

<b>Policy Title:</b>	Anti-Bribery and Corruption Policy
<b>Approved by:</b>	Board Compliance and Risk Committee

## SECTION 1 - INTRODUCTION

### Purpose

The main objective of establishing this policy is to know, identify and report bribery and corruption incidents through Whistle Blowing Hotline or email or in person. ALRAYAN BANK and its subsidiaries are committed to conducting business transparently, honestly and with integrity. Therefore, it is important that the ALRAYAN BANK complies with and conducts its business in accordance with anti-bribery and anti-corruption policy. This policy should be read in conjunction with the ALRAYAN BANK's Whistleblowing Policy, Group Conflicts of Interest Management Policy, and Code of Conduct and Ethics. The purpose of this policy is to:

- Set out ALRAYAN BANK's responsibilities, and the responsibilities of those working for or with the ALRAYAN BANK in observing and upholding the Bank's position, on bribery and corruption.
- Ensure that ALRAYAN BANK has adequate procedures in place to prevent and detect bribery and corruption.
- Provide information and guidance to those working for or with ALRAYAN BANK on how to recognize and deal with potential bribery and corruption issues; and
- Protect ALRAYAN BANK against the possible penalties and repercussions resulting from acts of bribery and corruption or being associated with such behaviour
- Encourage reporting of suspicions through the appropriate communication channels to protect Bank's image and reputation.

### SCOPE

This policy applies to all persons working for ALRAYAN BANK directly or indirectly, or on their behalf, in any capacity, including employees at all levels (full and part time) and temporary workers (such as consultants or contractors), vendors no matter where they are located or what they do, including others acting on behalf of ALRAYAN BANK. agency workers, contractors, external consultants, third party representatives and business partners, are required to abide by this policy

Accordingly, where ALRAYAN BANK engage third parties such as agents, distributors, sub-contractors, supplier, evaluators, or joint venture partners, it has the obligations to complete sufficient due diligence when entering into arrangements to ensure that they are not acting corruptly, and to periodically monitor their performance to ensure on-going compliance.

Failure to ensure compliance with this Policy could lead to the following consequences:

- Criminal or civil liabilities for the Bank including unlimited fines and imprisonment.
- Serious reputational damage including media coverage for the Bank.
- Financial losses.
- The unenforceability of contracts entered into as a result of acts of bribery, fraud, or other illegality.

All subsidiaries of ALRAYAN BANK must adopt and implement this Policy taking into consideration their local corporate governance structures, organization, and legal and regulatory requirements without undue delay.

The policy includes ALRAYAN BANK approach to manage whistleblower requirements. This policy is not intended to conflict with any other applicable laws or regulations and if any such conflict occurs the requirements of the law or regulation shall prevail.

### Importance: Why fight corruption?

Corruption violates the public's trust, threatens economic and social development, and hurts fair trade, the employees at ALRAYAN BANK are committed to act lawfully, ethically and with integrity. As part of this commitment all forms of corruption are unacceptable, and the Bank must ensure that any third party does not act corruptly in dealings with any other person. The employees at ALRAYAN BANK are representing the Bank to customers and everyone else come into

contact with. As laid out in the Bank Policy the employees are expected to adopt the highest standards of professional and personal behaviours and demonstrate respect, integrity, good judgment, honesty and trust, the right way in all actions, no matter what the circumstances.

## Useful Definitions

Description	Definition
Bribery	<ul style="list-style-type: none"> <li>▪ Bribery, in broad terms, is the receiving or offering of undue reward or anything of value and includes payments to secure a business advantage, financial or otherwise, to which the bank is not entitled. Anything of value can be a bribe, including a gift in kind or some other favour such as an offer of employment to a relative of the person being bribed. It will involve the giver and the receiver in the improper performance of a personal, company or official responsibility.</li> <li>▪ The offering, promising, or giving of an advantage, and requesting, agreeing to receive, or accepting an advantage.</li> </ul>
Corruption	Corruption can include gifts, facilitation payments or other forms of improper business practice. It has the same attributes as set out under Bribery above. It can be summarized as the misuse of entrusted power or office, whether in the public or private sector, for private gain.
Charitable and Political Donations	<p>A charitable donation is a gift made by an individual or a company to a non-profit organisation or charity. It can include giving or providing cash to an individual or organisation nominated by or connected with a charity.</p> <p>A political donation is any contribution, made in cash or in kind, to support a political cause. Contributions in kind can include gifts of property or services, advertising or promotional activities endorsing a political party, the purchase of tickets to fundraising events and contributions to research organisations with close associations to a political party.</p> <p>The release of employees without pays from the employer to undertake political campaigning or to stand for office could also be considered as a political donation.</p>
Event Sponsorship	Event sponsorship is a form of advertising in which organisations pay to be associated with providing profile, visibility, and brand awareness. When the sponsorship of a non-profit or charitable event is involved, the sponsorship activity is often referred to as event marketing or cause marketing.
Facilitation Payments	A facilitation payment is a type of bribe and therefore considered as illegal. A common example is where a government official is given money or goods to perform or speed up routine banking facilities.
Gifts	Money, goods, services, or loans given ostensibly as a mark of friendship or appreciation. A gift is allegedly given without expectation of consideration or value in return.
Hospitality	Bona fide hospitality (including entertaining, meals, receptions, invitations and tickets to events and conferences, entertainment, lodging, social or sports events, transportation) and promotional, or other business expenditure which seeks to improve the image of a commercial organisation, better to present products and services, or establish cordial relations.
Kickbacks	An illicit payment made to someone in return for facilitating a transaction or appointment.

Description	Definition
Staff/ Employee	Includes anybody who is employed by, or carries out work on behalf of, the Bank including managers, officers, directors, contractors, consultants, trainees, part-time and fixed-term workers, temporary staff, agency workers, vendors, sub-contractors, evaluators, and volunteers.
Public Official	Public officials include those in government departments, but also employees of government owned or controlled commercial enterprises, international organizations, political parties, and political candidates.
Third Party	Third Party means any individual or organization that comes into contact with during the course of work for the Bank, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians, and political parties.

### Legislative Context

- Law No. 11 of 2004 Issuing the Penal Code – Article 140 to 147
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- The state of Qatar has taken several steps towards combating bribery and corruption:
- Decree No (17) of 2007 ratifying the United Nations Convention against Corruption
- Decree No. (37) of 2012 ratifying the Arab Convention against Corruption
- Emiri Resolution No. (94) of 2013 approving the establishment of the Rule of Law and Anti-Corruption Centre Foundation
- Decree No. (11) of 2019 approving the accession of the State of Qatar to the agreement establishing the International Academy against Corruption as an International organization
- United Nations Convention against corruption
- Arab Anti-Corruption Convention

### Industry Guidance:

- Financial Action Task Force (FATF)
- Wolfsberg Anti-Bribery and Corruption Compliance Programme Guidance 2023

### Risk Appetite

The Board owned ALRAYAN BANK Risk Appetite is that “ALRAYAN BANK has no appetite for breaching bribery and corruption legislation or regulations in any jurisdictions in which the Bank has operations.”

In relation to the Anti-Bribery and Corruption Policy, this means that ALRAYAN BANK does not tolerate systematic weaknesses in its financial crimes prevention systems and controls or any breach of the Financial Crime Laws and regulations, that apply to its Business and its activities and does not undertake Business with individuals or entities it suspects are subject to sanctions or are engaged in and or exposed to criminal activities relating to financial crime”).

Key Anti-Bribery and Corruption Risks:

- Non-compliance to AB&C legislations
- Employees or contractor involve in active or passive bribery
- Employees or contractor involve in related party transaction or conflict of interest
- Kickbacks

- Hospitality or Event acceptance or marketing sponsorships
- Gift acceptance
- Political and charitable donation or acceptance
- Facilitation Payments
- Procurement and Human Resources Vulnerable to Bribery and Corruption

## Section 2 – Policy

### Anti-Bribery and Corruption Policy Principles

It is the Bank Policy to conduct all of the business in an honest and ethical manner. ALRAYAN BANK takes zero-tolerance approach to bribery and corruption, and it is committed to highest standards of acting professionally, fairly and with integrity in all business dealings and relationships wherever its operate and implementing and enforcing effective systems to counter bribery and corruption.

ALRAYAN BANK aim to create a workplace where each employee achieves the highest business and personal standards, and where everyone feels proud of the Bank and the job which they do.

ALRAYAN BANK's Code of Ethics and Conduct (Code) requires observing high standards of business and personal ethics and to maintain a culture of integrity, transparency, trust, and fairness in the matters related to the conduct of their duties and responsibilities and in compliance of applicable laws and regulations

### Related Policies and Procedures

This policy is subordinate to the Financial Crime Compliance Policy and is supported by the following procedures and guidelines from existing policies within ALRAYAN BANK:

- Anti-Bribery & Corruption (AB&C) Procedure
- Group Code of Conduct Policy - Gifts and Hospitality & Conflict of interest
- Group Human Resources (HR) Policy - Disciplinary Action
- Group Procurement Policy
- Group Financial Crime Compliance (FCC) Policy Manual
- Group Whistleblowing Policy
- Group Conflicts of Interest Management Policy
- Related Party Transactions Procedure

### General Prohibition

Certain Banks activities create particular risks, directly or indirectly offering, giving, soliciting, or receiving any form of bribe, kickback or other corrupt payment, or anything of value, to or from any person or organization, including government agencies, individual government officials, private companies, and employees of those private companies under any circumstances.

### Dealing with Third Party

It is prohibited to engage any third party who you know or reasonably suspect of engaging in bribery.

Appropriate due diligence should be undertaken before any third parties are engaged. The appropriate level of due diligence will vary depending on the circumstances and the judgment are made on a case by case basis. Authorisation to onboard is obtained from the Procurement and Administration Manager.

Some high risk transactions will require further due diligence which may require independent investigation. Employees will be provided with helpful guidance and checklists where appropriate to support the due diligence process.

All service and partnership contracts with third parties/ related parties should include provisions for the Commissions and Bribes confirming that the Service Provider shall represents and warrants that it has not paid agreed to pay, or cause to be paid directly or indirectly in any form, any commission, percentage, contingent fee, brokerage or other similar payments of any kind in connection with the establishment or operation of the agreement to any employee of ALRAYAN BANK or to any person, entity or agent in the State of Qatar or elsewhere subsidiaries located. Legal should be consulted for the review of such contracts (including the inclusion of any suitable anti-corruption clauses).

### **Dealing with Public Officials**

Dealings with Public Officials may pose a greater corruption risk due to their position and status. Businesses must, when dealing with any Public Official, ensure that appropriate steps are taken to minimise the bribery and corruption risks associated with relationships of this nature.

### **Type of Bribes**

Bribery can take place in many types of activities. It usually designed to obtain financial benefits or other personal gain. For example, bribes are intended to influence behaviour – they could be in the form of money, a privilege, an object of value, an advantage, or merely a promise to influence a person in an official or public capacity. Usually, two people are involved and both will benefit. Examples of a bribe include:

### **Giving or Accepting of an Advantage**

- In bribery, the undue advantage is connected to a specific act or omission. The relationship is one of exchange.
- Giving or accepting of an advantage refers to unlawful favours, which, for public officials, are not connected to a specific official act but rather are granted or received with a general view to the future execution of official duties.
- The requirement that the act be penalized also in the foreign State where the offence took will likely be met in most cases of corruption.
- Offer or receipt of cash in the form of a kickback, loan, fee, or reward.
- Giving of aid, donations or voting designed to exert improper influence.

### **Active & Passive Bribery**

**Active Bribery** – in the case of public officer- is an act by which an official is offered, promised, or granted an undue advantage, for his own benefit or for the benefit of any third party for the commission or omission of an act in relation of his official duties that is contrary to these duties or depends on the exercise of his discretionary powers.

**Passive Bribery** - occurs when a person solicits, elicits a promise of or accepts an undue advantage for his own benefit or for the benefit of a third person, for the commission or omission of an act that is contrary to his duties or depends on the exercise of his discretionary powers.

ALRAYAN BANK prohibits bribes or any payments of anything of value intended to improperly influence anyone whether they are government official or not.

The areas of business where corruption, including bribery, can most often occur include:

### **Gifts, Entertainment and Hospitality**

### **Facilitation Payments**

## Procurement Process

### Political, Community and Charitable Contributions

#### Gifts, Entertainment, and Hospitality

This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties and the given receipts of gifts.

Exchanges of reasonable and courtesy business gifts and hospitality are part of our business practices and allowed if they are transparent, proportional, reasonable and of a bona fide nature. Particular attention should be taken in all relationships with public or government officials and employees.

No employee may make any donation to any political organization/party or individuals on behalf of ALRAYAN BANK.

#### Gift and Hospitality Guidelines

Normal and appropriate hospitality and gifts would include where the hospitality or gifts:

- Is customary within the local culture to extend gifts which may not be appropriate to refuse, in such circumstances, employee should report to Head of Human Resources and approval is obtained as per Code of Conduct. Employees will declare any such gifts received above QAR 300 in value to the GM Head of Compliance/MLRO for approval (Approval Form Appendix II), It is recognised that there will be instances where pre-approval is not possible, in these circumstances retrospective approval must be sought from GM Head of Compliance/MLRO with a clearly detailed rationale for why pre-approval could not be obtained.
- Is not made with the intention of influencing a third party to obtain or retain business or a business advantage or to reward the provision or retention of business advantage or exchange of favours or benefits.
- Complies with applicable laws and regulations in country of operating.
- Taken into account the reason for the gift is of an appropriate type and value and given at an appropriate time.
- In given openly and formally with acknowledgement.
- A gift should be of modest value and must never leave the recipient into a position of obligation, Common and acceptable gifts are e.g., company promotional items.
- A gift shall never consist of money, loans, or anything else that can be exchanged to a monetary value.
- For hospitality to be permitted, it must always be in connection with a business meeting where the business content is predominant.
- Hospitality requires that the host be present, and that the hospitality is fairly provided and modest in value.
  - Hospitality must never be perceived as excessive or luxury and must never leave the recipient into a position of obligation.
  - Hospitality must not be offered on an overly frequent basis.

All gifts received or given must be recorded in the Gifts & Entertainment Register maintained by GM Head of Compliance/MLRO regardless of the amount.

GM Head of Compliance/MLRO and Human Resources shall monitor frequency of gift and entertainment approval.

Gifts, Entertainment & Hospitality for, or received from, Public Officials must be disclosed to MLRO regardless of the value and be approved in advance of receipt.

All employees of ALRAYAN BANK must disclose to MLRO all Gifts, Entertainment & Hospitality that have been accepted and Gifts, Entertainment & Hospitality that have been refused.

Staff who fail to disclose to GM Head of Compliance/MLRO, the acceptance of Gifts, Entertainment or Hospitality will be subject to disciplinary action in line with HR's Disciplinary Procedure.

#### Facilitation Payments & Kickbacks

Kickbacks are typically payments made in return for a business favour or advantage. All bank employees must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us:

- ALRAYAN BANK do not make, and will not accept, facilitation payments or "kickbacks" of any kind of facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official.

- If any employees are asked to make a payment on behalf of ALRAYAN BANK, the employee should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. If there is any suspicions, concerns, or queries regarding a payment the employee should always ask for a receipt which details the reason for the payment.
- ALRAYAN BANK's employees may not directly or indirectly make a facilitation payment and accordingly facilitation payments made by an individual and included in an expense report will not be reimbursed by ALRAYAN BANK.
- In the event any payments are made under duress or asked for, this must be documented and reported immediately to the Group Chief Human Resources Officer and GM Head of Compliance/MLRO.
- The use of ALRAYAN BANK funds or assets for any unlawful, improper, or unethical purpose is prohibited.

### **Charitable Donations and Event Sponsorship**

ALRAYAN BANK do permit charitable donations with prior MLRO approval but those must not be offered to gain a business advantage. The details of all payments made by or on behalf of ALRAYAN BANK must be recorded. This must include details of the recipient, payment method, purpose, amount of payment and the approver. Any charitable donations or event sponsorship involving suppliers to ALRAYAN BANK (whether paid to or received from) must be subject to a risk assessment and signed off by the MLRO.

Charitable donations carry risk in that they could be considered a bribe if they are given or received with the intention of influencing to act improperly, or as a reward for acting improperly.

Donations should only be made to valid registered charitable organizations and foundations that do not have any conflict of interest with any existing or potential customer or government official.

Requests for charitable donations should be evaluated separately from the commercial activities and it is inappropriate to make charitable donations linked to past, present, or future business transactions.

ALRAYAN BANK shall not make any political donations, which means donations for political purposes to any politician, political party, or related organization, official of a political party or candidate for political office in any circumstances either directly or through a third parties.

### **Types of Corruption**

A corruption is an inducement or reward offered, promised, or provided in order to gain any commercial, contractual, regulatory, or personal advantage. As this Anti-Bribery and Anti-Corruption Policy cannot cover every eventuality, ALRAYAN BANK's employees are encouraged to use their good judgment and apply common sense. In case of doubt, please contact the MLRO.

#### **Corruption examples:**

##### **Offering a Bribe**

You offer a potential client ticket to a major sporting event, but only if they agree to do business with us. This would be an offence as you are making the offer to gain a commercial and contractual advantage. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

##### **Receiving a Bribe**

A supplier gives your nephew a job but makes it clear that in return they expect you to use your influence in the Bank to ensure we continue to do business with them. It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

##### **Bribing an Official**

You arrange for the business to pay an additional payment to an official to speed up an administrative process, such as a request for a visa or work permit. Because this offer is made to gain a business advantage for the Bank, the offence of bribing a public official as well as all individual has been committed as soon as the offer is made.

A corruption includes the provision or receipt of, for example:

- Cash or other forms of payment to secure a contract or obtain a license.
- Gifts or entertainment intended to influence the recipient to undertake a particular course of action or donations with an ulterior motive.
- Payment of travel expenses or accommodation for a customer or official when there is no underlying business purpose for a trip.

### **Staff Involved in Procurement**

ALRAYAN BANK must ensure that bribery and corruption risks associated with the sourcing of goods and services are included in the Financial Crime Enterprise-Wide Risk Assessment (EWRA). The risk assessment includes any ALRAYAN BANK staff involved in the procurement process.

### **Staff Recruitment and Vetting**

Human Resources (HR) activities, such as offering employment or internship, promotions and trainings are often deemed to be something of value and therefore giving, offering, promising such, to obtain or retain an undue business advantage is considered bribery and corruption.

It is the policy of ALRAYAN BANK to conduct recruitment and vetting in an honest and ethical manner. ALRAYAN BANK takes a zero-tolerance approach to all kinds of unethical HR activities (as described above), which violate the principles of objectivity, competence, professionalism, and equal opportunities, irrespective of whether they fall under the formal definition of bribery and corruption.

Whenever an HR action in relation to a particular individual is solicited directly or indirectly by any customer, business partner, or any other third party known to have any formal or informal relationship with ALRAYAN BANK, or by any Public Official or a person associated with a Public Official, it shall be performed through a merit based competitive process. The process shall be subject to an objective assessment, and it shall be documented that any decision on the particular action wasn't based on the request of such a third party.

To avoid the risk of being perceived as bribery or corruption all HR practices (including but not limited to, offers of employment, both full time and part time, offers of internship, both paid and unpaid, providing training or development opportunities, promotions or transfers to another position, compensation review) shall be made only through a merit-based and where applicable a competitive process.

The practice and procedures for this are owned by HR and must comply with both the letter and spirit of this policy.

### **Responsibilities**

#### **Board of Directors**

The Board of Directors of ALRAYAN BANK or the relevant Board sub-committee is responsible for approving the Policy, as well as overseeing its implementation and periodic assessment.

The Board of Directors or the relevant Board sub-committee should ensure that charitable contributions and sponsorships are not used as a means of influencing third parties with the ultimate purpose of obtaining preferential treatment or business benefits.

#### **Senior Management**

The Senior Management of ALRAYAN BANK is responsible for establishing all necessary procedures for the appropriate implementation of the Policy and for the training of their personnel in bribery related matters in order to ensure continuous awareness and vigilance.

Senior Management must ensure that the AB&C risk is assessed, and the assessment outcomes are documented.

### **FCC and Legal**

FCC (Second Line) and Legal will undertake investigations into cases where they have suspicion of bribery & corruption, based on nature of the case/incident, Operational Risk, Information Security, Cyber Security, Fraud Management, Internal Audit, HR, may be involved in the investigation routine.

Additionally, FCC Assurance will provide assurance oversight and testing for ABC processes on an annual basis.

The designated owner of this policy is the FCC Assurance who is assigned responsibility and authorized to develop an appropriate implementation of the policy and reviewing the policy on a regular basis to ensure it continues to be appropriate taking into account the changes in law and regulations.

The FCC Assurance is responsible for designing a proper control to enforce the provision of this policy.

The FCC Assurance is responsible for assessing the efficiency of the control to detect and identify any breach in the implementation of this policy.

GM Compliance shall communicate to Group Special Investigations Committee (GSIC) all cases.

GM Head of Compliance shall communicate to Board Risk and Compliance Committee regarding any breach in the quarterly reporting.

### **Internal Audit**

The Internal Audit (Third Line) will provide assurance oversight for ABC processes in addition to investigations as required,

### **Human Resources**

Human Recourses shall send periodic e-mail reminders to personnel regarding the provisions of this Policy in order to raise awareness.

### **Employee Responsibilities**

All employees and those under our control are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. All employees are obliged, if they have reason to believe or suspect that an instance of bribery or corruption has occurred or will occur in the future that breaches this policy, to notify Manager line of the concerned Department and the GM Head of Compliance/MLRO.

### **Compliance with the Policy**

#### **You are Responsible**

ALRAYAN BANK employees has a primary responsibility to comply with this policy and must ensure that all employees read, understand, and comply with this policy.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Bank or under its control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Failure to adhere to this Policy may result in disciplinary action appropriate to the violation, up to and including termination of employment or the contractual relationship, and legal proceedings.

## Raising a Concern

If staff have any doubt or concern about any situation relating to non-compliance with policy, staff shall report the case without consultation or guidance through Whistle Blowing Hotline or email or in person to the GM Head of Compliance/MLRO/GCHRO/GCEO.

If any manager should require further guidance on a specific case, then this should be referred to the MLRO.

### What to do if you are the Target of Bribery or Corruption?

It is very important that:

- You keep records of any actions that could potentially be construed as bribery. This ensures that there is an appropriate paper trail to refer to in the event of prosecution.
- You may contact GM Head of Compliance/MLRO immediately, by email or by phone or whistle blowing hotline, if you are offered a bribe by a third party, or asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

### What to do if you suspected breaches of this Policy by someone else?

By someone else means:

- ALRAYAN BANK 's employees
- Clients, contacts, and prospects
- ALRAYAN BANK third parties (as external asset manager, contractors, evaluators, brokers, financial intermediaries, etc.)

## Whistleblowing

- If you know of, suspect any behaviour or action you consider to be illegal, unethical, or inappropriate or observe anything that might be in contravention of this policy, you have an obligation to report it under the Whistleblowing Policy.
- if you suspect that someone else is engaged in bribery, corruption, fraud or any other unacceptable or unethical conduct.
- Consult GM Head of Compliance/MLRO in confidence if you suspect that someone else is engaged in bribery, corruption, fraud or any other unacceptable or unethical conduct and you are unable to speak to your line manager for any reason.
- Report through Whistle blow hotline as soon as possible if you believe or suspect that a conflict with this policy has occurred or may occur in the future. For example, if a client or potential client offers something to gain a business advantage or indicates that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in the Schedule.

## Reporting:

The employees, customers, contractors, vendors, and 3rd parties who either suspect bribery or corruptions related elements. They shall report through any channels:

Log on to <https://app.integritycounts.ca/org/ALRAYAN BANK>

Or Call the Hotline 00800100228

Or Contact the Compliance Department (GM Head of Compliance/MLRO)

Make a Whistleblowing disclosure as outlined in Group Whistleblowing Policy

## Risk Management

### Risk-Based Approach

ALRAYAN BANK has assessed bribery & corruption risks taking account of the following factors:

- The types of business undertaken
- The countries in which it operates
- The nature of its business relationships
- The extent to which it does business with public officials
- Its control framework, including policies & procedures relating to remuneration, gifts & entertaining.

### Risk Assessment

ALRAYAN BANK conduct the following steps to assist in the prevention of bribery and corruption:

Effective risk assessment lies at the very core of the success or failure of this policy. Risk identification pinpoints the specific areas in which we face bribery and corruption risks and allows us to better evaluate and mitigate these risks and thereby protect ourselves. The Board must assess the vulnerability to these risks on an on-going basis. The Anti-Bribery and Corruption (AB& C) Risk Assessment is conducted as part of the annual Financial Crime Enterprise-Wide Risk Assessment. The purpose of the risk assessment is to identify inherent bribery and corruption risks within the Bank, the controls to mitigate the risk, and any residual risk.

The AB&C Risk Assessment will cover, in conjunction with the larger Financial Crime Enterprise-Wide Risk Assessment.

### Waivers and Breaches

No waivers or breaches are allowed, in case a gift and/or facilitation payments waivers must be managed in line with the requirements set out in this Policy.

### Sharia Compliance Statement

The Bank operates within Sharia principles and all staff are to be vigilant in their practices to ensure that all their actions do not conflict with Sharia principles and do not undermine these principles in any way. If staff are in doubt, then they must seek guidance from their line manager or alternatively from the Sharia Auditor. All staff will be responsible for reporting to their Line Manager any procedure or activities that might have an impact on the Bank's compliance with Sharia.

The Sharia Auditor will always be included in the sign-off process for new or amended products, services and associated procedural documentation.

### Record Keeping

ALRAYAN BANK employees must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties:

- Any employee must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.
- All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers, vendors, and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

- The MLRO shall keep records of compliance matters in a specific anti-bribery or corruption Tracker. These records include matters such as training provided, list of gifts and hospitality given and provided, gift and hospitality report form, Investigations, clarifications, and documentation.

### **Training**

The FCC along with the HR shall provide appropriate anti-bribery and anti-corruption training upon recruitment and on a regular basis to all relevant employees to make them aware of the types of corruption, the risks of engaging in corrupt activity, the ALRAYAN BANK anti-corruption Policy, and how they may report corruption.

The anti-corruption training can be provided separately or in conjunction with periodic AML training.

### **Disciplinary Action**

Failure to comply with this policy, whether or not this is intentional, may lead to disciplinary action and criminal liability for the individual involved in line with HR policy.

ALRAYAN BANK employees are required to confirm that they have read and understood the policy and that they comply with its terms as part of their ongoing employment assessment processes. In addition, relevant employees will be required to attend training to support the guidance in this policy.

### Section 3 - Instructions, Appendices, and Reporting Form

#### Appendix 1 - Potential Risk Scenarios: "Red Flags"

The following is a list of possible red flags that may arise during the course of you working for ALRAYAN BANK and which may raise concerns under various anti-bribery and anti-corruption laws.

The list is not intended to be exhaustive and is for illustrative purposes only.

**If any of these "Red Flags" while working for ALRAYAN BANK or subsidiaries are encountered, a report must be promptly presented to the employee's manager or to the GM Head of Compliance/MLRO:**

- A third party engages in, or has been accused of engaging in, improper business practices.
- A third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials.
- A third party insists on receiving a commission or fee payment before committing to sign up to a contract or carrying out a government function or process.
- A third-party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made.
- A third-party request that payment is made to a country or geographic location different from where the third party resides or conducts business.
- A third party requests an unexpected additional fee or commission to "facilitate" a service.
- A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services
- A third-party request that a payment is made to "overlook" potential legal violations.
- A third party insists on the use of side letters or refuses to put terms agreed in writing.
- The employee has been invoiced for a commission or fee payment that appears large given the service stated to have been provided.
- A third party requests or requires the use of an agent, intermediary, consultant, distributor, or supplier that is not typically used by or known to us; or
- An unusually generous gift or lavish hospitality are offered by a third party.

## Appendix 2 – Forms

The latest version of the below forms shall be made easily accessible on the intranet.

**Gift Declaration Form**

**Conflict of Interest Declaration Form**

**Consent Form**

## Section 4 - GOVERNANCE

### RESPONSIBILITY

<b>Policy Owner</b>	GM - Group Head of Compliance and AML Officer
<b>Policy Custodian</b>	Company Secretary

### VERSION CONTROL AND CHANGE HISTORY

<b>Version Number</b>	<b>Approval Date</b>	<b>Approved by</b>	<b>Amendment</b>
V.0	16 July 2024	Board CRC	New release
V.1	21 July 2025	GM Group Compliance	Amendment