1.37	5836.890	4120.180
December	1.33	6047.090	4327.880

## III. Share Price

The table below presents Ajman Bank Share Price (Closing price, High Price, Low Price) at the end of each month during the financial year 2025.

Month (2025)	Month Low	Month High	Closing Price
January	1.660	1.790	1.700
February	1.640	1,700	1,680
March	1.550	1.730	1.580
April	1,490	1,590	1.510
May	1.480	1.530	1.500
June	1.320	1.530	1.470
July	1.440	1.550	1.480
August	1.440	1.500	1.440
September	1.420	1.470	1.430
October	1,390	1.500	1.460
November	1.370	1.490	1.370
December	1.290	1.450	1.330

## Board & Shareholders Affairs

Name  
**Hothaifa Marwan**

Email  
**investors@ajmanbank.ae**

Contact Number  
**+971 55 295 5155, +971 6 701 8199**

Investor Relations website:  
**[www.ajmanbank.ae/site/investor-relations.html](http://www.ajmanbank.ae/site/investor-relations.html)**



# APPENDIX

## Appendix 1 – Board Member Details and External Positions

Board Member Name	Nationality	Qualifications	First Appointment Date	Experience	Membership and Position in any other Joint Stock Companies	Position in any other Important Regulatory, Governmental, or Commercial Positions
<b>H.H. Sheikh Ammar Bin Humaid Bin Rashid Al Nuaimi</b>	UAE	College of Police Sciences – Dubai	16-04-2008	-	-	Crown Prince of Ajman - Chairman of the Executive Council
<b>H.H. Sheikh Rashid Bin Humaid Bin Rashid Al Nuaimi</b>	UAE	Bachelor of Business Administration	16-04-2008	-	-	Head of the Municipality and Planning Department - Ajman
<b>Mr. Faisal Hassan Ibrahim Galadari</b>	UAE	Bachelor's Degree in Commerce	24-05-2021	More than 40 years of experience in banking	Member of the Board of Directors of Noor Capital	-
<b>Mr. Ali Rashid Humaid Al Mazroei</b>	UAE	MBA	24-05-2021	More than 15 years of commercial experience	Chairman of the Board of Directors of Emirates NBD Real Estate Investment Trust  Member of the Board of Directors of National Bonds Corporation	-
<b>Mr. Abdullah Mohammed Hassan Al Hosani</b>	UAE	Bachelor's Degree in Accounting and Economics	21-03-2018	More than 30 years of banking experience	Member of the Board of Directors of Union Insurance Company & Vice Chairman of Amanat Holdings	-
<b>Mr. Mahmood Khaleel Ahmed Al Hashimi</b>	UAE	Bachelor's Degree in Accounting	05-04-2021	More than 30 years of banking - Experience in Central Bank and Free Zones - Economic Department	-	General Manager, Ajman Tourism and Development Department
<b>Ms. Sarah Ahmed Abdulrahman Aljarman</b>	UAE	Master's Degree in Media & Business	17-04-2024	Over 18 years of experience in Media & Business	-	-

## Appendix 2 – Head of Corporate Governance Contact Information

Name  
**Gopal Lohiya**

Email  
**[gopal.lohiya@ajmanbank.ae](mailto:gopal.lohiya@ajmanbank.ae)**

Contact Number  
**+971 6 747 9999**

The Corporate Governance Report is signed off by the Chairman of the Board,  
Chairs of the Board Committees, and the Head of Internal Control Function.



Chief Internal Auditor

Director of Internal Controls Department



**Chairman, Board Audit Committee**



**Chairman, Board Risk Committee**



**Chairman, Board Compliance Committee**



**Chairman, Board Profit Equalisation Reserve Committee**



**Vice Chairman, Chairmen of Board Executive Committee  
and Board Nomination & Compensation Committee**



**Chairman of the Board**



# التقرير الشرعي السنوي للجنة الرقابة الشرعية الداخلية لعام 2025م

## ANNUAL SHARI'AH REPORT OF INTERNAL SHARI'AH SUPERVISION COMMITTEE FOR THE YEAR 2025

مصرف عجمان ش م ع  
AJMAN BANK PJSC



## Annual Report of the Internal Shari'ah Supervision Committee (the "ISSC") of Ajman Bank PJSC

Issued on: 20<sup>th</sup> Jan 2026

To: Shareholders of Ajman Bank PJSC ("the Institution")

*Assalam u Alaikum Wa Rahmat u Allah Wa Barakatuh*

Pursuant to requirements stipulated in the relevant laws, regulations and standards ("the Regulatory Requirements"), the Internal Shari'ah Supervision Committee of the Institution ("ISSC") presents to you the ISSC's Annual Report for the financial year ending on 31 December 2025 ("Financial Year").

### 1. Responsibility of the ISSC

In accordance with the Regulatory Requirements and the ISSC's charter, the ISSC's responsibility is stipulated as to:

- undertake Shari'ah supervision of all businesses, activities, products, services, contracts, documents and business charters of the Institution; and the Institution's policies, accounting standards, operations and activities in general, memorandum of association, charter, financial statements, allocation of expenditures and costs, and distribution of profits between holders of investment accounts and shareholders ("Institution's Activities") and issue Shari'ah resolutions in this regard, and
- determine Shari'ah parameters necessary for the Institution's Activities, and the Institution's compliance with Islamic Shari'ah within the framework of the rules, principles, and standards set by the Higher Shari'ah Authority ("HSA") to ascertain compliance of the Institution with Islamic Shari'ah.

The senior management is responsible for compliance of the Institution with Islamic

## التقرير السنوي للجنة الرقابة الشرعية الداخلية ("اللجنة") لمصرف عجمان ش م ع

صدر في: 2026/01/20م

إلى السادة المساهمين في مصرف عجمان ("المؤسسة")

السَّلام عليكم ورحمة الله تعالى وبركاته، وبعد:

إن لجنة الرقابة الشرعية الداخلية للمؤسسة ("اللجنة") ووفقاً للمتطلبات المنصوص عليها في القوانين والأنظمة والمعايير ذات العلاقة ("المتطلبات الرقابية")، تقدم تقريرها للسنة المالية المنتهية في 31 ديسمبر من عام (2025م) ("السنة المالية").

### 1. مسؤولية اللجنة

إن مسؤولية اللجنة وفقاً للمتطلبات الرقابية ولائحتها التنظيمية تتحدد في:

- الرقابة الشرعية على جميع أعمال، وأنشطة، ومنتجات، وخدمات، وعقود، ومستندات، وموثائق عمل المؤسسة، والسياسات، والمعايير المحاسبية، والعمليات والأنشطة بشكل عام، وعقد التأسيس، والنظام الأساسي، والقوائم المالية للمؤسسة، وتوزيع الأرباح وتحمل الخسائر والنفقات والمصروفات بين المساهمين وأصحاب حسابات الاستثمار ("أعمال المؤسسة") وإصدار قرارات شرعية بخصوصها،
- وضع الضوابط الشرعية اللازمة لأعمال المؤسسة والتزامها بالشرعية الإسلامية في إطار القواعد والمبادئ والمعايير التي تضعها الهيئة العليا الشرعية ("الهيئة")، لضمان توافقها مع أحكام الشريعة الإسلامية.

وتتحمل الإدارة العليا مسؤولية التزام المؤسسة



Shari'ah in accordance with the HSA's resolutions, fatwas, and opinions, and the ISSC's resolutions within the framework of the rules, principles, and standards set by the HSA ("Compliance with Islamic Shari'ah") in all Institution's Activities, and the Board bears the ultimate responsibility in this regard.

## 2. Shari'ah Standards

In accordance with the HSA's resolution (No. 18/3/2018), and with effect from 01/09/2018, the ISSC has abided by the Shari'ah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as minimum Shari'ah requirements, in all fatwas, approvals, endorsements and recommendations, relating to the Institution's Activities without exception.

## 3. Duties Fulfilled by the ISSC During the Financial Year

The ISSC conducted Shari'ah supervision of the Institution's Activities by reviewing those Activities and monitoring them through the internal Shari'ah control division or section, internal Shari'ah audit, in accordance with the ISSC's authorities and responsibilities, and pursuant to the Regulatory Requirements in this regard. The ISSC's activities included the following:

- Convening (10) meetings during the year.
- Issuing fatwas, resolutions and opinions on matters presented to the ISSC in relation to the Institution's Activities.
- Monitoring compliance of policies, procedures, accounting standards, product structures, contracts, documentation, business charters, and other documentation submitted by the Institution to the ISSC for approval.
- Ascertaining the level of compliance of allocation of expenditures and costs, and distribution of profits between investment accounts holders and shareholders and

بالشريعة الإسلامية وفقاً لقرارات، فتاوى، وآراء الهيئة، وقرارات اللجنة في إطار القواعد والمبادئ والمعايير التي تضعها الهيئة ("الالتزام بالشريعة الإسلامية") في جميع أعمالها والتأكد من ذلك، ويتحمل مجلس الإدارة المسؤولية النهائية في هذا الشأن.

## 2. المعايير الشرعية

اعتمدت اللجنة على المعايير الشرعية الصادرة عن هيئة المحاسبة والمراجعة للمؤسسات المالية الإسلامية ("أيوبي") معايير للحد الأدنى للمتطلبات الشرعية والتزمت بها في كل ما تقتي به أو تعتمد أو توافق عليه أو توصي به فيما يتعلق بأعمال المؤسسة خلال السنة المالية المنتهية دون استثناء وفقاً لقرار الهيئة رقم 2018/3/18.

## 3. الأعمال التي قامت بها اللجنة خلال السنة المالية

لقد قامت اللجنة بالرقابة الشرعية على أعمال المؤسسة، من خلال مراجعة أعمال المؤسسة ومراقبتها من خلال إدارة الرقابة الشرعية الداخلية وإدارة التدقيق الشرعي الداخلي، وفقاً لصلاحيات اللجنة ومسؤولياتها والمتطلبات الرقابية في هذا الشأن. ومن الأعمال التي قامت بها اللجنة ما يأتي:

- عقد (10) اجتماعات خلال السنة المالية،
- إصدار الفتاوى والقرارات وإبداء الآراء فيما يتعلق بأعمال المؤسسة التي عرضت على اللجنة.
- مراجعة السياسات، واللوائح الإجرائية، والمعايير المحاسبية، وهياكل المنتجات، والعقود، والمستندات، وموثيق العمل، والوثائق الأخرى المقدمة من قبل المؤسسة للجنة للاعتماد/الموافقة.
- التأكد من مدى توافق توزيع الأرباح وتحميل النفقات والمصروفات بين أصحاب حسابات الاستثمار والمساهمين من جانب وبين أصحاب



between the investment accounts holders with parameters set by the ISSC.

- e. Supervision through the internal Shari'ah control division or section, internal Shari'ah audit, of the Institution's Activities including supervision of executed transactions and adopted procedures on the basis of samples selected from executed transactions, and reviewing reports submitted in this regard.
- f. Providing guidance to relevant parties in the Institution – to rectify (where possible) incidents cited in the reports prepared by internal Shari'ah control division or section, internal Shari'ah audit, and issuing of resolutions to set aside revenue derived from transactions in which non-compliances were identified for such revenue to be disposed towards charitable purposes.
- g. Approving corrective and preventive measures related to identified incidents to preclude their reoccurrence in the future.
- h. Specifying the amount of Zakat due on each share of the Institution.
- i. Communicating with the Board and its subcommittees, and the senior management of the Institution (as needed) concerning the Institution's compliance with Islamic Shari'ah.

The ISSC sought to obtain all information and interpretations deemed necessary in order to reach a reasonable degree of certainty that the Institution is compliant with Islamic Shari'ah.

#### 4. Independence of the ISSC

The ISSC acknowledges that it has carried out all of its duties independently and with the support and cooperation of the senior management and the Board of the Institution. The ISSC received the required assistance to access all documents and data, and to discuss all amendments and Shari'ah requirements.

حسابات الاستثمار من جانب آخر مع الضوابط الشرعية المعتمدة من قبل اللجنة.  
هـ. الرقابة من خلال إدارة أو قسم الرقابة الشرعية الداخلية، والتدقيق الشرعي الداخلي، على أعمال المؤسسة بما في ذلك المعاملات المنفذة والإجراءات المتبعة، وذلك على أساس اختيار عينات من العمليات المنفذة، ومراجعة التقارير المقدمة في هذا الخصوص.

و. تقديم توجيهات إلى الجهات المعنية في المؤسسة بتصحيح ما يمكن تصحيحه من الملاحظات التي وردت في التقارير المقدمة من قبل إدارة أو قسم الرقابة الشرعية الداخلية، والتدقيق الشرعي الداخلي، وإصدار قرارات بتجنيب عوائد المعاملات التي وقعت مخالفات في تطبيقها لصرفها في وجوه الخير.

ز. اعتماد التدابير التصحيحية/الوقائية فيما يتعلق بالأخطاء التي تم الكشف عنها لمنع حدوثها مرة أخرى.

ح. بيان مقدار الزكاة الواجبة على السهم الواحد من أسهم المؤسسة.

ط. التواصل مع مجلس الإدارة واللجان التابعة له والإدارة العليا للمؤسسة، حسب الحاجة، بخصوص التزام المؤسسة بالشريعة الإسلامية.

وقد سعت اللجنة للحصول على جميع المعلومات والتفسيرات التي اعتبرتها ضرورية للتأكد من التزام المؤسسة بالشريعة الإسلامية.

#### 4. استقلالية اللجنة

تؤكد اللجنة بأنها أدت مسؤولياتها وقامت بجميع أعمالها باستقلالية تامة، وقد حصلت على التسهيلات اللازمة من المؤسسة وإدارتها العليا ومجلس إدارتها للاطلاع على جميع الوثائق والبيانات، ومناقشة التعديلات والمتطلبات الشرعية.



## 5. The ISSC's Opinion on the Shari'ah Compliance Status of the Institution

Premised on information and explanations that were provided to us with the aim of ascertaining compliance with Islamic Shari'ah, the ISSC has concluded with a reasonable level of confidence, that the Institution's Activities are in compliance with Islamic Shari'ah, except for the incidents of non-compliance observed, as highlighted in the relevant reports. The ISSC also provided directions to take appropriate measures in this regard.

The ISSC formed its opinion, as outlined above, exclusively on the basis of information perused by the ISSC during the financial year.

We ask Allah Almighty to grant everyone guidance and strength.

*Assalam u Alaikum Wa Rahmat u Allah Wa Barakatuh*

## 5. رأي اللجنة بخصوص التزام المؤسسة بالشرعية الإسلامية

بناء على ما حصلنا عليه من معلومات وإيضاحات من أجل التأكد من التزام المؤسسة بالشرعية الإسلامية، فقد خلصت اللجنة بدرجة مقبولة من الاطمئنان إلى أن أعمال المؤسسة خلال السنة المالية متوافقة مع الشريعة الإسلامية إلا ما لوحظ من مخالفات تم رفع تقارير بشأنها، وقد وجهت اللجنة باتخاذ الإجراءات المناسبة في هذا الخصوص.

ورأي اللجنة، المذكور أعلاه، مبني على المعلومات التي اطلعت عليها خلال السنة المالية حصراً.

نسأل الله العلي القدير أن يحقق للجميع الرشاد والساداد

والسلام عليكم ورحمة الله وبركاته

### Members of the Internal Shari'ah Supervision Committee of Ajman Bank PJSC

**H.E. Prof. Dr. Jassem Ali Al-Shamsi,**

Chairman and Executive Member of ISSC

**H.E. Dr. Ibrahim Ali Al-Mansoori**

Member ISSC

**H.E. Dr. Yasser Hassan Ali Shehab Al-Hosani**

Member ISSC

### أعضاء لجنة الرقابة الشرعية الداخلية لمصرف عجمان ش م ع

فضيلة الأستاذ الدكتور/ جاسم علي الشامسي

الرئيس والعضو التنفيذي

فضيلة الدكتور/ إبراهيم علي المنصوري

عضو اللجنة

فضيلة الدكتور/ ياسر حسن علي شهاب الحوسني

عضو اللجنة



## ISSC Resolution

**Zakat of Ajman Bank Shares for the Financial Period from January 1, 2025 to December 31, 2025**



إدارة الرقابة الشرعية الداخلية

Internal Sharia Control Division

قرار لجنة الرقابة الشرعية الداخلية

**زكاة أسهم مصرف عجمان للفترة المالية من 1 يناير 2025م إلى 31 ديسمبر 2025م**

Date 01 Sha'ban 1447AH  
20 January 2026AD

01 شعبان 1447 هـ  
20 يناير 2025 م

التاريخ

Ref. No. ISCD/AB/Resolution/ISCD/2026

الرقم المرجعي

Resolution  
No.

01 / 2026 - 10

قرار شرعي رقم

بسم الله الرحمن الرحيم

Praise be to Allah, and may blessings and peace be upon his Messenger, his family, his companions, and those who follow him. Thereafter...	الحمد لله والصلاة والسلام على رسول الله وعلى آله وصحبه ومن والاه، وبعد...
The Internal Shariah Supervision Committee "ISSC" of Ajman Bank "AB" has reviewed the AB's request for its opinion on the Zakat of AB's Shares for the Financial Period from January 1, 2025 to December 31, 2025. Zakat of Shares to be calculated as follows:	فقد اطلعت لجنة الرقابة الشرعية الداخلية "اللجنة" لمصرف عجمان "المصرف" على طلب المصرف رأياً في زكاة أسهمه للفترة المالية من 1 يناير 2025م إلى 31 ديسمبر 2025م. حيث تحسب زكاة الأسهم كالتالي:
<ul style="list-style-type: none"> <li>Shares purchased for the purpose of trading i.e. for sale when the market price increases:</li> </ul>	<ul style="list-style-type: none"> <li>الزكاة المفروضة على الأسهم المشتراة بقصد الاتجار فيها أي البيع عند ارتفاع قيمتها السوقية:</li> </ul>
<p>Zakat Base for one share = Market rate of a share</p> <p>Zakat of one share = Zakat base X 2.5775%</p> <p>Total Zakat Due = Number of shares x Zakat of one share</p>	<p>وعاء الزكاة للسهم الواحد = قيمة السهم السوقية</p> <p>زكاة السهم الواحد = وعاء الزكاة للسهم الواحد x 2,5775%</p> <p>إجمالي الزكاة المستحقة = عدد الأسهم x زكاة السهم الواحد</p>
<ul style="list-style-type: none"> <li>Zakat Due on Shares purchased for the purpose of receiving dividends (profit) [Not for Trading]:</li> </ul> <p>AED 0.003672 Zakat on each share</p>	<ul style="list-style-type: none"> <li>الزكاة المفروضة شرعاً على الأسهم المشتراة للحصول على أرباحها ودون قصد الاتجار:</li> </ul> <p>0.003672 درهما إماراتياً زكاةً عن السهم الواحد.</p>
The ISSC Resolution:	قرار اللجنة:
After reviewing the above-mentioned methods for Zakat calculation on AB's shares for the financial period from January 1, 2025 to December 31, 2025, the ISSC finds it compliant with the provisions and principles of Islamic Shariah and does not violate the Shariah Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).	بعد الاطلاع على طرق احتساب الزكاة المذكورة أعلاه لأسهم المصرف للفترة المالية من 1 يناير 2025م إلى 31 ديسمبر 2025م، ترى اللجنة أنها متوافقة مع أحكام ومبادئ الشريعة الإسلامية، ولا تخالف المعايير الشرعية الصادرة عن هيئة المحاسبة والمراجعة للمؤسسات المالية الإسلامية (أيوبي).
And Allah knows the best.	والله أعلم بالصواب.

لجنة الرقابة الشرعية الداخلية Internal Shariah Supervision Committee

فضيلة الدكتور / ياسر حسن الحوسني  
عضو اللجنة

His Eminence Dr asir Hassan  
Al-Hosani – ISSC Member

فضيلة الدكتور / إبراهيم علي المنصوري  
عضو اللجنة

His Eminence Dr Ibrahim Ali  
Al-Mansoori – ISSC Member

فضيلة الأستاذ الدكتور / جاسم علي الشامسي  
الرئيس والعضو التنفيذي للجنة

His Eminence Prof. Dr Jassim Ali Al-Shamsi –  
Chairman & Executive Member

# 2025 SUSTAINABILITY REPORT

The Future of Finance is Green, the Future of Ajman Bank is now!

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# INTRODUCTION



## ABOUT THIS REPORT

# Building Tomorrow with Purpose and Progress

Welcome to Ajman Bank's 2025 Sustainability Report, providing a comprehensive overview of our environmental, social, and governance (ESG) and sustainable finance performance for the period 1 January 2025 to 31 December 2025. This report reflects our steadfast commitment to transparency, accountability, and sustainable growth, showcasing our ongoing efforts to embed sustainability across all aspects of our operations and decision-making.

Ajman Bank continues to advance its vision of being the UAE's preferred Islamic bank, guided by our principles of Service, Speed, Specialisation and Simplicity. Through this report, we highlight our achievements, challenges, and initiatives aimed at creating long-term value for our customers, employees, shareholders, and communities, while contributing to a resilient and inclusive financial ecosystem.



## Mapping our Sustainability Journey across the UAE

The report encompasses all Ajman Bank operations across the UAE, including our Head Office and branches in Ajman, Dubai, Sharjah, Ras Al Khaimah and Abu Dhabi. It captures the most material ESG topics relevant to our business and stakeholders, reflecting the economic, social, and environmental impacts of our operations during the reporting period.

## Our Commitment to Reporting Excellence

Ajman Bank's Sustainability Report follows the GRI Standards and adheres to the following principles to ensure clarity, reliability, and transparency:

- **Clarity:** Detailed data collection and analysis methodologies are provided to support transparency and comprehension.
- **Comparability:** Reporting boundaries and methodologies remain consistent to allow for meaningful year-on-year comparisons.
- **Completeness:** Material topics and indicators reflect the Bank's significant ESG impacts, enabling stakeholders to make an informed assessment of performance.
- **Sustainability Context:** Initiatives and partnerships highlighted in the report demonstrate Ajman Bank's contribution to sustainable development across the UAE, particularly in the Emirate of Ajman and the Northern Emirates.
- **Timeliness:** Performance data covers the period 1 January 2025 to 31 December 2025, ensuring stakeholders receive a current and relevant overview.
- **Accuracy:** The information contained in this report, both qualitative and quantitative, has been reviewed and verified by the Bank. In some instances, quantitative data/figures presented in this report may be driven from estimates, or may have been calculated based on certain assumptions, application of proxies or using conversion factors

obtained from external sources. Where any such limitations exist, the same have been disclosed and explained. The information contained in this report is provided for general informational purposes only and does not constitute investment advice, recommendation, or endorsement of any financial product, strategy or investment decision. Readers are strongly advised to conduct their own due diligence and consult with a qualified financial advisor before making any investment decisions. The authors and publishers of this report accept no liability for any losses or damages arising from reliance on the information presented herein.

• **Balance:** Both achievements and challenges are presented to provide a comprehensive and objective view of Ajman Bank's sustainability journey. It also reflects our commitment to international and national sustainability frameworks, including:

- United Nations Sustainable Development Goals (UN SDGs)
- UAE Net Zero 2050
- UAE Centennial 2071
- Ajman Vision 2030

These frameworks guide Ajman Bank's sustainable finance strategy and underscore our contribution to the UAE's long-term social, economic, and environmental priorities.

## Join us in Driving Change and Contribute to our Journey

Ajman Bank welcomes feedback on this report and our sustainability performance. Stakeholder insights are invaluable in helping us enhance our initiatives and reporting.

### Sustainability Centre of Excellence (SCoE)



sustainabilitycoe@ajmanbank.ae



P.O. Box 7770, Ajman, UAE

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# MESSAGE FROM THE CEO

## Driving Sustainable Growth, Shaping a Greener Future

2025 marks a pivotal year for Ajman Bank as our sustainability commitments moved decisively from intent to implementation across the organisation. We integrated ESG principles into our leadership, financing decisions, and growth strategy, positioning the Bank as a catalyst for the UAE's green economy and a reliable partner in the nation's Net Zero 2050 journey.

This year we pledged to mobilise AED 4 billion (approximately USD 1.1 billion) in sustainable finance by 2030, directing capital to renewable energy, energy efficiency, and socially responsible projects. Aligned with the National Vision, Ajman Bank committed to achieving Net Zero for Scope 1 and 2 emissions by 2030 and full Net Zero by 2050.

This year I approved our inaugural Sustainable Finance Framework to ensure our financing aligns with national priorities and international standards, including the UN Sustainable Development Goals.

We launched targeted products that translate ambition into action: Sustainable Home Finance, Green Auto Finance programmes and Green Savings Account for our retail customers, alongside sustainability-linked corporate financing and tailored green solutions for wholesale and SME clients. These initiatives, together with our financing targets, are already delivering measurable progress toward our 2030 objectives.

We continued to advance Emiratisation and gender diversity, and we are honoured to have achieved first place in the NAFIS awards for Emiratisation, a recognition of our commitment to developing local talent.

Transparency and measurable outcomes remain central to our approach, and this Sustainability Report reaffirms our pledge to accountability and open engagement with stakeholders as we scale sustainable finance, accelerate digital adoption, and cultivate the next generation of sustainability leaders.

I extend my sincere gratitude to the Board of Directors, Executive Management, and every member of the Ajman Bank team for their dedication and support. Most importantly, I thank our customers for their trust and partnership.

Together, we will lead by example in Islamic sustainable finance, forge enduring partnerships, and create shared prosperity for the UAE and beyond.

### Mustafa Al Khalfawi

Chief Executive Officer  
Ajman Bank





# MESSAGE FROM THE HEAD OF ESG

## Embedding Sustainability at the Heart of Finance

2025 was a landmark year for Ajman Bank, defined by decisive progress in our sustainability journey. We set an ambitious Sustainable Finance target of AED 4 billion and reaffirmed our commitment to achieve Net Zero for Scope 1 and 2 by 2030, with full Scope 3 neutrality by 2050. These targets reflect our determination to align with best practices at both local and global levels while delivering tangible impact across the UAE.

To translate ambition into action, we launched a suite of retail green programmes that make sustainable choices accessible to our customers. Highlights include the Pure Homes Green Home Finance and rEvolution Green Auto Finance. These programmes demonstrate how responsible finance can support everyday decisions and drive measurable environmental outcomes.

We also formalised our approach to sustainable financing by developing the Sustainable Finance Framework, aligned with national priorities and international standards. This framework underpins our product design, risk assessment, and reporting, ensuring that sustainability is embedded across the Bank's operations and capital allocation decisions.

The announcement of our Sustainable Finance Commitment together with the launch of Sustainable Finance Framework has catalysed the development of sustainable finance solutions across consumer and wholesale banking and has resulted in the Bank extending various sustainable finance deals during the year.

Ajman Bank's influence extended beyond our own balance sheet. In 2025 we were honoured to assume the Chairmanship of the UBF ESG 2 Committee, enabling us to help shape sector-wide approaches to sustainable banking. Our leadership was recognised across industry platforms, and our CEO was named among the top sustainability leaders at the Forbes Leadership Annual Summit—an acknowledgement of the collective effort behind our progress.

This year, we invested in climate and nature conservation initiatives that delivered measurable results, achieving an emissions reduction equivalent to 25,425 kg CO<sub>2</sub>.

A major institutional milestone was the expansion of our Sustainability Centre of Excellence, which has strengthened cross-bank collaboration, accelerated capability building, and positioned the Centre as a hub for innovation, knowledge sharing, and continuous improvement.

Looking ahead, Ajman Bank will continue to scale sustainable finance and support our clients in their transition journeys. We remain committed to responsible growth that balances financial performance with environmental and social stewardship and to creating long-term value for our stakeholders and the wider community.

### Zohaib Ali Zahid

Head of ESG  
Ajman Bank



## ABOUT AJMAN

# A Growing Hub, Proud Home of Ajman Bank

The Emirate of Ajman, located along the Arabian Gulf, has emerged as a dynamic centre for business, investment, and sustainable development. Spanning 259 square kilometres and home to nearly half a million residents, Ajman enjoys a strategic location bordering Sharjah, with close proximity to Dubai and Umm Al Quwain.

Its connectivity is enhanced by international airports in Sharjah and Dubai, and a new airport currently under development, ensuring efficient access for global trade and travel.

Ajman's government actively promotes responsible investment through competitive incentives, advanced infrastructure, and reliable utilities, while encouraging cost-effective and environmentally conscious operations. These advantages, combined with abundant resources and strong industrial capacity, have positioned Ajman as a hub for manufacturing, trade, and export. Today, goods

from Ajman reach more than 100 countries with garments leading as the emirate's largest export — supported by initiatives to reduce environmental impact across supply chains.

The Ajman Free Zone further strengthens the emirate's role in global commerce, hosting over 9,000 companies from more than 160 nations. This vibrant ecosystem supports SMEs, entrepreneurs, and multinational corporations, offering streamlined processes and green business solutions that align with international sustainability standards.

Beyond its economic strengths, Ajman offers a welcoming environment that blends Emirati heritage with expatriate diversity. Cultural landmarks such as the Ajman Museum, lifestyle attractions like the Corniche, and pristine beaches with luxury resorts and eco-tourism sites enhance its appeal as both a business and lifestyle destination committed to preserving natural beauty.

Ajman Bank plays a pivotal role in enabling this growth responsibly. Through sustainable finance solutions, the Bank empowers businesses, families, and investors to adopt practices that support environmental stewardship, social wellbeing and sound governance. By integrating ESG principles into its offerings — from trade finance to retail banking and investment services — Ajman Bank contributes to Ajman's vision of inclusive, sustainable development, reinforcing its position as a hub for prosperity and opportunity in the UAE.



## ABOUT AJMAN BANK

# Championing ESG Excellence for a Sustainable Economy





Ajman Bank, established in 2007 as the first Islamic bank incorporated in the Emirate of Ajman, has grown into a leading financial institution guided by integrity, trust, and transparency. With the enduring support of the Government of Ajman and its listing on the Dubai Financial Market in 2008, the Bank has consistently upheld the highest standards of governance and performance, reinforcing its reputation as a resilient and trusted player in the UAE's Islamic banking sector.



Headquartered in Ajman, the Bank plays a central role in the Emirate's economic development and sustainable growth. Its Board of Directors and Executive Management, led by CEO Mustafa Al Khalfawi, brings decades of expertise across corporate, retail, treasury, and operations, ensuring strategic oversight, innovation, and long-term value creation.

Strategically located near Sharjah and Dubai, Ajman Bank benefits from the emirate's business friendly

environment and thriving free zone, creating opportunities for investors and entrepreneurs. With a growing population and rising demand for retail and corporate banking services, the Bank is building a robust financial ecosystem that blends heritage with modernity, supporting Ajman's vision for sustainable prosperity.

Ajman Bank operates with a clear mandate to advance Islamic finance while delivering innovative, Shariah-compliant

solutions to individuals, corporations, and government entities. Deeply committed to supporting SMEs and entrepreneurs, the Bank drives diversification across key sectors including trade, real estate, manufacturing, and tourism. By enhancing financial inclusion and aligning with national priorities in sustainability, digital transformation, and economic resilience, Ajman Bank continues to strengthen its role as a trusted Islamic financial partner.

## OUR CORE VALUES

# Driving the Journey to Excellence

At Ajman Bank, our journey to excellence is guided by the 4 Ps:



### Prospect

Financing growth and enabling strategic advancement



### People

Inspiring leadership, fostering collaboration, and empowering talent



### Process

Streamlining workflows to drive operational efficiency



### Product

Delivering innovation and outstanding customer service

Complementing these values are our 4 S principles, which define how we serve our stakeholders every day:



### Service

Commitment to customer centric solutions



### Speed

Agility in execution and responsiveness



### Specialisation

Expertise that ensures quality and trust



### Simplicity

Making banking faster, more intuitive, and accessible through a digital-first approach

Together, the 4 Ps and 4 S form the foundation of Ajman Bank's culture, shaping our strategy, guiding our actions, and reinforcing our promise to create sustainable value for our customers, employees, and the wider community.

# OUR FOUNDATIONS FOR A SUSTAINABLE FUTURE



## Management Excellence

Ajman Bank's Board and Executive Management embed ESG into strategic decision making, aligning capital allocation, risk appetite, and incentive structures with sustainability objectives to ensure long-term value creation and accountable leadership.



## Workforce Strength and Diversity

Our diverse workforce, including a growing cohort of UAE nationals, is mobilised through targeted Emiratisation, inclusive hiring, and ESG training programmes that empower employees to drive social impact and operational excellence across the Bank.



## Collaborative Innovation

We leverage advanced data analytics, AI, and strategic partnerships to scale Shariah-compliant green products, improve operational efficiency, and deliver customer solutions that accelerate the transition to a low carbon economy.



## Exceptional Service

By integrating sustainability into product design and customer engagement, Ajman Bank delivers personalised, Shariah-aligned financing solutions and advisory services that help clients reduce environmental footprints while enhancing financial resilience.



## Oversight and Accountability

A robust governance framework, guided by local and international best practices, ensures transparency, rigorous ESG risk management, and regular reporting that uphold stakeholder trust and regulatory alignment.



## Capital and Liquidity Strength

Disciplined balance sheet management and resilient capital buffers enable the Bank to support sustainable growth, underwrite green projects, and maintain financial stability while advancing our ESG commitments.



## Sustainability and Impact

Sustainability is central to our strategy: we mobilise green finance, invest in nature and community initiatives, and measure outcomes through the Sustainability Centre of Excellence to deliver verifiable environmental and social impact.



## Trusted Brand

Ajman Bank's reputation for service excellence and responsible finance strengthens customer loyalty and public confidence, reflecting our consistent delivery on ESG commitments and community partnerships.



## Solid Shareholder Base

A stable, government-backed ownership structure provides strategic support and public trust, reinforcing our capacity to pursue long-term sustainable initiatives and create enduring value for stakeholders.



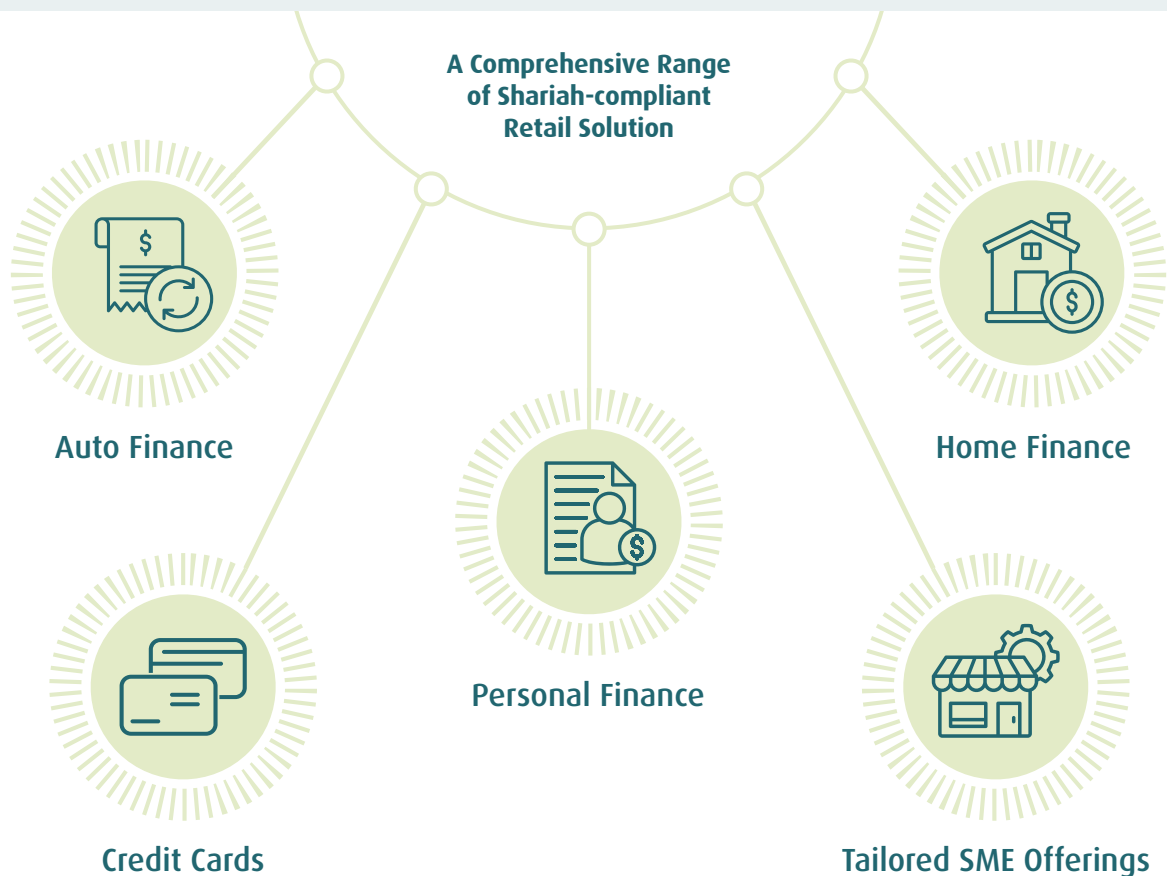
# OUR CORE BUSINESS PILLARS

Ajman Bank delivers its services through three integrated business departments, each designed to uphold our values as a Shariah-compliant institution while driving sustainable growth and long-term value creation.

## 1. Consumer Banking

Ajman Bank continues to strengthen its presence across the UAE, delivering a seamless, customer centric banking experience. Our Consumer Banking department operates through a strategically designed network of conventional and hybrid branches supported by our Digital Mobile Apps, Tablet Banking, and a network of Automated Teller Machines (ATMs), Cash and Cheque Deposit Machines (CCDMs). This suite of digital channels was recently further extended by the launch of Interactive Teller Machines (ITMs) and Generative Conversation AI Avatar, both of which were launched recently. This integrated infrastructure ensures convenient access to financial services for individuals, families, small businesses, and large corporates alike.

In line with our commitment to responsible banking, we are expanding our portfolio of green and sustainability focused solutions for consumers, empowering clients to embrace an environmentally conscious financial lifestyle.



## 2. Wholesale Banking

Ajman Bank's Wholesale Banking department stands as a trusted partner to Institutional Customers including Large Corporate & GREs, Commercial Entities, Government Entities and Financial Institutions across the UAE. With specialised sector-focused teams, we deliver tailored solutions to sovereign entities, government-related enterprises, large corporates, contracting firms, and real estate developers.

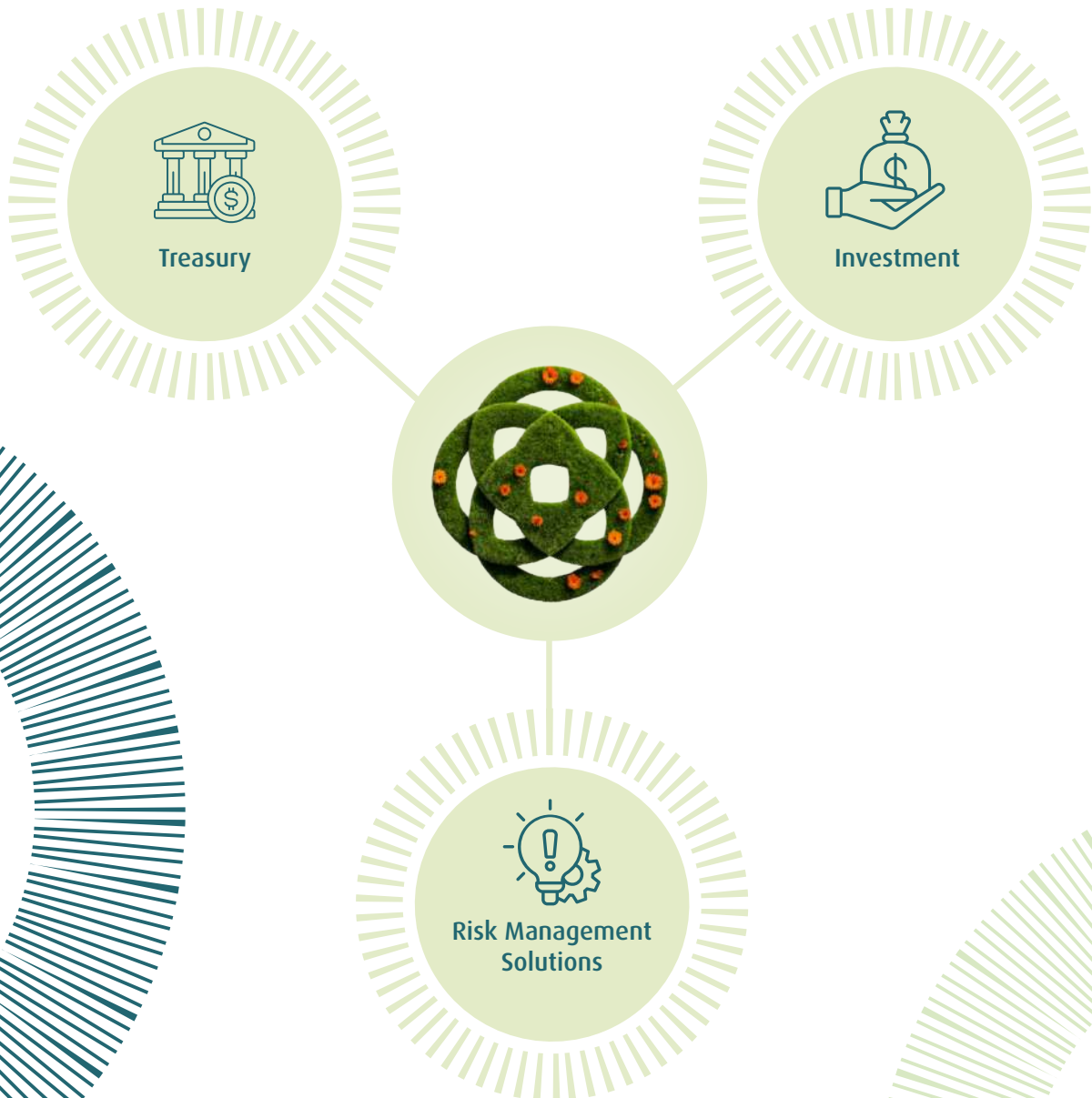
It also plays a pivotal role in fostering cross-bank collaboration, seamlessly connecting clients to Ajman Bank's wider expertise in Transaction Banking, Cash Management, and Sustainable Finance.



### 3. Treasury & Capital Markets

Ajman Bank's Treasury department delivers a comprehensive suite of Shariah-compliant treasury, investment, and risk management solutions, guided by deep expertise across local, regional, and international markets.

The department manages liquidity, optimises the balance sheet, and oversees the Bank's fixed income and sukuk portfolios while ensuring effective access to capital markets. Through prudent asset-liability management, strategic hedging, and diversified funding programmes—including sustainability aligned instruments—Treasury plays a vital role in safeguarding long-term stability and supporting sustainable growth.



A landmark achievement during the year was the resounding success of Ajman Bank's inaugural sukuk issuance. The Bank successfully priced a USD 500 million five-year sukuk, underscoring investor confidence in our strategy and reinforcing our position as a leading provider of Shariah-compliant capital market solutions.



# DELIVERING VALUE TO OUR STAKEHOLDERS

Ajman Bank remains committed to creating long-term, sustainable value for all stakeholders who contribute to and benefit from our growth.

## Our People

We strive to provide an engaging and future-focused workplace, offering competitive benefits, career advancement opportunities, and continuous professional development. A strong emphasis is placed on nurturing and empowering Emirati talent, ensuring the next generation of national leaders has the tools and support needed to thrive.

## Our Valued Clients

Ajman Bank serves a growing base of customers across individuals, SMEs, corporates, and government entities. Our priority is to safeguard their financial wellbeing and support their aspirations through transparent, responsible, and customer-centric financial solutions.

## Societal Partners

The Bank plays an active role in supporting the UAE's socio-economic progress. Guided by the nation's long-term vision, we participate in and enable initiatives that contribute to a more inclusive, diversified, and sustainable economy.

## Government and Oversight Authorities

We maintain strong engagement with regulatory bodies and government authorities, contributing to the development of a resilient, responsible, and forward-looking financial ecosystem that aligns with national priorities.

## Strategic Investors

Ajman Bank remains focused on delivering sustainable financial performance, creating long-term value, and maintaining the trust of shareholders through disciplined growth and robust governance.

## Business Partners

We work closely with suppliers and business partners, ensuring transparent relationships, timely payments, and opportunities for mutual growth. Our partnerships contribute to a resilient supply chain and support the broader economic landscape.

Ajman Bank engages customers, employees, investors, regulators, and suppliers through transparent, ongoing dialogue to align expectations with ESG priorities. These interactions strengthen customer trust, employee wellbeing and governance while supporting national goals such as Net Zero and Emiratisation. Continuous stakeholder engagement ensures the Bank delivers sustainable economic, social, and environmental value across the UAE.





# OUR AWARDS AND CERTIFICATIONS

Ajman Bank continues to strengthen its reputation through globally recognised certifications and prestigious awards, reflecting our commitment to excellence, resilience, and sustainability:



**ISO 20000-1:2018**      Service Management System



**ISO 22301:2019**      Business Continuity Management System



**ISO 9001:2015**      Quality Management System



**ISO 10002:2018**      Customer Satisfaction



**ISO Prestige 9001:2025**



**MEA Finance Award** Best Cloud Implementation



**Nafis 2025 Awards** First Place Winner, Medium-sized Entities (Banking Sector)



**Global Banking & Markets Awards Middle East 2025**



**Forbes Middle East** CEO recognised among Top Sustainability Leaders 2025



**PCI-DSS Certification** Ensuring global compliance for cardholder data protection through robust security controls and continuous monitoring



**SWIFT CSP Certification** Full implementation of stringent cybersecurity measures to secure financial messaging infrastructure



**IDC CS030 Award** Recognition of Ajman Bank's Head of Information Security among UAE's top 30 cybersecurity leaders for innovation and resilience

These achievements underscore Ajman Bank's unwavering dedication to operational excellence, customer-centricity, and sustainable innovation, while reinforcing our position as a trusted and forward looking financial institution.



## OUR STRATEGIC PARTNERSHIPS AND COLLABORATIVE INITIATIVES

At Ajman Bank, collaboration is a cornerstone of our sustainability journey. Throughout 2025, we strengthened our network of partnerships with both government entities and private sector organisations — reinforcing our role as a catalyst for sustainable finance, innovation, and national development.

These partnerships reflect our commitment to advancing the UAE's sustainability goals, promoting digital transformation, and fostering inclusive economic growth.



## Government and Institutional Partnerships

Ajman Bank has worked closely with key government entities and public institutions to support the UAE's vision for a sustainable and diversified economy.

Our engagements have focused on developing innovative financing models, enhancing public-private collaboration, and supporting the nation's Net Zero 2050 and Ajman Vision 2030 strategies.



Ajman Free Zone  
Authority (AFZA)



Ajman Municipality



Ajman Chamber  
of Commerce



Financial and Administrative  
Affairs Department



Ajman Department of Finance



Abu Dhabi Global Market (ADGM)



Abu Dhabi Export Office (ADEX)



Emirates Development Bank  
(EDB)



Ministry of Energy &  
Infrastructure



جامعة عجمان  
AJMAN UNIVERSITY

Ajman University



Department of Land and  
Real Estate Regulation



Etihad Water and Electricity  
(Etihad WE)



Meydan FZ



Shaikh Zayed Housing Programme

# Materiality Assessment

Ajman Bank carried out its first materiality assessment in 2024, following GRI standards, to identify the ESG topics most important to our business, stakeholders, and long-term value creation. The process used peer benchmarking, global frameworks such as SASB and GRI, and internal workshops with the ESG Working Group and Executive Committee. A structured scoring method was applied, with a 60% threshold to set the Bank’s ESG priorities. This initial assessment focused on internal perspectives to build alignment, and future assessments will include external stakeholders to ensure continued relevance and alignment with global best practices.

## Key Material Topics Identified:



Governance, Ethics,  
and Compliance



Customer Trust, Data  
Privacy, and  
Cybersecurity



Financial  
Inclusion and  
Responsible Banking



Sustainable Finance  
and Green Product  
Development



Environmental and  
Climate Impact  
Management



Human Capital  
Development and  
Employee Wellbeing



Diversity, Equity,  
and Inclusion



Innovation, Digital  
Transformation, and  
Paperless Banking



Risk Management  
and Business  
Resilience



Community  
Investment and  
Social Impact

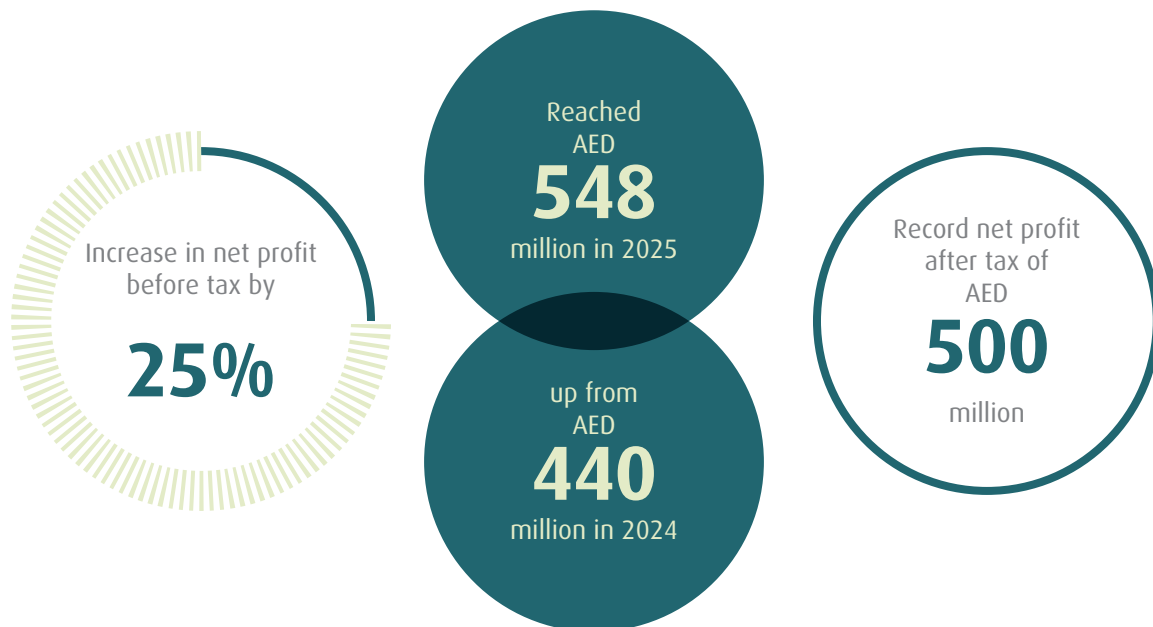
## FINANCIAL PROGRESS & STABILITY

# Driving Financial Progress and Stability to Strengthen the UAE Economy



Ajman Bank delivered another year of exceptional financial performance in 2025, marking the second consecutive year of record results driven by disciplined execution and strategic growth. The Bank achieved its highest ever operating and net profit, supported by a strong balance sheet and resilient business model.

Net profit before tax increased by 25%, reaching AED 548 Million (up from AED 440 million in 2024), while net profit after tax reached AED 500 Million in 2025. These results reflect the Bank's ability to sustain growth and performance despite a dynamic global environment.



Ajman Bank's success stems from a strategy centered on prudent financing, strong risk management, and selective high-quality asset growth. Amid evolving market conditions and shifts in the profit rate landscape, the Bank maintained healthy margins by concentrating on core business strengths and deep customer relationships.

Supportive UAE economic fundamentals, fueled by government initiatives and continued expansion across key sectors, further contributed to our performance. Enhanced cost efficiency and improved asset quality, driven by a continued focus on risk discipline and reduction in impairment provisions, strengthened the Bank's financial position.

This consistent performance underscores Ajman Bank's unwavering commitment to innovation, operational excellence, and delivering long-term sustainable value for our stakeholders.



# AJMAN BANK & SUSTAINABILITY



# AJMAN BANK'S COMMITMENT TO NATIONAL SUSTAINABILITY AND UAE VISION

The UAE has built a strong regulatory framework to guide the financial sector toward Net Zero 2050 and climate goals. Ajman Bank is fully aligned with these national priorities and global standards, embedding ESG principles into its core strategy.

## National Sustainability Framework Highlights



وزارة التغير المناخي  
والبيئة  
MINISTRY OF CLIMATE CHANGE  
& ENVIRONMENT

### Ministry of Climate Change & Environment

- Require companies to measure GHG emissions.
- Set emission reduction plans.
- Comply with Federal Decree-Law No. 11 of 2024 and Cabinet Resolution No. 67 on carbon credits.



بنك الإمارات العربية المتحدة  
العمرة  
CENTRAL BANK OF THE U.A.E.

### Central Bank of the UAE

- Require climate risk management and stress testing.
- Enforce ESG disclosures.
- Issue specific guidance for Islamic banking.



DFM  
سوق دبي المالي

### Dubai Financial Market (DFM)

- Mandate annual ESG reporting.
- Align disclosures with GRI, SASB, and ISSB.
- Support the Net Zero 2050 target.



هيئة الأوراق المالية والسلع  
SECURITIES & COMMODITIES AUTHORITY

### Securities & Commodities Authority (SCA)

- Enforce sustainability reporting under Article 76.
- Regulate green and sustainability-linked bonds and sukuk.



# OUR SUSTAINABILITY STRATEGY

## Ajman Bank's Strategic Alignment

Ajman Bank is deeply committed to supporting the UAE's national vision through a strategic approach that integrates the best global practices and local priorities. Guided by leading frameworks such as GRI, and the UN SDGs, the Bank aligns its sustainability agenda with Ajman Vision 2030, the UAE Net Zero 2050 initiative, and Energy Strategy 2050. This alignment ensures transparency, accountability, and shared value creation through close collaboration with regulators, customers, and communities.

In line with "We the UAE 2031" and the principles of the 50, Ajman Bank drives initiatives that foster Emirati talent and strengthen economic competitiveness. Its comprehensive Emiratisation Programme equips

UAE nationals with advanced training, mentorship, and leadership development—building a future-ready workforce that supports both national and organisational growth.

On the environmental front, Ajman Bank is actively progressing toward Net Zero 2050 through climate stress testing, portfolio assessments, and structured roadmaps to manage climate-related risks and reduce emissions. By embedding sustainability and innovation into its core strategy, Ajman Bank reinforces its role as a trusted financial partner—delivering responsible growth, economic resilience, and environmental stewardship for a sustainable future.

Our Annual Sustainability Report for this year is aligned with the Sustainable Development Goals (SDGs) shown below.



مئوية الإمارات 2071  
UAE CENTENNIAL 2071  
The Vision is the Future  
المعنى للأمة هي المستقبل



# Sustainability Strategy 2025

## Strategic Pillars

We drive sustainable growth through three strategic pillars:

**STRENGTHENING CLIENT  
RELATIONSHIPS**

**ACCELERATING DIGITAL  
TRANSFORMATION**

**EXPANDING SUSTAINABLE  
FINANCE SOLUTIONS**

These pillars guide our customer engagement and capability building to support a just, low carbon transition and inclusive economic development.

## Key Initiatives

Priority initiatives include green financing and sustainability linked solutions, social financing through targeted programmes to advance financial inclusion and Emirati talent development. We are also reducing our operational footprint through energy efficiency measures and partnerships that deliver measurable environmental and social outcomes.

**FINANCIAL INCLUSION AND  
EMIRATI TALENT DEVELOPMENT**

**GREEN FINANCING AND  
SUSTAINABILITY-LINKED PRODUCTS**

Ajman Bank's sustainability strategy advances a purpose driven Islamic banking model that delivers robust financial performance while embedding sustainability and innovation across the organisation. ESG principles are integrated into governance, risk management, product design and operations, aligning the Bank with Ajman Vision 2030, UAE Net Zero 2050 and international best practice to create long-term value for stakeholders.

## Net Zero Strategy

Our Net Zero pathway follows a phased approach:



We measure GHG emissions across Scope 1, Scope 2 and Scope 3 (including Financed Emission), implementing energy efficiency and operational reduction measures, compensating residual emissions through nature based projects and strategic partnerships. The Bank is committed to Net Zero for Scope 1 and 2 by 2030 and to full Net Zero by 2050.

## Sustainable Finance Strategy

Our sustainable finance approach combines use of proceeds financing (green and social), targeted financing for companies with strong green profiles, sustainability linked financing to drive measurable performance improvements, and transition finance to support clients shifting to lower carbon business models. Client advisory and technical support are provided through the Sustainability Centre of Excellence to ensure robust project selection, KPI setting and independent verification.

Looking ahead, Ajman Bank will continue mobilising sustainable finance, scaling ESG integration across products and processes, and leveraging digital innovation to accelerate client transitions and deliver long-term shared value.

# ESG GOVERNANCE

In 2024 we strengthened our ESG governance under the direct supervision of the Chief Executive Officer, informed by a comprehensive benchmarking study of peer banks in the UAE and international best practices; by 2025 this enhanced structure has matured into a clear, accountable framework that embeds sustainability into strategic decision making, risk oversight and operational execution. The governance model clarifies roles and responsibilities across the Board, Executive Management and key committees, ensures robust Shariah and regulatory alignment, and integrates ESG criteria into capital allocation, performance incentives and reporting. This approach safeguards stakeholder interests, reinforces long-term value creation for our people, customers and communities, and provides the governance foundation required to scale Ajman Bank's sustainable finance ambitions.

## Board and Board Committees

Provide oversight for the bank-wide ESG and climate initiatives.



## CEO

Make major ESG decisions and act as the main point of communication between the board of directors and corporate operations.



## ESG Working Group

Wholesale	Treasury	Consumer Banking	Credit	Admin
Provide oversight for the bank-wide ESG and climate initiatives.	Construct an ESG-driven treasury portfolio and initiate ESG fundraising for the bank.	Embed sustainable products and services into consumer banking.	Assess the bank's exposure to ESG and climate risk stemming from its clients.	Drive the bank's ESG ambition in own operations and facilities.
Shariah	Risk	Compliance	Internal Audit	Human Capital
Make sure the bank's ESG efforts are aligned with the Shariah principles.	Develop ESG risk management frameworks, tools, and methodologies.	Keep up-to-date with applicable regulations and guidelines, and support the bank's alignment.	Monitor and assure the bank's disclosure and ESG performance.	Provide necessary ESG upskilling and deploy new required talent.
Corporate Communications & Marketing	Customer Experience & Education		Finance	
Circulate the bank's ESG efforts with the external stakeholders.	Raise awareness about ESG topics among customers, and identify their expectations.		Allocate sufficient budgeting for each function to drive the ESG action points.	

## EG & PMO Department

Coordinate the bank-wide ESG effort.

## 2023

NOV

### Establishment of Centralised ESG Function

DEC

First ever  
baselining of  
Scope 1 and 2  
Emissions

MAR

Publication of  
First Annual  
Report in line with  
GRI standards

JAN

ESG team  
expansion and  
structuring of  
the SCoE

# 2025

# Nov

Realignment of ESG function to directly report to the CEO

JULY

## Establishment of Inaugural ESG Roadmap

FEB

Ajman Bank  
becomes chair  
UBF ESG 2  
Committee

APR

First ever emissions compensation through Climate and Nature Preservation Investment

MAY

## Announcement of Net Zero and SF Commitment

AUG

Initiation of baselining of Scope 3 emissions

AUG

## Climate Risk drivers analysis

AUG

## Implementation of Paper Less Operations Initiative Phase 1



## Launch of Pure Homes and rEvolution Auto Finance Solutions

SEP

Suite of  
Wholesale and  
SME Sustainable  
Finance Solutions

OCT

## Initiation of Sustainable Finance Register

NOV

## Inaugural Sustainable Finance Policy

# OUR SUSTAINABILITY PROGRESS 2025

## Championing the UAE's Path to Net Zero

On 1 May 2025 Ajman Bank announced ambitious targets to mobilise AED 4 billion in sustainable finance by 2030, achieve Net Zero for Scope 1 and 2 emissions by 2030, and reach full Scope 3 Net Zero by 2050. These commitments anchor our strategic direction and guide capital allocation, product development and operational priorities.

## Sustainable Finance Framework and Monitoring

We launched a Sustainable Finance Framework aligned with ICMA and LMA standards and supported by a real-time dashboard. The framework standardises transaction classification and impact measurement across retail, SME and corporate portfolios, enabling transparent tracking of progress toward our sustainable finance goals.

## Sustainable Finance Solutions

In 2025 we introduced retail green offerings—Green Path Savings Account, rEVolution (green auto finance) and Pure Homes (green home finance and solar upgrades)—alongside targeted SME, Emirati and women entrepreneur solutions. Corporate capabilities were expanded with sustainability linked and transition finance structures that tie pricing and terms to clients' ESG performance.

## Sustainable Finance Portfolio Progress

Ajman Bank has built strong momentum toward its 2030 commitments, executing a number of sustainable finance deals across eight sectors that advance multiple Sustainable Development Goals. A dedicated Sustainable Finance Register, structured in line with our approved Sustainable Finance Framework is used to record and keep track of all financing and investing transactions that qualify as Sustainable Finance. The Central ESG Division published monthly dashboards to summarise and build awareness of the Bank's progress towards Sustainable Finance Targets, integrated with our SFF and dashboard for robust due diligence and independent verification.



## Leadership and Recognition

Our CEO, Mr. Mustafa Al Khalfawi, was recognised by Forbes Middle East as a leading sustainability figure, reflecting the Bank's progress in climate action.



Represented by Head of ESG Zohaib Ali Zahid, Ajman Bank was appointed Chairman of the UAE Banks Federation ESG 2 Committee, strengthening our role in shaping national sustainability practice.

In early 2025, the Bank was awarded "Emerging Bank in ESG Banking UAE" in Global Banking and Finance Awards Category by The European magazine.

## Operational Climate Action

We apply GHG Protocol methodologies to monitor operational emissions and advanced paperless processes and resource efficiency measures in 2025. Energy, water and waste optimisation initiatives support our Net Zero pathway and reduce the Bank's environmental footprint.

## People and Inclusion

Our Emiratisation Programme reached 37% of the full time workforce, supported by focused recruitment, retention, training and leadership development initiatives. These efforts reinforce national talent development and inclusive growth.



# SUSTAINABLE FINANCE CASE STUDIES

## CASE STUDY

# 1

### Finance Renewable Energy Capacity Expansion

Ajman Bank provided a dedicated green project finance facility to a leading energy producer in the GCC, enabling the expansion of renewable energy capacity and supporting the transition away from conventional fuels. The financing incorporated strong environmental governance and sustainability reporting aligned with global green finance principles, reinforcing Ajman Bank's commitment to advancing low-carbon solutions and a greener regional power system.



## CASE STUDY

# 2

### Supporting Operational Excellence in Education Sector

Ajman Bank provided a sustainable working capital facility to a leading education provider in the UAE, enabling the expansion of learning programmes, digital education tools, and campus sustainability initiatives. The financing linked operational support to measurable social outcomes, including student wellbeing inclusion, and reduced environmental impact—reinforcing Ajman Bank's commitment to advancing high-quality, socially responsible education.





## Financing Solar Energy Growth for a Future SME Leader

Ajman Bank provided a specialised renewable energy finance solution to a growing SME in the GCC, enabling the scale-up of distributed solar infrastructure. The financing supported rooftop solar installations, modular clean-power systems, and off-grid technologies—reducing emissions at the community level and lowering energy costs for users. The project adhered to rigorous environmental standards, reflecting Ajman Bank’s commitment to empowering future leaders in clean energy and advancing decentralised, low-carbon ecosystems.

### CASE STUDY



### CASE STUDY



## Tech Financing for Waste Reduction and Energy Efficiency

Through a tailored sustainable finance facility, Ajman Bank empowered a technology-driven sustainability project to advance eco-solutions for waste reduction and energy efficiency. This initiative highlights the bank’s commitment to enabling next-generation climate-tech innovations that reduce environmental impact in the UAE.



## CASE STUDY

5

**Sustainable Home Financing**

Ajman Bank introduced a green home financing solution (Pure Homes) to help homeowners create energy-efficient and environmentally conscious living spaces. The initiative promotes the use of sustainable building materials, efficient cooling systems, and water-saving technologies, encouraging greener lifestyle choices while supporting the UAE's sustainability and housing goals.



## CASE STUDY

6

**Sustainable Sukuk Investments**

A Green Sukuk facility was structured in alignment with international Islamic sustainable finance principles to fund environmentally responsible real estate development. The financing supported low-emission building designs, improved waste management systems, and energy-conservation technologies across communities. This initiative demonstrates the role of Shariah-compliant capital in enabling large-scale sustainable urban development in the UAE.





## CASE STUDY

7

### Green Logistic Finance

A structured sustainable logistics finance solution was provided to a leading Emirati organisation with both local and global operations to advance greener supply-chain infrastructure. The facility supported initiatives such as improving port energy efficiency, deploying clean-mobility solutions, and enhancing ecosystem restoration near key logistics corridors. This approach highlights how climate-aligned financing can strengthen trade and transportation systems while balancing economic growth with environmental responsibility.



### Sustainability Linked Finance for Real Estate

A sustainability-linked finance facility was structured to incentivise environmental and social performance improvements in real estate development. The solution encouraged energy-efficient building designs, sustainable construction practices, and initiatives that enhance community wellbeing. This approach demonstrates how linking financial terms to ESG outcomes can drive responsible growth while supporting national sustainability objectives.

## CASE STUDY

8



## CASE STUDY

9

### Finance District Cooling and Centralised Systems

A green infrastructure finance solution was structured to support the expansion of low-carbon cooling technologies in urban areas. The facility enabled the development of efficient district cooling networks that significantly reduce emissions in dense communities. This initiative demonstrates how climate-aligned financing can accelerate essential infrastructure projects that contribute to national decarbonisation goals.



## CASE STUDY

10

### Accelerating Green Mobility Through Sustainable Auto Finance

Ajman Bank advanced clean mobility across the UAE through rEvolution, its Green Auto Finance solution dedicated to electric vehicles. The offering encourages customers to transition to low-carbon transportation platforms, reducing emissions from one of the country's most active sectors. Through responsible consumer lending, Ajman Bank supports greener choices that contribute to cleaner air and healthier communities.





# GOVERNANCE, SUSTAINABILITY & CUSTOMER TRUST

## Climate Related Financial Risk Management

Ajman Bank is developing a Climate Related Financial Risk Policy in line with recent CBUAE guidance that embeds board and senior management accountability, defines a climate risk appetite, and integrates climate considerations into credit, market, liquidity and operational risk frameworks.

The policy will require climate sensitive underwriting, sector exposure limits and enhanced due diligence, use forward looking scenario analysis and stress testing to inform capital and contingency planning, and strengthen data, model validation and internal controls for financed emissions reporting.

Supported by targeted training, cross functional governance and the Sustainability Centre of Excellence, the policy will formalise implementation milestones, reporting requirements and regulatory disclosure to enhance resilience and guide the Bank's transition aligned financing.



## Driving Financial Inclusion and Supporting Small Businesses

Ajman Bank places financial inclusion at the heart of its strategy, ensuring individuals and businesses have seamless access to banking through multiple inclusive channels. The Bank invests in staff training and accessibility enhancements across branches, including priority services for customers with special needs and regular mystery shopping to maintain service quality. For unbanked individuals and low-income earners, prepaid payroll cards provide easy access to cash and payments, while tailored initiatives support young Emiratis—students, graduates, and early-career professionals—with financial solutions that promote independence. Ajman Bank also empowers SMEs with sector-specific banking services and maintains a presence in underserved areas through branches and ATMs in remote locations. These efforts advance economic participation, financial literacy, and equitable access, reinforcing Ajman Bank's role as a trusted partner in building an inclusive financial ecosystem.



## Empowering Customers through Financial Education and Awareness

Ajman Bank continues to place financial education at the centre of its inclusion strategy, empowering customers to make informed and responsible financial decisions. In alignment with UAE Central Bank directives, the Bank advanced its Consumer Education Programme through a broad range of initiatives focused on financial literacy, transparency, fraud and cybersecurity awareness, and sustainable finance—supporting the UAE’s Net Zero 2050 objectives.

In 2025, outreach efforts expanded through a fully integrated mix of digital and on-ground channels, including social media, website resources, EDMs, ATM screens, and in-branch materials. Tailored financial literacy initiatives were delivered to youth, Emiratis, and the wider community, addressing key topics such as budgeting, saving, credit management, retirement planning, and responsible financing. The Bank also introduced a dedicated sustainability awareness initiative to highlight its green products and services.

Together, these efforts enhanced financial resilience, strengthened ethical banking practices, and reaffirmed Ajman Bank’s commitment to empowering customers and contributing to a more secure and sustainable financial future.



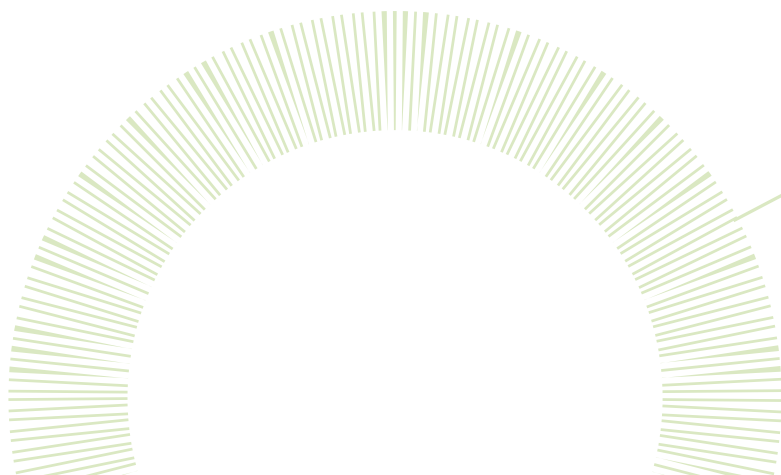
## Governance, Integrity, and Risk Management

Ajman Bank is committed to transparency, integrity, and strong governance through rigorous oversight and risk management. Our Board and specialised committees ensure strategic direction, independence, and compliance with both regulatory and Shariah standards, while promoting diversity and ethical conduct. These principles strengthen stakeholder trust and drive sustainable growth. For more details, refer to our Corporate Governance Report 2024/2025.



## Human Rights

Ajman Bank is committed to respecting and upholding human rights across all operations, ensuring fair treatment of employees, customers, suppliers, and communities. Guided by our Code of Conduct and robust internal policies, we promote inclusivity, dignity, and zero tolerance for discrimination or harassment. Secure reporting channels, including a Whistleblowing Policy, empower employees to raise concerns confidentially, reinforcing accountability and transparency. By embedding human rights principles into our governance framework, we foster a safe, respectful, and ethical workplace aligned with national laws and international standards.





## Safeguarding Data, Privacy, and Cybersecurity

Ajman Bank combines robust cybersecurity measures with global compliance standards. The Bank continuously strengthens its security framework through strategic investments in advanced technologies such as AI-driven threat detection, real-time monitoring, and Security Operations Centres (SOC), enabling proactive risk identification and rapid incident response. Regular policy reviews ensure alignment with international benchmarks like PCI-DSS and SWIFT CSP, while a comprehensive Consumer Data Protection Framework—compliant with UAE regulations—promotes transparency, ethical data use, and customer empowerment. Complementing these efforts, ongoing employee awareness programmes, phishing simulations, and cybersecurity training foster a culture of accountability and resilience. By embedding strong governance and cutting-edge defenses, Ajman Bank safeguards information integrity and reinforces trust in every digital interaction.



## Elevating Customer Experience at Ajman Bank

At Ajman Bank, customers remain at the heart of our strategy. We are committed to delivering superior financial services while fostering trust, innovation, and service excellence. Our approach is strengthened by continuous digital transformation and process optimisation, ensuring fast, seamless, and accessible banking across all touchpoints.

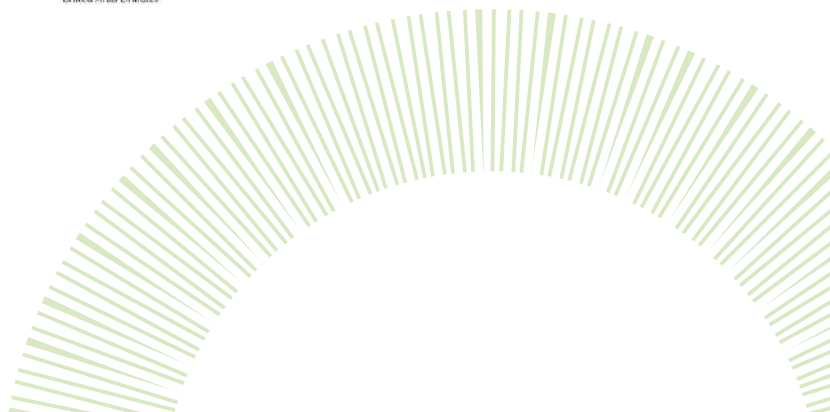
In 2025, the Bank introduced a real-time feedback system across branches for instant ratings and proactive improvements, alongside transparent complaint resolution mechanisms to ensure timely responses. Accessibility was enhanced with 24/7 multilingual support via digital channels and call centres, complemented by ongoing employee training in service excellence and Shariah-compliant practices. Looking ahead, Ajman Bank will harness advanced analytics, loyalty programmes, and inclusive features to integrate customer insights into strategic decisions, strengthen trust, and achieve its vision of becoming the UAE's preferred Islamic bank.



## Driving Digital Innovation

Ajman Bank is advancing its digital transformation in line with the UAE Centennial 2071 vision, delivering innovative solutions that enhance customer experience and build a future-ready economy. Our strategy focuses on operational excellence, efficiency, and agility—supported by investments in technology, infrastructure, and workforce upskilling. Robust governance and resilient systems ensure stability, security, and scalability as digital adoption accelerates. Through responsible innovation and customer-centricity, Ajman Bank is shaping a sustainable, technology-driven banking model that creates long-term value for stakeholders.

مئوية الإمارات 2071  
UAE CENTENNIAL 2071  
The World's Leading Nation أفضل دولة في العالم





# DIGITAL TRANSFORMATION MILESTONES



## Ajman Bank One and One X

Ajman Bank One is a next-generation digital platform designed to deliver seamless and personalised banking through features such as instant account opening, biometric verification, UAE Pass integration, and lifestyle services. Announced at GITEX 2025 and set for launch in 2026, the platform marks a major step in Ajman Bank's digital transformation. It also introduces OneX, an intelligent real-time customer-feedback engine that continuously enhances digital experiences. Together, these innovations reinforce Ajman Bank's commitment to providing faster, smarter, and more human digital banking for all customers.



## Hamad – AI Virtual Assistant

First Emirati AI-powered assistant providing real-time, multilingual customer support. Hamad was launched in October 2025 on our Digital Banking App and was holographically deployed at our Main Branch in Ajman. Hamad is accessible to public 24/7.



## Innovation Hub

Strategic platform for idea generation, experimentation, and collaboration aligned with national innovation goals.



## Consumer Mobile App Upgrade

Modernised app with card management, beneficiary services, and improved UI/UX.



## Consumer Finance Digitisation

Fully digital, Shariah-compliant application and approval process for faster, transparent Credit Card, Auto Finance and Home Finance application.



## Digital Onboarding

Launched fully digital customer onboarding process for straight through applications through mobile app and branch mounted tablets.



### Case Study: Aani Adoption

## Ajman Bank Leading the Future of Digital Payments

Ajman Bank is proud to play an active role in the UAE Central Bank's NPSS initiative, which aims to modernise the nation's payment infrastructure and enable secure, efficient, and inclusive digital transactions. Through the Aani platform, the Bank has successfully onboarded thousands of customers, facilitating seamless real-time inward and outward payments. This achievement enhances customer convenience, improves payment efficiency for retailers, and supports the UAE's vision for a modern, cashless economy. Ajman Bank's leadership in adopting Aani reflects its commitment to digital transformation, operational excellence, and advancing the country's financial ecosystem in alignment with national objectives.



# OUR ENVIRONMENTAL FOOTPRINT

## Scope 1 & 2 Emissions

Ajman Bank remains at the forefront of climate action, advancing its sustainability agenda through measurable actions and stronger environmental governance.

In 2025, we enhanced the accuracy of environmental data, improved climate-risk oversight, and optimised operational efficiency across branches and facilities.

Energy-efficiency initiatives, resource optimisation, and targeted emission-reduction measures were implemented to minimise our footprint, aligning with the UAE's Net Zero by 2050 vision.

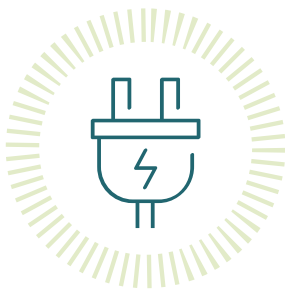
Building on these efforts, Ajman Bank strengthened energy monitoring systems across all operations, enabling deeper insights into consumption patterns and driving strategic efficiency improvements.

To support long-term decarbonisation, the Bank is developing a comprehensive emissions baseline under the Greenhouse Gas (GHG) Protocol. This will form the foundation for a structured Net Zero roadmap, including science-based targets and transparent reporting frameworks. By embedding sustainability into our business model and governance, Ajman Bank continues to champion environmental progress and contribute to a resilient, low-carbon economy.



The 2025 environmental inventory covers 13 operational locations across the UAE, including the headquarters in Ajman. ATMs have been excluded from this assessment.

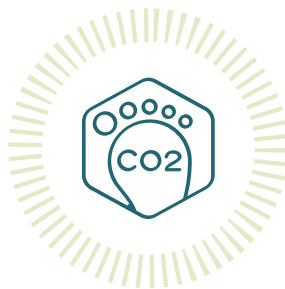
Key metrics for 2025:



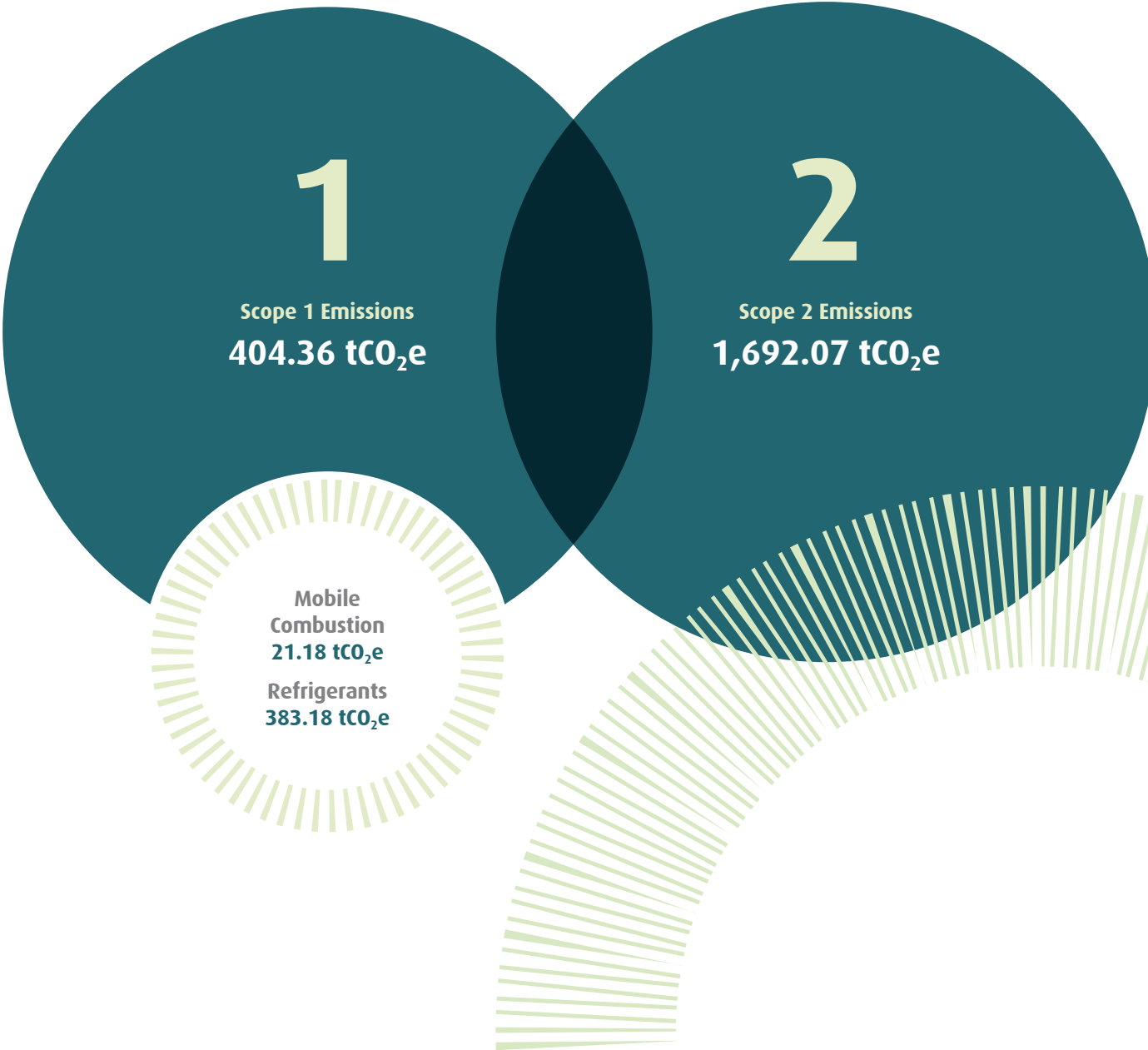
Total Electricity Consumption  
**4,326,966 kWh**



Total Water Consumption  
**6,293 m<sup>3</sup>**



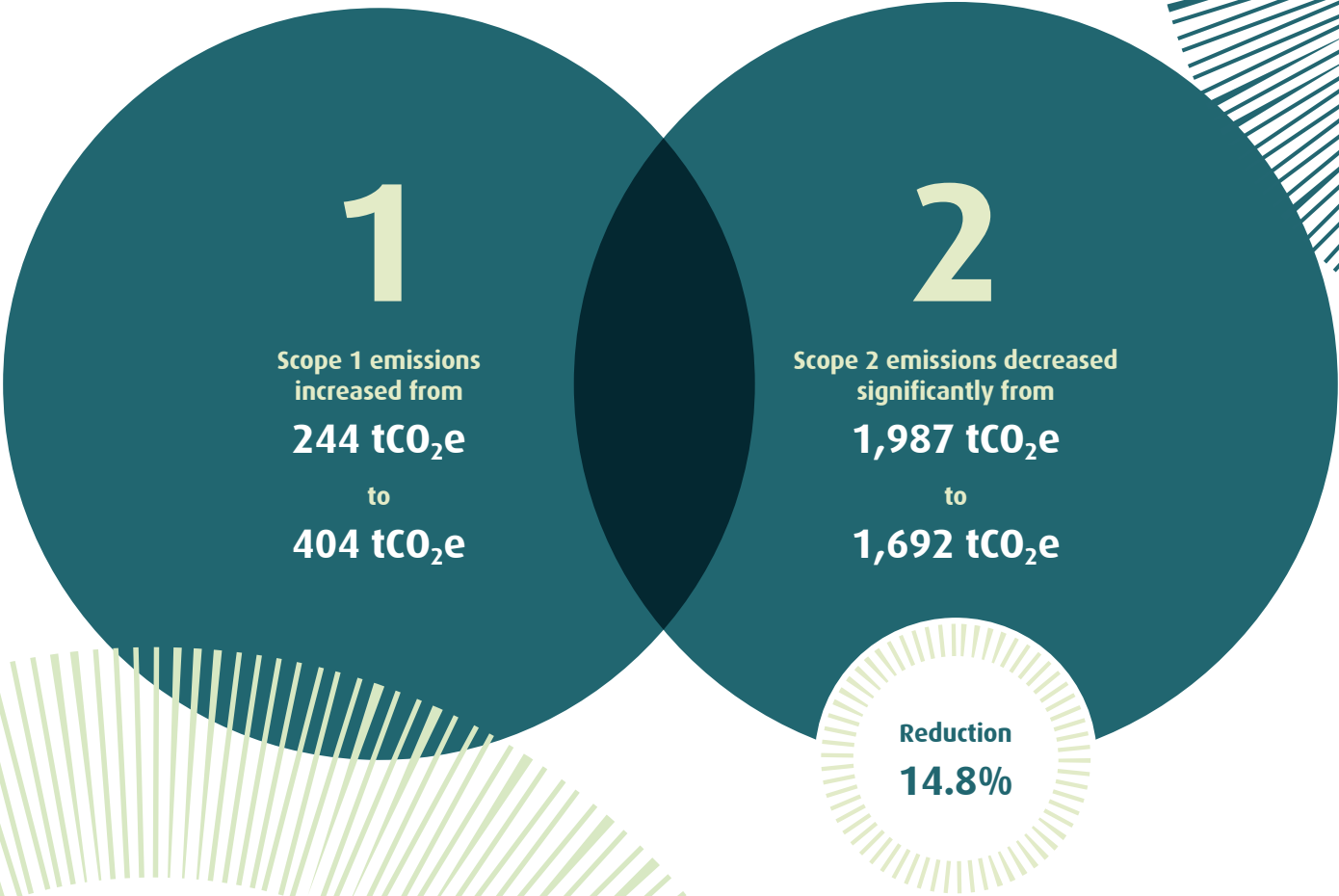
Total GHG Emissions  
**2,096.44 tCO<sub>2</sub>e**



Year-over-Year Comparison

Compared to previous reporting years, Ajman Bank’s 2025 emissions show notable changes:

**Total emissions decreased from 2,232 tCO<sub>2</sub>e (2024) to 2,096 tCO<sub>2</sub>e (2025), a reduction of 6.1%**





## Methodology

### Reporting Framework

This GHG inventory has been prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, the most widely used international accounting tool for quantifying and reporting greenhouse gas emissions. The operational control approach has been applied, consistent with Ajman Bank's organisational structure.

### Data Collection

Primary activity data was extracted from utility bills provided by the following utility providers across the UAE:



DEWA (Dubai Electricity and Water Authority) - Dubai branches



FEWA (Federal Electricity and Water Authority) - Ajman, RAK, and Northern Emirates



SEWA (Sharjah Electricity and Water Authority) - Sharjah branches



TAQA Distribution (Abu Dhabi Distribution Company) - Abu Dhabi region branches



Mobile combustion data and HQ + Main Branch consumption data were calculated using activity data provided directly by the bank's facilities management team

Emission Factors

Location-specific grid emission factors were applied for electricity consumption to ensure accuracy:

- **Dubai:** 0.4035 kgCO<sub>2</sub>e/kWh (Source: DEWA 2022 Sustainability Report)
- **Abu Dhabi, Sharjah, Ajman, RAK, Fujairah:** 0.3900 kgCO<sub>2</sub>e/kWh (Source: Abu Dhabi Department of Energy)

Mobile combustion emission factors were sourced from the UK Department for Energy Security and Net Zero (DESNZ) 2024 GHG Conversion Factors publication. The gasoline emission factor of 2.3301 kgCO<sub>2</sub>e per litre was applied as used by the bank in the previous years of reporting.

For refrigerant emissions, the Global Warming Potential (GWP) values from IPCC AR4 were used. FM200 (HFC-227ea) has a 100-year GWP of 3,220.

In 2025, Ajman Bank’s estimated Scope 1 and Scope 2 emissions intensity reached 3.37 tonnes of CO<sub>2</sub> equivalent per employee, reflecting steady improvement from 4.1 tonnes recorded in 2024.

Energy Usage

**Ajman Bank’s total electricity consumption for 2025 was 4,326,966.67 kWh across all 13 operational locations.** This represents the energy required to power branch operations, lighting, HVAC systems, and IT infrastructure.

Note: Fujairah Branch is a newly opened facility that commenced operations in July 2025. Consequently, only six months of consumption data (July-December) is available for this location.

Direct Energy Consumption



Diesel consumption from power generators



Consumption from vehicles



Fuel (diesel & petrol) consumption intensity

Unit	Litre	Litre	Litre/FTE
2023	3.780	7.976	3.780
2024	0	4.700	8.7
2025	0	9.091	14.59

Direct Energy Consumption includes consumption of fossil fuel and fuel by vehicles directly owned and used by the Bank for its own operational purposes only. It excludes consumption by vehicles owned or used by the Bank staff or the Bank’s customers or third parties.



# Indirect Energy Consumption



Electricity consumption  
(offices, branches, etc.)



Electricity  
consumption intensity

Unit	MWh	MWh/FTE
2023	5.011	9.4
2024	5.080	0
2025	4326.97	6.95

During 2025, the Bank operated 11 Branches, 2 Sales Offices and 1 Head Office. Electric Consumption data covers all of these 14 locations. Electricity Consumption has been extracted from monthly bills where available. Following data limitations existed which have been addressed through approximation approaches as follows:

• **Masfout Branch:** Electricity Consumption data was not available due to rental arrangement of the premise, electricity consumption has been

approximated based on average per-square foot electricity consumption another branches in Ajman.

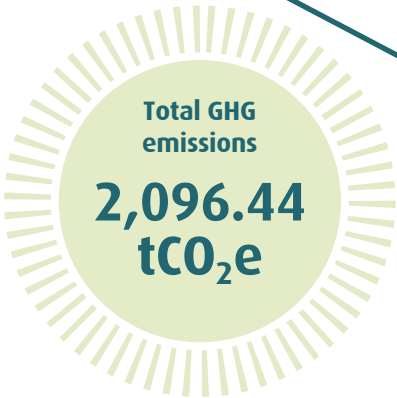
• **Garhoud Sales Office:** Approximated based on average per-square foot electricity consumption in a branch in Dubai.

• **Abu Dhabi:** Units of electricity consumed in MWh were not available for all offices in Abu Dhabi, for these units have been derived from the AED amount of bill payment and prevailing FEWA electricity tariff in Abu Dhabi.



Carbon Emissions

Ajman Bank’s total GHG emissions for 2025 were **2,096.44** CO<sub>2</sub>e, comprising Scope 1 (direct) and Scope 2 (indirect from purchased electricity) emissions.



1

Scope 1 emissions 404.36 tCO<sub>2</sub>e

Emissions from the bank’s fleet vehicles (2 vehicles) used for business operations:

January-October 2025	7,135.26 litres petrol consumed = 16,625.16 kgCO <sub>2</sub> e
November-December 2025	1,956.16 litres petrol consumed = 4,557.85 kgCO <sub>2</sub> e
Refrigerants	383.18 tCO <sub>2</sub> e
Mobile combustion	21.18 tCO <sub>2</sub> e
Fugitive emissions from fire suppression systems	FM200 (HFC-227ea) release at HQ: 119 kg × GWP 3,220 = 383,180 kgCO <sub>2</sub> e

**Important Note:** The refrigerant emissions of 383.18 tCO<sub>2</sub>e represent a significant increase from 2024 (233 tCO<sub>2</sub>e) and 2023 (76 tCO<sub>2</sub>e).

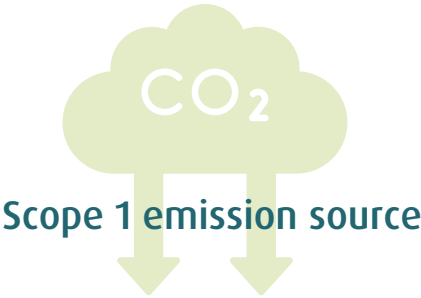
2

Scope 2 emissions 1,692.07 tCO<sub>2</sub>e

Scope 2 emissions totalled 1,692.07 tCO<sub>2</sub>e from purchased electricity consumption. Location-based emission factors were applied according to the emirate of each branch:

Dubai branches	(Deira, SZR, Garhoud): 337,453 kWh × 0.4035 = 136.16 kgCO <sub>2</sub> e
Other Emirates	3,989,513 kWh x 0.3900 = 1,555.91 kgCO <sub>2</sub> e

The **14.8%** reduction in Scope 2 emissions compared to 2024 (**1,987** tCO<sub>2</sub>e) indicates improved energy efficiency and reflects positively on the bank’s operational practices.



Refrigerants

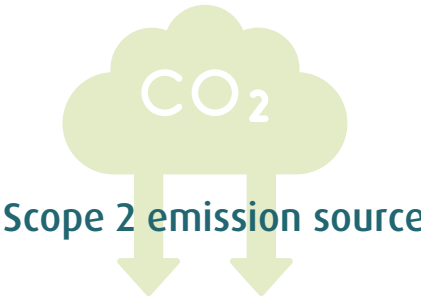


Petrol



Diesel

Unit	tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e
2023	76	19	10
2024	233	11	0
2025	383.18	21.18	0



Refrigerants

Unit	tCO <sub>2</sub> e
2023	1.959
2024	1.987
2025	1692.07

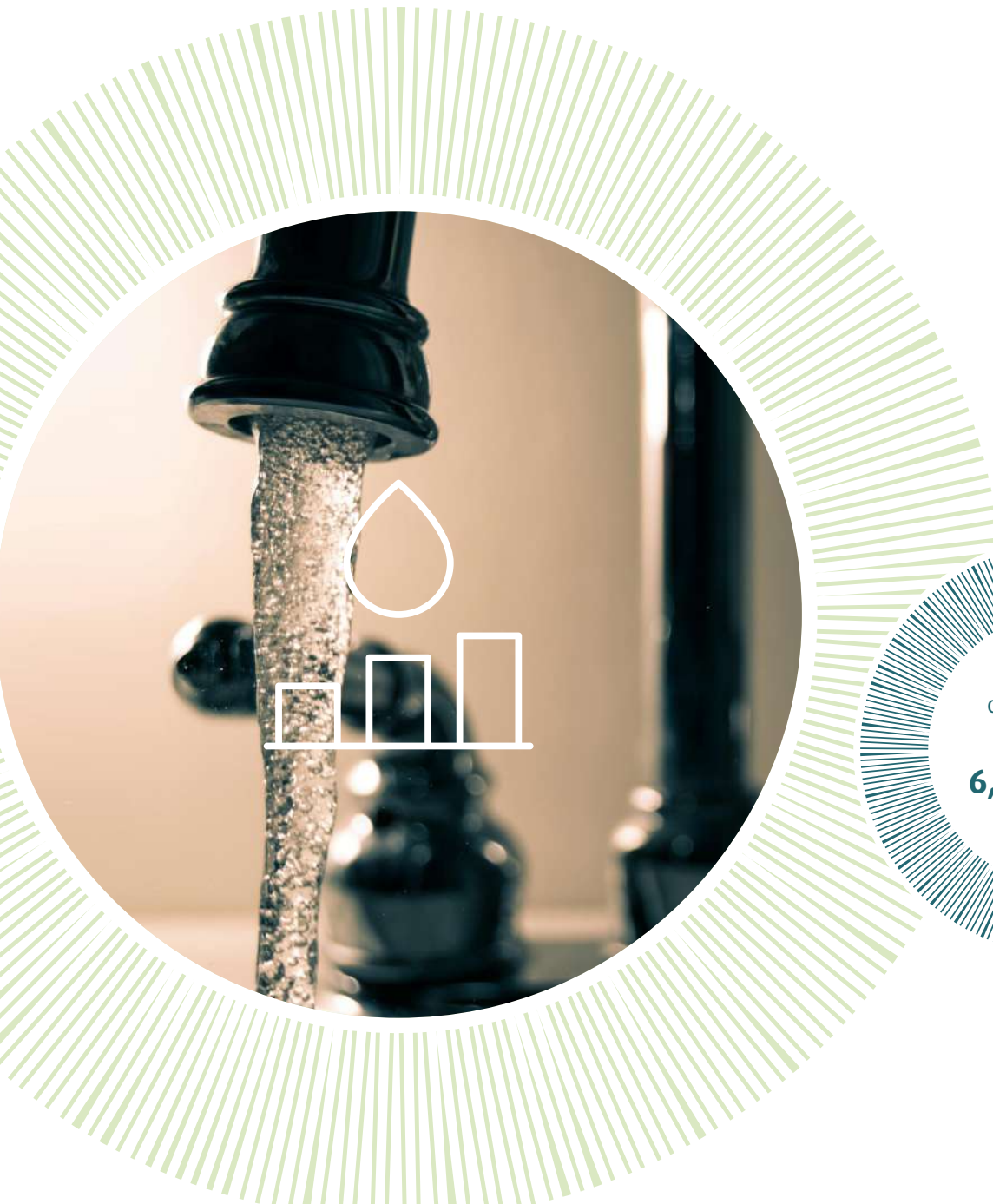
Emission profile

	Scope 1	Scope 2	Total	Emission intensity
Unit	tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e/FTE
2023	105	1.959	2.064	3.9
2024	244	1.987	2.232	4.1
2025	404.36	1692.07	2096.43	3.37

## Water Consumption

Ajman Bank has strengthened its water conservation efforts by upgrading facilities with water-efficient fixtures, aerators, and sensor taps across its network.

These improvements, supported by regular monitoring and maintenance, have reduced overall water consumption and enhanced operational efficiency. Total water consumption for 2025 was 6,292.65 m<sup>3</sup> across all branch locations. The Bank also promotes mindful water use among employees and continues participating in community initiatives that expand access to safe drinking water while reducing reliance on single-use plastics. Together, these actions reflect Ajman Bank's commitment to responsible resource management and the UAE's broader sustainability objectives.



Total water  
consumption for  
2025

**6,292.65 m<sup>3</sup>**

## Waste Management

Ajman Bank continues to advance its commitment to reducing the environmental impact of its operations. By 2025, paper recycling had become standard across all branches and facilities, supported by improved processes for safely collecting and recycling hazardous materials. These efforts were strengthened through a detailed assessment of waste streams, helping the Bank identify opportunities to minimise waste at its source.

The continued shift toward digital banking played a major role in reducing paper usage, as greater customer adoption of digital channels lowered the need for physical documentation. Ajman Bank also enhanced its approach to electronic waste by refurbishing decommissioned devices and donating them to communities with limited access to technology, extending product life cycles while promoting digital inclusion.

Together, these initiatives demonstrate a holistic and responsible waste management programme aligned with the UAE's sustainability ambitions.





# AJMAN BANK NET ZERO TRANSITION INITIATIVES

## In 2025, Ajman Bank Strengthened its Carbon Emission Calculator Initiative

In 2025, Ajman Bank reinforced its Carbon Emission Calculator initiative, originally launched in 2024 in partnership with MasterCard. This innovative feature on the Ajman Bank mobile app empowers customers to understand and manage the environmental impact of their spending by estimating the carbon footprint of purchases made through the bank's payment instruments.

### Key Highlights:

- **Transaction-Level Insights:** Calculates emissions linked to categories such as fuel, electricity, transportation, and retail.
- **Behavioral Impact:** Encourages sustainable choices by displaying emissions per AED spent and promoting lower-carbon alternatives.
- **Customer Engagement:** Enhanced personalisation and usability in 2025 to increase adoption and influence spending habits.

Ajman Bank plans further improvements in 2026 to deepen engagement, personalise insights, and help customers reduce high-emission purchases—underscoring our commitment to environmentally responsible banking and sustainable finance.





Furthermore, Ajman Bank is committed to advancing its Net Zero journey through other strategic actions that align with the UAE's sustainability vision and global best practices. Key initiatives include:



### 1. Energy Management & Operational Efficiency

- Partnering with TAQA Solutions to monitor and control electricity consumption and optimise AC usage across branches and facilities.
- Deploying smart energy monitoring systems for real-time tracking and efficiency improvements.
- Implementing energy-efficient technologies such as LED lighting and automated HVAC controls.



### 2. Renewable Energy Integration

- Exploring solar energy solutions for branches and offices.



### 3. Employee & Customer Engagement

- Conducting sustainability awareness programmes and training for our staff.
- Encouraging our staff to participate in all ESG related events and initiatives.
- Offering customer incentives for green choices, such as discounts on eco-friendly products financed through Ajman Bank.

## SUSTAINABILITY CENTRE OF EXCELLENCE (SCoE)

# Driving Ajman Bank's Sustainable Finance and Net Zero Vision

In 2025, Ajman Bank expanded and activated its Sustainability Centre of Excellence (SCoE) to accelerate our sustainability and Net Zero ambitions.

Led by the ESG Division, the SCoE brings together experts from Corporate Banking, Treasury, Commercial Banking, Business Banking, Consumer Banking, Risk, and Credit departments to deliver tailored advisory and innovative solutions for clients and stakeholders.

The SCoE plays a pivotal role in:

- **Monitoring Progress:** Conducting monthly reviews of our Sustainable Finance targets and Net Zero commitments to ensure accountability and transparency.
- **Supporting ESG Initiatives:** Driving and coordinating all internal ESG-related activities and programmes.
- **Defining ESG Ambitions:** Helping businesses identify key challenges and opportunities in their sustainability journey.
- **Advisory & Strategic Support:** Providing ESG assessments, strategy development, and reporting assistance integrated with financing solutions.
- **Customised Solutions:** Designing approaches that meet the unique needs of different sectors and clients.
- **Carbon Management:** Leveraging our in-house Carbon Aware House Model to guide clients in reducing emissions through energy efficiency, recycling programmes, and sustainable practices.

Through these efforts, the SCoE ensures that sustainability is embedded across our operations, enabling responsible growth and reinforcing Ajman Bank's leadership in the UAE's green transition.

# SOCIAL SUSTAINABILITY

## Our people

Ajman Bank is proud of its dynamic and dedicated workforce, whose commitment to excellence reflects our core values in every client interaction. We strive to create a culture that fosters personal and professional growth, enabling employees to thrive while contributing to the Bank’s vision and mission.

As an employer of choice, Ajman Bank focuses on attracting and retaining top talent, promoting a high-performance environment, and inspiring our people to make a positive impact on local communities across Ajman and the UAE.

In 2025, our workforce boosts a vibrant mix of male and female employees across age groups.

Total enterprise headcount held by full-time employees

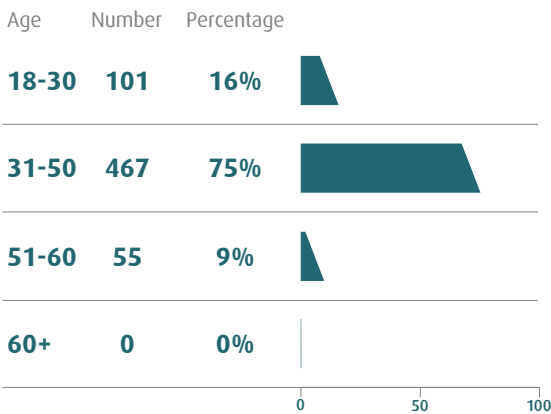


Total enterprise headcount held by contractors and/or consultants

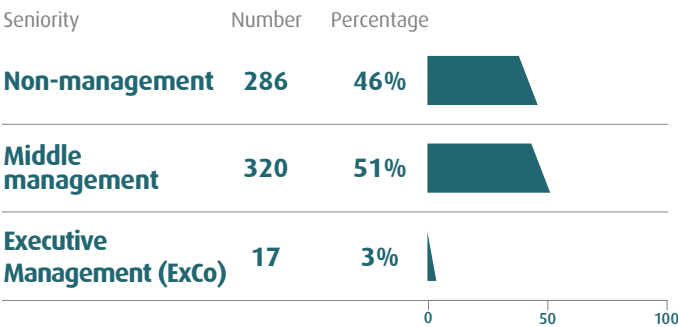


We emphasise the importance of developing internal talent, with a relatively low reliance on external contractors and/or consultants.

### Total enterprise headcount held by full-time employees (by age)

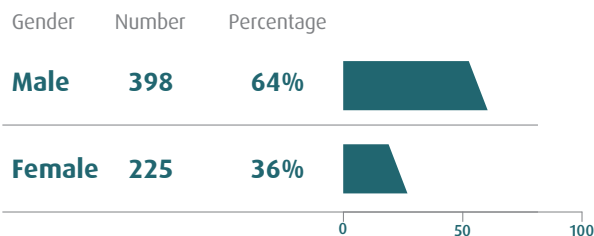


### Total enterprise headcount held by full-time employees (by seniority level)



Most of our employees are in middle management positions, making a key contribution to driving Ajman Bank’s day-to-day success.

### Total enterprise headcount held by full-time employees (by gender)



Note: All percentages are rounded to the nearest whole number.

In 2025, the net increase in full-time employees was 84, representing a 16% boost to our workforce. We monitor our workforce changes, with granular data split by gender, age, and seniority level, which enables the Bank to maintain the focus on continuously fostering the acquisition and retention of talent.

Year-over-year change for full-time employees (by gender)



Year-over-year change for full-time employees (by age)

Age	2024	2025	Percentage Change
18-30	91	101	+11%
31-50	406	467	+15%
51-60	42	55	+31%
60+	0	0	0%

Year-over-year change of new hires (by age)

Age	2024	2025	Percentage Change
18-30	27	37	37%
31-50	76	142	87%
51-60	3	10	233%
60+	0	0	0%

## Training, Development, and Sustainability Capacity Building

Ajman Bank recognises that its greatest strength lies in the expertise and capabilities of its people. To nurture this, we prioritise comprehensive training and development programmes that equip employees with the skills needed to excel in an evolving banking landscape. Our approach is guided by a robust Training Needs Analysis (TNA), ensuring learning opportunities are aligned with functional competencies and strategic priorities.

Training is delivered through a blend of in-house sessions at our Training Centre, online platforms, and specialised external programmes, including targeted overseas courses for advanced skills. The annual training calendar covers technical and mandatory areas—such as Shariah principles, information security, ESG & Sustainability, and anti-money laundering—alongside essential interpersonal and leadership skills to foster collaboration and high performance.

As part of our sustainability journey, Ajman Bank has introduced targeted ESG and sustainability training in 2025 to build internal capacity and awareness, enabling employees to actively contribute to our long-term objectives. By embedding continuous learning into our culture, we strengthen innovation, ethical decision-making, and our commitment to the core value of knowledge.

### ESG Training Participation in 2025



Number of staff trained

# Empowering the Next Generation of Emirati Nationals

## Our Future Direction

Ajman Bank remains committed to advancing Emiratisation and supporting the UAE's Tawteen ambitions by equipping Emirati talent for critical roles through targeted training, coaching, and mentoring. Our approach is built on three strategic pillars:

### 1. Attracting the Next Generation of Talent

We actively participate in career fairs, open days, and leverage multiple platforms to attract qualified UAE nationals. Recognising the importance of nurturing young talent, Ajman Bank collaborates closely with leading educational institutions. For years, we have partnered with Ajman University to offer annual scholarships, creating pathways for students to launch successful careers in banking.



### 2. Fostering Long-Term Employee Commitment

To ensure sustainable career growth, high-performing Emirati employees are enrolled in high-potential programmes with clear progression opportunities. Our mentoring and counseling initiatives provide guidance and support throughout their professional journey, reinforcing long-term engagement.



### 3. Building Skills for the Future

Ajman Bank allocates dedicated budgets for training and education programmes tailored to UAE nationals. These include:

- Management Training Programme for aspiring leaders.
- National Trainee Programme designed to transform graduates into future industry leaders.

Additionally, we sponsor Emirati employees to pursue advanced qualifications locally and internationally, including at renowned global business schools.

Through these initiatives, Ajman Bank demonstrates its unwavering commitment to empowering Emirati talent and contributing to the nation's vision for a prosperous, knowledge-driven economy.



In 2025, we demonstrated strong national representation within our workforce as an illustration of the effectiveness of our continuous Emiratisation efforts:

**Total of national employees**



Number **222**  
Percentage **36%**



## Fostering Employee Wellbeing and Engagement

Ajman Bank's commitment to its people extends beyond professional development to creating a workplace that prioritises physical, mental, and emotional wellbeing. This approach reflects our dedication to ethical business practices and serves as a foundation for sustainable growth. By investing in holistic employee health, we aim to cultivate a supportive culture that drives engagement, productivity, and long-term success.

### Employee Engagement Programme

Our comprehensive Employee Engagement Programme is designed to ensure that employees remain motivated, enthusiastic, and aligned with Ajman Bank's vision. The programme features a range of initiatives that promote positive work-life balance and wellbeing while encouraging active participation in shaping our shared success.

One of the key elements of this programme is Al Ola, an initiative that inspires enthusiasm and fosters meaningful contributions. Through Al Ola, we strive to create an environment where every effort counts and every individual feels empowered to make a significant impact.

## Ajman Bank's Employee Wellbeing Programme consists of 7 Pillars:

1

### My Fitness Programme

Providing our employees with opportunities to improve and maintain their physical health, while engaging in team-building activities.



2

### My Knowledge Programme

Educational sessions foster employee understanding of various banking topics and processes.



3

### My Offers Programme

Curated offers from diverse establishments, including shops, markets, gyms, salons, and schools, are available exclusively to employees.



4

### My Social Programme

Celebrating employees' milestones, such as graduations or new arrivals (childbirth), and providing support during challenging times, like sending flowers when sick.



5

### My Opinions Programme

Implementation of enhancement surveys to gather and consider employees' valuable feedback and suggestions.



6

### My Voice Programme

A platform encouraging employees to share innovative ideas and contribute to the organisation's growth and improvement.



7

### My Rewards Programme

Recognising and rewarding outstanding employee performance and achievements in work-related areas.



## Ajman Bank continued investing in the growth, capability, and cohesion of its people through a series of strategic employee engagement and leadership development initiatives.

### CEO Skip Level Meetings - Driving Engagement through Direct Dialogue

In 2025, Ajman Bank introduced CEO Skip-Level Meetings, a new engagement initiative designed to create direct, open dialogue between our CEO and employees two or more levels below. This programme fosters collaboration and innovation under our RACE values—Remarkable Growth, Agile Team, Continuous Improvement, and Exceptional Experience—by surfacing ideas that drive business success, removing barriers to agility, and enhancing both employee and customer journeys. It reflects our commitment to listening, acting, and improving together as one team.



### Top 100 Leaders Strategic Town Hall

Ajman Bank introduced the Top 100 Leaders Strategic Town Hall as a cornerstone initiative to prepare high-potential employees for future leadership roles. This initiative enables emerging talents to engage directly with senior management, strengthen strategic thinking, and understand the bank's long-term direction. By investing early in our people, the bank ensures a strong pipeline of future leaders while empowering employees to take ownership of their professional growth.

### Open Mic with Executive Committee Members

The Open Mic with ExCo Members initiative created a more open, direct, and transparent dialogue between employees and the bank's leadership. Through candid discussions and unfiltered Q&A sessions, staff can share ideas, raise challenges, and gain insights into strategic priorities. This accessible leadership approach strengthens trust, accelerates problem-solving, and nurtures a culture where every voice feels valued.



## Team Building and Culture Programme

Ajman Bank's Team Building and Culture Programme—featuring activities such as “Been around the World” and “Build a city”—was designed to elevate teamwork, creativity, and cross-departmental collaboration. These interactive experiences help break silos, deepen connections among colleagues, and reinforce a supportive, energetic workplace culture where cooperation and innovation thrive.



## The Pulse Magazine

This year, Ajman Bank launched The Pulse, a quarterly internal magazine that quickly became a popular platform for sharing achievements, updates, and milestones across the organisation. The publication highlights sustainability efforts, business successes, employee contributions, and feature articles that celebrate the bank's progress. The Pulse enhances internal communication, builds a shared sense of identity, and strengthens engagement across all levels of the bank.



## Taking care of our employees through a range of benefits.

The benefits offered to our employees are also a crucial part of our approach towards fostering employee wellbeing. Our emphasis on employee benefits aligns with our broader corporate responsibility objectives, demonstrating our commitment to supporting the holistic needs of our workforce and their families.

Ajman Bank's benefits are in line with the best practices in the market, and a glimpse into some of the benefits offered is outlined below:

### Medical Insurance

Ajman Bank provides private medical insurance to all employees, as well as their eligible family members.

### Airfare Allowance

We ensure that our employees have an opportunity to travel by providing an annual airfare allowance.

### Mobile Phone Allowance

Ajman Bank's employees are entitled to a mobile phone allowance on a business basis.

### Club Membership

Our employees are entitled to club membership allowance, enabling the accessibility of physical wellbeing.

### Pension Plan

Ajman Bank operates in line with UAE Labor Law, providing a pension scheme to all UAE and GCC nationals as per the eligibility criteria.

### Social Care

To showcase care and compassion towards our employees, on special occasions, the Bank sends a representative to personally convey wishes and prayers for the individual and their family.

### Education Allowance

Ajman Bank provides an allowance covering tuition fees, school transport charges, and the cost of books to the children of its eligible employees' wellbeing.

### Maternity, Paternity, and Parental Leave

Acknowledging the importance of allocating due attention to family matters, Ajman Bank offers three benefit categories in this realm for employees who have been confirmed of service.

### Haj Leave

As an Islamic Bank, we honour our employees' dedication to the faith by offering 15 days of Pilgrimage leave upon completion of one year of service.

## Community and Social Impact

Ajman Bank continues to play an active and meaningful role in supporting the community across the Emirate of Ajman and the wider UAE. Our commitment goes beyond financial services; it reflects our responsibility as an Islamic institution guided by principles of compassion, equity, and social welfare.

Charity is an essential pillar of Islamic finance, embodied through zakat, sadaqah, waqf, and qardh al-hasan, each reinforcing the redistribution of wealth and protection of the most vulnerable.

Our CSR programmes reflect these principles by prioritising assistance for individuals and families in need, especially in areas that contribute to long-term empowerment such as education, wellbeing and social protection.



## Driving Impact Through Community & Sustainability Initiatives

### Ramadan Iftar Packing Event

In collaboration with Goumbook, Ajman Bank organised an Iftar packing initiative during Ramadan to support families in need. This event reinforced our commitment to community solidarity and sustainability, receiving positive feedback for its impact and employee participation.



### Back to School - Sustainable School Kit Donation Initiative

Partnering with Al Ihsan Charity and Goumbook, we packed and distributed school kits to underprivileged students in Ajman. This initiative aimed to promote education and equal opportunities, with strong appreciation from beneficiaries and volunteers alike.





## Supporting Education – Ajman University Financial Market Lab

Under the directive of His Highness Sheikh Ammar Bin Humaid, Ajman Bank invested AED 5 million to establish a state-of-the-art Financial Market Lab at Ajman University. Equipped with 36 trading solutions, this initiative strengthens practical learning and empowers future leaders in finance.

Looking ahead, Ajman Bank is strengthening its focus on environmental stewardship by developing targeted community initiatives that align with the UAE's broader sustainability agenda.



## Creating Positive Change

In accordance with the directives of the Internal Shariah Supervision Committee (ISSC) and the Board Executive Committee (BEC), Ajman Bank follows a strict process to identify and isolate any income arising from Shariah non-compliant activities or transactions. Such income is transferred to a designated charity account and distributed exclusively for approved charitable purposes under the supervision of the ISSC.

This ensures that all funds are handled with integrity, transparency, and adherence to Islamic principles. During 2025, Ajman Bank donated AED 126,000 to Himaya Foundation ("Dar Malaz") - protection centre for women and children addressing critical needs within the community.

Our charitable contributions, carried out with diligence and Shariah oversight, reflect our enduring commitment to uplifting society and supporting the wellbeing of people across the UAE.

# FUTURE COMMITMENTS AND TARGETS

## Our Key Priorities for 2026

- Enhance internal capabilities in climate-related financial risk assessment and stress-testing.
- Digitalise ESG data collection and implement advanced analytics to track climate risks and opportunities.
- Develop a detailed decarbonisation roadmap for financed emissions and operational emissions.
- Reduce emissions across our own operations and deepen supplier engagement on climate action.
- Expand the Sustainable Finance Register to monitor and grow eligible green and social financing.
- Scale sustainable and Shariah-aligned product offerings for retail, SME, and corporate clients.
- Strengthen environmental and social due diligence, integrating transition pathways for clients.
- Introduce tailored services for underserved and vulnerable community segments.

## Our Goals for 2026–2029

Ajman Bank's mid-term focus will centre on embedding sustainability deeply into all business lines and accelerating our contribution to the UAE's transition economy:

- Implement science-aligned climate targets covering operational and financed emissions.
- Expand partnerships with government entities, multilateral institutions, and innovation hubs to support climate-smart investment opportunities.
- Roll out bank-wide capacity-building programme, ensuring every employee is equipped with sustainability skills relevant to their role.
- Increase community-focused programme on financial literacy, climate awareness, and youth empowerment.
- Strengthen governance mechanisms through updated ESG policies, oversight structures, and transparent disclosures.

## Our Commitments for 2030

By 2030, Ajman Bank aims to deliver measurable and transformative sustainability outcomes:

- Achieve net zero Scope 1 and Scope 2 emissions across operations.
- Achieve a sustainable finance target of AED 4 billion by 2030, supported by a clear roadmap that enables continued growth and further expansion beyond 2030.
- Fully integrate climate risk considerations into credit decisions, portfolio management, and client engagement.
- Support the UAE's transition to a low-carbon and inclusive economy by financing impactful and future-ready sectors.



# DFM ESG REPORTING GUIDE

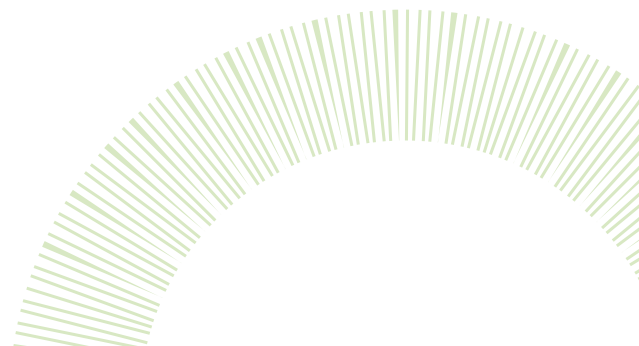
## CONTENT INDEX

For our inaugural sustainability report, Ajman Bank utilised the DFM's Guide to ESG Reporting as a reference point for metrics to be disclosed. We support DFM's focus on promoting sustainability in capital markets in alignment with UAE's strategic priorities. DFM's recommended metrics across Environment, Social, and Governance are defined in correspondence with GRI Standards. Therefore, by using these metrics for guidance, Ajman Bank references GRI – a globally recognised framework that provides a standardised, comparable method for conducting sustainability reporting.

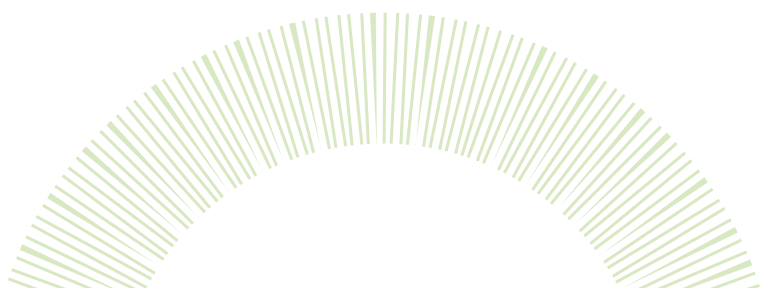
While these metrics serve as a useful voluntary recommendation, some pertain to topics that are not currently material to Ajman Bank and/or are not captured in current data collection processes. These are indicated accordingly.

ENVIRONMENT			
DFM metric	Indicator	Corresponding GRI standard	Report page number or direct answer
E1. GHG Emissions	E1.1) Total amount of Scope 1 emissions (tons of CO <sub>2</sub> eq.)	GRI 305: Emissions	Page 46
	E1.2) Total amount of Scope 2 emissions (tons of CO <sub>2</sub> eq.)		Page 46
	E1.3) Total amount of Scope 3 emissions (tons of CO <sub>2</sub> eq.)		N/A
	E1.4) Please describe investments, initiatives, and projects to reduce CO <sub>2</sub> emissions (text)	N/A	Page 54
E2. Emissions Intensity	E2.1) Total GHG emissions (tons of CO <sub>2</sub> eq. per output scaling factor)	GRI 305: Emissions	Page 51
	E2.2) Total non-GHG emissions (tons of CO <sub>2</sub> eq. per output scaling factor)		Page 51
E3. Energy Usage	E3.1) Total amount of energy directly consumed (MWh)	GRI 302: Energy	Page 48
	E3.2) Total amount of energy indirectly consumed (MWh)		Page 49

E4. Energy Intensity	E4.1) Direct energy use intensity (MWh per output scaling factor)	GRI 302: Energy	Page 48
	E4.2) Total indirect energy usage (MWh per output scaling factor)		Page 49
	E4.3) Please describe investments, initiatives, and projects to reduce energy consumption and increase energy efficiency (text)	N/A	Page 54
E5. Energy Mix	E5.1) Renewable energy used (% or MWh)	GRI 302: Energy	Not currently captured
	E5.2) Non-renewable energy used (% or MWh)		Not currently captured
E6. Water and Effluents	E6.1) Total amount of water withdrawn (m3)	GRI 303: Water and Effluents	Page 52
	E6.2) Total amount of water discharged m3		Page 52
	E6.3) Total amount of water consumed (If possible, a breakdown by source: surface water, groundwater, seawater, etc.) (m3)		Not currently captured, not a material area
	E6.4) Water intensity (m3 per output scaling factor)	N/A	Not currently captured, not a material area
	E6.5) Water recycled (if applicable) (%)	N/A	Not currently captured, not a material area
	E6.6) Please describe investments, initiatives, and projects to reduce water consumption and increase water recycling	N/A	Not currently captured, not a material area
E7. Waste	E7.1) Total amount of waste generated (if possible, broken down by Hazardous and Non-hazardous) (tons)	GRI 306: Waste	Not currently captured, not a material area
	E7.2) Total amount of waste diverted from disposal (if possible, broken down by Hazardous and Non-hazardous) (tons)		Not currently captured, not a material area
	E7.3) Total amount of waste directed to disposal (if possible, broken down by Hazardous and Non-hazardous) (tons)		Not currently captured, not a material area
	E7.4) Total number and volume of oil spills (if applicable) (number and tons)	GRI 11: Oil and Gas Standard	Not currently captured, not a material area
	E7.5) Please describe investments, initiatives, and projects to reduce waste generation consumption and to increase waste recycling (text)	N/A	Not currently captured, not a material area



E8. Environmental Management	E8.1) Does your company follow a formal Environmental Policy? Yes/No	GRI 2: General Disclosures	No
	E8.2) Does your company follow specific waste, water, energy, and/or recycling policies? Yes/No		Yes
	E8.3) Does your company adopt a recognised environment and energy management systems such as ISO14001 and ISO50001? Yes/No	N/A	No
	E8.4) Does your company have targets in place for the environment, energy, water, and waste?	N/A	Yes
	E8.5) Please indicate if any fines were received (> USD 10000) for non-compliance with laws and regulations regarding environmental management during the last reporting period (USD)	GRI 2: General Disclosures	No
E9. Climate Risk Management and Oversight	E9.1) Does your Board/Management Team oversee and/or manage climate-related risks and opportunities? If yes, describe	GRI 2: General Disclosures	Under process
	E9.2) Please describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term (text)	N/A	Not currently captured
	E9.3) Please describe the organisation's processes for identifying and assessing climate-related risks (text)	N/A	Not currently captured
	E9.4) Please describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning (text)	N/A	Not currently captured
	E9.5) Total amount invested, periodically, in climate-related infrastructure, resilience, and product development (reporting currency, preferably USD)	N/A	Not applicable to Ajman Bank's operations
	E9.6) Please describe the greenhouse gas emission targets (Scope1, Scope 2 and Scope3) and the related risks (text)	N/A	Page 32
	E9.7) Please share your actions to align with UAE's Net Zero Commitment by 2050. Do you have a net zero emissions target in place? (text)	N/A	Page 32

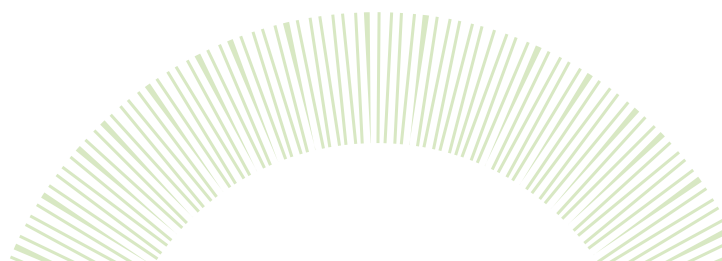


E10. Biodiversity	E10.1) Please share the number of operational sites owned, managed, and/or leased in or adjacent to protected areas and areas of high biodiversity value (text)	GRI 304: Biodiversity	Not applicable to Ajman Bank’s operations
	E10.2) Please describe the significant impacts of activities, products, and services on biodiversity (text)		Not applicable to Ajman Bank’s operations
SOCIAL			
S1. CEO Pay Ratio	S1.1) Please share the ratio of CEO total compensation to median Full Time Equivalent (FTE) total compensation (number)	GRI 2: General Disclosures	N/A
	S1.2) Does your company report this metric (above) in regulatory filings? Yes/No	N/A	N/A
S3. Breakdown of Staff	S3.1) Please share the total enterprise headcount held by full-time employees (broken down by gender, age, and seniority level) (number and %)	GRI 2: General Disclosures	Page 57
	S3.2) Please share the total enterprise headcount held by part-time employees (broken down by, gender, age, and seniority level) (number and %)		Not applicable to Ajman Bank’s operations
	S3.3) Please share the total enterprise headcount held by contractors and/or consultants (number and %)		Page 57
	S3.4) Please share the total of national employees (broken down by, gender, age, and seniority level) (number and %)	GRI 202: Market Presence	Page 61
S4. Employee Turnover and New Hires	S3.1) Year-over-year change for full-time employees (broken down by gender, age, and seniority level) (number and %)	GRI 401: Employment	Page 58
	S3.2) Year-over-year change for part-time employees (number and %)		Not applicable to Ajman Bank’s operations
	S3.3) Year-over-year change for contractors/ consultants (number and %)	GRI 2: General Disclosures	Increased by 6 head-counts (3% increase)
	S3.4) Year-over-year of new hires (broken down by age, gender, and seniority level) (number and %)	GRI 401: Employment	Page 58

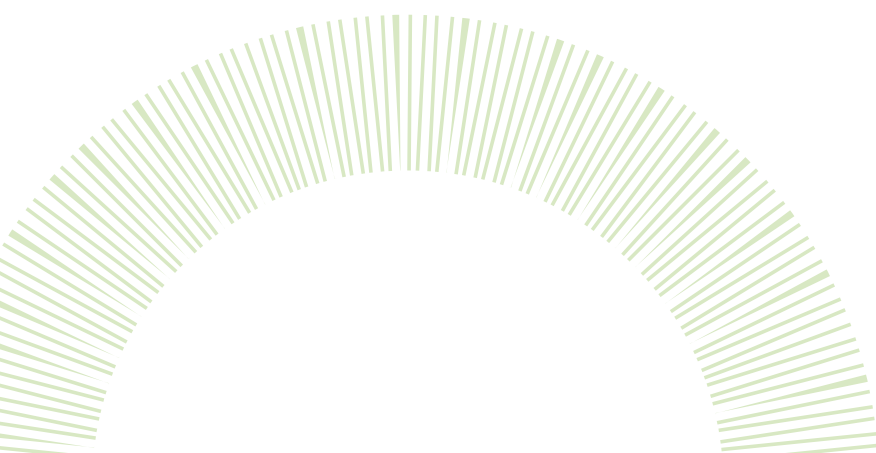


S5. Gender Diversity and Equality	S5.1) Total enterprise headcount held by men and women (number and %)	GRI 2: General Disclosures / GRI 405: Diversity & Equal Opportunity	Page 59
	S5.2) Total entry- and mid-level positions held by men and women (number and %)		Page 57
	S5.3) Total senior- and executive-level positions held by men and women (number and %)		Page 57
	S5.4) The ratio of median male employee compensation to median female employee compensation (number)	GRI 405: Diversity & Equal Opportunity	N/A
	S5.5) Please describe your company's initiatives or programmes to support the recruitment and retention of female employees, and to support female employees to advance to management positions (text)	GRI 2: General Disclosures	Following guidelines/ policies in line with the UAE Labor Law
S6. Human Rights	S6.1) Does your company follow a non-discrimination policy? Yes/No	GRI 2: General Disclosures	Yes
	S6.2) Does your company have a formal grievance mechanism in place? Yes/No		Yes
	S6.3) Does your company follow a child and/or forced labor policy? Yes/No		Not applicable to Ajman Bank's operations
	S6.4) Does your company follow a human rights policy? Yes/No		Yes
	S6.5) Does your company provide training on human rights and related internal policies for your employees? Yes/No	GRI 404: Training & Education	Yes
S7. Health & Safety	S7.1) Does your company follow an occupational health and/or global health & safety policy? Yes/ No	GRI 2: General Disclosures	Not applicable to Ajman Bank's operations
	S7.2) Does your company adopt a recognised health and safety management system such as ISO45001? Yes/No	N/A	Not applicable to Ajman Bank's operations
	S7.3) Please share the total employee and total contractors (if available) manhours (hours)	GRI 403: Occupational Health and Safety	Not applicable to Ajman Bank's operations
	S7.4) Please share the total employee fatalities (number)		Not applicable to Ajman Bank's operations
	S7.5) Please share the employee lost time injury (LTI) (number)		Not applicable to Ajman Bank's operations
	S7.6) Please share the lost time injury frequency (LTIF) (number)		Not applicable to Ajman Bank's operations
	S7.7) Please share the total health and safety training provided to employees (hours)		Not applicable to Ajman Bank's operations

S8. Community Investment	S8.1) Please share the total amount invested in the community, including philanthropy, donations, and sponsorships (amount invested/yearly revenue in reporting currency)	N/A	Page 68
	S8.2) Please share the total employee volunteering completed during the reporting period (hours)	N/A	Not currently captured
<b>GOVERNANCE</b>			
G1. Board Diversity	G1.1) Total board seats occupied by men and women (number and %)	GRI 405: Diversity & Equal Opportunity	Men: 7 Women: 1
	G1.2) Total committee chairs occupied by men and women (number and %)		Men: 7 Women: 0
G2. Board Independence	G2.1) Does the company prohibit the CEO from serving as board chair? Yes/No	GRI 405: Diversity & Equal Opportunity	Yes
	G2.2) Please share the total board seats occupied by independent board members (%)		71.4% (5 non-independent and 2 independent)
G3. Collective Bargaining	G3.1) Please share the total enterprise headcount covered by collective bargaining agreement(s) (applicable to companies operating in countries in which collective bargaining is applicable by law) (%)	GRI 2: General Disclosures	Not applicable to Ajman Bank's operations
G4. Supplier Chain Management	G4.1) Are your vendors or suppliers required to follow a Code of Conduct? Yes/No	N/A	Yes
	G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code? (number or %)	GRI 308: Supplier Environmental Assessment	100% of newly on-boarded suppliers
	G4.3) Please share the suppliers that underwent a supplier's environmental audit during the reporting period (number or %)	GRI 308: Supplier Environmental Assessment	0%
	G4.4) Please share the suppliers that underwent a supplier's social audit during the reporting period (number or %)	GRI 414: Supplier Social Assessment	0%
	G4.5) Please share the new suppliers receiving warnings due to the environmental/social screening (text)	GRI 2: General Disclosures	0%



G5. Ethics & Anti-Corruption	G5.1) Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No	GRI 2: General Disclosures	Yes (Anti-Bribery and Corruption clause is part of the Financial Crimes and Regulatory Compliance Policy and Code of Conduct)
	G5.2) Please share the workforce formally compliant with the Anti-Corruption Policy (%)	GRI 205: Anti-Corruption	100%
	G5.3) Please share the confirmed incidents of corruption during the reporting period (number)	GRI 205: Anti-Corruption	0
	G5.4) Please share the corrective measures taken corresponding to the confirmed incidents of corruption (in case of any) (text)	GRI 205: Anti-Corruption	Not present as no confirmed incidents of corruption
G6. Data Security	G6.1) Does your company follow a Data Privacy policy? Yes/No	GRI 418: Customer Privacy	Yes (Page 41)
	G6.2) Has your company taken steps to comply with GDPR rules or similar standards? Yes/No	N/A	Yes, UAE CPR Rules
	G6.3) Data security breaches during the reporting period (if any)	GRI 418: Customer Privacy	0
G7. Sustainability Practices	G7.1) Does your company publish a sustainability report? Yes/No	N/A	Yes
	G7.2) Does your company publish a GRI, WEF SCM, SASB, IIRC, UNGC, or CDP-based reporting? (text)	N/A	Ajman Bank's Sustainability Report 2024 references GRI metrics as per the list recommended in the DFM ESG Reporting Guide
	G7.3) Does your company provide training to its employees regarding topics related to sustainability (environment, human rights, ethics, etc.)? Yes/No	GRI 404: Training & Education	Yes (Page 60)
	G7.4) Please share the total sustainability-related training provided to employees (hours)		4 hours
G8. External Assurance	G8.1) Are your sustainability disclosures assured or verified by a third-party audit firm? Yes/ No	GRI 2: General Disclosures	No



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