nbf
In good hands

Corporate Governance Report

2025

Corporate Governance Report

2025

1. THE MEASURES ADOPTED DURING 2025 TO COMPLETE AND ENHANCE THE NBF CORPORATE GOVERNANCE FRAMEWORK AND HOW MUCH MEASURES WERE IMPLEMENTED

National Bank of Fujairah PJSC ("NBF" or "the bank") is committed to upholding the highest ethical and corporate governance standards. We believe high standards of corporate governance are key contributors to the long-term success of any business, creating trust and engagement between the company and its stakeholders. This belief underpins our business model, our policies and governance structures.

Delivering exceptional and sustainable business outcomes is based on strong risk management and governance. The bank has clear and comprehensive governance policies, procedures and practices throughout the Group to drive these outcomes.

Our approach to corporate governance is intended to ensure the highest levels of transparency and accountability. These practices are under constant review as local and global best practice expectations change.

The Board of Directors' primary responsibility is to provide effective governance and oversight over the bank's affairs and those of its subsidiaries, for the benefit of shareholders, and to balance the interests of diverse stakeholders, including investors, customers, employees, suppliers, regulators, government and local communities.

The Board has also established board committees in line with regulatory requirements and best practice to fulfil its responsibilities effectively. Specifically, the Board has created three sub-committees and delegated specific functions to these sub-committees to ensure that there is specific focus directed towards the critical issues of risk management, sustainability including environmental, societal and governance issues, the adequacy of internal control within the bank, and the appropriate recruitment, succession, performance management and remuneration of the Board and Senior Management.

These sub-committees are the Board Risk and Sustainability Committee, the Board Audit Committee and the Board Nomination and Remuneration Committee.

At an executive level, the Management Committee and Management Risk Committee provide strategic direction and senior management oversight with regards to the operation of management committees in the bank.

The bank's corporate governance system operated effectively during 2025. The Board, Board sub-committees and management committees were convened to perform their obligations in line with the charters and provided the required oversight.

During 2025, the bank made significant progress in strengthening governance across key areas, including risk management, compliance, sustainability, people and culture, consumer protection, and general governance. We continuously review governance practices and processes to ensure that proper consideration of all relevant matters have been undertaken and that outcomes deliver long-term value to our stakeholders. Governance procedures were updated to ensure that regulatory and community expectations are met in the areas of AML, KYC, and financial crime prevention as well as conduct and consumer protection.

All internal policies required to ensure compliance with the Central Bank's Regulations and Standards on corporate governance, risk management, internal controls, compliance, internal audit, financial reporting, external audit and outsourcing have been implemented and reviewed for adequacy by the Board within the last year. We have identified areas for operational improvement in AML, KYC, and Sanctions, Operational Risk, Resilience and Consumer Protection and ongoing action plan and programs are in place to enhance these in line with best practices. The Board undertakes oversight of the progress of all improvement plans and expects that areas identified for improvement will be implemented by the end of 2026.

2. THE OWNERSHIP AND TRANSACTIONS OF THE BOARD MEMBERS, THEIR SPOUSES AND THEIR CHILDREN IN THE BANK'S SECURITIES/ SHARES DURING 2025

Name	Position/ relationship	Shares owned on 31/12/2025	Total sale Transaction	Total Purchase Transaction
Shaikh Saleh Bin Mohamed Bin Hamad AlSharqi	Chairman	-	-	-
Dr. Raja Easa Saleh Al Gurg	Deputy Chairperson	55,683	Nil	Nil
Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi	Member	-	-	-
Mr. Hussain Mirza Al Sayegh	Member	-	-	-
Mr. Saif Sultan AlSalami	Member	-	-	-
Mr. Mohamed Obaid Bin Majed Al Aleeli	Member	484,189	Nil	Nil
Mr. Ahmed Saeed AlRaqbani	Member	-	-	-
Mr. Khalil Ebraheim Hassan Ahmed	Member	-	-	-
Mr. Easa Farid Abdulla Al Gurg	Member	-	-	-

3. BOARD COMPOSITION

A. Current Composition of the Board

Name Category (executive and non-executive, independent)	Experiences and Qualifications	Board Tenure (from the Date of First Election)	Memberships and Positions in other Joint Stock Companies	Other Significant Regulatory, Governmental or Commercial Positions
Shaikh Saleh Bin Mohamed Bin Hamad AlSharqi • Chairman • Non-Executive Member • Non-Independent Member	• Completed standard military course from Royal Military Academy Sandhurst • Served in UAE Armed Forces as a Colonel	Since 1984 42 years	-	• Chairman of Department of Industry and Economy, Government of Fujairah, which controls port of Fujairah, Fujairah customs, Fujairah International Airport, Fujairah Free zone Authority and Government Companies. The Department of Industry supervises all investments and industrial projects in the Emirate of Fujairah. • Chairman of Fujairah National Group
Dr. Raja Easa Saleh Al Gurg • Deputy Chairperson • Non-Executive Member • Non-Independent Member	• Holds an Honorary Doctorate in Literature from Amity University – India • Holds an Honorary Doctorate at Queen's University Belfast for economics • Graduated from the University of Kuwait in English Literature	Since 2020 6 years	-	• Chairperson and Managing Director of Easa Saleh Al Gurg Group LLC • Chairperson of the Board of Directors of Al Jalila Foundation • Vice Chairperson of University of Dubai • Board Member of Dubai Women's Association • Board of Directors of Dubai Health Corporation • Board of Governance Deputy Chair of Mohammed Bin Rashid University of Medicine and Health Sciences • Board of Trustees for Ajman University • Board of Governance Deputy Chair of Hamdan Bin Mohammed Smart University • Honorary Pro-Chancellor at Heriot Watt University • Advisory Board of Coutts Bank, the wealth division of the Royal Bank of Scotland Group
Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi • Board Member • Non-Executive Member • Independent Member	• Bachelor in Business Administration & HR, Higher Colleges of Technology	Since 2014 12 years	-	• Chairman of Al Sharq Health care (The Health care group of Fujairah National Group) • Chairman of Fujairah National Industries (the industries Group of Fujairah National Group) • Vice-Chairman of Fujairah National Group
Mr. Hussain Mirza Al Sayegh • Board Member • Non-Executive Member • Non-Independent Member	• Master Degree in International Relations – University of Southern California (UK Program) London • Bachelor Degree in Business Administration – University of Jordan	Since 1992 34 years	-	• Chairman, Union Cement Co., Ras Al Khaimah • Board Trustee of Mohammed Bin Rashid Humanitarian & Charity Est. • Board Member of Thumbay Group
Mr. Saif Sultan Abdulla AlSalami • Board Member • Non-Executive Member • Non-Independent Member	• Master in Computer Engineering – Florida Institute of Technology, USA • Bachelor in Electrical Engineering, – Florida Institute of Technology, USA	Since 1999 27 years	• Board Member of Al Fujairah National Insurance Company	• Managing Director of Fujairah National Group • Board Member of GPS Chemoil LLC FZC
Mr. Mohamed Obaid Bin Majed Al Aleeli • Board Member • Non-Executive Member • Non-Independent Member	• Master Degree in Management Technology, University of Wisconsin, USA • Bachelor Degree in Industrial Technology, University of Wisconsin, USA	Since 1993 33 years	-	• General Director -Department of Industry and Economy – Government of Fujairah • Board Member of Arab Company for Poultry Production in Fujairah • Member of the Economic Integration Committee – Ministry of Economy and Tourism • Member of Industrial Development Council of the UAE – Ministry of Industry and Advanced Technology • Board member of Emirates Authority for Standardization and Metrology, UAE • Member of Foreign Trade Committee, Ministry of Economy and Tourism, UAE • Member of the Steering Committee of the "Make it in the Emirates" Platform – Ministry of Industry and Advanced Technology • Member of the Economic Coordination and Cooperation Committee – Ministry of Economy and Tourism • Member of the Advisory Committee of the Emirati Talent Competitiveness Council (Nafis) • Member of the Board of Directors, UAE Sailing and Modern Rowing Federation • Member of the Federal Emergency and Natural Disaster Committee

Mr. Ahmed Saeed Al Raqbani • Board Member • Non-Executive Member • Independent Member	• MBA from London Business School (LBS) • B.ENG in Civil Engineering from University College London (UCL)	Since 2016 10 years	Chairman of Fujairah Building Industries PJSC	• Chairman of Fujairah Rock and Aggregate Company • Managing Director of East Coast Group
Mr. Khalil Ebraheim Hassan Ahmed • Board Member • Non-Executive Member • Independent Member	• Master of Commerce, Professional Accounting - from University of Queensland, Australia • Master of Commerce, Applied Finance - from University of Queensland, Australia • Bachelor of Business Administration - BBA, Financial Management & Marketing from Arab Academy for Science and Technology and Maritime Transport (AASTMT), Egypt • Executive Development Diploma, Business Leadership & Management from International Institute for Management Development, Switzerland	Since 2023 3 years	Vice Chairman of Fujairah Building Industries PJSC	• Deputy Managing Director, Port of Fujairah • Board Member of Fujairah Rock and Aggregate Company
Mr. Easa Farid Al Gurg • Board Member • Non-Executive Member • Non-Independent Member	• Bachelor of Science in Business Administration with a concentration in Management and Marketing – from American University of Sharjah	Since 2024 2 years	-	• Group CEO of the Easa Saleh Al Gurg Group (ESAG) • Board Member of Dubai Chambers of Commerce

B. Female representation on the Board during 2025

NBF promotes female representation in line with government strategy. Female participation on NBF's Board of Directors is 11%. NBF is proud to have Dr. Raja Easa Saleh Al Gurg as its Deputy Chairperson.

C. Board Remuneration:

1. Total remuneration for members of the Board of Directors paid for 2025

Board Remuneration paid during 2025 for year 2024	Directors' fees (AED per annum)
Chairman	1,500,000
Deputy Chairperson	1,500,000
Director	750,000 (Per Person)

No additional allowances were paid to Members of the Board of Directors for attendence at Committees.

2. Total proposed remuneration for 2025, to be submitted to the Annual General Assembly Meeting for approval

Board Remuneration will be paid during 2026 for year 2025 (Subject to the AGAM approval in March 2026)	Directors' fees (AED per annum)
Chairman	1,500,000
Deputy Chairperson	1,500,000
Director	750,000 (Per Person)

3. Allowances paid to members of the Board of Directors for attending Board committees' meetings during 2025

NIL

4. Any additional allowances, salaries or additional fees received by a member of the Board of Directors, other than allowances for attending committees

NIL

The number of board meetings held during the fiscal year 2025, indicating the dates of their holding, the member of personal attendance times of all members, with a statement of members attending by proxy:

During 2025 there were eight meetings held and all by personal attendance and there was no attendance by proxy as follows:

No	Date of the meeting	Number of attendees	Attending through proxy	Name of the absent members
1	10 February 2025	9	-	-
2	18 March 2025	8	-	Mr. Hussain Hassan Mirza Al Sayegh
3	29 April 2025	6	-	Shaikh Saleh Bin Mohamed Bin Hamad AlSharqi Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi Mr. Saif Sultan AlSalami
4	25 June 2025	8	-	Mr. Mohamed Obaid Bin Majid Al Aleeli
5	27 August 2025	8	-	Mr. Hussain Hassan Mirza Al Sayegh
6	6 October 2025	9	-	-
7	29 October 2025	9	-	-
8	27 November 2025	9	-	-

- On 18 March 2025: Mr. Hussain Hassan Mirza Al Sayegh apologized for not attending the meeting and his absence was accepted by the Board.
- On 29 April 2025: Shaikh Saleh Bin Mohammed Bin Hamad AlSharqi, Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi and Mr. Saif Sultan AlSalami apologized for not attending the meeting and their absences were accepted by the Board.
- On 25 June 2025: Mr. Mohamed Obaid Bin Majid Al Aleeli apologized for not attending the meeting and his absence was accepted by the Board.
- On 27 August 2025: Mr. Hussain Hassan Mirza Al Sayegh apologized for not attending the meeting and his absences was accepted by the Board.

Number of Resolutions adopted by circulation during the fiscal year 2025, along with the dates on which they were passed:

The Board resolved the following matters by way of cerculation which were also ratified at the subsequant board meetings:

1. NBF People Strategy & NBF Path - 11th Jan 25
2. Annual Results by circulation - 25th Jan 25
3. Consumer Protection Regulation letter of attestation approval – 29th Jan 2025
4. Nebras Open Finance Company LLC – 25th Feb 2025
5. NBF Integrated Annual Report 2024 & Corporate Governance Report – 3rd Mar 2025
6. Issuance of AT1 Capital – 3rd May 2025
7. CBUAE Thematic Review – 2nd June 2025

8. H1 2025 Results – 18th July 2025
9. FUJ HO & Shaikh Mohamed Bin Zayed Branch – 31th July 2025
10. Credit Card Migration – 8th August 2025
11. Approval for Senior Management – 13th August 2025
12. Board Resolution ATI $ 350 M – 1st September 2025
13. NBF ST 2025 Final Outcome – 26th Sep 2025
14. Response to AMLCTF Examination Report – 8th Oct 2025
15. CB Dividend Condition AT1 issuance – 13th November 2025
16. Emirates Digital Wallet – 27th November 2025
17. Open Finance – Licensed Financial Institution (Central Bank Mandatory Compliance Requirement) 18th Dec 2025
18. Write-off of NPLs aged greater than 5 years– 19th Dec 2025
19. IBM Power Series Hardware Refresh Strategy - T24 Core Banking System Roadmap 24th Dec 2025
20. Transmittal Letter – Capital Pillar II, 2025 25th Dec 2025

4. COMMITTEES OF THE BOARD OF DIRECTORS

Board Audit Committee (BAC)

A. Declaration by the Chairman of the Board Audit Committee confirming responsibility for the committee's operating framework, review of its procedures and assurance of its effectiveness

The Board Audit Committee (BAC) provides oversight of Internal Audit and the statutory external auditors. It seeks to provide a reasonable level of assurance on the control environment, and the governance of the bank's operations. As part of these responsibilities, the BAC provides oversight over remediation of audit and regulatory findings. The BAC oversees and considers issues relating to the bank's accounts and financial reporting.

B. Names of the members of the Board Audit Committee, its competencies and assigned responsibilities

The Audit Committee of the Board consists of five Board members and an independent professional as follows:

Name	Designation
Mr. Ahmed Saeed AlRaqbani	Chairman
Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi	Member
Mr. Saif Sultan AlSalami	Member
Mr. Khalil Ebraheim Hassan Ahmed	Member
Mr. Easa Farid Al Gurg	Member

The BAC is supported by an Independent Advisor.

The responsibilities of the Committee include the following:

- Confirming and assuring the independence of internal auditors
- Reviewing with the Chief Internal Auditor and the external auditors the scope, plan, coordination and effectiveness of internal and external audit work
- Overseeing the preparation of financial statements, including a review of the interim and annual financial statements, to monitor that such financial statements have been prepared in accordance with proper accounting rules and practices
- Reviewing the group's internal control systems for effectiveness
- Reviewing key audit reports and ensuring that senior management is taking necessary corrective action in a timely manner to address control weaknesses, non-compliance with policies, laws and regulations and other problems identified by auditors and other control functions, and
- Reviewing all internal audit reports concerning any investigation or significant fraud that occurs within the group.

C. The number and dates of meetings held by the Audit Committee during 2025 to review matters related to the financial statements and other matters, including meetings attended in person

Date of the Meeting	Board of Directors in Attendance	Management Team Attendance	Total attendance
22 January 2025	This Meeting was attended by BAC members in person (No proxy): 1. Mr. Ahmed Saeed Al Raqbani - Chairman 2. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi - Member 3. Mr. Saif Sultan AlSalami - Member 4. Mr. Khalil Ebraheim Hassan - Member 5. Mr. Easa Farid Al Gurg - Member Mr. T. N. Sekhar – Independent Professional Audit Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary	Permanent Invitee from Internal Audit: 1. Mr. Balwant Bains – CIA 2. Ms. Pratibha Bosco – Banking Operations Audit, Investigations and Special Reviews Special Invitee from Management: 1. Mr. Adnan Anwar - CEO 2. Mr. Brian Mulholland – CFO 3. Mr. Daniel Lima – CRO 4. Mr. Jonathan Falconer - HOC External Audit – PWC: 1. Mr. Ashruff Jamall 2. Ms. Shereen Osman 3. Ms. Tamsin King	• Board of Directors: 5 (count) • Independent Professional Committee Member: 1 (count) • Board Secretary: 1 (count) • Management: 4 (count) • Internal Audit: 2 (count) • External Audit: 3 (count
22 February 2025	This Meeting was attended by BAC members in person (No proxy): 1. Mr. Ahmed Saeed Al Raqbani - Chairman 2. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi - Member 3. Mr. Saif Sultan AlSalami - Member 4. Mr. Khalil Ebraheim Hassan - Member 5. Mr. Easa Farid Al Gurg - Member Mr. T. N. Sekhar – Independent Professional Audit Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary	Permanent Invitee from Internal Audit: 1. Mr. Balwant Bains – CIA 2. Ms. Pratibha Bosco – Banking Operations Audit, Investigations and Special Reviews Special Invitee from Management: 1. Mr. Adnan Anwar - CEO 2. Mr. Daniel Lima – CRO 3. Mr. Jonathan Falconer - HOC	• Board of Directors: 5 (count) • Independent Professional Committee Member: 1 (count) • Board Secretary: 1 (count) • Management: 3 (count) • Internal Audit: 2 (count)
22 April 2025	This Meeting was attended by BAC members in person (No proxy): 1. Mr. Ahmed Saeed Al Raqbani - Chairman 2. Mr. Saif Sultan AlSalami - Member 3. Mr. Khalil Ebraheim Hassan - Member 4. Mr. Easa Farid Al Gurg - Member Mr. T. N. Sekhar – Independent Professional Audit Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary	Permanent Invitee from Internal Audit: 1. Mr. Balwant Bains – CIA 2. Ms. Pratibha Bosco – Banking Operations Audit, Investigations and Special Reviews Special Invitee from Internal Audit: 1. Mr. Mohamed Elkdousy - Head of Internal Shari'ah Audit Special Invitee from Management: 1. Mr. Adnan Anwar - CEO 2. Mr. Brian Mulholland – CFO 3. Mr. Daniel Lima – CRO 4. Mr. Jonathan Falconer - HOC External Audit – PWC: 1. Mr. Ashruff Jamall 2. Ms. Shereen Osman 3. Ms. Tamsin King	• Board of Directors: 4 (count) • Independent Professional Committee Member: 1 (count) • Board Secretary: 1 (count) • Management: 4 (count) • Internal Audit: 3 (count) • External Audit: 3 (count)

14 May 2025	This Meeting was attended by BAC members in person (No proxy): 1. Mr. Ahmed Saeed Al Raqbani - Chairman 2. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi - Member 3. Mr. Saif Sultan AlSalami - Member 4. Mr. Khalil Ebraheim Hassan - Member 5. Mr. Easa Farid Al Gurg - Member Mr. T. N. Sekhar – Independent Professional Audit Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary	Permanent Invitee from Internal Audit: 1. Mr. Balwant Bains – CIA 2. Ms. Pratibha Bosco – Banking Operations Audit, Investigations and Special Reviews Special Invitee from Management: 1. Mr. Adnan Anwar - CEO 2. Mr. Daniel Lima – CRO	• Board of Directors: 5 (count) • Independent Professional Committee Member: 1 (count) • Board Secretary: 1 (count) • Management: 2 (count) • Internal Audit: 2 (count)
31 July 2025	This Meeting was attended by BAC members in person (No proxy): 1. Mr. Ahmed Saeed Al Raqbani - Chairman 2. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi - Member 3. Mr. Khalil Ebraheim Hassan - Member 4. Mr. Easa Farid Al Gurg - Member Mr. T. N. Sekhar – Independent Professional Audit Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary	Permanent Invitee from Internal Audit: 1. Mr. Balwant Bains – CIA 2. Ms. Pratibha Bosco – Banking Operations Audit, Investigations and Special Reviews Special Invitee from Management: 1. Mr. Adnan Anwar - CEO 2. Mr. Brian Mulholland – CFO 3. Mr. Daniel Lima – CRO 4. Mr. Stuart Wright - Interim Head of Compliance External Audit – PWC: 1. Mr. Ashruff Jamall 2. Ms. Soumya Baweja 3. Mr. Stuart Scoular External Invitee – KPMG: 1. Mr. Aroon Kumar 2. Mr. Rakesg Raja 3. Mr. Omar Abdel Rahman	• Board of Directors: 4 (count) • Independent Professional Committee Member: 1 (count) • Board Secretary: 1 (count) • Management: 4 (count) • Internal Audit: 2 (count) • External Audit: 3 (count) • External Invitee: 3 (count)
22 October 2025	This Meeting was attended by BAC members in person (No proxy): 1. Mr. Ahmed Saeed Al Raqbani - Chairman 2. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi - Member 3. Mr. Saif Sultan AlSalami - Member 4. Mr. Khalil Ebraheim Hassan - Member 5. Mr. Easa Farid Al Gurg - Member Mr. T. N. Sekhar – Independent Professional Audit Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary	Permanent Invitee from Internal Audit: 1. Mr. Balwant Bains – CIA 2. Ms. Pratibha Bosco – Banking Operations Audit, Investigations and Special Reviews Special Invitee from Management: 1. Mr. Adnan Anwar - CEO 2. Mr. Brian Mulholland – CFO 3. Mr. Daniel Lima – CRO 4. Mr. Stuart Wright - Interim Head of Compliance 5. Ms. Nada Khneisser – Head of Legal 6. Mr. Mohamed Al Ghamry – Head of Corporate Banking 7. Zeyad Al Melaih - IT Governance and Cybersecurity 8. Alexander Arthur Raiff – IT Consultant 9. Ali Asif Sheikh – Financial Control	• Board of Directors: 5 (count) • Independent Professional Committee Member: 1 (count) • Board Secretary: 1 (count) • Management: 9 (count) • Internal Audit: 2 (count)
		External Invitee – KPMG: 1. Mr. Aroon Kumar 2. Mr. Abbas Basrai 3. Mr. Omar Abdel Rahman 4. Syed Shayan Ali Rizvi External Audit – PWC: 1. Mr. Ashruff Jamall 2. Ms. Soumya Baweja 3. Mr. Stuart Scoular	• External Invitee (KPMG) : 4 (count) • External Audit (PWC) : 3 (count)

D. Board Audit Committee's Annual Report:

1. Significant matters related to the financial statements and how they were addressed

Quarterly and Annual accounts are audited by our External Auditor. The BAC reviews the accounts and the external audit opinion and recommends to the Board the publication of the relevant financial statements. All accounts were recomended without amendment. No material issues were identified by the External Auditor.

2. The assessment methodology applied in evaluating the effectiveness of the external audit process and the independence of external auditor, the approach to the appointment or re-appointment of the auditor, and information the tenure of the current audit firm.

The BAC ensures independence of its External Auditors in line with the requirements of the Central Bank of the UAE and International accounting standards. The BAC approved the External Auditor Evaluation and Non-Audit Services Policy to ensure that independence is assessed and maintained throughout the term of the engagement.

The BAC ensures independence by ensuring that non-audit services are limited only to those acceptable under the IESBA Code and must be approved by the BAC prior to any engagement.

3. A statement outlining the committee's recommendation on the appointment, reappointment, or dismissal of the external auditor, and reasons for any Board rejection of such recommendations.

The bank appointed PricewaterhouseCoopers ("PwC") as its external auditor for 2025.

PwC is a multinational professional services network and one of the largest audit firms in the world.

PwC were appointed as the external auditors for the Bank and its subsidiaries by the shareholders at the Annual General Assembly Meeting (AGAM) held on 18 March 2025.

4. Measures taken to safeguard auditor independence when providing non-audit services to the Bank.

The bank ensures independence of its External Auditors in line with the requirements of the Central Bank of the UAE and International accounting standards. The BAC approved the External Auditor Evaluation and Non-Audit Services Policy to ensure that independence is assessed and maintained throughout the term of the engagement. The BAC ensures independence through ensuring that non-audit services are limited only to those acceptable under the IESBA Code and must be approved by the BAC prior to any engagement.

5. Actions taken or planned by the committee to address any deficiencies or weaknesses arising from failures in internal control or risk management.

All issues identified require an approved action plans in place and progress is tracked by the Internal Audit Department and reported to and governed by the BAC.

6. Evidence that all internal audit reports identifying medium – and high – risk matters were reviewed by the committee to determine whether such matters arose from significant violations or material weaknesses in internal controls.

All reports are reviewed by the BAC.

7. Comprehensive information about the corrective action plan addressing risk management and material internal control deficiencies, if any.

All issues identified are required to have approved action plans in place and progress is tracked by the Internal Audit Department and reported to BAC.

8. Evidence of the review of all related-party transactions, including the observation or findings arising from such review, and the extent of compliance with applicable laws.

Transactions with related parties are considered within financial statements audited by external auditors and reviewed by the BAC.

BOARD NOMINATION AND REMUNERATION COMMITTEE

A. A declaration by the Chairman of the Nomination and Remuneration Committee confirming responsibility for the committee's operating framework, review of its procedures, and assurance of its effectiveness.

The Committee fulfilled its obligations and responsibilities in line with the mandate set out by the Board.

The Committee principally focused on the bank's succession planning of senior management, review of composition, appointments and rewards of the Board and Internal Shari'ah Supervision Committee, adoption of the new corporate governance regulations of the Central Bank of the UAE, staff rewards, performance of the Board and ongoing education and development for the Board members.

B. Names of the members of the Nomination and Remuneration Committee, it's competencies and assigned responsibilities.

The Nomination and Remuneration Committee of the Board comprises three board members as follows:

Name	Designation
Shaikh Saleh Bin Mohammed Bin Hamad AlSharqi	Chairman
Dr. Raja Easa Saleh Al Gurg	Member
Mr. Saif Sultan AlSalami	Member

The responsibilities of the Committee include, but are not restricted to the following:

- Making recommendations to the Board relating to the appointment, reappointment and succession planning of the Directors, except for the position of Chairman
- Considering appointment, termination and succession planning for the CEO and other senior management positions
- Reviewing the remuneration policy for the Board, the CEO, senior management and employees of the Bank
- Reviewing the structure, size and composition of the Board
- Evaluating the balance of skills, knowledge and experience on the Board and
- Reviewing the performance of the Board.

C. Number and dates of meetings held during 2025, including meetings attended in person:

Date of the Meeting	Board of Directors in Attendance	Management Team Attendance
18 March 2025	This Meeting was attended by BNRC members in person (No proxy): 1. Shaikh Saleh Bin Mohammed Bin Hamad AlSharqi 2. Dr. Raja Easa Saleh Al Gurg 3. Mr. Saif Sultan AlSalami Ms. Raheema Ahmed Al Rayssi – Board Secretary	1. Mr. Adnan Anwar (CEO)
25 June 2025	This Meeting was attended by BNRC members in person (No proxy): 1. Shaikh Saleh Bin Mohammed Bin Hamad AlSharqi 2. Dr. Raja Easa Saleh Al Gurg 3. Mr. Saif Sultan AlSalami Ms. Raheema Ahmed Al Rayssi – Board Secretary	1. Mr. Adnan Anwar (CEO)
07 August 2025	This Meeting was attended by BNRC members in person (No proxy): 1. Shaikh Saleh Bin Mohammed Bin Hamad AlSharqi 2. Dr. Raja Easa Saleh Al Gurg 3. Mr. Saif Sultan AlSalami Ms. Raheema Ahmed Al Rayssi – Board Secretary	1. Mr. Adnan Anwar (CEO) 2. Mr. Mohamed Al Ameeri (CHRO)
18 November 2025	This Meeting was attended by BNRC members in person (No proxy): 1. Shaikh Saleh Bin Mohammed Bin Hamad AlSharqi 2. Dr. Raja Easa Saleh Al Gurg 3. Mr. Saif Sultan AlSalami Ms. Raheema Ahmed Al Rayssi – Board Secretary	1. Mr. Adnan Anwar (CEO) 2. Mr. Mohamed Al Ameeri (CHRO)

INSIDER TRADING MONITORING AND OVERSIGHT COMMITTEE

A. Declaration by the committee chairman confirming responsibility for the committee's operating framework, review of it's procedures, and assurance of its effectiveness.

The Board of Directors considers all Related Party Transactions.

The process for related party transactions is in place for approval and regular reviews and monitoring.

B. Names of members of the committee's, it's competencies and assigned responsibilities.

Not applicable, please refer to comments in the above section.

C. A summary of the committee's activities undertaken during 2025. (Where the Committee was not established, the reasons must be disclosed.)

The dedicated Committee has not been formed. Policies exist to ensure that Conflicts of Interest are declared and to ensure that non-public information gained through membership of the Board of Directors or through holding a position as the staff of the bank cannot be used for trading in securities.

The Board has approved a written code of conduct, a conflicts of interest policy, a whistleblowing policy mechanism, an insider trading policy, and a strong internal control environment. The bank limits and manages access to price sensitive information and has also established the process to report all relevant stakeholders to the Insider trading list. In addition to regular monitoring, the bank has also embedded insider trading as part of the periodic compliance declaration program.

OTHER BOARD COMMITTEES

A. Declaration by the Chairman of the committee confirming responsibility for the committee's operating framework, review of its procedures, and assurance of its effectiveness.

The Board has established the Board Risk and Sustainability Committee to enhance oversight with formal Charter in place.

B. Name of the committee

Board Risk and Sustainability Committee (BRSC)

C. Names of the members, it's competencies and assigned responsibilities.

The Board Risk and Sustainability Committee consists of five Board members and an independent professional as follows:

Name	Designation
Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi	Chairman
Mr. Saif Sultan AlSalami	Member
Mr. Ahmed Saeed Al Raqbani	Member
Mr. Khalil Ebraheim Hassan Ahmed	Member
Mr. Easa Farid Al Gurg	Member
Mr. T N Sekhar	Independent Prosessional Committee Member

The BRSC provides holistic oversight and advice to the Board on the Enterprise-wide Risk Framework and Risk Profile of the NBF Group. The committee considers and recommends the Risk Appetite Framework in line with the business strategy and operating environment and seeks to reinforce a strong risk aware culture.

It reviews the reports on risk profile, stress testing, capital adequacy, liquidity, credit risk, and market risk.

The committee also oversees the framework and risk posture for managing other enterprise risks such as Operational, Fraud, Information security, Technology Risks, Model risk, Legal, ESG and Sustainability, Corporate Governance, Shari'ah compliance, reputation, strategic risks and endorses related Group policies and frameworks.

It oversees the risks inherent to group business, control processes, risk management and compliance. The CEO, Chief Risk Officer (CRO) and Head of Compliance are invitees. The responsibilities of the Committee include, but are not limited to the following:

- Review of the group's Enterprise Risk Management and Internal Control Framework
- Review of group risk appetite and risk policies
- Review of the credit risk rating system
- Review of policies for asset and liability management
- Review of financial and other risk exposures and the steps management has taken to identify and measure risk

- Review of appropriate transaction or trading limits
- Review of reports and significant findings from the Risk Management Division, Management Risk Committee and from the regulatory agencies relating to risk
- Review of Internal Capital Adequacy Assessment Process (ICAAP) submission to the Central Bank of the UAE
- Review of the quality, structure and adequacy of capital and economic capital allocation
- Review of the Basel III, liquidity and leverage review methodologies
- Monitoring of group compliance with legal and regulatory obligations, including customer complaints and
- Review of major disclosure documentation prior to issue to the market

D. Number and dates of meetings held during 2025, including meetings attended in person.

Date of the Meeting	Board of Directors in Attendance
26 February 2025	This Meeting was attended by BRSC members in person (No proxy): 1. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi 2. Mr. Saif Sultan AlSalami 3. Mr. Ahmed Saeed Al Raqbani 4. Mr. Khalil Ebrahiem Hassan Ahmed 5. Mr. Easa Farid Al Gurg Mr. T N Sekhar - Independent Professional Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary
14 May 2025	This Meeting was attended by BRSC members in person (No proxy): 1. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi 2. Mr. Saif Sultan AlSalami 3. Mr. Ahmed Saeed Al Raqbani 4. Mr. Khalil Ebrahiem Hassan Ahmed 5. Mr. Easa Farid Al Gurg Mr. T N Sekhar - Independent Professional Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary
04 August 2025	This Meeting was attended by BRSC members in person (No proxy): 1. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi 2. Mr. Saif Sultan AlSalami 3. Mr. Ahmed Saeed Al Raqbani 4. Mr. Khalil Ebrahiem Hassan Ahmed 5. Mr. Easa Farid Al Gurg Mr. T N Sekhar - Independent Professional Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary
27 October 2025	This Meeting was attended by BRSC members in person (No proxy): 1. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi 2. Mr. Saif Sultan AlSalami 3. Mr. Ahmed Saeed Al Raqbani 4. Mr. Khalil Ebrahiem Hassan Ahmed 5. Mr. Easa Farid Al Gurg Mr. T N Sekhar - Independent Professional Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary
11 December 2025	This Meeting was attended by BRSC members in person (No proxy): 1. Shaikh Hamad Bin Saleh Bin Mohamed AlSharqi 2. Mr. Saif Sultan AlSalami 3. Mr. Ahmed Saeed Al Raqbani 4. Mr. Khalil Ebrahiem Hassan Ahmed 5. Mr. Easa Farid Al Gurg Mr. T N Sekhar - Independent Professional Committee Member Ms. Raheema Ahmed Al Rayssi – Board Secretary

5. Statement describing any delegation of powers or responsibility by the Board to a Board member or to executive management during 2025, including the duration and scope of such delegation.

The bank has an established delegation of authorities' framework for defining mandate and approval thresholds for the Board and Executive Management. This principally includes credit approval delegations and financial expenditure delegations which are reviewed and approved by the Board annually.

The Board provides delegations for financial expenditure to the CEO, who further delegates to relevant staff within the bank.

The Board sets the strategic objectives and risk appetite of the bank and oversees delivery and implementation by Senior Management. The Board reserves certain powers for itself and delegates certain authority and responsibility for day-to-day management of the bank and the execution of its strategic priorities to the CEO and other management through specific written delegations of authority.

The CEO may in turn delegate further certain authorities and responsibilities to Senior Management through written delegation letters. Irrespective of any delegation by the CEO, the CEO remains accountable to the Board for the exercise of delegated power and management's performance.

The principal delegated person's name with credit approval delegations are provided below:

Delegate Name	Scope of Delegation	Duration of Delegation
Adnan Anwar Chief Executive Officer	Delegation of Lending Approval based on facility amount.	12 Months
Mandeep Vohra Head of Credit	Delegation of Lending Approval based on facility amount.	12 Months

6. Statement detailing transactions conducted with related parties during 2025:

AED'000	2025	2024
Major shareholders and their related entities		
Loans and advances and Islamic financing receivables	1,154,264	1,382,056
Customer deposits and Islamic customer deposits	8,478,255	8,710,719
Investments and Islamic instruments	213,034	139,261
Acceptances	38,990	200,188
Letters of credit	46,354	107,632
Financial guarantees and other direct credit substitutes	42,506	35,512
Transaction related contingencies	540,603	489,377
Commitments for future expenditure	123,510	1,176
Exposure to directors and their related entities		
Loans and advances and Islamic financing receivables	139,424	143,448
Customer deposits and Islamic customer deposits	155,535	86,304
Transaction related contingencies	2,445	11,339
Key management personnel and their related parties		
Loans and advances and Islamic financing receivables	64,776	45,691
Customer deposits and Islamic customer deposits	38,958	178,189
Financial guarantees and other direct credit substitutes	-	5
Others		
Loans and advances and Islamic financing receivables	1,218,079	2,400,719
Customer deposits and Islamic customer deposits	1,610,477	1,614,445
Acceptances	3,594	8,682
Letters of credit	24,348	22,432
Financial guarantees and other direct credit substitutes	444	695
Transaction related contingencies	292,662	121,103
Commitments for future expenditure	-	5,193

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In the case of NBF group, related parties, as defined in line with International Accounting Standard No. 24. Further, the bank has adopted the definition in the Corporate Governance Regulations and Standards issued by the Central Bank of the UAE which includes major shareholders of the group, directors and officers of the group and companies of which they are principal owners and key management personnel and the first-degree relatives of each. Banking transactions are entered into with related parties on agreed terms and conditions approved by the Board of Directors. The bank is required to enter into transactions with related parties on an 'arm's length basis'. The significant transactions and balances included in the consolidated financial statements, are as follows:

AED'000	2025	2024
Statement of financial position items		
Loans and advances and Islamic financing receivables	2,576,543	3,971,914
Customer deposits and Islamic customer deposits	10,283,225	10,589,657
Investments and Islamic instruments	213,034	139,261
Acceptances	42,584	208,870
Contingent liabilities		
Letters of credit	70,702	130,064
Financial guarantees and other direct credit substitutes	42,950	36,212
Transaction related contingencies	835,710	621,819
Commitments for future expenditure	123,510	6,369
Statement of changes in equity items		
Tier 1 capital securities coupon paid	-	36,621
Statement of income items		
Interest income and income from Islamic financing and investment activities	200,215	205,865
Interest expense and distribution to Islamic depositors	437,588	489,969
Other income	15,356	12,104
Operating expenses	45,855	42,049
Key management compensation		
Salaries and other short-term benefits	48,050	24,430
Employee end of service benefits	1,510	2,043
Board members' remuneration	8,250	8,250

7. BOARD PERFORMANCE EVALUATION

An Assessment of the performance of the Board, its committees and Executive Management, including:

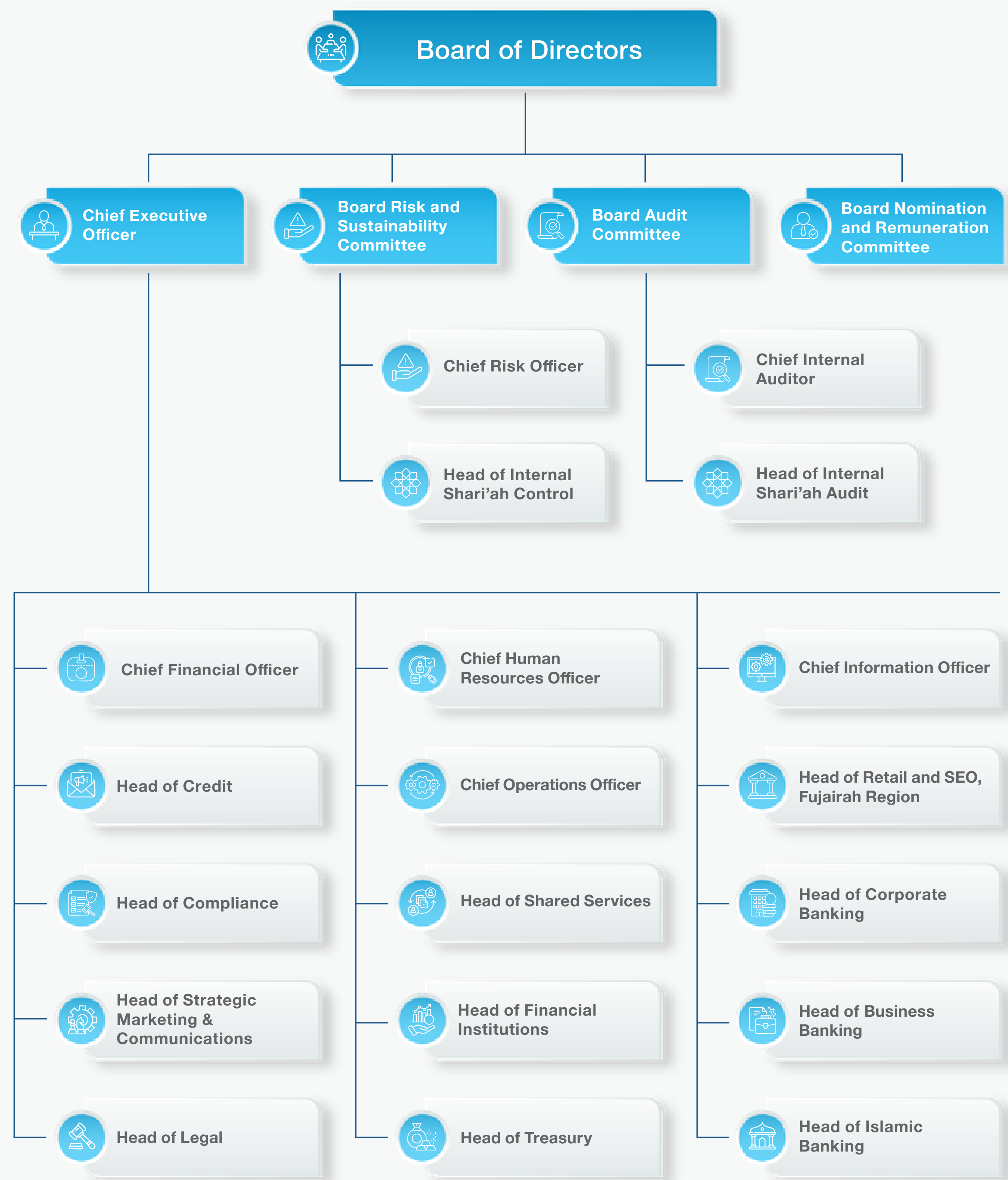
A. An annual evaluation of the performance of the board, its members and it's committees. (The assessment may conducted by the Nomination and Remuneration Committee or by the Chairman, with support of the Board the Secretary, as appropriate. Where necessary, independent consultants may be engaged to assist the Board in carrying out the evaluation).

The Board Nomination and Remuneration Committee conducts an annual assessment of the Board's performance. The annual assessment includes Board Organisation, Structure and Objectives, Board Meeting Processes, Board Responsibilities and Performance Board Interaction with Senior Management In addition, an independent Board evaluation is conducted periodically in accordance with regulatory requirements. Recommendations are considered and addressed to enhance the governance structure of the Board, and its committees and charters are updated on a yearly basis. The Board evaluation conducted in 2025 was positive with feedback that meetings devoted sufficient time to relevant topics, the Board was focused on the right topics, Board members had sufficient skills and experience to consider the relevant matters and Board materials were well prepared and distributed in a timely manner.

B. An evaluation of the performance of the Board, its members, and it's committees conducted by an independent professional entity that has no interest in, or relationships with, the Bank, its directors, or executive management. (The Board must appoint an independent professional entity to conduct such an evaluation once every three years).

An External Assessment was not requested in 2025 and will be conduct in 2026.

8. Our Organisational Structure and Executive Management



A statement detailing first and second level executive in accordance with the Bank's organizational structure, indicating job titles, appointment dates and total annual salaries and remuneration paid to each of them separately, using the below table:

The Board Nomination and Remuneration Committee approved the remuneration scheme for staff that recognised the need to balance incentive payments with the time that adverse risk consequences take to become evident. Senior Management and Material Risk Takers variable pay is now subject to a deferred proportion. Incentive payments for most staff are related to delivery of the bank's performance targets and the individual's performance against personal objectives.

For staff in the control functions of Internal Audit, Risk Management and Compliance Department, incentive payments are governed by a separate incentive scheme that is determined by delivery of individual and departmental objectives and are not the profitability of the bank.

Overall, remuneration levels are set in order to remain competitive with our industry and market position with variable elements set to reflect risk management and performance.

Total Remuneration for all 20 members of Senior Management (including those that retired or resigned through the year) was:

Position	Appointment Date	Total salaries and allowances paid for 2025 (AED)	*Total Bonuses Paid in 2025 (AED)	Any other cash/ in kind Bonuses Paid in 2025 or Due in the future
Chief Executive Officer	01 Oct 2024			
Chief Financial Officer	18 Jul 2022			
Chief Risk Officer	05 Aug 2024			
Head of Retail and SEO, Fujairah Region	01 Nov 2022			
Chief Human Resource Officer	14 Jul 2025			
Head of Human Resource (Until June 2025)	10 Oct 2010			
Chief Operations & Technology Officer (Until August 2025)	09 Jan 2024			
Head of Compliance (Until May 2025)	27 Sep 2020			
Interim Head of Compliance	01 Jun 2025			
Head of Credit (Until April 2025)	29 Sep 2021			
Head of Credit	30 Jun 2025			
Chief Internal Auditor	30 May 2022			
Head of Business Banking	31 Mar 2003			
Head of Treasury	10 Sep 2017			
Head of Legal	28 Feb 2022			
Head of Corporate Banking	28 Sep 2023			
Head of Islamic Banking	02 Jul 2013			
Head of Financial Institutions	08 Jan 2014			
Head of Shared Services	01 Mar 2022			
Head of Strategic Marketing & Communications	18 Jun 2017			
Total		30,196,019	8,881,850	3,242,850

*This reflects bonus for the year 2024 paid in 2025

The aggregate amount of variable salary (bonus) payments to all staff in 2025, reflecting performance in 2024 was AED 60.0 million reflecting 7% of the Net Profit. This was approved at the AGAM held on 18th March 2025.

9. EXTERNAL AUDITOR

A. A brief profile of the external auditor.

The bank reappointed PricewaterhouseCoopers Limited Partnership Dubai Branch ("PwC") as its external auditor for 2025.

PwC is a multinational professional services network and one of the largest audit firms in the world.

PwC were reappointed as external auditors for the bank and its subsidiaries by the shareholders at the Annual General Assembly Meeting (AGAM) held on 18 March 2025.

The bank ensures independence of its External Auditors in line with the requirements of the Central Bank of the UAE and international accounting standards. The BAC approved the External Auditor Evaluation and Non-Audit Services Policy to ensure that independence is assessed and maintained throughout the term of the engagement.

The BAC ensures independence through ensuring that non-audit services are limited only to those acceptable under the IESBA Code and must be approved by the BAC prior to any engagement.

Selection criteria for the appointment and reappointment of the External Auditor include:

- The auditor being properly constituted in accordance with relevant laws and regulations.
- The independence of the Statutory Audit firm from NBF and its ability to maintain independence throughout the engagement.
- The bank having a right to immediately terminate the service of the Statutory Auditor once their independence has been compromised.
- There being no conflict-of-interest situations that could affect the independence of the Auditor.
- Arrangements that enable partner rotation and succession planning.
- Professional competency, experience and integrity of key personnel.
- Compliance with relevant professional Codes of Ethics.
- Thoroughness of the audit approach and methodology; and
- Cost effectiveness

B. A statement of the audit fees and any non-audit fees, using the table below:

Name of the audit office and name of the partner auditor	Audit office - PwC / Partner – Tamsin King
Number of years spent as the Bank's external auditors'	Four (4) years
Number of years the partner auditor spent auditing the Bank's accounts	Three (3) years
Auditing fees for the year 2025 including review of selected returns of the Central Bank of the UAE	AED 800,000 plus out-of-pocket expenses capped at 5% and value added tax (VAT)
Audit related services fees for the year 2025 [XBRL, annual audit of NBF Financial services FZC (subsidiary of NBF), procedures in respect of pillar 3 disclosures, Internal Control over Financial Reporting (ICoFR) and tax group aggregated financial statements]	AED 500,000 plus out-of-pocket expenses capped at 5% and value added tax (VAT)
Total audit and related services fees for the year 2025	AED 1,300,000 plus out-of-pocket expenses capped at 5% and value added tax (VAT)
Fees and costs for special services other than auditing the financial statements for the year 2025 if any, and in the absence of any other fees, this is expressly stated	The non-audit fees, amounting to AED 37k, was attributable to the agreed-upon procedures in respect of de-licensing and cancellation of the Securities and Commodities Authority ('SCA') promotion activity license held by NBF
Details and nature of other services provided (if any), and in the absence of other services, this is explicitly stated	None
A statement of the other services that an another external auditor rather than the Bank's accounts auditor provided during 2025 (if any), and in the absence of another external auditor, this is explicitly stated	None

C. A statement of any reservations expressed in the interim and annual financial statements for 2025. If none, this must be expressly stated.

The Bank's auditor, PwC, has provided unmodified opinions on all interim and annual consolidated financial statements. Excerpts of opinions from Interim and Annual Accounts 2025 are provided below:

Interim:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information for the period ended 31 March 2025, 30 June 2025 and 30 September 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Annual:

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of National Bank of Fujairah PJSC (the "Bank") and its subsidiaries (together 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.

10. INTERNAL CONTROL SYSTEM

A. A declaration by the Board confirming responsibility for the Bank's internal control system, review of its operating framework, and assurance of its effectiveness.

The NBF Board sets the risk appetite, policies and has approved the Enterprise-wide Risk Management and Internal Control Framework. The bank follows a three lines of defense structure with management control being the first, independent risk management oversight being the second and an independent audit assurance being the third. The principal responsibility for the execution and implementation of policies and procedures and internal controls rests with respective functions and departments in accordance with the approved framework. An independent Risk Management function carries out oversight through independent review and approval of procedures, spot checks to assess adequacy of internal controls and meeting of compliance requirements, operational risk management, credit portfolio risk review and middle office activities for market and liquidity risks. An independent internal and external audit process provides independent assurance to the Board.

The bank continued to invest in various regulatory compliance activities. The NBF Group undertook improvements to its Anti-Money Laundering (AML) / Combating the Financing of Terrorism (CFT) / sanctions control environment and also enhanced its operational risk profile and testing to ensure effectiveness of controls. NBF is committed to industry best practice compliance and AML standards, and to the protection of the UAE's financial system. We have in place a dedicated compliance function in addition to the operational risk management function to further enhance our control mechanism. To identify areas for ongoing improvement and supervision, dedicated Compliance and Operational Risk Committees are in place which have senior management representatives from all departments.

The NBF Group has a system of internal controls adequate to enable the preparation of accurate consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs), the applicable provisions of the Articles and Memorandum of Association and the UAE Federal Law No. (2) of 2015. NBF acknowledges the responsibility for the design, implementation and maintenance of internal controls.

The Board receives regular reporting on the bank's risk profile and is able to engage management directly or through the independent control functions regarding any matter of concern.

Further, the role of the Internal Audit Function within the NBF Group is to provide independent and objective assurance that the process for identifying, evaluating and managing significant risks faced by the Group is appropriate and effectively applied. In addition, it also provides an independent check on the compliance with laws and regulations and measuring compliance with the group's policies and procedures. Additionally, Internal Audit provides consulting services which are advisory in nature and are generally performed at the specific request of Senior Management. It is led by the Chief Internal Auditor who reports to the Audit Committee of the Board. To perform its role effectively, Internal Audit has organisational independence from management, to enable unrestricted evaluation of management activities and personnel.

B. Name, qualifications, and date of appointment of the Head of Internal Control Department

Name	Qualifications	Date of Joining
Balwant Bains	Certified Internal Auditor BA Business Studies	30 May 2022

C. Name, qualifications, and date of appointment of the Compliance Officer

Name	Qualifications	Date of Joining
Stuart Wright Interim Head of Compliance	Bachelor in Law	1 June 2025

D. How material issues identified by the Internal Control Department, or disclosed in reports and annual statements, were addressed. Where no material issues arose, this must be expressly stated.

There were no material issues raised.

E. Number of internal control reports submitted to the Board during 2025.

In addition to various presentations and reporting to the Board Risk and Sustainability Committee and Board by Risk Management and Compliance functions, Internal Audit issued 82 reports to the Board Audit Committee in 2025.

11. A STATEMENT DETAILING VIOLATIONS COMMITTED DURING 2025, INDICATING THEIR CAUSES AND THE REMEDIAL MEASURES TAKEN TO PREVENT RECURRENCE.

During 2025, the bank made significant progress in strengthening governance across key areas, including risk management, compliance, sustainability, people and culture, consumer protection, and general governance. We continuously review governance practices and processes to ensure that proper consideration of all relevant matters have been undertaken and that outcomes deliver long-term value to our stakeholders. Updated governance procedures will ensure that regulatory and community expectations are met in the areas of AML, KYC, and financial crime prevention as well as conduct and consumer protection.

All internal policies required to ensure compliance with the Central Bank's Regulations and Standards on corporate governance, risk management, internal controls, compliance, internal audit, financial reporting, external audit and outsourcing have been implemented and reviewed for adequacy by the Board within the last year. We have identified areas for operational improvement in AML, KYC, and Sanctions, Operational Risk, Resilience and Consumer Protection. The Board undertakes oversight of the progress of all improvement plans and expects that areas identified for improvement in these reviews will be implemented by the end of 2026.

For all non-lending losses, the bank follows the process approved by the Board in its Operational Risk Policy. Investigations are carried out by Risk Management to identify the root cause of the incident and where it is appropriate, changes to standard processes and control processes are made to prevent re-occurrence.

12. A STATEMENT OF CASH AND IN-KIND CONTRIBUTIONS MADE BY THE BANK DURING 2025 TO COMMUNITY DEVELOPMENT AND ENVIRONMENTAL INITIATIVES. IF NONE, THIS MUST BE EXPRESSLY STATED.

The Bank contributed AED 2.528 million towards the community development and the environmental protection activities.

Our community engagement is predominantly focused on Fujairah, our home emirate. Guided by our CSR committee, NBF embarked on various initiatives to support the people of the emirate in 2025, with the bank demonstrating its continued commitment to community wellbeing.

The cornerstone of these efforts was the annual Fujairah Run, held on 22 November under the patronage of His Highness Shaikh Mohammed bin Hamad bin Mohammed Al Sharqi, Crown Prince of Fujairah. The event attracted 6,400 registrations and nearly 5,500 runners from across the UAE. Organised in partnership with the Ministry of Sports, the NBF Fujairah Run continues to promote the benefits of an active lifestyle, bringing together athletes, fitness enthusiasts, families, and people of determination.

As in previous years, we continued to support the Fujairah Welfare Association through initiatives such as Ramadan Drives and our sponsorship of Dibba Football Club. We also sustained our partnership with Mission to Seafarers, supporting the welfare of seafarers across the UAE for the 13th consecutive year. In addition, we held the fourth NBF Annual Art competition in partnership with the Fujairah Cultural Centre. This year's theme, 'Many Paths. One Destination', attracted more than 1,000 submissions, highlighting the depth and diversity of talent among UAE-based artists.

13. GENERAL INFORMATION

A. A statement of the Bank's share price in the market, including monthly closing, highest, and lowest prices during 2025

NBF share prices for the year 2025 were as follow:

Month	Closing price	Highest price	Lowest price
January 2025	4.20	4.69	3.60
February 2025	4.23	4.70	4.23
March 2025	4.23	4.23	4.23
April 2025	4.23	4.23	4.23
May 2025	4.20	4.23	4.20
June 2025	3.95	4.20	3.65

July 2025	3.65	4.50	3.65
August 2025	4.00	4.00	4.00
September 2025	4.00	4.00	3.50
October 2025	4.54	4.54	3.95
November 2025	4.54	4.54	3.95
December 2025	5.10	5.15	3.95

B. A statement presenting a comparative analysis of the Bank's share price performance against the general market index and the relevant sector index 2025

Bank Sector	Price to Book Ratio	Price to Earnings Ratio
NBF (Dec 2025)	1.70	10.92
Industry (Sep 2025)	1.38	9.91

C. Statement of the share ownership distribution as at 31 December 2025, classified by shareholder category (individuals, Corporate entities, and government entities) using the below table:

No	Shareholder classification	Percentage of shares owned			
		Individuals	Corporate entities	Government entities	Total
1	Local	6.06%	31.05%	62.89%	100%
2	GCC	-	-	-	-
3	Arab	-	-	-	-
4	Foreign	-	-	-	-
	Total	6.06%	31.05%	62.89%	100%

D. Statement of the shareholders holding 5% or more of the Bank's capital as of December 31, 2025

Name	Number of shares owned	The percentage of shares owned from the bank's capital
Department of Industry & Economy-Government of Fujairah	1,297,104,309	50.27%
Easa Saleh Al Gurg LLC	478,282,553	18.54%
Investment Corporation of Dubai	194,496,108	7.54%
Fujairah Investment Company	130,000,000	5.04%

E. Statement of shareholders distribution by size of shareholding as at of 31 December 2025

No	Shares ownership (share)	Number of shareholders	Number of shares owned	The percentage of shares owned in the capital
1	Less than 50,000	43	580,363	0.02%
2	From 50,000 to less than 500,000	61	9,448,884	0.37%
3	From 500,000 to less than 5,000,000	28	53,822,990	2.09%
4	More than 5,000,000	25	2,516,560,044	97.52%

F. Statement detailing the procedures undertaken regarding investor relations controls, indicating the following:

Name of the Investor Relations Officer	Shahrazad Hamroun - Sr. Manager – Financial Control & Investor Relations
Contact information	Tel: 09-2029210, 09-2029208 Fax: 09-2029403 e-mail: NBF-investorrelations@nbf.ae, s.hamroun@nbf.ae
Website	https://nbf.ae/en/about-us/investor-relations

The procedures that have been taken regarding investor relations controls:

- Hosting of quarterly and annual consolidated financial statements on the Abu Dhabi Securities Exchange (ADX) and Group's website and sharing these with Capital Market Authority (SCA)
- Establishing a disclosure policy to ensure compliance with all applicable laws and regulations concerning disclosure of material non-public information, including International Financial Reporting Standards (IFRS), the rules of the UAE Central Bank and its Basel II Pillar 3 guidelines, Capital Market Authority requirements and the listing requirements of Abu Dhabi Securities Exchange (ADX)
- Availability of uncollected dividends information and the mechanism of collecting it by the shareholders
- Publication of the annual report and
- Investor presentations

G. Statement of the special decisions presented at the Annual General Assembly Meeting held in 2025 and the actions taken in in relation there to

In the Annual General Assembly Meeting held on 18 March 2025 there was no agenda for special resolutions.

H. Name and date of appointment of the Board Secretary

Name	Date of appointment
Ms. Raheema Ahmed Al Rayssi	7 June 2021

I. Detailed statement of the material events and disclosures that the Bank encountered during 2025

The bank's material events, and important disclosures related to its quarterly and annual earnings were announced in the market in accordance with the requirements of CMA and ADX.

J. Statement detailing related party transactions during 2025 amounting to 5% or more of the Bank's share capital

Statement of Financial position line item	AED mn	No. of transactions
Loans and Advances and Islamic Financing Receivables	1,520.0	4
Due from Banks and Financial Institutions	18,572.6	34
Customer Deposits and Islamic Customer Deposits	973.8	2

K. Statement of Emiratisation percentage in the Bank at the end of 2023, 2024 and 2025

The Bank is fully committed to the development and advancement of Emiratisation. This commitment is reflected in the consistent and measurable increase in the Bank's Emiratisation percentages over recent years, reaching 41.1% for the year ended 31 December 2023, 42.7% for the year ended 31 December 2024, and 43.5% for the year ended 31 December 2025.

This year-on-year progress demonstrates NBF's strong commitment to the UAE national agenda and its continued investment in developing national talent. Further reinforcing this commitment, NBF was recognized through the NAFIS Awards for two consecutive years in the Medium-Sized Entities category—achieving 1st place for 2023–2024 and 2nd place for 2024–2025.

L. Statement of the innovation related projects and initiatives implemented or under development by the Bank during 2025

The Bank accelerated innovation-led initiatives spanning AI-enabled analytics, digital onboarding, advanced cybersecurity frameworks, and automation of core processes under our four-pillar transformation strategy. This was complemented by high-impact marketing campaigns and customer engagement initiatives across Corporate, Business, Retail, and Islamic Banking, including the launch of the new NBF website, further strengthening brand visibility and customer acquisition. For further details, please refer to the Directors' Report, page 7, Annual Report 2025.

Shaikh Saleh Bin Mohammed AlSharqi
Chairman of the Board of Directors and
Chairman of the Nomination and Remuneration Committee
28 January 2026

Mr. Ahmed Saeed Al Raqbani
Chairman of the Board Audit Committee
28 January 2026

Mr. Balwant Bains
Head of Internal Control Department
28 January 2026


nbf
In good hands
COMMITTED TO YOUR SUCCESS