بنك تونس العالمي

Tunis International Bank

ANNUAL REPORT 2025

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Tunis International Bank

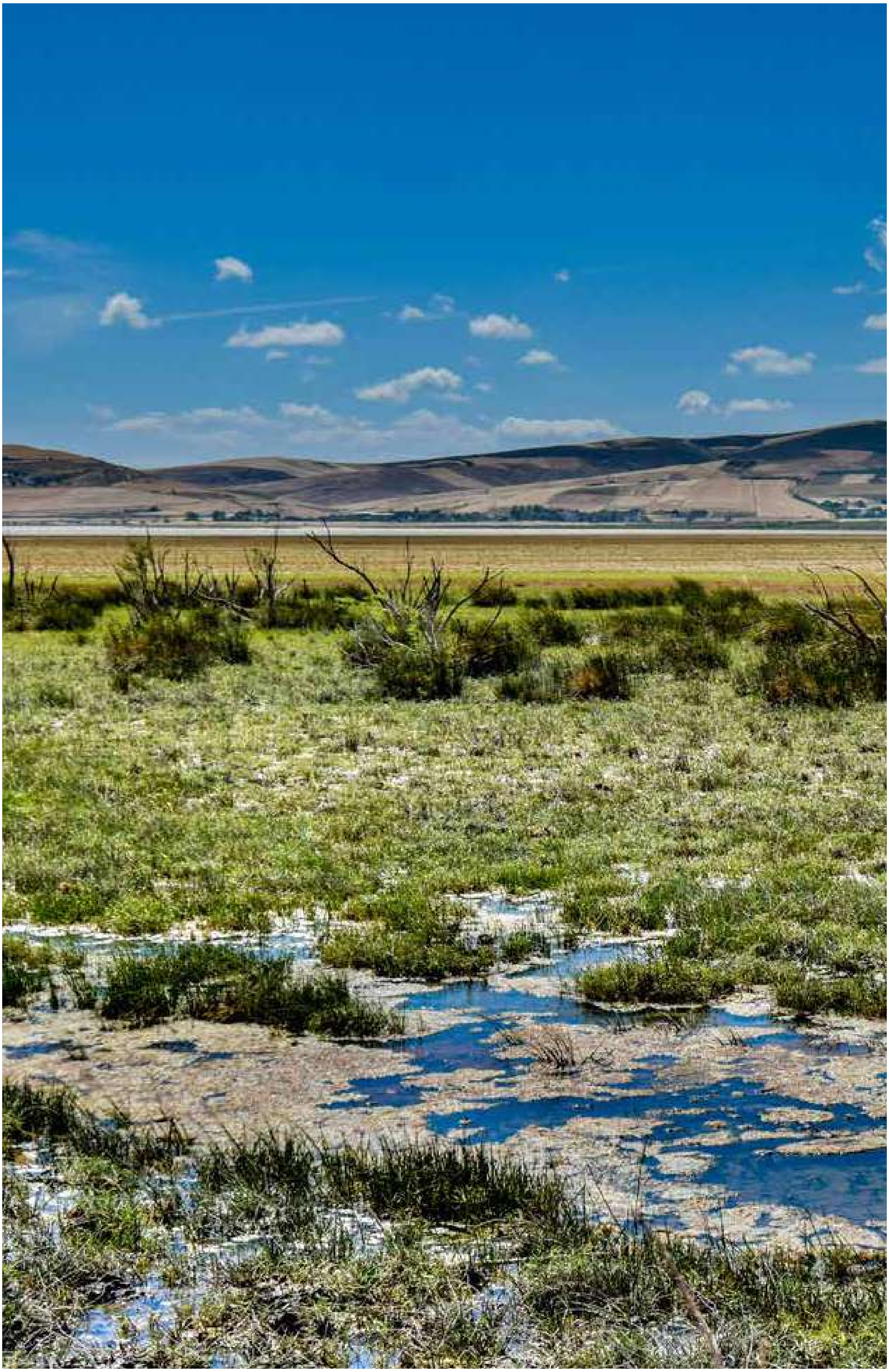
TIB

ANNUAL REPORT 2025

The beautiful images presented in this report reveal the diverse features of several parcs across Tunisia.

Table of Contents

CHAIRMAN'S STATEMENT


Ichkeul National Park

Dear Shareholders,

On behalf of the Board of Directors, it is my honour and privilege as the Chairman, to present you the Annual Report of Tunis International Bank (TIB) for the financial year ended December 31st 2025. Indeed, the year has been another year of steady and sustained progress for our Bank.

In Tunisia, the economic growth reached 2.5% in 2025 a slight improvement from 2024. Inflation continued to fall, allowing for a cautious easing of monetary policy. The growing trade deficit was partially offset by stronger tourism receipts and higher remittances, which contributed, to the consolidation of the foreign exchange reserves.

Our Bank's Board and management constantly endeavour to maintain strong Bank's fundamentals. With the confidence of the shareholders, the trust of the customers and the devoted staff, the Bank is consolidating its performance achievements, solid capital, careful risk management, and a growing customer base.

Through our parent company Burgan Bank, Kuwait (BBK), TIB is proud to belong to the solid and highly reputable Kuwaiti group Kuwait Investment Projects Company (Holding) (KIPCO). Additionally, our wide network of international banking partners helps us attract business such as loan syndications, letters of credit, and guarantees and other business deals.

BANK'S PERFORMANCE

We are pleased to announce that by the end of 2025, TIB consolidated profit reached US$ 18.8 million and the net income before taxes was around US$28 million.

The shareholder's equity increased by US$ 5.644 million reaching US$ 236.6 million. Return on equity was 8.5%, net earnings per share of 10 $(EPS) stands at 3.75, Return on assets (ROA) was 3 %, the cost to income ratio equal 21.48%

We aim to keep our balance sheet healthy and maintain good capital level, with a Capital Adequacy Ratio at 45.44%. Our loan portfolio is not heavily concentrated in any one sector, and the quality of our assets remains good, with very low level of non-performing loans.

The Bank continues to attract deposits on a selective basis mainly from high-net-worth individuals and corporate clients. Total deposits reached US$ 235 million.

We follow good governance practices to ensure the bank operates effectively, transparently, and within the law. We also remain committed to social and environmental responsibility, supporting community projects related to health, education, sports and culture.

INFORMATION TECHNOLOGY

The banking world is changing quickly with new technologies. TIB regularly updates its systems to improve security and efficiency. In 2025, we introduced multi-factor authentication for better security and redesign our check processing system to meet new regulations, allowing real time check reservation.

TIB AWARDS

We are proud to announce that TIB was recognized for its commitment to innovating our banking services while maintain the highest standards winning in December 2025 the prize of « Best International Banking Partner - Tunisia 2025" by Capital Finance International.

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SPECIAL GRATITUDE

On behalf of the Board of Directors, I would like to take this opportunity to express my sincere gratitude to the Tunisian authorities and administration, especially the Central Bank of Tunisia for their continued and valued support.

I also wish to extend my deep appreciation to our shareholders for their unrelenting support and to our customers for their continued trust and confidence. Last, and by no means least, I would like to acknowledge the loyalty, dedication, professionalism, and teamwork of our Senior Management and Staff Members, who have worked above and beyond to ensure the positive results in 2025. I thank you all once again and I am confident that TIB is well positioned for continued future success.

Mohamed Fekih
Chairman of the Board of Directors

ABOUT THE BANK

El Feija National Park

بنك تونس العالمي
Tunis International Bank
TIB

Tunis International Bank (TIB) was created in June 1982 and was the first bank established in Tunisia as a fully licensed banking corporation under the Tunisian Law of July 12th, 1976 replaced on August 12th, 2009. TIB operates under the supervision of the Central Bank of Tunisia (CBT) and is a member of Tunisia's Clearing House Association. TIB is a private non-resident commercial bank and its main shareholder is Burgan Bank, Kuwait, which is a subsidiary of the Kuwait Projects Company (Holding) K.S.C "KIPCO". The Share holding of Tunis International Bank is as follow: Burgan Bank, Kuwait (86.7%) & Banks & Finance Instituations from M.E (13.3%).

Our Bank's reputation has been fully established as a local provider of the highest quality products and services. TIB provides a comprehensive range of international financial services for corporations, financial institutions, governments and individuals both in Tunisia and abroad including the following: Foreign Exchange and Money Market operations in all convertible currencies including Tunisian Dinar, International Trade Financing, Private Banking Facilities, Loan Syndications and Forfeiting, Commercial Banking, Investments, Visa Cards and American Express Cards. Our product range will be constantly reviewed to ensure that we are able, within our credit and procedural policies, to meet the range of needs in our local market base. This will include maximising the products and services that we are able to offer as a result of the synergies that we have and are further developing, with co-members of the KIPCO group.

The Bank continues to be an innovative institution both internationally and domestically and is dedicated to providing banking services of the highest standards. As a Tunisian bank based in Tunis, TIB's traditional and natural marketplace has been the Maghreb countries. The Maghreb countries will remain TIB's primary target market by maximising the opportunities available to us by working with our associated company Gulf Bank Algeria in Algiers, Algeria and also with our bank's representative office in Tripoli, Libya.

Looking ahead, TIB aims to play a key role in promoting business and partnerships between Gulf investors and the Maghreb. In addition to this region, business has also been developed involving Western European and other Mediterranean countries. The Bank's traditional and natural customer base in Tunisia has been non-resident companies, which are usually majority owned by foreigners, exporting most, if not all, of their manufactured products and able to deal freely in foreign currencies.

TIB's Website:
www.tib.com.tn

Established in 1977, Burgan Bank is the youngest conventional Bank in Kuwait, with a significant focus in the corporate and financial institutions sectors and have recently significantly diversified its offering to the retail and private banking customer segments.

Burgan Bank, collectively known as the “Burgan Bank Group”, is supported by one of the largest branch networks across the MENAT region through its subsidiaries which include Burgan Bank Turkey, Gulf Bank Algeria - AGB (Algeria) and Tunis International Bank - TIB (Tunisia). Burgan Bank has a presence in the UAE through its representative office, Burgan Financial Services Limited.

Burgan Bank’s Website:
www.burgan.com

The KIPCO Group is one of the largest holding companies in the Middle East and North Africa, with consolidated assets of US$ 45.2 billion. The Group has significant ownership interests in a portfolio of more than 60 companies operating across 24 countries. The Group's main business sectors are financial services, food, petrochemicals & oil services, media, real estate and education.

KIPCO's financial service interests include commercial banks, asset management and investment banking. The Group's core operations in the financial service interests include holdings in commercial banks, asset management and investment banking.

KIPCO's Website:
www.kipco.com

BOARD OF DIRECTORS

The Board of Directors was elected on April 29th, 2024 for a mandate of three years.

Mohamed Fekih

Chairman of the Board

Chairman of the Board Corporate Governance Committee

Board and Executive Committee Member of Gulf Bank Algeria, Algeria

Chairman of UGFS – North Africa, Tunisia

Board Member and Chairman of the Board Audit and Risk Committee of Ooredoo, Tunisia

Mr. Fekih's career in banking sector began when he joining Citibank Tunis, followed by Tunis International Bank for years of increasing responsibilities. As the Chief Executive Officer of Tunis International Bank, up to April 2024, Mr. Fekih led steady and sustained growth to shareholders, customers and staff.

Mr. Fekih graduated from the University of Law, Political and Economic Sciences of Tunis and holds a Diploma of Higher Management Studies from the High Institute of Management Tunis (Institut Supérieur de Gestion de Tunis). He has also participated in various courses and seminars with Citibank and other well-known international institutions in the United States and Europe such as the High Performance Board Program 2009 (IMD Lausanne), in addition to various trainings held in Malta, United Kingdom and Kuwait as part of KIPCO Group Banks' training annual programs.

Rabih Soukarieh

Member of the Board
Member of the Board Nomination and Remuneration Committee
Member of the Board Corporate Governance Committee

Board member, and Board Credit Committee Member of FIMBank p.l.c., Malta Chief Executive Officer of Gulf Bank Algeria (AGB), Algeria, since August 2015. Mr. Soukarieh has over 30 years of experience in investment as well telecommunications industries. Mr. Soukarieh has been an employee of the KIPCO Group of companies in various executive management and leadership roles for 20 years and represented the group on various boards spanning multiple industries.

Prior to joining AGB, he has served as CEO of United Gulf Bank, Bahrain, between 2012 and August 2015, Chairman and CEO of Millenium Private Equity, Dubai. Mr. Soukarieh also served as Group Chief Financial Officer of Wataniya Telecom Group of companies between December 2004 and December 2007.

Mr. Soukarieh holds a Masters in Business Administration from Northeastern University and a Bachelor of Science in Finance from Indiana University, Bloomington, U.S.A.

Mohamed Fethi Houidi

Member of the Board
Member of the Board Audit Committee
Chairman of the Board Nomination and Remuneration Committee

Former Chairman of the Board of Ooredoo, Tunisia

Mr. Houidi held high ranking duties in the Tunisian public sector. He was the Ambassador of Tunisia in Beirut from 2000 to 2002.

Mr. Houidi holds a Doctorate degree in the Science of Communication from the University of Paris II and a Bachelors degree in French Literature from the University of Paris Sorbonne, France.

Khalid Al Zouman

Member of the Board
Member of the Board Risk Committee

Board Member of Burgan Bank Turkey, Turkey

Mr. Al Zouman is the Chief Financial Officer at Burgan Bank Group, Kuwait. Mr. Al Zouman joined Burgan in 2000. Prior to joining Burgan, Mr. Al Zouman was a Manager at Ernst & Young since 1988. During his experience in E&Y, Mr. Al Zouman was trained for two years in the Pittsburgh office, Pennsylvania, where he also passed his Certified Public Accountant (CPA) examination. Mr. Al Zouman holds a degree in Computer Science from Kuwait University.

Ahmed Benghazi

Member of the Board

Member of the Board Audit Committee

Managing partner of ABG, a consulting firm specialized in financial advisory.

Mr. Benghazi was CEO of Axis Capital (now BMCE Capital Tunisia) , a group of companies operating in brokerage, asset management and financial advisory, and managing Director of Fitch North Africa, first local rating company to operate in the region.

Mr. Benghazi held various responsibilities in the ministry of development economy. He, amongst other tasks, contributed to the elaboration of the Tunisian Privatization program in the early nineties.

Mr. Benghazi holds a Master's degree in public administration from Harvard University, J.F. Kennedy School of Government, a Master's degree from *l'Ecole Nationale d'Administration*, Tunis, and a Bachelor's degree in Economics from the University of Economic Sciences of Tunisia.

Samir Chebil

Member of the Board

Member of the Board Risk Committee

Member of the Board Nomination and Remuneration Committee

Mr. Chebil held high-ranking duties at the World Bank Executive Board for 15 years dealing with various strategic and economic development issues in developing countries. He assessed the soundness and effectiveness of the projects submitted to the World Bank's Executive Board.

Mr.Chebil was as Senior Advisor and a board member of various committees, notably the budget, personnel, and remuneration committees.

Previously, Mr. Chebil was an Economist at the IMF, assessing various financial and banking sector soundness indicators and recommending economic and financial reforms in several developing countries.

Mr. Chebil held teaching position as Distinguished Professional Lectures and Assistant Professor in the United States and Tunisia (George Washington University, Georgetown University, John Hopkins University, Dauphine University Tunis, IHEC Carthage Tunisia).

Mr. Chebil taught both MBA and Executive Programs courses mainly in finance, economics, banking, financial derivatives and international finance. He received several teaching awards. Mr. Chebil holds a PhD and an MBA in the Finance field from the George Washington University. Mr. Chebil was awarded the prize of best economic dissertation in 1994 for his thesis on lessons of financial liberalization in developing countries.

Samer Abbouchi

Member of the Board

Member of the Board Audit Committee

Mr Abbouchi joined KIPCO's investment team in 2023 as Senior Vice President in the Investment department and became Deputy Group Chief Investment Officer in 2025. Mr. Abbouchi hold a diversified working experience in the financial services sector, investment and asset management. Prior to joining KIPCO, Mr Abbouchi held several positions in Gulf Bank, including Deputy GM - Investment Banking and Head of Strategic Investments. He started his career with Ernst & Young and worked at Global Investment House and Ryada Capital Investment Company.

Mr Abbouchi is a Graduate in Business Administration from the American University of Beirut. Samer is a Certified Internal Auditor, a Chartered Financial Analyst and an MBA graduate from London Business School.

Mr. Abbouchi previous Board memberships include: Societe Generale de Banque de Jordanie , Jordan Islamic Bank, Buraq Investment Company (Kuwait), Al Ekhlas Holding Company (Kuwait), Elite Educational Company (Kuwait), First Jordan Investment Company (Jordan), FinaCorp Investment Company (Tunisia) (Jordan), National International Holding Company (Kuwait), Global Jordan and Reef Real Estate Finance Company.

Amel Ben Rahal

Independent Board Member

Chairman of the Board Audit Committee

Chairman of the Board Jasmin Clinic, Tunisia

Board Member, Tunisie Leasing & Factoring, Tunisia.

Mrs Ben Rahal started her career in Central Bank of Tunisia as a financial Analyst in 1983 followed by years of increasing responsibilities in credit section, financial stability and risk prevention. From 2012 to 2021, Mrs. Ben Rahal was the Chief Executive Officer of the Financial Stability and Risk Prevention Department at the Central Bank of Tunisia.

Mrs. Ben Rahal graduated in Finance from Institute of High Commercial Studies (IHEC- Carthage-Tunisia) and had a postgraduate diploma in Advanced Banking Management Studies from the Institute of Financing of Development (IFID) Tunisia. Mrs. Ben Rahal previous board membership include, College of the Financial Market, National Office of Oil, the Chemical group, Gafsa phosphate company in Tunisia.

Mrs. Ben Rahal was also appointed as an external expert in IMF Technical assistance missions: Financial Sector Stability Review in 2019 for Guinea-Bissau and in 2022 for Democratic Republic of Congo-DRC.

Mohamed Salah Souilem	Independent Board Member Chairman of the Board Risk Committee Member of the Board Corporate Governance Committee

Mr Souilem graduate from Institute of High Commercial Studies (IHEC Carthage Tunisia). Mr. Souliem joined the Central Bank of Tunisia in 1981 in the accounting department for two years followed by years of increasing responsibilities in international relations department, external reserves, Fx and treasury.

Mr. Souilem was appointed from October 2011 to December 2017 as managing director of Monetary Policy. He contributed to the modernization of the operational and strategic monetary policy.

Mr. Souilem previous board membership include Union Internationale des Banques (UIB) for two successive mandated up to April 2024 heading also the Board Risk Committee. Mr. Souilem was board member in several Tunisian Companies Tuninter, Tunisair, Cotunace, ETAP. Mr. Souilem was also executive member in Tunisian Forex Club.

Sami Fezzani	Chief Executive Officer
Fehmi Ben Amar	Deputy Chief Executive Officer
Ali Belarbi	Chief Operating Officer
Anas Labidi	Chief Internal Auditor
Alim Ammar	Chief Financial Officer
Ramzi Boubaker	Chief Risk Officer
Meriem Hassad	Head of Investment Asset and Liability Management & Communication
Wassila Hamdi	Head of Syndications, TFFI
Olfa Ben Aicha	Chief Compliance Officer Money Laundering Reporting Officer
Ibtissem Sahli	Head of Legal
Haifa Gorgob	Head of Internal Control
Riadh Mrayhi	Head of Human Resources
Anouar Aouled Ali	Head of Systems and Communication

FINANCIAL HIGHLIGHTS

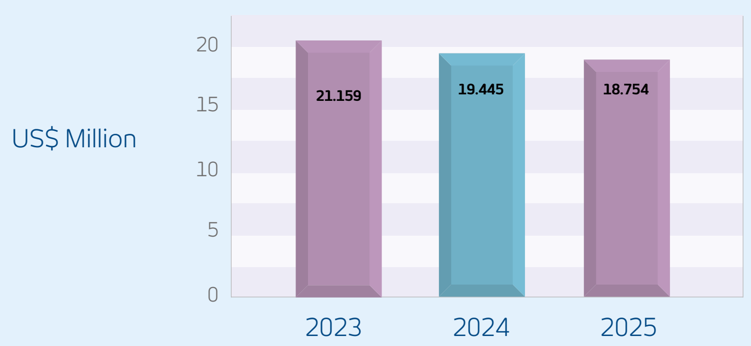
The following is selected consolidated financial information (in US$ 000's) of Tunis International Bank as at December 31st of the years 2021 up to 2025.

Profit & Loss	2021	2022	2023	2024	2025
Net Interest Income	6,266	7,040	15,628	16,577	12,370
Non Interest Income	19,459	22,820	21,309	19,188	23,858
Operating Costs	7,134	7,101	7,512	6,948	7,781
Operating Profit	18,591	22,759	29,425	28,817	28,446
Provisions	160	405	400	363	400
Net Profit After Provisions	16,358	18,163	21,159	19,445	18,754
Dividend Proposed/Paid	2,500	4,000	4,000	5,000	6,000

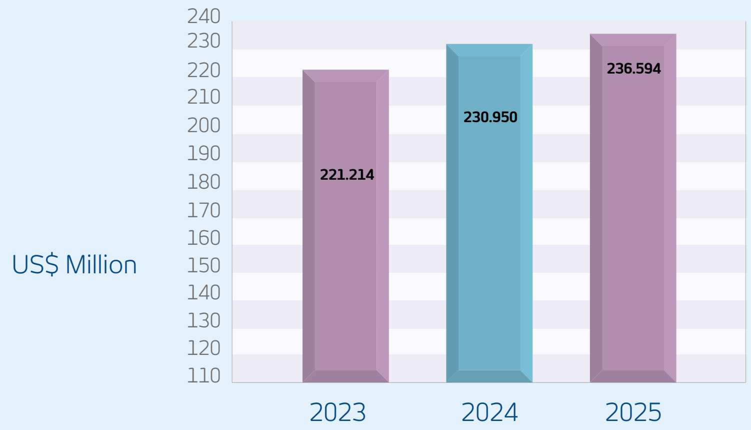
Balance Sheet	2021	2022	2023	2024	2025
Cash	105,178	66,296	52,886	55,152	51,315
Time Deposits	134,234	189,759	185,689	207,560	186,465
Investment	175,170	187,222	199,639	204,970	218,513
Loans and Advances	142,065	156,409	188,626	178,127	185,115
Other Assets	7,825	8,302	11,937	13,798	12,609
Total Assets	**564,472**	**607,988**	**638,778**	**659,607**	**654,017**
Deposits from Banks	167,432	166,586	178,458	170,586	163,710
Deposits from Customers	191,197	217,016	211,654	238,726	234,974
Other Liabilities	19,175	22,198	27,452	19,344	18,739
Total Liabilities	**377,804**	**405,800**	**417,564**	**428,657**	**417,423**
Shareholders' Funds	186,668	202,189	221,214	230,950	236,594

Capitalization	2021	2022	2023	2024	2025
Share Capital	50,000	50,000	50,000	50,000	50,000
Reserves	-4,684	-3,083	343	903	6,573
Retained Earnings	124,994	137,108	170,871	180,047	180,021
Net Profit	16,358	18,163	21,159	19,445	18,754
Shareholders' Equity	186,668	202,189	221,214	230,950	236,594
Total Capitalization	**186,668**	**202,189**	**221,214**	**230,950**	**236,594**

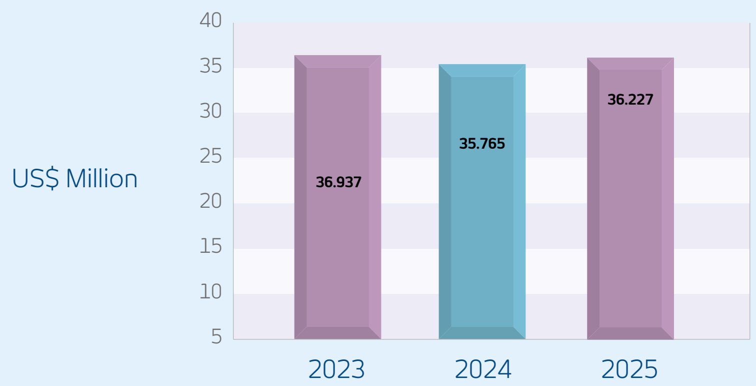
Net Profit



Shareholders' Equity



Operating Income



TIB STAFF

The Bank's greatest asset is its people. Through their dedication, quality and collaboration, they are the engine that drives the Bank to deliver excellent customer service, generate long-term value for shareholders and contribute to the community. TIB is committed to investing in developing and supporting its staff to develop their careers in a professional, diverse environment in which they can excel.

Tunis International Bank had 134 employees as at December 31st 2025 in both its Headquarters and all its branches. In 2025, women represent 46.27% of TIB Staff. The average age of the staff was respectively 46.51 in 2024 and 45.66 in 2025.

In 2025, 76% of TIB's staff hold executive positions, of which 14% senior executives.

Internships

TIB is committed to a proactive process in terms of professional integration of students by welcoming over 2025, 15 students from different disciplines (IT, Finance, Economy,..) for internships. The trainees represent for TIB a recruitment pool for the best potential.

Internal mobility

In line with its aim of motivating and helping to develop its employees' careers, Tunis International Bank highly encourages its employees to stay and grow. In this regard, before considering external recruitment, Tunis International Bank prioritizes internal mobility. This principal is adopted with a view to arousing motivation, commitment and the enrichment of the professional carrer of TIB staff.

TIB's Staff Incentive Program

Tunis International Bank has an established Nomination and Remuneration Policy, approved by the Board. This policy is in line with local regulation requirements and provides a clear and formal compensation system and components based on objective criteria.

The Bank aims to attract and retain qualified personnel in all functions by offering an overall competitive remuneration package. TIB rewards its employees with a performance bonus based on the individual's performance assessment, the concerned business activity and the overall results of the Bank.

The Bank will pay upon the end of employment, a leaving indemnity for the period of employment calculated on the basis of the Bank's Human Resources Procedures.

Training and Development

Every year, Tunis International Bank establishes a strategic and goal-oriented staff development program, which is in line with its strategy, business plan, initiatives, and general staff needs and requirements. More specifically, TIB's employee training helps staff gain professional knowledge and new skills to both improve performance in their current roles and to progress their careers. Tunis International Bank's Human Resources Department relies on various resources, both internal and external, to provide staff members with the needed trainings and development.

TIB is committed to investing in a learning culture to provide employees with learning opportunities to help them develop skills and capabilities. To accelerate integration, new hires follow a detailed training plan in the various departments of the Bank.

In 2025, 53 training sessions/ program have been attended by TIB Staff. The Human Resources Department's training and development program was designed in line with the Bank's and employees' needs and included the following, among others:

- Two training sessions were organized for the bank's staff, conducted by a local expert specialized in AML/CFT (Anti-Money Laundering and Countering the Financing of Terrorism). In addition, a dedicated training session was organized for the members of the Board of Directors to deepen their understanding of AML/CFT requirements, governance responsibilities, and the evolving regulatory expectations.
- An in-house training Cybersecurity for all staff members.
- A training for all staff members on SWIFT new standards.
- Training sessions on operational risk management.
- Trainings related to local regulatory requirements such as, "Loi de Finances", and new Central Bank of Tunisia Circulars for concerned staff.
- Training on ESG.
- Several training sessions on financial analysis, risk and customers relations.
- In-depth financial analysis and dashboard.

FUTURE PROSPECTS AND DEVELOPMENTS

Despite a challenging economic environment both locally and across the MENAT region, 2025 has been another year of steady and sustained progress for our Bank demonstrating the resilience of our business model.

Tunisia's economic growth improved slightly in 2025 but remained moderate around 2.5%. The drop of inflation allowed a cautious easing of the monetary policy. The stronger tourism receipts and higher remittances partially offset the growing trade deficit. Despite persistent challenges, Tunisia's economy continues to demonstrate resilience.

TIB's core operating principles focus on continuously providing top-tier customer service, enhancing its ability to deliver superior results, exceeding customer expectations, and optimizing shareholder value. The bank remains committed to supporting non-resident companies, particularly subsidiaries of renowned international groups, by offering financing solutions and expertise for their activities in North Africa, as well as in Europe and the Middle East—key target markets for Tunisia.

TIB's strategic priorities for the coming years include:

- Strengthening the training and development of its staff;
- Enhancing anti-money laundering measures in accordance with local regulations and international best practices;
- Accelerating digital transformation initiatives;
- Further integrating social and environmental responsibility principles into its operations.

Additionally, the bank aims to maintain a balanced balance sheet structure in terms of capitalization and liquidity while ensuring full compliance with prudential regulations.

In 2026, as in previous years, TIB will continue to support its customers in neighboring markets (Algeria and Libya) by leveraging its expertise and logistical capabilities to meet their evolving needs. TIB is committed to:

- Maintaining high liquidity levels and strong capital ratios;
- Meeting customer expectations by adapting its digital strategy to evolving market conditions;
- Ensuring sustainable growth under optimal conditions, with a focus on profitability and loan portfolio quality;
- Strengthening its anti-money laundering framework by rigorously applying the regulatory requirements of the Central Bank of Tunisia, local laws, and international standards.

As we move forward, Tunis International Bank remains dedicated to strengthening its position as a trusted financial partner, committed to excellence, innovation, and sustainable growth. By continuously adapting to market challenges, embracing digital transformation, and upholding the highest regulatory and ethical standards, TIB aims to reinforce its leadership in the banking sector while delivering long-term value to its customers and stakeholders.

The global banking landscape is undergoing major transformations. Continuous waves of technological advancements are reshaping how customers handle their finances.

The bank's hardware software, and tools are regularly reviewed and assessed to embrace and adapt to new technologies and to ensure the efficiency of the Bank's operational resilience and business continuity.

The bank acquired a new automated check processing application in 2025. This solution utilizes QR code technology to instantly verify fund availability, notify beneficiaries, and automate fund reservation requests.

Furthermore, to bolster our cybersecurity posture, we implemented a Multi-Factor Authentication (MFA) solution. This adds a critical layer of defense, ensuring system integrity even in the event of credential compromise.

CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY REPORT

In alignment with its vision, Tunis International Bank aspires to be the preferred non-resident bank in Tunisia by earning the trust and satisfaction of our customers, shareholders and employees. We maintain our prominent, innovative, and reliable position in the sector and are engaged in corporate social and environmental activities and endeavors.

To cultivate a culture of responsible finance, the board of directors at TIB has integrated corporate social and environmental responsibilities in our bank's strategy. We have established a formal policy and procedure manual that governs our social and environmental responsibility, and we document our actions in this regard in our annual report, as mandated by Article 15 of the CBT Circular 2021-05. Corporate social and environmental related activities and decisions are made and monitored through a local committee "the Corporate Social and Environmental Responsibilities Committee (CSERC)".

Being socially responsible means actively engaging in activities that uplift society, preserve the environment, and strengthen the economy. We prioritize stakeholder satisfaction, fulfil our economic obligations, and strive to integrate social and environmental concerns into our business operations. In doing so, we aim to create shared values. Corporate social and environmental responsibility aligns with corporate governance, business ethics and values on many levels.

In 2025 TIB has continued its unwavering progress and success. As part of corporate social and environmental responsibility initiatives, which are aiming at making a positive impact on society, we have undertaken among others the following activities:

- The sport is a driver of the commitment to a better life: TIB sponsored a marathon in Tunis in September 2025. A group of TIB employees participated in the marathon.
- As part of TIB, commitment to make a positive contribution to the larger society:
    - TIB participate in the renovation of a public hospital. This project not only reflect our dedication to the community welfare but also seeks to enhance the conditions of care for patients.
    - TIB contributed to the renovation of two rooms within a public hospital which improved the patients' hospitalization conditions.
    - TIB outfitted waiting rooms within a public hospital, significantly enhancing patient comfort.

- Staff well-being: An awareness session on breast cancer was held in TIB premises as part of the global Pink October campaign.

Furthermore, in alignment with its engagement to increase "Financing Responsibly", in 2025 TIB has in its portfolio facilities to projects focused on reducing carbon footprint.

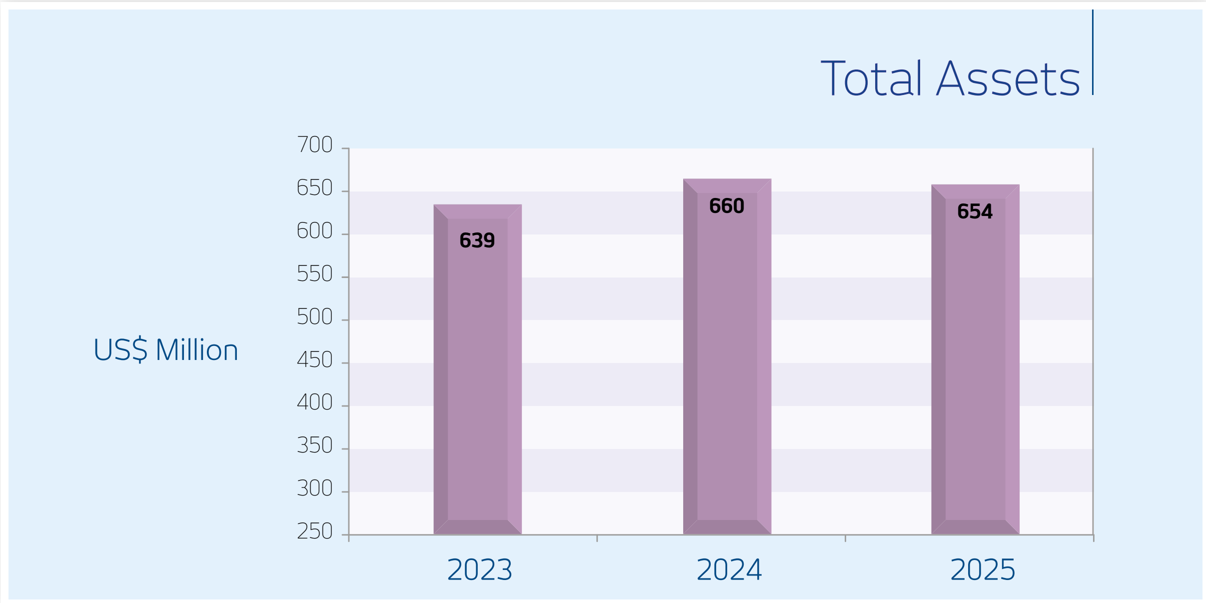
We continuously collaborate with all our stakeholders to improve our community and strive for a more prosperous and progressive society that embraces both its past and future. At Tunis International Bank, we see ourselves as catalysts for positive change within the community. With the steadfast support of our dedicated staff and management, we are determined to continue on this path and drive meaningful change.

PERFORMANCE ANNUAL REVIEW 2025

Zaghouan National Park

During 2025, TIB concluded yet another year of steady and sustained progress. The Bank generated an operating income of US$36.227 million against US$ 35.765 million in 2024 and an average of US$ 33.4 million between 2023 and 2022. Net income stands at US$ 18.754 million. TIB has been generating values to its shareholders since inception. The total comprehensive income for the year reached US$ 19.722 million.

Despite the tight global and regional economic conditions, the Bank accomplished its performance strategy underpinning its well-established leading role in the Tunisian nonresident banking sector, with consolidated year-to-date total assets US$ 654.017 million.



The funding of assets were made up essentially of US$398.684 million in total deposits (61% of total assets) of which customers' deposits amounted to US$234.974 million and interbank deposits US$163.710 million. Customers' deposits represent almost 58.94% of total deposits and 35.93.% of total assets. These deposits continue to remain a permanent source of funding.

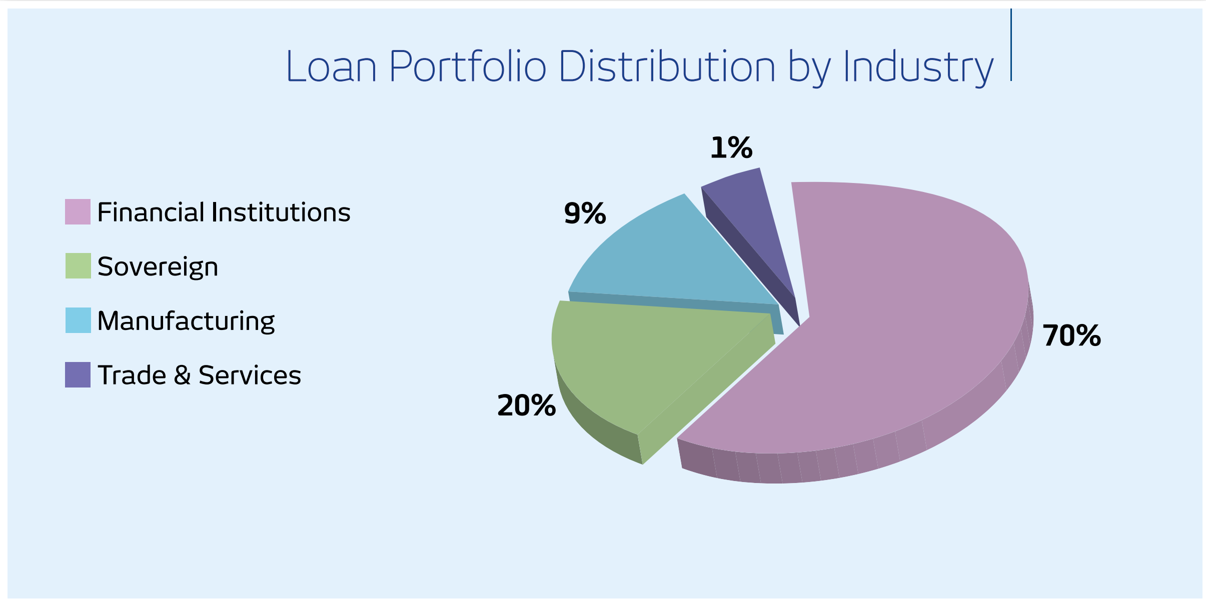
Shareholders' funds totaled US$ 236.594 million registered an increase on a year-on-year basis by US$ 5.6 million. Return on equity (ROE) is 8.5% and return on assets (ROA) stands at 3%. At 45.44%, the Bank comfortably exceeds the minimum Capital regulatory ratio of 10% as established by the Tunisian banking directives.

TIB's liquidity ratio stood at 124.5%, significantly above the Central Bank of Tunisia and the internationally agreed standards minimum requirements of 100%. The Bank continues to maintain a liquid balance sheet by having a high proportion of liquid assets at all times. Cash and cash equivalent assets represent 36.36% of the total assets in 2025.

Liquidity is actively managed through dealings in the major world markets through the Bank's extensive network of international and reputable counterparties.

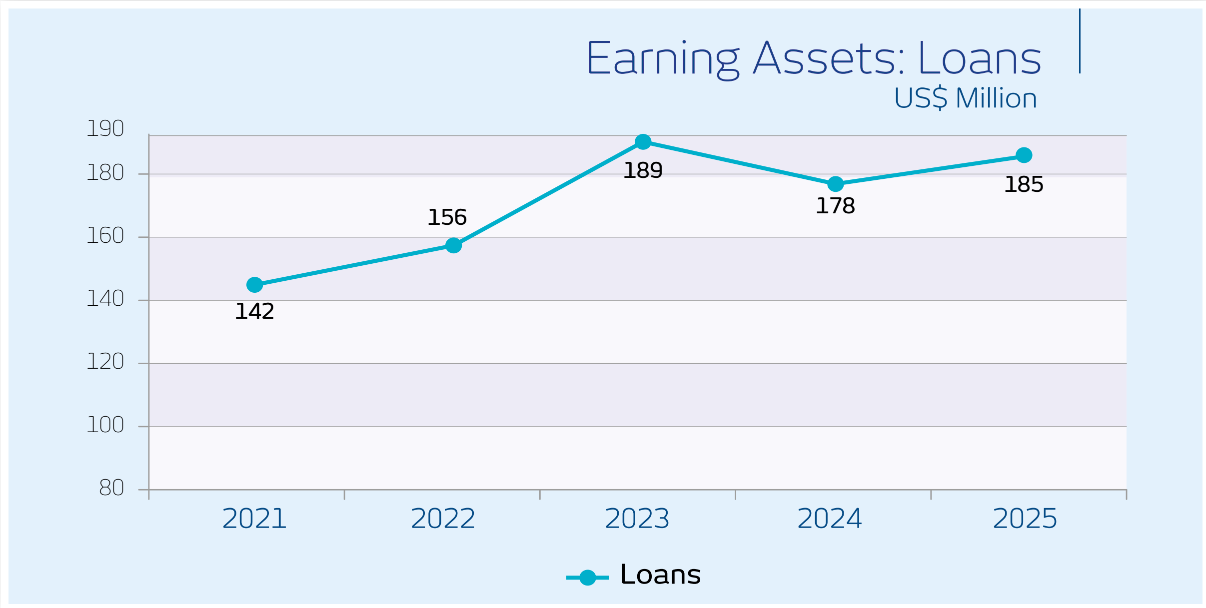
LOANS AND INVESTMENT

Over the years, TIB has developed a broadly diversified loan portfolio in line with sound risk management principles. With the exception of exposures on financial institutions, and sovereign the loan book remains diversified, with the largest sector, manufacturing, accounting for 9% of total loans and advances.



All exposures pertaining to non-performing loans that are over 90 days past due, or in a nonaccrual status have been provided for in compliance with the local regulatory requirements and IFRS regulations. Consistent with its policy of prudent provisioning, allowances for loan losses of the Bank fully covers all nonperforming loans.

Lending strategy remains unchanged with the core portfolio comprising short-term related discounting and refinancing facilities and participation in international syndication market to well reputable banks. SME's financing are conducted on a very selective and prudent basis in order to maintain a low insolvency risk and to preserve the value of the Bank. The Bank aims to excel in providing a comprehensive service to its corporate, commercial and retail customers.

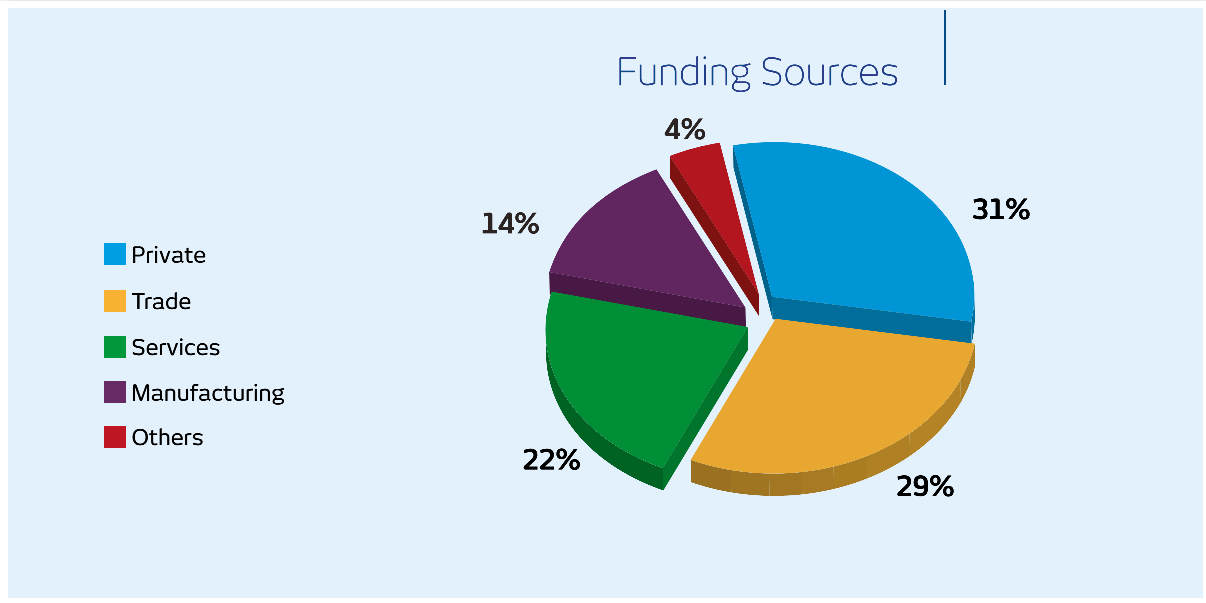


Based on a maturity profile analysis, more than 50% of TIB's loan portfolio is due to mature within one year. The remaining facilities have a maturity greater than one year but less than 5 years. Some of these loan facilities are syndicated loans for banks established in OECD countries.

The level of provisioning reflects a combination of very low levels of problem loans within TIB thanks to the Bank's prudent lending policy.

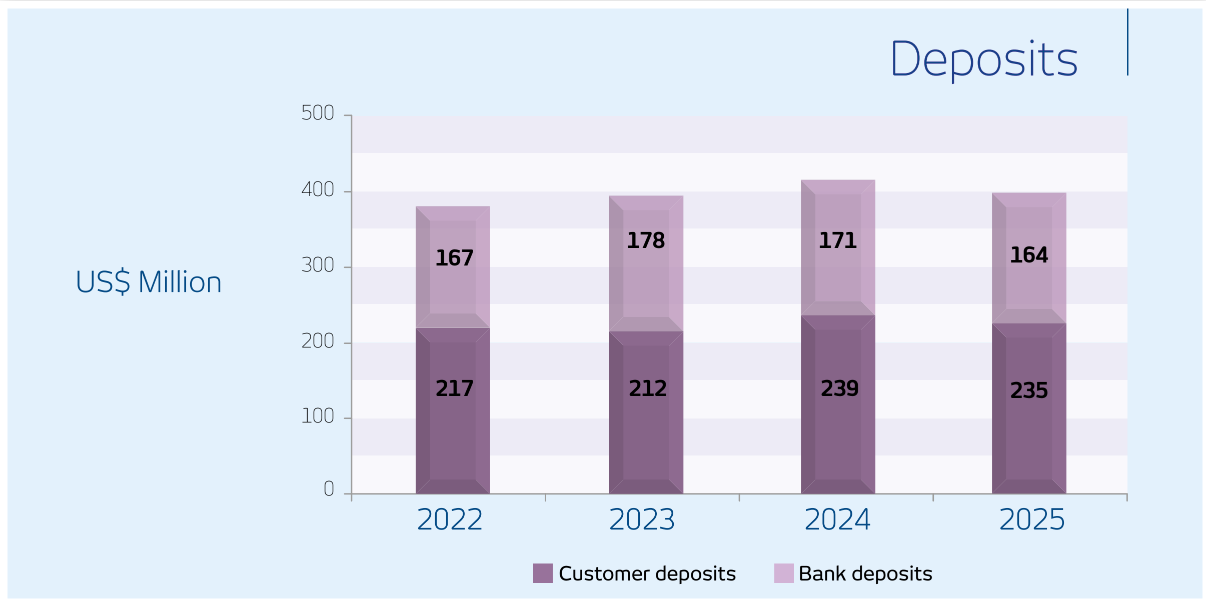
FUNDING

The Bank continues to attract deposits on a selective basis and to focus on high net worth individuals and corporate clients with stable resources. Customer deposits constitute a core and cheaper source of funding for the Bank. Funding sources analysis shows that retail activity ensures about 31% of the Bank's core customer deposits followed by trade and services.



TIB has always had a large customer deposit base. The Bank is however cognizant of the importance of building up customer loyalty and continues to emphasize its exceptional customer service. This focus was maintained throughout the year and is an integral principle in our core banking activities. The Bank is confident that in the long run, the loyalty of its customers will ensure a stable and lower cost funding base.

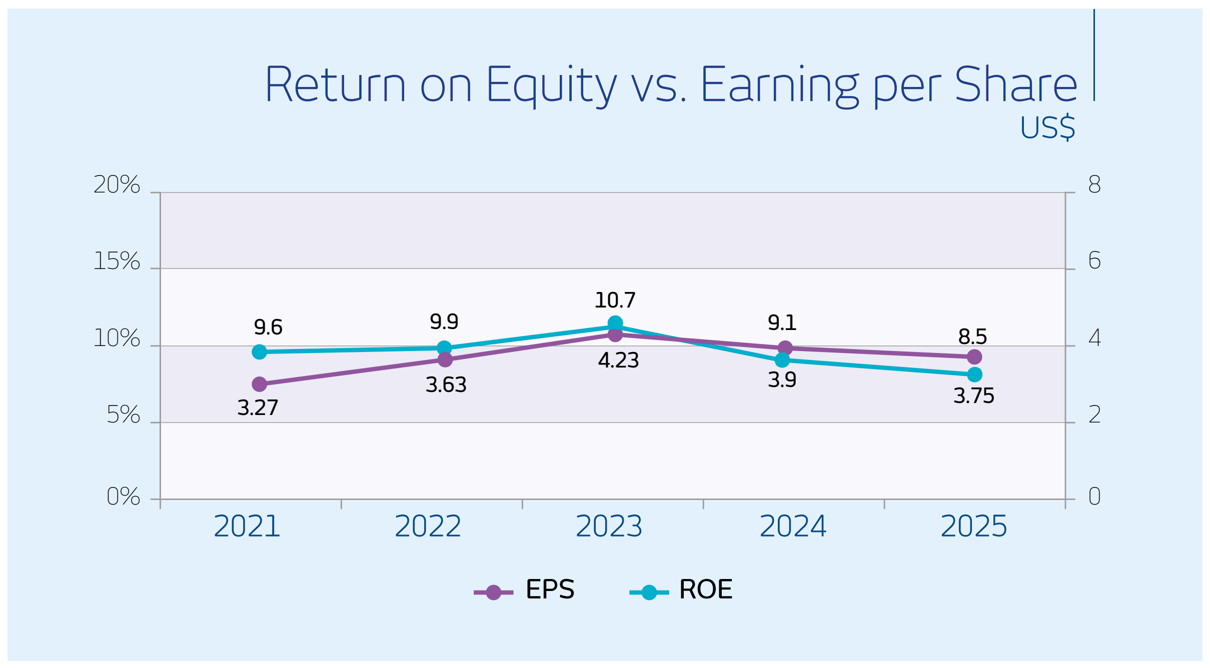
The Bank manages its excess of liquidity by financing on selective basis profitable commercial and business opportunities. Based on a maturity profile analysis, deposits with a tenor of less than a month comprise the majority of TIB's customer deposits. These deposits, are rolled over, regularly and make up the main source of funding for the Bank. An analysis of the customer deposits by currency indicates that the composition of Euro-denominated deposits represent roughly 55% of total deposits; the US dollar ranks second to the Euro representing about 38 % of deposits.



NET INCOME

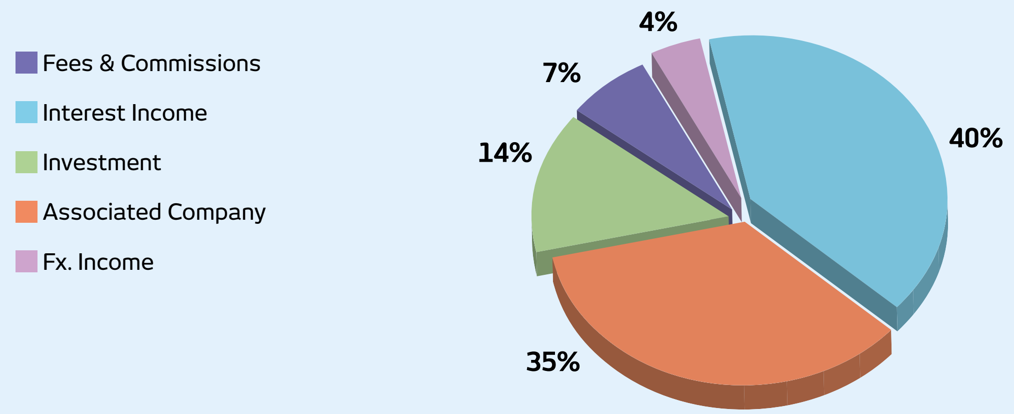
TIB interest income reached US$ 15.682 million in 2025. The non-interest income reached US$ 23.9 million. Income from subsidiaries was US$ 13.873 million in 2025 compared to US$ 9.394 million in 2024. Income from subsidiaries contribution to the Bank's revenue is around 35% in 2025.

The net income before tax reached US$ 28.446 million against US$ 28.817 million in 2024. The total comprehensive income for 2025 reached US$ 19.722 million. Profit after tax for the year 2025 reached US$ 18.754 against US$ 19.544 in 2024, US$ 21.159 million in 2023 and US$ 18.163 in 2022 million which rounds up to US$ 3.75 per share of US$10.00. TIB is committed to constantly enhancing value to its shareholders.



Net banking products increased to US$ 36.227 in 2025 from US$ 35.765 million in 2024.

Sources of Revenue December 31st, 2025



CAPITALISATION

Consolidated shareholders' funds before appropriation totaled US$ 236.594 million. The policy of the Bank has always been to maintain a good balance sheet structure and a strong capital base. It is supervised by the Central Bank of Tunisia (CBT) and is required to maintain a minimum regulatory capital ratio of 10%. TIB's tier 1 capital adequacy ratio of about 45.44% is significantly above the CBT's and the internationally agreed threshold. TIB is ranked among the top banks in Tunisia when classified by capital adequacy ratio.

AUDITORS' REPORT

El Feija National Park

CMG
Consulting Members Group
AUDIT & ACCOUNTING

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LEJ Audit

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Tél : +216 70 692 578
RC : B03235142018 MF :1592509/Z/A/M/000
Email : bjeddou@lejaudit.com

Independent Auditor's Report

To the Shareholders of Tunis International Bank,

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Tunis International Bank which comprise the consolidated balance sheet as at December 31st, 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in shareholders' equity for the year then ended, a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Tunis International Bank as at December 31st, 2025 and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs).

Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* sections of our report. We are independent of the Group in accordance with the requirements of the IESBA Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information in the Annual Report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Bank and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Tunis, March 23rd, 2026

Mohamed Jamil GOUIDER

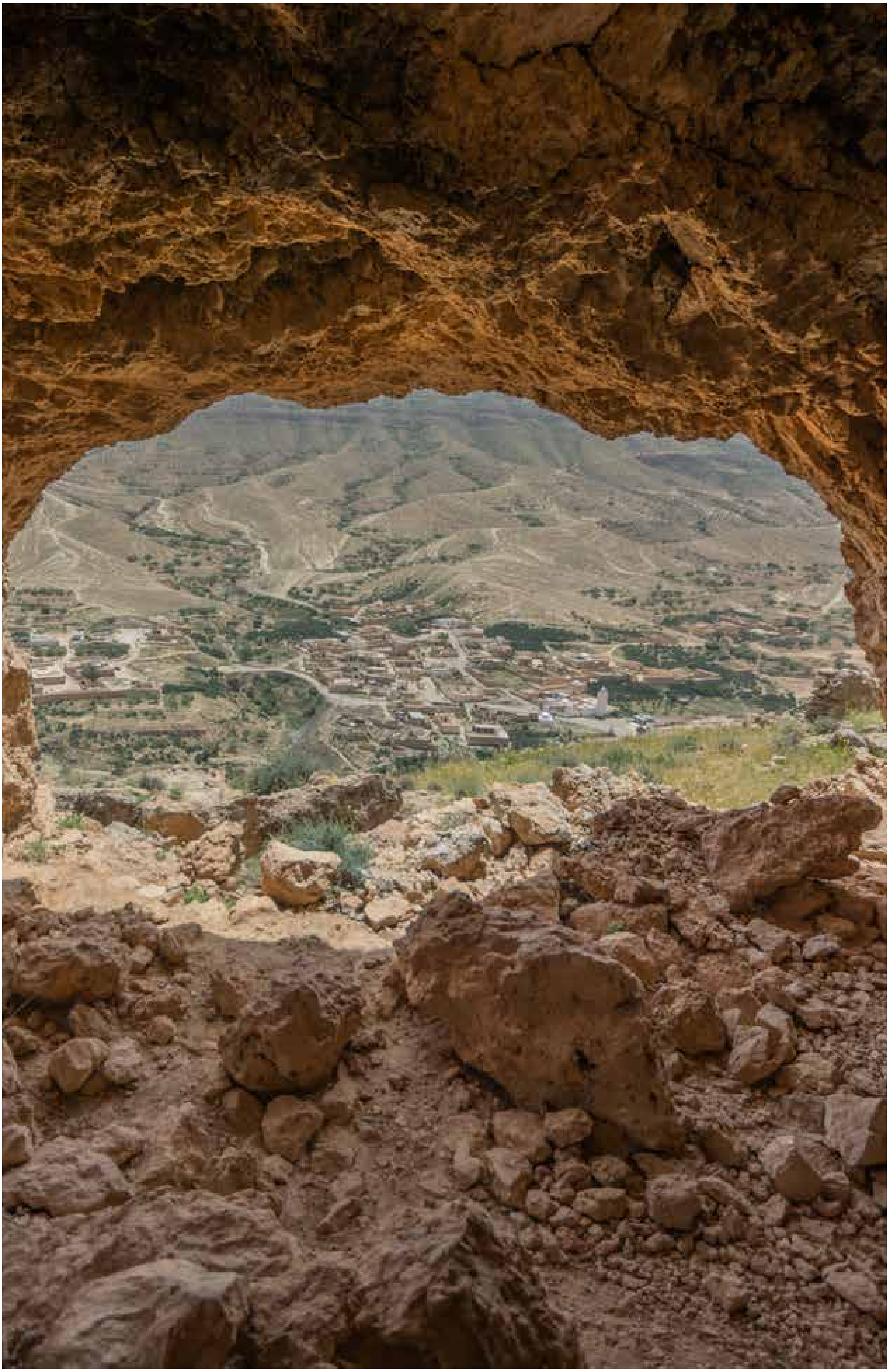
CMG

Bassem JEDDOU

LEJ AUDIT

CONSOLIDATED FINANCIAL STATEMENTS

PREPARED IN ACCORDANCE WITH IFRS AS AT DECEMBER 31, 2025



Sened Djebel Gafsa

CONSOLIDATED BALANCE SHEET
As at December 31, 2025
(Amounts in US Dollars)

	Notes	2025	2024
ASSETS			
Bank demand and call deposits	**3**	51 315 300	55 152 105
Time deposits	**4**	186 465 229	207 559 645
Financial assets designated at fair value through P&L		630 298	527 966
Financial assets at fair value through other comprehensive income	**5**	40 058 399	37 105 187
Financial assets measured at amortized cost	**6**	71 452 891	59 654 427
Investments in associated companies	**7**	106 371 172	107 682 864
Loans and advances, net	**8**	185 115 149	178 126 817
Accrued interest and other assets	**9**	11 207 165	12 665 326
Property and equipment, net	**10**	1 401 364	1 132 358
TOTAL ASSETS		**654 016 967**	**659 606 695**
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES		**417 423 073**	**428 656 637**
Deposits from banks and financial institutions	**11**	163 709 810	170 586 000
Deposits from customers	**12**	234 973 776	238 726 481
Accrued interest and other liabilities	**13**	18 739 487	19 344 156
SHAREHOLDERS' EQUITY	**14**	**236 593 894**	**230 950 058**
Share capital		50 000 000	50 000 000
Reserves		38 174 790	36 206 897
Foreign currency translation reserve		-31 602 101	-35 304 194
Retained earnings		180 021 205	180 047 355
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**654 016 967**	**659 606 695**

CONSOLIDATED INCOME STATEMENT
For the year ended December 31, 2025
(Amounts in US Dollars)

	Notes	2025	2024
TOTAL INCOME		**39 539 267**	**39 207 420**
Interest income	**15**	15 681 766	20 019 457
Other income, net	**16**	9 984 957	9 793 669
Share of results of associated companies		13 872 544	9 394 294
INTEREST EXPENSES		**3 311 810**	**3 442 442**
Interest expenses	**17**	3 311 810	3 442 442
OPERATING INCOME		**36 227 457**	**35 764 978**
Salaries and benefits	**18**	4 918 208	4 304 107
General and administrative expenses	**19**	2 863 285	2 644 050
NET OPERATING INCOME (BEFORE WRITE DOWN AND PROVISIONS)		**28 445 964**	**28 816 821**
Allowance for doubtful loans		400 000	363 105
NET INCOME FOR THE YEAR BEFORE TAX		**28 045 964**	**28 453 716**
Tax expenses		9 291 698	9 008 320
NET INCOME FOR THE YEAR		**18 754 265**	**19 445 396**
Number of shares		5 000 000	5 000 000
Earning per share	20	**3,75**	**3,89**

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME
For the year ended December 31, 2025
(Amounts in US Dollars)

	2025	2024
PROFIT FOR THE YEAR	**18 754 265**	**19 445 396**
Net fair value (loss) gain from financial assets at fair value through other comprehensive income	967 894	675 042
Other comprehensive (loss) income for the year	**967 894**	**675 042**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**19 722 159**	**20 120 438**

CONSOLIDATED CASH FLOW STATEMENT
For the year ended December 31, 2025
(Amounts in US Dollars)

	2025	2024
OPERATING ACTIVITIES		
Net income of the year	**18 754 265**	**19 445 396**
Adjustments for :		
Depreciation	209 751	251 162
Social fund	-250 000	-240 000
Share of profit from associates companies	-7 516 631	-9 394 294
Operating profit before changes in operating assets and liabilities	**11 197 385**	**10 062 264**
Changes in operating assets and liabilities		
Time deposits	21 094 416	-21 870 231
Loans and advances	-6 988 333	10 499 298
Accrued interest and other assets	1 458 161	-2 043 253
Deposits from banks and financial institutions	-6 876 191	-7 871 668
Deposits from customers	-3 752 705	27 072 883
Accrued interest and other liabilities	-5 102 092	-8 842 842
Net cash provided by operating activities	**11 030 641**	**7 006 451**
INVESTING ACTIVITIES		
Sales of financial assets designated at fair value through P&L	-	704 340
Purchase of financial assets at fair value through other comprehensive income	-	-739 993
Sales of financial assets at fair value through other comprehensive income	199 211	90 983
Purchase of financial assets measured at amortized cost	-22 229 500	-18 218 343
Sale of financial assets measured at amortized cost	12 641 600	17 491 186
Purchase of fixed assets net	-478 757	-68 168
Net cash used by investing activities	**-9 867 446**	**-739 995**
FINANCING ACTIVITIES		
Dividends paid	-5 000 000	-4 000 000
Net cash used by financing activities	**-5 000 000**	**-4 000 000**
Increase / Decrease in cash and cash equivalents	-3 836 805	2 266 456
Cash and cash equivalents as of 1st January	55 152 105	52 885 649
Cash and cash equivalents as of 31 December	**51 315 300**	**55 152 105**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended December 31, 2025
(Amounts in US Dollars)

	Share Capital	Statutory Reserve	General Reserve
Balance at December 31, 2023	50 000 000	7 556 427	24 658 734
Net income for the period			
Other comprehensive income			
Total comprehensive income			
Transfer to general reserve			1 000 000
Dividends distributed			
Transfer to social fund			
Deferred Tax			
Share of changes recognised directly in associate's equity			
Balance at December 31, 2024	50 000 000	7 556 427	25 658 734
Net income for the period			
Other comprehensive income			
Total comprehensive income			
Transfer to general reserve			1 000 000
Dividends distributed			
Transfer to social fund			
Deferred Tax			
Share of changes recognised directly in associate's equity			
Balance at December 31, 2025	50 000 000	7 556 427	26 658 734

Revaluation Reserve	Investment FV reserve	Foreign Currency reserve	Retained Earnings	Total
1 000 000	**1 316 693**	**-34 188 379**	**170 871 014**	**221 214 489**
			19 445 396	19 445 396
	675 042			675 042
	675 042		*19 445 396*	*20 120 438*
			-1 000 000	-
			-4 000 000	-4 000 000
			-240 000	-240 000
			-1 195 661	-1 195 661
		-1 115 815	-3 833 393	-4 949 208
1 000 000	**1 991 735**	**-35 304 194**	**180 047 356**	**230 950 058**
			18 754 265	18 754 265
	967 894			967 894
	967 894		*18 754 265*	*19 722 159*
			-1 000 000	-
			-5 000 000	-5 000 000
			-250 000	-250 000
			-1 195 661	-1 195 661
		3 702 093	-12 530 416	-8 828 323
1 000 000	**2 959 629**	**-31 602 101**	**180 021 205**	**236 593 894**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

The consolidated financial statements of Tunis International Bank for the year ended December 31, 2025 were authorised for issue in accordance with resolution of the Board of Directors on February 2026.

Tunis International Bank S.A. (TIB) was established in June 1982 in Tunisia as a fully licensed Bank operating mainly with non-residents under the current Tunisian law 2009-64 of August 12th, 2009 and under the supervision of the Central Bank of Tunisia. The main activity of the Bank is corporate and private banking and Money Market operations. The Bank is subject to 40% corporate tax for activities with residents and non-residents. The Bank's registered address is 18, avenue des Etats Unis d'Amerique P.O. Box 81 – Le Belvedere 1002, Tunis, Tunisia.

TIB is a subsidiary of Burgan Bank (Kuwait), member of KIPCO Group (Kuwait).

2. Accounting policies

2.1. Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements are prepared under the historical cost convention, except for financial assets classified at fair value through profit or loss, fair value through other comprehensive income and financial assets measured at amortized cost.

The consolidated financial statements have been presented in US Dollars being the functional currency of the Bank.

2.2. Principles of consolidation

TIB has an associated company located in Algeria. For the preparation of the consolidated financial statement of the Bank, TIB has consolidated its shares in AGB using equity method.

The associated company included in the consolidated financial statements of TIB is the following:

Name of associated company	Country	Year of incorporation
Algeria Gulf Bank	Algeria	2003

An associated company is one in which the Bank exercises significant influence (but not control) over its operations, generally accompanying, directly or indirectly, a shareholding of between 20% and 50% of the equity share capital.

Under the equity method, the investment in an associate is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Bank's share of net assets of the investee. The Bank recognises in the consolidated statement of income its share of the total recognised profit or loss of the associate from the date that influence or ownership effectively commences until the date that it effectively ceases.

Distributions received from an associate reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Bank's share in the associate arising from changes in its equity that have not been recognised in the associate's profit or loss. The Bank's share of those changes is recognised directly in equity.

Whenever impairment requirements of IAS 36 indicate that investment in an associate may be impaired, the entire carrying amount of the investment is tested by comparing its recoverable amount with its carrying value. Goodwill is included in the carrying amount of an investment in an associate and, therefore, is not separately tested for impairment.

Unrealised gains on transactions with an associate are eliminated to the extent of the Bank's share in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of impairment in the asset transferred. An assessment of an associate is performed when there is an indication that the asset has been impaired, or that impairment losses recognised in prior years no longer exist.

2.3. Significant accounting judgments and estimates

In the process of applying the Bank's accounting policies, management has used its judgment and made estimates in determining the amounts recognised in the consolidated financial statements. The most significant use of judgment and estimates are as follows:

Impairment allowances on loans and advances

The Bank reviews its non-performing portfolio at each reporting date to assess whether an allowance for impairment should be recorded in the income statement. In particular, judgement by management is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

In addition to specific allowances, the Bank also makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a collectively risk of default, based on historical experience, from the existing overall credit portfolio over its remaining life. In determining the level of collective allowances, management also refers to the composition of the portfolio, industry, collateral values, significant increase in credit risk, rating model, macro-economic variables and the Tunisian Central Bank requirements.

2.4. Summary of significant accounting policies

(a) Foreign currency translation

Translation of foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the balance sheet date. All differences are recognised in the consolidated income statement. Income and expenses items incurred in foreign currencies are translated, into the functional currency monthly using the functional currency rate of exchange prevailing at that date.

Translation of financial statements of foreign operations

Assets and liabilities of foreign operations are translated at exchange rates prevailing at the balance sheet date. Income and expense items are translated at average exchange rates for the relevant period. All resulting exchange differences are taken directly to a foreign currency translation reserve the consolidated statement of changes in equity table.

(b) Financial Instruments

Recognition

A financial asset or a financial liability is recognised when the Bank becomes a party to the contractual provisions of the instrument. All regular way purchase and sale of financial assets are recognised using settlement date accounting. Changes in fair value between the trade date and settlement date are recognised in the consolidated statement of income or in other comprehensive income in accordance with the policy applicable to the related instrument. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulations or conventions in the market place.

Classification and measurement

Initial classification and measurement of financial instruments

The classification of financial instruments at initial recognition depends on the business model for managing the instruments and on their contractual cash flow characteristics. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount. When the fair value of financial instruments at initial recognition differs from the transaction price, the Bank accounts for the Day 1 profit or loss.

Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;

The expected frequency, value and timing of sales are also important aspects of the Bank's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Contractual cashflow characteristics

The Bank also assesses the characteristics of the contractual cashflow of the financial asset to identify whether the contractual cashflow is Solely for purpose of Payment of Principal and Interest (SPPI test).

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of 'interest' within a lending arrangement are typically the consideration for the time value of money and credit risk. The Bank also considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set during its assessment of the SPPI test.

The Bank reclassifies when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change.

Subsequent classification and measurement categories of financial assets

The Bank classifies all of its financial assets as either:

- Financial asset carried at amortised cost;
- Financial asset at fair value through other comprehensive income (FVOCI);
- Financial asset at fair value through profit or loss (FVTPL).

Financial asset carried at amortised cost:

A financial asset is carried at amortised cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets carried at amortised cost are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses, impairment and gain or loss on derecognition is recognised in the consolidated statement of income.

Cash and cash equivalents, Treasury bills and bonds with CBT and others, due from banks and other financial institutions, loans and advances to customers, certain investment securities and certain other assets are classified as financial asset carried at amortised cost.

Financial asset at fair value through other comprehensive income:

****) Debt instruments carried at FVOCI***

A debt instrument is carried at FVOCI if it meets both of the following conditions:

- It is held within a business model whose objectives are both to hold asset to collect contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments carried at FVOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses and gain or loss on derecognition is recognised in consolidated statement of income in the same manner as financial assets carried at amortised cost.

*****) Equity instruments carried at FVOCI***

Upon initial recognition, the Bank may elect to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of Equity under "IAS 32 Financial Instruments: Presentation" and are not held for trading. Such classification is determined on an instrument-by instrument basis.

Equity instruments carried at FVOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI and is not recycled to consolidated statement of income on derecognition.

Dividend income on equity instruments carried at FVOCI is recognised in consolidated statement of income, when the right of the payment has been established, except when the Bank benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI.

Financial assets carried at FVTPL:

Financial assets carried at FVTPL is initially recorded in the consolidated statement of financial position at fair value. The financial assets classified under this category are either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9.

Management designates an instrument as financial asset carried at FVTPL where even though it meets the classification criteria of financial asset carried at amortised cost or financial asset carried at FVOCI, this designation eliminates, or significantly reduces, the inconsistent accounting treatment that would otherwise arise. Such designation is determined on an instrument-by instrument basis.

Financial assets carried at FVTPL are subsequently measured at fair value. The changes in fair value are recorded in the consolidated statement of income. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income using the effective interest rate method, considering any discount/premium and qualifying transaction costs being an integral part of instrument.

Dividend income from equity instruments measured at FVTPL is recorded in the consolidated statement of income as other operating income when the right to the payment has been established.

Subsequent classification and measurement categories of financial liabilities

Financial liabilities, other than financial guarantees and loan commitments, are measured at amortised cost or at FVTPL when they are held for trading and derivative instruments or the fair value designation is applied.

Due to banks, due to other financial institutions, deposits from customers, other borrowed fund and certain other liabilities are classified as financial liabilities carried at amortised cost.

Financial guarantees and loan commitments

In the ordinary course of business, the Bank issues financial guarantees, consisting of letters of credit, guarantees and acceptances.

Financial guarantees are initially recognised as off-balance sheet at fair value. Subsequent to initial recognition, the Bank's liability under each guarantee is measured at the amount initially recognised less cumulative amortisation recognised in the consolidated statement of income, which is the higher of ECL under IFRS 9 and provision required by the Central Bank of Tunisia instructions.

Undrawn loan commitments and letters of credits are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer.

Similar to financial guarantee contracts, under IAS 39, a provision was made if they were an onerous contract and the higher of ECL under IFRS 9 and provision required by the Central Bank of Tunisia instructions.

De-recognition

****) De-recognition of financial assets and financial liabilities other than substantial modification of terms and conditions***

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired, or
- The Bank has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under

a 'pass-through' arrangement; and either (a) the Bank has transferred substantially all the risks and rewards of the asset, or (b) the Bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Bank has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Bank continues to recognise the transferred asset to the extent of the Bank's continuing involvement. In that case, the Bank also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Bank has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Bank could be required to repay.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of income.

*****) De-recognition of financial assets due to substantial modification of terms and conditions***

The Bank de-recognises a financial asset, such as loans and advances to customers, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be purchased or originated creditimpaired (POCI).

When assessing whether or not to de-recognise a financing receivable, amongst others, the Bank considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in de-recognition. Based on the change in cash flows discounted at original effective interest rate, the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Fair value measurement

The Bank measures financial instruments, such as, derivatives, investment securities etc., at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Bank.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For financial instruments quoted in an active market, fair value is determined by reference to quoted market prices. Bid prices are used for assets and offer prices are used for liabilities. The fair value of investments in mutual funds, unit trusts or similar investment vehicles are based on the last published net assets value.

For unquoted financial instruments fair value is determined by reference to the market value of a similar investment, discounted cash flows, other appropriate valuation models or brokers' quotes.

For financial instruments carried at amortised cost, the fair value is estimated by discounting future cash flows at the current market rate of return for similar financial instruments.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Bank determines whether transfers have occurred between Levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Bank has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(c) Impairment of financial assets

The Bank records impairment of financial assets as the higher of expected credit loss "ECL" computed under IFRS 9 or the provisions as required by Central Bank of Tunisia instructions. Financial assets consist of loans and advances to customers, non-cash credit facilities, investment in debt securities measured at amortised cost or FVOCI and on balances and deposits with banks. Equity investments are not subject to ECL.

Expected credit losses under IFRS 9

The Bank performs an assessment at the end of each reporting period of whether there has been a significant increase in credit risk since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset, i.e., the difference between:

- The contractual cash flows that are due to the Bank under the contract; and
- The cash flows that the Bank expects to receive, discounted at the effective profit rate of the financing facility.

The Bank applies a three-stage approach to classify and measure the ECL on the financial assets classified as credit facilities, as described below:

Stage 1: 12-month ECL

For financial assets classified as credit facilities where there has not been any significant increase in credit risk since their initial recognition or those credit facilities which are determined to have a low credit risk at the reporting date, the Bank classifies these facilities under Stage 1 and measures the loss allowance which is a result of defaults that are expected to arise over the next 12 months (12-month ECL) on these financial assets.

Stage 2: Lifetime ECL – not credit impaired

For financial assets classified as credit facilities where there has been a significant increase in credit risk since initial recognition but are not credit impaired, the Bank classifies these facilities under

Stage 2 and measures loss allowance which is a result of defaults that are expected to arise over the lifetime (Lifetime ECL) on these financial assets.

Stage 3: Lifetime ECL – credit impaired

For financial assets classified as credit facilities which are in default and credit impaired, the Bank classifies these facilities under Stage 3 and measures loss allowance at an amount equal to 100% of net exposure i.e. exposure after deduction of eligible collaterals.

Staging of credit facilities

The Bank continuously monitors all financial assets classified as credit facilities and applies a series of absolute thresholds and other criteria to determine the staging. All financial assets classified as credit facilities that are more than 30 days past due are deemed to have significant increase in credit risk since initial recognition and are classified under Stage 2. All rescheduled credit facilities are classified under the Stage 2 unless it qualifies for Stage 3. The Bank also applies other criteria to determine a significant increase in credit risk for financial assets, such as:

- Deterioration in the customer rating of the borrower indicating default;
- A material decreases in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral;
- A material deterioration in the customer's financial position in the opinion of the Bank causing concerns on the repayment ability;
- A material covenant breach in a committed facility;
- Filing for bankruptcy or liquidation;
- Downgrade in the facility's credit rating by 2 grades.

The transfer of credit facility from Stage 2 to Stage 1 is made after a curing period of 12 months from the satisfaction of all conditions that triggered classification of the credit facility to Stage 2.

Definition of default

The Bank considers a financial asset to be in default and therefore Stage 3 (credit impaired) when:

- The borrower is past due for more than 90 days on its credit obligation to the Bank;
- The borrower is facing significant financial difficulty;
- The borrower is assessed as credit impaired based on internal qualitative and quantitative assessment;
- Other indicators such as breach of covenants, customer being deceased etc;

The Bank assess whether objective evidence of impairment exists on an individual basis for each individually significant asset and collectively for others not deemed individually significant.

Measurement of ECLs

ECLs are probability weighted estimates of credit losses and are measured as the present value of all cash shortfalls discounted at the effective interest rate of the financial instrument. Cash shortfall represent the difference between cashflows due to the Bank in accordance with the contract and the cashflows that the Bank expects to receive. The key elements in the measurement of ECL includes exposure at default, probability of default and loss given default.

The Exposure at Default ("EAD") is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including expected drawdowns on committed facilities, repayments of principal and interest, whether scheduled by contract or otherwise.

The Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. Through-The-Cycle PD (TTC PD) are generated from the rating tool based on internal / external credit ratings. The Bank converts the TTC PD to Point In Time (PIT) PD term structure using appropriate models and techniques.

The Loss Given Default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any eligible collateral after hair-cuts.

Incorporation of forward looking information

The Bank incorporates forward-looking economic inputs that are relevant to the region in which the Bank is located, for both its assessment of significant increase in credit risk and its measurement of ECL. Qualitative overlays are made as and when necessary to correctly reflect the impact of the movement in the relevant economy on the Bank. Incorporating forward-looking information based on three probability-weighted scenarios increases the degree of judgement required. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

(d) End of service benefits

Provision is made under the Tunisian Labour Law, employee contracts and the Bank internal procedure. This liability, which is unfunded, represents the amount payable to each employee and is a reliable approximation of the present value of the obligation as at the reporting date.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash and those balances of the demand and call deposits with banks including Central Banks and financial institutions.

(f) Offsetting

Consolidated financial assets and consolidated financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and the Bank intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

(g) Interest income and expenses

The Bank recognises interest income and expenses on an accrual basis. The Bank does not recognise interest income on loans or other income earning assets which are classified as nonperforming.

Loans and other income earning assets are classified as non-performing when these are classified as doubtful or loss, respectively class 2, 3 and 4 following the regulations issued by Central Bank of Tunisia, or when in the opinion of management, collection of interest and/or principal is doubtful.

When a loan is classified as non-performing, any interest income previously recognised but not yet collected is reversed. Interest on non-performing loans and other income earning assets under Central Bank of Tunisia guidelines is recognised in the consolidated statement of income only to the extent of cash received.

(h) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Expenditures which extend the future useful life of assets or provide further economic benefits are capitalised and depreciated. Fixed assets are depreciated using the straight-line method over their estimated useful life.

3. Bank demand and call deposits

	2025	2024
Cash	437 166	364 111
Due from Banks	50 878 796	54 788 482
Less: Expected credit losses	(662)	(488)
	51 315 300	**55 152 105**

31 December 2025	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
High quality	20 476 949			**20 476 949**
Standard quality	30 401 847			**30 401 847**
Past due but not impaired				-
Impaired Facilties				-
Total	**50 878 796**	**-**	**-**	**50 878 796**

31 December 2024	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
High quality	35 476 348			**35 476 348**
Standard quality	19 312 134			**19 312 134**
Past due but not impaired				-
Impaired Facilties				-
Total	**54 788 482**	**-**	**-**	**54 788 482**

31 December 2025	Stage 1	Stage 2	Stage 3	Total
Opening ECL allowance	**488**			**488**
Impact due to transfer between stages				**-**
ECL allowance for the year	174		-	**174**
Amounts written off				**-**
Foreign exchange adjustments				**-**
Closing ECL allowance	**662**	**-**	**-**	**662**

4. Time deposits

	2025	2024
Up to 3 months	185 824 177	207 106 166
From 3 months to 1 year	686 318	469 219
Less: Expected credit losses	(45 266)	(15 740)
	186 465 229	**207 559 645**

31 December 2025	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
High quality	29 066 400			**29 066 400**
Standard quality	157 444 095			**157 444 095**
Past due but not impaired				**-**
Impaired Facilties				**-**
Total	**186 510 495**	**-**	**-**	**186 510 495**

31 December 2024	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
High quality	40 000 000			**40 000 000**
Standard quality	167 575 385			**167 575 385**
Past due but not impaired				**-**
Impaired Facilties				**-**
Total	**207 575 385**	**-**	**-**	**207 575 385**

31 December 2025	Stage 1	Stage 2	Stage 3	Total
Opening ECL allowance	15 740			15 740
Impact due to transfer between stages				-
ECL allowance for the year	29 526			**29 526**
Amounts written off				-
Foreign exchange adjustments				-
Closing ECL allowance	**45 266**	**-**	**-**	**45 266**

5. Financial assets at fair value through other comprehensive income

A - By nature	2025	2024
Listed securities	7 141 055	5 165 627
Unlisted securities	32 917 344	31 939 560
	40 058 399	**37 105 187**

B - By currency	2025	2024
US Dollars	16 538 111	16 151 310
Pound Sterling	10 055 840	9 370 300
Euros	3 516 600	3 112 800
Bahrain Dinars	3 133 301	3 131 640
Tunisian Dinars	2 510 170	2 410 609
Kuwaiti Dinars	4 303 742	2 927 890
Jordanian Dinars	635	638
	40 058 399	**37 105 187**

6. Financial assets measured at amortized cost

A - By nature	2025	2024
Government bonds and debt securities	56 931 826	49 979 009
Other bonds and debts securities	15 155 929	10 171 543
Less: Expected credit losses	(634 864)	(496 125)
	71 452 891	**59 654 427**

B - By currency	2025	2024
USD	52 574 323	44 184 093
EUR	19 513 432	15 966 459
Less: Expected credit losses	(634 864)	(496 125)
	71 452 891	**59 654 427**

C - By maturity	2025	2024
Up to 3 months	2 995 719	7 297 798
From 3 months to 1 year	16 365 269	2 073 525
Over 1 year	52 726 767	50 779 229
Less: Expected credit losses	(634 864)	(496 125)
	71 452 891	**59 654 427**

31 December 2025	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
High quality	5 987 133			**5 987 133**
Standard quality	62 741 133	3 359 489		**66 100 622**
Past due but not impaired				-
Impaired Facilties				-
Total	**68 728 266**	**3 359 489**	**-**	**72 087 755**

31 December 2024	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
High quality	5 980 268			**5 980 268**
Standard quality	43 254 035	10 916 249		**54 170 284**
Past due but not impaired				-
Impaired Facilties				-
Total	**49 234 303**	**10 916 249**	**-**	**60 150 552**

31 December 2025	Stage 1	Stage 2	Stage 3	Total
Opening ECL allowance	**344 703**	**151 422**		**496 125**
Impact due to transfer between stages				-
ECL allowance for the year	143 380	(4 641)		**138 739**
Amounts written off				-
Foreign exchange adjustments				-
Closing ECL allowance	**488 083**	**146 781**	**-**	**634 864**

7. Investments in associated companies

The Bank has a participation in Algeria Gulf Bank (AGB), a Bank incorporated in Algeria. The shares of AGB are not listed in any public exchange.

Summarised financial information of AGB is set out below.

	2025	2024
Total assets	3 501 169 424	3 034 863 325
Total liabilities	(3 174 615 048)	(2 703 936 642)
Net assets	**326 554 376**	**330 926 683**
Revenues	**214 952 825**	**166 562 722**
Profit for the year	**46 241 813**	**31 314 315**

8. Loans and advances, net

	2025	2024
Bank and financial institutions	171 034 468	163 751 152
Corporate businesses, private and others	20 151 217	20 325 251
	191 185 685	**184 076 403**
Allowances for loan losses	(6 070 536)	(5 949 586)
	185 115 149	**178 126 817**

31 December 2025	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
High quality	11 931 611			**11 931 611**
Standard quality	161 268 307	12 690 440		**173 958 747**
Past due but not impaired				**-**
Impaired Facilties			5 295 327	**5 295 327**
Total	**173 199 918**	**12 690 440**	**5 295 327**	**191 185 685**

31 December 2024	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
High quality	4 206 184			**4 206 184**
Standard quality	164 632 733	10 031 764		**174 664 497**
Past due but not impaired				**-**
Impaired Facilties			5 205 722	**5 205 722**
Total	**168 838 917**	**10 031 764**	**5 205 722**	**184 076 403**

31 December 2025	Stage 1	Stage 2	Stage 3	Total
Opening ECL allowance	**594 992**	**148 872**	**5 205 722**	**5 949 586**
Impact due to transfer between stages				**-**
ECL allowance for the year	111 294	(79 949)		**31 345**
Amounts written off				**-**
Foreign exchange adjustments			89 605	**89 605**
Closing ECL allowance	**706 286**	**68 923**	**5 295 327**	**6 070 536**

8.1 Geographical analysis

	2025	2024
Middle East/Africa	185 115 149	178 126 817
	185 115 149	**178 126 817**

8.2 Maturity analysis

	2025	2024
Up to 3 months	12 049 004	24 273 258
From 3 months to 1 year	109 882 095	90 752 541
Over 1 year	63 184 050	63 101 018
	185 115 149	**178 126 817**

8.3 Allowances for loan losses

	2025	2024
Specific provision	5 295 327	5 205 722
General provision	775 209	743 864
	6 070 536	**5 949 586**

The movements of allowance for loan losses are as follows:

	Specific allowance	General allowance	Total
Balance at 31 December 2024	**5 205 722**	**743 864**	**5 949 586**
Allowances of the year	-	31 345	31 345
Exchange adjustment	89 605	-	89 605
Balance at 31 December 2025	**5 295 327**	**775 209**	**6 070 536**

In line with Central Bank instruction addressed to all banks in order to build up collective provision to cover potential risks arising from the ongoing, local as well as international, economic and financial environment. TIB has made a collective provision allocation amounting to 737 KUS$. This amount has been calculated using, the maximum between, the model indicated in the CBT circular N°2012-02 of January 11th, 2012 followed by the circular N°2012-8 of March 2nd, 2012, the circular N°2012-20 of December 6th, 2012 and the circular N°2021-01 of January 11th, 2021, the circular N°2023-02 of February 24th, 2023, the circular N°2024-01 of January 19th, 2024 and the circular N°2025-01 of January 29th, 2025 and ECL as per IFRS9.

8.4 Non-performing loans

	Loans and advances	Interest suspended	Provisions	Collateral held against NPL
Bank and financial institutions	3 951 458	159 457	3 951 458	-
Corporate businesses, private and others	1 343 869	92 319	1 343 869	500 693
	5 295 327	**251 775**	**5 295 327**	**500 693**

9. Accrued interest and other assets

	2025	2024
Accrued interest receivable	3 830 440	3 825 095
Prepayments	6 592 909	7 816 007
Deferred tax assets	783 816	1 024 224
	11 207 165	**12 665 326**

10. Property and equipment

	Net value 2025	Net value 2024
Land	700 000	700 000
Building	192 892	236 704
Office furniture and other fixed assets	508 472	195 654
Total net	**1 401 364**	**1 132 358**

11. Deposits from banks and financial institutions

	2025	2024
Repayable on demand	7 872 785	295 753
Up to 3 months	155 837 025	170 290 247
	163 709 810	**170 586 000**

12. Deposits from customers

	2025	2024
Up to 3 months	228 320 928	234 491 437
From 3 months to 1 year	6 652 848	4 235 044
	234 973 776	**238 726 481**

13. Accrued interest and other liabilities

	2025	2024
Accrued interest payable	307 858	324 664
Provision for non-cash credit facilities	208 118	7 903
Waiting for settlement	726 297	3 181 513
Accrued expenses	10 570 201	9 785 141
Retirement benefits provision	1 624 488	2 122 744
Deferred tax liabilities	2 939 875	1 994 347
Other liabilities	2 362 650	1 927 844
	18 739 487	**19 344 156**

14. Shareholders' equity

		2025	2024
Share capital		50 000 000	50 000 000
Reserves	(a)	38 174 790	36 206 897
Foreign currency translation reserve	(b)	(31 602 101)	(35 304 194)
Retained earnings		161 266 940	160 601 959
Part of reserve in associated company		*74 945 578*	*84 437 613*
Net profit of the period		18 754 265	19 445 396
		236 593 894	**230 950 058**

a- Reserves are detailed as follows :

	2025	2024
Statutory Reserves	7 556 427	7 556 427
General reserve	25 658 734	25 658 734
Revaluation reserve	1 000 000	1 000 000
Fair value Reserve	2 959 629	1 991 736
	38 174 790	**36 206 897**

b- The foreign currency translation reserve represents the net foreign exchange gain (loss) arising from translating the financial statements of the associated companies from their functional currencies into United States Dollars.

15. Interest income

	2025	2024
Interest on interbank placements	5 345 782	6 079 159
Interest on loans and advances	10 335 984	13 940 298
	15 681 766	**20 019 457**

16. Other income

	2025	2024
Investment income (16.1)	5 627 949	5 076 731
Foreign exchange	1 524 571	1 563 730
Fees and commissions	2 832 437	3 153 207
Other income	-	-
	9 984 957	**9 793 669**

16.1 Investment income

	2025	2024
Interest on financial assets at amortized cost	4 455 031	3 113 354
Dividends from financial assets at fair value through OCI	1 273 659	1 836 689
Dividend from financial assets designated at fair value through P&L	18 169	43 397
Gain on financial assets at fair value through P&L	50 162	161 602
Losses on financial assets at amortized cost	- 82 500	-
Investment fees	-86 572	-78 311
	5 627 949	**5 076 731**

17. Interest expenses

	2025	2024
Interest expenses on deposits and collaterals	1 584 189	1 341 909
Interest expenses on interbank deposits	1 727 621	2 100 533
	3 311 810	**3 442 442**

18. Salaries and benefits

	2025	2024
Wages and salaries	3 728 063	3 382 492
Social security costs	901 542	657 162
Pension costs	275 000	255 000
Other	13 603	9 453
	4 918 208	**4 304 107**

19. General and administrative expenses

	2025	2024
Depreciation	209 751	251 162
Premises costs	241 580	280 387
IT costs	401 681	344 384
Communication	305 874	253 914
Marketing & Advertising costs	132 927	101 720
Board fees	270 000	250 250
Tax	28 545	35 153
Administration costs	1 272 927	1 127 080
	2 863 285	**2 644 050**

20. Earnings per share

	2025	2024
Net profit attributable to ordinary equity holders	18 754 265	19 445 396
Weighted average number of ordinary shares	5 000 000	5 000 000
Basic earnings per share	**3,75**	**3,89**

21. Commitments and contingencies

	2025	2024
Forward exchange contracts purchases	10 998 573	10 828 505
Forward exchange contracts sales	11 013 336	10 823 513
Letters of credit, guarantees and acceptances	11 867 238	7 208 588
	33 879 147	**28 860 606**

22. Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions. These two types of inputs have created the following fair value hierarchy:

• **Level 1** – Quoted prices in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

• **Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

• **Level 3** – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

This hierarchy requires the use of observable market data when available. The Bank considers relevant and observable market prices in its valuations where possible.

	Level 1	Level 2	Level 3	TOTAL
Financial assets designated at FV through P&L				
Equity Securities	630 298	-	-	**630 298**
Debt Securities	-	-	-	**-**
Financial assets at fair value through OCI				
Equity Securities	7 141 055	32 917 344	-	**40 058 399**
Debt Securities	-	-	-	**-**
Financial assets measured at amortized cost				
Equity Securities	-	-	-	**-**
Debt Securities	71 452 891	-	-	**71 452 891**
Investments in associated companies				
Equity Securities	-	106 371 172	-	**106 371 172**
Debt Securities	-	-	-	**-**
	79 224 244	**139 288 516**	**-**	**218 512 760**

23. INTEREST RATE RISK

Interest rate risk arises from the possibility that changes in interest rates will affect future profitability or the fair values of financial instruments.
The Bank's interest sensitivity position is based on maturity dates and contractual repricing arrangements. As at **31 December 2025** it was as follows:

	Up to 3 months	3 month to 1 year	Over 1 year	Non interest bearing items	TOTAL
Bank demand and call deposits	50 878 134	-	-	437 166	**51 315 300**
Time deposits	185 778 911	686 318	-	-	**186 465 229**
Financial assets designated at fair value through P&L	-	-	-	630 298	**630 298**
Financial assets at fair value through other comprehensive income	-	-	-	40 058 399	**40 058 399**
Financial assets measured at amortized cost	2 995 719	16 365 269	52 091 903	-	**71 452 891**
Investments in associated companies	-	-	-	106 371 172	**106 371 172**
Loans and advances, net	12 049 003	109 882 095	63 184 050	-	**185 115 149**
Accrued interest and other assets	-	-	-	11 207 165	**11 207 165**
Property and equipment	-	-	-	1 401 364	**1 401 364**
Total assets	**251 701 767**	**126 933 682**	**115 275 953**	**160 105 564**	**654 016 967**
Deposits from Banks and financial institutions	163 709 810	-	-	-	**163 709 810**
Deposits from customers	228 320 928	6 652 848	-	-	**234 973 776**
Accrued interest and other liabilities	-	-	-	18 739 487	**18 739 487**
Shareholders' equity	-	-	-	236 593 894	**236 593 894**
Total liabilities and shareholders' equity	**392 030 738**	**6 652 848**	**-**	**255 333 381**	**654 016 967**

Currency wise interest rates are as follows:

	2025	2024
	%	%
US Dollars		
Assets	1.95 – 10.06	4.20 – 11.20
Liabilities	1.75 – 5.95	2.00 – 5.95
Kuwaiti Dinars		
Assets	–	–
Liabilities	4.62 – 5.00	4.75 – 5.00
Tunisian Dinars		
Assets	7.49 – 10.50	7.97 – 10.50
Liabilities	2.00 – 8.04	2.00 – 8.50
Euros		
Assets	1.85 – 8.42	2.89 – 9.73
Liabilities	1.00 – 3.50	0.50 – 4.50
British Pounds		
Assets	–	–
Liabilities	0.15 – 5.65	0.15 – 5.90

24. Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank considers the US Dollar as its functional currency. Positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within established limits.

The Bank had the following net exposures denominated in foreign currencies as of 31 December 2025:

	2025 - 000'USD	
	Long position	Short position
Euros	-	-46
Tunisian Dinar	-	-272
Saudi Riyals	41	-
Canadian Dollar	53	-
Kuwaiti Dinar	559	-
Bahraini Dinar	-	-153
Libyan Dinar	4	-
Algerian Dinar	4	-
Swiss Francs	42	-
Arab Emirate Dirham	53	-
Pound Sterling	15	-
Other	6	-
	777	**-471**

25. Liquidity risk

The maturity profile of the assets and liabilities at **31 December 2025** was as follows:

	Up to 3 months	3 month to 1 year	1 year to 5 years	Undated	TOTAL
Bank demand and call deposits	51 315 300	-	-	-	**51 315 300**
Time deposits	185 778 911	686 318	-	-	**186 465 229**
Financial assets designated at fair value through P&L	630 298	-	-	-	**630 298**
Financial assets at fair value through other comprehensive income	-	-	-	40 058 399	**40 058 399**
Financial assets measured at amortized cost	2 995 719	16 365 269	52 091 903	-	**71 452 891**
Investments in associated companies	-	-	-	106 371 172	**106 371 172**
Loans and advances, net	12 049 003	109 882 095	63 184 050	-	**185 115 149**
Accrued interest and other assets	-	-	-	11 207 165	**11 207 165**
Property and equipment	-	-	-	1 401 364	**1 401 364**
Total assets	**252 769 232**	**126 933 682**	**115 275 953**	**159 038 100**	**654 016 967**
Deposits from Banks and financial institutions	163 709 810	-	-	-	**163 709 810**
Deposits from customers	228 320 928	6 652 848	-	-	**234 973 776**
Accrued interest and other liabilities	-	-	-	18 739 487	**18 739 487**
Shareholders' equity	-	-	-	236 593 894	**236 593 894**
Total liabilities and shareholders' equity	**392 030 738**	**6 652 848**	**-**	**255 333 381**	**654 016 967**

26. Related party balances & transactions

	December 2025			
Assets	Major shareholder "BB"	Associated companies "AGB"	Others Related Parties	Total
Bank demand and call deposits	24 863	-	167 982	192 845
Time deposits	-	-	50 000 000	50 000 000
Financial assets at fair value through P&L	-	-	430 022	430 022
Financial assets at fair value through other comprehensive income	-	-	2 420 404	2 420 404
Investment managed by a related party	-	-	200 276	200 276
Investments in Associated Companies	-	106 371 172	-	106 371 172
Loans and advances, net	-	-	1 000 180	1 000 180
Accrued Interest receivable	-	-	296 617	296 617
	24 863	**106 371 172**	**54 515 481**	**160 911 516**
Liabilities				
Deposits from Banks and financial institutions	31 857 054	-	18 474 314	50 331 368
Deposits from customers	-	-	16 452	16 452
Accrued Interest payable	23 295	-	5 358	28 653
	31 880 349	**-**	**18 496 124**	**50 376 473**
Off-Balance sheet				
Letters of credit, guarantees and acceptances	-	347 738	3 502 534	3 850 272
	-	**347 738**	**3 502 534**	**3 850 272**

Income Statement	December 2025			Total
	Major share-holder "BB"	Associated companies "AGB"	Others Related Parties	
Interest Income	5 693	-	2 204 357	2 210 050
Other Income, net	-	13 872 544	155 664	14 028 208
Interest Income	-437 484	-	-476 168	-913 652
	-431 791	**13 872 544**	**1 883 853**	**15 324 606**

Key management compensation

Remuneration paid or accrued in relation to key management, including Directors and other Senior Officers was as follows::

	2025	2024
Short term employee benefits - including salary & bonus	1 055 465	969 636
Accrual for end of services indemnity	52 773	52 920
	1 108 238	**1 022 556**

27. Segmental information

	2024	2024
Assets		
North America	30 711 134	28 195 851
Europe	79 835 527	89 207 224
Middle East/ Africa	543 470 306	542 203 620
	654 016 967	**659 606 695**
Liabilities		
Europe	7 273 616	-
Middle East/ Africa	410 149 457	428 656 637
	417 423 073	**428 656 637**
Investment Income		
Middle East/ Africa	4 610 071	3 549 364
North America	511 194	703 386
Europe	506 684	823 981
	5 627 949	**5 076 731**
Interest Income		
Europe	2 182 413	2 854 422
Middle East/ Africa	13 499 353	17 165 035
	15 681 766	**20 019 457**
Other Income		
Middle East/ Africa	4 357 008	4 716 938
	4 357 008	**4 716 938**

28. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank manages credit risk by setting limits for individual counterparties, and groups of counterparties and for geographical and industry segments. The Bank also monitors credit exposures, and continually assesses the creditworthiness of counterparties. In addition, the Bank obtains security where appropriate, enters into master netting agreements and collateral arrangements with counterparties, and limits the duration of exposures.

For details of the composition of the assets by geographic segment refer to note 27.

Credit risk in respect of derivative financial instruments is limited to those with positive fair values.

29. Concentrations

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

The distribution of assets and liabilities by geographic region is disclosed in note 27.

30. Market risk

Market risk is defined as the risk of loss in the value of on or off-balance sheet financial instruments caused by a change in market.

CORPORATE GOVERNANCE REPORT

The Galiton

Tunis International Bank operates in compliance with applicable regulations and provisions of the Corporate Governance principles which are applicable to Tunisian Banks according to the Central Bank Legislation. Throughout the year, the Bank has undertaken various initiatives, particularly aimed at strengthening and enhancing its corporate governance framework in line with these requirements.

Corporate governance specifies the framework through which the banks' goals and strategies are placed, daily operations processing, how to achieve goals and performance monitoring. It also specifies roles, responsibilities, and decision-making processes in a way that achieves the principle of accountability, while noting the protection of shareholders' rights, the rights of related parties, and depositors. In addition, corporate governance defines what it requires in terms of the necessity of constant development of strong systems to manage overall risks and the safeguarding of banking activities.

Effective Corporate Governance is an important part of our identity. The essential framework for this is provided first by the Central Bank of Tunisia through circular n°2021-05, issued in august 2021 and the Tunisian banking law N° 2016-48, July 2016.

The adopted corporate governance framework ensures responsible, value-driven management and control of the bank. It has the following four key elements: good relations with shareholders, effective cooperation between the Management Board and Supervisory Board, a system of performance related compensation, transparent and timely reporting.

CORPORATE GOVERNANCE FRAMEWORK

Corporate governance determines the framework by which the Bank business and affairs are organized and managed by its Board of Directors and the Executive Management.

Tunis International Bank (TIB) is committed to the highest standards of corporate governance and recognizes that good governance is pivotal in helping the business to deliver its strategies whilst meeting its obligations towards shareholders and other stakeholders.

TIB should comply, primly and at the minimum, with:

- Tunisian Banking Law N° 2016-48 of July 2016 relating to Banks and Financial Institutions.
- Tunisian Law N° 94-117 related to the Financial Market reorganization.
- Central Bank of Tunisia's (CBT) corporate governance instructions as issued in Circular N° 2021-05 of August 2021; and
- Tunisian Commercial Companies Code as enacted by Law 2000-93 of November 2000.

The bank adhered also in April 3rd, 2017 to the Subsidiaries Governance Manual (SGM), and to the updated Subsidiaries Governance Policy (SGP) issued in October 2024 and approved by the Bank's Board of Directors in December, 2024 which provides guidelines for maintaining a strong communication, monitoring, and coordination of activities between Burgan Bank and its Subsidiaries.

TIB's governance framework is carried out in accordance with its corporate governance Code which is based on the following principles:

- Principle of proportionality;
- Principle of power-balance;
- Principle of fairness towards shareholders and
- Principle of disclosure and transparency.

By promoting sound corporate governance, the Bank objectives are:

✓ The protection of depositors, creditors, shareholders and employees' interests;

✓ Ensuring sound, prudent and transparent management of the Bank, supported by a solid culture of Risk management and Compliance;

✓ Ensuring conditions of integrity, loyalty and honorability of Directors of the Board, Executive Management, and Employees of the Bank.

The Governance and Management bodies of TIB comprises the following bodies:

- The General Assembly of the Bank;
- The Board of Directors;
- The Committees of the Board of Directors; which assist the Board in the discharge of its duties including:

✓ The Board Audit Committee,

✓ The Board Risk Committee,

✓ The Board Nomination and Remuneration Committee, and

✓ The Board Corporate Governance Committee.

- The Executive Management;
- The Internal Control Functions; and
- The Management Committees which include:
  - o The Management Executive Committee,
  - o The Credit Committee,
  - o The Asset and Liability Committee,
  - o The Management Investment Committee,
  - o The Management Cyber Security Risk Committee,
  - o The Management anti-fraud Committee,
  - o The Management Product & Pricing Committee,
  - o The Provision Assessment Committee,
  - o The Management Audit Committee,

o The Management Whistleblowing Committee,

o The Management Data Protection Committee,

o The Corporate Social and Environmental Responsibilities Committee,

o The Management Tender and Procurement Committee, and

o The Management Data Governance Committee.

The General Assembly (Shareholders Meetings)

The General Shareholders' Meetings of the Bank ("the General Assembly") is composed of the shareholders or their representatives.

The General Assembly will hold one ordinary session per year, usually by April. Extraordinary sessions will be held whenever necessary.

The ordinary General Assembly shall be convened by written invitation sent at least 15 (fifteen) calendar days prior to the meeting date.

The General Assembly shall hold a meeting at least once a year and within four months following the close of the financial year.

Shareholders

Shareholders are involved in decisions that are of material importance to the Bank, as legally required, including amendments to the articles of association, the appropriation of profit, authorization to issue new shares and important structural changes. The distribution of 2024 net profit was made in line with the resolutions adopted at the Ordinary General Shareholders' Meeting held in 2025.

Voting and Minority Rights

TIB has a single class of shares, with each share carrying equal voting rights. The voting rights associated with the shares shall be based on the proportion of the capital they represent. In form equal to the face value, each share in the capital gives the right to one vote. In the case of a mortgage of shares, the right to vote return to its owner. Explanations on the Bank's capital structure, qualifications of shares and the rights on shares are outlined in the Articles of Association. Dividend Rights distribution, is a regular item on the agenda of the General Shareholders' Meeting and is presented for shareholders' approval and implemented after the approval at the General Shareholders' meeting.

Board of Directors

The Board of Directors is responsible for managing the bank and exercises control over TIB.

The administrative and organizational structures required by the Banking Law (Law n°48 of July 11, 2016 and CBT Circular n°2021-05 dated August 2021) and related legislation, have been implemented at TIB. In reference to these banking regulations, the Board composition and Board members' qualifications are adapted to the Bank's strategy of development, size, the nature of its activity, complexity of operations and risk profile.

The board Is ultimately responsible for ensuring that the Bank complies with relevant laws and regulations that It Is subject to. Those laws Involve the Tunisian Banking Law, Central Bank of Tunisia regulations, the Commercial Code, the Labor Law, occupational health and safety etc...

The Ordinary General Assembly appoints the members of the Board of Directors, either from among the shareholders or from outside with the exception of the Chairman of the Board who must be a shareholder. The Board members are nominated for a term of 3 years. They can be reelected and removed at any time by the Ordinary General Assembly.

Among the most important roles of the Board ensuring the effective implementation of the governance framework, ensuring the effectiveness of the management of TIB by Executive Management based on the work of control functions and setting the Bank's strategy of development based on a formal Risk Appetite Policy.

The Board appoints first responsible persons of control functions (internal audit, risk and compliance), based on proposition from the Executive Management.

The Board of directors holds six regular meetings each year, as well as additional meetings as may be required. Board meetings are usually held at the Bank's premises or at any other place that is deemed appropriate by the Board members.

The Board's committees shall meet at the request of their respective chairpersons at least six times per year and no less than one meeting on a quarterly basis, or, when it deems necessary. Exception made for the Board Corporate Governance Committee that should meet bi-annually.

Independent Directors head the Board Audit Committee and the Board Risk Committee.

The Board ensures that all provisions of law and company internal policies are abided by. The Board heads lead and controls the Bank. The Board is collectively responsible and ultimately accountable for the affairs and performance of the Bank. All Board members must objectively take decisions in the interest of the Bank.

The Board Meeting agendas are prepared in accordance with the proposals of the Chairman of the Board after discussion with Executive management and Governance bodies. The Board has a permanent secretariat acting directly under the Chairman of the Board.

Moreover, various reports requested by the Board of Directors and off the agenda topics put forward by the Board members and discussed during the meetings. The meeting agenda and related documents are delivered to the Board members in advance according to the principles determined by the Board. The Board held seven meetings during 2025.

In the event of the non-availability of one or more Board members, a meeting via telephone and/ or video conference may take place.

To ensure that the financial and human resources are in place for the Bank to meet the planned objectives, the Board shall work with the Chief Executive Officer of the Bank who remains accountable to the Board.

The responsibilities of the Board's Chairman include ensuring that the Board operates effectively and independently from management, and that it meets its obligations and responsibilities.
The Board shall ensure that financial disclosures made by the Bank are fair, transparent and comprehensive.

The Board is ultimately responsible for ensuring that the Bank comply with all the relevant laws and regulations that it is subject to. These laws involve the Tunisian Banking Law, Central bank of Tunisia regulations, the Commercial Company Code, the Labor Law, occupational health and safety requirements etc.

All Board members, as well as senior management, are bound to observe the following best practice:

1. Board members *should not* :

   ✓ Enter into competition with the Bank;

   ✓ Use company privileged information or take advantage of business opportunities for himself or any relatives;

   ✓ Misuse the Bank's assets.

2. Board members *should* :

   ✓ Assiduously participate in the Board meetings accordingly to the conditions laid-down by the corporate governance code;

   ✓ Actively contribute to the activity of the Board;

   ✓ Ensure that the Board agenda meeting covers all important and crucial items;

   ✓ Devote the time deemed necessary to fulfill their obligations;

   ✓ Report to the Board any conflict of interest arising from their other activities or commitments to other organizations;

   ✓ Declare in writing all of their directorship positions and/or interests above 5% in other enterprises to the Board on an annual basis or immediately after becoming so and

   ✓ Respect the code of conduct as referred to in Article 13 of CBT Circular N° 2021-05.

As stipulated by CBT circular N°2021-05 and law n°2016-48 there are two Independent Directors on the Board. The rules and regulations of the Board include the definition of Independent Director as established in the Corporate Governance Code, according to which those non-executive directors that have been appointed based on their personal or professional status, and who perform unconditioned relationships with the Bank, its shareholders or its officers, will be considered Independent Directors. Independent Board members' mandate can only be renewed once.

Chairman of the Board

The Chairman of the Board is the highest-ranking officer of the Bank. Accordingly, all powers that may be delegated under the law, the by-laws, and the Board's rules and regulations have been entrusted to him. He exercises these powers in alignment with the decisions and directives of the shareholders, as adopted at the general shareholders' meeting.

The Chairman of the Board should have professional experience in banking and / or finance and should have personal skills such as leadership, communication and conflicts management, which are required for fulfilling his / her duties.

The Chairman of the Board is responsible of:

- Ensuring that the Board is properly, efficiently and independently fulfilling his responsibilities.
- Ensuring that the Board's Committees are properly fulfilling their responsibilities and that they report of their activities to the Board; and
- Overseeing the process of the annual performances' evaluation of the Board, Board Committees and their members.

The Chairman should meet with Board's members, Executive Management and shareholders when deemed necessary.

The Chairman is responsible in particular for:

- Setting the agenda items of Board's meetings after discussion with Executive Management and Governance bodies;
- Ensuring regular meetings of the Board;
- Communicating enquiries, comments and all decisions of the Board to Executive Management;
- Discussing with Executive Management and identifying major issues to be reported to the Board.

The Chairman of the Board is the designated interlocutor with the shareholders and the Central Bank of Tunisia concerning TIB's Governance matters, as well as, during any particular or exceptional circumstance that may impede the proper functioning of the TIB's governance bodies. The Chairman of the Board is also responsible of establishing the bank's Annual Report.

To ensure an appropriate balance of power increased accountability and greater capacity of the Board for independent decision-making, the functions of the Board Chairman and the Chief Executive Officer should be assumed by separate persons.

Chief Executive Officer

The Chief Executive Officer, acting by delegation from and reporting to the Board of Directors and its Chairman, as the highest-ranking officer of the Bank, is in charge of the conduct of the business and highest executive duties.
There is a clear separation of duties between the Chairman, the Chief Executive Officer, the Board and its committees thereof, as well as various checks and balances that ensure proper equilibrium within the corporate governance structure of the Bank. The powers delegated to the Chief Executive Officer and those delegated to the Chairman do not include, in either case, those reserved by the Board to itself.

The Executive Management is responsible for:

- Effective monitoring of the implementation process of the Bank's development strategy and risk appetite policy as approved by the Board of Directors;
- Ensuring the efficiency and the independency of the control functions;
- Ensuring, at all times, the overall proper functioning of the internal control and risk management systems;
- Implementing and ensuring the respect of the compliance policy as approved by the Board; and
- Ensuring the communication of all the relevant and required information to the Board and Board's Committees for decision-making and provide them with the necessary means to accomplish their missions.

The Executive Management should immediately alert the Board of any event that could:

- Impact the financial situation and the risk profile of the Bank;
- Lead to deficiencies in the internal control system or Increase the risk of non-compliance; and
- Alter the continuity of critical activities.

Number, Structure and Independency of the Committees Established Within the Board

The administrative and organizational structuring required by the Banking Law (Law n°2016-48 of July 11, 2016 & CBT Circular n° 2021-05 dated August, 2021) and related legislations, exists in TIB. In reference to these banking regulations, the Board is composed of 9 members including the Chairman. Also, there are two strong independent and nonexecutive members on the Board to exercise objective judgment on the Bank's affairs independently. The Board appoints Board committees' members among its peers as referred to articles: 49,50, 51 of law 2016-48. The Board shall establish three Board's Committees:

- Board Audit Committee (BAC);
- Board Risk Committee (BRC); and
- Board Nomination and Remuneration Committee (BNRC).

Board's Committees shall:

- Analyze all specific and technical aspects related to their respective domain in order to assist the Board in making decisions;
- Regularly report to the Board on Committees' activities, assessments and opinions on the organization and operations of the Bank in areas they cover;
- Report to the Board on any event that may impede the Bank's strength and reputation;
- Review activities reports of Control functions, External Auditors' reports and notifications sent by Central Bank of Tunisia or any other supervisory authority;
- Recommend the Board to instruct Executive Management to perform investigations, if needed and;
- Submit to the board during meeting, in which the annual financial statements are reviewed, a detailed annual report on their activities.

Each committee should elaborate charters, approved by the Board of Directors, defining its attributions, composition, operating rules and its relations with the Board and the operational structures of the bank. Board committees should report to the Board on any event that may impede the Bank's strength and reputation.

Committees should elaborate minutes of each committee meeting signed by all its members and in which are recorded in detail the deliberations, decisions and recommendations as well as the divergent opinions and the follow-up on the implementation of decisions from previous meetings.

Board audit committee members and Board risk committee members cannot be appointed to more than one of the following committees and vice versa:

- Board Risk Committee (BRC),
- Board Audit Committee (BAC).

Board Audit Committee (BAC) and Board Risk Committee (BRC) shall establish a framework for coordination and collaboration to facilitate Board's decisions. BRC and BAC are chaired by independent Board members.

All of the Board of Directors are non-executive members. The election of TIB's Board members is implemented according to the Articles of association and the Banking Law. As per the Banking Law, the Chief Executive Officer of the Bank and the deputy Chief Executive Officer must not be Board members. TIB's Board of Directors backgrounds, terms of office, and the committees in which they take charge are presented in the Annual Report.

The Board reserves for itself, and likewise cannot delegate, the following matters, among others:

* Decisions regarding the acquisition and disposition of substantial assets;

* The strategic plan, annual budget, corporate governance and communication with the share-holders.

Performance-Related Compensation

The compensation of members of the Board is primarily aligned to their contribution to business performance and international industry standards. Part of the Management Board's compensation is equity-based, and this is driven by the performance of the Bank.

The Board Audit Committee

The Board Audit Committee (BAC) consists of four members and is chaired by an independent board member. The BAC shall meet at the request of its Chairman at least six times a year, including once every quarter, and as deemed necessary. The Chief Internal Auditor serves as the secretary of the committee. The Board Audit Committee Charter outlines the duties and responsibilities of the committee.

In 2025, the BAC held six meetings.

The BAC's duties include, but are not limited to:

- Reviewing the interim financial reports and annual financial statements with management and external auditors before their submission to the Board of Directors for approval, ensuring they are complete and consistent with the information known to committee members.
- Reviewing the Bank's strategy, budget, and long-term business plan.
- Serving as a communication channel between the Board and the auditors, ensuring the independent execution of the auditors' responsibilities. Accordingly, the Committee held a meeting with the statutory auditors to review and approve their 2024 annual audit reports, annual and quarterly financial statements, and management letters based on their activities. The Committee also reviewed the audited financial statements for the year ended December 31, 2024, on both a solo and consolidated basis, as well as the draft Auditors' Report on the Consolidated Financial Statements as of the same date. The Committee took note of the statutory auditors' unqualified opinion. Additionally, the Committee reviewed and discussed disclosure controls and procedures with both management and statutory auditors to ensure proper follow-up. The BAC ensured that no restrictions were imposed on the statutory auditors by management. Furthermore, the BAC reviewed and discussed the Bank's revised budget and long-term business plan before their submission to the Board.
- Overseeing the Internal Controls and Risk Management Systems:

The Board Audit Committee monitored the evaluation of the effectiveness of the Bank's internal control system, including information technology security and controls, through a review of all audit reports issued by the Internal Audit and External Auditors. The Committee ensured that all issues and observations raised were addressed and resolved in a timely manner. The Committee maintained continuous communication with management to oversee the implementation of agreed-upon action plans.

The BAC focused on risk mitigation concerning information security and cybersecurity, the effectiveness of the internal control framework, and regulatory compliance, including anti-money laundering programs. The Committee ensured that corporate governance requirements were effectively implemented. Additionally, the BAC met with the Chief Compliance Officer to discuss her department's compliance and anti-money laundering activities, programs, and procedures.

During the financial year 2025, in fulfilling its responsibilities under its charter, the Board Audit Committee assisted the Board of Directors in overseeing the integrity of TIB's financial statements, the implementation of the Bank's internal control system, and the qualifications and independence of the external auditors. Finally, the BAC Charter, the Internal Audit Charter and the Internal Audit Policies and Procedures were all updated to be in line with the new Global Internal Audit Standards.

The Board Risk Committee (BRC)

The Board Risk Committee has three members and is chaired by an independent Board member. The Board Risk Committee shall meet at the request of his chairman at least six times a year and not less than one meeting on a quarterly basis and more when it deems necessary.

The Board Risk Committee is responsible for formulating the risk management strategies and policies. The BRC is the common communication platform with the Board in terms of assessing the risk the Bank is exposed to, making suggestions about the measures to be taken and methods to be followed. The Committee's principal duties are published in the Board Committees' Charter. The Chief Risk Officer is appointed as the secretary of the committee.

The Committee's principal duties are:

- Assist the Board in monitoring the risk management system, without prejudice to article 50 of Tunisian Banking Law N° 2016-48;
- Establishing and updating the risk Management Policy and setting the exposure and the operational limits;
- Approving the risk measuring and the risk monitoring systems;
- Overseeing the Executive Management compliance with the Risk Appetite Policy;
- Analyzing and following-up the Bank's exposures to risks, including; credit risk, market risk, liquidity and operational risks;
- Assessing the provisioning policy and the permanent adequacy of bank's net worth against TIB's risk profile;
- Assessing risks arising from the Board's strategic decisions;
- Implementing corrective actions to enhance the effectiveness of the risk management framework;
- Approving business continuity plans.

During 2025, the BRC held six meetings. The Board Risk Committee (BRC) communicated its minutes of meeting to the Board Audit Committee (BAC).

Board Remuneration & Nomination Committee (BNRC)

Board Nomination and Remuneration Committee has been established for the purpose of executing functions and activities related to monitoring and controlling remuneration policies of the Bank on behalf of Board of Directors.
The Committee carries out its activities regarding remuneration policies within the framework of related banking regulations. The Committee has three members. The committee informs the Board of Directors on the results of its own activities and its opinions on any important related issues. The BNRC had four meetings during 2025.

The Head of the Human Resources Department ensures the secretary of the BNRC.

Without prejudice to article 51 of Tunisian Banking Law N° 2016-48, the BNRC should assist the Board of Directors in:

- Establishing the Nomination and Remuneration policy of the Board and Board Committees members, Executive Management and first responsible persons of key functions.
- Establishing succession planning for Board and Board Committees members, Executive Management and first responsible persons of key functions.
- Nomination of Board and Board Committees members, Executive Management and first responsible persons of control functions.
- Establishing the design of the methodology for evaluating the work of the Board members and its committees.

The BNRC developed and maintained a clear, transparent and rigorous identification, selection, and appointment and evaluation process of members of the Board, its committees, the Executive Management and control functions.

The BNRC reviewed the independency criteria for independent Board members and communicated outcomes to the board.

The selection process requires that applicants:

- Have the necessary qualifications, skills and experience;
- Meet the integrity criteria and enjoy a good reputation; and
- Devote sufficient time to, properly exercise their responsibilities.

BNRC identify and raise to the Board any situation of conflict of interest that may arise from the nomination process.

Board Corporate Governance Committee

In its October 2014 meeting, and to comply with the parent company, the Board of Directors has approved the constitution of a new Corporate Governance Committee. The Committee has three members and is headed by the Chairman of the Board. The Committee carries out its activities within the framework of the related banking regulation in Tunisia.

Tunis International Bank should comply with all Tunisian laws and regulation and comply with corporate governance guidance issued by the parent company unless it contravenes local Tunisian laws and regulations. During, 2025, three BCGC meetings were held, one by attendance and two by circulation.

The Bank's Chief Compliance Officer shall act as the secretary of the Committee.

BCGC is essentially responsible for assisting the Board of Directors in setting and overseeing the Bank's corporate governance practices, especially through the following:

- Prepare and obtain Board approval on Bank policies relating to corporate governance framework, in line with the CBT requirements;
- Follow-up on the execution of Corporate Governance Code's standards and regulations and present a report of it to the Board of Directors; and
- Perform a regular review of the Corporate Governance practices, including the review of BCGC charter, to ensure their effectiveness and recommend any necessary improvements to the Board.

The BCGC will refer to the other (i.e. Audit and Risk) Committees any matters that have come to the attention of the Committee that are relevant for the other (i.e. Audit and Risk) Committees for noting or consideration.

Board Activities

Financial Information Periodically Published by the Bank

The Board approved the quarterly financial information, the annual accounts, and the management report. In addition, the Board has approved other documents such as: the annual report; the annual corporate governance report; the audit, risk, and compliance reports; and the Nomination and Remuneration committee's reports.

Financial Reporting According to International Standards

Shareholders and the public are regularly kept up-to-date, mostly, though the Annual Report, which includes the Consolidated Financial Statements. TIB's consolidated reporting is in accordance with International Financial Reporting Standards (IFRS 9). This provides for a high degree of transparency and facilitates comparability with Burgan Bank's financial statements.

Changes in the Composition and Size of the Board

During 2025, no changes occurs regarding the composition and size of the Board.

Duties of Directors, Related-Party Transactions and Conflicts of Interest

Duties of Directors

The Board Members shall discharge their entrusted tasks and duties in the best interests of the Bank and endeavor to fulfill the following:

* Act in the interests of the Bank to the best of their ability and judgment;
* Maintain the highest standards of integrity, loyalty, competence, ethics and required diligence in their personal and professional conduct;
* Act with honesty, and in compliance with applicable laws, rules, regulations and the Bank's internal policies;
* Inform the Board of Directors before accepting any invitation to serve in any other Board or to take on any management position in a business company;
* In carrying out their mandate, Independent Board Members shall immediately notify the Board of directors in the event of non-compliance and or impairment to his/her independence conditions or eligibility criteria.

Related-Party Transactions

All related party (within the meaning of Article 43 of Law No. 2016-48), exposures are reported on a quarterly basis to the Central Bank of Tunisia and are followed on a permanent basis by the Risk Management Department.

Control Mechanisms

As provided in the rules and regulations of the board, Directors must inform the Board of any direct or indirect conflict of interest with the interests of the Bank in which they may be involved. If the conflict relates to a transaction, the director should not carry it out. The Director involved must refrain from participating in the discussion on the transaction to which the conflict refers.

Specific Situations of Conflict

The Board ensures that all its members, Executive Management and first responsible persons for control functions avoid situations that could create conflicts of interest.

The Board is responsible of establishing a unique and formal Conflict of Interest management policy.

In the financial year 2025 there were no cases in which directors, including those who are members of senior management, abstained from participating and voting in the discussions of the Board of Directors or of the committees thereof.

Lending to Board of Directors Members

Insider lending occurs when the bank makes a loan to one or more of its directors. The provisions of these loans should be granted on arm length basis i.e. match those given to comparable bank customers. This is done to ensure fairness and limit the access to bank funds by insiders. Insiders should not get any special treatment, incentive rates, or other benefits not offered to regular bank customers. In addition, acceptable proposed securities should cover 120% of the loan amount.

Internal Control Functions

The internal audit, compliance and risk management, collectively refer to "internal control" as defined by regulations.

The Board and Executive Management establish also the Internal Control Department to reinforce the second line of defense.

The Board is responsible for ensuring that control functions (as per art 53 of law 2016-48) have formalized policies and procedures, adequate human, technical and financial resources enabling them to, effectively conduct their missions with complete independency and objectivity.

The Board shall, at least once a year, meet control functions heads to assess the efficiency and effectiveness of the internal controls and be informed about major developments that may affect the risk profile of the Bank.

First responsible persons of both Internal Audit and Risk Management functions should not combine their functions with other responsibilities within the Bank.

The Bank communicate to CBT the identities and qualifications of first responsible persons of control functions.

The Bank should immediately inform CBT for any decision of revocation or replacement of first responsible persons of control functions and rationale behind these decisions.

Risk Management

Risk Management is responsible of:

- Identifying the main risks elaborate a risk map of the bank and assess the levels of exposure to these risks;
- Developing the Risk Management policy;
- Recommending the Risk Appetite policy to Executive Management and BRC;
- Continuously monitoring risk exposures and risk-taking activities;

- Developing policies for managing capital adequacy and liquidity adapted to Bank's risk profile on an individual and consolidated basis;
- Implementing a monitoring system for early detecting events where the ceilings risks set by the bank are exceeded;
- Providing opinion on decisions that lead to significant risks; and
- Proposing adequate measures to mitigate risks and any event that may prejudice the solvency and liquidity of the Bank as well as the interests of stakeholders.

Internal Audit

The internal audit function provides the Board and Executive Management with independent quality assurance regarding the effectiveness of internal control systems and processes, risk management and governance.

Internal Audit is responsible of:

- Regularly review the risk governance proceeds by:
  - Assessing the effectiveness of both compliance and risk management functions;
  - Assessing the quality, effectiveness and frequency of risk management related reports submitted to the Board and Executive Management;
  - The effectiveness of the Bank's internal control systems.
- Raise to the board and Executive Management on issues and shortcomings noted during audit reviews in order to take adequate corrective actions.

Internal Audit have access to all information, archives and Bank's premises.

The Internal Audit Department has access to all information, archives and Bank's premises. The Internal Audit Function has regularly communicated to the heads of the Compliance and Risk Functions on non-compliance issues raised during the performed audit reviews.

Compliance

The compliance function exercises an advisory role to the Board and the Executive Management on issues related to compliance with legal and regulatory provisions in force and keep them informed of changes in this area.

The Compliance Function is independent of the Executive Management.

The responsibilities of the compliance include:

- Ensuring regulatory watch;
- Establishing non-compliance risk map;
- Ensuring the existence of formalized policies and procedures and internal controls in areas related to the Compliance Function;

- Regularly reviewing and ensuring the implementation of the compliance related policy and procedures and recommend corrective actions;
- Providing written opinion and advices on new products and services and related internal control procedures;
- Providing the Bank's staff with compliance training sessions related to their field of work and ensuring the dissemination of Compliance culture;
- Reporting to the Board on problems observed regarding procedural issues as well as mitigation actions; and
- Communicating to the Board Audit Committee Compliance activity report on semi-annual basis.

Internal Control Department

The Internal Control Department performs on a day-to-day basis controls over the activity of the bank.

The adequacy of the Bank's internal controls is reviewed at least annually. Effective internal controls aim to safeguard the shareholders' investments, bank's assets and depositors.

General Information

External Audit

TIB is regularly audited by two independent external auditors within the framework of the Banking Law in Tunisia and the international related standards.

Strategic Goals of the Bank

The vision and objectives of TIB were approved by the Board of Directors. In this context, TIB's vision is to be the preferred non-resident Bank in Tunisia by customers, shareholders and employees by maintaining its leading, pioneering and reliable position. TIB's mission, in general, is meeting the needs of its customers with fast, efficient and high standard solutions, increasing the value it created for its shareholders constantly and encouraging employees to reach their best performance. The Board of Directors regularly monitors and supervises the performance of the Bank in terms of achieving the strategic goals. The Business Program which includes the yearly objectives formed according to the general strategic goals comes into effect after approval by the Board of Directors. The quarterly performance of the Bank in comparison with the objectives is reported comprehensively to the Board of Directors.

Disclosure and Transparency

Public disclosures are under the authority and responsibility of the Board of Directors. The Head of Investment Asset and liability Management & Communication is responsible of external communication actions and public relation activities. TIB has designated the Chief Financial Officer to submit the required information and disclosures, to CBT, to CMF and other stakeholders within the framework of related regulations. The Compliance Function is the designated control supervisor for ensuring all disclosures and communication with the regulatory authorities are performed in due time.

Annual Report

TIB publishes each year an Annual Report that includes the necessary information and data required by the regulator and is prepared in the English language.

TIB Website (www.tib.com.tn)

TIB's website is actively and intensely used for public disclosures and informing activities. The website includes information and data required by the Corporate Governance Principles and regulatory authorities. Utmost care is given to keep the website updated.

Ethical Principles and Social Responsibility

TIB has adopted its proper Code of conduct in conformity with the Tunisian Banking Law and best practices. The Code of conduct is disclosed to both board members, and all of Bank's employees.

In addition, Board members as well as employees are required to sign a statement that he or she has read this Code of Conduct, understand its provisions, and agree to abide by them. As required by law, all Board members have stated on one's honor that they have no legal restrictions to perform their duties.

The Board believes that the Board, executive officers and the entire Bank's staff must endorse a culture of strong corporate governance and ethical business conduct. The Code of Conduct addresses many areas of business such as good faith, integrity, compliance, quality and respect. These principles apply equally in dealing with clients, counterparties, regulatory authorities, and business colleagues and towards the Bank itself. The Board took the lead by endorsing these values for itself, senior management and all employees.

Any activities and relationships that diminish a proper conduct of corporate governance should be prohibited. Examples of such activities are:

- Conflict of interest;
- Lending to officers (except on an arm's length basis) and other forms of self-dealing;
- Providing preferential treatment to related parties and other favored entities (lending on highly favorable terms, covering trading losses, waiving commission, etc.); and
- Insider trading.

The Board of Directors ensures that senior management implements policies that prohibit such conduct, ensures that deviations are reported, and establishes processes that allow monitoring compliance with these policies.

Insider Trading

By his/her position in the Bank, an employee may have access to "material non-public information". This non-public information includes information that is not available to the public at large, which would be important to an investor in deciding to buy, sell or retain a security. This non-public information includes but is not limited to:

- Projections of future earnings or losses or dividend payment;
- Tender offer or exchange offer;
- News of a significant sale of assets or the disposition of a subsidiary; significant changes in management or shareholdings;
- Significant new products or discoveries; or impending financial liquidity problems.

It should be noted that both positive and negative information might be considered material.

Insiders in a position of trust must not pass that information on to others, and shall not purchase or sell a security or recommend a security transaction of the employee's own account, the account of a family member, the account of any customer of the Bank, or any other person. In addition to disciplinary procedures which may lead to dismissal, the use or disclosure of such information can result in civil or criminal penalties under Tunisian law.

Management of Fraud, Bribery and Corruption

The Bank attaches great importance to combating Fraud, bribery and corruption exposure. It therefore expects every employee to be vigilant in ensuring that the Bank is not unwittingly used by any criminal entity or individual or his representatives. If fraud or corruption is proven, appropriate disciplinary measures and legal actions will be taken.

The Bank has documented policy and procedures consistent with applicable Anti-Fraud, Bribery and Corruption regulations and requirements to reasonably prevent, detect and report bribery and corruption. This policy complements the Bank's Code of Conduct and applies to all employees, officers and Directors.

The bank has controls in place to monitor the effectiveness of its Anti-Fraud, Anti-Bribery and Corruption program.

The management appoints the Chief Risk Officer as the Anti-Fraud Officer of the Bank, who shall have overall responsibility for reporting internal controls, policies, procedures with respect to matters involving fraud or possible fraud. The Anti-Fraud Officer shall report to the BRC on the activity of the fraud risk management, including matters relating to the exposure and/or financial impact of fraud or possible fraud.

Anti-Money Laundering (AML) and Counter Terrorist Financing (CTF)

The Bank has implemented strict Anti-Money Laundering (AML) policies and procedures that meet local regulatory requirements as well as international best practices. These AML policies include Know Your Customer (KYC) procedures to control and identify both new and existing clients, and comprehensive measures for detecting and reporting of suspicious activities and unusual transactions. Additionally, the Bank follows Ultimate Beneficial Owner (UBO) identification procedures. The education and training, both internally and externally, of all of the Bank's staff forms an integral part of our AML/CFT policies. During 2025, several AML related policies and procedures were updated and submitted to the BAC for validation: AML/CFT Sanctions and CPF policy, AML/CFT Strategy Framework and Ultimate Beneficial owner procedures. In addition to the before mentioned "AML/ CFT and Sanctions procedures Manuals".

The bank also developed the "Customer Risk Assessment Methodology" In order to comply with CBT requirements bounding financial institutions to adopt a Risk Based Approach (RBA) to manage Money Laundering (ML) and Terrorism Financing (FT) risk exposure. This enables the Bank to focus its controls and resources on customers, products and services, and jurisdictions that are assessed to carry higher risks

Furthermore, the mother Bank (Burgan Bank) conducts a group wide Risk Assessment every two years in compliance with Central Bank of Kuwait's regulations, which includes both Burgan Bank head office and its subsidiaries including TIB.

TIB should undertake the Group-wide risk assessment as instructed by Group AFC (Anti Financial Crimes). Outcomes of the assessment should be consigned into a report titled "Money Laundering and the Financing of Terrorism Risk Assessment Report" that will be reviewed and approved by the Board of Directors and communicated to Group AFC.

Internal Audit conducts periodic reviews of the AML unit as part of the Internal Audit 2025 Annual plan. The main objective of this assignment was to examine and assess the adequacy and effectiveness of the system of internal controls, responsibilities of key personnel to minimize areas of potential conflict of interest and ensure that independent checks are in place.

The Bank's AML Unit is using a system that allows:

- Customers and accounts profiling;
- Real time filtering customers and transactions;
- Monitoring all accounts' movements and generating alerts;
- Detailing of all one customers' related accounts;
- Politically Exposed Persons screening.

The Board delegates to the Chief Compliance Officer the overall responsibility for the establishment and maintenance of an effective AML/CFT including Sanctions compliance systems and controls across the Bank.

The Bank's Chief Compliance officer is acting as the MLRO (Money laundering Reporting Officer) and will be responsible for:

- ➢ Oversight of compliance with the regulatory AML/CFT requirements.
- ➢ Examining suspicious operations or transactions (STR: Suspicious Transaction Report / SAR: Suspicious Activity Report) and, where applicable,
- ➢ Reporting them to the Tunisian Financial Analysis Commission (CTAF).

The Bank's Chief Compliance Officer is also appointed as the "Sanctions Reporting Officer" (SRO) and will be responsible of the following:

- Ensuring correspondence with the CNLCT (National Commission for Terrorism Combatting);
- Ensuring the implementation of the CNLCT instructions;
- Implementing the Bank Sanctions policy;

The bank is compliant with the organic law N°2015-26 issued on August, 7th, 2015, regarding Prevention of Money Laundering and Combating Terrorism Financing, CTAF guidelines, CBT circulars and 2017-08 of September 19th 2017 (as amended by CBT circular 2018-09 of October 2018 and CBT circular n°2025-17); the governmental decree N°2018-01 published in January 2018 regarding the implementation of the United Nations Resolutions in their fight against Terrorism Financing, Proliferation Financing and international standards.

Attendance at Meetings of the Board of Directors and its Committees in 2025.

Attendance rate of 98% was recorded for Board of Directors' meetings in the financial year 2025.

Committees				
	Board	BRC	BAC	BNRC
Average Attendance	98%	100%	100%	100%
Individual Attendance				
MOHAMED FEKIH	7/7			
RABIH SOUKARIEH	6/7			4/4
MOHAMED FETHI HOUIDI	7/7		6/6	4/4
SAMER ABBOUCHI	7/7		6/6	
AHMED BENGHAZI	7/7		6/6	
SAMIR CHEBIL	7/7	6/6		4/4
KHALID AL ZOUMAN	7/7	6/6		
MOHAMED SALAH SOUILEM	7/7	6/6		
AMEL BEN RAHAL	7/7		6/6	

BOARD OF DIRECTORS			COMMITTEES OF THE BOARD			
Directors' Name	Title	Representing	Audit	Nomination & Remuneration	Risk	Corporate Governance
MOHAMED FEKIH	CHAIRMAN	BURGAN BANK				BCGC CHAIRMAN
RABIH SOUKARIEH	DIRECTOR	CEO, AGB		BNRC		BCGC
MOHAMED FETHI HOUIDI	DIRECTOR	-	BAC	BNRC CHAIRMAN		
SAMER ABBOUCHI	DIRECTOR	-	BAC			
AHMED BENGHAZI	DIRECTOR	-	BAC			
SAMIR CHEBIL	DIRECTOR	-		BNRC	BRC	
KHALID AL ZOUMAN	DIRECTOR	BURGAN BANK GROUP CFO			BRC	
MOHAMED SALAH SOUILEM	DIRECTOR	INDEPENDENT			BRC - CHAIRMAN	BCGC
AMEL BEN RAHAL	DIRECTOR	INDEPENDENT	BAC - CHAIRMAN			
BOARD SECRETARY	Head of Legal Department		Chief Internal Auditor	Head of Human Resources	Chief Risk Officer	Chief Compliance Officer

RISK MANAGEMENT REPORT

Zembra island, close view

1 - INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

1.1. INTERNAL CONTROL SYSTEM

The internal audit, operational controls, compliance, Anti-money Laundering, Combating the Financing of Terrorism and the financing of the proliferation of weapons of mass destruction (WMD) or proliferation financing (PF) (AML/CFT/PF), as well as risk management controls, and systems, collectively refer to "internal control system".

The Board shall ensure an independent and adequate internal control system in the Bank and review its effectiveness.

The internal control system at Tunis International Bank (TIB) is a structured framework designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting;
- Compliance with applicable laws and regulations; and
- Safeguarding of assets.

The Bank recognizes that a sound internal control process is critical to its ability to meet its established goals and maintain its financial viability. In order to achieve the Bank's objective which is adequate liquidity position, profitability and increase of shareholder' value, the internal control system lies on the following five elements: :

- Management oversight and control;
- Risk recognition and assessment;
- Control activities and segregation of duties & responsibilities;
- Information and communication; and
- Monitoring activities and correcting deficiencies.

Any breaches to these elements must be reported promptly to senior management and the Board of Directors (BoD) to take immediate corrective actions. To ensure coverage of all deficiency areas of the internal controls system, the management has established a basis for tracking possible breakdown in internal controls system and actions taken to rectify them.

The Internal control System is all of the control activities which are performed under the governance and organizational structure established by the bank's Board of Directors and senior management.

Each individual within the organization participates in order to ensure proper, efficient and effective performing of the bank's activities in accordance with the Bank's management strategy and policies, and applicable laws and regulations and to ensure the integrity and reliability of accounting system and timeliness and accessibility of information in the data system. All elements of the internal control system of the bank reports on a regular basis to the Board of Directors and its relevant committees.

These control activities are ensured by:

- Internal control;
- Risk management;
- Compliance & AML/CFT/PF; and
- Internal audit.

Internal control: All of the financial, operational, and other control systems are implemented by internal controllers, involving systematic monitoring, independent evaluation, and timely reporting to management levels. This ensures that all bank activities are conducted in accordance with current policies, procedures, methods, instructions, and limits.

Risk management: Risk Management (RM) encompasses the identification, analysis, evaluation, acceptance, and handling of all financial and non-financial risks that might adversely affect the Bank's performance and reputation. The RM function offers oversight and guidance on the Board approved risk appetite and strategy, while also developing and maintaining a supportive framework for risk management through procedures and training.

The risk management function relies on the competence, experience and dedication of its professional staff, along with robust risk management policies and procedures, and continuous investments in technology and training.

The head of Risk Management (Chief Risk Officer- CRO) reports to the Board Risk Committee (BRC).

Compliance & AML/ CFT/ PF: Compliance ensures banks adhere to laws, regulations, and ethical standards to mitigate risks and protect stakeholders. It encompasses Anti-Money Laundering (AML), Countering the Financing of Terrorism (CFT), and Proliferation Financing (PF).

This includes the preparation of various financial reports, verification for accuracy and timely submission. The compliance function identifies, assesses, advises on, monitors and reports on the Bank's compliance risk.

The head of compliance & AML/CFT/ PF reports to the Board Corporate Governance Committee (BCGC).

Internal audit: A systematic audit process which is carried out independently as a part of internal control system considering the management needs' and the bank's structure. Internal audit covers all the activities and units of the bank, including the internal control and the risk management system, and which enables the assessment of these activities and units. Evidences and findings obtained as a result of reporting, monitoring and examination are reported to the Board Audit Committee (BAC) and ultimately to the Board. The head of internal audit reports to the (BAC).

Close coordination exists between the different control functions within the Bank.

The Board of Directors' Responsibilities in Performing the Internal Control Function

The Board has ultimate responsibility for the effective oversight of the Bank's business strategy, as well as the associated risk strategy and risk appetite framework.

As provided and reinforced by the circular of the Central Bank of Tunisia (CBT) N° 2021-05 and reflected in the Corporate Governance code of the Bank, the Board of Directors develops and approves significant strategies and policies concerning the control activities of the Bank, and periodically reviews their implementation.

In compliance with provisions set out by the Central Bank of Tunisia (CBT), the Board of Directors (BoD) ensures that the Bank's organizational structure explicitly embodies the internal supervision (audit/control) system and risk management system and defines principles and procedures concerning the administrative structure, personnel and quality of these systems.

The Board of Directors is responsible for ensuring that these units carry out their tasks impartially and independent of the Bank's primary activities.

The Board Risk Committee (BRC) is responsible for overseeing the implementation of the Bank's risk strategy, advising the Board of Directors on the Bank's current and emerging risk profile, supervising Senior Management's implementation of the Risk Appetite Statements, engaging with and overseeing the Chief Risk Officer (CRO), and monitoring the integration of risk culture across the Bank.

1.2 RISK MANAGEMENT SYSTEM

The Risk Management System at Tunis International Bank is designed to establish management policies and procedures that promote risk awareness and accountability across the Bank, while also developing the necessary tools to identify the main risks and develop a risk heatmap, assess the level of exposure to these risks, and manage those risks. The Bank has an independent Risk Management Structure (RMS), led by the Chief Risk Officer (CRO), who reports directly to the Board Risk Committee (BRC).

The RMS does not have any business targets in terms of either levels of business or income/profits to be achieved, with a view to ensuring its objectivity in analyzing the various risks.

The mission of the RMS is to identify, assess and mitigate various risks that the bank faces in its day-to-day operations and reports to the Senior Management of the Bank on the effects and, where possible, mitigations. It is a comprehensive approach involving various risk management tools, techniques, and methodologies to manage risks effectively. The RMS main objective is to minimize the impact of risks on the bank's operations, financial performance, and reputation.

The Bank maintains a well-documented Risk Management Policy that categorizes the risks arising from its day-to-day activities into defined risk families and assigns specific responsibilities to designated officers for the identification, assessment, mitigation, and reporting of each risk category. Among the families of risks are:

- Credit Risks: This includes default risk of clients and counterparties;
- Market Risks: This covers interest rate, foreign exchange, equity and liquidity risks;
- Liquidity Risks: This includes liquidity stress testing and contingency funding plan;
- Non- Financial Risks: This covers all other risks that the Bank is facing such as Operational Risk, Business Continuity, Fraud risk, Environmental, Social and Governance (ESG), Third-Party risks and resilience;
- Information and Cyber Security Risks: This cover Cyber and insider threats, and System Vulnerabilities;
- Monitoring which includes: Compliance risk, Risk Appetite, payment system control, and;
- Data protection: This includes the risks of misappropriation of information and data breaches or leaks.

The RMS is responsible for ensuring that all relevant information required for risk measurement and the allocation of appropriate risk weights to exposures is available, enabling the accurate calculation of Risk-Weighted Assets.

2 - CREDIT RISK

2.1 CREDITS RISK MANAGEMENT

TIB always ensures to meet the prudential rules and limits set by the Central Bank of Tunisia (CBT) to restrict loan exposures to single borrowers or groups of connected borrowers. It is the Banks policy to have minimum stipulated coverage and top up clause for each of the secured loans. In addition, the collateral should also be adequately liquid and diversified. These policies coupled with the credit selective basis reduce considerably the amount of provision required when there is a payment default.

Credit risk includes besides loans, acceptances, interbank transactions, trade financing, foreign exchange transactions, bonds, equities, etc....

2.1.1 CREDIT PROCESS

Strategies and Processes

A thorough credit risk assessment is done before granting a loan. The credit risk assessment includes borrower risk analysis, industry risk analysis, historical financial analysis, projected financial performance, the conduct of the account, and security of proposed loan. The assessment originates from relationship manager/account officer and approved by the Management Credit Committee (MCC).

The MCC under elevated authority approves the credit proposals. The Management of the Bank may notify the Board of Directors of special and/or exceptional transactions.

Structure and Organization

The Credit Analysis function is responsible for making independent financial analysis and appraisal of credit proposals that are marketed by the business groups. There are detailed guidelines for financial analysis that are followed which gives its independent views/recommendations on credit proposals brought to it by the Relationship Managers of the various business groups. These proposals are then further processed in accordance with the delegation of powers approved by the Board.

Scope and Nature of Reporting Systems

After the approval of the credit proposal, the Credit Control Unit (Credit Administration) entrusted with the responsibility of checking that the conditions precedent for the drawdown of the credit facilities as approved are fulfilled before the facilities are made available to the client/counterparty.

Credit Administration under the supervision of Head of RMS, checks the accuracy and completeness of requested documentation.

The Credit Control Unit is independent of the Credit Analysis unit of the Department. It also follows up on the conduct of the accounts by the client/counterparty in accordance with the terms of approval and reports any irregularities for necessary corrective action.

Hedges and Mitigants

The Credit Policy of the Bank outlines guidelines for mitigating risks in terms of availability of credit enhancements and/or collaterals to support the exposure, the coverage ratio of collateral value to the loan to be granted, the threshold levels for top-up of security and liquidation. The policy and procedures of the Bank also lay down the required methods and intervals for valuation of the different collaterals so as to determine the necessity for top-up by the client and/or procedure for liquidation.

The collaterals accepted by the Bank mainly consist of cash in the form of deposits with the Bank, shares, bonds, insurance and bank guarantees. Other various forms of real estate and equipment are also considered. For the purposes of credit risk mitigation, only collaterals permitted by the CBT are considered.

As for shares, bonds etc., the Bank fulfills the stipulated regulatory requirements for their periodic valuation, etc. In regard to real estate assets, the Bank accepts only valuation from, professional and government recognized valuers, who are required to assess the value of the collateral before they are accepted as security. The periodicity of the valuation is again in line with the regulatory requirements.

2.1.2 LENDING AUTHORITIES

The various authorities involved in the credit approval process are as follows:

- ❒ The Board of Directors (BOD);
- ❒ The Management Credit Committee (MCC).

It is understood, that no delegated authority can approve a credit that has been declined in the past by a higher authority, even if the credit lies within his delegated authority levels.

2.1.3 ANALYSIS OF FINANCIAL STATEMENTS

Credit Analysis follows a uniform standard structure, which answers the key relevant issues focusing on the relevant risk elements of the facility, including financial analysis, management and assessment market conditions. The financial statement of the customer for the previous three years should be analyzed.

2.1.4 RISK RATING MODEL

Comprehensive risk rating model covers both obligor rating and facility rating. The obligor risk rating scoring system on ten-point scale was implemented and functional. Periodic review of the rating model was implemented.

The facility grades were assigned according to the severity of the expected losses in case of default, keeping in view relevant factors such as the type of the facility and the nature of the collaterals. All facility grades have a score varying between 1 and 9 depending on facility type and the quality of the collaterals. Scores were assigned to each factor, with each factor weighted on relative importance.

The risk rating method is an internally constructed model based on expert ratings. The applicability of the model to our customers has been validated through a set of statistical methods. The data used in validating these primary indicators are the entire loan portfolio of the bank's actual obligors and exposures and its long-term experience.

2.1.5 LOAN REVIEW MECHANISM (LRM)

All credits receive a formal review at least annually to ensure that risk ratings are accurate and up-to-date. Large credits, new credits, higher risk rating and problem credits, concentration (by group of counterparties or by sector) and complex credits are being reviewed twice a year. This is done to bring about qualitative improvement in credit management.

Identify loans with credit weakness. Determine adequacy of loan loss provisions. Ensure adherence to lending policies and procedures. Regular, proper & prompt reporting to Top Management ensured.

2.1.6 CREDIT STRESS TESTING

Stress testing is a risk management technique used to evaluate the potential effects on an institution's financial condition of a specific event and/or movement in a set of financial variables.

The stress test is undertaken on a quarterly basis, according to different scenarios. The objectives and desired outcomes of the credit stress-testing program, is to consider in the context of TIB how the equity capital and Capital Adequacy Ratio (CAR) of the Bank are affected by the stress scenarios.

2.1.7 CREDIT AUDIT

This is done independent of credit operations. Credit audit is conducted on site by the Internal Audit Department.

2.1.8 PROVISION/ NPL PREVENTION AND RESOLUTION PROCESS

The Provision Assessment Committee (PAC) monitor the credit provisioning process of the Bank to ensure that the Bank has in place a satisfactory provisioning system. The responsibilities of the (PAC) include among others:

Ensuring appropriate monitoring of the provisioning requirements for the credit lending portfolio in-line with related regulations issued by the Central Bank of Tunisia and other applicable regulatory bodies.

Discussing updates on related clients under restructuring, credit collection, legal action and note next action plan.

Reviewing respective business areas forecast of potential provisions for the quarter and identify clients that may become tagged as clean, watch list, rescheduled and / or shift to legal.

Reviewing of write-off / partial write-off of non-performing loans with justifications prior to presentation to the Board for final approval or Board authorized sub-committee.

Discussing updates with all business units regarding the concerns of clients pertaining to credit standing, identification of potential clients' watch-list and / or default which might trigger provisioning need.

The assessment of viability includes an economic and financial analysis of the situation of companies and professionals based on their business plan, cash flow projections, the level of current overall indebtedness and the assessment of solvency.

The credit policy includes a list of early warning indicators that provide the bank with an opportunity to act before the borrower's financial condition deteriorates to the point of default.

The Bank aims to keep, at any time, its NPL ratio below 7%. In case of a breach (i.e. limit not observed), a resolution process is initiated.

2.2 COUNTRY RISK MANAGEMENT

2.2.1 Country Limits:

Country limits are established based on bank transactions in countries where customers are active and for which Tunis International Bank expects to have a certain business volume. These countries are studied internally and approved on the credit committee's level then submitted to the Board to be approved on a yearly basis.

The Country exposure should not exceed at any time the country limit ceiling without special approval. Country risk limits are established only when business opportunities either exist or will exist.

2.2.2 Bank Limits:

These limits are extended to banks on an undisclosed basis in order to enable our Bank to realize transactions with banks with which Tunis International Bank maintains or has a potential business.

3- MARKET RISK

Market Risk Management provides a comprehensive and dynamic framework for measuring, monitoring and managing liquidity, interest rate and foreign exchange as well as equity risk of a bank that needs to be closely integrated with the bank's business strategy.

3.1 INTEREST RATE RISK

Interest rate risk arises from the possibility that changes in interest rates will affect the value of financial instruments or the future profitability of the Bank.

The Bank is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities and off-balance sheet instruments that mature or re-price in a given period. The Group measures and manages interest rate risk by establishing levels of interest rate risk by monitoring interest rate gaps for stipulated periods. Interest rate gaps on assets and liabilities are reviewed periodically.

3.2 CONCENTRATION RISK

In order to dilute the risk and to avoid dealing with a single security firm, the portfolio of TIB is managed through two well reputed Brokers and Asset Management Companies. At the end of the year 2025, TIB's investment portfolio complies with the Bank's internal policy.

As it the case with the bank's loan portfolio, no concentration was recorded neither by geographic distribution nor by industry sector nor by single counterparty.

3.3 FOREIGN EXCHANGE RISK

In addition to the Foreign Exchange prudential limit, by setting appropriate internal limits-open position and gaps, stop-loss limits, day light as well as overnight limits for each currency, Individual Gap Limits and Aggregate Gap Limits, clear-cut and well-defined division of responsibilities between front and back office, the risk element in foreign exchange risk is being managed and monitored adequately. The VAR is used to measure the bank's EUR/USD FX risk. Foreign Exchange prudential limits are always observed.

3.4 EQUITY PRICE RISK

Price risk arises from the fluctuation in equity prices that may negatively affect the value of the financial instruments. Values of individual security fluctuate in response to variety of factors, other than movements in the interest or exchange rates.

The Value at Risk (VaR) is used to measure and quantifies the level of financial risk within a firm, portfolio or position over a specific time frame.

3.5 MARKET STRESS TESTING

Market risk arises out of changes in financial market prices and their impact on the value of an asset. For Tunis International Bank, it typically consists of two main market risk factors namely: interest rate and stock prices.

4- LIQUIDITY RISK

Bank deposits generally have a much shorter contractual maturity than loans and liquidity management need to provide a cushion to cover anticipated deposit withdrawals. Liquidity is the ability to efficiently accommodate deposit as also reduction in liabilities and to fund the loan growth and possible funding of the off-balance sheet claims. The cash flows are placed in different time buckets based on future likely behavior of assets, liabilities and off-balance sheet items. Tolerance levels on mismatches for various maturities are being applied.

Liquidity indicates the margin of protection available to both depositors and creditors against unanticipated financial difficulties that may be experienced by a bank. The Bank maintains a satisfactory liquidity position with a comfortable level of high liquid assets.

4.1 LIQUIDITY STRESS TESTING

The Liquidity Stress Test applies various scenarios (three main scenarios with different level of severity) on the liquidity cash flows in order to test the sensitivity of the bank's net liquidity position.

The stress testing aims to test the sensitivity of the bank's net liquidity position under the following scenarios:

- A scenario reflecting adverse market conditions;
- A scenario reflecting an idiosyncratic stress event; and
- A scenario reflecting combined market and idiosyncratic stresses.

The bank remains resilient to all shocks and scenarios tested, as the regulatory liquidity ratio is significantly above the minimum required level.

4.2 CONTINGENCY FUNDING PLAN

This plan allows the bank to manage its liquidity during a disaster. A disaster is defined as any adverse event that could result in significant damage to the brand value, image and the revenue generating capability of the organization and could result in inability to service its customers for a long period of time. These events are generally of such intensity that it casts doubts over the ability of the organization to continue operating if the event is not well managed.

The scope of the plan does not cover liquidity management during normal operations. This plan is only expected to be used to manage immediate liquidity requirements in the event of a disaster. The contingency funding plan is periodically revised and approved by the Board of Directors.

5 - EARLY WARNING INDICATORS SYSTEM

The Bank has implemented a credit early warning indicators (EWI) system designed to identify potential signs of borrower deterioration at an early stage. This framework relies on a set of quantitative and qualitative indicators that are regularly monitored to detect emerging risks in borrowers' financial condition, repayment capacity, or business environment. When predefined thresholds are triggered, the relevant credit and risk management teams are promptly alerted to conduct further analysis and take appropriate preventive or corrective actions, thereby strengthening the Bank's proactive credit risk management and minimizing potential losses.

6 - NON-FINANCIAL RISKS

Non-Financial Risks include all other risks that the Bank is facing such as: Operational Risk, Business Continuity, Fraud risk, Environmental, Social and Governance (ESG), Third-Party risks and resilience.

6.1 OPERATIONAL RISK

Banks' activities are becoming more diverse and complex. Thus, banking practices require that risks other than credit, interest rate and market risk can be substantial and should be carefully and properly managed. These risks are headed under the operational risk and include the risk of loss resulting from inadequate or failed internal process, people and system or from external events as well as legal risk, reputation and systemic risk.

6.1.1 INCIDENT REPORTING SYSTEM:

In order to effectively follow up and close control operational risks in the bank, TIB has been equipped with an Incident Management System that will keep track of all incidents that lead to an actual or potential loss to the bank, where, all employees take adequate steps to identify and report such incidents with sufficient details.

Whether the incident generates a loss or even a profit or have no material incidence on the banks' net income should be reported "Near Miss". This will enable the Bank not only to take corrective action as and when necessary to prevent recurrence of such incidents but also institute adequate systems and procedures to quantify the operational loss that the bank may be exposed to, in its various departments, functions and the provision of its services.

Incidents were conforming to a banking activity with wider categories of incidents concerning all banking areas. Efforts should be made to remedy to these near miss events and apply corrective action in order to avoid any potential loss to the bank, prevent recurrence of such incidents or to vehicle a bad image or service by the client. Proper follow-up and control should be envisaged with periodic reporting to the management. As per BIS (Bank of International Settlements) classification, most of these incidents were attributed to lack of execution, delivery and process management.

6.1.2 KEY RISK INDICATORS (KRI'S)

Key Risk Indicators are the measures summarizing the frequency, severity and impact of Operational risk events or corporate actions occurred in the bank during a reporting period. Key Risk Indicators (KRIs) are critical predictors of unfavorable events that can adversely impact organizations. They monitor changes in the levels of risk exposure and contribute to the early warning signs that enable organizations to report risks, prevent crises and mitigate them in time.

KRIs - independently or in conjunction with other risk environment related data, such as, loss events, assessment outcomes, and issues offer considerable insights into the weaknesses within the risk and control environments. They act as metrics of changes in an organization's risk profile, given the changing risk landscape.

KRIs are not analyzed alone but with other pillars of Operational risk: loss events in addition to Risk Control Self-Assessment workshops data information performed within the concerned business unit. All data are aggregated to formulate an objective point of view on the event that can impact organization.

6.1.3 RISK CONTROL SELF-ASSESSMENT

The objective of the Risk Control Self-Assessment (RCSA) is to establish a consistent framework for assessing the effectiveness of the internal control environment across the bank.

Risk assessment allows the business to consider how potential events might affect the achievement of objectives. Management assesses events from two perspectives: likelihood and impact. RCSA is used for tracking important or materialistic risks only. If there are risks which are identified by a unit as "not important or not materialistic", they must be documented and reviewed periodically. Managers of units reporting the RCSA are fully responsible for identifying risks, tracking incidents, associating loss value, linking them to risks, implementing controls to mitigate risks and report data in specified formats.

6.2 BUSINESS CONTINUITY

The Bank ensures that all identified critical operations, services and systems are recovered in time in the event of a disruption.

The bank reviews and updates its Disaster Recovery and Business Continuity Plan (DR&BCP) according to the frequency specified in the document and when necessary, this plan has the following four steps:

- Business Impact Analysis (BIA);
- Risk assessment;
- Risk management; and
- Risk monitoring and testing.

In 2025, the bank continued to strengthen its disaster recovery and business continuity activities as part of its overall risk management efforts. A key initiative was the implementation of Business Impact Analysis (BIA) workshops, conducted in all departments of the bank, including investments, IT & systems, Treasury, legal services, Compliance & AML, Human Resources....

These workshops were instrumental in identifying critical business functions and establishing priorities for recovery. Through this process, the bank classified business functions based on their tolerance to interruption, enabling a focused approach to mitigate potential disruptions. Additionally, we assessed the risks associated with each function, implementing appropriate measures to minimize risks and ensure swift recovery in the event of an incident.

To further enhance its preparedness, the bank took steps to fortify its risk management framework. This included updating vendor agreements to ensure that our suppliers also maintain robust business continuity plans. Partial Disaster Recovery tests were successfully conducted at our recovery site in Bizerte, where we simulated various recovery scenarios to validate our processes. Any issues identified during these tests were addressed through detailed action plans, ensuring continuous improvement. Furthermore, we prioritized training and awareness initiatives, offering first aid, evacuation exercise, and disaster recovery training sessions, coupled with an awareness campaign emphasizing the critical importance of testing and preparedness.

6.3 FRAUD RISK

Fraud Risk is the risk of unexpected financial, material or reputational loss as the result of fraudulent action of persons internal or external to the Bank.

Fraud risk management is the process of identifying, understanding and responding to fraud risks in an organization. to ensure effective management of the risk of fraud, the Bank has created a program for the detection, monitoring and prevention of internal and external fraud. By setting up an anti-fraud policy and appointing an Anti-Fraud Management Committee with ultimate responsibility is to ensure the implementation of the Anti-Fraud policy, and to support the Bank's commitment to protecting its revenue, property, reputation and other assets.

6.4 THIRD-PARTY RISKS

Third-party risk management (TPRM) is a form of risk management that focuses on identifying and reducing risks relating to the use of third parties.
In order to secure its assets, data and reputation, the Bank's must identify, evaluate and mitigate risks associated with its third parties' connections.
To cover this risk component, the Risk Management Structure (RMS) has implemented a new plan of IT Third-Party Risk Management to comply with international standards and best practices of the banking and financial industry.

6.5 OPERATIONAL RESILIENCE

Operational resilience refers to the capacity of a system, community, or individual to manage disturbances, surprises, and changes effectively. It shapes modern approaches to sustainable futures in an increasingly risky and uncertain world. This framework has emerged from the necessity to establish a comprehensive discourse and guiding principles that safeguard developmental progress against various shocks and stresses.

On the IT security side, Cyber resilience is the ability of an organization to protect itself from, detect, respond to and recover from cyber attacks. By being resilient, organizations can reduce the impact of an attack and ensure that they can continue to operate effectively.

The rising threat of malware, ransomware attacks, and other cyber threats is having a greater impact on operations, resulting in costly disruptions to business.

In light of these insights, the Bank assessed its operational resilience with a focus on the Bank's cyber resilience in order to assess its ability to adapt rapidly to changing environment.

7 - INFORMATION AND CYBER SECURITY RISKS

Information and cyber security risks, encompassing threats like cyberattacks, insider breaches, and system vulnerabilities, are critical components of internal control and risk management systems, potentially leading to data loss, financial harm, and regulatory penalties. Key risks include malware, phishing, and compliance failures.

Mitigation involves robust access controls, encryption, regular assessments, employee training, and incident response plans integrated into enterprise risk management. By addressing these proactively, banks enhance resilience, ensure data integrity, and adapt to evolving threats through continuous Controls/ audits and improvement.

In this context, the Bank conducted cyber risk training and awareness-raising sessions for the Board of Directors, Senior Management, and all employees, highlighting the importance of risk culture in mitigating computer and cyber risks and underscoring the responsibility of all staff in protecting the Bank.

8 - COMPLIANCE REPORT

Compliance risk management is the process of identifying, assessing and mitigating potential losses that may arise from the Bank's non-compliance with laws, regulations, standards, and both internal and external policies and procedures. It allows the Bank to focus essential resources on the most significant risks and areas lacking adequate controls.

The Corporate Governance system adopted ensures the responsible, value-driven management and control of the bank. It has the following four key elements: good relations with shareholders, effective cooperation between the Management Board and Supervisory Board, a system of performance related compensation, and transparent and timely reporting.

9 - RISK APPETITE

Risk appetite defines the level and types of risk that the Bank is willing to accept in order to achieve its business objectives. It includes qualitative statements as well as quantitative measures expressed relative to earnings, capital, risk measures, liquidity and other relevant measures as appropriate.

Besides being used in running the bank business, the adopted metrics address the concerns of all the relevant stakeholders, i.e. stockholders, depositors, customers and supervisors. The proposed categories of metrics provide a clear target setting to support business activities and meet the stakeholders' expectations. These metrics are:

- Capital adequacy;
- Earning variability;
- Liquidity metrics;
- Business & Credit risk;
- Market risk;
- Operational risk;
- Reputation & Strategic risk;
- Digital risk;
- Societal & Environmental responsibility metrics; and
- Non-compliance Risk

10 - PAYMENT SYSTEMS CONTROL

In an environment characterized by the rapid evolution of payment methods and the constant emergence of new threats, TIB remains fully committed to ensuring the security of all payment instruments, whether in decline, such as checks, or whether they are developed in the years to come, such as instant transfers or mobile payments. The security of all means of payment is the condition for offering all users, from individuals to companies, real freedom of choice in their day-to-day transactions.

In parallel, and in response to the increasing cyber risks and the accelerating pace of attacks on computer networks, the Bank has adopted a proactive approach to managing such risks. These threats could have adverse effects on both its information systems and its data exchanges with customers, particularly through its cash management platform.

To enhance security, the Bank has implemented One-Time Password (OTP) systems, which allow secure access to networks and services through a unique password that can be used only once. OTPs represent a strong authentication mechanism and provide enhanced protection for e-banking services, corporate networks, and other systems handling sensitive information.

11 - DATA PROTECTION

Misappropriation of information and data poses significant risks, including unauthorized access by insiders or external hackers leading to theft of intellectual property, personal details, or trade secrets, which can result in financial losses, reputational damage, and legal liabilities. To mitigate these, organizations should implement strict access controls, encryption, regular audits, and employee training within internal control frameworks to detect and prevent such breaches.

TIB has a Data Protection Committee (DPC) headed by a dedicated Data Protection Officer (DPO). The DPO's role is pivotal in advising the organization on compliance with data protection regulations and engaging with the supervisory authority. The DPO serves as the primary point of contact, collaborating with the relevant Data Protection Authorities and assisting data subjects in exercising their individual data rights. Additionally, the DPO supervises and provides guidance on the organization's responses to such requests.

In 2025, a data protection awareness session was organized to minimize the risk of data breaches and to protect banks against unauthorized access and data leaks.

During the year 2025, the Bank experienced no data protection breaches or incidents, highlighting its ongoing commitment to protecting sensitive information and maintaining effective security protocols in line with data protection standards.

12 - ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT

TIB recognizes the growing importance of environmental and social considerations within its risk management framework. To this end, the Bank has implemented a Corporate Social Responsibility (CSR) policy and procedure manual, established a Corporate Social and Environmental Responsibility Committee, and defined risk appetite measures to monitor compliance with its CSR commitments.

TIB complies with applicable local regulations, including Tunisian Law No. 2018-35 on corporate responsibility, which aims to strengthen companies' alignment with their social environment through the promotion of sustainable development and good governance. The Bank also adheres to Circular No. 2021-05 issued by the Central Bank of Tunisia (CBT), which sets out the requirements for compliance with social and environmental responsibility principles. In addition, TIB adheres to the Financial Market Council (CMF) communication issued on December 25, 2025, which reaffirms the commitment to enhancing corporate transparency in sustainability-related information and reminds financial institutions of their obligation to disclose environmental, social, and governance (ESG) information in their financial statements.

The Board of Directors is fully committed to advancing corporate social and environmental responsibility initiatives. During 2025, the Bank made a meaningful contribution to society and community well-being by supporting various social and humanitarian initiatives.

In parallel, the Bank remains committed to reducing its carbon footprint, notably through the financing of photovoltaic installation projects. TIB firmly believes that the effective management of climate-related risks and opportunities has become a key component of sound governance and the sustainable performance of financial institutions.

Accordingly, the Bank continues to strengthen its alignment with international best practices, national environmental transition objectives, and the country's international commitments.

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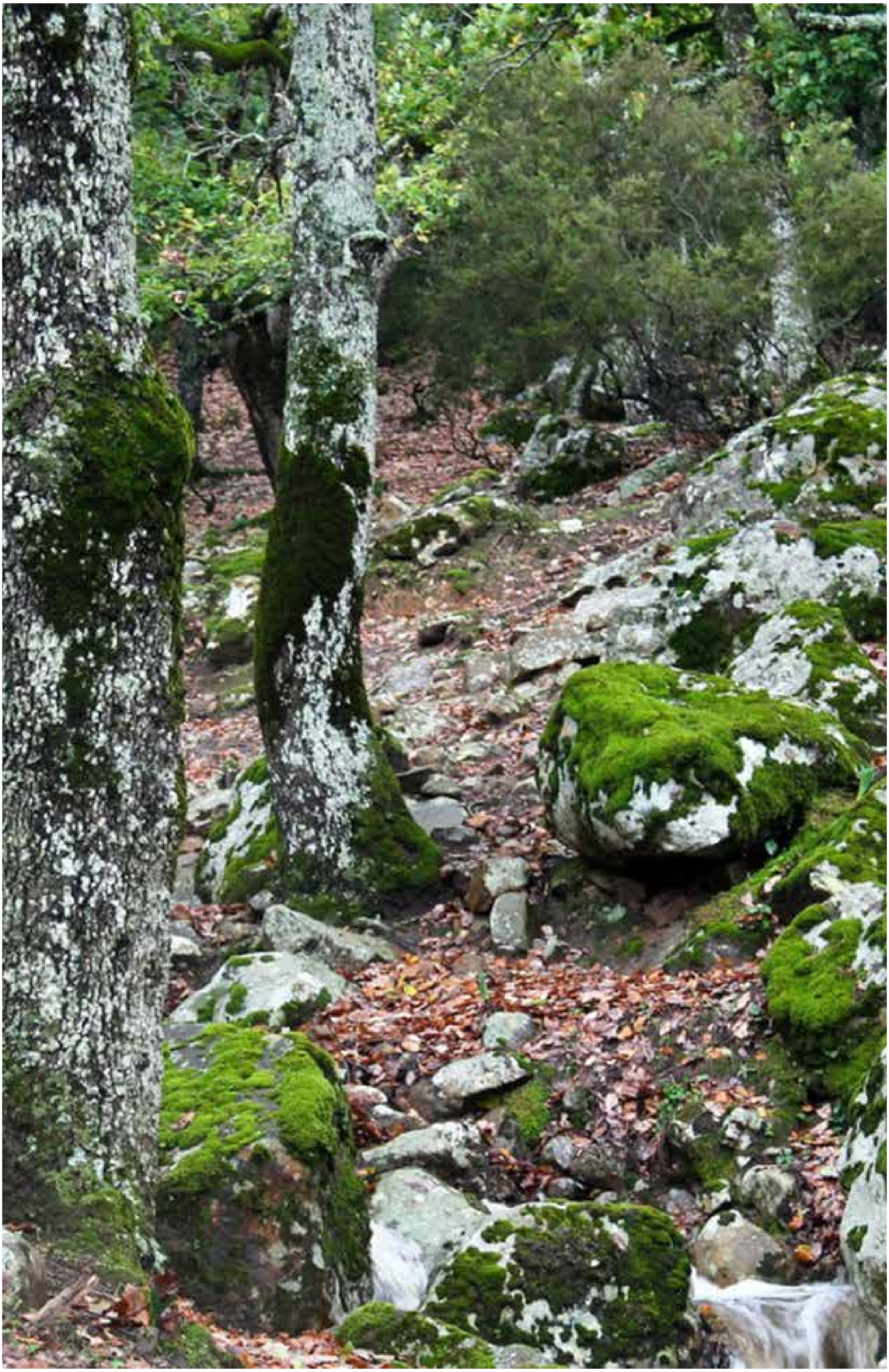

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