

5. CORPORATE GOVERNANCE

1. Independent External Auditor Report on Corporate Governance

Independent Assurance Report to the Shareholders of Masraf Al Rayan Q.P.S.C.

Report on Compliance with Qatar Financial Markets Authority's (QFMA's) law and related legislation, including the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the QFMA's Board pursuant to the QFMA's Decision No. (5) of 2016 as at 31 December 2023 ("QFMA's Requirements")

Introduction

In accordance with the requirements of Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market (the "Governance Code" or the "Code") issued by the Qatar Financial Markets Authority (QFMA) Board pursuant to Decision No. (5) of 2016, we have carried out a limited assurance engagement over the accompanying Board of Directors' assessment of compliance with the QFMA's Requirements of Masraf Al Rayan Q.P.S.C. (the "Bank") as at 31 December 2023.

Responsibilities of the directors and those charged with governance

The Board of Directors of the Bank are responsible for preparing the Board of Directors' assessment of compliance with the QFMA's Requirements - as included in the Annual Report - that covers at a minimum the requirements of Article 4 of the Code.

The Board of Directors are also responsible for ensuring the Bank's compliance with the QFMA's law and relevant legislations and the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No. (5) of 2016 and preparing the Board of Directors' assessment of compliance with QFMA's Requirements.

The Board of Directors are also responsible for identification of areas of non-compliance and related justifications, where mitigated.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that if operating effectively would ensure the orderly and efficient conduct of its business, including compliance with applicable laws and regulations.

Responsibilities of the Assurance Practitioner

Our responsibilities are to issue a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the Board of Directors' assessment of compliance with the QFMA's Requirements - as included in the Annual Report - does not present fairly, in all material respects, the Bank's compliance with the QFMA's law and relevant legislations, including the Code, based on our limited assurance procedures.



We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Board of Directors' assessment of compliance with the QFMA's Requirements, taken as a whole, is not prepared, in all material respects, in accordance with the QFMA's law and relevant legislations, including the Code.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

A limited assurance engagement involves assessing the risks of material misstatement of the Board of Directors' assessment of compliance with the QFMA's Requirements, whether due to fraud or error and responding to the assessed risks as necessary in the circumstances. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Accordingly, we do not express a reasonable assurance conclusion about whether the Board of Directors' assessment of compliance with the QFMA's Requirements, taken as a whole has been prepared, in all material respects, in accordance with the QFMA's law and relevant legislations, including the Code.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of reporting policies for the Bank and agreeing with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of management to obtain an understanding of the processes followed to identify the requirements of the QFMA law and relevant legislations, including the Code; the procedures adopted by management to comply with these Requirements and the methodology adopted by management to assess compliance with these requirements;
- considered the disclosures by comparing the contents of the Board of Directors' assessment of compliance with the QFMA's Requirements against the requirements of Article 4 of the Code;

- agreed the relevant contents of the Board of Directors' assessment of compliance with the QFMA's Requirements to the underlying records maintained by the Bank; and
- performed limited substantive testing on a selective basis, when deemed necessary, to assess compliance with the QFMA's Requirements, and observed evidences gathered by management; and assessed whether violations of the QFMA's Requirements, if any, have been disclosed by the Board of Directors, in all material respects.

Our limited assurance procedures do not involve assessing the qualitative aspects or effectiveness of the procedures adopted by management to comply with the Requirements. Therefore, we do not provide any assurance as to whether the procedures adopted by management were functioning effectively to achieve the objectives of the QFMA's law and relevant legislations, including the Code.

Our independence and quality control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ("IESBA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies International Standard on Quality Management (ISQM) 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Inherent limitations

Many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain audit trail. It is also noticeable that the design of compliance procedures would follow best practices that vary from one entity to another and from one country to another, which do not form a clear set of criteria to compare with.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the Board of Directors' assessment of compliance with the QFMA's Requirements and the methods used for determining such information.

Because of the inherent limitations of internal controls over compliance with relevant laws and regulations, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Other information

The Board of Directors are responsible for the other information. The other information comprise the Annual Report (but does not include the "Board of Directors' assessment on compliance with QFMA's Requirements), which we obtained prior to the date of this assurance report.

Our conclusions on the "Board of Directors' assessment on compliance with QFMA's Requirements as included in the Annual Report do not cover the other information and we do not, and will not express any form of assurance conclusion thereon.

In connection with our assurance engagement on the "Board of Directors' assessment on compliance with QFMA's Requirements" as included in the Annual Report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with our knowledge obtained in the engagement, or otherwise appears to be materially misstated.

If we conclude that there is a material distortion of the other information we obtained prior to the date of this report, based on our actions, we are required to prepare a report. We have nothing to report in this regard.

Conclusion

Based on our limited assurance procedures described in this report, nothing has come to our attention that causes us to believe that the Board of Directors' assessment on compliance with QFMA's Requirements does not present fairly, in all material respects, the Bank's compliance with the QFMA's law and relevant legislations, including the Code as at 31 December 2023.

Emphasis of matters

We draw attention to the matters highlighted in sections 5.3 within the Board of Directors' assessment of compliance with the QFMA's Requirements as included in the Corporate Governance Report which indicates that only two out of ten board members are independent as of 31 December 2023.

Our opinion is not modified in this report in respect of the matters mentioned in this section.

For and on behalf of
PricewaterhouseCoopers – Qatar Branch
Qatar Financial Market Authority
registration number 120155



Waleed Tahtamouni
Auditor's registration number 370
Doha, State of Qatar
8 February 2024

2. Independent External Auditor Report on ICOFAR

Independent Assurance Report to the Shareholders of Masraf Al Rayan Q.P.S.C.

Report on the suitability of design and operating effectiveness of internal controls over financial reporting of significant processes as at 31 December 2023.

Introduction

In accordance with the requirements of Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market (the "Governance Code" or the "Code") issued by the Qatar Financial Markets Authority (QFMA) Board, pursuant to decision No. (5) for 2016, we have carried out a reasonable assurance engagement over the accompanying "Board of Directors' Report on Internal Controls over Financial Reporting" of Masraf Al Rayan Q.P.S.C. (the "Bank") as at 31 December 2023, based on the framework issued by the Committee Of Sponsoring Organisations of the Treadway Commission ("COSO Framework").

Responsibilities of the directors and those charged with governance

The Board of Directors of the Bank are responsible for presenting the "Board of Directors' Report on Internal Controls over Financial Reporting" for the Bank on a standalone level, which includes:

- the Board of Directors' assessment of the suitability of design and operating effectiveness of internal controls over financial reporting for the Bank on a standalone level;
- description of the identification of significant processes and internal controls over financial re-orting for the Bank on a standalone level; and
- assessment of the severity of design and operating effectiveness of control deficiencies, if any noted, and not remediated at 31 December 2023.

The assessment presented in the Annual Report is based on the following elements included within the Risk Control Matrices provided by the Bank's management:

- the control objectives; including identifying the risks that threaten the achievement of the control objectives; and
- designing and implementing controls to achieve the stated control objectives.

The Bank's Board of Directors are also responsible for establishing and maintaining internal financial controls based on "COSO framework".

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that if operating effectively would ensure the orderly and efficient conduct of its business, including:

- adherence to the Bank's policies;
- the safeguarding of its assets;
- the prevention and detection of fraud and errors;
- the accuracy and completeness of the accounting records;
- the timely preparation of reliable financial information; and
- compliance with applicable laws and regulations.

Responsibilities of the Assurance Practitioner

Our responsibilities are to express a reasonable assurance opinion based on our assurance procedures on the "Board of Directors' Report on Internal Controls over Financial Reporting" for the Bank on a standalone level, based on the COSO framework.

We have conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard requires that we plan and perform our procedures to obtain reasonable assurance on the Board of Directors' assessment of suitability of the design and operating effectiveness of the internal controls over financial reporting of significant processes, as presented in the "Board of Directors' Report on Internal Controls over Financial Reporting" for the Bank on a standalone level, presented in the Annual Report, in all material respects, to achieve the related control objectives stated in the description of the relevant processes by management, based on the COSO framework.

A process is considered significant if a misstatement due to fraud or error in the stream of transactions or financial statements amount would reasonably be expected to impact the decisions of the users of the financial statements. For the purpose of this engagement, the processes that were determined as significant are:

1. Entity level controls;
2. Corporate and retail financing;
3. Deposits (including Participatory investment accounts);
4. Procurement, payable and payments;
5. Treasury and investments;
6. Human resources and payroll;
7. Compliance;
8. Trade finance;
9. General ledger, financial reporting and disclosures;
10. Information technology general controls

An assurance engagement to express a reasonable assurance opinion on the "Board of Directors' Report on Internal Controls over Financial Reporting" for the Bank

on a standalone level based on the COSO framework and as presented in the Annual Report involves performing procedures to obtain evidence about the fairness of the presentation of the report. Our procedures on internal controls over financial reporting included:

- obtaining an understanding of internal controls over financial reporting for significant processes;
- assessing the risk that a material weakness exists; and
- testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

In carrying out our engagement, we obtained an understanding of the following components of the control system:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring Activities

The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the suitability of design and operation, whether due to fraud or error. Our procedures also included assessing the risks that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the "Board of Directors' Report on Internal Controls over Financial Reporting" for the Bank on a standalone level.

Our procedures included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the related control objectives were achieved.

An assurance engagement of this type also includes evaluating the Board of Directors' assessment of the suitability of the design and the operating effectiveness of the controls over the control objectives stated therein. It further includes performing such other procedures as considered necessary in the circumstances.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the "Board of Directors' Report on Internal Controls over Financial Reporting".

Our independence and quality control

In carrying out our work, we have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies International Standard on Quality Management (ISQM) 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Concept of internal controls over financial reporting

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Financial Accounting Standards (FAS) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as modified by the Qatar Central Bank (QCB). An entity's internal control over financial reporting includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorizations of the management of the entity; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the "Board of Directors' Report on Internal Controls over Financial Reporting" for the bank on a standalone level and the methods used for determining such information.

Because of the inherent limitations of internal controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal controls over financial reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Furthermore, the control activities designed and operated as of 31 December 2023 covered by our assurance report will not have retrospectively remedied any weaknesses or deficiencies that existed in relation to the internal controls over the financial reporting for significant processes prior to the date those controls were placed in operation.

Other information

The Board of Directors are responsible for the other information. The other information comprises the Annual Report (but does not include the "Board of Directors Report on Internal Controls over Financial Reporting") for the bank on a standalone level, which we obtained prior to the date of this assurance report.

Our opinion on the "Board of Directors' Report on Internal Controls over Financial Reporting" for the bank on a standalone level does not cover the other information and we do not, and will not express any form of assurance opinion thereon.

In connection with our assurance engagement on the "Board of Directors' Report on Internal Controls over Financial Reporting", our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with our knowledge obtained in the engagement, or otherwise appears to be materially misstated.

If we conclude that there is a material distortion of the other information we obtained prior to the date of this report, based on our actions, we are required to prepare a report. We have nothing to report in this regard.

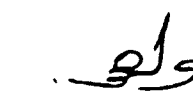
Emphasis of matter

We draw attention to the fact that this assurance report does not extend to any subsidiaries of the Bank. Our report is not modified in this respect.

Opinion

In our opinion, based on the results of our reasonable assurance procedures, the Board of Directors' assessment of the suitability of the design and the operating effectiveness of the Bank's internal controls over financial reporting of significant processes, based on the COSO framework is presented fairly, in all material respects, as at 31 December 2023.

For and on behalf of
PricewaterhouseCoopers – Qatar Branch
Qatar Financial Market Authority
registration number 120155



Waleed Tahtamouni
Auditor's registration number 370
Doha, State of Qatar
8 February 2024

3. Corporate Governance Report 2023

The present Annual Corporate Governance Report covers the fiscal year from 1 January to 31 December 2023.

The Board prepared the present Annual Corporate Governance Report (the "Report") in compliance with the Corporate Governance Instructions for Banks issued by Qatar Central Bank ("QCB") under Circular No. (25) of 2022 as amended by Circular (2) of 2023 ("QCB CG Rules"), the applicable legislations issued by the Qatar Financial Market Authority ("QFMA") including the Corporate Governance Code for Shareholding Companies Listed on the Primary Market issued by the Board of QFMA under the resolution No. (5) of 2016 ("QFMA Code") and the QFMA's Offering and Listing Regulation, the Qatar Stock Exchange rules, the Qatar's Commercial Companies Law No. (11) of 2015 as amended by law No. (8) of 2021, the Bank's Articles of Association and the best international and regional standards and practices on corporate governance (altogether hereinafter referred to as the "Governance Regulations").

The Report describes the measures and procedures taken by MAR to implement the Governance Regulations. It also includes all disclosures required under the Governance Regulations including the Board of Directors assessment of compliance of the Company with the Governance Regulations and the Board of Directors report on internal controls over financial reporting.

The Board is ultimately responsible for the Bank's corporate governance; this encompasses the entire Group including all controlled entities and subsidiaries. It is fully committed to maintaining the highest standards to ensure the directors discharge their fiduciary responsibilities with integrity.

4. Description of Implementation of Governance Regulations

4.1 At Overall Governance System Level

A comprehensive corporate governance (CG) framework/system is in place that focuses on the rights and equitable treatment of shareholders, disclosure and transparency, and the duties of the Board of Directors. It involves systems, policies and processes for ensuring proper accountability, probity and openness in the conduct of the Bank's business.

It defines the roles and responsibilities, separation of duty, transparency and disclosure requirements of the key participants and reports issued. This covers the Board itself, Board committees, Sharia Supervisory Board ("SSB"), executive management, internal and external audit, sharia audit, internal controls and interactions with supervisory and regulatory authorities.

The CG framework/system is fully described in the Bank's Group Corporate Governance Framework Policy and Manual (the "CG Charter") approved by the Board. This document is compliant with local and relevant overseas regulations while taking into consideration the requirements of the Bank's Articles of Association. It addresses all underlying principles, operating aspects and the composition of each body within the framework. The CG Charter is freely accessible on the Bank's website (www.alrayan.com).

4.2 At Board Level

4.2.1 Eligibility conditions for Board Member

Article (20) of MAR's Articles of Association ("AoA") determines the eligibility terms and conditions to be met by a Board member as a minimum requirement. These are in line with the Governance Regulations. In addition, the Board of Directors developed a written Board Nomination and Election Policy that defines, amongst others, the procedures for Board nominations and election and sets further terms and conditions around Board nominees and eligibility criteria. The policy was prepared in accordance with the applicable laws and regulations and approved by the General Meeting on 16 November 2022. It is available on MAR's website www.alrayan.com.

Furthermore, the Bank requires all directors to make specific disclosures and sign an undertaking to provide the Bank with changes or updates to such disclosures as they occur. Disclosures are made through questionnaires designed to ensure a director provides all information necessary for the Bank, supported by proofs when need is being, to assess to which extent a director sitting on its Board is compliant with the eligibility conditions required under the applicable laws. The Bank requires all its directors to update such disclosures at least once a year. As at 31 December 2023, none of the directors

on the Board breached the eligibility terms and conditions set forth under the applicable laws and regulations.

4.2.2 Board Composition

The Bank's Articles of Association, in particular, articles (19) and (29), determine the composition requirements of the Board and its committees in accordance with the Governance Regulations. Pursuant to the Bank's Articles of Association, MAR's Board of Directors consists of 11 members. In 2023, Mr. Abdulla Bin Nasser Al Misnad tendered his resignation as independent member of the Board. The Board continued with the remaining ten members. The Board, however, opened the nomination door to fill-in the vacancy in the independent seat. A new independent director will be selected by the General Meeting of Shareholders to which this report is addressed. As at 31 December 2023, MAR Board comprised 10 members the majority of which are Non-Executive Directors ("NEDs") (7 out of 10) including 2 Independent Directors ("INDs"). For further information about the Board composition, please refer to section 5.3 entitled "Board of Directors" under the "Corporate Governance Disclosures" section.

4.2.3 Prohibition of Combining Positions

As at 31 December 2023 none of the Board members combined positions the combination of which is prohibited under the Governance Regulations. All Board members renewed their annual acknowledgment for the fiscal year 2023 by virtue of which they confirmed that they do not combine and undertook in writing not to combine positions prohibited to be combined under the Governance Regulations. All acknowledgments and undertakings were maintained with the Company Secretary. In addition, Articles (11) and (12) of the Board Nomination and Election Policy approved by the General Meeting on 16 November 2022 require a Board candidate not to combine any position prohibited to be combined by law. Accordingly, a candidate must present an acknowledgement and undertaking in writing to that effect as a condition precedent for his/her application to be considered.

4.2.4 Main Functions and Tasks of the Board

The Board functions within written Terms of References ("TORs") developed and approved by the Board. The Board TORs are developed in accordance with the applicable laws, regulations, the Bank's Articles of Association and best practices. The Board TORs describe the composition and selection of the Board members and Chairman, the organization of the meetings, the training of the Board and Board Committees, the remuneration, and the responsibilities and functions of the Board. They equally comprise a broad description of matters required to be considered by the Board, including, but not limited to, setting-up strategies, defining risk

levels, developing policies as well as matters that constitute events of conflict of interest and disqualifications for the Board. The Board TORs are available and accessible on MAR's website (www.alrayan.com)

Below are the matters considered and resolved by the Board and its committees in 2023. This gives further overview on the type of matters reserved for Board or Board committees' approval:

- Approval of quarterly, semiannually and end-of year financials for 2023
- Recommend Dividend Payouts for AGM approval
- Approval of the Group's Budget for 2024
- Recommend the 2024 external auditors for AGM approval
- Periodic review of Capital Plan and ICAAP and stress testing for 2023
- Approval of the Group's Balanced Scorecard for 2023
- Review and approve several appointments on Senior Management level and various remuneration and HR policies for the Bank
- Assess performance of the Board, Sub-committees and the Management and recommend Board remunerations for AGM approval
- Review and approve MAR Organizational Chart
- Approve Succession Planning
- Approval of the Annual Corporate Governance Report
- Approval of the ICOFR Management Report
- Invite shareholder for General Meeting and set-up relevant agenda
- Approval of several items related to the Bank's regular activities including the approval of new or revised policies and frameworks to ensure they are maintained updated and in compliance with the applicable laws and regulations
- Approval of MAR Subsidiaries Governance Framework
- Adopt and recommend for General Meeting's approval the amendments to the Bank's Articles of Association to comply with QCB's corporate governance regulations
- Recommend for AGA approval the members of the Sharia Supervisory Board for the period 2023-2024-2025 and delegate the Board to determine their fees
- Follow-up and oversee the Bank's subsidiaries and associates
- Approval of new MAR IT strategy and initiatives
- Review and discuss the Bank's Business Continuity and risk reports and take necessary actions, as applicable

- Review and discuss the internal audit and internal control reports including compliance and AML reports, and take necessary actions, as applicable
- Review and discuss the legal and litigation update reports and take necessary actions, as applicable
- Review and endorse Board committees' reports
- Accept the resignation of the Independent member Mr. Abdulla Bin Nasser Al Misnad, open the nomination door to fill-in the vacancy in the Independent seat and oversee the nominations process
- Endorse the appointment of Mr. Ahmed Ali Al Hamadi as new Board member representing the General Authority for Retirement and Social Insurance in replacement to Mr. Turki Al Khater
- Establish a Board Development and Training Program for the current Board term in cooperation with an independent consultancy firm

4.2.5 Main systems, policies and procedures set by the Board

MAR's Corporate Governance system comprises a number of strategic policies, procedures, systems, processes and mechanisms ("Policies") set by the Board of Directors or its committees that are key to the functioning of the Bank. The key Policies adopted in MAR as at 31 December 2023 are as follows:

1. Credit Policy
2. Risk Appetite Statement
3. Reputational Risk Management Policy
4. Expected Credit Loss Policy
5. Outsourcing Policy
6. ICAAP Policy
7. Liquidity Risk Management Policy
8. Market Risk Management Policy
9. Disaster Recovery Policy
10. Operational Risk Management Policy
11. Cyber-security Policy and Framework
12. Information Security Policy
13. Business Continuity Management Policy
14. Swift Framework Policy
15. Information Technology Policy
16. Infrastructure procedures and digital systems issuance
17. Management change standards
18. Application development standards
19. Digital Systems Testing Methodology
20. Code of Conduct Policy
21. HR Policy including staff and senior management remuneration methodologies, training and development policies
22. Board and Employee Induction programs

23. Liabilities, assets and treasury management policy
24. Internal Audit Policy and Procedures
25. Internal Audit Charter
26. Investment Policy
27. SSB Charter and Sharia Policy
28. Group Corporate Governance Framework
29. Group Strategy and Business Policy and Service Quality Policy
30. Personal and Wholesale Banking policies
31. Branch Operations Policy
32. ESG and Sustainable Financing Framework
33. Various accounting and finance policies
34. Dividend Policy
35. Disclosure and Transparency Policy including policy on dealing with rumors
36. Investor Relations Policy
37. Related Party Transaction Policy and procedures
38. Legal Affairs Framework and Policy
39. Delegation of Authority matrix and Policy
40. Credit Approval Matrix and Policy
41. Board Nomination and Election Policy
42. Group Organizational Chart
43. Balanced Scorecard and Performance Assessment Methodology
44. Board and SSB Remuneration Policy
45. External Auditor Policy
46. Procurement Policy
47. Customer Complaints Policy and procedures
48. Board Charter/TORs
49. Company Secretary Charter
50. Board Committees Charters/TORs
51. Management Committees Charters/TORs
52. Social Media and Website Management Policy
53. Corporate Communications Policy
54. Cloud Strategy Policy
55. Subsidiaries Governance Framework and Policy

The Bank also developed and established a financial crimes prevention framework that has a number of dedicated policies as follows:

1. Group Compliance Policy
2. Group Financial Crime Compliance Policy
3. Financial Crime Framework
4. FCC Governance
5. Financial Crime Assurance and Monitoring Framework
6. AML Whole Firm Business Risk Assessment Methodology
7. Customer Risk Assessment Methodology

8. Customer Risk Assessment Scoring Model
9. Financial Crime Risk Appetite
10. Industry Risk Classification
11. Country Risk Classification
12. AML Whole Firm Inherent Risk Analysis
13. Whole Firm Top down Risk Analysis
14. Whole Firm Bottom up Risk Analysis
15. Financial Crime Prevention Policy
16. Customer Acceptance Policy
17. Politically Exposed Persons Policy
18. Sanctions Policy
19. Trade Finance Policy
20. Correspondent Banking Policy
21. Anti-Bribery Corruption Policy
22. Whistleblowing Policy
23. Anti-Fraud Policy
24. Dormant and Unclaimed Policy
25. New Product & Service Approval Policy
26. General Data Protection Policy
27. Electronic crime Policy
28. FATCA Transparency Policy
29. Conflict of Interest Management Policy
30. Risk Based Approach Guidelines
31. KYC/ On-Boarding, CDD and ECDD Guidelines
32. Beneficial Ownership Guidance
33. PEP Guidance
34. Vendor Management Guidance
35. Dealing with Precious Metals Dealers, Precious Stones and Gold Guideline
36. Large Cash Transaction Guidance
37. Sanctions Screening Guideline
38. SAR, STR and Reporting Guidance
39. AML Guidance in Trade Finance
40. Correspondent Banking Guidance
41. Customer Transaction Monitoring Guidance
42. Staff Transaction Monitoring Guidance
43. Adverse Media Discounting Guidance
44. Anti-Fraud, Bribery and Corruption Guidance
45. AML Sanctions Exits and Decline Guidance
46. Documents & Record Keeping Guidance
47. FCC Delegated Authority Matrix
48. FCC Vendor Management Guidance
49. Common Reporting Standards (CRS) requirements

The Board has set up a governance process for developing and adopting policies and procedures in the Bank. It requires a policy or procedure to be reviewed and signed-off by all stakeholders concerned with such policy or procedure together with all control functions including, at minimum

level, the Operational Risk unit, Compliance and Legal departments, prior to present such policy or procedure document to the Board. This process ensures a policy or procedure document is in line with the applicable laws and regulations and aligned to appropriate operational practices before it is formally approved by the Board. In addition, the policies and procedures are subject to periodic reviews whereas amendments are recommended for Board approval to ensure they remain updated and relevant. Adherence to Board-approved Policies is monitored by the control functions whereas periodic reports are submitted to the Board regarding any breaches to the approved policies for appropriate action. A number of key Policies are published on the Bank's website. As at 31 December 2023, nil breach to the Board approved policies was reported. MAR continuously develops and updates its policies and procedures to document and ensure ongoing compliance with the relevant rules and regulations of QFMA and of any other regulator of the Bank.

4.2.6 Board Responsibilities and Directors' Obligations

The Board is responsible for the management of the Bank in accordance with the Bank's Articles of Association and the Board TORs. Through the regular meetings of the Board and the Board sub-committees, the Board oversees the Senior Management, considers and discusses with the Senior Management any topic presented to the Board for decision making. Periodic updates are requested by the Board on material decisions taken to ensure the Board is kept informed of any developments and to maintain accountability. In addition to Board meetings, the Chairman meets separately from management with individual directors and chairpersons of Board committees to discuss the performance of the management and other matters that need close oversight by the Board.

The Board always ensures adherence to the applicable laws and regulations and the Bank's Articles of Association. To this end, the Board set-up internal processes to ensure any topic or policies presented to the Board is reviewed and assessed from legal, statutory and regulatory perspectives. All Board-approved policies, including corporate governance policies, are subject to periodic reviews whereas amendments are recommended for Board approval to ensure they remain updated and relevant. In 2023, the Board reviewed and discussed several policies applicable to the Bank in light of the changes in the laws and regulations.

All Board members are prominent figures in Qatar and the region with track records and wide experience in all aspects of the Bank's activities. They allocate sufficient time to perform their

duties and assume their role independently by providing guidance, objective criticism and constructive contribution. The NEDs and INDs are appointed as members on the Board committees, namely the Audit Committee and the Corporate Governance, Nomination and Remuneration Committee. They provide impartial and independent opinion on strategic and business matters presented to the Board and monitor the performance of the Bank and its compliance with the corporate governance standards and applicable laws and regulations.

All Board members put their skills and experiences at the disposal of the Bank and allocate sufficient time to perform their duties on the Board through committed attendance. Board members, including all Board sub-committees chairpersons, participate together with the Chairman in the General Meetings to consider and respond to the queries of the shareholders. For details, please refer to section 5.5 entitled “Meetings and Attendance” under the “Corporate Governance Disclosures” section below.

In addition to the Board TORs that define the functions and responsibilities of the Board, a Code of Conduct for the Board of Directors is developed to define and determine the professional and ethical duties of the directors. Each director has acknowledged and undertaken in writing to commit to his/her fiduciary duties and obligations and make necessary disclosures required under these documents. Under the Code of Conduct, the MAR Board of Directors has a fiduciary responsibility to perform its duties with loyalty and act in good faith for the best interest of the Bank and its shareholders. Each director assumes the duty of caring for the financial and legal requirements of the Bank. The directors ensure that they do not have any conflicts of interest and that the interests of the Bank take precedence over their personal interests. Internal procedures were developed to manage any potential conflict that may arise at Board level. The Board, through the Corporate Governance, Nomination and Remuneration Committee, evaluates the performance of the Board and the directors and the extent of their compliance with the afore-mentioned duties, obligations and undertakings.

The Board Nomination and Election Policy requires a Board candidate to present an undertaking in writing to adhere by the applicable laws and regulations and make necessary disclosures required by law or under QCB and QFMA’s regulations as a condition precedent for his/her application to be considered.

As at 31 December 2023, all afore-mentioned Board obligations were fully met.

4.2.7 Senior Management and segregation of duties

The Board of Directors appoints the Group Chief Executive Officer (“GCEO”) and his direct reports and approves the Bank’s organizational chart. The GCEO is accountable for executing the Bank’s strategy and running the business on a day-to-day basis. The Group CEO reports directly to the Board and keeps the Board fully informed of all key aspects of business performance. The Group CEO is supported by a Management team with extensive background in banking and financial matters in addition to management committees with defined roles and responsibilities. For further information about the senior management, please refer to section 5.6 entitled “Senior Management and Management Committees”.

Furthermore, the Board approved a written Delegation of Authority Policy and Matrix to manage the delegation of authorities and to ensure that the Board performs its functions in a neutral manner without influence by relations to the Executive Management. The said policy ensures the functions and authorities of MAR Board are separated from those of the Executive Management. It distributes the responsibilities and authorities based on hierarchical structure that ensures participation of all stakeholders in the decision making process within specific controls in accordance with the laws and the Bank’s AoA.

As at 31 December 2023, the Board of Directors, upon recommendations of the Corporate Governance, Nominations and Remunerations Committee, considered and approved certain appointments at senior management level and changes to the Organizational Chart. Please refer to section 5.7 herein to check the Bank’s current approved Organizational Chart.

4.2.8 Subsidiaries Governance Framework

The Board is responsible for the oversight of subsidiaries. To this end, the Board has approved in 2023 a Subsidiaries Governance Framework based on legal and regulatory requirements applicable to the subsidiaries and associates in the jurisdictions where they operate and in accordance with the relevant applicable laws and regulations in Qatar. According to the Framework, MAR must have a representation on the board of a subsidiary. The subsidiary’s Board appoints a general manager/CEO with a direct reporting line to the subsidiary’s Board and indirect reporting to the Group CEO. The Bank issues periodic consolidated reports on its activities, business and financial performance to ensure consolidated oversight and effective internal controls. The Qatar Board establishes clear, defined and written policies, strategies and budgets on Group level, in line with the objectives established for each subsidiary and the nature of the economic, market and legal environment where it is

operating. The subsidiary should be at all times considered as a company having legal entity and independence from the Bank and that operates within its applicable laws and regulations and the rights of other minority shareholders should be taken into consideration.

As at 31 December 2023, MAR had a number of subsidiaries and associates and Special Purpose Vehicles (SPVs). For details, please refer to Section 9 in the Annual Report that form an integral part of this Annual Corporate Governance Report.

4.2.9 Succession Planning

MAR has in place a succession plan to ensure continuity at all times and under any circumstances. The Succession Plan is reviewed at least annually. The plan consists of analyzing and understanding MAR’s human resources needs and developments, identifying key positions and possible successors and focusing on development of their skills and readiness to succeed to a position. The plan has high and medium focus levels. High focus level consists of the positions of GCEO and his direct reports or the direct reports to the Board, as applicable. Medium focus level consists of positions in business and operations. A principal is identified for each position or function within the high or medium focus level positions with one or two possible successors at least. Human Resources department ensures a special development program is in place for the persons identified as possible successors under the plan to ensure their readiness for movement. The plan focuses as well on development of Qatari talents towards occupying leadership positions. It also includes an emergency recruitment plan in certain circumstances. As at 31 December 2023, the Succession Plan was updated and presented to Qatar Central Bank.

4.2.10 Chairman of the Board

Pursuant to Article (24) of MAR’s AoA, the Chairman of the Board is the president of the company and represents it before the courts and third parties. The Board TORs defines further the role and responsibilities of the Chairman of the Board in accordance with the applicable laws, regulations and the Bank’s AoA.

HE Sheikh Mohamed Bin Hamad Bin Qassim Al Thani currently holds the position of Chairman of the Board in MAR. As at 31 December 2023, the Chairman conducted all his duties under the laws and regulations. He ensured each member receives all the necessary information and clear reports on all topics to be presented to the Board within sufficient time ahead of a Board meeting so the members can be well prepared for the meetings and are able to take informed decisions. The Chairman ensures each Board member receives the Board meeting invitation and agenda at least two weeks prior to a scheduled Board meeting to enable the

members to review and request any item to be added to the agenda. At every Board meeting, the Chairman ensures that the members approve the agenda before proceeding in the meeting.

Article (24) of the Bank’s AOA, the CG Charter and the Board TORs do not permit the Chairman to sit on any Board-subcommittee or to assume any executive role in the organization. Indeed, the Chairman of MAR is not part of any Board sub-committee and does not assume any executive role in the Bank. At shareholders level, the Chairman ensures permanent contacts are maintained with the shareholders particularly in the strategic matters.

For further information about the Chairman, please refer to section 5.3 entitled “Board of Directors” under the “Corporate Governance Disclosures” section below.

4.2.11 Board Committees and Delegation of Tasks

The Board delegated parts of its responsibilities to a number of sub-committees: the Executive Committee of the Board (EXCOB), the Audit Committee of the Board (ACB), the Compliance and Risk Committee (CRC), and the Corporate Governance, Nomination and Remuneration Committee (CGNRC). Board committees were established in accordance with the provisions of the Governance Regulations and specific banking requirements. All Board sub-committees function within defined and written Terms of Reference approved by the Board. Decisions taken at sub-committees’ level are presented to the full Board for endorsement.

For details, please refer to section 5.4 entitled “Board Committees” under the “Corporate Governance Disclosures” section below.

4.2.12 Board Functioning Process

The Board functioning process in terms of invitation to meetings, number of meetings, decision making process and other procedural matters is defined in MAR’s AoA, in particular, Articles (31) to (36), and the Board ToRs. As at 31 December 2023, there were no breaches to the Board functioning process as it is fully compliant with the Governance Regulations applicable in the State of Qatar. Below are the key features of the Board process:

- A corporate calendar is approved towards the end of each year. The corporate calendar determines the days for the Board and Board committees’ activities and meetings in the next year;
- Invitation and initial agenda are sent to the Board members at least two weeks ahead of the meeting date followed by supporting documents and reports to enable directors to prepare for a discussion of each agenda item. Board members can request any relevant information through the Company Secretary at any time;

- Board meeting date and main agenda items are disclosed to the Qatar Stock Exchange (“QSE”) at least two weeks ahead of each Board meeting;
- At each meeting, the Group CEO presents a periodic report to the Board on the Bank’s major events, activities, projects and initiatives. Key matters related to each department of the Bank are also discussed and departmental heads are invited to join the meetings to enhance the Board’s understanding of matters related to their respective business proposals;
- In addition to Board meetings, the Chairman meets separately from management with individual directors and chairpersons of Board committees to discuss the performance of the management and other matters that need close oversight by the Board;
- Board may seek advice from independent consultants at any time to enable the Board to discharge its duties and responsibilities;
- Directors are required to disclose any direct or indirect interests in any business item on the agenda to be considered by the Board. They are also required not to participate in the discussions and not to vote on such items;
- Major resolutions passed by the Board are disclosed immediately after each Board meeting to the QSE and published on MAR’s website and in local newspapers

4.2.13 Company/Board Secretary

Pursuant to Article (26) of MAR’s AOA, the Board shall appoint a Board Secretary who shall be a holder of a university degree and has the appropriate expertise for the position. MAR Board Secretary is responsible for organizing the work of the Board, holding the General Meetings, draft and sign the minutes of the Board together with the Chairman and all Board members as well as other duties as determined by the Board. The Secretary, after the approval of the Chairman, may seek the assistance of the Bank’s employees as he/she may deem appropriate to assist him/her to perform his/her duties. The Board Secretary shall only be appointed or dismissed by a Board resolution.

The Company Secretary role in MAR is currently assumed by Mr. Tony Merhej who was appointed by MAR Board under Board Resolution No. 4/6/2021 dated 12 December 2021 with a direct reporting line to the Board. The Board approved the Charter of the Company Secretary that defines the role and responsibilities of the Secretary in accordance with the applicable laws and regulations, Board requirements and the Bank’s AOA. The Secretary works closely with the Chairman of the Board and the Chairpersons of the Board committees to arrange Board and Board Committees meetings.

The Company Secretary plays a vital role in facilitating communication between the Board members and the Senior Management and supervises the implementation of the Group Corporate Governance framework. Mr. Merhej holds a Master Degree in Linguistics and Legal Translation including legal studies and has 16+ years of experience in corporate governance, compliance and legal affairs. As at 31 December 2023, the Company Secretary conducted all his duties set forth under the relevant laws and regulations. Mr. Merhej held zero shares in MAR as of 31 December 2023.

4.2.14 Performance Assessment

At Board level, an annual assessment exercise for the performance of the Board and its committees is conducted by the Board Corporate Governance, Nomination and Remuneration Committee (CGNRC) in accordance with a specific evaluation process that takes into consideration, amongst others, the attendance and participation levels of a director in the Board and committees’ meetings. The outcome of the assessment together with recommendations for enhancement of the Board’s efficiency and functions are then escalated by the CGNRC to the full Board of Directors to take the necessary actions. According to latest Board assessment made as at 31 December 2023, the results showed that the processes and dynamics of the Board and Board committees are functioning properly and there are no major areas of concern.

At Senior Management and employees’ level, a system was established to measure the overall performance of the Bank through the Balanced Scorecard that defines the financial and non-financial goals and targets of the Group. The targets and goals within the Scorecard are presented to the Board for discussion and approval at the beginning of each financial year. Regular updates are presented to the Board on the progress made in achieving the Bank’s agreed targets. The Balanced Scorecard methodology is used to distill the strategy, or long-term objectives, into measurable key performance indicators. The scorecard provides a unified practical view of the organization’s financial and non-financial achievements in a structured format. The organization’s compensation program is firmly linked to the scorecard. Individual awards are dependent on achievement of performance goals. At the end of each year, the final score achieved under the approved Balanced Scorecard is audited by the Internal Audit department and reports presented to the Board accordingly. As of 31 December 2023, the Bank achieved, in all materials aspects, the goals set under the approved Balanced Scorecard for 2023.

For further details, please refer to section 5.5 entitled “Meetings and Attendance” and to section 5.8 entitled “Incentives and Remunerations” under the “Corporate Governance Disclosures” section below.

4.2.15 Annual Assessment of Independent Directors

In addition to the annual Board evaluation, the Corporate Governance, Nominations and Remunerations Committee of the Board conducts and reports to the Board the outcome of the annual assessment of Independent directors in accordance with the applicable regulations. An assessment process was developed to evaluate the independency of the Independent directors. It requires each Independent director to make certain disclosures that allow the Bank to identify and verify whether any change occurred to the status of an Independent director throughout the year that might impact his/her independency. Based on the disclosures of the Independent directors, the annual assessment revealed that the status of the Independent directors on the Board remains unchanged as nothing has occurred that would impact their independency as at 31 December 2023.

4.2.16 Development, Learning and Awareness

At Board level, the Board TORs ensure ongoing development and learning courses are in place for the directors in order to enhance their skills and knowledge and to remain fully updated on legal and regulatory innovations and latest international practices in all domains related to the Bank’s operations.

The Corporate Governance, Nominations and Remunerations Committee of the Board (“CGNRC”) is in charge of organizing development programs and workshops for the Board as and when required. In 2023, the CGNRC approved a Board Development and Training Program for the current Board term 2023-2024-2025 in cooperation with an independent consultancy firm. The Program requires each Board member to conduct one compulsory training session in specific areas and another optional session to be determined by a director upon development needs. The sessions must be conducted within the first two years of a Board term. As at 31 December 2023, all Board members have completed the compulsory AML and CFT training session.

Furthermore, the Board Election and Nomination Policy approved by the General Meeting requires the Bank to provide an induction program for new joiners on the Board. To this end, an Induction Program for directors was developed that allows new directors to avail of all information, documents and details about the functioning of the Board and its sub-committees, the Bank’s overall activities and business and an overview of their duties and obligations under

the applicable laws and regulations and the Bank’s AOA. A “Board of Directors Manual” was also developed covering all the foregoing aspects. In 2023, upon the election of a new Board of Directors by the AGM held on 15 March 2023, an induction session was organized for newly elected and re-elected directors in accordance with the Program. It included individual meetings with Senior Management and introduction to the Bank’s strategy, activities and business.

At the Senior Management and employees’ level, MAR established a dedicated Talent Management unit within the Human Resources department in charge of developing and implementing training and development plans and projects in line with MAR strategy and objectives upon obtaining necessary Board approval. The Bank has also developed an induction program for all new joiners to MAR family. As at 31 December 2023, Talent Management organized and completed ca. 15660 training hours. For more details, please refer to the section entitled “Group Human Resources” under “Internal Control and Support Functions” in the Annual Report that forms an integral part of this Corporate Governance Report.

4.3 At Control Level

4.3.1 Internal Control

A robust internal control system is in place that fulfill the requirements of the applicable local laws and regulations and the best international practices. For details, please refer to sections 5.9, 5.10, 5.11 and 5.12 of “Corporate Governance Disclosures” section below and the “Internal Control and Support Functions” section in the Annual Report that forms an integral part of this Corporate Governance Report.

4.3.2 Risk Management

The risk governance structure at MAR consists of five layers comprising of the following:

Level 1: Board of Directors

Level 2: Board Compliance and Risk Committee (Board CRC)

Level 3: Senior management committees: Group Risk Committee (GRC), Credit and Investment Committee (CIC), Group Asset, Liability and Capital Committee (GALCCO), Group Special Investigations Committee (GSIC), and Group Security Steering Committee (GSSC)

Level 4: Group Risk Management: Enterprise Risk Management, Credit Risk Management including Credit Documentation, Remedial Management/Collections, Market Risk Management, Liquidity Risk Management, Operational Risk Management, Fraud Risk Management, Business Continuity Management, and Security Risk Management

Level 5: Business Units

The overall responsibility for ensuring robust risk management rests with the Board of Directors (Level 1), while the execution of the oversight at Board level sits with the Board Compliance and Risk Committee (Level 2). The Board CRC has the overall responsibility of ensuring that adequate policies, procedures, and methodologies are in place for risk management, and that they are properly implemented.

Supporting the Board CRC are the senior management committees (Level 3) that cover the various aspects of risk management. For details, please refer to the Group Risk Management section under “Internal Control and Support Functions” in the Annual Report that forms an integral part of this Corporate Governance Report.

4.3.3 Business Resilience and Disaster Recovery

MAR has a Business Resilience policy describing the process whereby MAR ensures the maintenance or recovery of operations, including services to customers, when confronted with adverse events such as natural disasters, technological failures, human error, terrorism or pandemics. For further details, please refer to the section entitled “Group Risk Management” under “Internal Control and Support Functions” that form an integral part of this Annual Corporate Governance Report.

4.3.4 Compliance and AML

MAR has a dedicated Group Compliance and AML department that ensures compliance is embedded into every level of the organization and aligned with the Bank’s business strategy. To ensure compliance activities retain their independent functioning, the Group Compliance and AML department reports directly to the Board Compliance and Risk Committee. Compliance/AML departments in the subsidiaries also report directly to their respective general managers and indirectly to the Group Compliance and AML department. For details, please refer to the Group Compliance and AML section under “Internal Control and Support Functions” in the Annual Report that forms an integral part of this Corporate Governance Report.

4.3.5 Internal Audit

The Group Internal Audit function (the “GIA”) is an independent division within Group MAR reporting directly to the Group Audit Committee of the Board. The GIA provides an independent and objective assurance to the Board of Directors and the Management on the design and operating effectiveness of the Bank’s corporate governance, risk management, and internal control frameworks across the Group. The GIA continuously promotes the awareness on risks and controls, provides advice on developing control solutions, and monitoring corrective actions, thereby safeguarding the assets of the Bank. For details, please refer to the Group

Internal Audit section under “Internal Control and Support Functions” in the Annual Report that forms an integral part of this Corporate Governance Report.

4.3.6 Sharia Audit

Pursuant to Article (41) of MAR’s AOA, the Bank must appoint a Shari’a Supervisory Board consisting of knowledgeable specialists in Shari’a rules related to Islamic financial transactions to ensure all activities undertaken by the Bank complies with the rules of Islamic Shari’a. On 15 March 2023, the General Meeting of shareholders, upon the Board recommendation, appointed the SSB’s three members for the period (2023-2024-2025). Internally, MAR has established a Sharia Audit unit with direct reporting line to the SSB to be the link between the Senior Management and the SSB. For details, please refer to sections (10) and (6.6) respectively in the Annual Report that forms an integral part of this Corporate Governance Report.

4.3.7 External Control

Chapter VII of the Bank’s AoA sets out the external control requirements for the Bank including, but not limited to, appointing an independent external auditor and determining its role and responsibilities. All these statutory requirements are in line with the local applicable Governance Regulations. In addition, MAR has in place an External Auditor Policy that defines the responsibilities of external auditors and determines the basis on which an external auditor would be selected. The Audit Committee is mandated by the Board under the said policy to review and consider external auditors proposals and engagement letters and to deal with all matters related to external auditing.

In its meeting of 15 March 2023, the Annual General Meeting (“AGM”) approved the Board/Audit Committee’s recommendation to appoint Price Waterhouse Coopers- Qatar branch (“PWC”) as external auditors of the Bank for the fiscal year ended 31 December 2023. Total statutory audit fees for the year amounted to QAR 5.029 million (2022:QAR 4.912 million), while other assurance services and other services amounted to QAR 0.973 million (2022: QAR 0.877 million) and QAR 1.819 million (2022: QAR 1.395 million), respectively. Total consideration for the services provided by auditors for the year 2023 amounted to QAR 7.821 million* (2022: QAR 7.184 million).

* Amounts cover auditors fees on Group level including overseas subsidiaries. Of which, consideration for the services provided by auditors for Qatar operation only for 2023 is QAR 3.95 million. On 15 March 2023, MAR AGM approved QAR 3.2 million as total auditing fees for PWC. The AGM also authorized the Board and/or the Audit Committee of the Board to approve any additional fees, if applicable, that might be

incurred during the year because of contingent regulatory requirements provided that such fees are disclosed in the Annual Report. In 2023, the Board/Audit Committee approved an amount of QAR 0.776 million as extra fees paid to the external auditors based on the above mandate.

The external auditor conducts the review and the audit works and issues its reports in accordance with the applicable laws and regulations and relevant international standards. The external auditor attends the General Assembly meetings to present their report and answer the shareholder’s questions. As of 31 December 2023, no qualified reports were issued by the external auditors. For details or to check the external auditors’ reports, please refer to the relevant AGM/EGM minutes of meetings and the audited financial statements freely accessible on MAR’s website.

4.4 At Transparency and Disclosure Level

4.4.1 Disclosure

MAR discloses its quarterly and end-of-year financial results in accordance with the applicable laws and regulations. Furthermore, all information about the Chairman, the Board members and the members of the Senior Management as well as their other positions held and their respective stakes in the Bank’s share capital, and the major shareholders who own 5% or more of the Bank’s capital are disclosed and updated regularly on the Bank’s website and in the Annual Corporate Governance Report.

Furthermore, the Board of Directors has adopted a Disclosure and Transparency Policy that complies with the Qatar Stock Exchange (“QSE”) rules and ensures disclosure of sensitive information to the market in a timely, accurate and transparent manner. The policy also sets the framework for dealing with rumors. MAR discloses the agenda of its Board meetings and all resolutions of a sensitive nature to the QSE before and after each Board meeting. In addition, MAR keeps its shareholders, investors and customers informed of all new products and business through periodic press releases published in the local newspapers and on MAR website and notifies QSE and relevant regulators of the same beforehand. During General Meetings, the shareholders enjoy their rights to ask any questions about MAR position and business. The Disclosure and Transparency Policy is available and accessible on MAR’s website.

The Board discloses the quarterly and yearly financial statements only after making the necessary reviews and audits based on the independent report of the external auditors and the recommendations of the Audit Committee and the Senior Management that all disclosed information are accurate, correct and not misleading in all material aspects. Any other non-financial disclosures made are subject to the

Disclosure and Transparency Policy approved by the Board that sets a process for the review of accuracy and appropriateness of any information or press releases before they are made public including a multilayer approval process of the Compliance department, Legal department, the GCEO and/or the Chairman of the Board, as the case may be.

The audited financial statements are distributed to all shareholders with the Annual Report during the Annual General Meetings. They are also published in the local newspapers and are freely and permanently accessible on MAR and QSE’s websites. The Bank also discloses the annual remunerations of the members of the Board and Senior Management in its audited annual reports. Main activities and achievements of the Board are disclosed in the annual Board of Directors report submitted to the Annual General Meeting. Main activities and achievements of the Senior Management are disclosed also as part of the Bank’s departmental overviews in the Annual Report distributed to the shareholders in each Annual General Meeting.

As at 31 December 2023, MAR made all disclosures required under the applicable laws and regulations on its website, press and social media platforms and in its annual reports. For details, please refer to the section 5 below entitled “Corporate Governance Disclosures” and MAR’s website (www.alrayan.com).

4.4.2 Conflict of Interest, Transparency and Related Party Transactions

The General Meeting of shareholders adopted the conflict of interest management and the related party transactions frameworks under Articles (25) and (36) of the Bank’s AoA.

Article (25) of the Bank’s AOA prohibits the Chairman of the Board, any Board member or any member of the senior executive management to perform or engage, whether in his/her personal capacity or through any of his/her first degree relatives, directly or indirectly, in any activities that would be similar to or competitive with the activities of the Bank, or take advantage of the Bank’s activities to achieve or promote his/her own interests or to achieve any commercial or personal interests. The same Article also prohibits the Chairman, Board members and members of executive management from having, whether in their personal capacity or through any of their first degree relatives, directly or indirectly, any interest in the contracts, projects and engagements entered into by the Bank or in which the Bank is a party, without any exceptions whatsoever, except for the credit facility agreements made between the Bank and any of them in accordance with the limits and controls set forth under QCB rules and regulations.

In addition, the MAR Board TORs and Corporate Governance Framework set out the general rules governing the related party transactions. The Board also approved the Group Conflict of Interest Management Policy that sets the operating procedures on dealing with the conflict of interests and related parties matters.

Any Related Party Transaction must be approved at Board/Board sub-committee level and, at the General Assembly of Shareholders level for major transactions, as applicable, after producing the justifications for entering into such transactions depending on its type and ensuring it has followed the approved process for the management of conflict of interest. In the event where a transaction involves a potential conflict with a Board member, a member from the senior management or a third party, such transaction shall be discussed in the absence of the conflicted party who must not have the right to participate in the discussions and the voting on such transaction. In all events, all related party transactions, if any, must be on arms' length basis with no preferential terms at the Bank's expense.

Pursuant to the said policy, each Board member is required to declare his/her direct or indirect interests in any of the transactions and agenda items presented to the Board. Any conflicted member must not have the right to participate in the discussions and the voting on such transaction and items. Also, each Board member and member of the senior management must disclose and update, at least annually, his/her financial interest or other interest in the Bank or its subsidiaries, or his/her connection with any of the Bank's connected persons and related parties, if any. Each director has signed a written statement regarding his/her compliance with the regulatory conflict of interest requirements. As at 31 December 2023, each director has updated his annual disclosures.

The Conflict of Interest Management Policy also sets a framework for insider trading which prohibits trading based on material, non-public information regarding MAR. It covers all stakeholders of MAR who have or may have access to inside information. A list of insiders is developed and updated regularly by the Corporate Governance, Nomination and Remuneration Committee of the Board and presented to the Qatar Financial Market Authority and QSE/QCSD. A copy of the afore-mentioned policy is delivered to the Board members, senior management, all new employees, vendors and consultants upon the commencement of their relationships with MAR. Under this framework, MAR monitors the trading activities related to MAR shares by its directors and senior management. A monthly report on those activities is prepared by the Investor Relations unit and shared with

the Group Head of Compliance and the Company Secretary. Furthermore, at the end of each quarter, the Bank publishes the QFMA's Financial Information Disclosure Form on its website and QSE's website. This form contains disclosures on trading in MAR shares by Board members and senior management, if any. Also, at the end of each quarter and 15 days prior to the Board meeting scheduled to approve quarterly financial statements, a circular on the start of the Closed Period during which trading in MAR shares by Board members, senior management and other insiders is issued to all concerned parties to remind them of their obligations in this respect. As at 31 December 2023, no trading occurs during the Closed Period within the meaning of Article 173 of the Internal Regulation of Qatar Stock Exchange.

As of 31 December 2023, there were no major related party transactions in the Bank's book that require shareholders' approval. There were, however, credit facilities granted to related parties. These facilities were granted at arm's length basis in accordance with Qatar Central Bank relevant rules and regulations with no preferential terms and conditions. They were approved by the concerned credit committees at the Bank in the absence of the relevant conflicted parties who did not participate in any negotiations, discussions or decisions related to such transactions.

In all events, all related parties' transactions, whether major transactions or otherwise, are disclosed in the Director Fees Report prepared in accordance with Article (122) of Qatar's Commercial Companies Law No (11) of 2015 as amended by Law No (8) of 2021 and Article (39) of the Bank's AoA and Article (26) of QFMA Code. They are also presented as part of note no. (38) of the audited EOY financials to the General Meeting for endorsement. For details, please refer to the EOY Financial Statements as of 31 December 2023 at the end of the Annual Report which forms an integral part of this Corporate Governance Report. The Director Fees Report will be available for the shareholders review one week before the Annual General Meeting in the Corporate Secretariat office on the 23rd floor of MAR head office in MAR Tower, 69 Al Add Al Sharqi Street, Marina 40, Lusail City, Doha, Qatar. In order to be able to check the Director Fees Report, shareholders must produce an updated account statement of their shares from Qatar Stock Exchange/Qatar Central Securities Depository dated no more than one week together with a copy of their IDs (in case the shareholder is a natural person) or copy of the Commercial Registration (CR), Corporate Card and an authorization letter signed by an authorized signatory on the CR and on the Corporate Card (in case the shareholder is a legal person).

4.5 At Stakeholders' Rights Level

MAR Articles of Association guarantee respect of shareholders rights and principles. In particular, Chapter Sixth of the AoA and Articles (12), (38), (39), (40), (67), (68) and (72) guarantee all the rights of the shareholders set forth under the applicable laws and regulations particularly the stipulations of Chapter Six of the QFMA Code.

Below is an overview on the actions taken by MAR to put the rights of shareholders into effect:

4.5.1 Communication with Shareholders and Investors

MAR values open and transparent dialogue with its shareholders as well as institutional and private investors. An independent Investor Relations department is dedicated to serve as the primary contact with shareholders, investors and financial analysts. Furthermore, upon disclosure of quarterly results, the Bank organizes a conference call with investors and financial analysts on quarterly basis that includes members from Senior Management to provide further clarifications and explanations about the financial results achieved and to respond to all queries of the investors. The Investor Relations Department is contactable at +97444940674 or +97444940673 or by email at IR@alrayan.com. As at 31 December 2023, MAR conducted 4 conference calls with investors and analysts upon disclosure of its interim financials at the end of each quarter.

4.5.2 Shareholders Right to Information

Article (12) of MAR AOA guarantees access by shareholders to information that allow them to exercise their full rights without prejudice to other shareholders' rights and the Bank's interests. To this end, MAR created a dedicated website www.alrayan.com as the main platform to publish and disclose all necessary information required under the local laws and regulations and information that are of interest to the shareholders. The website is subject to the Disclosure and Transparency Policy approved by the Board. In addition, shareholders get free access to the information they are entitled to obtain under the applicable laws and regulations by contacting the Company Secretariat Office or the Investor Relations department. The details of the members of the Board and Senior Management as well as the Bank's constitutional documents including the Memorandum and Articles of Association, the Commercial Register, the QCB License, the minutes of General Meetings are freely accessible on the Bank's website. For further details, please refer to section 4.4.1 above entitled "Disclosure".

4.5.3 Right to General Meetings and Equitable Treatment of Shareholders

The Bank's AOA affirms the right of shareholders to call ordinary or extraordinary general meetings and the right to add, discuss, decide and raise questions with respect to any items on the

agenda of the general meetings. According to the AOA, a shareholder who attends the general meetings has the right to discuss the agenda items and question the external auditors, the Board of Directors, the senior management and the SSB who shall respond to the shareholders to the extent it does not put the Bank's own interests at risk. In the event a shareholder is not satisfied with the answers, such shareholder shall refer the subject matter to the general meeting of shareholders whose decision in such respect is deemed final and binding. Article (12) of MAR's AOA also ensures the fair and equitable treatment of all shareholders. It sets out that each shareholder must have a number of votes that equals his/her number of shares and that all shareholders are equal in rights and obligations related to the share in accordance with the relevant laws, regulations and resolutions. It also affirms shareholder's right to dispose of his/her share without any restrictions unless such disposal is in breach to applicable laws or regulations and that each share entitles its owner to a share equal to that of other shares without discrimination in the ownership of the assets of the Bank and the profits divided in the manner provided in the Bank's AOA. Furthermore, Articles (54), (39) and (72) of MAR's AOA respectively affirm the shareholders' rights to (i) dismiss Board members in accordance with the law; (ii) receive clarifications and reports decided under the law for general meetings; and (iii) initiate the civil and criminal liability case against Board members;

In 2023, MAR held one annual general assembly meeting of shareholders on 15 March 2023. The full minutes of the general meetings are published on MAR website (www.alrayan.com).

4.5.4 Shareholders Right to Board Elections

The Bank's AoA, in particular, Article (19) sets out the main terms for directorship. In addition, the General Meeting held on 16 November 2022 adopted the Board Nomination and Election Policy upon a recommendation from the Board and the Board Corporate Governance, Nomination and Remuneration Committee. The policy ensures the shareholders get access to all information required about Board candidates prior to the elections, including but not limited to, the professional and education background and work experiences. Such information would be announced on MAR website. The Board Nomination and Election Policy is accessible on the Bank's website www.alrayan.com.

4.5.5 Shareholders Right to Dividends

The Bank's AoA sets out the terms and conditions for the distribution of profits in accordance with the law. The audited financial statements presented to the Annual General Meeting for endorsement determines how the profits will be distributed. Dividend payout proposals, if applicable, are also presented for shareholders' approval in every Annual General Meeting.

Dividend is fully linked to the results achieved by the Bank at year-end and is subject to the applicable laws and regulations, in particular, QCB instructions. As per Article (68) of MAR's AOA, dividends must be paid to shareholders within 30 days from the date of General Assembly meeting that approves such dividends.

In addition, MAR has established a Shareholders Affairs unit fully dedicated for dividend payments and queries of shareholders related to their dividends. The unit is contactable by email shareholdersaffairs@alrayan.com or Tel +97444253215. Various payment options are offered by MAR including direct transfer to shareholders' bank accounts registered at QCSD, cash or cheque collection at MAR branches or bank transfers to local or international banks upon completing the required supporting documents. Also, MAR ensures full compliance with QFMA rules on payment of cash dividends through Edaa. To this end, MAR is in the process of taking all necessary actions to implement such rules.

On 15 March 2023, the Annual General Meeting decided to distribute cash dividends in the rate of 10% of the nominal share value (QAR 0.10 per share) for the year ended 31 December 2022. In 2023, the Bank continued the payment of all dividends through the various means mentioned above.

MAR continues to publish the list of its shareholders with uncollected dividends since more than 10 years on its website in compliance with Qatar Central Bank instructions and facilitates relevant payments accordingly. Any dividend amounts that remain uncollected will be dealt with in accordance with the relevant regulatory instructions.

4.5.6 Capital Structure and Shareholders' Rights in Major Transactions

Article (50) of the Bank's AoA guarantees the rights of the shareholders, in particular, the minorities, to object and cancel major transactions that he/she may deem against his/her own interests in accordance with the law. Details on capital structure and shareholders' base structure and evolution are disclosed in the Bank's annual report. Major shareholders that own 5% or more of the Bank's share capital are disclosed and updated regularly on the Bank's website. For details, please check section 5.1 entitled "Our Shareholders" under the "Corporate Governance Disclosures" section below.

4.5.7 Shareholders Register

MAR maintains the Shareholders Register as received on a monthly basis from Qatar Central Securities Depository Company (QCSD). MAR also requests copies of these registers as and when needed. The Shareholder Register is adopted for quorum in general meetings and for dividend distribution.

4.5.8 Stakeholders Rights other than the shareholders

MAR has in place various policies related to different categories of stakeholders namely

the HR Policy and Code of Conduct which both ensure all stakeholders are treated according to the principles of fairness and equity without any discrimination whatsoever and all their rights stipulated under the applicable laws and regulations are respected and protected at all time. Furthermore, MAR has a set of various policies to deal with certain stakeholders, in particular, the Procurement and Vendors Policy, the External Auditors and Financial Evaluators Policy and the Investor Relations Policy. All these policies ensure the rights of all stakeholders are protected and all departments, units and functions in the Bank operate under the rule of the law when dealing with various stakeholders.

Furthermore, the Bank encourages its employees and stakeholders to speak up and share incidents suspected to be in violations to MAR values, policies and procedures. To this end, a whistleblower policy and hotline service were established to enable stakeholders to make reports in good faith and confidence directly to the Group Head of Compliance who independently investigates these incidents and reports to the Board of Directors and Executive Management on the results and actions taken. To further strengthen controls, the Group Head of Internal Audit has access to the reports and independently verifies the actions taken by the management. To ensure the effectiveness of the hotline service, the Board granted protection to stakeholders who report, in good faith, of any suspected practice or transaction by appointing an independent third party to receive such reports. The whistleblower program is implemented in all jurisdictions where the Bank operates and in accordance with local legal requirements. A monthly reminder is sent to all employees on the program and the hotline service. In 2023, 7 incidents were reported. Investigations conducted for each incident and no major issues were found.

On customer level, Customer Complaint and Compliment procedures are in place and managed by a dedicated Customer Care Unit. Additionally, our 24/7 Contact Center is available to receive and process any query or complaint escalated by the customers. The Customer Care Unit is part of the Service Quality Department that aims at improving Service Level, Customer Experience, through Complaint Management, Quality Assurance and standardization of processes. The Contact Center is reachable at +974 44253333 or at info@alrayan.com. As at 31 December 2023, all reports were processed and solved to the satisfaction of the customers. No complaint or report was filed with high-risk profile that would affect the financial position of the Bank or would require escalation to the Senior Management including the GCEO or to the Board.

4.5.9 Community Rights and ESG Initiatives

Please refer to section (7) of the Annual Report that form an integral part of this Annual Corporate Governance Report.

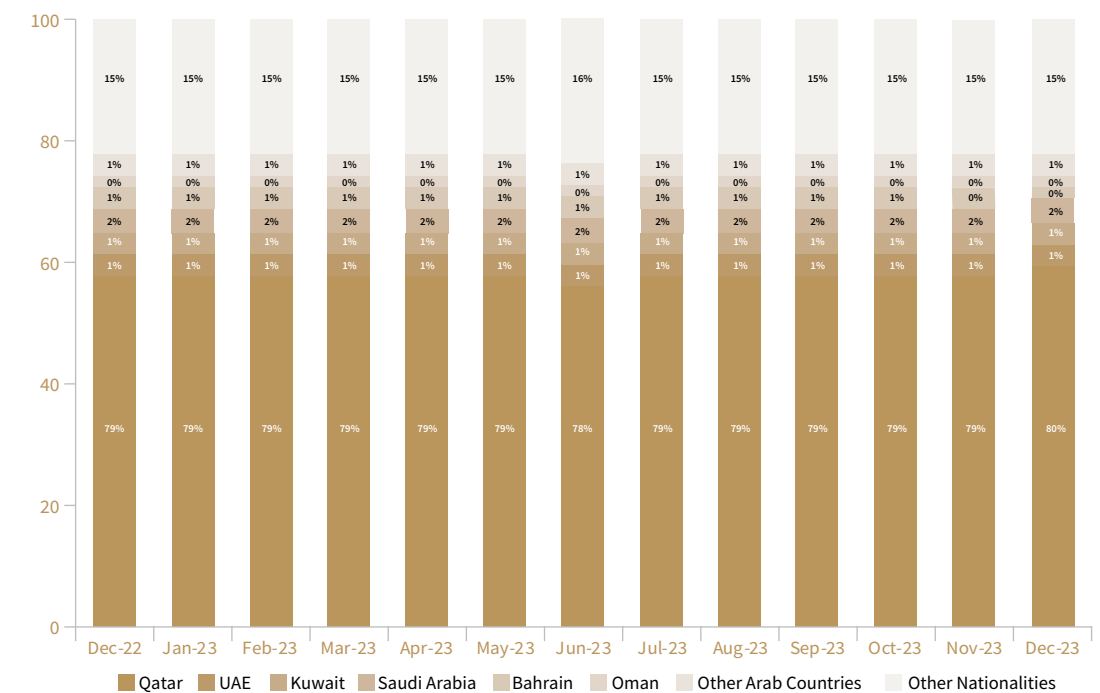
5. Corporate Governance Disclosures

5.1 Our Shareholders

As at 31 December 2023, MAR had 180,959 shareholders, comprising pension funds, banks, mutual funds, insurers, sovereign wealth funds, corporations, small and medium enterprises, and retail investors from Qatar, Oman, Bahrain, UAE, Saudi Arabia, Kuwait and other Arab and foreign countries.

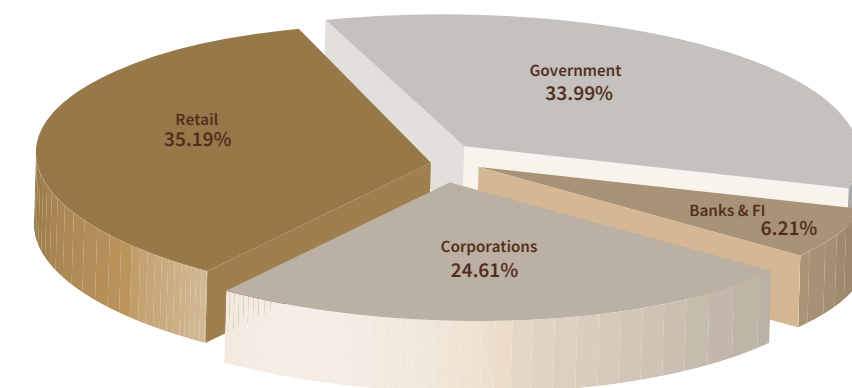
5.1.1 Evolution of Shareholder Base

As at 31 December 2023, the percentage of Qatari ownership slightly increased to 80% of the Bank's share capital and shares owned by shareholders from other countries was at 20% of the Bank's share capital, compared to 79% and 21% respectively as at the end of 2022.



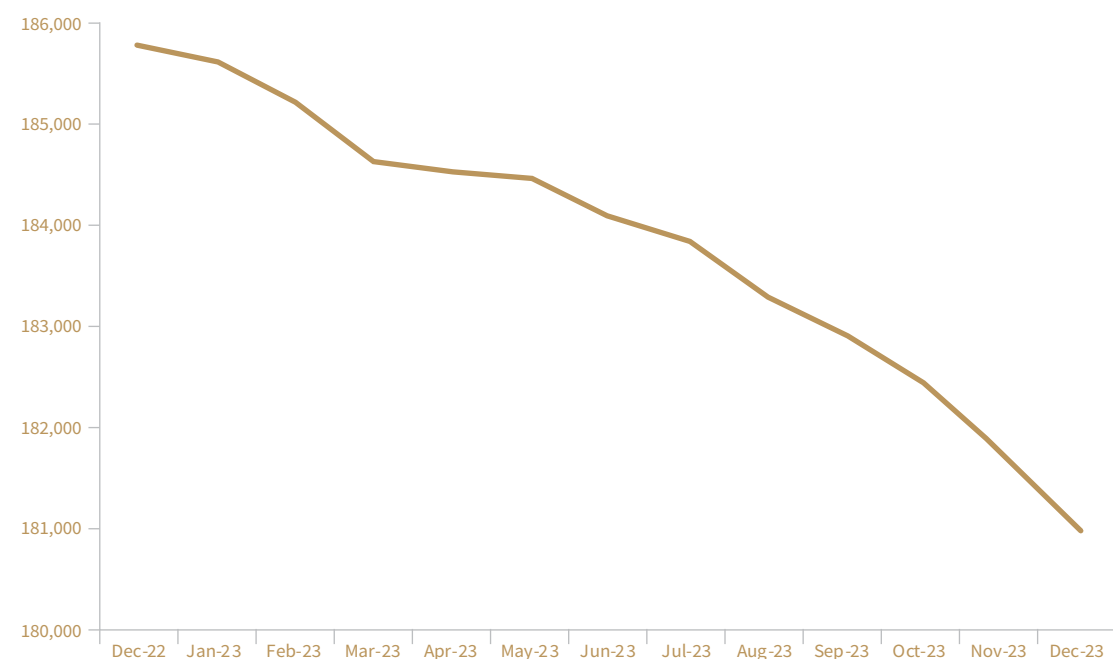
Graph (1): Evolution of shareholder base by nationality (Analysis of our share registers with the Edaa)

In 2023, the total shares' percentage of Qatar government entities slightly increased from 33.89% to 33.99% of the Bank's share capital as at 31 December 2023. The percentage of capital retained by other sectors increased from 24.41% to 24.61% for corporations; decreased from 6.81% to 6.21% for banks/financial institutions (banks, funds, insurers, pension etc.) and increased for retail investors from 34.90% to 35.19% as at 31 December 2023.



Graph (2): Evolution of shareholder base by category (Analysis of our share registers with the Edaa)

While the percentage of shares retained by retail investors slightly increased, the total number of shareholders continued to decrease in 2023.



Graph (3): Number of shareholders
(Analysis of our share registers with the Edaa)

5.1.2 Major Shareholders

As at 31 December 2023, MAR had 3 major shareholders who own 5% or more of the Bank's share capital. Qatar Investment Authority (QIA), our largest shareholder, remained unchanged at 20.60% as at 31 December 2023. It holds the shares indirectly through its fully owned company, Qatar Holding LLC, and other related government entities. Armed Forces Investment Portfolio in the Bank's share capital also remained unchanged at 7.51% as at 31 December 2023. It is our second largest shareholder. The Pension Fund, General Retirement and Social Insurance Authority (including civil and military funds) slightly increased YOY from 5.61% as at end of 2022 to 5.72% as at 31 December 2023.

MAR's major shareholders held 33.83% of MAR capital as at 31 December 2023.

Major Shareholders	Category	Domicile	Shares	Percent
Qatar Investment Authority (QIA)* Directly and indirectly through Qatar Holding, Diwan portfolio co. ltd	Government	Qatar	1,915,632,215	20.60%
Armed Forces Investment Portfolio through Barzan Holding	Government	Qatar	698,574,780	7.51%
Pension Fund-General Retirement and Social Insurance Authority (civil and military funds)	Government	Qatar	531,719,212	5.72%
Total			3,145,926,207	33.83%

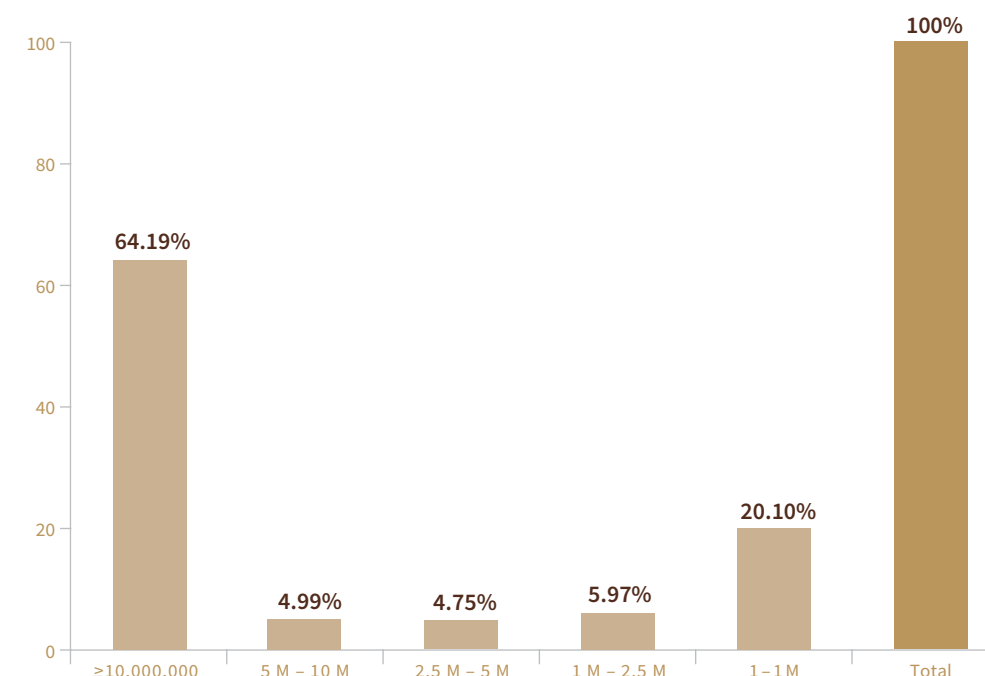
*Directly or indirectly through related parties

Table (1): MAR major shareholders as at 31 December 2023
(Extract from our share register with Edaa)

5.1.3 Shareholders' Concentration

On 31 December 2023, 101 investors (holding each 10 million and more of shares) – owned 64.19% of MAR's shares. Out of these 101 shareholders, 32 are private investors, 18 are banks or financial institutions, 44 are corporations, and 7 are Qatar Government entities.

The majority number of shareholders are retail investors, holding less than 1,000,000 shares each.



Graph (4): Shareholder concentration per number of shares
(Analysis of our share register with the Edaa)

AR Shareholders			Breakdown							
			Retail		Banks & FIs		Corporations		Qatar Government	
Shares Number	Investors	%	Investors	%	Investors	%	Investors	%	Investors	%
≥ 10,000,000	101	64.19%	32	7.58%	18	5.29%	44	17.41%	7	33.91%
5 M - 10 M	68	4.99%	33	2.26%	2	0.15%	33	2.58%	0	0.00%
2,5 M - 5 M	128	4.75%	71	2.55%	9	0.37%	47	1.77%	1	0.05%
1 M - 2.5 M	367	5.97%	257	4.07%	12	0.22%	96	1.66%	2	0.02%
1 - 1 M	180,295	20.10%	179,797	18.72%	54	0.19%	443	1.18%	1	0.01%
Total	180,959	100%	180,190	35%	95	6%	663	25%	11	34%

*rounded figures

Table (2): Shareholder concentration per category
(Analysis of our share register with the Edaa)

5.1.4 Trading Activity

The monthly average number of transactions on MAR decreased by 4% in the second half of 2023 (H2 2023) compared to the first half of 2023 (H1 2023). The market/Qatar Stock Exchange monthly average number of transactions increased by 7% in H2 2023 compared to H1 2023.

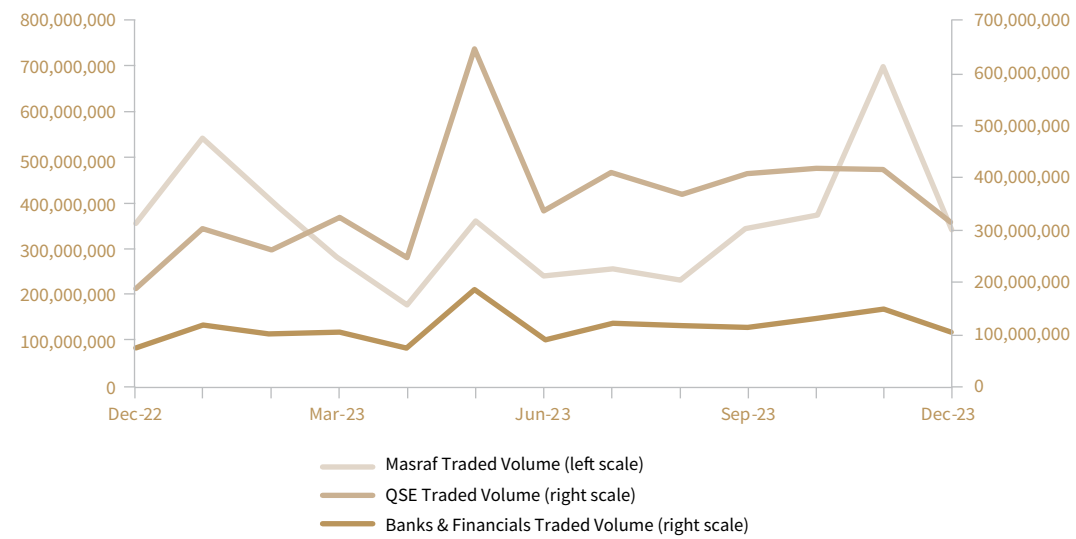
For the Banks and FIs sector, the monthly average number of transactions increased by 3% in H2 2023 compared to H1 2023.

Average number of transactions during:	Qatar Stock Exchange	Banks & FIs	MAR
H1 2023	342,775	148,455	27,328
H2 2023	367,839	152,956	26,185

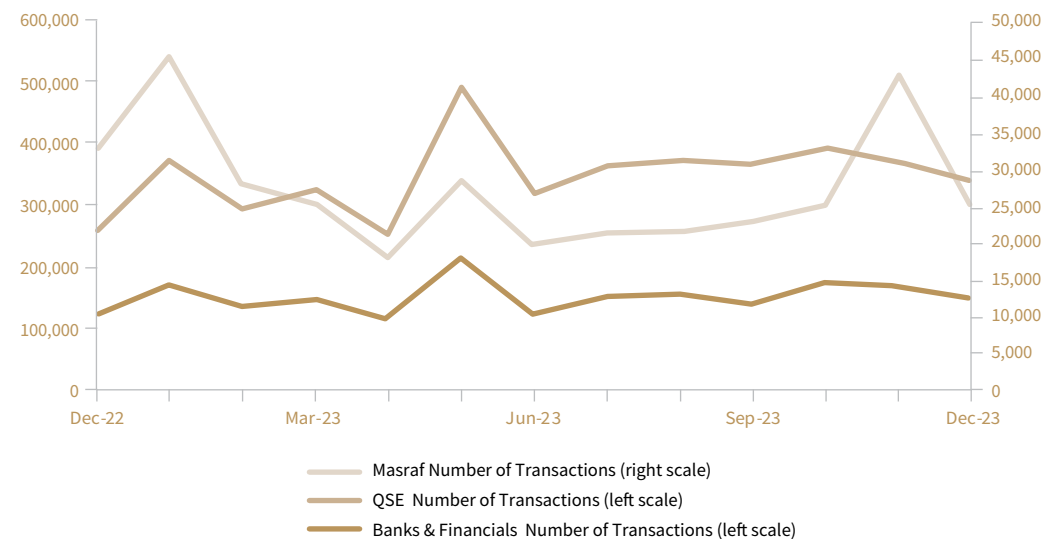
Table (3): Average number of transactions (H1 versus H2 2023)
(Analysis of information provided by the Qatar Stock Exchange)

5.1.5 Trading Volumes

The monthly average of MAR traded volumes increased overall in H2, especially in November 2023. In contrast to the QSE and Banks and FIs averages, which rose during H1, particularly in May 2023.



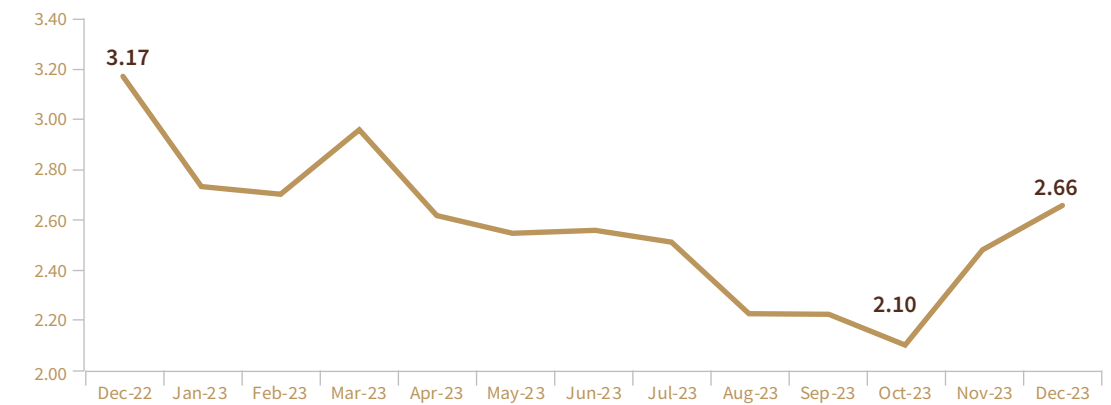
Graph (5): Traded volumes (in number of shares)
(Analysis of information provided by the Qatar Stock Exchange)



Graph (6): Number of transactions
(Analysis of information provided by the Qatar Stock Exchange)

5.1.6 Share Price and Volatility

In 2023, MAR's share price decreased by 16.27% (from QAR 3.17 at end-2022 to QAR 2.66 at end-2023), compared to 5.19% increase for the QSE Index and 3.38% increase for the Banks and FIs Index.



Graph (7): MAR share price (December 2022 – December 2023)

5.2 Credit Ratings

As per latest rating in 2023, Moody's have affirmed MAR's long term rating as 'A1' and short term rating as P1 with a "negative" outlook.

- 1) Strong Government related franchise which provides a solid domestic asset base
- 2) High capitalization
- 3) Solid and stable profitability

However, the above mentioned strengths could be impacted by:

- 1) High concentration in assets and liabilities
- 2) High reliance on market funds
- 3) Weakening in asset quality

5.3 Board of Directors

MAR Board of Directors comprises 11 members of whom two (2) members shall be appointed by Qatar Holding/Qatar Investment Authority, one (1) member shall be appointed by Qatari General Retirement and Social Insurance Authority and one (1) member to represent Barzan Holding Company (owned by the Ministry of Defence). The other remaining members shall be elected by the General Meeting by secret ballot. The entities represented in the Board shall not be allowed to vote for candidates running for Board membership.

On 15 March 2023, the Annual General Meeting of Shareholders elected a new Board of directors for the sixth term 2023-2024-2025. During 2023, Mr. Abdulla Bin Nasser Al Misnad tendered his resignation as independent member of the Board. As at 31 December 2023 only two out of ten board members are independent. The Board, however, opened the nomination door to fill-in the vacancy in the independent seat. A new independent director will be selected by the General Meeting of Shareholders to which this report is addressed. Also in 2023, Mr. Ahmed Ali Al Hamadi was appointed as new Board member representing the General Authority for Retirement and Social Insurance in replacement to Mr. Turki Al Khater. Below is the composition of the Board for the current mandate (2023-2024-2025) and the statement of shares owned by the directors or by the corporate entities they represent on the Board of MAR as at 31 December 2023:



H.E. Sheikh Mohamed Bin Hamad Bin Qassim Al Thani

Chairman of the Board – Qatari

- Non-Executive and Non-Independent Member
- Appointed on MAR Board by QIA/Qatar Holding LLC (“QH”) on 17 November 2021. Re-appointed for the current Board term on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: 10,060
- Number of shares held by QIA/QH and its related entities as of 31-Dec-2023: 1,915,632,215 shares

Other positions currently held:

- Minister of Commerce and Industry – State of Qatar
- Board Member of the Supreme Council for Economic Affairs and Investment
- Chairman of the Board of Directors of Qatar Stock Exchange
- Chairman of the Board of Directors of the Advisory Board of the Investment Promotion Agency
- Chairman of the Board of Directors of the Qatar Financial Center Authority
- Board Member, Qatar Investment Authority
- Board Member, Qatar Energy



H.E. Sheikh Hamad Bin Faisal Bin Thani Al Thani

Vice Chairman and Chairman of Board Executive Committee – Qatari

- Executive and Non-Independent Member
- Appointed on MAR Board by QIA/Qatar Holding LLC (“QH”) on 1 December 2021. Re-appointed for the current Board term on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: 11,804,051 shares
- Number of shares held by QIA/QH and its related entities as of 31-Dec-2023: 1,915,632,215 shares

Other positions currently held:

- Chairman, Qatari Investors Group
- Chairman, Qatar Insurance Company
- Chairman, Al Khaliji France S.A. (France) – representing MAR interest
- Board member, Al Rayan Bank (UK) – representing MAR interest



Nasser Jarallah Saeed Jarallah Al Marri

Board Member – Qatari

Executive and Non-Independent Member

- Appointed by Barzan Holding/Qatar’s Ministry of Defense on MAR Board in 2016. Re-appointed for the current Board term on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: 10,580 shares
- Number of shares held by Barzan Holding/Qatar’s Ministry of Defense as of 31-Dec-2023: 698,574,780

Other positions currently held:

- Head of Finance Department at Ministry of Defense
- Board Member, United Development Company
- Board Member, Vodafone
- Chairman, Al Rayan Investment LLC- representing MAR interest



Ahmed Ali Al Hamadi

Board Member – Qatari

Executive and Non-Independent Member

- Appointed on MAR by the General Authority for Retirement and Social Insurance on 26 October 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: 12,040 shares
- Number of shares held by GRSIA as of 31-Dec-2023: 531,719,212 shares

Other positions currently held:

- General Manager, General Retirement & Social Insurance Authority, State of Qatar
- Chairman, United Development Company
- Vice Chairman, Qatar General Electricity and Water Corporation
- Board member, Qatar Industries
- Chairman, Qatar Cool
- Board member, London Heathrow Airport
- Board member, SOFI Bank San Francisco
- Board member, Istanbul Stock Exchange, Turkey
- Board member, Dream International Co.
- Board member, Harrods



Sheikh Ali bin Jassim bin Mohamed Al Thani

Board Member – Qatari

- Non-Executive and Non-Independent Member
- Joined MAR Board since 2 April 2017. Re-elected for the current Board term on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: 84,692,058 shares

Other positions currently held:

- Board Member, Qatar General Insurance & Reinsurance Co.
- QIA, CEO advisor
- Board member, Al Salam International for Investment
- Vice Chairman, Nuran Bank
- Board member, Al Khaliji France SA – representing MAR interest



Sheikh Nasser bin Hamad bin Nasser Al Thani

Board Member – Qatari

- Non -Executive and Non-Independent Member
- Joined MAR Board since 5 April 2009. Re-elected for the current Board term on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: 1,000,000 shares

Other positions currently held:

- Board Member, Ooredoo Oman
- Chief Commercial Officer, Ooredoo



Mohamed Al Saadi

Board Member – Qatari

- Independent and Non-Executive Member
- Elected for first time to MAR Board on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held: none



Dr. Abdulrahman Mohammed Al-Khayarin

Board Member – Qatari

- Non-Executive and Non-Independent Member
- Joined MAR Board since 18 March 2020. Re-elected for the current Board term on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: 1,008,240 shares

Other positions currently held:

- Board Member, Barwa Real Estate



Mohammed Jaber Al Sulaiti

Board Member – Qatari

- Non-Executive and Non- Independent Member
- Elected for first time to MAR Board on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: 1,000,000 shares

Other positions currently held:

- CEO and Managing Director of Al Ahed Holding (petrol services and contracting)



Abdulla Hamad Al Misnad

Board Member – Qatari

- Independent and Non-Executive Member
- Elected for first time to MAR Board on 15 March 2023
- Number of shares held directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held:

- Head of Executive Office of HE Qatar’s Prime Minister

5.4 Board Committees

The Board delegated part of its duties to a number of committees: Executive Committee (EXCOB), Audit Committee (ACB), Compliance and Risk Committee (CRC) as well as the Corporate Governance, Nomination and Remuneration Committee (CGNRC).

Executive Committee of the Board (EXCOB)

EXCOB is a major Committee of the Board and is in charge of:

- Reviewing the main functions of the Board of Directors and formulate recommendations to the Board, as necessary and applicable
- Reviewing the Bank’s strategy and formulate recommendations to the Board, as necessary and applicable
- Overseeing the Bank’s activities and formulate recommendations to the Board, as necessary and applicable
- Discussing and approving the issues that fall within the remit of the Board of Directors or those that arise between the Meetings of the Board
- Approving financings and investments within its delegated authorities
- Overseeing the Bank’s investment portfolio and formulate and formulate recommendations to the Board, as necessary and applicable
- Approving new or revised policies that fall outside the remit of other Board committees

The Committee comprises 3 members chaired by HE Sheikh Hamad Bin Faisal Bin Thani Al Thani. The two other members are: Mr. Ahmed Ali Al Hamadi, Mr. Nasser Jaralla Al Marri. The Chairperson and all members of the Committee are considered executive directors (EXDs) according to QCB definition of EXD. The Committee shall meet as and when required according to its TORs. In 2023, the Committee held 9 meetings and issued a number of resolutions by circulation.

To check the attendance records of the Committee’s members, please refer to section 5.5 entitled “Meetings and Attendance” below. The Board has approved terms of reference (TORs) for the Committee which clearly defines its roles and responsibilities. Minutes of all meetings of the Committee are drafted and properly maintained in the company’s records. The TORs are available and accessible on MAR website (www.alrayan.com).

In every Board meeting, the Chairperson of the Committee presents a summary report on the Committee’s main activities and decisions to the full Board for endorsement. In 2023, the Board of Directors endorsed all resolutions and recommendations of the Committee.

Below are the main activities and decisions of the Committee in 2023:

- Discuss and approve or recommend for Board approval credits and financings
- Review various activities of the Bank and its business and make recommendations to the Board of Directors as appropriate

- Discuss and follow-up the Bank’s legal cases initiated against defaulting customers and take necessary actions

Audit Committee (ACB)

The Audit Committee is delegated by the Board to review and monitor the integrity of the financial statements and financial reporting, the internal control systems and related risks, financial control and accounting systems, audit responsibilities and internal and external audit matters.

The Audit Committee comprises 3 members chaired by an Independent Non-executive director Mr. Mohamed Al Saadi. The two other members are: Mr. Mohamed Jaber Al Sulaiti (NED and Non IND) and Mr. Abdulla Hamad Al Misnad (NED and IND). Majority of the Committee’s members are Independent and Non-Executive members. All members have extensive financial and audit experience. The Committee shall hold at least 6 meetings a year as per its TOR. In 2023, the Committee held seven meetings.

To check the attendance records of the Committee’s members, please refer to section 5.5 entitled “Meetings and Attendance” below. The Board has approved terms of reference (TORs) for the Audit Committee which clearly defines its roles and responsibilities. Minutes of all meetings of the Committee are drafted and properly maintained in the company’s records. The TORs are available and accessible on MAR website (www.alrayan.com).

During its regular meetings in 2023, the Committee considered and discussed matters related to the internal control system and relevant risks with Senior Management and took appropriate actions towards enhancing the controls and addressing weaknesses, if any. The Committee also met with the external auditors to discuss the quarterly and end-of-year financials and with the internal auditors to discuss and consider the main topics related to internal control and relevant risks. On-going coordination takes place between Internal Audit and the Bank’s External Auditors in all audit-related matters including, but not limited to, the coordination in preparing the External Auditor’s Management Letter presented to the Board/Audit Committee. Coordination between ACB and CRC takes place amongst the members of both committees during the Board meetings or through communications between the chairpersons of both committees to cooperate in overseeing the risk and internal control management procedures.

In every Board meeting, the Chairperson of the Audit Committee presents a summary report on the Committee’s main activities and decisions to the full Board for endorsement. In 2023, the Board of Directors endorsed all resolutions and recommendations of the Committee.

Below are the main activities and decisions of the Audit Committee in 2023:

- Review and discuss the External Auditor's reports on internal control, the quarterly and EOY financials for 2023 including the Management Letter
- Review and recommend for Board approval the quarterly and EOY consolidated financials for 2023
- Review and discuss Internal Control over Financial Reporting
- Review and adopt the Engagement Letter with External Auditors for 2023 based on the mandate from the General Meeting
- Review and approve the External Audit Plan for 2023
- Review and discuss the periodic and annual internal audit reports on internal control system and internal audit activities and take necessary remedial actions where applicable
- Review and approve the risk assessment methodology based on which the IA Plan 2023 is developed
- Approve the internal audit plan and strategy for 2023
- Review and discuss the proposals from external auditing firms and recommend to the Board the External Auditor for 2024
- Review and approve a number of accounting and auditing policies
- Review the internal audit annual disclosures on conflict of interest
- Review and discuss the 2023 provisions and recoveries
- Review the implementation of the new IT strategy project
- Review and consider certain accounts within the Bank's credit and investment portfolios and take the appropriate actions
- Conduct the independent annual performance review of the Group Head of Internal Audit
- Conduct the consolidated oversight over internal audit matters at subsidiaries' level

Compliance and Risk Committee (CRC)

The CRC is a committee of the Board formed for the purpose of assisting the Board in fulfilling its oversight responsibilities in assessing and managing the various types of risk to which the Bank is exposed as well as approving risk framework, risk appetite, risk strategies and risk policies of the organization.

The Committee also oversees compliance with all applicable regulatory and internal policy requirements, ensure that effective and appropriate measures are defined and implemented to promote good compliance culture, comply with regulatory requirements, prevent money laundering and financing of terrorism, prevent fraud and conflicts of interest, set forth a Group compliance framework and policies, criteria and control mechanisms.

Majority of CRC members are non-executive members. It CRC is chaired by Sheikh Ali Bin Jassim Al Thani and comprises 2 other 1 members of the Board: Mr. Nasser Jaralla Al Marri and Sheikh Nasser Bin Hamad Al Thani. The Committee shall hold at least 4 meetings a year as per its TOR. In 2023, the Committee held 4 meetings.

The Group CEO, Group Chief Risk Officer and the Group Head of Compliance regularly attend the Committee meetings and submit their periodic reports for review and discussion.

To check the attendance records of the Committee's members, please refer to section 5.5 entitled "Meetings and Attendance" below. The Board has approved terms of reference (TORs) for the Compliance and Risk Committee which clearly defines its roles and responsibilities. Minutes of all meetings of the Committee are drafted and properly maintained in the company's records. The TORs are available and accessible on MAR website (www.alrayan.com).

In every Board meeting, the Chairperson of the CRC presents a summary report on the Committee's main activities and decisions to the full Board for endorsement. In 2023, the Board of Directors endorsed all resolutions and recommendations of the CRC. Coordination between ACB and CRC takes place amongst the members of both committees during the Board meetings or through communications between the chairpersons of both committees to cooperate in overseeing the risk and internal control management procedures.

Below are the main activities and decisions of the CRC in 2023:

- Review and discuss the periodic and annual Compliance reports and take necessary remedial actions, where applicable
- Review and discuss the periodic and annual AML/CFT reports and take necessary remedial actions, where applicable
- Review and discuss regulatory ratios and breaches and take necessary remedial actions, where applicable
- Consider and approve the Annual Compliance and AML plan and strategy
- Endorse engagements with Politically Exposed Persons (PEPs)
- Review, discuss and endorse periodic risk reports including, but not limited to, risk appetite, credit portfolio developments, provisioning and ECLs, NPLs, operational risk, market risk, liquidity risk, security risk, Business Continuity Management and take necessary remedial actions where applicable
- Review and approve a number of write-offs as per its delegated authorities

- Review and approve the stress testing results for QCB submission
- Oversee the 2023 Capital Plan and ICAAP submissions exercise
- Review and endorse the annual review of the Group Country Limits
- Review and discuss all legal and regulatory developments and take necessary actions where applicable
- Review, update and approve risk policies and Compliance and AML policies
- Conduct the consolidated oversight over risk and compliance/AML matters at subsidiaries' level
- Conduct the independent annual performance review of the Group Chief Risk Officer and Group Head of Compliance
- Consider and approve the Funding Concentration Submission reports to Qatar Central Bank

Corporate Governance, Nomination and Remuneration Committee (CGNRC)

The Board established the Corporate Governance, Nomination and Remuneration Committee to be in charge of all HR related matters including remuneration and incentives schemes and the Corporate Governance of the Bank. The Committee comprises three members majority of whom are non-executives. The CGNRC is chaired by Sheikh Nasser Bin Hamad Al Thani and comprises 2 other members: Mr. Ahmed Ali Al Hamadi and Mr. Abdulrahman Al Khayareen. The Committee held 5 meetings at in 2023.

To check the attendance records of the Committee's members, please refer to section 5.5 entitled "Meetings and Attendance" below. The Board has approved terms of reference (TORs) for the CGNRC which clearly defines its roles and responsibilities. Minutes of all meetings of the Committee are drafted and properly maintained in the company's records. The TORs are available and accessible on MAR website (www.alrayan.com).

In every Board meeting, the Chairperson of the CGNRC presents a summary report on the Committee's main activities and decisions to the full Board for endorsement. In 2023, the Board of Directors endorsed all resolutions and recommendations of the CGNRC.

Below are the main activities and decisions of the CGNRC in 2023:

- Review and confirm the annual Balanced Scorecard results
- Consider the new regulations with respect to Board and Senior management remuneration and take appropriate actions to ensure compliance

- Recommend for Board approval the Long-Term Incentive Scheme for Senior management and employees
- Review and recommend for Board approval the Bank's revised Organizational Chart
- Conduct the annual review of Group Incentives and Bonus Methodology for 2023 and recommend the Group Annual Bonus pool for Board approval
- Review and approve various HR and governance policies
- Review and recommend for Board approval the Bank's Subsidiaries Governance Framework and Policy
- Follow-up on HR developments at Group level and take necessary actions, as applicable
- Approval of updated Succession Planning
- Recommend appointments at Senior Management levels for Board approval
- Conduct the annual performance assessment of the Board and its committees
- Conduct the annual review of Independent directors
- Conduct the annual review of the Board Remuneration policy and recommend Board remunerations for Board to recommend the same to the General Meeting
- Recommend annual remuneration of SSB members for Board and General Meeting
- Develop and recommend the annual Corporate Governance Report for Board approval
- Review and adopt the list of insiders
- Review and discuss the external Auditor's Independent Assurance report on MAR Corporate Governance and take necessary actions, as applicable
- Review and assess the board candidacy applications for the Board term 2023-2024-2025
- Open the Board nominations to fill-in the vacancy in the Independent seat and the and assess the relevant applications
- Establish Board Development and Training Program for the current Board term
- Recommend for Board approval the introduction of the End of Service Benefit Scheme for national employees
- Consider and recommend for Board approval the appointment of a new member to the Board who represent the interest of a major shareholder

5.5 Meetings and Attendance

All Board members put their knowledge and skills at the service of the Bank and dedicate sufficient time for their work in the Board. This is proven through the directors' regular attendance of the meetings. Also, the Chairman and the directors including the chairpersons of the Board committees attend and participate in the General Meetings to consider and respond to the queries of the shareholders. In 2023, a total of 7 Board meetings were held within an average duration of 3 hours.

Below are the details of the Board and committees' meetings held in 2023 and the attendance sheet:

Forum	Board of Directors	EXCOB	CGNRC	ACB	CRC
Number and date of Meeting	7 Meetings in 2023	9 Meetings in 2023	5 Meetings in 2023	7 Meetings in 2023	4 Meetings in 2023
Attendance	<ul style="list-style-type: none"> • 29 January 2023 • 21 March 2023 • 17 April 2023 • 20 June 2023 • 17 July 2023 • 26 October 2023 • 12 December 2023 	<ul style="list-style-type: none"> • 30 January 2023 • 15 February 2023 • 28 March 2023 • 21 May 2023 • 24 June 2023 • 19 September 2023 • 28 September 2023 • 6 November 2023 • 20 December 2023 	<ul style="list-style-type: none"> • 23 January 2023 • 26 January 2023 • 18 June 2023 • 19 October 2023 • 3 December 2023 	<ul style="list-style-type: none"> • 26 January 2023 • 17 April 2023 • 20 June 2023 • 17 July 2023 • 28 August 2023 • 25 October 2023 • 10 December 2023 	<ul style="list-style-type: none"> • 25 January 2023 • 16 April 2023 • 16 July 2023 • 25 October 2023
Sheikh Mohamed Bin Hamad Bin Qassim Al Thani Chairman	6/7	N/A	N/A	N/A	N/A
Sheikh Hamad Bin Faisal Bin Thani Al Thani Vice Chairman	7/7	9/9	N/A	N/A	N/A
Abdulla Bin Nasser Al Misnad (from 1 Jan 2023 to 20 June 2023)	2/7	N/A	2/5	1/7	N/A
Turki Al Khater (from 1 Jan 2023 to 25 October 2023)	4/7	2/9	N/A	N/A	1/4
Sheikh Ali Bin Jassim Al Thani	7/7	2/9	N/A	N/A	3/4
Mohamed Al Saadi	6/7	N/A	N/A	6/7	N/A
Nasser Jarallah Al Marri	6/7	7/9	N/A	N/A	3/4
Sheikh Nasser Bin Hamad Al Thani	7/7	2/9	3/5	N/A	1/4
Abdulla Hamad Al Misnad	6/7	N/A	N/A	3/7	2/4
Mohamed Jaber Al Sulaiti	6/7	N/A	N/A	6/7	N/A
Abdulrahman Al Khayareen	7/7	N/A	5/5	N/A	1/4
Ahmed Ali Al Hamadi (from 25 October 2023 to 31 December 2023)	1/7	1/9	1/5	N/A	N/A

5.6 Senior Management and Management Committees

5.6.1 The Management Team

MAR Board appoints the Group Chief Executive Officer and all other members of senior management reporting directly to GCEO or to the Board, as applicable. The Group Chief Executive Officer is accountable for executing MAR strategy and running the business on a day-to-day basis. The Group CEO reports directly to the Board and keeps the Board fully informed of all key aspects of business performance. The Group CEO is supported by a Management team with extensive background in banking and financial matters in addition to management committees with defined roles and responsibilities. The main activities and achievements of the Management team in 2023 are disclosed under the respective sections of various departments and units of the Bank in the Annual Report that form an integral part of the Report herein.

Below are the members of MAR Senior Management as at 31 December 2023:



Fahad Bin Abdulla Al Khalifa
Group Chief Executive Officer

Fahad Al Khalifa is a seasoned banking professional with over 25 years of experience in leadership roles in financial services. He was appointed to the role of Group Chief Executive Officer (GCEO) of Masraf Al Rayan in 2021. Before joining Masraf Al Rayan, he was the GCEO of Al Khalij Commercial Bank since 2014, and successfully oversaw the merger of both institutions to result in one of the largest Shari'ah compliant banks with an international presence in the UK, France and the UAE. Throughout his career, he has held prominent positions in Qatar's leading financial institutions to include Qatar Central Bank and Qatar National Bank (QNB). Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: 56060 shares

Other positions currently held:

- Board member, Al Rayan Bank UK (representing MAR interest)
- Board member, Al Khaliji France (representing MAR interest)
- Board Member, QFBA



Hamad Al Kubaisi
Group Chief Human Resources Officer

Holder of bachelor's degree in Computer Science. Over than 22 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held:

- Director of Al Rayan Partners and Linc Facilities Co (representing MAR interest)



Omar Al Emadi
Group Chief Business Officer

Holder of BSc in Finance from California State University in USA. Over 20 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held:

- Board member, Al Rayan Bank UK (representing MAR interest)
- Vice Chairman, Sahb Financing KSA (representing MAR interest)



Alexis Patrick Neeson
Group Chief Risk Officer

Bachelor's degree in European Studies from Trinity College Dublin. Masters in Business Administration from Smurfit Graduate School of Business, University College Dublin. Fellow of the Association of Chartered Certified Accountants (ACCA). Over 24 years of banking experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

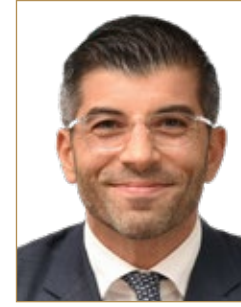
Other positions currently held: none



Stuart Rennie
Group Chief Operating Officer

Holder of Bachelor of Commerce and Administration (BCA), with Majors in Information Systems Management and Accountancy – Victoria University of Wellington, New Zealand. Master of Business & Administration (MBA) with Honors of Distinction from the College of Commerce and Kellstadt Graduate School of Business- DePaul University in Chicago, USA. Over 30 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held: None



Hussam Itani
Group Chief Transformation Officer

Bachelor of Art in Business Administration, Finance from American university of Beirut. IMD MBA, Lausanne, Switzerland. Future of Fintech & E-commerce Certificate from Massachusetts Institute of Technology. Over 20 years of consulting experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: None

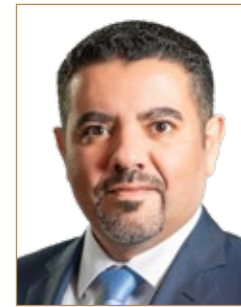
Other positions currently held: None



Ronan Dodgson
Acting Group Chief Finance Officer

Chartered Accountant (ACCA), DBS Dublin Ireland. Member of the Association of Chartered Certified Accountants (ACCA). Over 30 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held: None

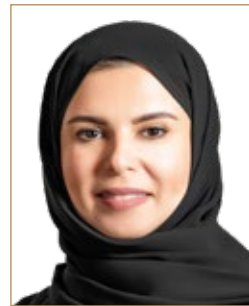


Mutaz Dana
GM, Group Compliance and AML

Holder of master's degree in finance administration and bachelor's degree in accounting. Certified AML specialist. Over 20 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held:

- Board member, Sahb Financing KSA (representing MAR interest)



Eman Al Naemi
AGM, Corporate Communications

Bachelors' degree in Visual communication from Virginia Commonwealth University- Qatar. Over 17 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: 40700 shares

Other positions currently held: None



Adel Ayad Fayez Attia
GM, Group Internal Audit

Holder of bachelor degree of Management Sciences from Sadat Academy for Management Sciences- Egypt. Certified Anti-Money Laundering Specialist (CAMS) from ACAMS. Over 35 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held: None



Rana Al Asaad
GM, Retail and Private Banking

Bachelors' degree in English literature from Qatar University. Diploma in Business Management from London Metropolitan University, UK. Over 26 years of banking experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: 599795 shares

Other positions currently held:

- Board member, Daman Islamic Insurance “Beema” (representing MAR interest)



Fawzi Siam
AGM, Sharia Audit

Holder of Bachelor of Commerce – Nagpur University – India. Over 30 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held: None



Tahir Pirzada
GM, Group Treasurer and FI

Holder of MBA (Finance) degree from Imperial College of Business Studies, Lahore- Pakistan. Over 30 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held:

- Board member, Al Rayan Investment LLC (representing MAR interest)



Abdelmonem El Hassan
GM, Group Legal Counsel

Holder of master's degree in law from University of Cambridge – UK. Over 40 years of experience. Number of shares held in MAR directly or indirectly (through own companies or family members) as of 31-Dec-2023: none

Other positions currently held: None

5.6.2 Management Committees

There are several management Committees as follows:

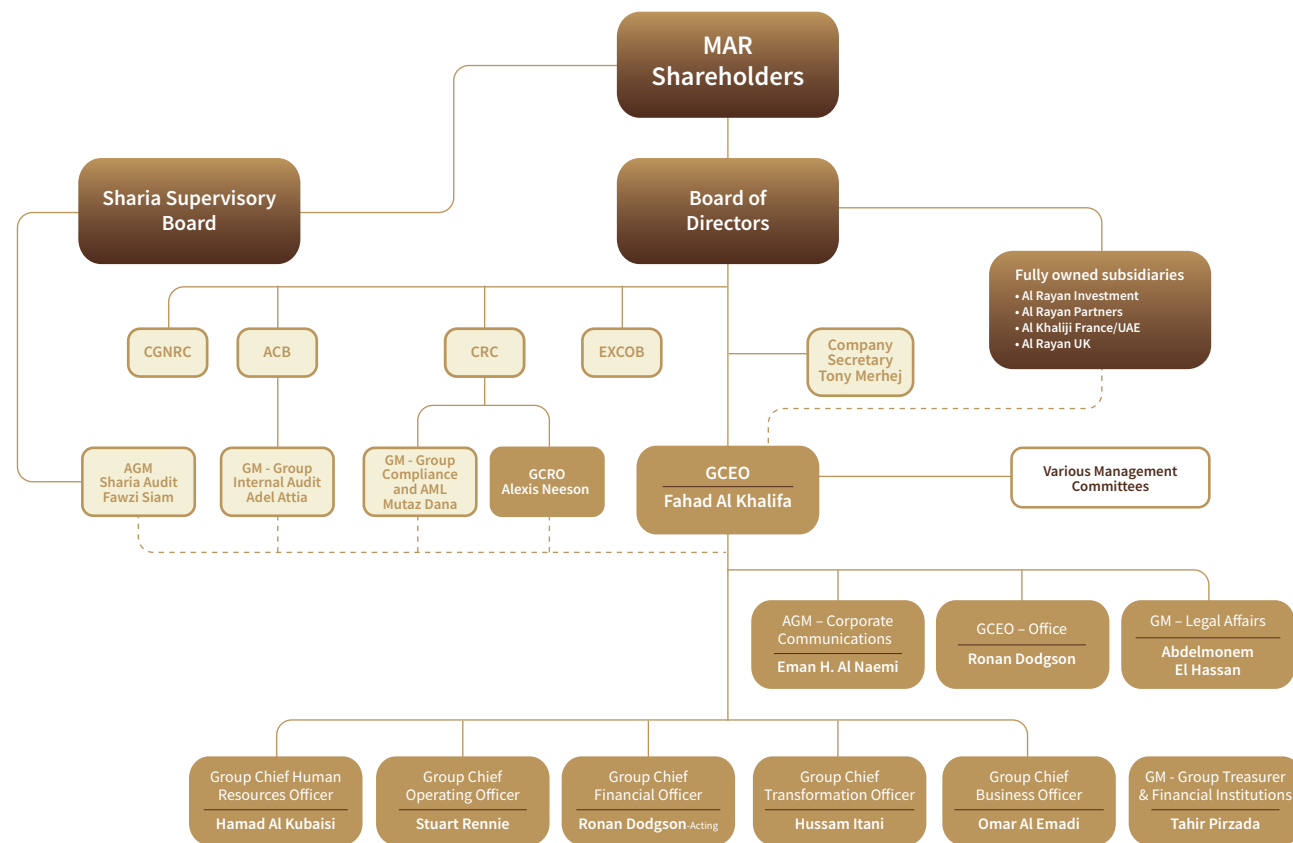
- Senior Management Executive Committee (EXCOM):** EXCOM supports the Group CEO and the Senior Management in decision-making, reviewing developments within the businesses, managing the day-to-day operations of the Bank, discussing matters of Group strategy and formulating recommendations for the Board or relevant Board committees.
- Group Asset, Liability and Capital Committee (GALCCO):** It supports the Group CEO and the Senior Management in managing and optimizing the asset, liability, and capital structure of Group within the approved risk and operational boundaries articulated in the group policies.
- Credit and Investment Committee (CIC):** It approves credits, investments and product programs as per the credit approval authorities delegated by the Board or the relevant Board committees.
- Group Risk Committee (GRC):** in charge of maintaining effective governance and oversight of risk related developments and performance, monitoring the enforcement of the internal control framework, monitoring

the implementation of the business continuity plan and making appropriate decisions and recommendations to help reduce operational risk, and enhance its value contribution.

- Security Steering Committee (SSC):** maintains effective governance and oversight of security related matters.
- IT Steering Committee (ITSC):** maintains effective governance and oversight of IT related matters.
- Group Special Investigation Committee (GSIC):** created as an independent advisory and recommending body to assist GCEO/EXCOM in responding to events of impropriety and fraud incidents.
- Group Tender Committee (GTC):** oversee the procurement and tendering processes launched by the Bank.
- ESG Committee (ESGC):** is a committee formed by GCEO for the purpose of managing the implementation of the ESG Framework.
- Transformation Working Group:** provides strategic direction, decision-making authority, and oversight for MAR transformation initiatives.

Full governance structure can be checked in the Group Organizational Chart below.

5.7 Group Organizational Chart



5.8 Incentives and Remunerations

Board Remuneration Policy

Below is the policy that determines the basis and method of granting Board remunerations that we present herein for the General Meeting endorsement as part of this Report:

- Board remunerations shall conform with market practice, consider the long term objectives of the organization and be cognizant of risk;
- Board remunerations must be based on the outcome of the Board performance assessment exercise without any kind of discrimination whatsoever vis-à-vis the race, religion, gender or otherwise;
- Board remuneration comprises the annual bonus and the sitting fees of the Board and committees' meetings. It must be compliant with all relevant applicable laws and regulations
- The Board remunerations must be linked to the Balanced Scorecard that sets the Compliance and Performance KPIs. The Balanced Scorecard/ Compliance and Performance KPIs is a system for measuring financial and non-financial performance including compliance with laws and regulations indices such as Liquidity Coverage Ratio, Loans to deposit Ratio, Capital Adequacy ratio and others. The Bank shall set up goals and objectives and allocate weights for such indices for each fiscal year and get the final score audited by Internal Audit;
- The Board shall set a policy for attendance fees and expenses related to the Board. Attendance fees may be paid immediately upon the conclusion of each meeting subject to the thresholds set forth under point 6 below. No attendance fees shall be paid for Board members attending through proxies. The total of attendance fees paid to the Chairman and Board members during a fiscal year must be presented to the General Meeting for endorsement in accordance with point 9 below. In the event where the General Meeting does not endorse the attendance fees for the full Board or for a specific member, as applicable, shall be obliged to pay back to the Bank the attendance fees they received throughout the year;
- The total amounts received by the Chairman of the Board and each director including annual bonus, sitting fees and expenses shall not exceed QAR 2.5 million and QAR 2.3 million respectively per year in accordance with the relevant regulations by QCB. In all events, the total remunerations for all Board members shall not exceed 5% of the Bank's net profit after deduction of depreciation, reserves, and distribution of dividends of no less than 5% of the share capital;
- The above amounts are only the ceilings that the Board can approve as Board remuneration in a single year. The actual remuneration amounts are linked and depends on the actual goals achieved in a single year as per the Bank's Balanced Scorecard.

The Corporate Governance, Nomination and Remuneration Committee shall conduct an annual performance assessment for the Board and its committees. Based on the assessment outcome, the Committee determines the remuneration amounts based on the principles of the said policy and recommend the same, together with a detailed assessment report to the full Board and to Qatar Central Bank. The Chairman of the Board shall have the casting vote in case of any dispute or conflict that may arise as a result of this exercise;

- The remuneration pool is calculated based upon the final score achieved by the Bank in the Balanced Scorecard in accordance with following formula: 50% of QCB total remuneration limit to be granted as Board remunerations if the Bank achieves 70% or less of the goals in the Balanced Scorecard; the full QCB total remuneration limit to be granted as remunerations if the Bank achieves 90% or above of the goals in the Balanced Scorecard. Any final score between 70% to 90% will entitle the Board to a total remuneration that will be calculated on prorata basis;
- The total amount of Board remunerations including annual bonus and sitting fees determined in accordance with the aforementioned principles must be presented to the Annual General Meeting for approval;
- Approved Board remunerations must only be disbursed upon obtaining QCB No Objection and are subject to the Bank achieving annual profits and distributing dividends of no less than 5% of the share capital;
- Payments to directors representing corporate entities on the Board will be made directly to the account of the corporate entity represented on the Board and not to its individual representative unless a No Objection Letter is received from that corporate entity;
- Board remunerations must be disclosed in the audited financial statements. All amounts received by Board members, including, but not limited to, the proposed annual bonus, the sitting fees, the expenses or otherwise, must be disclosed in the Directors' Remuneration, Publicity Fees And Donations Report prepared in accordance with Article (122) of the Companies Law No (11) of 2015 as amended by Law No. (8) of 2021 and Article (39) of the Bank's AoA which must be ready for shareholders inspection at least one week prior to the scheduled date of the Annual General Meeting;
- In the event where no sufficient profits are achieved in a specific year to distribute dividends or in case of loss, the General Meeting will decide whether or not to grant remunerations to the Board in accordance with the law and subject to necessary regulatory approvals; and
- This policy must be presented on a yearly basis to the Annual General Meeting to be re-confirmed in its current form or to be amended where applicable.

Proposed Board Remunerations for 2023:

The Board made a proposal for Board annual remunerations based on the afore-mentioned policy. To check the total Board remunerations proposed for 2023, please refer to EY Financial Statements as of 31 December 2023 under note (38) entitled “remuneration to Board including meeting allowance” published at the very end of the Annual Report enclosed to the Report herein. Such financials are pending the endorsement of the Annual General Meeting to which the Report herein is addressed.

Shareholders may check the Director Fees Report detailing all amounts received by the directors including proposed 2023 remunerations prepared in accordance with Article (122) of the Commercial Companies Law and Article (39) of the Bank's Articles of Association one week before the Annual General Meeting in the Corporate Secretariat office on the 23rd floor of MAR head office in MAR Tower, 69 Al Add Al Sharqi Street, Marina 40, Lusail City, Doha, Qatar. In order to be able to check the Director Fees Report, shareholders must produce an updated account statement of their shares from Qatar Stock Exchange/Qatar Central Securities Depository dated no more than one week together with a copy of their IDs (in case the shareholder is a natural person) or copy of the Commercial Registration (CR), Corporate Card and an authorization letter signed by an authorized signatory on the CR and on the Corporate Card (in case the shareholder is a legal person).

Senior Management and Employees Remuneration and Incentives Policy

Below is the policy that determines the basis and method of granting incentives and remunerations to the Senior Management and employees of MAR that we present herein for the General Meeting endorsement as part of this Report:

1. MAR employee remuneration package is comprised of four primary elements viz. basic salary, allowances, benefits and a performance bonus;
2. The basic salary, allowances and benefits are determined in accordance with market practices to ensure they are fit for purpose, competitive and compliant with regulatory/legal developments;
3. The performance bonus is discretionary and, if merited, is paid on an annual basis in arrears. It considers the long term objectives of the organization, is cognizant of risk and must be purely dependent on the collective and individual performance without any kind of discrimination whatsoever vis-à-vis the race, religion, gender or otherwise;
4. The Performance Bonus, which is calendar based, is calculated with reference to a prescribed methodology based on principles set by the Corporate Governance, Nomination and Remuneration Committee of the Board as advised, when needed, by independent industry experts. The methodology sets a percentage

between 2% to 7.5% of net income, depending on the final score achieved Bank-wise in the Balanced Scorecard, to be distributed as annual remunerations to the Banks employees and senior management members. The main principle is a top down meritocracy-based model where the individual payout is determined by the employees' performance assessment, their Departmental contribution and the Bank's achievements during the year;

5. A Balanced Score Card (BSC) approach is utilized to gauge the achievement of the Bank and division. It sets goals and targets that must balance between projected revenues and the risks accompanying the revenues generated while maintaining compliance with internal controls and regulatory requirements;
6. At the start of each year the Board sets a series of financial and non-financial objectives for the organization which are outlined in a BSC. This forms the driver for department level scorecards, the goals of the GCEO, and each Senior Management member and staff member in the Bank and distills such goals into measurable key performance indicators;
7. The Bank's BSC objectives are carefully tracked and progress reports are periodically submitted to the Board. At year-end the results are subject to verification by internal audit;
8. The audited results, and proposed bonus pool, are presented to the Corporate Governance, Nomination and Remuneration Committee (CGNRC) for consideration and recommendation for Board final approval;
9. Individual payouts are subject to review and approval of the Department Head, Group Chief HR Officer, GCEO and Chairman as appropriate;
10. The performance bonus for members of Senior Management must be disbursed upon obtaining QCB No Objection only;
11. The Bank's compensation philosophy, scheme design, and absolute outlay shall be evaluated by the Board/CGNRC at each year-end or whenever needed to ensure it remains fit for purpose, competitive and compliant with regulatory/legal developments. The Committee may seek the assistance of an external consultant in this exercise;
12. Senior Management compensations must be disclosed in the audited financial statements; and
13. The policy herein must be presented on a yearly basis to the Annual General Meeting to be re-confirmed in its current form or to be amended where applicable.

Proposed Senior Management Remunerations for 2023:

The Board approved remunerations for Senior Management members based on the afore-mentioned policy. To check the total Senior Management remunerations for 2023, please refer to EY Financial

Statements as of 31 December 2023 under note (38) entitled “salaries and other benefits- key management” published at the very end of the Annual Report enclosed to this report herein. Such financials are pending the endorsement of the Annual General Meeting to which the Report herein is addressed.

5.9 Internal Control and Risk Management

In adherence to our commitment to sound corporate governance, the Bank has implemented and maintained a robust system of internal control. Internal controls form an integral part of our daily business and operations with our customers. The Board of Directors has the overall and ultimate responsibility to maintain sound internal controls and ensure their effectiveness. On an on-going basis, internal control is a critical responsibility undertaken by our management and staff, and includes the implementation of appropriate policies, procedures, segregation of duties, and the periodic assessment of controls to manage risks.

The internal controls and risk management were established for the purpose of protecting the Bank's business and operations against abusive conduct, fraud, and inefficiency, ensuring accuracy and reliability in operations and financial reporting; ensuring compliance with the regulations; and evaluating the level of performance on all functions and business units within the Group.

Key Components of Internal Controls

The Bank's key components of internal control are classified into five different elements which are aligned with COSO framework. Each component work together to achieve our objectives. The following components helps us implement and maintain an effective internal control system.

- **Control Environment** – Our board of directors and the management fosters a culture of integrity and ethical behaviour setting the tone at the top.
- **Risk Assessment** – Rigorous risk assessments are conducted regularly to identify and evaluate potential risks impacting the operations of the Bank.
- **Control activities** – Policies and procedures are in place and regularly reviewed to mitigate identified risks, including segregation of duties and authorization controls.
- **Information and communication** – Transparent communication channels within the Bank are in place to ensure timely dissemination of information, both internally and externally.
- **Monitoring** – Continuous monitoring mechanisms are utilized to assess the effectiveness of internal controls like internal and external audit.

Some of these controls currently implemented to address specific risks aligns with the above components.

1. The Bank's Board Group Audit Committee is fully independent from executive management.
2. The Bank has an independent Group internal audit function which reports directly to the Board Audit Committee.
3. Sharia Supervisory Board (SSB) is appointed by shareholders at the General Assembly Meeting.
4. The Bank keeps a separate internal control units such as (1) Compliance and AML units (2) the Operational Risk unit (3) Legal department; and (4) the Shari'a Audit department that reports directly to SSB.
5. Issuance of an independent assurance report to the shareholders, as mandated by QFMA, on effectiveness of design and operation of internal controls over financial reporting and compliance with corporate governance regulations.
6. A dedicated Financial Planning and Control unit.
7. Periodic reports to the Group Audit Committee by External and Internal Audit of the status of audit matters.
8. Periodic reports to the Group Compliance and Risk Committee of the Board by Compliance and Risk departments on risk and compliance matters.
9. An independent report from SSB to General Meeting on compliance with Sharia principles.
10. The Bank's policies are approved by the Board of Directors.
11. Monthly report to the Group CEO on the status of the internal control matters.
12. Standard Operating Procedures are approved by Senior Management.
13. The Bank maintains a Delegation of Authority Matrix approved by the Board of Directors.
14. Dual signatories are required for significant and critical transactions.
15. Approved organization charts for each function and enforcement of appropriate segregation of duties
16. Centralized Core Banking System that enhances controls' environment.
17. Identification and monitoring of Key Risks Indicators (KRIs).
18. Business Continuity Plan and periodic testing of the Plan.
19. Proper mechanism for development and revision of policies pre-Board approval that ensures policy documents are reviewed by all control functions and controls are embedded into the policies.
20. Documented Job Descriptions for all employees.

For more details on internal control and risk management, please check the section entitled “Internal Control and Support Functions” in the Annual Report which forms an integral part of this Corporate Governance Report.

5.10 Evaluation of Compliance with Internal Control and Risk Management Frameworks

The Bank has an effective and robust internal control, Operational Risk and Compliance Framework designed to identify and manage risk, primarily facilitated by an established and maturing bank-wide control foundation.

The establishment of effective internal controls and risk departments to identify and manage risk is primarily the responsibility of management with responsibility of oversight with the Board. Internal Audit undertakes periodic independent assessments of risks and related controls that mitigate risks and submits reports to Management and Board for timely action to ensure mitigation.

The Board of Directors oversees the internal control framework through the Group Audit Committee, which in turn relies on the Group Internal Audit function to provide reasonable assurance across MAR Group.

A comprehensive internal control framework supports the Bank in achieving its goals and objectives. The framework ensures that the Bank is in compliance with applicable laws and regulations and that it complements internal strategy, policies and procedures. The existence of such an effective control framework mitigates the risk of potential financial losses or damage to the Bank's strategy and reputation.

The cornerstone of the internal control framework lies within the layered organization structure. Accountability (3 lines of defense) can be defined as such:

- **1st line of defense** = Business and Operations – Identifies and reports risks
- **2nd line of defense** = Operational Risk Management, Legal and Compliance and Sharia Audit- reviews, assesses, tests and monitors risks
- **3rd line of defense** = Internal Audit – scheduled annual evaluation of the corporate governance, risk management and internal control frameworks

Thus, the previously mentioned important combination of management control and Internal Audit ensures that MAR maintains prudent standards of corporate governance, risk management and internal controls at all times.

According to the evaluations conducted in internal control in 2023, the results show that the processes and mechanisms applicable at internal control and risk management levels are functioning properly and there are no major areas of concern.

5.11 Board's Report on Internal Controls over Financial Reporting

The Board of Directors of Masraf Al Rayan Q.P.S.C. (the "Bank") has carried an assessment of internal control framework over financial reporting as at 31 December 2023 in accordance with the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority's (QFMA's) Board pursuant to Decision No. (5) of 2016 (the 'Code').

Responsibilities of the Board

The Board of Directors of the Bank is responsible for establishing and maintaining effective internal control over financial reporting.

Internal control over financial reporting is a process designed by, or under the supervision of, the Bank's Management, and affected by the Bank's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Bank's financial statements for external purposes in accordance with Financial Accounting Standards ("FAS") issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"). It includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank.
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with AAOIFI, and that receipts and expenditures of the Bank are being made only in accordance with the authorizations of management and Board of Directors of the Bank; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Bank's assets that could have a material effect on the financial statements.

The Board of Directors of the Bank is responsible for design, and maintenance of adequate internal controls that when operating effectively would ensure the orderly and efficient conduct of its business, including

- adherence to Bank's policies;
- the safeguarding of its assets;
- the prevention and detection of frauds and errors;

- the accuracy and completeness of the accounting records;
- the timely preparation of reliable financial information; and
- compliance with applicable laws and regulations, including the QFMA's law and relevant legislations and the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No. (5) of 2016.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis.

Further, projections of any evaluation of effectiveness of the internal control over financial reporting to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessment

In this section, we provide description of the scope covered by the assessment of the suitability of the Bank's internal control over financial reporting, including the Significant Processes addressed, control objectives and the approach followed by management to conclude its assessment.

The Bank is required to report on the suitability of the design and operating effectiveness of internal controls over financial reporting ("ICOFR") in connection with the Governance Code for Companies & Legal Entities Listed on the Main Market (the "Code") issued by the Qatar Financial Markets Authority's (QFMA's) Board pursuant to Decision No. (5) of 2016.

We have conducted an evaluation of the suitability of design and operating effectiveness of internal control over financial reporting, as of 31 December 2023, based on the framework and the criteria established in Internal Control – Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Scope of assessment

Our internal control framework over financial reporting is the process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Bank's financial statements on standalone basis for external reporting purposes in accordance with Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"). ICOFR includes controls over disclosure in the financial statements and procedures designed to prevent misstatements.

In assessing suitability of design and operating effectiveness of ICOFR, the management has determined Significant Processes as those processes in respect of which misstatement in the stream of transactions or related financial statements amounts, including those caused by fraud or error would reasonably be expected to impact the decisions of the users of financial statements.

The Significant Processes of the Bank at 31 December 2023 are:

1. Entity Level Controls,
2. Compliance,
3. Corporate & Retail financing,
4. General Ledger, financial reporting, and Disclosures,
5. Information technology general controls,
6. Trade finance,
7. Deposits (Including Participatory Investment Accounts),
8. Procurement payables and payments,
9. Treasury & investments,
10. Human Resources and payroll.

External auditors

In accordance with the Code, PricewaterhouseCoopers Qatar Branch, the Bank's independent external audit firm has issued a reasonable assurance report on the management assessment and the suitability of design and operating effectiveness of the Bank's internal control framework over financial reporting.

Board of Directors' Conclusion

Based on management assessment, the Board of Directors concluded that, as at 31 December 2023, the Bank's internal control over financial reporting is appropriately designed and operating effectively to achieve relevant control objectives based on the criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

5.12 Procedures followed by MAR in addressing Internal Control failures:

The effectiveness and compliance to the control framework is managed through the following Control vehicles:

- RCSA = Risk and Control Self-Assessment (annual self-certification process)
- KRI = Key Risk Indicators (reported within the Quarterly Risk Review Process)
- Incident Management Process
- An independent Internal Audit process

The ongoing monitoring and effectiveness of controls is managed through Operational Risk and periodically and systematically audited by Internal Audit.

The Board of Directors is responsible for ensuring that there is an appropriate control culture bank-wide and oversees the adherence to the framework by all concerned through the regular reports submitted to the Board by the internal control functions (Compliance, Risk, Internal Audit and Sharia Audit).

Senior Management is responsible for coordinating and facilitating the implementation of the control framework and addressing risk related issues.

Senior Management ensures that all controls are functioning effectively at all times and coordinates with the Business, Operations, Support Services, Operational Risk, Compliance, Internal Audit and Sharia Audit, to resolve control weaknesses reported by the control functions in a timely manner.

Internal Audit has continuous involvement in the verification and reporting of the adequacy of the control framework. If Internal Audit identifies control weaknesses through the regular audit process or otherwise, Management will provide Internal Audit with its action plan for mitigation of identified deficiency. Each action plan will have a target due date for resolution and depending on the severity and potential impact of the risk to the Bank, the remediation action is prioritized. The progress of the follow up is reported to the Group CEO in a monthly Status Report and the critical items to the Group Audit Committee bimonthly.

As at 31 December 2023, there were no material control deficiencies identified which could have had a material adverse impact on the financial statements.

For more details on internal control and risk management, please check the section entitled "Internal Control and Support Functions" in the Annual Report which forms an integral part of this Corporate Governance Report.

5.13 Violations and Penalties

No violations, breaches or penalties took place in MAR within the meaning of the provisions of Article (4)-clause (2) of the QFMA Code or that may impact the financial position of the Bank as at 31 December 2023.

5.14 Compliance with Listing and Disclosure Rules

In 2023, MAR was fully compliant with all listing and disclosure requirements set forth under the relevant laws and regulations. For details, please refer to section 4.4 entitled "At Transparency and Disclosure Level" above.

5.15 Litigation/Legal Cases

In 2023, no material litigation was initiated against MAR with merit that would impact the financial position of the Bank. However, the Bank has a number of legal cases against certain customers for defaulting on their loans and credit facilities in an attempt to recover its funds and protect its rights and the right of its shareholders and depositors. The said cases are still before the courts. They are dealt with in accordance with the banking secrecy regulations set forth by the Qatar Central Bank.

5.16 Related Party Transactions

Please refer to the paragraph entitled "Conflict of Interest, Transparency and Related Party Transactions" under section 4.4 "At Transparency and Disclosure Level" above.

5.17 Board of Directors Report on assessment of compliance with Governance Regulations

Based on the foregoing and the assessment procedures, the Board of Directors concludes that the Bank is compliant, in all material respects, with the Governance Regulations as at 31 December 2023.



Mohamed Bin Hamad Bin Qassim Al Thani
Chairman of the Board