



# ANNUAL REPORT 2015

Title of Excellence





**of Excellence**

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## Board of Directors

### ➤ Ziyad Khalaf Abed Kareem Chairman

Mr. Ziyad Khalaf Abed Kareem is Chairman at International Development Bank for Investment & Finance Iraq. He is the General Manager and a member of the Board of Directors at “Mercedes Benz” Iraq. He is also the Chairman and one of the biggest shareholders at “DOMA Steel”, “Al Sharq for Insurance” and “Bankiyeh Industrial” which owns one of the biggest Cement plans in Iraq. Further, Mr. Ziyad is Board member and one of the biggest shareholders at “Khalaf Abed Kareem General Contracting”. More so, Mr. Ziyad has been engaged in several investment projects inside and outside Iraq with more than 20 years’ experience in Contracting and Trade business. He has an excellent experience in banking with special focus in strategic planning. He holds a Bachelor of Civil Engineering from Technology University of Baghdad. It should also be noted here that Mr. Ziyad comes from a very known and respectful Iraqi family originally from Baghdad with more than 50 years of experience in the domain of manufacturing and trade. It is noteworthy to mention here that Mr. Ziyad has a proven track record and successes in all trade and industrial business he owns.

Since he became IDB’s Chairman, he has managed to initiate and supervise major and fundamental changes at the Bank which in return has strengthened the financial position of the Bank and increased IDB products and services offerings.

**Mahmood Mohammed Al-Barazenchi**  
**Vice Chairman**

Mr. Al-Barazenchi has over 50 years of banking experience in prominent banks and financial institutions in Iraq. He was the Deputy General Manager of Al Raffidain Bank, the former Managing Director of both Baghdad Bank and Kurdistan International Bank. He also served as financial banking expert in the Trade Bank of Iraq. Mr. Al-Barazenchi holds a Bachelor of English Literature from University of Baghdad.



**Fouad Mohammed Al-Jawahri**  
**Board Member & Managing Director**

Mr. Al-Jawahri has over 50 years of banking experience with several Financial Institutions in Iraq. He held many managerial positions in the Central Bank of Iraq, in addition to serving in leadership position in Al-Bilad Islamic Bank. Mr. Al-Jawahri holds a BSc in Accounting from University of Baghdad.



**Mueen Hussain Al-Hashimi**  
**Board Member**

An established businessman from a reputed and well known family in Iraq with over 35 years of experience in Business and Trading. Mr. Mueen Al-Hashimi is also the Chairman of Al-Hashimi Group, established over 100 years ago. Al-Hashimi Group is currently the exclusive agent of Mercedes Benz, Volkswagen, and Audi & Porsche in Iraq. Mr. Mueen holds a BSc in Economy.



Mr. Mueen has a comprehensive and diversified banking experience of more than 15 years with a special focus on trade finance and internal banking transactions. Also, Mr. Mueen has been engaged and for a long time with international forex markets. He has a great deal of knowledge in investments in foreign currencies, commodities and forward contracts. It should also be noted here that Mr. Mueen's has adopted a conservative investment and liquidity policy during his era as IDB's Chairman which has helped the Bank to maintain a strong financial position.

**Safa Hussein Habib Alfartosy**  
**Board Member**

Safa Hussein Habib Alfartosy is a prominent banker with vast experience in managing financial institutions at its best. With over 23 years in the banking industry and with another 13 years in managing a power plant he brings with him a huge experience of value addition. He holds a Bachelor of Mechanical Engineering from University of Baghdad and a Master of Arabic Language from University of Baghdad.



## Board of Directors Meetings

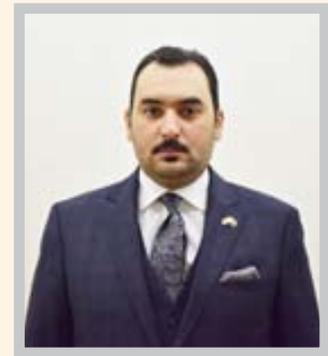
The Board of Directors of the International Development Bank (IDB Iraq) held (12) meetings during the year 2015, it is noteworthy to point out that members of the Board of Directors did not earn any allowances or bonuses for attending the meetings.

The Board of Directors handled the planning and formulating interim and strategic objectives of the bank, and supervised on implementing the objectives;

### Ownership Structure within the Board of Directors

The following are the names of the original Board of Directors and their contribution in the bank:





## Chairman's Statement

### M/S. shareholders:

It is my pleasure to extend my sincere gratitude and appreciation on behalf of the Board of Directors for attending this meeting, the matter that, allows me to put in your hands the fifth annual report of the International Development Bank for the fiscal year ending on December 31, 2015 including the financial statements and the results of final accounts and data provided by the auditor of the scrutiny of the mentioned final year accounts, as well as other paragraphs of the meeting, which is being shared with you to discuss and to hear opinions that enhance the development and efficiency in operating our bank and to support its activities and progress in future.

In the beginning –Gentlemen- I should acknowledge and refer to the date 29/11/2015 in which I have been chosen by the general Assembly of the Bank for the Presidency of the Board of Directors after the expiration term of the Honorable Mr. Mueen Hussain Al-Hashimi, who had an important and creative role during his Presidency of the Board of Directors, his hard work and determination made the Bank prosper and grow with stability and a well-established infrastructure to reach the achieved outstanding results. As per the mentioned above, Myself, the Board, the management and our employees are submitting the deserved gratitude and reverence to the Honorable Mr. Mueen Hussein Al- during the past four years, and it would be our pleasure to make Mr. Al-Hashemi stay among our ranks as a member of the Board of the Bank, and we will be honored providing us with his ideas, suggestions and point of views.

The Bank achieved reasonable profits in 2015 while taking in our considerations the challenges of the economic and security situation that we as Iraqis faced, in addition to the bank's good results in various activities to enhance his stature both locally and regionally, these results came to build the capital of the bank, and this would not have been achieved unless through proper planning and rely on policies and procedures vulnerable and conservative in attracting funds and employment sources.

The Bank also expanded horizontally as the number of branches grew to eleven until the end of 2015 have now been officially opened; furthermore, we have five new branches under construction that we expect to be operating in 2016 after the approval of the Central Bank of Iraq, and it is the branches of Hilla, Nasiriyah, Amarah, Diwaniyah and Baghdad / Al-Gamila area.

It should be noted here that the Bank has initiated a restructuring project covering the bank wide processes and departments in accordance with leading banking practices and corporate governance frameworks in addition to implementing comprehensive internal control framework that will assist in supporting and monitoring banking activities and functions. Further the Bank has established five main Board Committees and as per CBI regulations; where these committees includes: Audit Committee, Credit & Investments Committee, Corporate Governance and Strategic Committee, Remuneration and Compensation Committee and Risk & Compliance Committee. IDB's Board of Directors has adopted and approve a complete framework that will enable the Bank to achieve acceptable levels of profits whilst still taking necessary measures and controls to face various risks that could be faced by our Bank.

In addition, IDB has focused during 2015 to empower the role of its control functions including but not limited to the risk management department, compliance department and anti-money laundry department and as per CBI requirements. Further, IDB has continued to invest in the Bank's IT infrastructure and MIS reporting in order to provide our executive management and Board of Directors with

adequate reports to assist them in making the right decisions. The Bank is well aware of the importance of reputational risks and as a result has made sure that sufficient internal control measures has been adopted for various risk exposures.

IDB has continued to adopt its conservative credit and investment policy that ensures that depositors and shareholders money are adequately safeguarded and in an attempt to keep liquidity and capital adequacy levels high. Further, our Bank continued to excel and innovate in the field of electronic banking and online banking by providing various set of banking products and services.

### **The Distribution of Profits:**

Pursuant to good financial results achieved this year, the Board of Directors advised during the General Assembly to distribute dividends to the shareholders amounting IQD (16) billion which is the highest amount distributed since the Bank's inception.

### **Ladies and Gentlemen:**

Another source of pride that the Bank continued to fulfill its societal responsibilities and plays a leading role in this area, whereas the Bank has undertaken many of initiatives and achievements in the supporting of humanitarian and community activities during 2015, accordingly the Bank provided care, support and donations to many institutions of health, educational, cultural, social and humanitarian centers, in addition to care and support a number of scientific conferences and intellectual seminars the targets service and development of civil society institutions in various activates and objectives.

In spite of the difficulties suffered by the national economy during 2015 we as a local bank overcame all challenges and now have become a vital part of it of the Iraqi Banking Sector. And I can say "Thanks God" we were able to pass all the complications of economic and security conditions, and we made outstanding achievements which grant us the right to be proud of it. And we will continue at this rate to reach the best results through your efforts and the efforts of all good working people with International Development Bank and with the support of the government sector represented in the Central Bank of Iraq.

Finally, I would like to take this opportunity to express my deep gratitude and appreciation to the Central Bank of Iraq , CBI regarding to its wise policy which contributed in maintaining monetary stability in Iraq and continually support the banking sector in Iraq under these difficult circumstances, and thanks to the Ministry of commerce, especially the department of registration of companies regarding to administrate the companies carefully and efficiently, and a special thanks to the shareholders to our dear clients for their high confidence, which remains a major incentive for us to continue for further sincere efforts in order to maintain this trust and strengthened.

And all the gratitude and appreciation to the brothers of the Board for their continuous support in order to improve the bank prosperity, and the thanks to the executive management of the bank "the senior management and its staff" have delivered outstanding efforts which they made, and their perseverance and efforts in the service to IDB Iraq to ensure its progress and to continue its development by providing products and services to the needs and wants of its clients..

In the end I would like to thank you all once again for making IDB Iraq a name to be proud of, more so for the success and work for the good our beloved nation and its pride by the generosity of the God, once again peace and God's mercy and blessings to all.

**Ziyad Khalaf Abed Kareem**  
**Chairman of Board of Directors**

## Our Success in 2015

- Bank continued to maintain a healthy balance sheet, where our total assets and total deposits grew by (6%) and (17%) respectively.
- Maintained a strong liquidity and capital adequacy ratios equivalent to (63%) and (66%) respectively.

- Rated as #1 Private Bank in Iraq after being given a CAMELS rating of "2.2" by the distinguished authorities of Central Bank of Iraq and in collaboration with Ernst & Young, one of the leading "Big 4" audit firms in the world.



- Fortifying our "Credit Cards Business" we obtained the Principle License for Visa Card in 2015, after obtaining the same for MasterCard last year.
- Focus on attracting more individual clients and increased our customer base crossing fifteen thousand accounts barrier.
- Launched Priority Banking for our high net-worth clients.
- Enhanced our Information Technology Systems and Controls, ring-fencing and protecting the bank with latest innovative products.
- Entered alliances with International Financial Institutions and Multinationals for facilitation of Banking Products and Services, focusing on money transfers and SME business segment.
- Strengthened our relationship with International Banks and Bodies, where we increases our number of RMA's with Banks and entered into a strategic partnership.
- Participated and sponsored Trade and Banking exhibitions and Seminars, showcasing the Banks services to financial institutions and clients across GCC region.
- Continued investments in our Human Resource by providing career training certifications which has contributed to the job skill-set.
- Our Anti Money Laundering systems safeguarded by the implementation of FircoSoft system, which is one of the best watch lists monitoring and filtering system in the world.
- IDB IT and AML team were certified for FircoSoft course in Beirut, which was conducted by Allied Engineering Group.
- Active participation by IDB staff in many courses held by Central Bank of Iraq and Iraqi Private Banks League.
- International Development Bank was presented "Shield of Excellence" for its sponsorship of International Peace Day during the inauguration of Baghdad International Fair.
- Publishing "IDB mobile application" on "Apple store & Google play store".
- Established Disaster Recovery site for SWIFT in city of Basra.
- Installation of Citrix solution as backup system accessibility for all Branches across Iraq.
- Implement Fiber optic cable for HQ -Implement backup links for important and strategic branches.
- Integrated LC document archiving system with core banking system which included credit procedure workflow in Laser Fiche electronic archiving system.
- Successful completion of online integration for RTGS with CBI as first bank using CBI gateway. BGP routing for HQ & AIT sites by using IDB own public IPs.
- Established Disaster Recovery sites in Dubai.
- Prepared Business Intelligence Dashboards for Business Units and Senior Management. Installation of ATM's in all IDB branches.

## Financial Performance of the Bank (Number's in Millions)

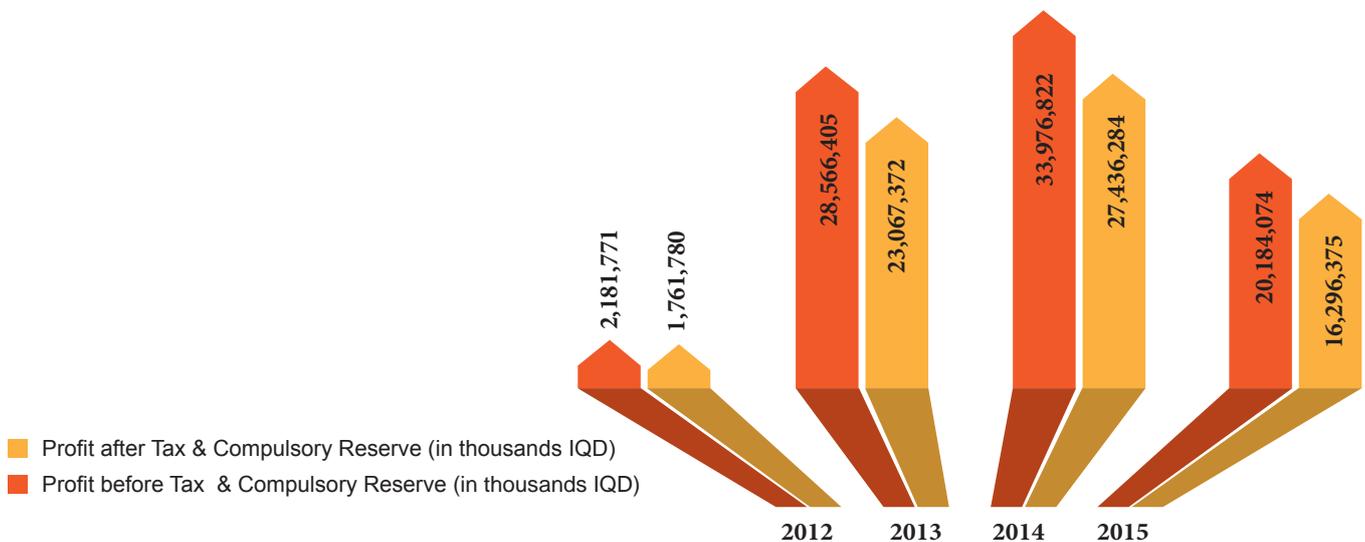
Details	2012 / IQD	2013 / IQD	2014/ IQD	2015/ IQD	Growth rate
Total Assets	194,678	539,847	760,073	801,020	5%
Customers Deposits	87,563	339,837	387,961	454,121	17%
Direct Credit	-	91,928	224,173	299,185	33%
Shareholders' Equity	101,095	187,138	282,018	272,173	-3%
Profits before Tax and Compulsory Reserve	2,182	28,566	33,977	20,184	-41%
Profits after Tax and Compulsory Reserve	1,762	23,067	27,436	16,296	-41%
Cash Dividends paid to the shareholders	-	-	-	16,000	-

### Analysis of the Operational Results

International Development Bank for Investment and Finance has achieved a respectable profit for the year 2015, while taking into our consideration the difficult economic and security situation that Iraq has passed through in 2015. The profits before deducting tax and compulsory reserves reached (20,184,074) billion Iraqi dinars, which represents a decline by (13,792,748) billion Iraqi dinars that is equivalent to a drop of (-41%) when compared to the year 2014. Also profits after

deducting tax and compulsory reserves reached (16,296,375) billion Iraqi dinars, which represents a decline by (11,139,909) billion Iraqi dinars, that is equivalent to a drop of (-41%) when compared to the previous year.

The diagram below shows the development in the bank's profits during the past four years, whereas it can be noticed that the bank's profits took an upward trend despite the continuing economic challenges and policy conditions and the difficult security incidents in Iraq and the region during these years.



Growth in the Bank's Profit for the years 2012 - 2015

And it is necessary to refer to the bank's profit before tax and compulsory reserve for the year 2015, where the conclusion of the following:

- Drop in the Bank's total revenue for the year 2015, which amounted (41,784,392) billion Iraqi dinars, while compared with (58,835,767) billion Iraqi dinars for the year 2014, which was a result of changes to the following sources of revenues:
  - Decline in the sale and purchase of foreign currency revenues from (21,956,880) billion Iraqi dinars in 2014 to (10,139,809) billion Iraqi dinars in 2015. This was a result of the Bank's Board of Directors new strategy that focuses on core banking activities to generate earnings while depend less on non- core banking activities.
  - Increase in earnings generated from lending and financing activities from (10,369,247) billion Iraqi dinars in 2014 to (17,497,078) billion Iraqi dinars in 2015, as a result of reliance on core banking activities to generate revenues.
  - Decline in issuance of letters of credit commission from (9,300,007) billion Iraqi dinars in 2014 to (4,937,622) billion Iraqi dinars in 2015, whereas the main reason for this was a result of the dramatic economic recession which occurred in Iraq on 2015,

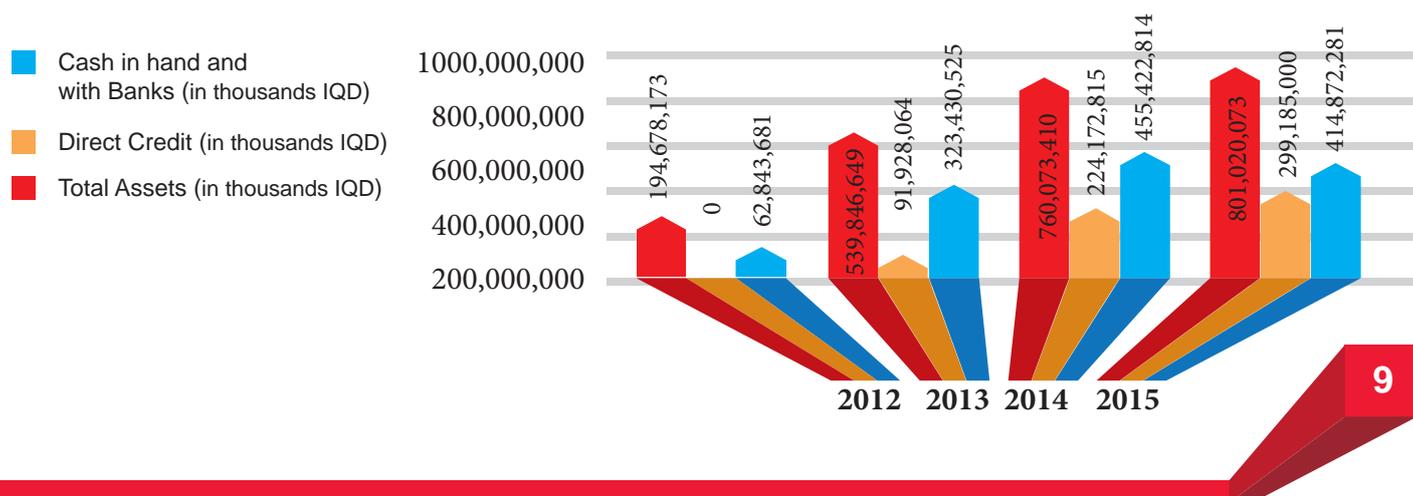
especially the lack of provisions in the investment budget approved by the Iraqi government while being compared with previous years.

- Drop in the Bank's expenses from (24,945,596) billion Iraqi dinars in 2014 to (21,593,433) billion Iraqi dinars in 2015, which represents a decrease of (3,352,163) billion dinars that is equivalent to a percentage of (-13%). The main reason of this decline –despite the continued growth in the size of the bank's business and increasing its branches and the application of advanced systems and applications was the major drop in banking commissions amounting (9,843,645) billion Iraqi dinars which in return came as a result of the lowered banking business volume in Iraq as a whole.

## Financial Position Analysis

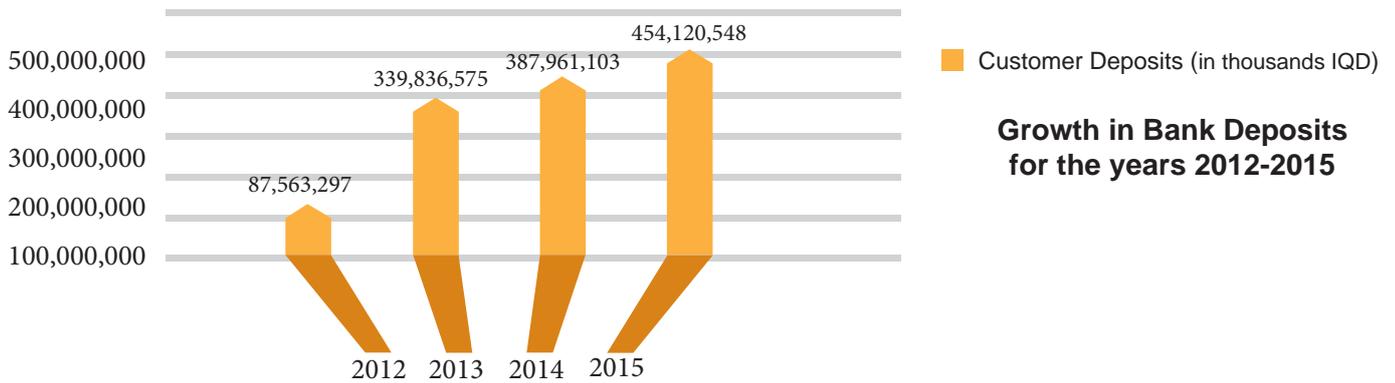
The Bank's total assets rose at the end of 2015 by (40,946,663) billion Iraqi dinars which represented a (5%) increase to reach (801,020,073) billion Iraqi dinars compared to the Bank's total assets in 2014 which amounted (760,073,410) billion Iraqi dinars. This occurred in spite of the difficult security and economic situation that faced all Iraqi banks, including the big draws on bank deposits.

Changes in the Bank's Assets between the year 2012-2015



## Total Deposits

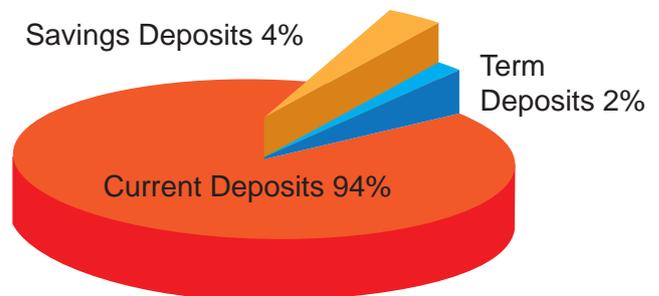
In pursuance to the bank's good reputation, strength and the trust of the public, the Bank was able to attract deposits which in return helped the Bank to increase its total deposits by an amount of (66,159,445) billion Iraqi dinars that represents a percentage of (17%) to amount (454,120, 548) billion Iraqi dinars



When analyzing the Bank's customers deposits at the end of 2015, the following trends were noted:

- Individuals' deposits decreased while the corporates' deposit rates increased by 17% and 33% respectively.
- Individuals' deposits made up (19%) of the total customer's deposits in 2015 compared to (27%) in 2014, while the corporates' deposits constituted (67%) in 2015 compared to (59%) of total customers' deposits in 2014.
- The results of the analysis depending on the type of deposit at the end of 2015 showed the following:
  - Savings deposits increased by (9%) while term deposits increased by (1090%) ; and current deposits increased also by (17%) when compared to 2014.

- Current deposits made up (94%) of total customers' deposits at the end of 2015 compared to (86%) in 2014, while the savings deposits made up (4%) of total customers' deposits in 2015 and 2014. Term deposits made only (2%) of total customers' deposits compared to (0.1%) in 2014.

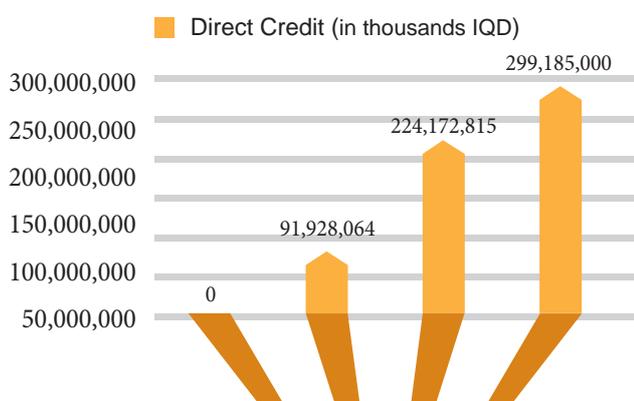


**Breakdown of Bank's Customers' Deposits as of 31/12/2015**

## Direct Credit

The Bank's credit portfolio (direct) reached an amount of (299,185,000) billion Iraqi dinars at the end of 2015, which represents an increase of (75,012,185) billion Iraqi dinars that is equivalent to an increase of (33%) in 2014. Noting that all these credit facilities were granted against the pledge of real estate collaterals amounting (200%) of the credit amount. In addition to this, the Bank adopts a conservative credit policy in accordance with the instructions and regulations of the Central Bank of Iraq.

### Growth in the Bank's Credit Portfolio (direct) during the period 2012-2015



As shown in the figure below, It can be noted from the analysis of the breakdown of the Bank's credit portfolio that corporate loans constituted (90%) of the total credit portfolio whereas retail loans did not make up more than (10%) of the total credit portfolio.



It is noteworthy to mention here that the Bank has maintained the quality of its credit portfolio which is evident from the percentage of non-performing loans to the total loans portfolio that amounted (0.01%) for the years 2014 and 2015.

## Analysis of the Bank's Overall Performance

The positive changes in the Bank's balance sheet and income statement was reflected on the Bank's capital adequacy, liquidity and solvency ratios and as follows:

- Capital adequacy ratio reached a percentage of (63%) at the end of 2015, which is higher than the prescribed percentage of the Basel Committee (8%) and the minimum required limit set by Central Bank of Iraq of (12%) which in return reflects the adequacy and solvency of the Bank.
- The Bank maintained a high liquidity ratio amounting (63%) at the end of 2015, which is also higher than the minimum required limit of (30%) set by Central Bank of Iraq.

Banks Activities for the year 2015



## Retail Banking

Whereas, the competition in the segment of Retail Banking is increasing, the bank's strategy focused to provide the best products and services that meet the varied clients' needs through reinforcing its position in this market to keep the International Development Bank as the first choice for clients in their different strata and ages. IDB Iraq enhanced its reach through the expansion of the branch network and ATM network; and the following overview illustrates the most important achievements in the field of providing banking services to individuals during the year.

## Distribution and the Banking Divergence

The bank continued to maintain one of the leading positions in the local banking market with regards to the branch network and ATM network. It is worth mentioning that the branches of the bank and the ATM network have been commissioned in selected cities and sites to ensure reachability to clients. The bank has succeeded during 2015 exploiting available opportunities and added (4) branches and (25) new ATM's, accordingly the total numbers of operating branches in Iraq increased to a number of (11) branches, while the ATM numbers increased to reach (30) ATMs. Furthermore the Bank will open another (4) branches in 2016.

Moreover, the bank is aiming to open another foreign branches and representative offices in Lebanon, United Arab Emirates and Greece.

## Electronic Banking Outlets

IDB Iraq has been investing a lot in being the most innovative service provider in Iraq.

Enhancing the reputation of the bank as the forefront of leading technology in the banking sector of Iraq, the Bank continued to provide banking services through the Electronic Distribution outlets, which are the Internet online banking, SMS Mobile notifications and ATM machines.

## Credit & Debit Cards of International Development Bank

Being the principal license holder for MasterCard and Visa Card IDB Iraq is the only Bank in Iraq to offer a vertical card issuance process through its sister concern Arab Information Technology. The Bank maintains an advance position in the market of the plastic cards in Iraq for the year 2015, and it has been enhanced with the launch of the various categories of MasterCard cards, including the platinum, gold and normal as well as Pre-Paid Cards. It is worth mentioning herein that the plastic cards issued by the bank granted to clients of the bank bring many advantages and achieve the highest safety standards for withdrawals operations from an ATM worldwide, more so payment through the point of sale (POS), whether inside or outside Iraq.



## Service Quality and Customer Care

The Bank believes that client satisfaction and providing top of the line services is a strategic preference and one of the priorities to enhance client's confidence level in the Bank's services and products. Most importantly and to ensure that these services reflect the best image of the Bank, by keeping our clients as priority; the Bank continued to perform customer surveys and studies to determine the level of the clients' satisfaction and to work on improving service levels through assigning specialized consulting firms to undertake the surveys of the clients' satisfaction and through constant monitoring in accordance with the methodology of Mystery Shoppers. IDB Iraq aims to ensure its satisfaction levels meet the highest degree, and its customers are satisfied and content with the services provided.

## Personal Loans

The Bank attained during 2015 good levels of growth in the portfolio of individual loans. This has been achieved due to the flexible credit policies pursued by the bank in this area, which are supported by marketing campaigns, and constantly work to simplify the application procedures which contributed in reducing the time taken to complete the credit profiling of the customer.

Furthermore, IDB continued to offer car loans to customers that were initiated since mid-2013 offering favorable terms and competitive benefits.

## Corporate Banking

Despite on-going turmoil in Iraq, IDB Iraq has achieved multiple achievements in the scope of financing the needs of companies, which has enabled it to enhance its leading position in

the banking market as an essential partner in funding the companies and institutions requirements. Accordingly IDB Iraq increased the size of the credit portfolio while maintaining the quality of the credit portfolio and without violating predefined risks and acceptable returns and in line with the banks credit policy and CBI requirements.

The bank also continued to support the industrial sector, the energy and the tourism sectors in Iraq through the continuation of the program applied by the Central Bank to support and revitalize these sectors. As per the scope of contributing in the financing of trade operations, the bank continued to provide appropriate funding to its clients through the opening of letters of credits, issuance of guarantees through the vast global network of correspondent banks.

## Treasury and Investment Services

The Bank achieved during 2015, real success in Treasury and Investment activities. These were achieved through the branch network of the Bank, in addition to the Bank's commitment of maintaining liquidity levels above limits set by the Central Bank of Iraq. Furthermore the Bank aims in 2016 to improve its Investment and Treasury related products and services through providing tailor made products in various foreign currencies, precious metals, and term contracts, brokerage services in the domestic and international financial markets.

## Financial Institutions and Correspondent banking

The bank improved its position during 2015 in the international banking market despite the challenges related to the difficult circumstances in Iraq, IDB Iraq managed enhancing the existing banking relationships with corre-

spondent banks and financial institutions across the world as well as build new working relationships with Global Banks and well-known Arab, Regional and International Financial institutions. The Bank managed to increase its revenues derived from its activities in the field of international trade operations and banking services including trade finance commissions and transfer and remittance commissions.

Pursuant to stimulate and develop relationships with correspondent banks and financial institutions, a dedicated team of staff have made several marketing campaigns and visits to strategic markets and countries including China, Turkey, and the United Arab Emirates in 2015 for the purpose of offering products and service of the bank. IDB Iraq is aiming to be first choice of correspondent banks and aspires to bring benefits of growth to the Bank and its customers.

It is worth mentioning that the bank has been featured in working relationships with a wide network of correspondent's bank across the world which is more than 22 banks and growing, spread in more than 9 countries. Further, we are hoping to open new relationships in more countries where IDB doesn't have a presence.

The bank in a strong and solid position to build its name and to promote and meets its clients' requirements in various foreign activities.

## Banks Management and Organization:

In the year 2015, the Bank continued to review and update policies and procedures manuals for all business and control segments and departments, to ensure abidance to the applicable banking system and to increase the efficiency of the various banking operations, as well as enhancing the control over various banking systems and processes.

On the other hand, during 2015 IDB Management worked upon various application projects as instructed by Central Bank of Iraq. Also IDB initiated a bank wide restructuring process aimed at revamping and centralizing several business processes such as: trade finance, Transfers and Credit in order to reduce the expenses and enhance efficiency.

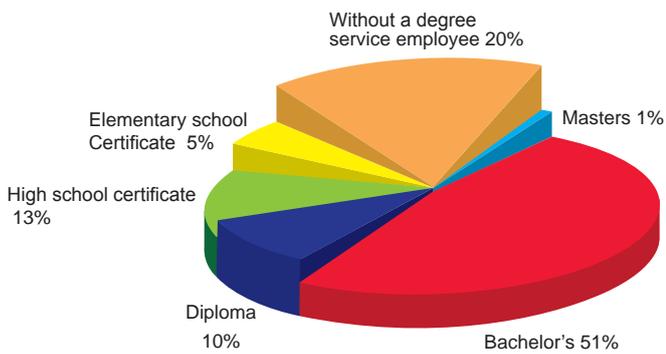
## Human Resources

IDB recognizes that its back bone is its Human Resource. Accordingly and taking into consideration the importance of the human factor, the Bank has worked to enhance the efficiency and productivity among all levels of staff, while taking care of developing their skills and improving their capacity to perform their duties properly. Importantly IDB Iraq aims to be the employer of choice for the Iraqi Market.

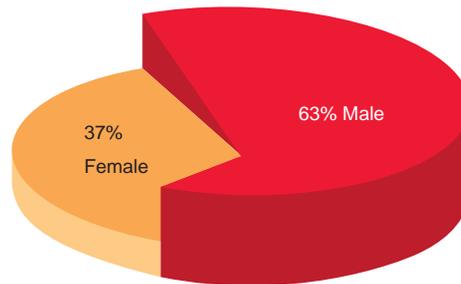
**IDB Iraq Staff Analysis by Academic Qualification and by Gender:**

S	Academic achievement	Number	Percentage
1.	Masters	3	%1
2.	BA	169	%51
3.	Diploma	34	%10
4.	Junior: commercial, industrial, scientific, literary	43	%13
5.	Middle school, primary	15	%5
6.	Without a certificate / service labor	63	%20
7.	Total	327	% 100

**Breakdown by Academic Background**



**Distribution of Employees by Gender**



## Recruitment:

To maintain its position as one of the leading financial institutions with regards to employing qualified and distinguished individuals in Iraq, the bank has included initiatives during 2015 to attract the best graduates of universities and attract a group of recognized competence and talented employees.

## Training:

Pursuant to enhance the investment in human resources and develop the professional skills of the staff, a group of leading programs have been provided by in the field of training which includes: The development of International Accounting Standards, Asset and Liability Management, development and rehabilitation of staff of the banking system; where intensive training focuses on involving employees in specialized activities that guaranties an increase rehabilitation and awareness of the banking business and strengthen the work ethic they have, as well as providing them with leadership and management skills developed in line with the bank's vision and aspirations.

It is worth mentioning that the bank provided during the year several training opportunity for the staff inside and outside Iraq. These training sessions covered the Administrative, Financial and Accounting areas, Audit, Credit, Public Relations, Operations, Compliance / Anti Money Laundering , Treasury and Investment.

The table below entails the most important courses that have been held during 2015 and the number of participants attending these courses

## Training courses:

SN	Program Name	No.of Participants	Provider of Program	Program Subject
1.	Counterfeit Currency Program	9	CBI	Iraqi and Foreign real and counterfeit currency
2.	Development of International Accounting Standards Program	1	Private Bank League	Development of International Accounting Standards
3.	Workshop	6	Private Bank League	SMEs Funding
4.	Asset and liability management for the budget of the Central Bank Program	2	CBI	Asset and liability management for the budget of the Central Bank
5.	IT – Oracle Database	1	CBI	Oracle Database
6.	Reserve and Investment Portfolio Management Program	2	CBI	Reserve and Investment Portfolio Management
7.	Orientation and Development of Qualified Employees in Banking Industry for New Employees	2	CBI	Orientation and Development of New Employees
8.	Payment via Mobile	3	CBI	Payment via Mobile

## Risk Management

The Bank adopts a comprehensive and clear framework for Risk Management that enable it to identify the risks its exposed to and returns arising from the expansion and diversification of the Bank's activities and operations. Upon such obligation, the Bank relies on solid grounds and sound strategies based on measuring, assessing and managing the various risks in its daily activities, and in compliance with internal policies and directives of the Basel Committee and the instructions of Central Bank of Iraq.

Further, the Bank's risk management framework and governance fully abides by the instructions of the Central Bank of Iraq, as the Banks' Risk Management Department operates independently, by reporting to Board Risk Management & Compliance Committee. Moreover, The Bank's Risk Management Department has the full power to obtain information from the other departments.

Currently, the Bank is developing and introducing Control Risk Self-Assessment for the Bank's various departments, including updating business continuity plans and examining them periodically, and in line with the security conditions in Iraq.

## Compliance

IDB Iraq ensures Compliance and Anti Money Laundering are fully embedded within all parts of the Organization. In 2015, the Bank proceeded to apply all instructions and directives by local and International Regulatory Agencies regarding Compliance Monitoring, Anti-Money laundering and Financing of Terrorism.

In addition to that the Bank started updating the customer accounts, and in accordance with the requirements of the Foreign Account Tax Com-

pliance Act (FATCA). The Bank applies new automated systems for monitoring and detecting "suspicious transactions" that involving the risk of money laundering, financing of terrorism and financial fraud crimes. IDB aims enhancing the compliance culture, the Bank provides a training programs for all employees to ensure they are fully aware of the latest updates on compliance monitoring, anti-money laundering, financing of terrorism, the Foreign Account Tax Compliance Act (FATCA) and whatsoever measures to enable them to apply Rules of Know Your Customer (KYC) properly in addition to the due diligence procedures, according to the recently CBI requirements which issued in accordance with the act of Anti-Money Laundering and Countering the Financing of Terrorism No. 39 for the year 2015.

The Bank understands the importance of the role of the Compliance Department, being an independent functionality appointed by the approval of CBI working on ensuring the Bank's commitment in its daily banking operations to the requirements of laws, regulations, accounting standards and regulations of the Basel Committee, the Companies Act, the Anti-Money Laundering law and the Regulations issued thereunder.

## Corporate Governance

The Bank believes in the importance of Corporate Governance in promoting the principles of fairness, transparency, accountability and responsibility, and strengthening the trust of depositors, shareholders and regulatory agencies at the Bank. This affected on the performance and growth of the Bank, and, therefore, the Bank paid significant attention to comply with the instructions of corporate governance issued by the Central Bank of Iraq currently, the Bank has prepared a comprehensive manual for corporate governance applied the same for abidance at all levels.

## Marketing and Public Relations

IDB Iraq in 2015, the Bank proceeded on pursuing Promotional and Marketing Policy, aiming at enhancing the image of the Bank across all segments of the society. This included implementation of a large number of Advertising Campaigns for the Bank's services and products. Furthermore, the Bank's Administration seeks to enhance the brand of the Bank through its presence in conferences and seminars both locally and Internationally. In addition, in the context of promoting communications with clients, large scale Advertising and Promotional Campaigns on the Bank were launched on social networking sites such as Twitter, Facebook and LinkedIn.

The Bank aims through these forms of Advertising and Marketing Campaigns, there will be an effective and permanent communications stream of brand awareness with clients and public by responding to their questions and comments, and updating them about the banks products and services thus enhancing the Bank' image accordingly.



## Information Technology

- IDB Iraq's forte is its investment in Information Technology. In 2015, the Bank developed and updated the overall core banking platform (IMAL) which has been operating since 2012, where it concluded additional tailor made reports that assisted the Bank to set solid monitoring controls in the various operations and business departments.
- As a result of this automation, all commissions of the Bank's interest in the operations and services are provided for within the Core Banking system, to be automatically determined and without any manual intervention.

- The Bank has achieved several milestones to modernize and develop the information technology through setting up a strong infrastructure for all banking systems, such as:
- Effectively operating the service of BGP and activating the Load Balance for this service, several amendments were made to Fire Walled Services at the Bank in order to take advantage of them.
- Expanding the Internet Package, and allocating 3 megabits of data transfer continuously outside Iraq.
- The introduction of V.SAT service between Baghdad and Basra, and examining them until stability on the package happened which is required by the CITRIX system between Baghdad and Basra.
- Formation of Disaster Recovery Site and replication of LASER FISH system at offsite location in Dubai.
- Implementing the Global SWIFT message filtering system FircoSoft and connecting it to SWIFT system, so that clients' names will be reviewed automatically on the system to make sure that no such client of companies and individuals is included within the Local and International black-lists.
- IT function has increased the efficiency the bank to transfer data between the Bank's branches and Head Office with an optical cable, during the year to avoid the noise resulted out of the wireless service.
- Due to the increase of anecdotal data between the branches and the increase of such banking services provided by the Bank to the clients, the Bank's administration is now working to double the Internet package to all branches and to the Main Branch of the General Administration. Moreover, the Bank is planning during 2016, develop an application for the Internet Banking Services to include new account opening applications for existing clients, application of money transfer, application of check books, credit cards and bills on request, and the other services.

Strategic Plans of the Bank for  
the year 2016-2018



← Rubayee Branch / Baghdad

Lately in 2015, the Bank's Board of Directors adopted a strategic plan for the years 2016 - 2018. The plan has been set for the purpose of enhancing the Bank's competitive position, promoting the Bank's market share of its operation at the various business segments and markets, maintaining growth rates and revenues achieved over the past years within each phase, as such phases involve many challenges and difficulties which had a negative impact on various economic and social aspects in Iraq. Also, the Bank adopted a strategic plan based on immunity, durability, accuracy and safety of procedures. As applying such plan would secure and help in strengthen the Bank's qualitative and quantitative achievements during the past years in various financial and banking activities, which making it depends on solid basis and sober infrastructure and rely on the expertise and efficiency of its advanced personnel of consultants, experts, managers and their assistants, achieving good rating of (2) through 2015, under the classification as evaluated by the rating system CAMELS set by the CBI.

The strategic plan included five main pillars:

### I. Financial Pillar

- Achieve sustainable growth in profits, and strengthening the shareholders' equity. Increase the rate of return on assets and return on equity.
- Increase the market share of deposits and facilities in the Iraqi banking sector, while maintain-

ing low levels of non- performing loans.

- Increase interest income and development the Bank's activity in the field of trade finance.
- Rationalizing expenditures in all areas and increasing revenues, assisting in improving the performance indicators.
- Building adequate provisions against direct and indirect credit granted by the Bank in addition to other provisions against foreign currency exposure and as per international accounting standards, regulations of Basel Committee and the requirements of the Central Bank of Iraq.

### II. Banking Operations

- Reviewing credit procedures to speed up credit granting process whilst still making sure adequate documentation of credit as per the Bank's credit policy.
- Continuing the development process in our IT infrastructure and increasing the efficiency of its use in the various banking aspects.
- Improving the efficiency of electronic channels and directing clients towards the use of alternative channels; such as online banking and the other services.
- Enhancing centralization of banking activities, to be performed by specialized departments in the head office independently from the Bank's branches.
- Enhancing the sources of growth through the investment in projects related to the geographic expansion both internally and externally.
- Enhancing different investments to all sectors.



### III. Banking Services

- Improve clients' services in the branches and raising clients' satisfaction with the service provided.
- Establish the clients' loyalty and encouraging them to use the electronic channels.
- Develop the existing products and services and studying the feasibility of introducing new products and services according to the needs of target clients.
- Seeking to provide the highest level of advanced banking services.
- Maintaining strong and lasting relationships with the existing clients and constantly building relationships with new clients.



### IV. Human Resources

- Developing and enhancing the efficiency of employees, and maintaining the remarkable competencies at the Bank, and supporting and encouraging them to creativity in favor of the Bank's services.
- Developing principles and criteria of evaluation of employees, performance, compensation, benefits and incentives; resulting in deepening and strengthening the loyalty of our employees.

- Providing training opportunities necessary to the actual needs of employees and the nature of their work, and by the way of promoting the performance of employees and their skills, improving their ability in communications.
- Adopting succession plans for employees at the Bank, and preparing the second-row employees, and providing them with the necessary knowledge and scientific and practical expertise.

### V. Geographical Expansion; Local and External Branch Network

- Working on opening new local branches to expand the Bank's branch network and reaching a larger client base. Some of these branches that the Bank intends to open:

The Bank's branch in a Jamiela.

The Bank's branch in Harthiya.

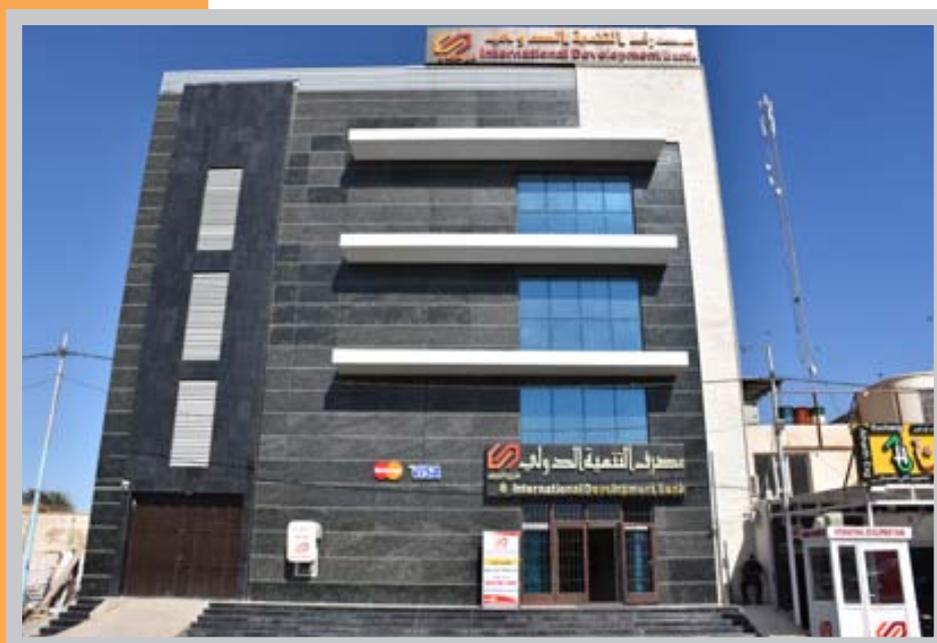
The Bank's branch in Hilla.

The Bank's branch in Nasiriyah.

The Bank's branch in Imarah.

- Studying the economic feasibility to open external branches in the United Arab Emirates and Greece.
- Continue to improve the overall appearance of the existing branches.
- Promoting the Bank's network of ATMs and maintaining their continuity with high efficiency.
- The Bank will install (120) ATMs covering major provinces in Iraq in addition to more than (200) POSs by the end of the year 2016.

Audited Financial Statements



◀ Najaf Branch

**No.: 27**

**Date: 20/2/2016**

**Messrs Shareholders of the International Development Bank for Investment and Finance – Private Shareholding Company – Baghdad**

**Sub. / Report of the Auditor about the Financial Data for the year ending on 31/12/2015**

## **Greetings,**

We have examined the balance sheet of the International Development Bank for Investment and Finance – Private Shareholding Company – as on 31/12/2015, and the accounts of the activity result and the data and statements related to it for the period ending on that date, and the report of the bank which was prepared according to the provisions of Companies Law No. 21 amended for the year 1997 and the regulations and instructions issued accordingly.

We have obtained the information and clarifications, which in our opinion were necessary to accomplish our mission which we have carried out according to the "adopted auditing procedures" and prevailing financial legislations and we have the following clarifications and notes:

### **First: Clarifications:**

- The bookkeeping set of records used by the bank was in line with the commercial bookkeeping regulation, and it is prepared according to our estimation recording all financial transactions of the bank.
- The stocktaking operation of fixed and cash assets of the branches were carried out by the bank management but the cash assets of the main branch and head office was carried out under our supervision.
- The annual report and its contents reflect comprehensively the progress of the bank during the year subject of auditing and it does not include what violates the provisions of the prevailing laws and legislations.
- The data and the final accounts have been prepared according to the accounting rules and prevailing financial legislations and they are in agreement with what the registers show, and it is prepared according to the Companies law and the rules and regulation issued accordingly.
- The bank has adopted anti money laundry and terrorism financing procedures according to the regulations of anti-money laundry and terrorism financing law no. (39) for the year 2015 according to the what was stated in the report of the management of the bank.
- We confirm the necessity of sustaining the record of fixed assets that shows the details of assets and its value, date of purchase and amount of its depreciation with the automated system of assets approved by the management of the bank.
- The depreciation of the fixed assets was calculated in the percentage of (20%) according to the ministerial order no. (19792) on 5/5/1995 with our confirmation to the necessity of upgrading the approved automated system to calculate the depreciations.

### **Branches of the bank were opened as follows:**

Al-Najaf Branch on 5/3/2015 according to the approval no. (13947) on 11/9/2014

Al-Kut Branch on 6/5/2015 according to the approval no. (16468) on 5/11/2014

Al-Mansour Branch on 6/8/2015 according to the approval no. (5692) on 8/4/2015

Al-Rubaye Branch on 17/11/2015 according to the approval no. (12274) on 19/4/2015

- We recommend the necessity of developing and expanding the tasks of internal audit department of the bank and provide it with efficient staffs, and the necessity of developing a program to audit all the operations of the bank sections and its branches.
- The necessity of developing and expanding the risks management department at the Bank.
- The total ordinary leaves of the employees of the bank and branches reached (4388) day till 31/12/2015, and the bank did not count the reserve of accumulated leaves, acknowledging that the employee deserves a financial compensation for the days of his annual leave upon the expiration of his contract and on the basis of the salary that he earned according to article (75) of work law no. (73) for the year 2015.

The total of issued internal letters of guarantee reached (156,767,246,462) Dinar including (890,250,000) Dinars for an external letter of credit which is equivalent to (750,000) Dollars to cover the withdrawals of credit cards with MasterCard.

### Notes:

1. The Bank's capital adequacy ratio amounted (63%) which is the above the minimum requirement set out by the Central Bank of Iraq.
2. The Bank has taken adequate provisions against direct and indirect credit amounting (11,000,000,000) Dinars which reflects an increase of (1,299,191,336) Dinar from last year.
3. The balance of the projects under implementation reached the amount of (59,984,883,192) Dinars including an amount of (8,278,754,830) Dinars related to Al-Rubaye Branch which was opened on 17/11/2015.
4. The balance of bills of lading processed by the Bank amounted (287,896,048) Dinars, where these dues on customers will be settled before end of year.
5. Short term loans were granted for the period (one year to two years) with different interests according to the contract between the two parties, where interest to be settled upon maturity of these loans. As for car loans, (40%) is paid as a down payment and the remaining to be paid based on monthly payments for a tenor of (3) years with interests of (12%-15%) yearly. It should be noted that (1,000,000,000) Dinars from total amount granted for car loans were with an interest of (10%).
6. We confirm the necessity of implementing the instructions of the Central Bank of Iraq with regards to the process of selling dollars financed through the Central Bank currency auction.
7. It was noted that collaterals provided by Bank's customers against issued letters of guarantee were limited to promissory notes in addition to real estate collateral without having any guarantors. Further, cash pledged against some of these letters of guarantee were low ranging from (1%-5%). These letters of guarantee referred to here represented (1%) from the total of letters of guarantee issued. Taking into consideration current drop of market value for the pledged real estate collateral the Bank has established a committee for the purpose of re-evaluating these properties and according to the central bank circular no. (9/1/53) on 4/2/2016.

Taking into consideration what was stated above according to our opinion and by checking what is written in the records of the bank, and based on the clarifications submitted to us, the attached balance sheet states the truth of the financial position of the bank on 31/12/2015, and the attached result accounts and statements shows the summary of its activity for the year ending on that date fairly.

## Balance Sheet as on 31st December 2015

Note No.	Accounting Index No.	Details / Assets	Current Year (IQD)	Previous Year (IQD)
		Current assets		
2&1	18	Cash on hand and with banks	414,872,280,805	455,422,813,508
5	14	Direct credit facilities	299,184,999,654	224,172,814,750
3	15	Investments	5,099,726,000	-
4	16	Other assets	11,614,451,296	20,214,553,183
		<b>Total current assets</b>	<b>730,771,457,755</b>	<b>699,810,181,441</b>
		Fixed assets		
6	11	Fixed assets (Book value)	5,256,333,526	5,169,375,935
7	118	Deferred revenue expenses	4,007,944,069	-
8	12	Projects under implementation	60,984,337,192	55,093,852,981
		<b>Total fixed assets</b>	<b>70,248,614,787</b>	<b>60,263,228,916</b>
		<b>Total Assets</b>	<b>801,020,072,542</b>	<b>760,073,410,357</b>
		Off- Balance sheet assets		
9	192	Off- Balance sheet assets	147,732,819,551	260,845,254,077
		<b>Total Assets (including off balance sheet)</b>	<b>948,752,892,093</b>	<b>1,020,918,664,434</b>

## Balance Sheet as on 31st December 2015

Note No.	Accounting Index No.	Details / Financing Sources	Current Year (IQD)	Previous Year (IQD)
		Short term liabilities		
10	22	Provisions	15,029,376,000	15,275,689,959
11	25	Current Accounts and Deposits	454,120,547,995	387,961,103,326
12	26	Other Liabilities	59,697,298,867	74,818,465,402
		<b>Total short term liabilities</b>	<b>528,847,222,862</b>	<b>478,055,258,687</b>
		Shareholders' Equity		
	211	Paid capital	250,000,000,000	250,000,000,000
13	212	Reserves	22,172,849,680	32,018,151,670
		<b>Total shareholders' equity</b>	<b>272,172,849,680</b>	<b>282,018,151,670</b>
		<b>Total liabilities &amp; equity</b>	<b>801,020,072,542</b>	<b>760,073,410,357</b>
9	292	Off- Balance Sheet Liabilities	147,732,819,551	260,845,254,077
		<b>Total Liabilities and Equity (including off-balance sheet liabilities)</b>	<b>948,752,892,093</b>	<b>1,020,918,664,434</b>

## Statement of Profits and Loss for the Year Ending as on 31st December 2015

Note No.	Accounting Index No.	Details Revenues from Operations	Current Year (IQD)	Previous Year (IQD)
14	44	Revenue from banking operations	41,748,392,030	58,835,767,786
15	22	Revenue from investments	32,583,418	6,037,741
		<b>Total</b>	<b>41,780,975,448</b>	<b>58,841,805,527</b>
16		Deduct: Expenses from operations		
17	34	Expenses from banking operations	6,793,128,322	14,634,351,139
	37	Depreciation & Amortization	2,841,739,211	1,296,134,900
	33-31	Administrative expenses	11,366,841,051	8,344,116,132
		<b>Total</b>	<b>21,001,708,585</b>	<b>24,274,602,171</b>
			<b>20,779,266,863</b>	<b>34,567,203,356</b>
		<b>Gross Profit from Banking Operations</b>	<b>8,299,214</b>	<b>80,612,085</b>
18	49	Add- Other revenues		
		Deduct – Other expenses	520,111,206	540,999,891
19	38	Transferrable expenses	83,380,860	129,993,586
20	39	Other expenses	603,492,066	670,993,477
		<b>Total Other expenses</b>	<b>20,184,074,010</b>	<b>33,976,821,964</b>
		<b>Gross Profit</b>		
		Distributed as follow	3,029,376,000	5,096,523,295
		Tax allocations	858,323,146	1,444,014,933
		Capital reserves	16,296,374,864	27,436,283,736
		<b>Net Profits</b>	<b>20,184,074,010</b>	<b>33,976,821,964</b>

## Statement of Cash Flow for the Year Ending as on 31st December 2015

### First: Operating Activities:

Increase or Shortage	Statement	Balance / IQD
Increase in	Depreciation	1,851,085,890
Increase in	Direct credit facilities	(75,012,184,904)
Shortage in	Other assets	8,600,101,887
Increase in	Current accounts & deposits	66,159,444,669
Shortage in	Other liabilities	(15,132,934,085)
Net Cash flow from operating activities		(13,534,486,543)

### Second: Investment Activities:

Increase in	Fixed assets	(1,938,043,481)
Increase in	Projects under implementation	(5,890,484,211)
Increase in	Deferred revenues expenses	(4,007,944,069)
Increase in	Investments	(5,099,726,000)
Net Cash flow from investment activities		(16,936,197,761)

### Third: Financing Activities:

Increase in	Capital	-
Shortage in	Reserves	(9,833,534,440)
Shortage in	Provisions	(246,313,959)
Net Cash flow from financing activities		(10,079,848,399)

### Fourth: Statement of Cash Flow and Cash Balance as on 31/12/2015:

Net Increase in cash during the year	(40,550,532,703)
Cash balance at the beginning of the period	455,422,813,508
Cash as on 31/12/2015	414,872,280,805

## Notes to the Financial Statements

### Note No.(1) Cash as on 31/December/2015

Accounting Index No.	Details	Current year / IQD	Previous Year / IQD
181	Cash on hand	118,516,759,822	149,395,588,619
183	Cash with the local banks	21,227,012,294	1,553,490,398
18311	Central Bank – RTGS Dinars	104,947,873,603	144,181,757,993
18311	Central Bank –RTGS Dollars	16,945,869,793	16,502,351,780
18311	Central Bank – current account/Dinars	99,588,641,086	26,022,475,695
18311	Central Bank - current account/ Dollars	3,372,962,582	12,916,088,658
1841	Legal deposits with central bank – Dinars	16,008,482,000	27,911,978,000
1841	Legal deposits with central bank-Dollars	17,921,055,364	14,348,723,708
185	Incoming wire transfers	-	41,133,623,000
187	Cash with foreign banks	16,312,274,261	21,456,735,657
189	Checks under Clearance	-	-
	<b>Total</b>	<b>414,840,930,805</b>	<b>455,422,813,508</b>

### Note No.(2) Gold as on 31/December/2015

Accounting Index No.	Details	Current year / IQD	Previous Year / IQD
17	Gold		
172	Gold bars	31,350,000	-
	<b>Total</b>	<b>31,350,000</b>	<b>0</b>

### Note No. (3) Investments as on 31/December/2015

Accounting Index No.	Details	Current year / IQD	Previous Year / IQD
153	Short term financial investments		
1531	Short term financial investments / governmental sector	5,099,726,000	-
	<b>Total</b>	<b>5,099,726,000</b>	<b>0</b>

#### Note No. (4) Other Assets as on 31/December/2015

Accounting Index No.	Details	Current year / IQD	Previous Year / IQD
162	Currency revaluation differences	-	-
166	Miscellaneous debit accounts		
1661	Deposits with others	9,966,002,075	18,615,185,050
1662	Revenues due not received	763,703,123	411,277,500
1662-1	Amounts due not received	118,700,000	0
1663	Prepaid Expenses	497,338,997	899,487,720
167	Advances		
1672	Employees advances	8,171,989	-
1673	Non employees advances	-	22,364,350
1676	Advance for other purposes (Travel-Supply)	-	-
	Debtors of master cards (Paid)	-	17,886,393
1693	Debtors of letters of guarantee	-	184,729,380
	Debtors of L/C commission	-	63,622,790
1692	Debtors of letters of guarantee expenses / internal	260,535,112	-
	<b>Total debtors</b>	<b>11,614,451,296</b>	<b>20,214,553,183</b>

#### Note No. (5) Direct Credit as on 31/December/2015

Accounting Index No.	Details	Current year / IQD	Previous Year / IQD
14	Loans		
142	Short term granted loans	298,372,879,625	207,620,413,178
1437	Overdrafts	-	3,000,000,000
1491	Employees advances	524,223,981	522,667,900
1456	Bills of lading processed by the Bank	287,896,048	13,029,733,672
	<b>Total</b>	<b>299,184,999,654</b>	<b>224,172,814,750</b>

## Note No.(6) Fixed Assets and its Depreciation as on 31/December/2015

Fixed assets Accounting Index No.	Machinery & equipment (113)	Transport means & movements (114)	Tools & molds (115)	Furniture & office Appliances (116)	Total / IQD
Book Value as at beginning of the year	1,051,927,655	418,681,400	104,054,930	6,491,748,493	8,066,412,478
Additions	1,339,825,575	83,476,000	12,336,950	572,264,874	2,007,903,399
Sold during the year	26,834,235	84,407,500	-	7,987,920	119,229,655
Book Value on 31/12/2015	2,364,918,995	417,749,900	116,391,880	7,056,025,447	9,955,086,222
Depreciation ratio - fixed premium	20%	20%	20%	20%	
Depreciation at the beginning of the year	322,229,549	172,936,533	59,218,644	2,342,651,817	2,897,036,543
Add- Depreciation of the current year	376,969,858	91,447,870	20,942,178	1,361,725,985	1,851,085,890
Deduct- depreciation of sold assets depreciation	6,861,866	38,204,193	-	4,303,678	49,369,737
Depreciation at the end of period	692,337,541	226,180,210	80,160,822	3,700,074,124	4,698,752,696
Book value on 31/12/2015	1,672,581,454	191,569,690	36,231,058	3,355,951,323	5,256,333,526

## Note No. (7) Deferred Revenue Expenses as on 31/December/2015

Account Name Accounting Index No.	Expenses before operating (1182)	Decorations, Fixture & Partitions (1186)	Miscellaneous Deferred revenue expenses (1187)	Total / IQD
Cost 1/1/2015	-	-	-	-
Additions during the year	1,742,229,679	116,872,930	3,139,494,781	4,998,597,390
Cost at the end of year	1,742,229,679	116,872,930	3,139,494,781	4,998,597,390
Amortization ratio	20%	20%	20%	
Amortization balance on 1/1/2015	-	-	-	-
Amortization during the year	348,445,062	14,310,186	627,898,073	990,653,321
Book value 31/12/2015	1,393,784,617	102,562,744	2,511,596,708	4,007,944,069

## Note No. (8) Projects Under Implementation as on 31/December/2015

Account name Accounting Index no.	Investments expenses (129)	Computer / Servers (1263)	Other	Total / IQD
Balance as on 1/1	55,093,852,981	-	-	55,093,852,981
Additions during the period	10,032,817,240	999,454,000	-	11,032,271,240
Payments During the year	5,141,787,029	-	-	5,141,787,029
Total	59,984,883,192	999,454,000	-	60,984,337,192

## Note No. (9) Off- Balance Sheet Assets as o 31/December / 2015

Accounting Index No.	Details	Current Year / IQD	Previous Year / IQD
	Letters of Guarantee		
192	Internal Letters of Guarantee		
1921	Total Letters of Guarantee	156,767,246,462	199,932,127,664
2552	Deduct: cash margin against letters of guarantees	33,185,738,470	26,410,926,509
	Net letters of guarantees	123,581,507,992	173,521,201,155
193	Documentary letters of Credit		
1931	Documentary letters of Credit	27,848,681,393	95,976,543,424
2551	Deduct: cash margin received against documentary letters of credit	3,697,369,834	8,652,490,502
	Net documentary letters of credit	24,151,311,559	87,324,052,922
	Total Off Balance Sheet Assets	147,732,819,551	260,845,254,077

## Note No. (10) Provisions as on 31/December/2015 - (IQD)

Accounting Index No	Details	Balance on 1/1/2015	Addition during the year	Payments during the year	Balance as on 31/12/2015
224	Income tax allowance	5,096,523,295	3,029,376,000	5,096,523,295	3,029,376,000
2252	Foreign currency fluctuations provisions	478,358,000	521,642,000	-	1,000,000,000
2254	Credit facilities provision	9,700,808,664	1,496,977,716	197,786,380	11,000,000,000
	Total Provisions	15,275,689,959	5,047,995,716	5,294,309,675	15,029,376,000

## Note No. (11) Deposits and Current Accounts as on 31/December/2015

Accounting Index No.	Details	Current Year / IQD	Previous Year / IQD
251	Current accounts		
2513	Current account / financial sector	93,214,089	48,914,808
2516	Current account / Companies	305,173,394,331	229,347,899,188
2517	Current account / individuals	86,893,628,379	104,657,466,363
25191	Certified checks	210,294,500	1,356,062,995
	Total	392,370,531,300	335,410,343,354
252	Saving accounts		
2521	Saving	17,945,604,091	16,395,929,210
2531	Fixed/term deposits	6,667,839,500	560,000,000
	Total	24,613,443,591	16,955,929,210
255	Cash Margin Pledged		
2551	Cash margin against documentary letters of credit	3,697,369,834	8,652,490,502
2552	Cash margin against letters of guarantee	33,185,738,470	26,410,926,509
2553	Standing Orders	0	0
	Total	36,883,108,304	35,063,417,011
256	Internal checks and transfers		
2562	Certified Checks withdrawn on the bank	253,464,800	126,699,150
2563	Checks withdrawn on the bank	-	220,374,000
257	Inward foreign transfers	-	184,340,601
	Total	253,464,800	531,413,751
	Total deposits and current accounts	454,120,547,995	387,961,103,326

## Note No. (12) Other Liabilities as on 31/December/2015

Accounting Index No.	Details	Current Year / IQD	Previous Year / IQD
266	Miscellaneous credit accounts		
2661	Other deposits pledged to the Bank	32,242,383,552	47,159,919,000
2662	Revenues received in advance	199,472,916	3,254,124,658
2663	Expenses due not paid	61,767,550	84,924,250
2664	Salaries and wages due	-	-
2668	Cash on hand increase	27,186,700	-
26663	Financial stamps fees due	11,325,896	-
2669	Other miscellaneous credit accounts		
2696	Deposits withheld upon request by regulator	101,647,343	100,421,751
	Revenue under settlement	250	-
	Total	32,643,784,206	50,599,389,659
2671	Deductions from employers for accounts of others	53,514,661	21,815,743
2617	Creditors of private sector	-	197,260,000
268	Cash Dividends to be paid	27,000,000,000	24,000,000,000
	Total Other Liabilities	59,697,298,867	74,818,465,402

## Note No. (13) Reserves as on 31/December/2015

Reserve type Index No.	reserve (according to the companies law / 212)	Accumulated surplus (profits undistributed /281)	Total / IQD
Balance as on 1/1	3,752,715,854	28,265,435,816	32,018,151,670
Additions during the year	-	(27,000,000,000)	(27,000,000,000)
Current year profit	858,323,146	16,296,374,864	17,154,698,010
Total	4,611,039,000	17,561,810,680	22,172,849,680

## Note No.(14) Revenues from Banking Operations for the Year Ending on 31/December/2015

Accounting Index No.	Details	Current Year (IQD)	Previous Year (IQD)
441	Revenues from sale of foreign currency		
4412	Foreign currencies exchange revenue	10,139,809,867	21,956,880,105
442	Revenues from credit granting activities		
4421	Interests on granted loans	17,438,253,119	10,369,247,963
4422	Interests on overdrafts	17	-
44246	Interest on personal loans	58,825,560	51,071,341
	Total	17,497,078,695	10,420,319,304
443	Revenues from transfers		
4431	Internal transfers commissions	805,805,870	599,873,420
4432	External transfers commissions	5,951,500,631	14,292,724,048
	Total	6,757,306,500	14,892,597,468
444	Revenues from documentary letters of credit		
4441	Documentary letters of credit commission	748,246,376	1,514,380,337
445	Revenues from letters of guarantee		
4451	Issued letters of guarantee commission	4,937,622,675	9,300,007,627
447	Miscellaneous banking commissions		
4471	Certified checks commissions	6,867,059	4,529,778
4479	Other banking commissions	1,520,636,929	698,735,041
	Total	1,527,503,988	703,264,819
448	Recovered expenses	12,927,949	4,723,223
4482	Postage wages expenses	52,130,059	24,971,664
4485	Banking printings commissions	74,729,921	18,623,239
4491	Gold bars sales commission	1,036,000	-
	Total	140,823,930	48,318,126
	Total Revenues from banking operations	41,748,392,030	58,835,767,786

## Note No. (15) Revenues from Investments for the year ending on 31/December/2015

Accounting Index No.	Details	Current Year IQD	Previous Year IQD
462	Internal financial investments revenues		
4621	Treasury bills interests	4,155,250	-
463	External financial investments revenues		
4631	Credited external current accounts interests	28,428,168	6,037,741
	Total	32,583,418	6,037,741

## Note No. (16) Administrative Expenses for the Year Ending on 31/December/2015

Accounting Index No.	Details	Current Year /IQD	Previous Year /IQD
31	Salaries and wages		
311	Employees' Salaries		
3111	Salaries	3,069,297,794	2,297,105,038
3113	Overtime allowance	125,000,082	147,218,750
3114	Incentive bonuses	1,555,394,864	1,294,136,268
3115	Technical and Professional allowances	395,267,110	299,229,098
3116	Compensatory allowances	614,177,815	463,575,078
3119	Other allowances	427,545,340	334,437,652
	Total	6,186,683,006	4,835,701,884
312	Cash wages for workers		
3121	Other Wages	331,250	-
	Total cash wages for workers	331,250	-
315	Contribution in social security		
3151	Bank share in social security	343,319,965	196,955,883
	Total salaries and wages	6,530,334,220	5,032,657,767
32	Consumables Expenses		
322	Fuel and lubricants	213,519,342	162,634,500
323	Spare parts	85,883,319	63,134,807
325	Miscellaneous		
3251	Supplies and necessities	87,120,566	79,445,809
3252	Stationery	112,646,115	303,315,070
326	Workers supplies	95,990,060	1,506,500
327	Water and electricity		
3271	Water	2,097,000	1,363,740
3272	Electricity	52,874,480	63,378,312
	Total consumables expenses	650,130,882	674,778,738

## Note No. (16) Administrative Expenses for The Year Ending on 31/December/2015

Accounting Index No.	Details	Current Year (IQD)	Previous Year (IQD)
33	Services requirements		
331	Maintenance services		
3311	Maintenance of Computer and its accessories	163,376,020	109,357,066
3312	Maintenance of buildings	219,193,040	22,587,850
3313	Maintenance of machineries and equipment	90,600,195	60,842,006
3314	Maintenance of vehicles	22,525,733	8,914,992
	Total	495,694,988	201,701,914
332	Consultancy and research services	775,085,239	600,756,073
3321	Lectures expenses	1,700,000	22,162,500
	Total	776,785,239	622,918,573
333	Publicity, printing and hospitality		
3331	Publicity and advertisement	113,949,355	19,095,000
3333	Hospitality	141,639,458	63,000,465
3337	Petty expenses	356,100	-
	Total	255,944,913	82,095,465
334	Transport, delegation and communications		
3341	Workers Transportation	72,455,191	51,138,419
3342	Transportation of Commodities and goods	22,781,590	48,957,295
3343	Travel and delegation	262,108,026	174,713,382
3344	Public communications	58,502,599	75,774,511
3345	Money transfer wages	57,061,000	84,134,750
	Total	472,908,406	434,718,357
335	Renting of fixed assets		
3352	Building rents	653,241,506	762,264,745
	Total	653,241,506	762,264,745

336	Other services expenses		
3361	Subscriptions and membership	327,557,708	244,096,781
3362	Insurance premiums	15,048,325	-
3363	Bonuses for non-workers	255,725,745	62,725,661
3364	Taxes and fees paid to foreign parties	-	-
3368	Auditing Fees		
	Auditor Fees	61,767,550	63,872,250
	Central Bank of Iraq Auditing Allowances	19,050,000	36,100,000
3369	Other services expenses	852,651,840	126,185,881
	Total	1,531,800,898	532,980,573
	Total Services Requirements	4,186,375,949	2,636,679,627
	Total Administrative Expenses	11,366,841,051	8,344,116,132

### Note No. (17) Expenses from Banking Operations for the Year Ending on 31/December/2015

Accounting Index No.	Details	Current Year / IQD	Previous Year / IQD
342	Interest Paid		
3421	Interest paid on saving deposits	699,569,990	572,041,920
3422	Interest paid on fixed/term deposits	413,417,075	80,500,520
343	Paid banking commissions	4,183,163,541	14,026,808,699
344	Foreign currencies revaluation differences	-	-
3454	Credit facilities provision expense	1,496,977,716	-
	Total	6,793,128,322	14,634,351,139

**Note No. (18) Other Revenues for the Year Ending on 31/December / 2015**

Accounting Index No.	Details	Current Year / IQD	Previous Year / IQD
491	Revenues from previous years	1,606,810	78,523,305
492	Non- recurring revenues	424,646	2,088,780
493	Capital revenues	6,267,758	-
	Total	8,299,214	80,612,085

**Note No. (19) Transferrable Expenses for the Year Ending on 31/December/2015**

Accounting Index No.	Details	Current Year / IQD	Previous Year / IQD
384	Taxes and fees		
3832	Penalties	23,835,601	25,120,000
3846	Miscellaneous taxes and fees	496,275,605	515,879,891
	Total	520,111,206	540,999,891

**Note No. (20) Other Expenses for the Year Ending on 31/December/2015**

Accounting Index No.	Details	Current Year / IQD	Previous Year / IQD
391	Expenses from previous year	73,190,225	122,615,199
393	Capital losses	10,190,636	7,378,387
	Total	83,380,860	129,993,586

Corporate Governance Manual



### First: Compliance with Corporate Governance

The Bank's Board of Directors believes in the importance of corporate governance in establishing the basis for the Bank's development in the future and improving its performance, strengthening confidence in its activities with depositors and shareholders. Therefore, the Board of Directors decided to adopt a general framework for corporate governance, to be in line with the best international standards and practices, the Principles of Organization for Economic Cooperation and Development (OECD), the guidelines of the Basel Committee for banks monitoring, the instructions of CBI and the Banking law and Commercial law. The corporate governance charter was prepared and adopted by the Bank, to determine the Bank's values and strategic directions. The Bank publishes this charter in its annual report and its website.

### Second: Definition of Corporate Governance:

The Bank adopts the definition of Organization for Economic Cooperation and Development (OECD), which states that Corporate Governance is "a set of relations between a corporate's top management, its Board of Directors, its shareholders and the other stakeholders with an interest in the corporation, as well as it shows the composition within which it achieves the corporate objectives and the means for monitoring their achievement. Therefore, such sound corporate governance is which provides the Bank's Board of Directors and the executive management with appropriate foundations to reach the objectives that serve the corporate's interests, and facilitate reaching effective control process, and thus help corporates utilize their resources efficiently."

### Third: The Board of Directors' Responsibilities:

- The Bank's Board of Director shall bear responsibilities related to the Bank's management and the safety of its books in addition to complying

with the Central Bank of Iraq's requirements, and for taking care of the interests of shareholders, depositors, creditors, employees and other relevant authorities

- Ensuring that the Bank's managements acts reasonably and within the framework of the laws and instructions in force, in addition to the Bank's internal policies.
- The Bank's Board of Director is the entity authorized to approve the Banks' strategies and action plans, including approval on risk management policies and setting the necessary limits thereon.
- Members of the Bank's Board of Directors shall have adequate expertise needed to perform their tasks and duties identified by the Bank's Board of Directors. Necessary expertise is obtained in such cases that require specialized expertise.
- The Board of Directors shall elect the members of the Bank's executive management, within the specifications that ensure the performance of the functions entrusted to them. Moreover, the Board of Directors shall monitor such members' performance and replace them if the case may be, whilst ensuring complete succession plans are in place for key positions at the Bank.
- The Bank's Board of Director shall supervise and monitor the Bank's top management, by exercising its powers and inquiring about the Bank's financial positions, requesting reports in a timely manner from the upper management in a manner that ensures the Board's ability to judge the performance of the management and their level of compliance with board of directors approved strategies and policies.
- The Bank's Board of Director and top management shall follow clear policies in compliance with regulations and laws regarding the exercise of any operations outside Iraq.
- The Board shall approve an appropriate organizational structure, including an appropriate reporting structure and approval ladders and for different positions at the Bank., sound corporate governance framework, adequate internal control environment, advanced risk management systems and tools, and policies for monitoring compliance; anti-money laundering and code of ethics.
- The Bank's Board of Director consists of majority of (non-executive) members who shall not

hold any position at the Bank, and executive members, provided that the Board members shall include three independent members, at least.

- The Bank's Board members shall exercise their duties towards the Bank in a loyal manner and with adequate due diligence and shall ensure the existence of frameworks and policies assisting the Bank's management to comply with all legislations, regulations and laws. The Bank's Board members shall, avoid conflicts of interests or that appears as a conflict of interests, and undertake to provided such time and effort required to fulfilling their responsibilities towards the Bank.
- The Board of Directors shall evaluate the Managing Director annually.

#### **Fourth: Responsibilities of Chairman of the Board of Directors**

- Positions of the Chairman and Managing Director shall be segregated and as per documented roles and responsibilities, such segregations shall be reviewed whenever necessary and in accordance with Banking Laws and Commercial laws enforced in Iraq, provided that there is no affinity between them rather than third-degree relationship.
- The Chairman shall be of full-time, exercise all the functions and powers granted to him under the Banking Laws and Commercial laws enforced in Iraq, and shall exercise such powers and functions delegated to him by the Board.
- Supervising bank wide activities, and will be held responsible on behalf of the Board of Directors for the supervision and following up the progress of the Bank's activities, following up implementation of the policy set and approved by the Bank to achieve the Bank's objectives; follow-up and evaluating the Bank's overall performance in accordance with the strategies, plans, goals, policies and budgets approved by the Board of Directors.
- The Chairman shall ensure presence of high level and effective corporate governance, create and maintain a constructive relationship between the Bank management and the members of the Board of Directors, and contribute to the promotion of corporate culture in the

Board of Directors encouraging constructive criticism and alternative views on the topics and discussions, and making corrections on individual proposals. The Chairman shall also ensure that each member and shareholders obtain adequate information in a timely manner.

#### **Fifth: Practices and Work Mechanism of the Board of Directors**

- The Board of Directors meetings shall be held regularly, in according with the requirements of the Companies Act and the Central Bank of Iraq, with a minimum of six meetings a year. Main topics shall be included in the agenda of each meeting to ensure that it covers all subjects, as well as names of members who attended the meeting and disclosure of the same.
- The Bank shall provide sufficient information to the Board members before the meetings to enable them to reach sound decisions. An official assignment statement for each member shall be issued, such statement shall describe the member's rights, duties and responsibilities, and limits for banking transactions which require the approval of the Board shall be determined in writing (including loans that exceed a certain limit or transactions with the Bank related parties), and the same shall be disclosed .

#### **Sixth: Role of Secretary of the Board of Directors**

- Arranging meetings of the Board of Directors and its committees, recording minutes of the meetings, ensuring implementation of the decisions of the Board of Directors, ensuring conveying of information among the Board members; committees and executive management, and maintaining a permanent written record of the Board's discussions and the results of voting members. Decisions of appointment or removal of the Board's Secretary shall be taken by the Board of Directors.

## Seventh: The Board Committees

- The Board of Directors is the solely responsible for managing the Bank's activities and affairs. For increasing the Board effectiveness, committees for assisting the Board in performing tasks and duties transparently shall be established. The committees shall report to the Board of Directors. Functions, duties, powers and responsibilities of these committees and their term shall be determined in writing by the Board of Directors in accordance with the relevant laws.
- Members of the Board Committees shall be officially and transparently appointed, the committee members names and a summary of their responsibilities and duties shall be described in the annual report of the Bank. Each Board of Directors committee shall have the right to directly contact the executive management of the Bank through the Chairman of the Board and the delegated director.
- The Bank's Board of Directors consists of (five) main committees: "Audit Committee", "Strategies and Corporate Governance Committee", "Nomination and Remuneration Committee", "Credit and Investment Committee", and "Risk Management and Compliance Committee". Each committee has a written charter periodically revised and updated. Other competent committees shall be established by the Board of Directors members, if necessary, aiming at dealing with specific data in a timely manner. Several committees may be merged together, if appropriate:

### (1) Audit Committee

- Audit Committee shall consist of a minimum of three members, provided that most of them shall be of the non-executive members. The committee members must have scientific and practical experience in accounting and financial management. The committee shall operate under the supervision of the Board of Directors, and shall submit its reports and recommendations of results of its activities to the Board of Directors.
- The Audit Committee shall meet on a regular basis, with a minimum of four times a year and once every three months, or as the case may

be,, and the meetings minutes shall be duly prepared.

- The Audit Committee shall perform such audit functions and duties stipulated in the laws, regulations and instructions of the supervisory authorities, as well as the best practices and guidelines of Basel Committee. The Audit Committee shall have the following main functions:
  - Overseeing external and internal auditors and monitoring the level of comprehensiveness of their scope of work and duties, ensuring coordination among external auditors, conducting periodic review over audit scope, internal controls, and approving their work plan.
  - Reviewing the observations provided in CBI reports, the external and internal auditor; following-up such procedures taken thereon, identifying weaknesses in controls and procedures and lack of compliance with the laws, regulations and legislation; and ensuring that the Bank's upper management takes such necessary measures to address them.
  - Reviewing the financial statements before submission to the Board of Directors to verify their compliance with the applicable accounting principles, legislations of the Iraqi Central Bank and laws, and the adequacy of provisions set by the Bank's management.
  - Reviewing financial reports before submission to the Board of Directors and making recommendations thereon, including reports on any changes in the accounting policies or any change in the Bank's accounts due to the audit or suggestions of the auditor, and ensuring the accuracy of accounting and control procedures, their integrity and compliance therewith. Providing recommendations to the Board of Directors regarding nomination / appointment / termination services / remuneration of the external auditor and to be elected by the general assembly, and ensuring that they meet the terms of the supervisory authorities and ensuring his being independent.
  - Providing the necessary independence to the internal audit and control department in order to perform its tasks, and approving nomination of a head for the Bank's internal audit and control department or dispensing his services.

- Ensuring adequacy and efficiency of internal audit and control procedures taken at the Bank through reviewing the external auditor's report, internal audit reports or any other reports submitted to the Audit Committee.
- Ensuring adequacy of the internal control system, as well as its efficiency to ensure the absence of any conflict of interest may result from the Bank's contracting, dealings or involving into projects with the relevant parties, and ensuring that the audit plan covers these aspects.
- Reviewing cases related to amortizing loans and providing opinions on that, in addition to providing recommendations to the Board of Directors.

## **(2) Strategy & Corporate Governance Committee**

Strategies and Corporate Governance Committee consists of at least four members; where the majority thereof shall not be constituted from the Bank's executive management according to the Central Bank's requirements (in addition, the members of this Committee must not be members of the Audit Committee).

- Chairman of the Committee shall be elected by the Board of Directors of the Bank. The Committee continues to carry out its work for the duration of the mandate of the council.
- This Committee meets four times during the year and actually once every three months or whenever need arises.
- The Board of the Bank shall periodically evaluate the effectiveness of its exercise of corporate governance processes, in order to identify weaknesses and to make the necessary adjustments as needed. The Board of Directors shall support its members through participation in training programs in specialized fields related to the Board' activities.
- The Committee shall have the following main tasks:
  - Review the general framework of the Bank's Corporate Governance.
  - Review and assess the size and the structure of the Board and its committees.
  - Review and analyze transactions related to related parties to the members of the Board of

Directors and Executive management of the Bank, which may lead to a conflict of interest.

- Review and recommend to the Board of Directors succession plans for the executive management members.
- Assist the Board of Directors in evaluating the performance of the committees emanating from it with regard to the supervision and revision entrusted to them by the Board.
- Assist the Board of Directors to build a clear strategies and objectives, including the existence of sound budgets and business plans in line with the overall economic and financial situation in Iraq.
- Review the overall organizational structure of the bank as well as the detailed structure of the departments and make sure it is in line with the leading practices and Central Bank of Iraq regulations in this field.
- Guide the process of preparing, updating, and implementing the charter and updating it periodically.

## **(3) Nomination & Remuneration Committee**

- Nominating and Remuneration Committee of the Board of Directors is composed of at least three members whereby the head of the Committee should be a member of the Board of Directors whereby the members of this committee should not be part of the Audit Committee.
- The Head of the Committee shall be elected by the Board of Directors of the Bank. The Committee continues to carry out their work for the duration of the mandate of the Council.
- This Committee will meet four times during the year, i.e. once every three months or whenever the need arises.
- The Board of Directors shall, through the Nomination & Remuneration Committee, assess the Board performance once at least a year, in addition to the assessment of member's participation during the Board's discussions. The Committee shall adopt specific and approved mechanism in evaluating the effectiveness of the Board, so as the performance evaluation criteria be objective, in addition to validity and accuracy of the Bank's financial statements and the extent of compliance with regulatory requirements.

### The Committee shall have the following main tasks

- Developing and recommending the Bank's internal policy with regards to staff remunerations, compensations and benefits to the Board of Directors.
- Ensure comprehensive disclosure by the Bank regarding the process of remunerations and compensations granted for all Bank staff including senior management.
- Establishing technical requirements including experiences and qualifications for members of the senior management of the Bank in line with the requirements of the Central Bank of Iraq in this regard.
- Assess the qualifications and experience of the members of the senior management of the Bank and ensure that they are in line with the Bank's internal policy and the requirements of the Central Bank of Iraq.
- Review the Bank's salary policies to ensure they are compatible with the Bank's values, objectives and its long-term strategy considering the control environment where the Bank operates.

### (4) Credit & Investment Committee

- The Credit and Investment Committee consists of minimum four members where the majority of the Committee should be members of the non-executive management. In addition, the head of the Committee should be a member of the Board of Directors, and the members of the Committee shall not be members of the Audit Committee.
- The head of the Committee shall be elected by the Board of Directors of the Bank, and the Committee shall continue to carry out its work for the duration of the mandate of the Council.
- The Committee shall meet at least once monthly, and whenever necessary. The Committee shall consider all matters relating to credit and investment.
- Credit and Investment Committee shall be deemed highest position at the Bank with regard to credit and investment authorities. The Committee's authorities are related to amounts that exceed the delegated limit set to the Management Credit committee, which fall

under its power. Its recommendations shall be submitted to the Board of Directors to take the appropriate decision thereon.

- The Committee shall have the following main tasks:
  - Monitoring and review over the credit granting process at the Bank, including credit decisions reached by the Management Credit Committee, and ensuring its compatibility with the Board of Directors approved credit policy and other maximum exposure per obligor limits set in CBI regulations.
  - Supervising and revising the credit risk management process in the bank, including a review of credit policy at least once annually and recommend to the Board of Directors of the Bank any amendments that may take place.
  - Advising the Board of Directors on credit decisions taken by the Management Credit Committee and/or credit decisions/cases directly forwarded to it in respect of volume of credit granted, guarantees provided by the borrower, the interest rates (and in line with the pricing schedule adopted by the bank), and any other matters related to the resolution of credit decision.
  - Review and evaluate the quality of credit portfolio of the bank, including the credit rating process and provisions allocated versus non-performing loans. Moreover, the Committee has to recommend to the Board of Directors the adequacy of these provisions that should be in line with the requirements of the Central Bank of Iraq.
  - Review the Bank's investment policy at least on a yearly basis, and forward these recommendations to the Board of Directors for their approval
  - Reviewing any requests for scheduling and extension of granted credit in addition to advising the BOD regarding the write-off of debts and increase in provisions on non-performing loans and provisions related to investment portfolio.

## (5) Risk Management and Compliance Committee

- Risk Management and Compliance Committee shall consist of at least five members, where the head of the committee must be a member of the Board of Directors, one of its members should be the head of risk management department at the Bank, in addition to the fact that members of this committee must not be members of the Audit Committee.
- The head of the Committee shall be elected by the Board of Directors of the Bank, and the Committee shall continue to carry out its work for the duration of the mandate of the Council.
- This Committee meets four times during the year and actually once every three months or whenever need arises.
- The Committee shall have the following main tasks:

### Risk Management

- Supervise and review the risk management process at the Bank including identifying, measuring, and monitoring the various risk the Bank is exposed to. Also, the committee should assess the impact of these risks on the Bank's financial position and reputation.
- Review the Bank's Risk Management policy and ensure that adequate controls are embedded covering the Bank wide processes; and advising the Board of Directors to approve the policy.
- Review the Bank's acceptable risk limits and appetite in relation to credit, investment and liquidity risk exposure and advising the Board of Directors to approve these limits.
- Review the Bank's risk universe and controls matrix developed by the Bank's risk management department while reviewing the Bank's internal control environment to ensure it covers the Bank wide activities and operations.

### Compliance

- Review and monitor the Bank's internal procedure and process related to compliance with Central Bank of Iraq regulations and anti-money laundering requirements. Review the Bank's Compliance Policy and Anti-

- Money Laundering & Counter Terrorism policy including account opening procedures to ensure adequate controls are embedded, and advising the Board of Directors to approve these policies.

## **Eighth: Internal Audit & Control Framework**

The Bank's internal control framework was established as stipulated by Central Bank of Iraq requirements in addition to leading banking practices.

- The internal control environment and framework shall be reviewed at least once a year, by the Internal Audit and Control Department and external auditor, according to the requirements of Central Bank of Iraq. The Bank will disclose a detailed report in its Annual report related to the adequacy of internal controls. Board of Directors shall adopt a general framework for supervision and internal control, as this shall enable the Board of Directors to follow up tasks and take the necessary measures. The Bank's internal control system shall cover annual budgets developed and approved by the management and a monthly analysis of the actual performance compared to the forecast and financial reports which are submitted to the Board of Directors members at each regular meeting, submitting the financial reports and business reports to shareholders annually, as well as evaluating the efficiency and competency of Bank's employees as part of the annual staff performance, , and document policies related to information systems, and develop procedures manuals covering the Bank's wide operations and functions.

## **Ninth: Code of Conduct**

The Bank adopted a Code of Conduct/Ethics) that has been circulated to all employees and the Board members. The Bank's employees shall sign a written acknowledgment at the beginning of each fiscal year that he/she employee examined the Code and any amendments thereto, and his agreement to its contents.

### **Tenth: Related Parties Transactions (the Board of Directors members, Employees, Shareholders, Related parties)**

- The Bank's policies approved by the Board of Directors shall comply with the applicable laws and regulations issued by the Central Bank of Iraq, including:
- Loans and facilities granted to members of the Board of Directors, top management and staff, which shall be subject to Central Bank of Iraq approval and criteria.
- Loans and facilities obtained by the Chairman of the Board of Directors or any member of the Board shall comply with the Bank's lending policy, and should be granted in favor of the Bank's interest.
- Lending the Bank's staff of all levels shall meet the regulations and instructions of the Bank's internal policies.
- Other banking transactions rather than related parties lending, should be processed based on the Bank's approved policy, taking into consideration the Bank's interests mostly.
- Periodic reviews over related party transactions shall be conducted by the internal and external auditors to ensure compliance with laws, regulations and the Bank's internal policies.
- VIP clients related transactions should be conducted in accordance with the credit policy approved by the Board of Directors, and financial statements related to these customers shall be subject to a detailed analysis by qualified staff.

### **Eleventh: Hotline/Whistle Blowing**

Internal arrangements were established, and on which basis the staff confidentially report any doubts about any possible violations enabling the verification of such doubts and following them up independently, through direct communication line Hotline/Whistle Blowing managed by Head of Internal Audit and Control Department, and such arrangements shall be overseen and monitored by the Audit Committee, as well as coordination with the managing director and the Bank's top management.

### **Twelfth: Internal Audit Department**

- The Bank realizes that the existence of Internal Audit Department has an effective role in contributing to enhancing the internal control and risk management framework concerning the Bank's activities, as Internal Audit Department shall seek providing the management and Audit Committee with confirmation on the implementation and compliance with internal policies and procedures and the extent of their effectiveness.
- Internal Audit Department reports functionally to the Audit Committee arising out from the Board of Directors to enhance its independence, and it, administratively reports to the Managing Director.
- Internal Audit Department shall perform its tasks in accordance with the Audit charter approved by the Audit Committee, which duties, responsibilities and powers shall be identified in accordance with the international standards.
- Internal Audit Department shall prepare the annual audit plan for the Bank departments and branches, so that the plan shall rely in identifying the audit priorities on the levels of risk exposure (Risk-based plan), and shall cover the Bank wide functions and departments where a detailed human resource plan and estimated budgets should be established in line with the approved audit plan.
- To ensure that the staff of this section is objective, they shall not be assigned executive tasks, and any prospective conflicts of interest shall be reported to the Audit Committee.
- Internal Audit Department reports shall be discussed with relevant departments and branches the department shall prepare reports without intervention or influence from other parties.
- Internal Audit Department shall coordinate with the external auditor when examining the adequacy of the Bank's internal control system.

### **Thirteenth: Risk Management Department**

- The Bank's Risk Management Department shall report to the Risk Management and Compliance Committee.

As for the day to day reporting, this should be done to the Managing Director. The Department will be responsible mainly for the following:

- Analysis and review of the Bank's credit exposure including but not limited to (credit, market, liquidity, operational risk), developing risk measurement tools , adequate control and monitoring over the risk exposures, advising the Bank's Executive management on the risk management framework and structure at the Bank.
- Reviewing detailed reports related to the Bank's risk exposure in addition to reviewing concentration limits related to credit and investments activities to ensure it's in line with the Bank's overall risk appetite and limit structure.
- Responsible for coordinating with other departments to provide the necessary information to risk management department and periodically review and study of the risk exposure related to the Bank's activities and operations, establishing appropriate recommendations and following up on the implementation of these recommendations by related departments.

#### **Fourteenth: Compliance Department**

- Compliance Department shall develop detailed mechanisms necessary to ensure compliance with laws and regulations governing the Bank's activities inside and outside Iraq in the countries where the Bank exists through its branches or subsidiaries or representative offices.
- Compliance Department shall submit its reports on the results of departments/branches compliance with local policies and CBI requirements to the Board Risk Management and Compliance Committee, while copying the Managing Director. As for day to day administrative reporting, the department shall be associated with the Managing Director.
- The Board shall approve and monitor the Bank's Compliance Policy. However, policy development and implementation at the Bank shall fall under the responsibility of the Compliance Department.
- As for the Bank's Anti-Money Laundering procedures and framework, the Compliance Depart-

ment works as a liaison with the Central Bank of Iraq and the Anti-Money Laundering Department at the Bank. Moreover, it shall develop the necessary policies and procedures, and set policies related to KYC (Know your Customer) and banking transactions monitoring, investigate suspicious transactions, and submit the necessary reports to the Bank's Anti-money Laundering Department.

#### **Fifteenth: External Audit**

- According to applicable laws and regulations, Audit Committee shall nominate an external auditor to the Board of Directors to be elected by the Bank's General assembly after making sure that the selected external auditor meets the requirements of the supervisory authorities (the Central Bank of Iraq, the Registrar of Companies)
- The external auditor's report shall be reviewed by the Audit Committee, which shall ensure that the management follows the corrective necessary measures. The external auditor shall perform his duties in accordance with the Banking Law and Companies Law, shall review and monitor the adequacy of internal audit and internal control procedures, and shall submit his recommendations and meet with the Audit Committee without the presence of the Executive Management at least once annually.

#### **Sixteenth: Shareholders' Fair Treatment & Rights**

- The Bank shareholders consist of a group of ordinary individuals. The law ensures to all shareholders the right to vote in person or by proxy at the General Assembly meetings, and the right to discuss the topics on the agenda of the General Assembly on the basis of full equality. Furthermore, the shareholders may propose any suggestions related to the ordinary General Assembly Agenda, provided that such proposal shall be subject to the approval by shareholders representing at least 10% of the registered shares at the meeting.
- The Bank shall follow effective steps to encourage the shareholders to participate in the General Assembly meeting, where all shareholders shall receive a copy of the Bank's

Annual Report, and shall be invited to General Assembly meeting.

In addition, the shareholders shall receive the information and advertising materials sent to shareholders in general to their postal addresses. Each shareholder shall have the right to access the register of shareholders in accordance with the applicable policies. As for the distribution of profits, they shall be fairly distributed among shareholders and in proportion to the number of shares held by each shareholder.

- The Board of Directors members and Head of Board Committees' shall attend the General Assembly meeting and answer all questions and inquiries raised by the shareholders. Representatives of the Bank's External Auditor must attend the General Assembly meeting to answer any question about the results of their audit report. External auditors shall be appointed by secret ballot at the General assembly meeting.
- The Board of Directors members shall present themselves for election or re-election by secret ballot at the General Assembly meeting.

### Seventeenth: Transparency & Disclosure

- The Bank's Board of Directors believes that transparency is an essential element for effective corporate governance, that appropriate disclosure enhances corporate governance and improves the ability of supervisors in monitoring the Bank's activities. The Bank shall comply with all disclosure requirements set under the banking law and other instructions of the Central Bank of Iraq.
- The Bank shall keep pace with the international practices (accounting standards and financial reporting on disclosure of financial

statements) in the area of financial reporting, disclosure and and transparency. The Bank's top management shall report such disclosure to the Board of Directors and make such recommendations to improve the Bank's disclosure practices.

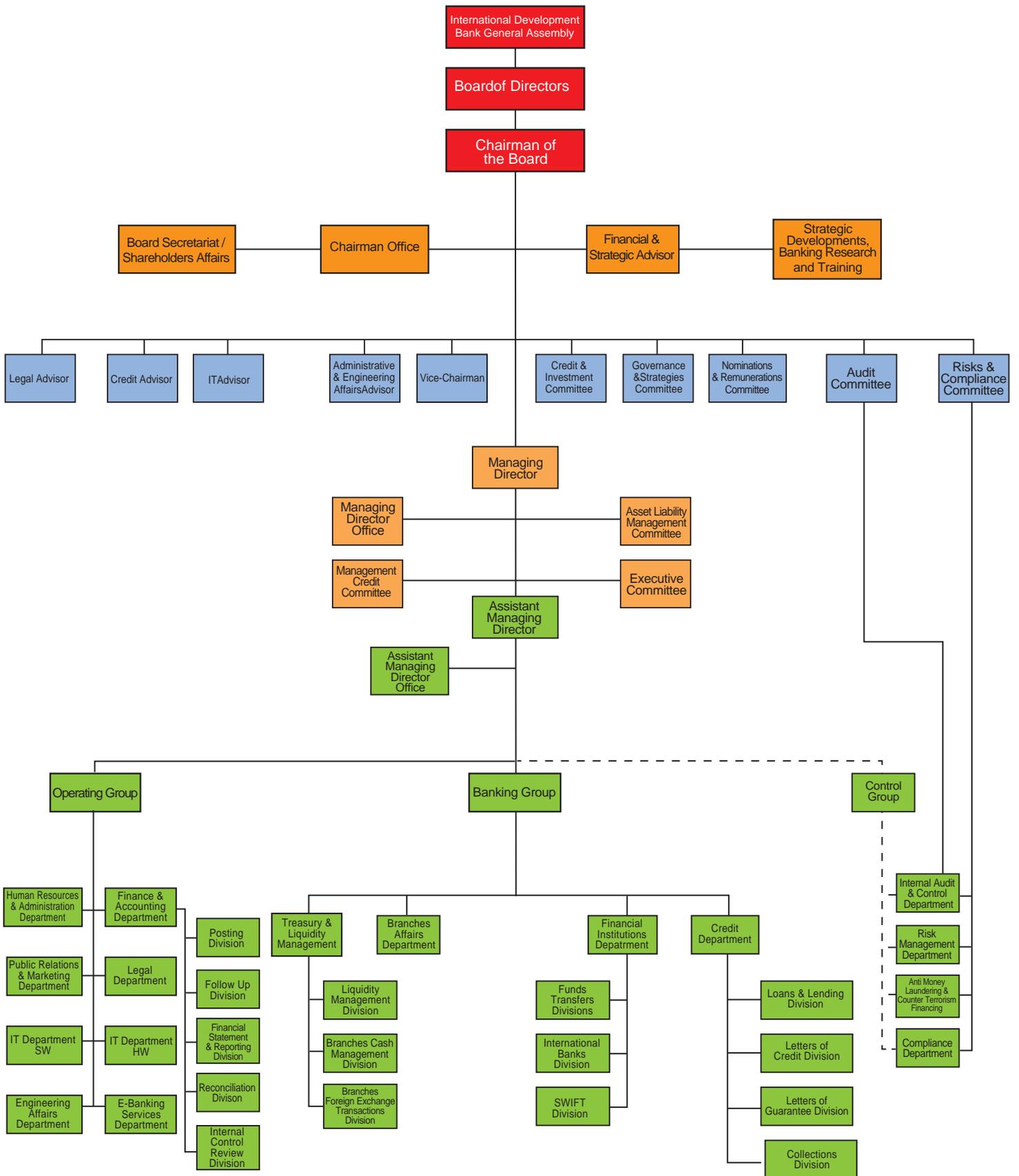
- The Bank understands its obligation in providing proper information about its activities to the shareholders, depositors, its counterparts in the banking sector and regulator. Such information shall be disclosed and provided to all relevant parties in accordance with applicable laws.
- The Bank shall publish the Bank's memorandum and articles of association on the Bank's website. In addition, and as per applicable laws in Iraq, any amendments to the articles of association an invitation to an extraordinary general assembly meeting shall be conducted, and the Bank's Board of Directors shall provide the Registrar of Companies with the report concerning the election of the Board of Directors and any change in the composition or identity its members. Such information shall be in line with companies' law and the instructions of the Central Bank of Iraq.
- The Board of Directors shall be responsible for the Bank's data and the contents of the Annual Report in terms of their accuracy and integrity. The Bank will maintain appropriate channels of communication with the shareholders, investors, counterparts in the banking sector and general public through the Shareholders' Function at the Bank that must provide them with comprehensive, objective and updated information about the Bank, its financial position, performance and activities, as well as the annual report and quarterly reports that provide financial information on the Bank's financial position during the year.



Bank's Organizational Structure & Executive



# Bank's Organizational Structure & Executive in 23/2/2016



## Executive Management:

	Full Name	Position Title
1.	Fouad Mohammed Ridha Al-Jawaheri	Managing Director
2.	Ahmed Najm Abed	Assistant Managing Director
3.	Dhargham Abdulsahib Mohammed	Information Technology Advisor
4.	Abdulrazzaq Abdulwahab Ali Al-Rubayee	Administrative and Engineering Affairs Advisor
5.	Fawziya Mohammed Ismail Al-Hashimi	Credit Granting Advisor
6.	Bushra Mohammed Jawad Haidar	Main Branch Manager
7.	Bashar Ali Mahdi Al-Awadi	Head of Financial Management and Accounting Department
8.	Nazar Nihad Jawad	Head of Internal Audit & Control Department
9.	Abdulwahab Abdulrazzaq Ashour	Head of Human Resources Department
10.	Ayad Fadhil Olaiwi	Head of Legal Department
11.	Abdulameer Roomi Abdulhasan	Head of Middle and Southern Branches Department
12.	Adnan Abdulrahman Ghareeb	Head of Baghdad and Northern Branches Department
13.	Alaa Taha Al-Qasimi	Head of Public Relations and Marketing Department
14.	Majid Mohsen Majeed Al-Qaragholi	Head of Financial Institutions Department
15.	Raghad Kadhim Shadood Al-Taie	Head of Credit Department
16.	Laith Muneer Fadhil	Head of I.T. (H.W) Department
17.	Haidar Fadhil Hussein	Head of I.T (S.W) Department
18.	Maan Abdulsattar Ghafori	Head of Electronic Banking Department
19.	Wasan Ayoudi Mahdi	Head of Compliance Department
20.	Hayder Hasan Hayder	Head of Anti Money Laundering Department
21.	Firas Yass Khudhair	Head of Treasury and Liquidity Management Department
22.	Ridha Mousa Kadhim	Head of SWIFT Department



### Financial Management & Accounting Department:

Financial Management and Accounting Department at the International Development Bank for Trade & Finance shall implement best practices in the field of financial management and accounting which will assist the Bank to achieve its strategic goals and objectives and in line with its vision and mission. It is noteworthy to mention here that this function continued to prepare financial statements as per international accounting standards in addition to the Unified Iraqi Accounting Standard and as per Central Bank of Iraq requirements; this in return has promoted values of transparency and disclosure.

Financial Management and Accounting Department plays an important role in the preparation of the discretionary budget plan and in monitoring its implementation and performance, and providing the other departments with data, information and financial statistics to conduct their activities, in addition providing periodic reports to the Central Bank of Iraq, External Auditors, governing bodies related to income tax and social security and the other relevant authorities.

### Internal Audit and Control Department:

IDB Iraq has been working on creating an internal audit and control department, which shall conduct its audit objectively, efficiently and independently and act as a main pillar to sound management and oversight practices.

Internal Audit and Control Department shall practice its functions with high standards of professionalism, through the adoption of well-studied methodology in accordance with the applicable auditing standards, whether locally and internationally, to improve the efficiency of the management and to help achieve the Bank's objectives and strategic plans.

This function shall work as an overseeing body to monitor the Bank's branches and divisions and the Executive Management to ensure their compliance with applicable rules and regulations, also and compliance with the laws governing the Bank's activities, which reduces and controls the Bank's risk exposure.

### Anti-Money Laundering and Combating of Terrorist Financing Department

Anti-Money Laundering Department of IDB Iraq is an integral function which ensures and safeguards the banks against any AML and Terrorist Financing transactions and associated risks. More importantly this function ensures the bank operates and inculcates the highest standards as stipulated by International Regulators across the Globe.

The Anti-Money Laundering Department periodically conduct training sessions covering AML, Terrorist Financing and FATCA to the Bank wide employees, in addition the implementation comprehensive and detailed investigation and monitoring system that allow the Bank to fully know its customers and perform required due diligence on them.

In adherence to the Central Bank of Iraq's requirements with regards to combating money laundering and terrorism financing, the Bank, have established a Sub-AML division for combating Money Laundering at every branch of the bank, wherever it operates that will in return boost and empower the scope of work of this function in order to assist the Bank in identifying any potential suspicious transactions that may be conducted through the Bank's branch network.

The Bank has invested heavily in acquiring sophisticated AML solutions and tools for monitoring and detecting suspicious transactions involving risks of money laundering, terrorism financing and financial crimes.

For enhancing the culture of compliance, the Bank conducts Training Programs for all employees to ensure they are fully aware of the latest updates on the topics of Compliance Monitoring, Anti-Money Laundering, Terrorism Financing, the Foreign Account Tax Compliance Act (FATCA) and doing whatsoever necessary enabling them to properly apply the rules of Know Your Customer (KYC), procedures of Due Diligence, as per the Central Bank of Iraq requirements which were recently issued, and under the Anti-Money Laundering Act and Terrorist Financing No. (39) for the year 2015.

## Compliance Department

In 2015, the Bank continued to implement and adhere to applicable laws and regulations stipulated by the regulator and international bodies with regards to monitoring compliance, Anti-Money Laundering and Terrorism Financing. Also in 2015, the Bank has enforced all branches to update customers' account opening forms in accordance with KYC procedures and the Foreign Account Tax Compliance Act (FATCA).

The Bank understands that the importance of the role of a Compliance function which monitors all business functions and ensures being an independent function appointed after obtaining the approval of the Central Bank of Iraq, and which shall ensure that the Bank is adhering to applicable laws, regulations, Basel Committee directives, Companies Act and Anti-Money Laundering laws.

The Compliance Department has submitted during the year 2015 four quarterly reports to the Central Bank of Iraq covering the Bank's wide operations and branches and the extent of its compliance with applicable laws and regulations.

In addition, Compliance Department have conducted periodic reviews over procedures and controls embedded in the Bank wide departments and functions to ensure its in line with the Bank's internal policies and Central Bank of Iraq requirements. Further, the Department reports on monthly basis any violations to internal policies along with detailed recommendations to the Bank's Executive Management and Board of Directors

## Credit Department

Credit Departments is responsible for managing and controlling the Bank's credit portfolio for all types of loans, provided that the loans be objective. In addition the Department is responsible for granting the banking including overdraft, corporate loans and bank guarantee, while ensuring that adequate guarantees for each type of credit is provided.

The Bank grants the credit facilities after obtaining appropriate guarantees which includes:

- Highly liquid guarantees as mortgaging gold, jewelry, government bonds, stocks , and saving and term deposits.
- Real estate provided that it shall not be a residence, in addition to machinery, plant, and equipment.

## Financial Institutions Department

This Department acts as the back – office function at the Bank in relation to transfers, trade finance and Western Union transactions and in coordination with the Treasury & Liquidity Management Department.

Furthermore, the Department is responsible for issuing international guarantees, inward and outward transfers remittances, and reconciliation of accounts with correspondent banks.

In addition, the Department also communicates the internal documentary credits received from the Trade Bank of Iraq to companies operating in Iraq.

## Branches Affairs Department

Branches Affairs Department is responsible for managing and handling operations at IDB's branches network where it addresses various issues facing these branches

Further, the Department is responsible for looking over liquidity and transfer of funds between the branches, periodically visiting and conducting reviews over branches operations with periodic meetings with the Top Management, and providing recommendations on operational activities with emphasis on marketing and promoting of all products and services.

## Information Technology Department

Information Technology Department shall consist of three sections that play an important and key role in relation to the Bank's activities and in line with innovations and developments in the field of banking technology and information systems, these sections shall include:

- Hardware.
- Software.
- E-services Section.

## Engineering Department

The importance of the Engineering Department at the Bank is coined in its supervision and performance of a set of important projects for the Bank, including establishing new buildings for the Bank branches in Basra, Najaf, Karbala and Baghdad (Al-Rubaie Street), Baghdad (AlGamiela commercial area) in addition to the requalification of another set of branches in Al-Mansour, Alkoat, Al-Imaraa, Alholla, Diwaniyah, Nasiriyah.

The Department will also be responsible for looking over construction work related to the Bank's new Head Office in Abu Nawas which will commence during the year 2016 and is expected to be completed at the end of 2017.

**Public Relations and Marketing Department:**  
The Public Relations and Marketing Department at IDB plays an active and strategic role in relation to the Bank's activities and products, this includes but not limited to continuous follow up and field visits to governmental entities, universities and large corporates in an attempt to introduce the Bank's products and services portfolio, in addition to attending specialized conferences and seminars, and attending exhibitions.

The Department is also responsible for hosting and taking care of delegations visiting the Bank

premises in Iraq ,preparing brochures, posters and advertising material covering the Banks products and services.

## Human Resources and Administration Department

Human Resources and Administration Department is mainly responsible for determining the Bank needs, of labor, quantitatively and qualitatively, so as to ensure achieving the corporate objectives. The scope of activity shall be as follows:

- Assessing the Bank needs of labor.
- Identifying sources to obtain the necessary labor.
- Labor selection and making the necessary tests and interviews to select such competencies suitable for the Bank's needs.
- Developing staff skills through training courses.
- Follow-up on support services and, and supervise security personnel.
- Supervising maintenance over the Bank's facilities.

In addition, this Department shall be responsible for managing the bank's human resources to ensure their compliance with the internal policies the applicable labor law in Iraq.



Branches Network & Addresses



Basrah Branch

#	CITY	BRANCH NAME	ADDRESS	PHONE	BRANCH MANAGER
1.	Baghdad	Main Branch	Arassat Al-Hindiya	07704621833	Bushra Mohammed Jawad
2.	Baghdad	Shorjah Branch	Samaw'al Street	07730028030	Alaa Abdel Hadi Alwan
3.	Baghdad	Shaikh Omer Branch	Sheikh Omer Street	07730027010	Zaid Abed Rahman
4.	Baghdad	Mansoor Branch	14, Ramadhan St.	07730500330	Suhair Sachit Mohseen
5.	Baghdad	Rubayee Branch	Zayoona Rubayee St.	07730008343	Jabbar Jasim Mohammed
6.	Sulymaniyah	Sulaymaniyah	Salim Street	07730028050	Mohammed Ameen Abdullah
7.	Erbil	Erbil Branch	Street no. 100	07730027050	Kamal Ghareeb Arif
8.	Basrah	Basrah Branch	Alabbasiyah	07730027020	Mahdi Ridha Mahdi
9.	Karbala	Karbala Branch	Hay Al-Hussain	07730028040	Hussain Jassim Obaid
10.	Najaf	Najaf Branch	Hay Al-Ghadeer	07730027030	Meena Mohammed Abdul Amir
11.	Kut	Kut Branch	Kafa'at Street	07730028010	Dhargham Jabbar Ismael



Correspondent Banks Network



## Correspondent Banking Network

SWIFT CODE	ADRESS	NAME OF BANK
COBADEFE	FRANKFURT/GERMANY	COMMERZ BANK
UNCRITMM	ROME / ITALY	UNICREDIT BANK
HYVEDEMM	FRANKFURT/GERMANY	
AREBESMM	MADRID / SPAIN	ARES BANK S.A
MHCBJPJT	TOKOYO / JAPAN	MIZUHO BANK
UBAFFRPP	PARIS / FRANCE	UBAF
AKBKTRIS	ISTANBUL / TURKY	AKBANK T.A.S
ABDIAEAD	ABU DHABI / UAE	ABU DHABI ISLMIC BANK
ADCBAEAA	ABU DHABI / UAE	ABU DHABI COMMERCIAL BANK
FGBMAEAA	ABU DHABI / UAE	FIRST GULF BANK
KREDBEBB	BRUSSELS / BELGUIM	KBC BANK
UBSIJOAX	AMMAN / JORDAN	BANK AL-ETIHAD
UBAIITRR	ROME / ITALY	BANCA UBAE
EFBKJOAM	AMMAN / JORDAN	CAPITAL BANK
ABKKKWKW	KUWAIT/ KUWAIT	ALAHLI BANK OF KUWAIT
BMUSOMR	MUSCAT / OMAN	BANK MUSCAT
FSABLBBX	BEIRUT / LEBANON	FRANSA BANK
ALUBBHBM	MANAMA / BAHRAIN	AI UBAF ARAB INTERNATIONAL BANK
NISLAEAD	DUBAI / UAE	NOOR ISLAMIC BANK BJSC
TRHBTRSA	ANKARA / TURKEY	HALK BANK
KTEFTRIS	ISTANBUL / TURKEY	KUVEYT TURK BANK
CAYTTRIS	ISTANBUL / TURKEY	AKTIF INVESTMENT BANK A.S.
CLIBLBBX	BEIRUT / LEBANON	CREDIT LIBANAIS S.A.L
CLIBBHBB	BEIRUT / LEBANON / BAHRAIN	
HBHOJOAX	AMMAN / JORDAN	THE HOUSING BANK FOR TRADE AND FINANCE
ABIBBHBM	MANAMA / BAHRAIN	ALBARAKA ISLAMIC BANK
BTFHTRIS	ISTANBUL / TURKEY	ALBARAKA BANK KATILIM BANKASI A.
BAMOKBBE	BEIRUT / LEBANON	MEA BANK
CBABLBBE	BEIRUT / LEBANON	CREDIT BANK
ARAIAEAD	DUBAI / UAE	ARAB AFICAN INTERNATIONAL BANK

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