



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

Manama, May 04, 2025– Islamic International Rating Agency (“IIRA”) has reaffirmed the Shari'a Quality Ratings of Jordan Islamic Bank (“JIB”) at AA+ (SQ). JIB is a leading Islamic bank in the region and offers Shari'a-compliant products and services catering to a range of customers' banking needs.

The bank has innovated continuously on product range and has avoided products where structures available are not recommended. The bank's product range is largely based on Murabaha and Ijarah, with limited use of participative products. Tawaruq is not used as a basis for any product.

Guided by a sound regulatory framework and a Shari'a Supervisory Board, the Bank has instituted a system of checks and balances to ensure compliance with Shari'a principles, including an internal Shari'a audit and Shari'a compliance function. The departments are adequately staffed to provide a comprehensive review of practices and transactions and report according to designated lines of reporting. An annual report by the Shari'a Supervisory Board declares the adequacy of sample checks and expresses satisfaction of the SSB regarding the bank's compliance with Shari'a principles.

The corporate governance framework is comprehensive and puts into effect local regulations and best practices. High independent representation on the Board, gender diversity, effective internal controls, and mechanisms for protecting the investment account holders' rights, contribute to a strong system of governance. The framework allows for the organizational structure and reporting lines to vest the ultimate responsibility of ensuring Shari'a controls with the Board of Directors. The BoD and management are responsible to ensure that the departments effecting Shari'a controls are integrated within the Bank's internal control system with a feedback loop that informs and guides the management and Board of Directors, regarding Shari'a governance system at the Bank.

A high level of transparency is consistently maintained in terms of Shari'a disclosures. These cover relevant Shari'a governance related disclosures as well as comprehensive disclosures regarding the aspects that makes Islamic finance participative, such as disclosures regarding Mudarib share, wakala fee and portion foregone to all or some account holders.

JIB's commitment to CSR and Sustainability is evident from its products and services spectrum, donations for charitable causes, sustainable energy utilization, and participation in community building efforts. The Bank has developed financing products related to sustainable financing, which will support its sustainability initiatives and strategy.

Adequate dispensation of fiduciary responsibility is evident from strong outreach and sustained customer loyalty, whereby the bank has maintained a considerable share in SME and retail markets. Returns paid to IAH are competitive. Moreover, asset quality has been maintained reflecting conscientious management of funds, and prudent reserving policies.

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

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