



# Corporate Governance Report

## Corporate Governance Practice

The Bank is committed to upholding the highest standards of corporate governance that is essential for fostering transparency, accountability, and ethical conduct. The Bank’s governance framework includes robust risk management systems and strict compliance with regulatory requirements including CBB Rulebook’s Module HC, promoting effective oversight by the Board of Directors. Furthermore, The Bank prioritizes clear communication with stakeholders and regularly evaluate the conducted practices to ensure alignment with best standards.

### Major Shareholders as of 31 December 2024

| S. No. | Investor Name                  | Country            | No. of Shares | %     |
|--------|--------------------------------|--------------------|---------------|-------|
| 1      | Bank Muscat (S.A.O.G)          | Sultanate of Oman  | 404,921,657   | 14.74 |
| 2      | Muscat Overseas Company L.L.C. | Sultanate of Oman  | 201,276,024   | 7.33  |
| 3      | Sayacorp B.S.C Closed          | Kingdom of Bahrain | 172,475,211   | 6.28  |

### Shareholding – 31 December 2024

| Category                | No. of Shares | No. of Shareholders | % of Outstanding Shares |
|-------------------------|---------------|---------------------|-------------------------|
| Less than 1%            | 982,740,054   | 22,978.00           | 35.76                   |
| 1% up to less than 5%   | 1,031,707,735 | 13.00               | 37.55                   |
| 5% up to less than10%   | 328,407,212   | 2.00                | 11.95                   |
| 10% up to less than 20% | 404,921,657   | 1.00                | 14.74                   |
| 20% up to less than 50% | -             | -                   | -                       |
| 50% and above           | -             | -                   | -                       |
| Total                   | 2,747,776,658 | 22,994              | 100                     |

## Corporate Governance Report (continued)

The outstanding ordinary share ownership of the Bank is distributed as follows:

| Nationality               | No. of Shares | Ownership Percentage |
|---------------------------|---------------|----------------------|
| <b>Kingdom of Bahrain</b> |               | -                    |
| Government                | -             | -                    |
| Institution               | 1,082,425,977 | 39.39                |
| Individual                | 392,606,593   | 14.29                |
| <b>GCC</b>                |               |                      |
| Government                | -             | -                    |
| Institution               | 845,941,039   | 30.79                |
| Individual                | 332,269,302   | 12.09                |
| <b>Others</b>             |               |                      |
| Government                | -             | -                    |
| Institution               | 68,357,649    | 2.49                 |
| Individual                | 26,176,098    | 0.95                 |
| Total                     | 2,747,776,658 | 100                  |

### Board of Directors

The Board of Directors provides central leadership to the Bank, establishes the Bank's objectives, and develops the strategies that directs the ongoing activities of the Bank to achieve these objectives. Directors determine the future of the Bank through the protection of its assets and reputation. Directors apply skill and care in exercising their duties to the Bank and are subject to fiduciary duties. Directors are accountable to the shareholders of the Bank for the Bank's performance and can be removed from office by them.

The primary responsibility of the Board is to provide effective governance over the Bank's affairs for the benefit of its shareholders, and to balance the interests of its diverse stakeholders including its customers, correspondents, employees, suppliers, and the local community. In all actions taken by the Board, the directors are expected to exercise their business judgment in what they reasonably believe to be in the best interests of the Bank and its stakeholders. In discharging that obligation, directors may rely on the honesty and professional integrity of the Bank's senior management and, its external advisors and auditors.

## Board of Directors



**H. E. Shaikh Khalid  
bin Mustahail Al Mashani**

**Chairman**  
Non-executive

**Director since:** 5 May 2014  
**Current Term started:** 31 March 2024  
**Experience:** more than 29 years

His Excellency Shaikh Khalid AlMashani has over 29 years of experience and holds several important managerial positions. He is the Chairman of the Board of Directors of Al Salam Bank, the Solidarity Group Holding and Solidarity Bahrain in the Kingdom of Bahrain, as well as Chairman of Bank Muscat S.A.O.G. and Dhofar International Development & Investment Holding Company S.A.O.G. in Sultanate of Oman. Additionally, H.E. Shaikh Khalid Al Mashani is also Director of Al Omaniya Financial Services Company, Dhofar Food and Investment Co S.A.O.G. in Sultanate of Oman and Maalem Holding in the Kingdom of Bahrain.

H.E. Shaikh Khalid Al Mashani holds a Bachelors Degree in Economics, and a Masters Degree in International Boundary Studies from the School of Oriental & African Studies, from the University of London.



**Mr. Matar Mohamed Al Blooshi**

**Deputy Chairman**  
Non-executive

**Director since:** 22 March 2018  
**Current Term started:** 31 March 2024  
**Experience:** more than 30 years

Mr. Matar Mohamed Al Blooshi has over 30 years of experience in the financial sector and fund management industries. Beginning his career in 1992 with the Central Bank of the United Arab Emirates as a Dealer in the Treasury department, he then joined Abu Dhabi Investment Company as a Portfolio Manager in 1995. In 1998, he advanced his career and joined First Gulf Bank as the Head of Treasury & Investment, moving to National Bank of Abu Dhabi in 2001 as Head of Foreign Exchange and Commodities.

In February 2005, Mr. Matar Al Blooshi became the Head of Domestic Capital Market Group and the General Manager of Abu Dhabi Financial Services (a subsidiary of National Bank of Abu Dhabi) and was given the title of Senior Manager, Asset Management Group in October 2006. Mr. Matar Al Blooshi is Group Chief Investment Officer at Das Holding LLC, a Member of the Board of Directors of Al Salam Bank and member of SAYACORP in Bahrain, Etisalat Misr, Air Arabia, Chief investment officer and Member of Emirates Strategic Investment Company in Emirates.

Mr. Matar Al Blooshi holds a Bachelor's degree in Banking & Financial Management from University of Arkansas in the United States.

## Board of Directors (continued)



### Mr. Salman Saleh Al Mahmeed

#### Board Member

Non-executive

**Director since:** 15 February 2010

**Current Term started:** 31 March 2024

**Experience:** more than 37 years

Mr. Salman Saleh Al Mahmeed has over 37 years of experience. He currently holds the following positions: Chairman of Burj Al Jewar and Burj Al Safwa, Vice Chairman of Solidarity Bahrain and Vice Chairman of Dar Albilad, and Chairman of Coca Cola Bottling Company Bahrain. He is also a Board member of the Ritz Carlton Bahrain and Owner's Representative of Global Express and the Movenpick Hotel in Bahrain.

Previously, Mr. Salman AlMahmeed served as a Board Member and a member of the Executive committee, Investment committee and Strategy committee at the Bahraini Saudi Bank. He also held the position of CEO of Bahrain Airport Services and was the Investment Director at Magna Holdings.

Mr. Salman Al Mahmeed holds a Master's degree in Business Administration, a Diploma in Hotel Management and a Bachelor's degree in Management.



### Mr. Salim Abdullah Al Awadi

#### Board Member

Independent

**Director since:** 22 March 2018

**Current Term started:** 31 March 2024

**Experience:** more than 35 years

Mr. Salim Abdullah Al Awadi holds various positions in several companies. He is the Board member of Al Salam Bank Bahrain, Board member of Al Salam Bank Seychelles Board member of Al Salam Bank Algeria and the Deputy CEO of Al Omaniya Financial Services S.A.O.G., Oman. He is also Director of Dhofar International Development & Investment Holding S.A.O.G., Oman. Chairman of Dhofar Poultry S.A.O.C., Oman and Chairman of Rital Travel LLC, Oman.

Mr. Salim Al Awadi holds a Bachelor's Degree in Business Administration, a Post Graduate Diploma in Accounting from Strathclyde University, UK and an MBA from Lincoln University, UK.

## Board of Directors (continued)



**Mr. Zayed Ali Rashid Al-Amin**

**Board Member**

Independent

**Director since:** 22 March 2018

**Current Term started:** 31 March 2024

**Experience:** more than 26 years

Mr. Zayed Al-Amin is a Bahraini Businessman with over 26 years of experience in the finance and investment sectors. Currently serving as Executive Director of Investments at Ali Rashid Al-Amin Group, he is also a Board Member of various organizations including Board Member of Al Salam Bank, Vice Chairman of Solidarity Group Holding, Board Member of Esterad Investment Co., Board Member of Gulf African Bank "Kenya", Board Member of SAYACORP. And a former Board Member of MIDAD Gulf Energy, Board Member of RAMAKAZA Logistics "Qatar" and Board Member of Food Storage Co. Ltd. "KSA". Prior to his current responsibilities at Al-Amin Group, he worked for National Bank of Bahrain and Towry Law International, and Bahrain Gourmet as a Chairman.

Mr. Zayed Al-Amin holds a Post Graduate Degree in Finance and Investment from the London School of Business & Finance. He has also attended many executive courses in management, finance and investment.



**Mr. Alhur Mohammed Al Suwaidi**

**Board Member**

Independent

**Director since:** 22 March 2018

**Current Term started:** 31 March 2024

**Experience:** more than 20 years

Mr. Alhur Mohammed Al Suwaidi is a well-rounded investment strategist with over 20 years of experience in investments, portfolio management in both listed and private equities. He currently holds the position as a Director in Al Salam Bank in the Kingdom of Bahrain, and also a Director in Al Salam Bank Seychelles.

Beginning his career in 2004, Mr. Alhur Al Suwaidi held senior positions at Abu Dhabi Investment Authority (ADIA), UAE. as a Portfolio Manager, Fund Manager and Investment Manager. He also served in a number of Advisory Boards of General Partners and International Private Equity Firms which includes Leonard Green and Partners, The Blackstone Group, Carlyle Group, Apollo Global Management, Ares Management and Silver Lake Partners and Chairman of BHM Capital in UAE.

Mr. Alhur Al Suwaidi holds a Bachelor degree in Business Administration from Chapman University, California, USA.

## Board of Directors (continued)



### Mr. Hisham Al-Saie

**Board Member**  
Independent

**Director since:** 17 March 2021  
**Current Term started:** 31 March 2024  
**Experience:** more than 26 years

Mr. Hisham Al Saie is the Chief Executive Officer of Star Capital W.L.L in the Kingdom of Bahrain, bringing over 26 years of experience across financial investments, real estate asset management and development, corporate finance, and start-up ventures. He holds an MBA from the London Business School and has completed the INSEAD YMP Executive Management Program. Additionally, he earned a BA in Accounting from the University of Texas.

Beyond his executive role at Star Capital, Mr. Al Saie is currently a member of the Board and Executive Committee at Al Salam Bank. He also serves as Board member of McLaren Group Limited where he is a member of the Board Audit and Risk Committee and the Chairman of the Board Remuneration Committee. In addition, he is a member of the Board at Investcorp Holdings B.S.C where he contributes as a member of the Board Nomination & Remuneration Committee.

Furthermore, he is a Board member at Solidarity Group, where he holds the position of the Chairman of the Board Audit Committee. Prior to his current position, Mr. Al Saie served as Deputy CEO at Premier Group for approximately 18 years, primarily overseeing the group's investment portfolio as Chief Investment Officer. During his time at Premier Group he held several non- Executive directorship positions in companies such as Diyyar Al-Muharraq, Bahrain Bay and Al-Khaleeji Bank - Qatar. Before joining Premier Group, he was the Head of Corporate Finance at SICO Investment Bank, where he was instrumental in structuring key equity and debt capital market transactions across the region. His earlier professional experience includes roles at BDO Jawad Habib, PricewaterhouseCoopers, and Arthur Andersen.



### Mr. Tariq Abdul Hafidh Salim Al- Aujaili

**Board Member**  
Independent

**Director since:** 17 March 2021  
**Current Terms started:** 31 March 2024  
**Experience:** more than 23 years

Mr. Tariq Al-Aujaili has over 23 years of experience in the financial sector. He currently holds the following positions: Board Member at Al Salam Bank, Vice Chairman at Dhofar International Development and Investment Holding Co. SAOG, Dhofar Insurance SAOG and Oman Investment and Finance Co. SAOG. Additionally, Mr. Tariq serves as a Board member at Bank Dhofar SAOG, Solidarity Bahrain and Chairman at Garden Hotel, Muscat, Oman.

Mr. Tariq Al-Aujaili holds a bachelor's degree in accounting and financial studies from the London School of Economics and Political Science.



## Board of Directors (continued)



**Mr. Ahmed Habib Ahmed Kassim**

**Board Member**

Independent

**Director since:** 31 March 2024

**Current Term started:** 31 March 2024

**Experience:** more than 21 years

Mr. Ahmed Kassim brings over 21 years of experience, having served in various prestigious organizations in the Kingdom of Bahrain. He is currently a Board Member of Al Salam Bank and serves as the Chairman of Quality Wire Products.

Mr. Kassim holds the position of Vice President at Century 21 – Bahrain. He is also a Board Member at several other esteemed institutions, including Habib Ahmed Kassim & Sons, Al Mahd Day Boarding School, Solidarity Bahrain, and Banz Group.

Mr. Ahmed Kassim earned a Bachelor's degree in Economics and Finance from Bentley College in Boston, Massachusetts.



**Mr. Khalid Salem Al Halyan**

**Board Member**

Independent

**Term Ended:** 31 March 2024

**Experience:** more than 42 years

Mr. Khalid Salem Al Halyan is a business professional with over 42 years of senior level experience spanning a number of industries. Mr. Khalid Al Halyan is currently the Group Chief Audit Executive at Dubai Aviation City Corporation (DACC). His career has seen him hold senior positions at the UAE Central Bank, the Department of Economic Development (DED), Dubai, and in the aviation industry where he played a key role in the establishment of the new Dubai Airport Free Zone (DAFZA) and head up the Finance Department, before moving on to establish the Group Internal Audit and Risk Assessment (GIARA) function at DACC.

Mr. Khalid Al Halyan has also supported the establishment of DED, Emaar Properties, the UAE Internal Audit Association, the UAE Golf Association and restructured projects for DUBAL, Dubai World Trade Centre, Dubai Civil Aviation, UAE Central Bank Banking Supervision, and realized the construction of a new facility for the Al Noor Special Needs Centre in Dubai. He currently serves as Vice President of the UAE Internal Audit Association (affiliated to the Institute of Internal Auditors (IIA), USA), is Chairman of Al Noor Special Needs Centre in Dubai, Chairman of Emaar South, Dubai, Board Member of Amlak Real Estate and member at the Board of Trustees of American University in the Emirates.

Mr. Khalid Al Halyan holds an MBA degree from Bradford University in the UK, and a BBA from the UAE University, Al Ain.



## Corporate Governance Report (continued)

### Board Composition

The Board consists of members who possess both the required skills and expertise to govern the Bank in a manner that would achieve the objectives of all stakeholders. Furthermore, in compliance with relevant regulations, the Board Committees consist of Directors with adequate professional background and experience. The Board periodically reviews its composition, the contribution of Directors and the performance of its various Committees. The appointment of Directors is subject to prior screening by the Nomination and Corporate Governance Committee and the Board of Directors, as well as the approval of both the Shareholders and the Central Bank of Bahrain. The classification of "executive", "non-executive" and "independent" directors is as per the definitions stipulated in the Central Bank of Bahrain Rulebook.

Each Director is elected for a three-year term, after which he must present himself to the Annual General Meeting of shareholders for re-appointment. Board Meeting attendance is as per the regulations stipulated in the Central Bank of Bahrain Rulebook.

Currently, Al Salam Bank does not have any female representation on the Board of Directors as per the below:

| Gender              | Men  | Women |
|---------------------|------|-------|
| Number of Directors | 9    | 0     |
| Percentage %        | 100% | 0%    |

### Mandate of the Board of Directors and their Roles and Responsibilities

The principal role of the Board is to oversee the implementation of the Bank's strategic initiatives in accordance with relevant statutory and regulatory structures. The Board is also responsible for the consolidated financial statements of the Group. The Board ensures the adequacy of financial and operational systems and internal controls, as well as the implementation of corporate ethics and the code of conduct. The Board has delegated the responsibility of the day-to-day management of the Bank to the Group Chief Executive Officer ("Group CEO").

The Board reserves a formal schedule of matters for its decision to ensure that the direction and control of the Bank rests with the Board. This includes:

- Reviewing the strategic plan of the Bank.
- Performance reviews of the Senior Management (all approved persons).
- Performance assessment of the Board, Board Sub-Committees and the Shari'a Supervisory Board.
- Approving material acquisition and disposal of assets.
- Approving capital expenditure.
- Approving authority levels.
- Appointing auditors and, reviewing the financial statements and financing activities.
- Reviewing the Corporate Governance Report
- Approving the annual operating plan and budget.
- Ensuring regulatory compliance through its various committees.
- Reviewing the adequacy and integrity of the internal controls; and
- Approving all policies pertaining to the Bank's operations and functioning.

### Board Elections System

Article 25 of the Bank's Articles of Association provides the following:

1. The company shall be administered by a Board of Directors consisting of not less than five (5) members elected by the shareholders by means of cumulative voting by secret ballot and in accordance with the provisions of the Commercial Companies Law, after obtaining the approval of the Central Bank of Bahrain for their appointment. Members of the Board of Directors shall be appointed or elected to serve for a term not exceeding three (3) years renewable. A cumulative vote shall mean that each shareholder shall have a number of votes equal to the number of shares he owns in the Company and shall have the right to vote for one candidate or to distribute them among his chosen candidates.
2. Each shareholder owning 10% or more of the capital may appoint whoever represents him on the Board to the same percentage of the number of the Board members. His right to votes shall be forfeited for the percentage he has appointed representatives. If a percentage is left that does not qualify him to appoint another member, he may use such percentage to vote.

Corporate Governance Report (continued)

- 3. The Board of Directors shall elect, by secret ballot, a Chairman and one Vice Chairman or more, three years renewable. The Vice Chairman shall act for the Chairman during his absence or if there is any barrier preventing him. The Ministry of Industry and Commerce and the Central Bank of Bahrain shall be provided with a copy of the resolution electing the Chairman and the Deputy Chairman.
- 4. The Board of Directors shall consist of independent and non-executive members in accordance with the Central Bank of Bahrain's rules and regulations.
- 5. No person may be appointed or elected as a member of the Board of Directors until he has declared his acceptance to such nomination in writing, provided that the declaration includes the disclosures of any work performed that may directly or indirectly constitute competition for the company, names of the companies and entities in which he works in or in which he is a member of their board of directors.

Article 27 of the Bank's Articles of Association covers the "Termination of Membership in the Board of Directors" which states the following:

A Director shall lose his office on the Board in the event that he:

- 1. Fails to attend four consecutive meetings of the Board in one year without an acceptable excuse, and the Board of Directors decides to terminate his membership;
- 2. Resigns his office by virtue of a written request;
- 3. Forfeits any of the provisions set forth in Article 26 of the Articles of Association;
- 4. Is elected or appointed contrary to the provisions of the Law; and
- 5. Has abused his membership by performing acts that may constitute a competition with the Company or caused actual harm to the Company;
- 6. If he has been convicted before any court for theft, embezzlement, fraud, forgery or issuing dishonored cheques or any crime as provided in the law;
- 7. If he declares bankruptcy;
- 8. If any of the shareholders have terminated his appointment to any of their representatives on the Board of Directors or if the shareholders of the General Assembly vote for his removal in accordance with Article 42; or
- 9. If the Central Bank of Bahrain considers him not eligible for the position.

Independence of Directors

An independent Director is a Director whom the Board has specifically determined has no material relationship, which could affect his independence of judgment, taking into account all known facts. The Directors have disclosed their independence by signing the Directors Annual Declaration whereby they have declared that during the year ending 31 December 2024, they have met all the conditions required by the various regulatory authorities to be considered independent.

As of 31-12-2024, the members of the Board were:

Non-executive Members

|  |               |
|--|---------------|
| H.E. Shaikh Khalid bin Mustahil Al Mashani | Chairman      |
| Mr. Matar Mohamed Al Blooshi               | Vice Chairman |
| Mr. Salman Saleh Al Mahmeed                | Board Member  |

## Corporate Governance Report (continued)

### Independent Members

|                                 |              |
|---------------------------------|--------------|
| Mr. Ahmed Habib Kassim          | Board Member |
| Mr. Alhur Mohammed Al Suwaidi   | Board Member |
| Mr. Hisham Saleh AlSaie         | Board Member |
| Mr. Salim Abdullah Al Awadi     | Board Member |
| Mr. Tariq Abdulhafidh AlAujaili | Board Member |
| Mr. Zayed Ali Al-Amin           | Board Member |

All current Directors were elected for a three-year term on 31 March 2024.

### The Board Charter

The Board has adopted a Charter which provides the authority and practices for governance of the Bank. The Charter was approved by the Board with the beginning of its term in 2024 and it has been updated to be aligned with the new regulation rules. The charters include general information on the composition of the Board of Directors', classification of Directors', Board related Committees, Board of Directors' roles and responsibilities, Board of Directors' code of conduct, Board remuneration and evaluation process, insider dealing, conflict of interest and other Board related information.

### Conflict of Interest

The Bank has a documented procedure for dealing with situations involving "conflict of interest" of Directors. In the event of the Board or its Committees considering any issues involving "conflict of interest" of Directors, the decisions are taken by the full Board/ Committees. The concerned Director abstains from the discussion/ voting process. These events are recorded in Board/ Committees proceedings. The Directors are required to inform the entire Board of (potential) conflicts of interest in their activities with, and commitments to, other organizations as they arise and abstain from voting on the matter. This disclosure includes all material facts in the case of a contract or transaction involving the Director. A report detailing the absention from voting relating to conflict of interest is made available to shareholders upon their request.

The below illustrates instances where Board Members have abstained from voting due to conflict of interest:

| Sr. | Members                 | Instances of abstaining from voting | Status            |
|-----|-------------------------|-------------------------------------|-------------------|
| 1   | Mr. Hisham Saleh AlSaie | 4 instances                         | Approved by Board |
| 2   | Mr. Salman Al Mahmeed   | 2 instances                         | Approved by Board |
| 3   | Mr. Zayed Ali Al-Amin   | 1 instance                          | Approved by Board |

### Induction and Orientation for New Directors

When new Directors are appointed, they shall be provided with an appointment letter and the Directors' Handbook containing information relevant to the performance of their duties as members of the Board. The Handbook includes the Corporate Governance Guidelines, Charters of the Board and Committees, key policies, etc. The Board reserves a formal schedule of matters for its decision to ensure that the direction and control of the Bank rests with the Board.

## Corporate Governance Report (continued)

### Code of Conduct

The Board has an approved Code of Conduct for Directors, as follows:

- To act with honesty, integrity and in good faith, with due diligence and care, in the best interest of the Bank and its stakeholders;
- To act only within the scope of their responsibilities;
- To have a proper understanding of the affairs of the Bank and to devote sufficient time to their responsibilities;
- To keep confidential Board discussions and deliberations;
- Not to make improper use of information gained through the position as a director;
- Not to take undue advantage of the position of director;
- To ensure his/her personal financial affairs will never cause reputational loss to the Bank;
- To maintain sufficient/detailed knowledge of the Bank's business and performance to make informed decisions;
- To be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions of the Board;
- To consider themselves as a representative of all Shareholders and act accordingly;
- Not to agree to the Bank incurring an obligation unless he/she believes at the time, on reasonable grounds, that the Bank will be able to discharge the obligations when it is required to do so;
- Not to agree to the business of the Bank being carried out or cause or allow the business to be carried out, in a manner likely to create a substantial risk of serious loss to the Bank's creditors;
- To treat fairly and with respect all of the Bank's employees and customers with whom they interact;
- Not to enter into competition with the Bank;
- Not to demand or accept substantial gifts from the Bank for himself/herself or his/her associates;
- Not to take advantage of business opportunities to which the Bank is entitled for himself/herself or his/her associates;
- Report to the Board any potential conflicts of interests; and
- Absent themselves from any discussions or decision-making that involves a subject in which they are incapable of providing objective advice or which involves a subject or proposed conflict of interest.

### Evaluation of Board Performance

The Board has adopted a 'Performance Assessment Framework' designed to provide Directors with an opportunity to assess their performance on an annual basis. The self-assessment consists of three categories, such as:

- Assessment of the Board as a unit;
- Assessment of the Committee as a unit; and
- Self-assessment of individual Directors.

The results of the annual performance assessment shall be communicated to the Shareholders at the Annual General Meeting. The results for this year were satisfactory.

### Remuneration of Directors

Remuneration of the Directors as provided by Article 34 of the Articles of Association states the following:

"The General Assembly shall specify the remuneration of the members of the Board of Directors. However, such remunerations must not exceed in total 10% of the net profits after deducting statutory reserve and the distribution of dividends of not less than 5% of the paid capital among the shareholders. The General Assembly may decide to pay annual bonuses to the Chairman and members of the Board of Directors in the years when the Company does not make profits or in the years when it does not distribute profits to the shareholders, subject to the approval of the Ministry of Industry and Commerce. The report of the Board of Director to the general Assembly shall include full statement of the remuneration the members of the Board of Directors have been paid during the year in accordance with the provisions set forth in Article (188) of the Law."

The Board, based upon the recommendation of the Remuneration Committee and subject to the laws and regulations, determines the form and amount of Director compensation subject to final approval of the shareholders at the Annual General Meeting. The Remuneration Committee shall conduct an annual review of Directors' compensation.

## Corporate Governance Report (continued)

As per the Directors Remuneration Policy approved by the Shareholders, the structure and level for the compensation for the Board of Directors consist of the following:

1. Annual remuneration subject to the annual financial performance of the Bank and as per the statutory limitation of the law.
2. The total amount payable to each Board member with respect to Board and Committee meetings attended during the year.
3. The remuneration of the Board of Directors will be approved by the shareholders at the Annual General Meeting.

In addition to the above, Directors who are employees of the Bank shall not receive any compensation for their services as Directors and Directors who are not employees of the Bank may not enter any consulting arrangements with the Bank without the prior approval of the Board. Directors who serve on the Audit and Risk Committee shall not directly or indirectly provide or receive compensation for providing accounting, consulting, legal, investment banking or financial advisory services to the Bank.

### Board Meetings and Attendances

The Board of Directors meets at the summons of the Chairman or his Deputy (in the event of his absence or disability) or if requested to do so as per the Bank's Board Charter. According to the Bahrain Commercial Companies Law and the Bank's Articles of Association, the Board meets at least four times a year. A meeting of the Board of Directors shall be valid if attended by half of the members in person. During 2024, the Directors that were present at the Annual General Meeting are detailed in the minutes of the 2024 Annual General Meeting. The details of the Board meetings held during 2024 are as follows:

#### Board Meetings in 2024 - Minimum Four Meetings per Annum

| Members                                    | 13 Feb | 31 Mar | 13 May | 13 Jun | 13 Aug | 19 Sep | 12 Nov | 12 Dec | %    |
|--|--------|--------|--------|--------|--------|--------|--------|--------|------|
| H.E. Shaikh Khalid bin Mustahil Al Mashani | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | 100  |
| Mr. Matar Mohamed Al Blooshi               | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | 100  |
| Mr. Ahmed Habib Kassim*                    | NA     | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | 100  |
| Mr. Alhur Mohammed Al Suwaidi              | ✓      | ✓      | ✓      | ✓      | ✓      | -      | ✓      | ✓      | 87.5 |
| Mr. Hisham Saleh AlSaie                    | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | 100  |
| Mr. Salim Abdullah Al Awadi                | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | 100  |
| Mr. Salman Saleh Al Mahmeed                | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | 100  |
| Mr. Tariq Abdulhafidh AlAujaili            | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | 100  |
| Mr. Zayed Ali Al-Amin                      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | ✓      | 100  |
| Mr. Khalid Salim Al Halyan**               | ✓      | NA     | NA     | NA     | NA     | NA     | NA     | NA     | 100  |

\* On 31 March 2024, Mr. Ahmed Habib joined the Board of Directors.

\*\* On 31 March 2024, Mr. Khalid Al Halyan is no longer a Board Member.

### Directors' Interests

Directors' shares ownership in two-year comparison as of 31 December:

| Member                                     | No of shares |           | Number of Shares in 2024 |           |
|--|--------------|-----------|--------------------------|-----------|
|  | 2024         | 2023      | Bought                   | Sold      |
| H.E. Shaikh Khalid bin Mustahil Al Mashani | 0            | 0         | 0                        | 0         |
| Mr. Matar Mohamed Al Blooshi               | 0            | 0         | 0                        | 0         |
| Mr. Ahmed Habib Ahmed Kassim**             | 49,502,835   | -         | 0                        | 0         |
| Mr. Alhur Mohammed Al Suwaidi              | 0            | 0         | 0                        | 0         |
| Mr. Hisham Saleh AlSaie*                   | 4,289,049    | 5,001,818 | 700,000                  | 1,583,676 |
| Mr. Salim Abdullah Al Awadi                | 0            | 0         | 0                        | 0         |
| Mr. Salman Saleh Al Mahmeed                | 0            | 0         | 0                        | 0         |
| Mr. Tariq Abdulhafidh AlAujaili            | 0            | 0         | 0                        | 0         |
| Mr. Zayed Ali Al-Amin                      | 6,000,000    | 5,500,000 | 225,000                  | 0         |

\* Indirect ownership

\*\* Mr. Ahmed Habib Kassim has been appointed as a member of the board of directors on 31 March 2024.

## Corporate Governance Report (continued)

### Approval Process for Related Parties' Transactions

The Bank has a due process for dealing with transactions involving related parties. Any such transaction will require the unanimous approval of the Board of Directors. The nature and extent of transactions with related parties are disclosed in the consolidated financial statements under note 29- related party transaction.

### Material Transactions that require Board Approval

Depending on the internal risk rating transactions above BD 5 million and up to BD 15 million requires the approval of the Executive Committee of the Board of Directors, any transaction above BD 15 million requires the approval of the Board of Directors of the Bank. In addition, when acquiring 20% of a company Board approval is required regardless of the amount.

### Material Contracts and Financing Involving Directors and Senior Management During 2024

The Bank's dealings with its directors/ associated entities are conducted on an arms-length basis and at prevailing commercial terms in respect of its exposure to and deposits received from them. All financing facilities to senior management members are governed by the policies applicable to staff, which are reviewed and approved by the Board Remuneration & Nomination Committee. Material contracts and financing facilities involving directors and senior management during 2024 are as follows:

- Financing Facilities provided to certain Directors of the Board and related entities with a total amount of BD 1,420,781.
- Financing Facilities provided to senior management with a total amount of BD 746,145.

All related party transactions are disclosed in note 29 of the consolidated financial statements for the year ending 31 December 2024.

### Directorships held by Directors on Other Boards

The High-Level Controls Module of the Central Bank of Bahrain Rulebook provides that no Director should hold more than three directorships in Bahrain public companies. All members of the Board of Directors met this requirement and are approved by the Central Bank of Bahrain.

### Board Committees

Consistent with the industry's best practice, the Board has established four Committees with defined roles and responsibilities. The Standing Committees of the Board are Executive Committee, Audit and Risk Committee, Remuneration Committee and, Nomination and Corporate Governance Committee.

Certain information relating to the work of certain Board Committees during the year 2024, summary of the dates of Committee meetings held, Directors' attendance and a summary of the main responsibilities of each Committee is enclosed in this report.

### Executive Committee

The Committee operates under the delegated authority of the Board and provides direction to the executive management on business matters, as delegated by the Board, to address matters arising between the Board meetings. The Committee is responsible for reviewing business matters concerning credit and market risks, strategy review and providing recommendation to the Board.

Committee Meetings in 2024 - Minimum four meetings per annum.

Four Committee meetings were held during 2024 as follows:

| Members                                 | 29 Jan | 4 Jun | 9 Sep | 4 Dec | %   |
|---|--------|-------|-------|-------|-----|
| Mr. Matar Mohamed Al Blooshi (Chairman) | ✓      | ✓     | ✓     | ✓     | 100 |
| Mr. Hisham Saleh AlSaie                 | ✓      | ✓     | ✓     | ✓     | 100 |
| Mr. Salim Abdullah Al Awadi             | ✓      | ✓     | ✓     | ✓     | 100 |
| Mr. Salman Saleh Al Mahmeed*            | NA     | ✓     | ✓     | ✓     | 100 |
| Mr. Zayed Ali Al-Amin**                 | ✓      | NA    | NA    | NA    | 100 |

\* On 31 March 2024, Mr. Salman Al Mahmeed joined the Executive Committee.

\*\* On 31 March 2024, Mr. Zayed Al-Amin is no longer a member of the Executive Committee.

### Audit and Risk Committee

## Corporate Governance Report (continued)

The Committee's responsibility is to assist the Board in discharging its oversight duties relating to matters such as Audit, Risk and Compliance including the integrity of the Bank's financial statements, financial reporting process and systems, internal controls and financial controls. The Committee also acts as a liaison between the external auditor, internal auditor and the Board. The Committee is also charged with the responsibility of handling whistleblowing complaints and monitoring related party transactions.

Committee Meetings in 2024 - Minimum four meetings per annum. Seven Committee meetings were held during 2024 as follows:

| Members                                    | 5 Feb | 5 May | 4 June | 11 Aug | 12 Sep | 5 Nov | 5 Dec | %   |
|--|-------|-------|--------|--------|--------|-------|-------|-----|
| Mr. Tariq Abdulhafidh AlAujaili (Chairman) | ✓     | ✓     | ✓      | ✓      | ✓      | ✓     | ✓     | 100 |
| H.E. Shaikh Khalid bin Mustahil Al Mashani | ✓     | ✓     | ✓      | ✓      | ✓      | ✓     | ✓     | 100 |
| Mr. Ahmed Habib Kassim                     | NA    | ✓     | ✓      | ✓      | ✓      | ✓     | ✓     | 100 |
| Mr. Alhur Mohammed Al Suwaidi              | ✓     | ✓     | ✓      | ✓      | ✓      | ✓     | ✓     | 100 |
| Mr. Zayed Ali Al-Amin*                     | NA    | ✓     | ✓      | ✓      | ✓      | ✓     | ✓     | 100 |
| Mr. Salman Saleh Al Mahmeed**              | ✓     | NA    | NA     | NA     | NA     | NA    | NA    | 100 |
| Mr. Khalid Salim Al Halyan ***             | ✓     | NA    | NA     | NA     | NA     | NA    | NA    | 100 |

\* On 31 March 2024, Mr. Zayed Al-Amin joined the Audit and Risk Committee.

\*\* On 31 March 2024, Mr. Salman Al Mahmeed is no longer a member of the Audit and Risk Committee.

\*\*\* On 31 March 2024, Mr. Khalid Salim Al Halyan is no longer a member of the Audit and Risk Committee.

### Remuneration Committee

The Committee's role is to provide a formal and transparent procedure for developing a compensation policy for the Board, Group Chief Executive Officer and Senior Management (approved persons and material risk takers); ensures that compensation offered is competitive, in line with the market/peer group and consistent with the responsibilities assigned to employee. In addition, the Committee recommends to the Board special compensation plans, including annual performance bonus and short/long term incentives to attract, motivate and retain key employees.

Committee Meetings in 2024 - Minimum two meetings per annum. Three meetings were convened during 2024:

| Members  | 5 Feb | 3 June | 5 Dec | %   |
|--|-------|--------|-------|-----|
| H.E. Shaikh Khalid bin Mustahail Al Mashani (Chairman) | ✓     | ✓      | ✓     | 100 |
| Mr. Alhur Mohammed Al Suwaidi                          | ✓     | ✓      | ✓     | 100 |
| Mr. Tariq Abdulhafidh AlAujaili*                       | NA    | ✓      | ✓     | 100 |
| Mr. Khalid Salim Al Halyan**                           | ✓     | NA     | NA    | 100 |

\* On 31 March 2024, Mr. Tariq Al Aujaili joined the Remuneration Committee.

\*\* On 31 March 2024, Mr. Khalid Al Halyan is no longer a member of the Remuneration Committee.



## Corporate Governance Report (continued)

### Nomination and Corporate Governance Committee

The Committee's role is to evaluate and nominate candidates to the Board, as well as facilitate the assessment of the performance of the Board, Committees and individual Directors. In addition, the Committee is responsible to ensure that Directors receive adequate training during the year so as to be able to perform their duties on the Board and the Committees they serve on. The Committee is also charged with the responsibility of ensuring that the Corporate Governance Framework of the Bank is adequate and in compliance with the prevailing regulations. The Committee liaises with the Bank's Corporate Governance Officer to manage the governance related activities.

Committee Meetings in 2024 - Minimum two meetings per annum. Two meetings were convened during 2024:

| Members  | 29 Jan | 9 Sep | %   |
|--|--------|-------|-----|
| Mr. Salim Abdullah Al Awadi (Chairman)           | ✓      | ✓     | 100 |
| Dr. Fareed AlMaftah (Shari'a Supervisory member) | ✓      | ✓     | 100 |
| Mr. Matar Mohamed Al Blooshi                     | ✓      | ✓     | 100 |
| Mr. Zayed Ali Al-Amin*                           | NA     | ✓     | 100 |
| Mr. Tariq Abdulhafidh AlAujaili**                | ✓      | NA    | 100 |

\*On 31 March 2024, Mr. Zayed Al-Amin joined the Nomination and Corporate Governance Committee.

\*\*On 31 March 2024, Mr. Tariq AlAujaili is no longer a member of the Nomination and Corporate Governance Committee.

### Fatwa & Shari'a Supervisory Board

The Bank is guided by a Shari'a Supervisory Board consisting of four distinguished scholars. The Shari'a Supervisory Board reviews the Bank's activities to ensure that all products and investment transactions comply fully with the rules and principles of Islamic Shari'a. Further, the Shari'a Supervisory Board review and vet the screening criteria for charitable donations.

The Shari'a Supervisory Board confirms that an internal Shari'a audit function is in place and is adequately performing its duties as stipulated in the Shari'a Governance Module and AAOIFI Standards. In addition, one designated member from the Shari'a Supervisory Board have been nominated by the SBB to represent it in the Nomination and Corporate Governance Committee to raise Sharia concerns in relation to the corporate governance related matters. During the year, there has no Sharia concerns on the corporate governance matters.

The Board meets at least 4 times a year. Its members are remunerated by annual retainer fee and sitting fees per meeting attended. Its members are not paid any performance-related remuneration. Performance assessment of the Shari'a Supervisory Board is done on a self-assessment basis and submitted to the Board for their review and action.

#### Sheikh Adnan Abdullah Al Qattan Chairman

Sheikh Adnan Al Qattan holds Master's degree in the Quran and Hadith from the University of Um Al-Qura, Makka, Kingdom of Saudi Arabia; and Bachelor's degree in Islamic Shari'a from the Islamic University, Madeena, Saudi Arabia. Shaikh Al Qattan is also a Judge in the Supreme Sharia Court of Appeals, Ministry of Justice – Kingdom of Bahrain. Shaikh Al Qattan is a Member of Shari'a Supervisory Boards for several Islamic banks, and he is also Chairman of Al Sanabil Orphans Protection Society, Chairman of the Board of Trustees of the Royal Charity Establishment under the Royal Court – Kingdom of Bahrain, and President of the Kingdom of Bahrain Hajj Mission. In addition, he is a Friday sermon orator at Al Fateh Grand Mosque.

Shaikh Al Qattan contributed to drafting the Personal Status Law for the Ministry of Justice and is a regular participant in Islamic committees, courses, seminars and conferences.

#### Dr. Fareed Yaqoub Al Meftah Member

Dr. Fareed AlMuftah is the Undersecretary – Court of Cassation, Supreme Judicial Council – Bahrain, the Former Undersecretary of the Ministry of Justice & Islamic Affairs – Bahrain, member of the Supreme Council of Islamic Affairs and a former judge of the high Shari'a Court. Dr. Fareed is the Chairman of the Shari'a Supervisory Board of Khaleeji Commercial Bank (KHCB) and a former Lecturer at the University of Bahrain and wrote a lot of research papers. Dr. Fareed holds PhD in Islamic Philosophy from University of Edinburgh – United Kingdom.

## Corporate Governance Report (continued)

### Dr. Nedham Mohammed Yaqoobi

#### Member

Sheikh Dr. Nedham Mohammed Yaqoobi is an internationally acclaimed Shari'a scholar in the Islamic banking industry. He has a background in both Traditional Islamic sciences with senior scholars from different parts of the Muslim World. He holds a PhD in Islamic studies also a degree from McGill University in Canada. Sheikh Nedham has taught Islamic Subjects in Bahrain and lectured all over the world. He is a member of many International Boards: the Shari'a Council of AAOIFI, Dow Jones Islamic Index, Central Bank of Bahrain Shari'a Committee and IIFM Shari'a Council. He is also a member of several local and International Shari'a Boards. Sheikh Nedham has edited several Arabic manuscripts and has more the 500 audiovisual lectures and lessons in both Arabic and English.

### Dr. Osama Mohammed Bahar

#### Member

Sheikh Dr. Osama Mohammed Bahar is a recognized Shari'a scholar in Islamic banking and financing. He has extensive experience in the structuring of financial and Islamic products and Islamic contracts, in addition to his contributions to a number of research papers on Islamic finance and banking. Sheikh Osama Bahar holds a bachelor's degree from Prince Abdul Qader University for Islamic Studies in Algeria and he has a Master's degree in the Islamic economy from 'Al Awzai University' in Lebanon and PhD in Islamic Financial Engineering from Islamic University of Europe. He is also a member of many Shari'a Supervisory Boards.

### Annual General Meeting

The Board of Directors report to the Shareholders on the performance of the Bank through the Annual General Meeting. The meeting shall be convened upon an invitation from the Chairman of Board and be convened during the three months following the end of the Bank's financial year.

All the Directors, especially the Chairs of the Board and Committees, at least one member of the Shari'a Supervisory Board and the external auditors shall be present at this meeting to answer questions from the Shareholder regarding matters within their responsibilities:

At a minimum, the Board shall report on the following to the Shareholders, for their approval, at the Annual General Meeting:

- Audited financial statements of the Bank;
- Related party transactions executed;
- Corporate governance report;
- Corporate social responsibility report;
- Performance assessment of the Board, Committees and individual Directors; and
- Remuneration for the Directors and the Shari'a Supervisory Board members.

### Executive Management

The Board delegates the authority of managing the Bank to the Group Chief Executive Officer ("Group CEO"). The Group CEO and Executive Management are responsible for implementation of decisions and strategies approved by the Board of Directors and the Shari'a Supervisory Board.

## Executive Management (continued)



**Mr. Rafik Nayed**

**Group Chief Executive Officer**

**Experience:** more than 32 years

Mr. Rafik Nayed is a seasoned banker with over 32 years of experience. He joined Al Salam Bank from Deutsche Bank where he held several positions, including Vice Chairman of the MENA region, Chief Country Officer for the UAE and Senior Executive Officer of Deutsche Bank AG Dubai (DIFC). Before joining Deutsche Bank, Mr. Nayed was the Chief Executive Officer of the Libyan Investment Authority and prior to that worked for many years in the oil and gas and financial services industries in a variety of senior international positions. He currently serves as the Chairman of Gulf African Bank, Chairman of Al Salam Bank Algeria, Managing Director of ASB Capital (DIFC), and Board Member of Solidarity Group.



### Mr. Anwar Mohammed Murad

#### Deputy Chief Executive Officer – Banking

**Experience:** more than 31 years

Mr. Anwar Murad is a proficient Banker with over 31 years of experience in the areas of Private Banking, Treasury, Market Risk Management and Retail Banking. Prior to his current appointment with the Bank, Mr. Murad served as the Executive Vice President - Head of Private Banking at Al Salam Bank since May 2006. Previous to joining Al Salam Bank, he was the Head of Private Banking at BMI Bank, Bahrain and Regional Market Risk Manager for the MENA region at ABN AMRO Bank where he also headed the Bank's Treasury Operations in Bahrain and he held various senior positions at CitiBank – Bahrain. Mr. Murad has extensive knowledge and experience in Global Consumer Banking, Treasury and Investment products including Money Market, Foreign Exchange, Debt Derivatives, and Structured Products.



### Mr. Eihab Abdellatif Ahmed

#### Deputy Chief Executive Officer – Corporate Affairs

**Experience:** more than 29 years

Mr. Eihab Ahmed has a wide range of professional experience that spans over 29 years covering all major legal disciplines including but not limited to Investment Banking, Corporate Banking and Criminal, Labour, Public and Private International Laws. Prior to joining Al Salam Bank, he was the General Counsel - Corporate Secretary & Money Laundering Reporting Officer (MLRO) Legal & Compliance of First Energy Bank - Bahrain. He was the focal point of communication between the Board of Directors and Senior Management as well as between the Bank and its Shareholders, providing advisory and guidance on Corporate Governance principles and practices. Mr. Ahmed had worked at the International Investment Bank - Bahrain (IIB) as Head of Legal and Compliance, MLRO and for Khaleej Finance & Investment as the Head of Legal, MLRO and Corporate Secretary. He also worked for a number of reputed firms in the Kingdom of Bahrain. Before coming to Bahrain 20 years ago, he served the Ministry of Justice, Sudan as a Legal Counsel. Mr. Ahmed holds L.L.B degree from the Faculty of Law - University of Khartoum, Sudan. In January 2017, he obtained his International Diploma in Governance, Risk and Compliance from the ICTA and University of Manchester, UK. He also holds the Sudanese Bar certificate from Sudan and he is a registered member of the Sudanese Advocates Association as a Proper Advocate before various Courts of Law. Mr. Ahmed is a Certified Compliance Officer (CCO) from the American Academy of Financial Management - Dubai, UAE. In 2014, Mr. Eihab was awarded the GCC MLRO of the year.

## Executive Management (continued)



**Mr. Yousif Ahmed Ebrahim**

**Chief Financial Officer**

**Experience:** more than 31 years

Mr. Yousif Ebrahim is a proficient banker with over 31 years of experience in the areas of finance and audit. He is primarily responsible for directing and overseeing the financial and fiscal management of the Bank and its subsidiaries that includes contributing to the Bank's strategy planning, leading and directing the budget process, maintaining appropriate accounting framework and establishing effective system of cost management and internal control. Prior to joining Al Salam Bank, he served as the Chief Financial Officer at First Energy Bank for more than 9 years. He also worked at Gulf International Bank as a Vice President of Internal Audit and he was also in the Audit & Business Assurance services at PricewaterhouseCoopers. Mr. Ebrahim is a Certified Public Accountant (USA) and a member of the American Institute of Certified Public Accountant.



**Mr. Abdulkarim Turki**

**Chief Operating Officer**

**Experience:** more than 44 years

Mr. Abdulkarim Turki is a well-rounded banker with more than 44 years of experience spanning Treasury, Operations, Audit, Internal Controls, Remedial and Risk Management. Mr. Turki worked in the incorporation and structuring of the Bank's Operation and he was appointed as a key member in the Selection and Implementation Committee of the Bank's core banking system responsible for the integration and business transfer of BMI Bank to Al Salam Bank in addition to being a member in the Bank's major management committees. Prior to joining the Bank in 2006, Mr. Turki was Vice President - Head of Treasury Support at Citibank Bahrain where he headed various departments and business units and was a key player in the launch of Citi Islamic Investment Banking. Mr. Turki holds an MBA in Investment & Finance from the University of Hull, UK.

## Executive Management (continued)



**Mr. Ahmed Abdulla Saif**

**Head of Strategy and Planning**

**Experience:** more than 18 years

Mr. Ahmed Saif brings over 18 years of experience in the banking sector. Prior to joining Al Salam Bank in 2008 as part of the Investment Team, Mr. Saif worked with DBS Singapore as an Investment Analyst. In 2012, he was appointed as the Head of the Investment Middle Office Department, and in 2016 took the reigns as the Head of Strategic Acquisition and Investment Management before becoming Head of Strategy and Planning in 2018. Mr. Saif occupies various positions within the Bank's affiliate and subsidiary companies, including being a board member in Al Salam Bank-Algeria, Al Salam Bank-Seychelles, First Insurance (Solidarity Jordan), and a Board Advisor at ASB Capital. He holds an MSc in Finance and Financial Law with Honors from SOAS University of London, UK, and a BSc with Honors in Commerce, majoring in Finance & Economics, from DePaul University, USA.



**Mr. Hussain Abdulhaq**

**Head of Treasury and Capital Markets**

**Experience:** more than 24 years

Mr. Hussain Abdulhaq is an experienced Treasurer in the area of Islamic Banking and Financial Markets. His 24 years banking career as a treasury specialist has been very focused in Islamic liquidity management, Islamic capital markets, the development of Islamic compliant investment products and hedging instruments as well as Financial Institutions relationships. Mr. Abdulhaq joined Al Salam Bank in 2007 as a senior member in the treasury team, and has led the treasury integration process of Al Salam Bank and Bahrain Saudi Bank in 2010 and the same for BMI Bank in 2014. Prior to joining Al Salam Bank, he was in charge of dealing room activities for Kuwait Finance House Bahrain for a period of 5 years. Mr. Abdulhaq holds an MBA degree in Banking & Islamic Finance with honors from University of Bahrain and is a Chartered Financial Analyst (CFA).



## Executive Management (continued)



**Mr. Ahmed Jasim Murad**

**Head of Corporate Banking**

**Experience:** more than 28 years

Mr. Ahmed Murad brings over 28 years of experience in the banking sector covering areas that include Retail, Commercial and Corporate Banking. Prior to joining Al Salam Bank B.S.C., he served as Head of Corporate Banking and also a member of the Credit Committee at National Bank of Bahrain BSC. Mr. Murad holds a Bachelor degree in Business Marketing from St. Edward's University – Austin, Texas, USA, Associate Diploma in Commercial Studies from University of Bahrain, and Executive Diploma from University of Virginia, USA. Moreover, he attended number of banking training courses inside the Kingdom of Bahrain and abroad.



**Mr. Ali Habib Qassim**

**Head of Private Banking**

**Experience:** more than 25 years

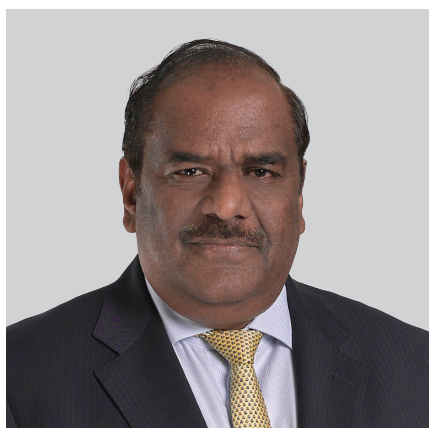
Mr. Ali Habib Qassim is a seasoned banking professional with over 25 years of expertise spanning Corporate, Investment, and Private Banking. Throughout his career, he has played a pivotal role in expanding the Bank's regional and international footprint by driving product line growth and strengthening client relationships. His deep expertise in investment and wealth management has been instrumental in delivering tailored financial solutions to high-net-worth clients.

Since his appointment as Head of Private Banking in 2011, Mr. Ali has been at the forefront of enhancing the Bank's private banking offerings. Prior to this role, he was responsible for marketing the Bank's Corporate Banking products and services across local and GCC markets, managing key relationships with financial institutions and government entities.

Mr. Ali holds a Master's degree in Science from Emerson College, Boston, USA.



## Executive Management (continued)



**Mr. Krishnan Hariharan**

**Chief Risk Officer**

**Experience:** more than 40 years

Mr. Krishnan Hariharan is a versatile Banker with over 40 years of experience in conventional and Islamic banks in the region and India. Prior to joining Al Salam Bank in 2019 he worked with Ithmaar Bank, Bahrain as Chief Risk Officer. Before joining Ithmaar Bank, he was part of the founding team of Alizz Islamic Bank, Sultanate of Oman. He holds twin Bachelor degrees one in Commerce and the other in Economics from Universities in India, he also holds a Master degree in Financial Management from Jamanalal Bajaj Institute of Management Studies, Mumbai – India.



**Mr. Mohammed Yaqoob Buhijji**

**Head of Retail Banking**

**Experience:** more than 23 years

Mohammed Buhijji is an accomplished executive of multi-cultural environments with superb organizational skills and has enjoyed an exceptional career to date with more than 23 years of high-level management in banking and consultancy. His skillset embraces superb hallmarks of understanding business restructuring and development processes within an organization. An initial period with Ernst & Young became the baseline for his audit and consultancy skills with exposure to international business practices in major financial institutions and government bodies. He moved to the nascent Al Salam Bank in 2007 to establish the Internal Audit division and various departmental policies and procedures. His essential role in driving the two acquisitions and subsequent mergers with Bahraini Saudi Bank and BMI Bank covered integration and conversion of significant areas of business-related processes. Mr. Buhijji has been resolute in the delivery of operational and financial targets as evidenced by the seamless and impressive Retail Banking transformation within Al Salam Bank resulting in a major contribution to the Bank's asset book and profitability. Mr. Buhijji holds MBA degree from the University of Strathclyde, Glasgow, and completed two Executive Management Programs at Harvard Business School, Boston, and Ivey Business School in Canada.

## Executive Management (continued)



**Ms. Muna Al Balooshi**

**Head of Human Resources and Administration**

**Experience:** more than 25 years

Ms. Muna Al Balooshi is a practiced HR professional with over 25 years of industry experience and vast knowledge of HR policies and Labor Law regulations. Prior to her appointment with Al Salam Bank in 2006, Ms. Al Balooshi was the Head of Human Resources at the Court of HRH the Crown Prince prior to this served as HR Associate with KPMG Bahrain. She has played a major role in the Bank's two acquisitions of the Bahraini Saudi Bank and BMI Bank where she managed the merger of the Bank's Human Resources. She holds an MBA from De Paul University, Chicago, and is a CIPD Associate.



**Mr. Qassim Taqawi**

**General Counsel**

**Experience:** more than 22 years

Mr. Qassim Taqawi is a skilled legal counsel with over 22 years of experience covering Investment Banking, Islamic Banking, Retail Banking, Finance, Company Law, Labor Law, Real Estate and Construction. Mr. Taqawi has handled legal matters covering the GCC, USA, Europe and MENA region. Prior to his appointment with Al Salam Bank, Mr. Taqawi held a number of senior executive positions with various Banking and Financial Institutions throughout the region. In addition to his current executive responsibilities as General Counsel, Mr. Taqawi is a member of the Bank's Investment Committee and Remedial Committee. Mr. Taqawi holds a Bachelor degree (LLB) in Law, and is a registered lawyer with the Ministry of Justice & Islamic Affairs in the Kingdom of Bahrain.

## Executive Management (continued)



**Dr. Mohammed Burhan Arbouna**

**Head of Shari'a Compliance**

**Experience:** more than 27 years

Dr. Mohammed Burhan Arbouna is a well versed Islamic banking and finance expert with over 27 years of Islamic banking experience. Prior to joining Al Salam Bank, Dr. Arbouna was the Shari'a Head and Shari'a Board Member of Seera Investment Bank B.S.C Bahrain, Head of the Shari'a department at Kuwait Finance House Bahrain, and has worked as a Shari'a researcher and consultant for the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) in Bahrain. He is a respected lecturer on Islamic banking and finance, and provides consultancy on orientation and professional programs for a number of professional and educational institutions. Dr. Arbouna was also a member of the Islamic Money Market Framework (IMMF) steering committee, a committee initiated by the Central Bank of Bahrain for the management of liquidity amongst Islamic banks. He holds a PhD in comparative law with a specialization in Islamic banking and finance and a Masters in Comparative Laws with specialization in Law of Evidence from the International Islamic University Malaysia, a BA degree in Shari'a, and Higher Diploma in Education from the Islamic University, Medina.



**Mr. Ali Al Khaja**

**Head of Compliance and MLRO**

**Experience:** more than 16 years

Mr. Ali Al Khaja brings more than 16 years of Compliance experience to the Bank. Prior to joining Al Salam Bank, he worked with Kuwait Finance House Bahrain, where he was responsible for various regulatory aspects including ensuring that transactions, investments and general dealings with the public were in compliance with the Central Bank of Bahrain (CBB) regulations and applicable laws. Previous to this he was employed by the CBB, where he held responsibility for the oversight of various local Islamic Banks in the Kingdom of Bahrain. Mr. Al Khaja holds a Bachelor degree in Banking and Finance from the University of Bahrain and an International Diploma in Compliance from the International Compliance Association (ICA).

## Executive Management (continued)



**Sheikh Ahmed Abdulrahim Al Mahmood**

**Head of Internal Shari'a Audit**

**Experience:** more than 18 years

Sheikh Ahmed Al Mahmood has around 18 years of professional experience in the field of Shari'a supervision and auditing in Islamic financial institution. Prior to joining Al Salam Bank, he established the Shari'a department in BMI Bank and GBCORP in addition to join the Shari'a department of Abu Dhabi Islamic Bank (ADIB). He also played an essential role in the integration and conversion phases of the Bank's acquisition of BMI Bank; serving as a member in the Conversion Committee. He serves in multiple professional entities as member e.g Member of scientific committee in Shari'a Professional Association – Dubai and member of Shari'a Committee in Mawarid Finance – Dubai. He holds an MBA degree in Islamic Finance from University of Bolton – UK, in addition to BA in Islamic Studies from University of Bahrain. He holds various professional qualifications that includes Certified Shari'a Advisor and Auditor (CSAA) from AAOIFI along with Advanced Diploma in Islamic commercial Jurisprudence (ADICJ) from BIBF. He also provided several training workshops on the principles of Islamic banking and Shari'a governance and wrote a lot of researches and published articles about Islamic banking & products.



**Mr. Mahmood Qannati**

**Head of Marketing & Communications & ESG Officer**

**Experience:** more than 25 years

With over 25 years of extensive experience in Marketing, Communications and Branding on both local and regional levels, Mahmood Qannati is a veteran of the communications industry; having worked across various sectors including banking, telecommunications, automotive and aviation. During his time in the United Arab Emirates, Mr. Qannati worked in prominent and established institutions, leading Standard Chartered Bank as the Regional Head of Marketing & Branding for the entire Middle East, Africa and Pakistan region, as well as serving as the Middle East Chief Marketing Officer at Cigna Insurance. He has also held several senior positions on a local level, gaining experience in marketing and communications at HSBC Bank, Bahrain International Airport and Batelco. Most recently, Mr. Qannati served as the Chief Corporate Communications and Marketing Officer at Bahrain Islamic Bank (BisB), after which he joined Al Salam Bank as Head of Marketing and Communications. Mr. Qannati holds a Master's degree in Marketing Information Systems from the University of Sunderland and a Bachelor's degree in Marketing from the University of Bahrain.

## Executive Management (continued)



**Mr. Hemantha Wijesinghe**

**Chief Technology Officer**

**Experience:** more than 24 years

Mr. Hemantha Wijesinghe is the Chief Technology Officer at Al Salam Bank, possessing over 24 years of experience in Information Technology management in the banking and finance sector in international markets globally. Prior to his UK based global roles, he had also covered multiple regions including Asia, Middle East, North America and Europe. He carries various international qualifications covering systems engineering and other areas of information technology, in addition to his higher IT studies in NCC Education (UK). Further to the Chartered institute of IT (UK), Mr. Wijesinghe also holds a MSc in Strategic Business Information Technology from the University of Portsmouth – UK.



**Mr. Essa Abdulla Bohijji**

**Chief Auditor**

**Experience:** more than 24 years

Mr. Essa Bohijji has more than 24 years of consulting and industry experience covering financial services, commercial entities, governmental bodies, and internal audit. Prior to joining Al Salam Bank, Mr. Bohijji was the Chief Auditor and Board Secretary of an Islamic Investment Bank in Bahrain and held senior positions at Ernst & Young where he worked in the Audit and Assurance Services Group and Business Advisory Services responsible for the Internal Audit and Risk Management assignments. Mr. Bohijji has previously served as a Board and Audit Committee member of Al Salam Bank-Algeria, a non-executive Audit Committee member in Manara Developments B.S.C. (c), as a Board member of BMI Bank, as a Board and Audit Committee member of Bahraini Saudi Bank, and an interim Board member in BMIO Bank in Seychelles. Mr. Bohijji is a Certified Public Accountant (CPA), licensed from the state of New Hampshire and is a member of the American Institute of Certified Public Accountants. He also holds a B.Sc. in Accounting from the University of Bahrain.



## Executive Management (continued)



**Mr. Mohammed Alshehabi**

**Head of Innovation**

**Experience:** more than 18 years

Mohammed AlShehabi has over 18 years of experience in banking covering multiple areas including Capital Markets, Corporate Banking as well as Treasury and Trade Services. He is the Head of Innovation at Al Salam Bank. Mohammed is responsible for the Bank's digital strategy and fintech initiatives with an objective to maintain the Bank's pioneering role in offering digitally native Shari'a-compliant digital products & services in the Kingdom of Bahrain. Prior to joining Al Salam Bank in 2018, he was part of the Corporate Banking team at Citi Bahrain with a business coverage role after spending several years at Citi's Treasury & Trade Solutions unit covering Bahrain and Saudi Arabia. He started his career at the Arab Banking Corporation as part of the Debt Capital Markets team as well as ABC Islamic Bank before moving to the Bahrain Economic Development Board's Business Development team with a focus on Financial Services. Mohammed holds dual Bachelor degrees with a B.Sc. in Accounting and a B.B.A. in E-Business.



**Mr. Haitham Alhaddad**

**Head of Digital Channels**

**Experience:** more than 23 years

Haitham Al Haddad is a seasoned banking professional with over 23 years of experience in the banking and finance sector. As the Head of Digital Channels at Al Salam Bank, he spearheads the development and execution of the bank's digital strategy and implementation roadmap. With a keen focus on innovation and client-centricity, Haitham is responsible for driving the digital channels' business and ensuring their alignment with the overall business objectives. Prior to his current role, Haitham served as the Head of Business Development at Al Salam Bank, where he managed strategic business relationships and developed retail banking products and services. Haitham also led the management of e-channels, ensuring seamless client experiences across various touchpoints. Before joining Al Salam Bank, Haitham served as the Head of Product Development at BMI Bank, where he was responsible for product development, market analysis, and strategic planning. He holds a Master of Business Administration from the University of Texas Pan American and a Bachelor of Business Administration in Finance from the University of Texas at Brownsville.

## Corporate Governance Report (continued)

### Senior Managers' interest

The number of shares held by the senior managers, in two-year comparison, as on 31 December 2024 is as follows:

| Members                     | Shares    |         |
|-----------------------------|-----------|---------|
|                             | 2024      | 2023    |
| Mr. Anwar Mohammed Murad*   | 851,679   | 811,125 |
| Mr. Abdulkarim Turki        | 11,026    | 10,501  |
| Mr. Essa Abdulla Bohijji    | 152,721   | 145,449 |
| Dr. Mohammed Burhan Arbouna | 428       | 408     |
| Total                       | 1,015,854 | 967,483 |

\*The shares represent shares under Mr. Anwar's guardianship

### Management Committees

The Group Chief Executive Officer ("Group CEO") is supported by a number of management committees each having a specific mandate to give focus to areas of business, risk and strategy. The various committees and their roles and responsibilities are:

|  | Roles and Responsibilities   |
|--|--|
| <b>Executive Committee</b>                               | Overseeing the other Management committees and assisting the Group CEO in various issues or topics as and when required.   |
| <b>Asset Liability Committee</b>                         | Review the trading and liquidity policy for the overall management of the balance sheet and its associated risks.  |
| <b>Credit and Investment Committee</b>                   | Recommending the risk policy and framework to the Board, the Committee's primary role is the selection and implementation of risk management systems, portfolio monitoring, stress testing, risk reporting to Board, Board Committees, Regulators and Executive Management. The Committee approves and monitor retail and corporate credit transactions, transactions relating to real estate investments, and oversee the performance of fund managers and recommend exit strategies to maximize return to its investors.   |
| <b>Human Resource Committee</b>                          | Enable the Bank's employees to meet their professional and personal goals aligned with the growth of the Bank by focusing on skill enhancement, career development, rewards with performance, and work life balance.   |
| <b>Information Security Committee</b>                    | The role of the committee is advisory in nature. It assists the relevant stakeholders to develop, review and execute a comprehensive Information Security Management System (ISMS) for the Bank. The Committee aims to strengthen the Information Security Department's capabilities as well.  |
| <b>Information Technology Steering Committee</b>         | Oversees the information technology function of the Bank. It recommends the annual IT budget and plans, drawn up in accordance with the approved strategy of the Bank, to the Group CEO for submission to the Board of Directors for their approval. It supervises the implementation of the approved IT annual plan within set deadlines and budgetary allocations.   |
| <b>Operational, Market Risk and Compliance Committee</b> | Review the Bank's Operational and Market Risk policies, which must be approved by the Board and be consistent with the corporate values and strategy of the Bank and makes recommendations to procedures related to Operational and Market Risk management. Furthermore, the Committee ensures the Bank's compliance with applicable regulations.  |
| <b>Remedial NPF's and Provisioning Committee</b>         | Assess and follow up on all non-performing assets of the Bank with the objective of maximizing recoveries for the Bank.  |
| <b>Sustainability Committee</b>                          | Oversees the Corporate Social Responsibility affairs of the Bank, managing donations and sponsorship requests, evaluating the proposals, and allocating funds to causes that the Bank is committed to support, in line with the annual corporate social responsibility plan and the Corporate Social Responsibility Policy. Any exceptions to the approved plan are reviewed and recommended to the Board for approval. The Committee is also involved in the preparation of the Corporate Social Responsibility Report, which forms part of the Annual Report, detailing the donations and sponsorships made during the year. |



## Corporate Governance Report (continued)

### Executive Management Compensation

The performance bonus of the Group Chief Executive Officer is recommended by the Remuneration and Nomination Committee and approved by the Board. The performance bonus of senior management is recommended by the Group Chief Executive Officer for review and endorsement by the Remuneration Committee subject to Board approval. The Performance Audit for the Compliance, Audit and Risk functions are assessed and approved by both the Audit and Risk Committee and the Remuneration Committee.

### Compliance

The Bank is committed to maintaining the highest standards of regulatory compliance in all aspects of its business and operations. This commitment is reinforced by the establishment of a compliance framework which is designed to ensure adherence to all applicable laws, regulations and guidelines set by the Central Bank of Bahrain and other regulatory authorities.

The Bank continuously endeavors to enhance and develop its Compliance and Anti Money Laundering policies, procedures and systems to meet evolving regulatory requirements and maintain a strong compliance culture.

### Remuneration And Appointment of The External Auditors

During the Annual General Meeting held on 31 March 2024, the shareholders approved the re-appointment of KPMG as external auditors for the year ending 31 December 2024 and authorized the Board of Directors to determine their remuneration.

The remuneration to the external auditors for the services provided to the Group are as follows:

Audit and audit related fees: BD 451.48 thousand, Non audit services: BD 570.78 thousand.

| Categories of services                                   | Fees (BD 000's) | Major type of services included in each category  |
|--|-----------------|---|
| (a) Audit of the group consolidated financial statements | 451.48          | <ul style="list-style-type: none"> <li>Audit of the consolidated financial statements of the Bank and it's subsidiaries for the year ended 31 December 2024.</li> <li>Review of condensed consolidated interim financial information of the Bank and its subsidiaries for the quarter ended 31 March, 30 June and 30 Sep 2024.</li> </ul> |
| (b) Services other than Audit                            |                 | <b>Audit related services</b><br>Agreed upon procedures relating to regulatory compliance and related services required by regulators to be performed by the external auditors across the group entities.   |
| • Audit related  | 251.31          |   |
| • Tax  | 22.97           |   |
| • Advisory   | 296.50          | <b>Tax related services</b><br>Includes VAT compliance related services and corporate tax related analysis.   |
|  |                 | <b>Advisory services</b><br>Mainly includes certain pre-deal financial and tax due diligence services across various group entities, and review of stress test and capital plans under different scenarios.   |

### Internal Control

Internal control is an active process that is continually operating at all levels within the Bank. The Bank has established an appropriate culture to facilitate an effective internal control process. Every employee of the Bank participates in the internal control process and contributes effectively by identifying risks at an earlier stage and implementing mitigating controls at optimum cost. Residual risk is properly communicated to the senior management and corrective actions are taken.

## Corporate Governance Report (continued)

### Key Persons Policy

The Bank has established a Key Persons' Policy to ensure that Key Persons are aware of the legal and administrative requirements regarding holding and trading of the Bank's shares, with the primary objective of preventing abuse of inside information. Key Persons include the Directors, Executive Management, designated employees and any person or firm connected to the identified Key Persons. The ownership of the Key Persons' Policy is entrusted to the Board's Audit Committee. The latest Key Persons' Policy is posted on the Bank's website and is updated every board term.

### Employee Relations

Al Salam Bank is committed to promoting a diverse and inclusive environment and encourages understanding of the individuality and creativity that each employee uniquely brings to the Bank. Employees are hired and placed on the basis of ability and merit. Evaluation of employees is maintained on a fair and consistent basis.

In line with the Bank's policy of being on equal opportunity firm and as part of Central Bank of Bahrain's Rulebook and Corporate Governance requirements, the Bank shall not employ relatives of employees up to the 4th degree. Existing employees must alert the Human Resources of any relatives or relationship of other employees or candidates being interviewed. Failure to do so will subject the employee to disciplinary action pursuant to the Law No. 36 of 2012 Promulgation of the Labour Law in the Private Sector and the Bank's Disciplinary Guidelines.

### Communication Policy

The Bank recognizes that active communication with different stakeholders and the general public is an integral part of good business and administration. In order to reach its overall communication goals, the Bank follows a set of guiding principles such as efficiency, transparency, clarity and cultural awareness.

The Bank uses modern communication technologies in a timely manner to convey messages to its target groups. The Bank shall reply without unnecessary delay, to information requests by the media and the public. The Bank strives in its communication to be as transparent and open as possible while taking into account Bank confidentiality. This contributes to maintaining a high level of accountability. The Bank also proactively develops contacts with its target groups and identifies topics of possible mutual interest. The Bank reinforces clarity by adhering to a well-defined visual identity in its external communications. The Bank's formal communication material is provided in both Arabic and English languages.

The annual reports and quarterly financial statements and Corporate Governance reports are published on the Bank's website. Shareholders have easy access to various types of forms including proxies used for the Annual General Meeting. In addition, forms are also available online to file complaints or make inquiries which are duly dealt with. The Bank regularly communicates with its staff through internal communications to provide updates of the Bank's various activities.

### Whistle Blowing Policy

This Policy details the procedures for a whistleblower to escalate a complaint to the designated authority and procedures that are to be followed by the Audit and Risk Committee to ensure that a valid whistleblowing complaint is investigated properly and action taken appropriately, while protecting the whistleblower from any adverse reaction due to their complaint.

### Delegation of Authority Limits

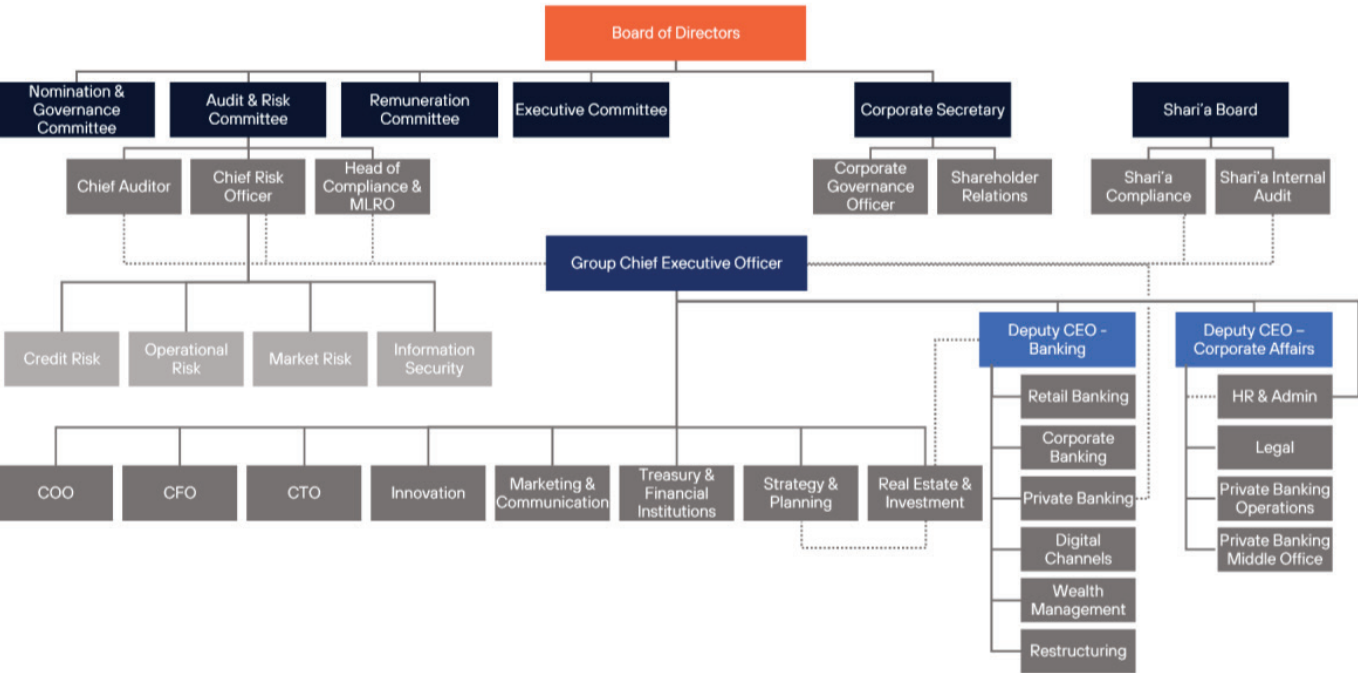
Approving limits for the Board, Board Committees and other designated individuals are incorporated into the Delegation of Authority Limits. The authorities are established for both financial and operational activities.

### Disclosures

The Bank has a Disclosures Policy in place detailing the Bank's internal as well as external communications and disclosures. The Board oversees the process of disclosure and communication with the internal and external stakeholders.

Corporate Governance Report (continued)

Organizational Structure





**Al Salam Bank B.S.C.**

P.O. Box 18282, Manama, Kingdom of Bahrain

**Shareholder Affairs**

Tel: +973 1713 3399

E-mail: [investors@alsalambank.com](mailto:investors@alsalambank.com)

**[www.alsalambank.com](http://www.alsalambank.com)**