



Title:	Terms of Reference for Board of Directors
Approved by:	Board of Directors
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SECTION 1 - INTRODUCTION

PURPOSE

The purpose of these terms of reference (“TORs”) is to govern the functioning of the Board of Directors of the Group and articulate its roles and responsibilities in accordance with the applicable laws and regulations and the Bank’s AOA. These TORs are intended not to limit the powers of the Board but to assist the Board in the exercise of its powers and the fulfillment of its duties.

SCOPE

These TORs are binding for the Group and its employees.

DEFINITIONS

Word/Term	Definition
MAR/Bank	Masraf Al Rayan Q.P.S.C
Group	MAR and its subsidiaries inside and outside Qatar
AOA	Articles of Association
AGA/EGA	Annual General Assembly/Extraordinary General Assembly of Shareholders
Board	Board of Directors of Group
Board-subcommittees	Any committee formed by the Board
EXCOB	Executive Committee of the Board
CRC	Compliance and Risk Committee of the Board
ACB	Audit Committee of the Board
CGNRC	Corporate Governance, Nominations and Remuneration Committee of the Board
GHIA	Group Head of Internal Audit
EXCOM	The Group Executive Committee of the Management
GRC	Group Risk Committee of the Management
GSIC	Group Special Investigations Committee of the Management
CIC	Credit and Investment Committee of the Management
GALCCO	Group Assets, Liabilities and Capital Committee of the Management
GSSC	Group Security Steering Committee of the Management
GICTSC	Group Information, Communication and Technology Steering Committee of the Management
GCEO	Group Chief Executive Officer
GCBO	Group Chief Business Officer
GCFO	Group Chief Finance Officer
GCOO	Group Chief Operating Officer
GCRO	Group Chief Risk Officer
GHTFI	Group Head of Treasury and Financial Institutions
GCHRO	Group Chief Human Resources Officer
GHCO	Group Head of Compliance and AML Officer
CG	Corporate Governance
QCB	Qatar Central Bank
QFMA	Qatar Financial Market Authority
QSE	Qatar Stock Exchange
GM	General Manager



SEO	Senior Executive Officer
CCL	Qatari Commercial Companies Law No. 11 of 2015 amended by law No (8) of 2021, as amended form time to time
TORs	Terms of Reference
DOA	Delegation of Authority Matrix and Policy approved by the Board
CS	Company Secretary
NED	Non-Executive Director/Board member
IND	Independent Director/Board member
SSB	Sharia Supervisory Board
BCP/BCM	Business Continuity Plan / Business Continuity Management

LEGISLATIVE CONTEXT

These TORs are in accordance with the Corporate Governance provisions stipulated under QCB Instructions to Banks, QFMA Corporate Governance Code, CCL and international Corporate Governance standards and practices applicable on banks and shareholding companies.

PRINCIPLES

The following principles are required for effective functioning and operation of the Board:

1. Setting of proper, relevant and strategic agenda:

MAR Board needs to constantly discuss issues that are crucial for the Bank and the development of its Group strategy.

2. Appropriate composition:

The Board's members must play a role in the decision making and execution process. The Board must not be guided by the number of people in it but rather by the people needed for the decision making and execution process. Critical to this is a clear understanding by all members of the Group's strategic direction and how the Board influences this.

3. Maintaining good corporate governance:

Good governance is critical for any decision making process. By adopting these ToRs, the members of the Board jointly and severally commit to comply with the main pillars of corporate governance, including: discipline, transparency, independence, accountability, responsibility and social responsibility.

4. Sufficient and appropriate information for decision making:

Board members need to guide the content of any Board meeting's reports. Each report must include information on the key issues falling under the Board's remit. This information must serve as the main support for the discussions and decision making process in the meetings. Reports must be easily understandable, containing the appropriate data presentation in the right length, and accurate in content.

5. Updating governance documents:

The performance of MAR's Board is measured by their functioning and execution processes. Crucial to this is that the reports, minutes and processes of Mar's Board are maintained and updated constantly to ensure they serve the Bank and its stakeholders in a proper way.

6. Plan of action:



MAR's Board must always have a plan of action. All strategies and ideas discussed and approved should be appropriately documented. Responsibilities should be clearly assigned and a timetable of implementation should be established and followed up on by the Board / Company Secretary. Approved strategies and ideas must have measurable targets that are meaningful, realistic and achievable. Targets must be effectively communicated to all the relevant line functions.



SECTION 2 – TERMS OF REFERENCE

SN	Description	Responsibility
1.	CREATION	
	The Board of Directors of MAR is formed in accordance with the Bank's AOA.	AGA
2.	COMPOSITION OF THE BOARD OF DIRECTORS	
	<p>MAR Board of Directors shall comprise eleven members. Two members are appointed by Qatar Investment Authority ("QIA"), one member is appointed by General Retirement and Social Insurances Authority ("GRSIA") and one member is appointed by Barzan Holding of Qatar's Armed forces Portfolio. The remaining seven members are elected by the AGA in secret ballot to be distributed over the following Board seats: 4 seats for Non Independent members from shareholders and 3 seats for Independent members. The selection of the Board members, whether by appointment or election, shall be in accordance with the AOA and the Board Nomination and Election Policy approved by the Ordinary General Assembly of Shareholders.</p> <p>The Board shall comprise executive, non-executive and independent members in order to secure that the Board decisions are not controlled by one person or a small group of individuals.</p> <p>The Board members should have appropriate experience and know-how to effectively perform their functions and maintain the company's interests. They should also give sufficient time and attach more interest to their functions as members on the Board of Directors</p>	Board
3.	ELECTION OF BOARD CHAIRMAN AND VICE CHAIRMAN	
	The Chairman and Vice Chairman of the Board shall be elected by the Board in accordance with MAR AOA. The Chairman of the Board shall chair the Board meetings and in his/her absence, the Vice Chairman acts as Chairman. The Chairman shall not be member on any committee formed by the Board.	Board
4.	ROLE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS	
	<p>The Chairman of the Board of Directors serves as the president of the Bank and represents the Bank with third parties and before the courts. The Chairman is responsible for implementing all the resolutions adopted by the Board. The Chairman may delegate part of his powers to other Board members. The Vice Chairman replaces the Chairman in case of absence.</p> <p>Other responsibilities undertaken by the Chairman include:</p> <ul style="list-style-type: none"> - To provide leadership for all aspects of Board's work and ensure that the Board meets its commitments in compliance with the laws, MAR AOA and these ToRs; - To organize the activities of the Board, including agree on the Board's meetings and agenda and the quality, quantity and timeliness of the information and reports that go to Board members; - To chair the annual and extraordinary meetings of shareholders; - To evaluate the Board's effectiveness and ensure implementation of improvements; - To manage and enhance formal and informal communication with and among the Board members; - To enhance the disclosure and transparency policy of the Bank and ensure information is communicated in a timely and accurate manner to all shareholders and stakeholders; - To enhance communication and relation with the shareholders and participate in external relationships that meet and fulfill the Bank's social responsibility; - To work closely with the GCEO in the development and enhancement of the Bank's strategic goals and business plans to facilitate understanding and communication 	Chairman



	<p>between the management and Board;</p> <ul style="list-style-type: none"> - To enhance the corporate governance culture at Group level and ensure that business and operations are conducted in accordance with the Board's view and vision; - To maintain a close open and ongoing relationship and communication with the GCEO; - To monitor and carry out the performance of the GCEO in coordination with the Board or the Board 's relevant sub-committee; - To carry out any assignments and authorities as delegated to him by the Board of Directors; and - To review on annual basis, the performance of the Board and the directors, based on feedback from the CGNRC, and recommend enhancement of the Board procedures; 	
5	MEETINGS OF THE BOARD OF DIRECTORS	
5.1	<p>Frequency: The Board shall meet at regularly scheduled sessions and shall approve, where practical, a yearly corporate calendar, but at least six times a year with maximum interval of 2 months between each meeting, as detailed below:</p> <ul style="list-style-type: none"> - January/February: annual strategy and financial statements, budgetary and audit issues - February/March: to hold shareholders' meetings - April/may: quarterly report, investments, auditing issues - June: supervision of company management, compliance and regulatory issues, business and budgetary performance - July: semi-annual financial results and other periodic reports, strategy, investments - October: quarterly report - December: finance issues including finance policy, questions about annual accounts, budget, auditing issues <p>Extra meetings may be held if the Chairman, a Board member, external auditors or the GCEO so requests. The Chairman shall convene extra meetings within 14 days of the request.</p>	Board
5.2	<p>Timing: Meetings shall be held at times that suit all Board members. If such a time cannot be agreed, meetings may be held at another time providing that Board members unable to attend give their approval. If the date of a meeting has been established and a Board member notifies inability to attend then the date of the meeting shall not be changed, unless the Chairman decides otherwise. In the event of extraordinary unforeseen events, the Chairman has the right to appoint a time and date for a Board meeting. Where a Board member is absent for more than three consecutive meetings of the Board or 4 non-consecutive meetings without an excuse that is accepted by the Board, the absenting Board member will be deemed to have resigned from the Board;</p>	Board
5.3	<p>Form of meetings: Board meetings may be held by physical attendance of the Board members at the registered Head Office of the Bank or any other location determined by the Board or virtually through any tele-communication means and platforms.</p>	Board
5.4	<p>Quorum and Attendance: The Board is in quorum if more than half its members are in attendance physically or virtually through any tele-communication means or platforms.</p> <p>A member may also attend by written proxy, provided, however, that proxy is issued only to an attending Board member and that no Board member shall deputize for more than one member. In such case, the deputy shall have two votes and in case of equal division of votes, the Chairman shall cast the deciding vote. Proxies shall be duly recorded in the minutes and maintained in the Company Secretary files.</p>	
5.5	<p>Decision making (in meetings not in resolutions by circulation): The Board reaches a</p>	Board



	decision with a simple majority, unless otherwise required by law, statute, regulation, agreement or Articles of Association. If voting is undecided the Chairman shall cast the deciding vote. Voting for resolutions by circulations requires all Board members consent in accordance with clause 10 below.	
5.6	<p>Invitees: Unless the Board decides otherwise, the Chairman shall decide after consultation with the GCEO which persons in addition to Board members and Company Secretary, shall be present when addressing matters at Board meetings.</p> <p>The Company's auditors shall be asked to attend Board or Audit Committee meetings concerning assessment of, at least, the annual accounts, in order to give a spoken report on their observations from the examination of the accounts and the audit.</p>	Chairman
5.7	Deputizing the Chairman: If the Chairman of the Board cannot be present at a Board meeting, or if the Chairman is prevented in any other way from fulfilling his/her duties, then the meeting shall be led, and the other duties of the Chairman performed, by the Vice Chairman or, in his/her absence, any other Board member appointed by the Board.	Board
6.	COMPANY/BOARD SECRETARY – Board meeting notices, agenda and Board packs/materials	
6.1	<p>The Board shall appoint a qualified Company Secretary and determine its responsibilities and functions. The CS shall be in charge of all responsibilities vested in a Board/Company Secretary under the relevant laws and regulations, including but not limited to, assisting the Board in fulfilling its corporate governance responsibilities, arrange the meetings of the Board, send the notices, and prepare the materials and agenda of the meeting, as follows:</p> <ul style="list-style-type: none"> - Written notice of Board meetings, including time, date and place, shall be sent to Board members by the Company Secretary at the request of the Chairman or at least two of the Board Members. - The draft agenda and notices for the forthcoming Board meeting shall be sent to each Board member at least 10 days week before the meeting by registered mail, email, and/or facsimile followed by the materials required to deal with each item. 	Board
6.2	The Chairman, in consultation with GCEO and Company Secretary, shall decide which matters shall be included on the agenda.	Chairman
6.3	<p>The following matters shall be dealt with at the first Board meeting following election of each Board:</p> <ul style="list-style-type: none"> - Election of Chairman and Vice Chairman of the Board in accordance with AOA - Appointment of a managing director, if required - Establishment of dates and location for ordinary Board meetings in coming year - Confirmation of existing, or if necessary, appointment of new GCEO - If necessary, decision on allocation of Board sitting fees and dates and principles for payments of fees - Designation of people authorized to sign on behalf of the Bank and decision regarding how authorized people shall sign on behalf of the Bank; - Confirmation of existing, or if necessary, appointment of new Company Secretary and determination of his/her duties and responsibilities - Adoption of the terms of reference for the Board including instructions for the GCEO and procedures for reporting to the Board - Establish Board committees, appointment of their members and adoption of their relevant terms of references - Conduct induction program for the new Board 	CS
6.4	<p>The following matters shall normally be addressed at each ordinary Board meeting:</p> <ul style="list-style-type: none"> - Formal opening of the meeting - Approval of the agenda - Minutes from previous meeting - Information about business situation and important events within the Group 	CS



	<ul style="list-style-type: none"> - GCEO and other Business Reports - Matters requiring decisions - Next meeting - Formal closure of the meeting 	
6.5	<p>The following reports shall normally be submitted at each ordinary Board meeting or on a quarterly basis:</p> <ul style="list-style-type: none"> - Report about Group's business including balances, results and liquidity - Report about extraordinary measures implemented between meetings of the Board - Report about any legal disputes or loss risks of significance - Report about main decisions taken by the Board-subcommittees and subsidiaries' Boards and general assembly meetings; 	CS
6.6	<p>In addition to the information that the Board receives in connection with Board meetings, Board members shall also receive information as necessary concerning key events in the Group and its activities, for example outcomes of budgets with comments on significant deviations, the development of large ongoing projects and forthcoming large business events. The Board shall primarily address overall, long-term issues and issues that are of unusual character or of major significance for the Group. Reporting in accordance with these TORs constitute the instructions for reporting in accordance with QCB Instructions and other applicable regulations.</p>	CS
7.	SEGREGATION OF DUTIES	
7.1	<p>The Board of Directors is the highest management body beneath the shareholders. Among other matters, the Board shall:</p> <ul style="list-style-type: none"> - take responsibility for and approve the Group's organization structure and management of the Bank's affairs, - ensure that the organization of the Group is designed so that accounting, business and asset management and the Group's operational and economic conditions in general are controlled in a reliable manner ensuring segregation of duties and avoidance of any conflict of interest among different roles and responsibilities. 	Board
7.2	<p>The GCEO is responsible for the ongoing administration in accordance with the guidelines, policies and instructions established by the Board. The GCEO reports directly to the Board.</p>	GCEO
8.	MATTERS REQUIRING A BOARD DECISION	
8.1	<p>The Board shall take decisions on all matters that are not part of the ongoing administration of the Group in accordance with the instructions to the GCEO and those matters requiring a Board decision in accordance with the applicable laws, regulations statutory or terms of any agreement or business engagement.</p>	Board
8.2	<p>The following matters, but not limited to, must be approved by a Board resolution:</p> <ul style="list-style-type: none"> - Appointment of GCEO and Senior Management members - Merger and acquisitions, - Annual, semi-annual and quarterly financial statements - Annual Report and Corporate Governance Report - Annual budget - Business strategies - Proposal for dividends - Proposal for new share or bonds issue - Remunerations at Board and senior management level - Gift to charity or similar and CSR programs, when required as per the Board-approved DOA - Extension of branches or subsidiaries - Delegation of authorities (DOA) - Approval of policies 	Board



	<ul style="list-style-type: none"> - Recommend external auditors for shareholders' approval - Recommend members of Sharia Supervisory Board for shareholders' approval or, if delegated by shareholders, appoint no less than 3 members of SSB to ensure compliance with Sharia principles - Any other matter preserved to the Board as per the applicable laws, regulations or AOA 	
9.	MINUTES	
9.1	<p>The Company Secretary or his/her designee shall minute the proceedings and resolutions of all meetings of the Board including a summary of the Board's discussion, the decision taken and the information on which the decision was based, recording the date and names of those present or in attendance in person or by proxy as well as the absentees. Attendance via teleconference or telephone or any other modern communication tool that allows a member to efficiently participate in the meeting is permissible subject to prior notification to Company Secretary and Chairman approval. Non-physical attendance shall be explicitly recorded in the Minutes. Dissenting opinions of Board members shall be recorded in the minutes. The Company Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. A conflicted board member may not deliberate or vote on an agenda item to which he/she is conflicted. The Minutes of a meeting will be circulated via e-mail or facsimile transmission for the members' review and shall be signed jointly by the Chairman, the Managing Director (if any), the Company Secretary and all the Board members attending that meeting at the next meeting of the Board. They shall be kept in special register in serial numbers. Extract of minutes, copies of resolutions or minutes of resolutions shall be valid if signed solely by the Chairman, a Board member of the Company Secretary unless otherwise specified in the Bank's AOA.</p>	CS
10.	RESOLUTIONS BY CIRCULATION	
10.1	<p>Resolutions by circulation are permissible. Resolutions by circulation are those decisions passed by the Board when no meeting is taking place. In order for a resolution by circulation to be valid, it shall satisfy the below conditions as a minimum requirement:</p> <ul style="list-style-type: none"> a) It shall be triggered in emergency cases only i.e. when a decision needs to be made within 48 hours or for any other reasonable justifications. Any Board member to which a request is sent for resolution by circulation may call the Board for a meeting to discuss the concerned request. In this event, the request must be considered on hold and the Company Secretary is obliged to inform the Chairman who must call the Board for a meeting to resolve on the request sent by circulation; b) It requires unanimity of all Board Members i.e. the request sent for a resolution by circulation <u>must</u> be approved by <u>ALL</u> Board members. If for any reason whatsoever a Board member remains silent, declines or refuses to sign a resolution by circulation, the request must be considered on hold and the Company Secretary is obliged to inform the Chairman who must call the Board for a meeting to resolve on the request sent by circulation; <p>A resolution by circulation may be passed by one or more of the following means:</p> <ol style="list-style-type: none"> 1. By email circulation: in this event, the Company Secretary shall (i) send a request for approval to ALL Board members including sufficient supporting documents that ensure a Board member takes an informed decision; (ii) minute the resolutions of the Board members- such minutes may take the same form of the minutes of meeting provided that it clearly states that the resolution was passed by email circulation (iii) enclose to the minutes such supporting documents circulated in the email together with the approval 	CS



	<p>emails received from the Board members (iv) maintain the same in the secretary files; and/or</p> <p>2. By circulation of a written resolution in one copy to all the Board members or by drafting the resolution and circulating more than one copy so that all of the signatures of Board members of the Committee are collected on all or some of these copies which are compiled together and deemed to be one copy signed by all the Board members;</p> <p>Any resolution passed by the Board through any of the means from (1) to (2) above shall be (i) deemed to be valid as if it had been taken in a meeting of the Board duly held; (ii) received from all Board members in any writing form (including emails) in order to be effective; (iv) shall be deemed effective starting from the date of last approval received from a Board member and (iii) reported to the earliest meeting of the Board for endorsement and to be included in the official minutes;</p> <p>The Company Secretary shall communicate any resolution passed by circulation by the Board to concerned stakeholders, as and when necessary. For the purpose of such communication, the Company Secretary or his/her delegate may (i) communicate such resolution through a simple briefing email to the concerned stakeholder; and/or (ii) provide a copy of the resolution, minutes of resolution/extract of minutes to the concerned stakeholder.</p>	
11	DISQUALIFICATION, CONFLICTS OF INTEREST, CONFIDENTIALITY	
11.1	<p>Board members shall not participate in the following:</p> <ul style="list-style-type: none"> - agreements made between the Board member and the Group, except as allowed under the applicable laws and regulations - agreements made between the Group and third party, if the Board member has significant interests in the matter that can conflict with the Group's interests. - agreements between the Group and a legal entity that the Board member alone or together with other people represents, except in cases where the Group's counter party is a member of the same Group. 	Board
11.2	Court cases or other disputes are in the same category as agreements prescribed in point 11.1	Board
11.3	In their work, the Board shall in particular take into consideration potential conflicts of interest that may arise between a member of the Board and the Group. When processing matters for the Board, it is the responsibility of each member of the Board to, without delay, notify other members of the Board and the Company Secretary about conflicts of interest that are at hand or that are believed to be at hand. When assessing whether or not a conflict of interest is at hand, the Conflict of Interest Management Policy shall serve as guidance.	Board members, Compliance, CS
11.4	Board members shall observe confidentiality with regard to all information received from the Group, discussions at Board meetings and all similar information that is not published unless an obligation to reveal such information is prescribed by law.	Board members
12	EXTERNAL ADVICE	
12.1	The Board may seek appropriate independent professional advice at the MAR's expenses as and when it considers it necessary.	Board
13.	TRAINING	
13.1	The Members will be given induction and continuing training, which should cover, among other things, the role of the Board of Directors, Corporate Governance, financial, risk management, and banking-related issues, etc.	Chairman



14.	REMUNERATION OF DIRECTORS	
14.1	The Board shall develop a Board remuneration policy to set out the principles and terms of remuneration and sitting fees of all board members (executive, non-executive, independent, non-independent) in accordance with the applicable laws and regulations. Such policy to be presented to the shareholders annually for endorsement.	Board
15.	FUNCTIONS & RESPONSIBILITIES	
	Management is responsible for the day-to-day management of the Bank. The Board is responsible for the stewardship of the Group and for monitoring the actions of, and providing overall guidance and direction to, Management. The Board shall be also responsible for compliance with the applicable regulations; in addition to its responsibility to shareholders, regulators, and the community at large. In fulfilling its duties and responsibilities, the Board shall, among other things be responsible for the following matters:	Board
15.1	Committees and Committee Terms of Reference	
	a) The Board has 4 committees: The Executive Committee of the Board, the Audit Committee, the Compliance & Risk Committee and the Corporate Governance, Nomination and Remuneration Committee. Separate terms of reference exist for these committees and are considered as supplements to the Board's Terms of Reference.	Board
	b) The Board may establish any other committees as it deems necessary or desirable, to assist it in the fulfilment of its duties and responsibilities, with such terms of reference as the Board may determine. The Board shall determine whether directors satisfy the requirements of independence for membership on each such committee and shall monitor the committees through a regular review of their Meeting Minutes or summary reports about their activities and decisions taken;	Board
	c) consider recommendations of the CGNRC or the Chairman from time to time regarding the composition and terms of reference of the committees of the Board.	CGNRC Chair and Chairman
	d) Establish and determine the responsibilities of the Boards of Directors of the subsidiaries subject to local regulatory requirements of the jurisdictions where such subsidiaries operate ;	Board
	e) Establish or assign a board Committee, whenever needed, to oversee the security issues and the business continuity plan of the Group, in compliance with QCB instructions;	Board
15.2	Corporate Governance	
	a) Adopt corporate governance principles and guidelines for the Group, as well as the disclosure thereof in the annual report;	Board
	b) Adopt or delegate any Board sub-committee to adopt:	Board
	<ul style="list-style-type: none"> • The code of business ethics applicable to directors, officers and employees of the Bank prescribing standards that are reasonably designed to promote integrity and honest and ethical conduct and deter wrongdoing; and • A code of conduct providing for policies ensuring the Bank operates at all times within the applicable regulations and with due regard to ethical standards. This includes, as a minimum, laws relating to code of conduct, employee health and safety, human rights, environmental protection and standards relating to conflicts of interest; • Delegation of Authorities matrix and policy in accordance with the statutory requirements and the business size and developments; 	Board
	c) Develop and periodically review a disclosure and insider trading and reporting policy that addresses how the Group shall interact with analysts and the public; and contains measures for the Group to avoid selective disclosure;	Board
	d) Monitor the integrity of the Group's internal control, disclosure controls and procedures and management information systems;	Board
	e) Approve and periodically review the policies of the Group and create a Policy	Board



	Governance system for approval of policies and instructions and monitoring of their implementation;	
	f) Approve and periodically review policies and procedures for receiving feedback from shareholders with respect to the affairs of the Group;	Board
	g) Establish Corporate Governance policies and procedures and develop and approve the annual Corporate Governance report as required under the relevant applicable regulations and submit it to the AGA for review;	Board
	h) Consider any other matter related to corporate governance as required and stipulate under the relevant laws and regulations	Board
15.3	Strategy & Financial issues	
	a) Adopt a strategic planning process and approve a strategic plan, on annual basis or any other term the Board may deem fit, which takes into account, among other things, the opportunities and risk of the Group's business; and monitor the implementation of the same;	Board
	b) Approve strategic investments and actions such as joint ventures, divestments, extending the branch network, acquisition and disposal of assets; subject to regulatory approvals, if and when required;	Board
	c) Recommend to the shareholders' approval of mergers and acquisitions, subject to regulatory approvals, if and when required;	Board
	d) Having regard to recommendations of the audit and finance departments, the Board shall approve or delegate the Audit Committee to approve, if it deems to be appropriate:	Board
	<ul style="list-style-type: none"> o The annual audited financial statements of the Group. o The accounting policies and principles o The annual audit plans and terms of engagement of the external auditors as well as the remuneration to be paid to the external auditors. o The annual budget for the Group, and any other financial plans etc. 	Board/Audit Committee
15.4	Sharia, Audit, Finance and Risk Management	
	a) Approve or delegate a Board Committee to approve the Bank's risk management strategy, the risk appetite and the limits system;	Board
	b) Authorize the ACB and CRC to assist the Board in overseeing, among others:	Board
	<ul style="list-style-type: none"> o The integrity and quality of the Group's financial reporting and systems of internal control and risk management, o The Group's compliance with legal and regulatory requirements, o The qualifications and independence of the Group's external auditors, and o The performance of the Group's internal audit function and external auditors 	ACB/CRC
	c) With the assistance of the CRC, identify the principal risks of the Group's business and ensure the implementation of appropriate risk assessment and risk management policies and processes to manage these risks, and review and provide guidance to management on any outcomes, findings and issues arising in connection with the risk assessment and risk management policies and processes;	CRC
	d) Ensure the Bank operates within Islamic Sharia principles and establish a Sharia Supervisory Board (SSB) to oversee the activities of the Bank in accordance with Sharia principles, recommend to the shareholders the members of the SSB or, if delegated by the shareholders, to approve appointment of ta eats three SSB members and determine their engagements terms and fees;	
15.5	Environmental and Safety Matters	
	a) Consider reports and recommendations of the delegated Board committees with respect to the Group's environmental and safety policies and procedures and any issues relating to environmental and safety matters and management's response	Board



	thereto;	
15.6	Succession Planning	
	a) Develop or delegate the CGNRC to develop and monitor a succession plan for senior officers of the Group, including appointing, training and monitoring senior management.	Board
15.7	Oversight and Compensation of Management	
	a) Approve or delegate the CGNRC to consider and approve: <ul style="list-style-type: none"> (i) the appointment and compensation of senior officers of the GCEO's direct reports; (ii) the compensation pool and philosophy for the Group generally, (iii) the adoption of any incentive compensation and equity based plans, including stock option, stock purchase or other similar plans, in which officers are or may be eligible to participate, subject to regulatory requirements, and (iv) the amendment of the Group's nationalization plans; 	CGNRC
	b) To the extent feasible, satisfy itself as to the integrity of the Group Chief Executive Officer and other executive officers and that the Group Chief Executive Officer and other executive officers create a culture of integrity throughout the organization;	CGNRC
	c) Communicate to management and periodically review the Board's expectations regarding management's performance and conduct of the affairs of the Group;	CGNRC
15.8	Directors Qualifications, Compensation, Education and Orientation	
	a) Consider the advice and input of the Chairman or the delegated Board committee regarding: <ul style="list-style-type: none"> (i) what competencies and skills the Board, as a whole, should possess, according to the Fit & Proper Criteria (ii) what competencies, skills and personal and other qualities the existing Directors possess, (iii) the development of a process to determine, in light of the opportunities and risks facing the Bank, what competencies, skills and personal qualities are required for new Directors in order to add value to the Group, (iv) the size of the Board, with a view to facilitating effective decision-making, and propose nominees for election as Directors; 	CGNRC
	b) Consider recommendations of the Chairman with respect to the level and forms of compensation for Directors, which compensation shall reflect the responsibilities and risks involved in being a Director	CGNRC
	c) Develop a program for the orientation and education of new directors, and to ensure that prospective candidates for Board membership understand the role of the Board and its committees and the contributions that individual directors are expected to make, and develop a program of continuing education for all directors, so that they may maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of MAR's business remains current.	CGNRC
	d) Recommend Board Nomination and Election policy for shareholders' approval which governs and addresses the directorship requirements stipulated under the relevant laws and regulations	CGNRC
15.9	Appointment of Senior Management	
	a) the Board or delegated board committees appoints the senior managers including GCEO and his direct reports, the Group Head of Internal Audit, the Group Head of	Board



	<p>Compliance and AML, the Sharia Auditor and the Company Secretary, subject to QCB no-objection to their appointment, as applicable, and approves their terms of employment. Appointment of Sharia Auditor shall be also subject to clearance by Sharia Supervisory Board and QCB;</p> <p>b) The Board shall disclose to QSE the appointment of any senior managers with direct reporting line to the GCEO, the Board or Board-subcommittee.</p>	
15.10	Assessment of Board and Committee Effectiveness	
	The Board considers recommendations of the Chairman or the delegated Board committee for the development and monitoring of processes for assessing the effectiveness of the Board, the committees of the Board and the contribution of individual directors, which assessments shall be made annually.	Board
15.11	Compliance with applicable regulations	
	In general, the Board should ensure overall compliance with all applicable regulations and shall be accountable to all regulatory authorities for any violation of the applicable regulations	Board
16.	BOARD MEMBERS OBLIGATIONS & DUTIES	
16.1	To have sufficient knowledge, skills, training and information that the Board members should be provided with in accordance with the applicable regulations;	Board
16.2	To protect the Group's interest and to be loyal to the Group;	
16.3	To observe confidentiality, conflict of interests, transparency in dealing with the Group's securities;	Board
16.4	To give an independent opinion;	Board
16.5	To have enough time to fulfill their duties towards the Group and to regularly attend the Board meetings and the general assemblies and to participate effectively in those meetings;	Board
16.6	To maintain the Group's interest; the loyalty obligation and the obligation to observe the powers granted to them by the Group.	Board
16.7	<u>The duty of the Board members is to be attentive and diligent when:</u>	
	a) Performing their tasks: each member on the Board should behave in good faith and be as diligent and attentive as any ordinary person would be with respect to its own properties under the same circumstances for the interest of the Group	Board
	b) The Board member should take proper steps towards understanding all the relevant questions and matters, including the careful work, consultation of independent external experts when necessary, taking of independent and conscious decisions when voting in favor of any matters related to the Group. In addition, the Board member should be fully aware of the Group's decisions and all related matters. He/she should also take proper steps towards supervising the Group's management and its financial position;	Board
	c) Each newly elected member on the Board of directors should, upon his election, check the company structure and management in addition to any other information that enables the Board member from performing his responsibilities;	Board
16.8	<u>Duty of remaining loyal in case of conflict of interest and related parties transactions:</u>	
	a) The Board members should be loyal to the Group and its shareholders and this duty requires that the Board members put the Group and the shareholders' interests beyond their own interests and always behave in good faith	Board
	b) In addition to their observance of the procedures and the guiding principles related to the related-parties transactions, and in implementation of this duty, the Board member should abstain from:	Board
	1) Concluding any transaction at his own expenses when the concerned	Board



	<p>Board of directors or any member of his family or any of his partners or other parties closely related him have any financial benefit in the Group;</p> <p>2) Conduct any activities that compete with the financial interest of the Bank, including being involved in any competitive business. However, this does not prevent any concerned party from owning less than 10% of the shares of a company listed on the stock exchange or under the cases where the conflict is public and expressly agreed on, in accordance with the provisions of the law, rules and regulations;</p> <p>3) Seize an opportunity that is the right of the Group, unless this opportunity was offered to the Bank and the latter rejected it;</p> <p>4) Apparent, potential and actual conflict of interest: in the event where conflict of interests affects the interest of a Board member; this member should disclose this conflict and abstain from voting or attending when any items related to this conflict are being submitted to the Board for voting.</p> <p>5) Any act that leads to granting a personal preferential loan when similar loans or similar conditions are not granted to the public;</p> <p>6) Any act that may be considered as inner transaction or any illegal disclosure of secret information related to the Group;</p> <p>7) Any act or transaction that contradicts with the relevant laws and regulations.</p>	
16.9	<u>The duty of the Board members to observe the powers granted to them by the Group:</u>	
	The Board members are requested to work within the framework of the powers granted to them by virtue of the Group's AOA and the Board TORs set in accordance with the applicable regulations and the shareholder's decisions. Board members who fail to observe the limit of their powers should be responsible for any losses that may be suffered by Group as a result thereof.	Board members
16.10	<u>The fiduciary responsibility and duty of the Board of Directors:</u>	
	The 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.	Board members
16.11	<u>The responsibilities of non-executive and independent directors:</u>	
	The non-executive and independent directors of the Group are appointed as members of the Board sub-committee, namely the Audit Committee and the CGNRC. 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. In general, the Board defines the role and responsibilities of the non-executive and independent members in line with the provisions of the applicable corporate governance laws and regulations.	NEDs/INDs
16.12	Any other related requirements stipulated under the relevant laws and regulations	
17.	NOMINATION and ELECTION OF DIRECTORS	
17.1	Directors on MAR Board must be nominated and elected in accordance with the requirements set forth under the Bank's AOA and the Board Nomination and Election Policy approved by the shareholder subject to necessary regulatory approval to the nomination of the candidates and notifications and disclosures set forth under the said Policy. As a minimum requirement, it is prudent and advisable for Board candidates to possess the following minimum qualifications:	Board
	a) A Board candidate shall not be less than 21 years old;	
	b) Each Board candidate must be committed to the Group's long-term business	Board candidate



	success consistent with the highest standards of responsibility and ethics and must represent the best interests of all of the Group's shareholders and not any particular constituency;	
	c) Each Board candidate shall conscientiously prepare for, attend and participate in Board and applicable committee meetings and must ensure that he/she does not have such other personal or professional commitments as would limit or interfere with his or her ability to properly discharge, or which would otherwise conflict with, his or her obligations to the Group and its shareholders;	Board candidate
	d) Multiple board seats should be avoided, except for board memberships within the same group (e.g. Board of holding or subsidiary level). Such memberships should be in accordance with laws and regulations	Board candidate
	e) Each Board candidate shall have an established record of professional accomplishment in his/her chosen field;	Board candidate
	f) No Board candidate (or "family member" as defined in the applicable regulations), or affiliate or associate (each as defined under the applicable regulations), of a Board candidate shall have any material personal, financial or professional interest in any competitor of MAR Group which, in the judgment of the Board, would limit or interfere with his or her ability to properly discharge, or which would otherwise conflict with, his or her obligations to the Group and its shareholders.	Board candidate
	g) Upon election, each Board member shall be holder of at least one million (1,000,000) of the corporate shares unless otherwise permissible under the applicable laws and regulations. This is intended to guarantee the rights and equity of the Group, its shareholders and third parties against liability of members of the Board. Within sixty days of the date of commencement of membership, those shares shall be deposited in one of the approved banks or blocked at Qatar Exchange/QCSD. Such deposit shall be subject neither to negotiation nor to pledge or attachment, until the end of the period of membership and the approval of the financial statement of the last year in which the respective member was involved. If the member fails to provide the security as required, his membership shall be nullified.	Board candidate
17.2	Candidates Proposed by Shareholders:	
	<p>Any shareholder of the Group may nominate one or more persons for election as a director of the Group at the AGA if the shareholder complies with the director nomination provisions set forth under these TORs, MAR AOA, and the Board Nomination and Election Policy approved by shareholders. These TORs, MAR AOA and the Board Nomination and Election Policy shall be published on the website of al the Group.</p> <p>In all cases, this provision shall be in accordance with the provisions of the applicable laws and regulation prohibiting combination of positions , as amended or replaced from time to time, in particular, the QFMA Corporate Governance Code and the CCL stipulating that in exclusion of government representatives in the shareholding companies or the persons who own minimum (10%) shares in the capital of these companies, No one, in his own capacity or in his capacity as representative for one of the legal persons, is allowed to be member in the board of directors for three shareholding companies whose headquarters are located in the State of Qatar nor can be the chairman or vice chairman in more than two companies whose headquarters are located in the State of Qatar.</p>	CS
17.3	Fit & Proper Criteria:	



	<p>The Board or delegated Board committee shall ensure that the persons nominated for election to the Board meet the fit and proper criteria before such nominations are placed before the shareholders. Criteria for assessing fitness and propriety of Board candidates are outlined under three categories:</p> <ol style="list-style-type: none"> 1. Honesty, integrity, diligence, fairness and reputation; 2. Competence, and capability; and 3. Financial soundness. <p>These categories shall be in line with the provisions the Fit & Proper Criteria provided for in the Corporate Governance Code for Listed Companies issued by QFMA, as amended or replaced from time to time, and shall be in conformity with the provisions of the applicable Commercial Companies Law and the QCB instructions.</p>	CGNRC
18.	ELECTION AND FORMATION OF BOARD OF DIRECTORS	
18.1	Election: Unless otherwise stipulated in the AOA of the Group, the Board of Directors shall be elected by the shareholders in accordance with the Board Nomination and Election Policy adopted by the shareholders.	Board/ Shareholders
18.2	Cumulative Voting: Election of Board members shall be by cumulative vote as defined under the applicable laws and regulations.	Board/ Shareholders
18.3	Formation: The formation of the Board is determined in the AOA of the Group. In the election process of the new Board of Directors, MAR will endeavor to comply with the QCB and QFMA regulations related to the formation of the Board to ensure that the board comprise executive, non-executive and independent members. MAR shall ensure that one third of its board members at least are independent members and the majority of the members are among the non-executive members. This composition will secure that the board decisions are not controlled by one person or a small group of individuals.	Board/CGNRC
19.	INDEPENDENT MEMBERS	
19.1	The purpose of electing independent members in the Board is to ensure that the Board contains members who can effectively exercise their best judgment for the exclusive benefit of the Group, judgment that is not clouded by either real or perceived conflicts of interests. MAR shall ensure that one third of its board members at least are independent members	Board/CGNRC
19.2	An independent member is as defined under the AOA, and shall, at a minimum level, satisfy the requirements set forth under the relevant laws and regulations.	
20.	DISCLOSURE	
	Board TOR will be made available internally on Intranet or externally (on website, if so required by any regulation). The membership of the Board and a description of its duties, activities and decisions during the year shall be disclosed in the Annual Corporate Governance Report of the Group.	CS
21.	AMENDMENT OF THESE TERMS OF REFERENCE	
	The Board must review, at least annually, these TORs. Chairman or Vice Chairman to approve immaterial changes to these TORs. Any exception or material amendment to these TOR must be approved by the Board. Materiality is defined as per DOA. A Request for Approval must be submitted to Company Secretary to process any amendment.	Chairman/Board



SECTION 3 – DOCUMENT GOVERNANCE

RESPONSIBILITY

TOR Owner:	Board of Directors
TOR Custodian:	Company Secretary- Corporate Governance

VERSION CONTROL AND CHANGE HISTORY

Version Number	Approval Date	Approved by	Description of Change
V.0	12 December 2021	Board of Directors	New release
V.1	21 March 2023	Board of Directors	Revised TOR upon election of new Board for 2023-2025. For details, refer to Board Minutes dated 21 March 2023.