CORPORATE GOVERNANCE FRAMEWORK

January 2026

INTRODUCTION

The Board of Directors of Bank Audi aims at achieving the Group's long-term success through the implementation of Governance practices that promote continuity, consistency, and effectiveness in the way the Board operates and governs the Bank.

In 2025, the Board continued to pay a particular attention to prudent and effective controls, in consideration of the heightened risks resulting from the fiscal and monetary crisis that persisted since the last quarter of 2019, in addition to its role of policy setting and of providing strategic guidance. Despite the impact of the said crisis on the Bank, and on all other banks and market players, and despite the additional pressing matters that showed up in 2025, the Bank continued its operations with integrity and in compliance with applicable laws and regulations.

The Board is thus satisfied that, during the period under review, it fully discharged all its responsibilities, as mapped in its yearly rolling agenda, and acted on the recommendations of its committees in a way to meet its obligations towards its shareholders and all other stakeholders. The Board is also satisfied that the Bank's Governance framework conforms to applicable directives and guidelines, and is adapted to the Bank's needs and high expectations of its stakeholders.

GOVERNANCE FRAMEWORK

Bank Audi is governed by a Board of Directors consisting of up to 12members (currently 7) elected by the General Assembly of shareholders for terms not exceeding 3 years.

The roles of Chairman of the Board and General Manager - Chief Executive Officer are distinct. The Board is led by a Non-Executive Chair, who oversees corporate governance and ensures the Board's effective functioning, while the General Manager - CEO is responsible for leading the company's management, executing its strategy, and overseeing its operations.

The responsibility of the Board is to ensure strategic direction, management supervision and adequate control of the company, with the ultimate goal of increasing the long-term value of the Bank. Bank Audi's Governance framework and that of its major banking subsidiaries encompass a number of policies, charters, and terms of reference that shape the Group's Governance framework over a wide range of issues including risk supervision, compliance, AML/CFT, audit, remuneration, evaluation, succession planning, ethics and conduct, budgeting, and capital management. Clear lines of responsibility and accountability are in place throughout the organization with a continuous chain of supervision for the Group as a whole, including effective channels of communication of the Group Executive Committee's guidance and core group strategy. Strategic objectives setting corporate values and promoting high standards of conduct have been established and widely communicated throughout the Group, providing appropriate incentives to ensure professional behavior.

The Bank's Corporate Governance Guidelines are accessible on the Bank's website at bankaudigroup.com

The Board is supported in carrying out its duties by the Audit Committee, the Risk Committee, the Remuneration Committee, the Compliance/AML/CFT Board Committee, the Corporate Governance and Nomination Committee, and the Executive Committee.

- The mission of the Group Audit Committee is to assist the Board in fulfilling its oversight responsibilities as regards:(i) The adequacy of accounting and financial reporting policies; (ii) the integrity of the financial statements and the reliability of disclosures;(iii) the appointment, remuneration, qualifications, independence and effectiveness of the external auditors; and (iv) the independence and effectiveness of the internal audit function[1].
- The mission of the Group Risk Committee is to assist the Board in discharging its risk-related responsibilities. The Committee is expected to:(i) consider and recommend the Group's risk policies and risk appetite to the Board; (ii) monitor the Group's risk profile for all types of risks; and(iii) oversee the management framework of the aforementioned risks, and assess its effectiveness.
- The mission of the Remuneration Committee is to assist the Board in maintaining a set of values and incentives for Group executives and employees that are focused on performance and promote integrity, fairness, loyalty and meritocracy.
- The mission of the Compliance/AML/CFT Board Committee is to assist the Board of Directors in its functions and supervisory role with respect to:(i) fighting money laundering and terrorist financing and understanding the related risks, and assisting it in making the appropriate decisions in this regard; (ii) protecting the Bank from other compliance-related risks and, more generally, overseeing the Bank's compliance with applicable laws, policies and regulations.
- The mission of the Corporate Governance and Nomination Committee is to assist the Board in maintaining an effective institutional and Corporate Governance framework for the Group, an optimal Board composition, and effective Board processes and structure.
- The mission of the Group Executive Committee is to support the Group CEO in formulating policy and strategy proposals for the Board, providing leadership to management, promoting compliant execution of the Bank's business, overseeing performance against KPIs and reporting thereon to the Board.

[1] *It is not the duty of the Audit Committee to plan or to conduct audits or make specific determinations that the Bank's statements and disclosures are complete and accurate, nor is it its duty to assure compliance with laws, regulations and the Bank's Code of Ethics and Conduct. These are the responsibilities of Management and/or of external auditors.*

January 2026

BOARD OF DIRECTORS

Composition of the Board of Directors

The current members of the Board of Directors were elected by a resolution of the Ordinary General Assembly of shareholders held on 25 July 2024 for a three-year term expiring on the date of the annual Ordinary General Assembly meeting that will examine the accounts and activity of the year 2026.

The names of Directors serving at the date of this report are the following:

MEMBERS	Independent (as per the Bank's Corporate Governance Guidelines[2])	Member of the Group Audit Committee	Member of the Board Group Risk Committee	Member of the Remuneration Committee	Member of the Compliance/AML /CFT Board Committee
Mr. Samir N. Hanna ***(Member and Chairman until January 2026)***					
Ms. Sherine R. Audi ***(Chair since January 2026)***	✓				✓ Chair
Dr. Khalil M. Bitar	✓		✓ Chair		✓
Mr. Mutlaq Hamad Al-Morished	✓	✓			✓
Janaudi Holding sal Represented by **Mr. Marc J. Audi**	✓	✓ Chair		✓ Chair	
FRH Investment Holding sal Represented by **Mr. Fahd R. Hariri**			✓	✓	
U Chain - Directors Ltd. Represented by **Mr. Maher G. Merehbi**	✓	✓	✓	✓	
Mr. Khalil I. El Debs **(General Manager and Group CEO)**					
SECRETARY OF THE BOARD					
Dr. Farid F. LAHOUD **(Group Chief Compliance Officer and Corporate Secretary)**					

[2]*Definition of "Director independence" as per the Bank' s Governance Guidelines (summary):*
"In order to be considered independent Director by the Board, a Director should have no relationship with the Bank that would interfere with the exercise of independent judgment in carrying out responsibilities as a Director. Such a relationship should be assumed to exist when a Director (him/herself or in conjunction with affiliates):

- *is occupying, or has recently occupied an executive function in the Bank or the Group;*
- *is providing, or has recently provided advisory services to the Executive Management;*
- *is a major shareholder (i.e. owns, directly or indirectly, more than 5% of outstanding Audi common stock), or is a relative of a major shareholder;*
- *has, or has recently had a business relationship with any of the Senior Executives or with a major shareholder;*
- *is the beneficiary of credit facilities granted by the Bank;*
- *is a significant client or supplier of the Bank;*
- *has been, over the 3 years preceding his appointment, a partner or an employee of the Bank's external auditor;*
- *is a partner with the Bank in any material joint venture.*

In addition to the above, the Board of Directors is satisfied with the ability of the independent Directors to exercise sound judgment after fair consideration of all relevant information and views without undue influence from Management or inappropriate outside interests."

FREQUENCY OF MEETINGS

In 2025, the Board of Directors held 5 meetings, the Group Audit Committee held 4 meetings, the Group Risk Committee held 4 meetings, the Remuneration Committee held 1 meeting, and the Compliance/AML/CFT Board Committee held 4 meetings.

CHANGES TO THE BOARD OF DIRECTORS OVER THE LAST 2 YEARS

On 16 May 2024, acting on the recommendation of the then Chairman – General Manager Mr. Samir Hanna, the Board of Directors resolved to separate the roles of Chairman and General Manager, as now permitted by Lebanese laws and the Bank's bylaws. Pursuant to the above, Mr. Samir Hanna relinquished his managerial duties and has since been serving as a Non-Executive Chair of the Board. Concomitantly, Mr. Khalil El Debs was appointed General Manager – Group CEO.

On 25 July 2024, the Ordinary General Assembly of Shareholders convened and resolved to re-elect three of the then serving Directors (the others having expressed their wish not to be considered for a new mandate) and five new Directors, all for a term of three years expiring on the date of convening the Annual General Assembly of Shareholders that will examine the accounts of the year 2026.
The newly elected Board convened following the General Assembly of shareholders and resolved, amongst other things, to (i) re-elect Mr. Samir N. Hanna as Chairman of the Board; and (ii) re-appoint Mr. Khalil El Debs as General Manager – Group CEO.

In January 2026, Mr. Samir Hanna stepped down from the Board of Directors. The Board convened on January 13, 2026 and resolved to elect Mrs. Sherine Raymond Audi as Chair of the Board for a term expiring on the date of convening the Annual General Assembly of Shareholders that will examine the accounts of the year 2025.

BIOGRAPHIES OF BOARD MEMBERS

SHERINE R. AUDI
CHAIR
Age: 64 – Lebanon
Director since April 2017
Term expires at the 2027 annual General Assembly of shareholders
- Non-executive Chair of the Board of Directors of Bank Audi France
- Chairman of the Board Compliance & AML/CFT Committee

Sherine Audi is the current non-executive Chair of the Board of Directors of Bank Audi sal and the Board of Directors of Bank Audi France sa, the French subsidiary of the Bank.

She started her banking career in 1980 at Bank Audi France sa, now a fully owned subsidiary of Bank Audi sal. She held several positions there, including in credit, business development, operations and administration, while gradually climbing the corporate ladder. She was appointed Assistant General Manager of Bank Audi France in 1995, then Executive Director in 2000, and Director – General Manager from 2010 until 2022. In this capacity, she was in charge of the development and implementation of the strategy of Bank Audi France, as approved by the Board. She headed all the executive aspects of Bank Audi France's activity and drove its strategic transformations (including technological and regulatory ones) as required by the current market rules and practices. She also acted as the representative of Bank Audi France sa towards the French banking authorities and professional organizations. In September 2022, she resolved to relinquish her executive duties and was elected non-executive Chairman of the Board of Directors of Bank Audi France with effect starting on January 1, 2023.

Since December 2021, she also serves as Vice-chairman of the Chamber de Commerce Franco-Libanaise after having served as its treasurer since 2015.
Sherine Audi holds a diploma of Certified Director by Sciences Po. Paris, jointly with the French Institute of Directors.

I. REMUNERATION POLICY AND PRACTICES

1. The objective of the Remuneration Policy of the Bank is to establish coherent and transparent Compensation and Benefits practices in the Bank and the Group, that are consistent with the Bank's culture, business, long-term objectives, risk strategy, performance, and control environment, as well as with legal and regulatory requirements.
2. It is Bank Audi's policy to provide all employees of the Group with a comprehensive and competitive compensation package that is commensurate with each employee's position, grade and performance. Such performance is assessed on the following 3 performance criteria: key job responsibilities, SMART business goals, and behavioral competencies. Individual compensations are also linked to the achievement of objectives and are aligned with prudent risk taking. The compensation and benefits of control functions are determined in a way that preserves their objectivity and independence.
3. The aggregate consolidated amount of compensation and benefits paid by the Bank is included in the annual budget approved by the Board and is set in a way not to affect the

Group's medium and long term capacity to sustain such levels of compensation nor its financial position or its interests.

4. Core Compensation and Benefits include basic salary and performance based bonus (in addition to a number of ancillary benefits including individual and family medical coverage, education allowances, and others).
5. There is currently no outstanding stock-related compensation. And there are no compensation arrangements encompassing claw backs or deferrals of payments, save for matters resulting from applicable laws and regulations. Amounts of compensation paid annually are disclosed in accordance with the International Financial Reporting Standards and with the provisions of Article 158 of the Lebanese Code of Commerce.

   As reported in the Bank's financial statements, salaries, bonuses, attendance fees and other short-term benefits awarded to key Management personnel (as defined in Note 50 accompanying the financial statements) during the year 2024 amounted to LBP 451,341 million, in addition to post-employment benefits reflected in the Income statements and other comprehensive income amounting to LBP 6,485 million and LBP 59,298 million respectively. Provision for end-of-service benefits of key Management personnel amounted to LBP 93,315 million as of 31 December 2024 (2023: LBP 27,532 million).

   Following the changes at Board level including the separation of the Board chairmanship from management and the appointment of a new CEO, the definition of Key Management Personnel has been reviewed. Key Management Personnel for the purpose of 2024 include the Chair and members of the Board of Directors, the General Manager - Group CEO, the Assistant General Manager - Deputy CEO, the Assistant General Managers (two individuals) and the CFO. The numbers in 2023 quoted above are aligned to the aforementioned definition for comparison purposes.