



Policy

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SECTION 1 - INTRODUCTION	2
PURPOSE.....	2
SCOPE	2
DEFINITIONS.....	2
LEGISLATIVE CONTEXT	3
SECTION 2 - POLICY	4
PRINCIPLES	4
POLICY	4
SECTION 3 - INSTRUCTIONS.....	14
INSTRUCTIONS	14
SUPPORTING DOCUMENTATION	15
SECTION 4 - GOVERNANCE.....	15
RESPONSIBILITY	15
VERSION CONTROL AND CHANGE HISTORY	15



SECTION 1 - INTRODUCTION

PURPOSE

The purpose of this document is to describe the Group Corporate Governance practices for Masraf Al Rayan Q.P.S.C. and its subsidiaries and controlled entities. It focuses on MAR's commitment to good corporate governance, the structure and functioning of the board, the control environment and processes, and the assurance of the transparency and disclosure of information. The Group Corporate Governance Framework has been created with the objective of providing a good practice governance structure for the Group today, whilst also embedding the requisite flexibility to amend the framework as the Group grows and evolves.

SCOPE

This Policy is binding for the Group and its employees. All MAR subsidiaries and controlled entities must adopt and implement this Framework taking into consideration their local corporate governance structures, organization and legal and regulatory requirements without undue delay.

DEFINITIONS

Word/Term	Definition
MAR/Bank	Masraf Al Rayan QPSC
Group	MAR and its controlled entities and subsidiaries
CG	Corporate Governance
Framework	This Group Corporate Governance Framework and Policy
QCB	Qatar Central Bank
QFMA	Qatar Financial Market Authority
QSE	Qatar Stock Exchange
CCL	Commercial Companies Law No. 11 of 2015 amended by Law No 8 of 2021, as further amended or replaced from time to time
MOA	Memorandum of Association of MAR
AOA	Articles of Association of MAR, as amended from time to time
The Board	The Board of Directors of MAR and its sub-committees
The Chairman	The Chairman of the Board of Directors of MAR
GCEO	The Group Chief Executive Officer
SEO	Senior Executive Officer
AML	Anti-money laundering
EXCOB	The Executive Committee of the Board
CRC	The Board Compliance and Risk Committee
ACB	The Audit Committee of the Board
CGNRC	The Corporate Governance, Nominations and Remunerations Committee of the Board
AGA	Annual General Assembly of MAR shareholders as defined under the AOA of MAR
EGA	Extraordinary General Assembly of MAR shareholders as defined under the AOA of MAR
ToRs	Terms of reference outlining the organization, composition and main functions and responsibilities of the Bank's board of directors, board committees and senior management committees
BCM	Business continuity management
ESG	Environment, Social and Governance
CSR	Corporate Social Responsibility
Executive Management	GCEO and his direct reports Chiefs
Director	Board member
SSB	Sharia Supervisory Board
EXCOM	Executive Committee of Management
GALCCO	Group Assets, Liabilities and Capital Management Committee
GRC	Group Risk Committee of Management
CIC	Credit and Investment Committee of Management
GSSC	Group Security Steering Committee of Management
GSIC	Group Special Investigation Committee of Management
GITSC	Group Information Technology Steering Committee of Management
ESGC	Environment, Social and Governance Committee of Management
Subsidiary	A local or foreign company that is partly or fully owned by MAR or a company where MAR holds a controlling interest. In the context of this policy, a subsidiary may also be interpreted as any foreign branch, SPV, associate, funds or any other legal entity established or owned by MAR inside or outside Qatar.



LEGISLATIVE CONTEXT

In setting up the Group Corporate Governance Framework reference has been made to best international practices, appropriate corporate governance structures operated by international banks, equivalent large organisations in Qatar and the requirements of the Qatar Central Bank, the Qatar Financial Markets Authority and the Qatar Commercial Companies Law as amended or replaced from time to time, in addition to the laws and regulations in effect in the countries where the Group operates.

This document has been equally designed to align with the Articles of Association of MAR, which takes precedence over any information in this Framework.

Name	Location
QCB Regulations and CG Circular No 25/2022 as amended from time to time	QCB Rule Book/Website
Commercial Companies Law No 11 of 2015 amended by Law No.8 of 2021 as amended from time to time	Company Secretary Legal database
QFMA Corporate Governance Code No. 5 of 2016 as amended from time to time	Company Secretary Legal database
QSE Internal Regulations	Company Secretary Legal database
MAR AOA	Company Secretary records
Applicable laws and regulations in the countries where the Group operates	Company Secretary Legal database



SECTION 2 - POLICY

PRINCIPLES

The key principles which support the MAR corporate governance are:

- Commitment to good corporate governance practices and effective governance framework as stipulated under MAR AOA and in line with the best practices and the applicable laws and regulations where the Group operates.
- The rights of shareholders and key ownership functions and the equitable treatment of shareholders including minority and foreign shareholders as stipulated under MAR AOA and in line with the best practices and the applicable laws and regulations where the Group operates.
- Effective control environment and processes
- The recognition of the rights and role of stakeholders in corporate governance, including without limitation to MAR's employees, creditors, vendors, and other stakeholders.
- Adoption of timely and accurate disclosure and transparency practices with regard to all financial, operating, ownership, and other governance matters.
- The structure and functioning of the board of directors and its role in ensuring strategic guidance of the Bank and effective monitoring of the management, taking into account the Board's accountability to the bank and the shareholders.

POLICY

1.	COMMITMENT TO IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE PRACTICES
1.1	Corporate governance practices at MAR: The Board of Directors of MAR is responsible for the Corporate Governance practices of the Group. Corporate Governance at MAR focuses on the responsibilities of the Board of Directors and the Executive Management, the independence of the Board's committees, the separation of duties and responsibilities of the Board and those of Executive Management, the internal and external control systems including independence of the external and internal auditors, the cooperation with supervisory and regulatory authorities and external auditors, the assurance of the transparency and disclosure of information and the rights of stakeholders and the community including ESG and CSR.
1.2	Disclosure of compliance with the governance regulations and practices: MAR discloses the extent to which it is complying with its corporate governance policies and procedures on an annual basis in its annual corporate governance report which is constantly published on the Bank's website, distributed to shareholders during AGAs and submitted to the regulators.
1.3	Governance function: The Company Secretary of MAR is responsible for ensuring regulatory compliance with the corporate governance regulations at Group level. The ultimate responsibility for corporate governance is assumed by the Board of Directors/CGNRC.
1.4	Organization chart: The Board approves a chart setting out the principal organs of the Bank's governance and to whom each reports.
1.5	Effective management: MAR has adopted a systematic and transparent process for the nomination, election and appointment of new directors to the board and new members of the executive management, and for developing a policy on the remuneration of directors and the senior management. A Corporate Governance, Nomination and Remuneration Committee has been set up for these purposes with defined responsibilities delegated from the Board in specific approved terms of reference.
1.6	Board composition: MAR pays high regard to the value of diversity of expertise and knowledge among the members of the Board, which is reflected in the varied professional background and experience of the Board members. The Bank also supports the principle of board independence and to achieve a balanced composition of executive, independent and non-executive directors on the board. This is reflected in the Bank's AOA and the Board Nomination and Election Policy approved by the General Assembly of Shareholders.
1.7	Balance of responsibility: MAR seeks to maintain an appropriate balance of responsibility between the Board and the Executive Management. While the managers are charged with the responsibilities of administering the day-to-day business and operation of the group, the Board is responsible for overall leadership and direction and exercises appropriate levels of control in the Group's affairs.
1.8	Separation of key board functions: The Board has established separate committees, each comprising a majority of independent and non-executive directors, charged with individual functions that are essential to contributing to a sound corporate governance



	system. The committees formed by the Board are: the Executive Committee of the Board (EXCOB), the Audit Committee of the Board (ACB), the Corporate Governance, Nominations and Remunerations Committee (CGNRC), and the Compliance and Risk Committee (CRC). All of the Board's committees are required to report to the Board on their decisions or recommendations.
1.9	Segregation of the roles of the chairman of the board of directors and the chief executive officer: the roles of the chairman and the chief executive officer are separate and are assumed by two different persons. The chairman's role is defined under the AOA of MAR and the Board Terms of Reference. The GCEO has delegated authority from the Board for managing the Group's business and operations, including the implementation of the strategies and the resolutions passed by the Board. The GCEO is responsible to the board for all his actions.
1.10	Support to Directors: MAR is strongly committed to providing the necessary resources to assist its directors in their decision making. All directors, including each of the Board's committees, may seek independent professional advice in appropriate circumstances at the Bank's expenses. The Board will be also provided with education programs to enhance their knowledge and skills in corporate governance issues. In addition, all newly appointed directors are provided with detailed and tailored induction in respect of the Group's activities, including its corporate governance systems, as well as their responsibilities and duties and relevant regulatory requirements. The CGNRC oversees and organizes any education and induction schemes for the directors.
1.11	Corporate Transparency: The Board is dedicated to promoting transparency and openness at all levels and in all areas of MAR's operations.
1.12	Directors' access to information: All Directors are provided in a timely manner with timely and detailed management information relating to the Group's business and operations, facilitating the making of informed and critical decisions on the Group's affairs.
1.13	Communication with shareholders: MAR strives to treat all of its shareholders openly and fairly and is strongly committed to promoting effective communication with shareholders. The Board actively communicates with the Bank's shareholders at annual general meetings and other general meetings and encourages participation by shareholders to facilitate their understanding of the Group's operations.
1.14	Accountability: MAR endeavors to maintain sound and effective internal controls and reporting systems to enhance accountability and corporate value to shareholders.
1.15	Risk management and financial review: The Board constantly monitors the Group's performance and reviews the effectiveness of its risk management and system of internal controls and compliance with applicable regulations and recognized best practices. Formal and transparent arrangements, including the establishment of an Internal Audit Department, Compliance and AML Departments, Risk Department including operational risk unit and ICFR, have been put in place to ensure that the Group's financial reporting and internal control principles can be effectively applied. All directors are regularly provided with comprehensive reports on the strategic plans, updates on lines of business, financial objectives, plans and actions.
1.16	Internal controls: The internal control of MAR is furthered by the presence of an Audit Committee with approved terms of reference. The Committee reviews the Group's internal control systems on a regular basis and communicates any material issues to the full Board. The Group Head of Internal Audit also reports to the Audit Committee periodically on key findings regarding internal controls. To ensure effective discharge of its duties, the Board provides all necessary resources to the Audit Committee to seek independent professional advice at the bank's expense.
1.17	Banking laws, instructions and regulations: The Board is responsible for the bank's compliance with the banking laws, rules and regulations. The CRC has adopted and will support and monitor the implementation of the compliance framework to demonstrate MAR's commitment to full and comprehensive compliance with all applicable banking laws and regulations, including, without limitation, MAR's obligation under the regulations and laws defined under the Legislative Context section. The CRC reviews the compliance reports on a quarterly basis and ratifies them or issues recommendations in relation to their content, as appropriate.
2.	SHAREHOLDERS RIGHTS
	MAR ensures the protection of the shareholders' rights in accordance with its AOA and the prevailing applicable laws and regulations. The rights of MAR's shareholders include without limitation the following rights:
2.1	Ownership records: MAR shall maintain correct, accurate and updated records showing the ownership of the shares as per the regulations of the market on which the shares are listed. The shareholders shall have access to the shareholders' record in accordance with the applicable laws and regulations.



2.2	<p>Access to Information: Each share shall entitle its holder to access information that enables him/her to exercises his/her full rights without prejudice to the rights of other shareholders or to the extent such access is not harmful to the Bank's interests. To this end, the Bank shall publish the information that are of interest to the shareholders and enable them to exercise their rights fully on the website of the Bank, if any, or through any other informative medium. The shareholder may submit a request in writing to receive the information that he has right to it by law to the Company Secretariat or Investor Relations departments in the Bank.</p> <p>MAR shall, at all times, seek to include in its MOA and AOA clear stipulations on the right of the shareholders to have timely access to the bank's authorized documents and information. In addition, MAR shareholders have access through MAR's website to all necessary information as stipulated in the applicable laws and regulations.</p>
2.3	<p>Shareholders Rights in terms of General Assemblies: MAR will continually seek that its MOA and AOA include sufficient provisions that affirm the right of the shareholders to call a general assembly in addition to the right to add any item to the general meetings' agenda, and to discuss, decide and raise questions with respect to any items on the agenda. To this end, shareholders shall receive all relevant information with regard to the agenda items.</p> <p>Every shareholder shall be entitled to discuss matters that are listed in the agenda of the General Assembly Meeting and to raise questions to the members of the Board who are obliged to answer these questions to the extent that does not determinately affect the Bank's interests. A Shareholder who is not satisfied with reply to his question may refer the matter to the General Assembly Meeting. The decision of the General Assembly Meeting shall be enforceable. Any provision in the Bank's Articles of Association to the contrary shall be null and void. A shareholder shall have the right to object and document in the minutes his/her objection to any decision he/she may deem is issued to benefit or to damage a specific category of shareholders, to achieve a special interest to the Board members or third parties without taking the Bank's interest into consideration or where the Bank concludes major transactions that he/she may deem against his/her own interests or violate the Bank's capital ownership. A shareholder shall have the right to revoke the decisions to which he/she objected in accordance with the relevant applicable laws.</p>
2.4	<p>Equitable Treatment of Shareholders and Practice of Voting Right: Shareholders shall have the right to expect that each director is acting in the interest of all shareholders and not that of a special interest group or dominant shareholder.</p> <ul style="list-style-type: none"> ➤ Each share should have one vote in accordance with the law ➤ All shareholders should receive fair and equal financial treatment. MAR supports at all-time measures designed to avoid preferential treatment of any shareholder. ➤ Proxy voting is permitted according to the relevant laws and regulations. ➤ Shareholders should have equal right to approve the authorization of shares and the increase or decrease of the capital in order to ensure that such actions serve a valid purpose and are consistent with shareholder interests. ➤ Shareholders shall have the right to vote for or against any amendment to the AOA. ➤ Shareholders should have the ability to communicate with the Board of Directors in the annual general meeting. Shareholders may also communicate their views and concerns directly to Board members by contacting the Company Secretariat or Investor Relations departments in the Bank ➤ Shareholders should have the right to vote annually on the ratification of external auditors and determine their fees ➤ Shareholders should have the right to appoint and eliminate the members of Sharia Supervisory Board and determine their fees ➤ Shareholders should have the right to vote annually on the policies and principles of granting incentives and remunerations to the Board, Senior Management and the employees ➤ Shareholders are equal in rights related to a share in accordance with the provisions of the law and relevant regulations and decisions. A shareholder shall have the right to dispose of his/her share without any restrictions unless such disposal is in breach to applicable laws or regulations ➤ Each share shall entitle its holder to attend the general meeting, participate in its deliberations and vote on its decisions in accordance with the applicable laws and regulations
2.5	<p>Shareholders Right with respect to the election of the Board members:</p> <ul style="list-style-type: none"> ➤ The shareholders shall have the right to elect the Board of Directors in the way as stipulated in the laws, the Bank's AOA and the Board Nomination and Election Policy adopted by the shareholders ➤ MAR has in place a detailed Board Nomination and Election Policy approved by the shareholders that organizes the nomination, evaluation and election process of the Board ➤ MAR's Board members and candidates profile will be made available to the shareholders at all times on the Bank's website.
2.6	<p>Shareholders Rights with regard to the distribution of Profits:</p> <ul style="list-style-type: none"> ➤ The Board of Directors should submit to the general assembly a clear policy governing the distribution of the profits (Dividend



	Policy), taking into consideration the regulatory framework and the shareholders' interests.
2.7	<p>Capital Structure, Shareholders Equity and Major Transactions:</p> <ul style="list-style-type: none"> ➤ MAR ensures that its capital structure is disclosed to its shareholders. MAR shall at all times protect minority shareholders in context of major transactions. ➤ MAR guarantees the disclosure of a public offering or an equitable right in selling the shares in case any changes affecting the ownership of MAR capital.
2.8	<p>Other rights: In addition to the above rights, MAR shareholders shall have other rights as follows:</p> <ul style="list-style-type: none"> ➤ Timely receipt of an invitation in due time to participate in the annual general assembly of shareholders; such a meeting to be held during the first four months after the end of a financial year; ➤ Timely receipt of an invitation in due time to participate in any extraordinary general assembly of shareholders in accordance with the applicable laws and regulations and the Bank's AOA; ➤ Deliberations and endorsement of the annual corporate governance report ➤ Deliberations and approval of the annual report of the Bank, including the financial statements, the report of the external auditors, the SSB report, and the risk policy; ➤ Annual decision making on the clearance of the members of the Board; ➤ Consulting freely with other shareholders concerning their basic shareholders rights; ➤ Receiving information on the remuneration policy regarding members of the Board and senior management; professional track record of Board members proving their ability to serve on the Board; corporate management and conflicts of interest. ➤ MAR has to confirm to the shareholders annually the following: <ul style="list-style-type: none"> ▪ The bank has taken effective and appropriate measures to prevent money laundering, financing of terrorism, insider trading and abusive self-trading; ▪ There are no provisions in effect that protect the Board or executive management from accountability; ▪ The bank has not committed any violation of the prevailing laws and regulations that has caused the bank to be subjected to a material penalty that would adversely affect the financial position of the bank ▪ The outcome of the annual Board performance evaluation performed by the CGNRC ▪ Related party transactions including any conflict of interest and the ways the Board has managed the conflicts, if any ▪ Board Remuneration and incentives policy of the Board, Executive Management and the Bank's personnel ▪ Actual remunerations and incentives paid to Board members ▪ Any gaps in the internal control system and the actions taken by the Board for remedial ▪ Any non-compliances with the corporate governance legislations and the justifications thereof
2.9	<p>Communication with shareholders:</p> <ul style="list-style-type: none"> ➤ The board will annually communicate about the Board, corporate governance practices, bank's performance and Board's views on proposals submitted for shareholder consideration through the annual and corporate governance reports posted on the Bank's website. ➤ Each Board member and the chairs of each Board committee attend the AGA in person and will be available to respond to shareholders' questions. The Board encourages shareholders to attend the AGA as it provides a valuable opportunity to discuss the bank's affairs, its corporate governance and other important matters. ➤ The Company Secretary engages in a regular outreach effort to engage shareholders and other interested parties in a dialogue about the Bank's corporate governance practices. Shareholders will receive other communications about the bank in the form of the company's filings with the QSE, postings on the bank's website, earnings releases, press releases and company presentations at investors and public conferences and press conferences.
3.	THE BOARD OF DIRECTORS
3.1	<p>Role: The Board shall exercise the corporate powers and conduct and manage the business and affairs of MAR in compliance with the principles of corporate governance instituted in this framework, the Bank's AOA, the terms of reference/charter of the Board of Directors and in compliance with the applicable laws and regulations.</p>
3.2	<p>Functions and responsibilities: The functions and responsibilities of the Board, the Board members and the Chairman of the Board are set forth in the Terms of Reference of the Board of Directors, which can be found on MAR website.</p>
3.3	<p>Board committees: The Board has sub-delegated part of its functions and responsibilities to a number of established Board committees charged with individual functions that are essential to contributing to a sound corporate governance system. The Board committees exercise their functions in line with their respective terms of reference that contain a deliberated description of their</p>



	<p>duties, functions and obligations as delegated to them by the Board. The committees formed by the Board are:</p> <ul style="list-style-type: none"> ➤ The Executive Committee of the Board ➤ The Audit Committee of the Board; ➤ The Compliance and Risk Committee; ➤ The Corporate Governance, Nominations and Remunerations Committee
3.4	<p>Composition and guiding principles for nomination and selection of Board Members: the Board composition and the principles for nomination and selection of Board members are set forth in the Bank's AOA and the Board Nomination and Election Policy approved by the General Assembly of Shareholders and the approved Board TORs posted on the Bank's website.</p>
3.5	<p>Meeting guidelines of the Board of directors: the criteria and organization of the Board meetings are set out in the approved Board ToRs and the Bank's AOA.</p>
3.6	<p>Performance review: MAR Board has delegated the CGNRC to review the Board and Board committee's performance at least annually, with a view to achieving and maintaining a high level of performance. The performance review criteria are set out in the approved Board ToRs.</p>
3.7	<p>Strategic Plans and Policies:</p> <ul style="list-style-type: none"> ➤ At least annually, the Board discusses and approves the Group's strategy map setting out strategic objectives, and taking into account the needs of five stakeholder groups: the investors, the customers, the employees, the regulators, the environment, and the community. ➤ The approved strategy map is used to create a Group balanced scorecard setting out key performance targets to measure progress towards the strategic objectives. The Group balanced scorecard is used to set individual action plans, performance objectives and targets across the Group. ➤ Individual performance reviews occur semi-annually and annually, assessing each individual's performance against their pre-agreed targets and the company values. ➤ The Board has approved the Employee HR Policy and Code of Conduct, in addition to a number of policies that address: Compliance, whistle blowing, disclosure and transparency, money laundering and fraud, conflicts of interest, insider trading, risk, ESG, remunerations and incentives, delegation of authorities, in addition to other regulatory banking and operational policies.
3.8	<p>Company Secretary</p> <p>The Board appoints a Company Secretary to work within an independent unit reporting directly to the Board of Directors. The Secretary works closely with the Chairman of the Board and the chairpersons of the Board Committees to prepare for Board and Committees' meetings. The Secretary plays a key role in facilitating communications between Board Members and Senior Management. In addition, the Secretary is responsible for overseeing the implementation of the Bank's corporate governance framework. The detailed role and responsibilities of the Secretary are defined in the Company Secretary Charter. The Charter is developed in accordance with the requirements of the relevant applicable laws and regulations and the Bank's Articles of Association and must be approved by the Board.</p> <p>The Secretary shall be holder of a university degree, preferably in law or accounting majors, from a recognized university or its equivalent, and shall have at least three years' experience in handling the affairs of a listed company. 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 Secretary may not be appointed or dismissed unless by a Board resolution.</p>
4.	SENIOR EXECUTIVE MANAGEMENT
4.1	<p>Appointment: In accordance with QCB instructions, appointment of the GCEO and all its direct reportees as well as Group Head of Internal Audit, Sharia Auditor and Group Head of Compliance/MLRO require pre-approval from the Board or Board relevant sub-committee and, as applicable, from QCB.</p>
4.2	<p>Roles and responsibilities: In respect of the obligations imposed by the QCB and the applicable regulations, the Board of Directors will ensure effective management of the Bank by the Executive Management.</p> <ul style="list-style-type: none"> ➤ MAR Executive Management ensures that controlling activities are an integral part of all business procedures. This includes controlling deviation from targets and goals in processes and results and taking corrective actions, if needed, and the review of conduct of individuals and organizational units. ➤ MAR Executive Management created core and control functions within its organization including Compliance, Internal Audit, Risk including ICFR unit, Shari Audit, Legal, Finance, HR, Operations, Business, other units and functions that are vital for the success of MAR business.



	<ul style="list-style-type: none"> ➤ The roles and responsibilities of the Executive Management are delegated by the Board of Directors.
4.3	<p>Management committees: MAR Board has delegated the GCEO to form management committees to oversee the Group activities and business in addition to working groups. GCEO has delegated different functions and obligations to the management committees through defined ToRs illustrating the composition and functions of each of the following committees:</p> <ul style="list-style-type: none"> ➤ Executive Committee of the Management (EXCOM) ➤ Group Asset, Liability, and Capital Committee (GALCCO) ➤ Group Risk Committee (GRC) ➤ Credit and Investment Committee (CIC) ➤ Group Security Steering Committee (GSSC) ➤ Group Special Investigation Committee (GSIC) ➤ Group ICT Steering Committee (GICTC) ➤ ESG Committee (ESGC)
5.	SEGREGATION AND DELEGATION OF AUTHORITIES
	<p>MAR ensures that duties are not vested in one person and that the positions of the Chairman, Managing Director and GCEO are separated at all time.</p> <p>MAR Board has approved a delegation of authority policy and matrix to commit and legally bind the bank, Board, or Executive Management. Therefore, expenditure approval and delegation of expenditure authorities will be managed through the policy approved by the Board. This policy covers, inter alia, approval of:</p> <ul style="list-style-type: none"> ➤ Business as usual operating expenditures ➤ Budgeted new investment / project operating expenditures <p>In addition, MAR Board shall perform its functions in an objective manner. It shall stay neutral and not be influenced by relations to the Executive Management. The functions and authorities of the Board of Directors are separated from those of the Executive Management.</p>
6.	CODE OF ETHICS
6.1	<p>Conduct of Directors and Executive Management members: The Directors and the Executive Management members shall at all times conduct themselves in a manner that supports the objectives and values of the Group as set out in the Code of Conduct approved by the Board.</p>
6.2	<p>Inside information (insider trading): The MAR Group Conflict of Interest Management Policy regulates the use of inside information by Directors, Executive Management members, the employees and any other stakeholder who may have access to non-public information in MAR.</p>
6.3	<p>Rules on whistle-blowing: MAR Board has approved a comprehensive Group policy on Whistle-Blowing. Accordingly, a transparent system and hotline number have been put in place to allow the employees to raise genuine concerns about possible malpractices without fear of reprisal. MAR Board is committed to ensuring that it is run honestly at all times and that it is operating in a climate of transparency in which employees who raise concerns in good faith can do so without fear of suffering detriment by reason of making a disclosure under this policy. MAR takes all reports of suspected criminal or unethical conduct seriously.</p>
7.	TRANSPARENCY AND DISCLOSURE
	<p>MAR observes the Disclosure and Transparency Policy approved by the Board of directors. Timely and accurate public disclosure is available to shareholders, investors and participants in the market on MAR website, QSE disclosure platform, all MAR social media channels and in newspapers.</p>
8.	STAKEHOLDERS
	<ul style="list-style-type: none"> ➤ As per QCB instructions, stakeholders among others are shareholders, staff, customers, especially creditors or depositors, supervisory authorities, persons with contractual arrangements with the bank; ➤ MAR respects the rights of all stakeholders. If these rights are violated, the affected stakeholder should be enabled to take proper action, as established in the relevant laws and regulations;



	<ul style="list-style-type: none"> ➤ MAR provides adequate information to stakeholders in order to enable them to participate in the corporate governance process of the Bank; ➤ MAR Board of Directors should ensure that the stakeholders are treated in accordance with the equity and justice principles without any race, sex or religion discrimination; ➤ MAR Board has set an incentive plan to the employees and the management so that they keep working for the service of the company. The policy is cognizant of risk, performance linked and takes into consideration the company performance on the long term.
9.	CONFLICT OF INTEREST
	MAR Board has approved a Group Conflict of Interest Management Policy. MAR seeks at all time to ensure compliance with the conflict of interest requirements and supports implementation of the principles set in the mentioned policy.
10.	ESG AND COMMUNITY COMMITMENT
	<ul style="list-style-type: none"> ➤ The Board has put in place ESG and CSR frameworks ➤ MAR will support the regulatory requirements seeking reasonable disclosure of the environmental or social impact of the Bank's policies, operations and products ➤ MAR believes that the management and directors have the responsibility to determine the strategic impact of environmental and social issues and that they should disclose to shareholders how they are dealing with these issues. ➤ MAR is committed to disclosing and keeping important financial decisions within the communities where it operates. Decisions on mortgage loans, investment services, and other banking decisions are made to meet the requirements of local people and residents. ➤ MAR serves the community by protecting the environment and recognizing employees who volunteer in local humanitarian, sports and environmental events and participate in a wide variety of service projects, from community improvement projects, national sports events, and environment projects to helping community categories in need. ➤ MAR seeks to sponsor numerous events in the communities where it operates, such as sports events, healthcare programs, educational programs, etc. ➤ MAR commitment to the community will continue to improve at all times with a main focus on providing excellent customer service and excellent support to the community. ➤ MAR intends to encourage green industries and environmental projects, by offering preferential rates and special terms for small and medium businesses that demonstrate their commitment to green in Qatar ➤ MAR remains committed to high standards of corporate governance and continues to enhance its governance systems to ensure the Bank is well managed with effective oversight and controls ➤ MAR is guided by progressive CSR in conjunction with its vision for growth. The core of the Bank's CSR program is a conviction in its mission to drive sustainable economic, human, social and environmental development in line with the Qatar National Vision 2030 ➤ MAR discloses its ESG and CSR initiatives annually in the annual report
11.	REMUNERATION AND INCENTIVE SCHEME
	<p>The Boar's CGNRC is delegated by the Board to approve an annual bonus plan and a compensation scheme and review the Board remuneration policy as and when requested by the Board. The objective of the annual incentive plan is to financially reward employees for their contributions to the success and profitability.</p> <p>In addition to the annual bonus plan specific for MAR employees, Board remunerations are presented to the Annual General Assembly of Shareholders for approval in accordance with the Bank's AOA. The policy defining the bases upon which the remuneration and benefits of directors, senior management and employees are paid is presented annually for shareholders' approval as part of the annual corporate governance report.</p>
12.	RISK MANAGEMENT
	<p>The Risk department is primarily responsible for the effective management of all types of risks the Bank might be exposed, including but not limited to:</p> <ul style="list-style-type: none"> ➤ Credit risk ➤ Market risk



	<ul style="list-style-type: none"> ➤ Operational risk ➤ Liquidity risk <p>The Board CRC oversees and controls the risk management through periodic reports submitted by the Group Chief Risk Officer to the committee. The committee has also approved the risk framework and policies of the bank.</p>
13.	INTERNAL CONTROL
13.1	Internal controls form an integral part of MAR business conduct. The Board of Directors has the overall responsibility to maintain sound internal controls and to review their effectiveness. To this end, an internal control and risk management system has been established for the purpose of protecting MAR business and operations against abusive conduct, fraud, and inefficiency; ensuring accuracy and reliability in accounting and operations; securing compliance with the regulations and the approved policies of MAR; and evaluating the level of performance in all functions and units of the Group.
13.2	<p>MAR will strive to develop and maintain an Enterprise-wide Risk Management framework. It has already an effective and robust internal control and ORM (Operational Risk Management) Framework designed to identify and manage risk, primarily facilitated by an established and maturing bank-wide control foundation.</p> <p>The establishment of effective internal controls and ORM to identify and manage risk is primarily the responsibility of management with Board oversight. 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.</p> <p>The Board of Directors oversees the internal control and ORM framework through the CRC and Board Audit committee, which in turn relies on the Internal Audit function to provide assurance. 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 and success of the internal control and ORM framework lies within the layered organization structure. Accountability (3 lines of defense) can be defined as such:</p> <ul style="list-style-type: none"> ➤ 1st line of defense = Business – Identifies and reports risks. ➤ 2nd line of defense = Risk Management, Legal, Compliance and Sharia Audit – reviews, assesses, tests and monitors risks ➤ 3rd line of defense = Internal Audit – scheduled periodic review and testing of process and controls
14.	INDEPENDENT AUDIT
14.1	Internal audit: MAR has an Internal Audit unit. The Group Head of Internal Audit reports directly to the Board Audit Committee. MAR Group Head of Internal Audit prepares and submits to the Audit Committee an internal auditing report including the review and evaluation of the internal control system and the control environment in the Group. The internal auditing report is prepared and submitted periodically to the Audit Committee, at least six times every year. The Audit Committee approved an Internal Audit charter that defines the role and responsibilities of the Internal Audit unit including the Internal Control Over Financial Reporting (ICFR).
14.2	External audit: Upon the recommendation of the Audit Committee and/or the Board of Directors, MAR external auditors are selected yearly by the shareholders who should approve their fees, subject to QCB pre-approval on their appointment and notification of the intended appointment to QFMA before it is presented for shareholders approval. As per QCB regulations, the external auditors' functions cover the business and activities across the Group where possible. The external auditors audit and verify the financial statements of the bank; prepare and issue the auditor's report on the quarterly and annual financial statements; and assumes responsibility towards the shareholders, Board, QCB and other regulators for integrity and transparency of their work. MAR Board established a clear policy related to the external auditors of the Bank, setting out the principles for appointment of the external auditors and their functions and obligations as per the applicable laws and regulations.
14.3	Sharia Audit: the Board has established a Shari'a Audit Department that reports directly to the Shari'a Supervisory Board. Sharia Audit's main responsibilities include acting as a link between the Executive Management and the Shari'a Supervisory Board by relaying the former's inquiries, clarifications, new products, contracts, agreements and investment funds to the Shari'a Supervisory Board to obtain approvals, instructions and fatwas, and run audits on the correct implementation according to the Shari'a Board's instructions and fatwas. Its responsibilities also include holding training courses to qualify employees on how to deal with products and special contracts when receiving accounts from investment deposits and others, in addition to various financing tools that are compatible with the provisions of Islamic Shari'a.
14.4	Shari'a Supervisory Board: MAR appointed an independent Shariah Supervisory Board (SSB) consisting of scholars and experts specialized in the jurisprudence of Islamic transactions and with experience in the work of Islamic financial institutions. SSB role and



	<p>related requirements are stipulate under MAR AOA.</p> <p>MAR SSB members are appointed by the shareholders based upon recommendation from MAR Board and subject to QCB pre-clearance. The work of MAR SSB includes reviewing contracts, answering Shari'a questions, and developing solutions to challenges that may appear upon implementation. The SSB also directly supervises MAR activities and business and ensures the correct implementation of SSB decisions, as well as ensuring the correct implementation of banking operations in accordance with Shari'a provisions. The SSB carries out its operations and submits an annual report for each financial year to the General Assembly at its annual meeting.</p>
15.	COMPLIANCE OVERSIGHT
15.1	<p>Principles: Compliance is an independent function that identifies, assesses, advises on, monitors and reports on Group compliance risk. MAR has adopted a risk based approach for compliance monitoring which involves compliance risk assessment at various business and operations units along with the subsidiaries of the Group, leading to the development of a compliance index to assess the level of compliance risk. This ensures that the overall intensity of the compliance-monitoring plan is proportionate to the compliance risk that each area poses to the Bank including AML and CFT.</p>
15.2	<p>Reporting line: Compliance function reports directly to the Board's CRC with an operational reporting line to the Group CEO. The CRC has approved the compliance manual and framework, on the basis of which the compliance officer submits periodic reports to CRC identifying any breaches by the Bank at Group level, in addition to the extent of compliance of the different units and functions with the compliance policy and framework.</p>
16.	DISASTER RECOVERY AND BUSINESS CONTINUITY
	<p>MAR has developed a Business Continuity Management 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, or terrorism. Business continuity management affects the entire Group. All business and support units in all geographies are made aware of the potential impact of such events on the organization, the staff, customers and other stakeholders and they make all endeavors to manage the risk of losses arising from these types of events. The roles and responsibilities in addition to risk and business impact assessment, the BCM strategy and development, the testing and training requirements and the audit requirements are illustrated in the Business Continuity Management Policy.</p>
17.	INFORMATION SYSTEMS SECURITY
	<p>MAR is committed to preserving the confidentiality, integrity and availability of its physical and electronic information assets throughout the Group. Information security aids in protecting the Bank's legal, regulatory and contractual compliance, as well as its commercial image. Information Security management and guidelines are set out in the Group Security Policy.</p>
18.	SUBSIDIARIES GOVERNANCE MODEL
	<p>MAR has a subsidiary governance framework based on the following standards:</p>
18.1	<p>Group Philosophy and Principles in Owning or Establishing a subsidiary:</p> <p>In the decision of the Group to own or establish a new subsidiary, the Group Board will adopt the following principles and standards:</p> <ol style="list-style-type: none"> 1. Ensure promotion of best practices in corporate governance within a subsidiary; 2. Ensure maintenance of appropriate Group-wide policies, as and to the extent applicable and permissible under local laws where the new subsidiary will operate; 3. Ensure compliance with Qatar's legal and regulatory requirements on subsidiaries' corporate governance applied to the Bank's subsidiaries inside and outside of Qatar; 4. Ensure that the Articles of Association of a subsidiary, is aligned to the regulations under 3 above and that the strategic objectives of a subsidiary are designed to meet the overall objectives of the Group; 5. Define the objectives of a subsidiary in line with general policies, strategies, budgets and objectives of the Group and the level of risk appetite in each subsidiary. These will be in line with the objectives defined and the nature of the economic, market and legal environment where the new subsidiary will operate. It will also take into account the difference between foreign branches and subsidiary companies, the ownership structure, the legal structure, the regulatory and independence requirements and the rights of other minority shareholders; 6. Understand that the Group has diverse geographic locations and business areas with a range of Group and local management decisions required. The Group is responsible for the management of the overall business as a consolidated entity and therefore the subsidiaries' governance framework is aligned to this philosophy;



	<p>7. Ensure the Group functions and resources are leveraged to maximize this “Group philosophy” without resulting in conflicts of interest or regulatory breaches;</p> <p>8. Ensure the Group, in order to have proper oversight across the various businesses, has a strong oversight across all functions to implement Group strategies and policies to the extent permitted by the local laws and regulations where a subsidiary operates;</p> <p>9. Make sure adequate and sufficient Delegation of Authority is in place to ensure swift, effective and sequential decision-making while maintaining independence of decision making, wherever required by regulators, in addition to enabling businesses to make swift decisions;</p> <p>10. Ensure clear roles and responsibilities with delegated authorities are articulated;</p> <p>11. Wherever possible, ensure committee and decision structures are minimized to ensure a lean governance structure;</p> <p>12. Ensure that the executive management team of the subsidiary understands the objectives, policies, strategies and budgets for each and that they operate within the defined terms;</p> <p>13. Ensure the decision making framework is aligned to meet the overall corporate strategy of the Group and its subsidiaries;</p> <p>14. Ensure the performance of all subsidiaries and their respective boards and executive management teams will be assessed in accordance with their objectives, policies and strategies.</p> <p>15. The Group Board represents MAR as the shareholder of a subsidiary company. As such, any shareholder resolution required by a general meeting of a subsidiary company under its Articles of Association or relevant laws and regulations, require a resolution by the Group Board or by any other person authorized by the Group Board to pass such resolution.</p>
18.2	Consolidation of data and information: MAR will issue periodic consolidated reports on the activities, business and financial performance of the Bank to ensure consolidated oversight and effective internal controls.
18.3	Group policies: MAR Board should establish clear, defined and written policies, strategies and budgets for each branch and subsidiary, in line with the objectives established for each 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 the rights of other minority shareholders should be taken into consideration.
18.4	<p>Subsidiary’s Board: When forming the Board of the subsidiary, MAR Board should observe the QCB instructions in this regard, including the following:</p> <ul style="list-style-type: none"> ➢ Consider and approve fair representation from MAR on the Board of Directors of the subsidiary company. The directors on the subsidiary’s Board will be the eye of the Group Board, which oversees the performance of the subsidiary’s Board, status of the business of the subsidiary, and its adherence to the policies and instructions of the Group Board of Directors. ➢ verify the efficiency and experience of the directors appointed to represent MAR on the subsidiary Board, confirm their independence and ensure that they have enough time to perform their duties. ➢ confirm that the formation of Board Committees in the subsidiary company, are aligned to the business programs, authorities and capacities assigned to them. The Group Board will supervise the formation, business and authorities of these committees through its representatives in the Board of Directors of the company.
18.5	Subsidiary’s Management: Each subsidiary shall have a local SEO/CEO/General Manager to be appointed by the Board of the subsidiary who shall be responsible towards the subsidiary’s Board for the management of the subsidiary in accordance with the subsidiary’s Articles of Association, this Framework and the applicable local laws and regulations. The local SEO/CEO/General Manager shall report on a solid line basis to the subsidiary’s Board with an administrative dotted line to the Group CEO.
18.6	<p>Delegation of authorities:</p> <p>Authorities of a subsidiary company derive from the subsidiary’s Articles of Association and the local laws and regulations where the subsidiary is incorporated and operates. The Board of a subsidiary company shall have approved terms of reference that clearly define its role and responsibilities and defines the power of the such Board to act, manage and monitor the subsidiary on behalf of the Group in accordance with the subsidiary’s relevant Articles of Association and the local laws and regulations. The Group Board endorses the terms of reference of the Board of the subsidiary company and evaluates the Board of the subsidiary company accordingly.</p> <p>The Delegation of Authority Matrix (“DOA”) for the Group forms the basis for the delegated authorities’ matrix of the subsidiary company and should be compliant and aligned to it, taking into account the governance processes and direct/indirect reporting lines outlined in subsequent sections. To this end, each subsidiary company shall develop its own delegation of authority matrix in line with the Group DOA and such matrix shall be approved by the relevant Board of each subsidiary company.</p>
18.7	Supervision of the risk environment and overall performance:



	<p>MAR Board is responsible for the transparency and credibility in disclosing to the shareholders and other concerned parties the important issues, events, extraordinary risks and results of the business in the subsidiary companies.</p> <p>In addition, MAR Board shall be accountable to the QCB for the performance of the subsidiaries and their branches, their business results and risk management. The Group Board is responsible for the authenticity and transparency of the financial statements and information for these subsidiary companies and their branches that are provided to QCB as well as the consolidated financial statements and final accounts for the Bank.</p> <p>MAR Board is the primary responsible party for informing the QCB about any extraordinary events which occur in subsidiary companies and their branches, as stipulated under QCB instructions. MAR Board shall also be accountable to other regulators for implementing the corporate governance principles and instructions, particularly the QFMA and the Ministry of Commerce and Industry.</p> <p>MAR Board will evaluate the performance and results of subsidiary companies and branches against the Group Strategy, throughout the year and at the end of the financial year. The strategy of Group functions is defined as Group level policies issued and approved by the Group Board. The Group risk control strategy is defined in the Group risk policies issued and approved by MAR Board. The governance processes for oversight, monitoring and supervision by Group functions over subsidiary functions are defined in Subsidiaries Governance Framework developed and approved by the Board.</p>
18.8	<p>Appointment of subsidiary internal audit: MAR Board or Board Audit Committee should verify that there is a qualified internal audit body in the subsidiaries, having high level of qualification and experience and guarantee its neutrality and independence, by making their reporting directly to the subsidiary's Board/Board sub-committee, as permissible under the local laws and regulations where the subsidiary operates, or otherwise to the general manager/SEO/CEO of the subsidiary, and the Group Head of Audit who, in turn, reports directly to the Board Audit Committee.</p>
18.9	<p>Appointment of external audit: The subsidiary should observe the local regulations in the country where it operates in appointing their external auditors. Additionally, the external auditors of the Bank should extend their activities to cover the MAR subsidiaries as per QCB regulations.</p>
18.10	<p>Role and responsibilities of Group Executive Management: MAR Executive Management will follow up the performance of the subsidiaries; control, evaluate and weigh the risks and performance of the Group individually and collectively and submit the remarks and recommendations to MAR Board in this regard. In addition, MAR Executive Management shall observe QCB regulations with regard to its responsibilities for managing and controlling the subsidiaries.</p>
19.	CORPORATE GOVERNANCE REPORT AND OTHER REGULATORY REPORTS
19.1	<p>Corporate Governance Report: MAR Board will submit to the AGA a corporate governance report for review and endorsement by the shareholders in accordance with the applicable laws and regulations. The corporate governance report will be submitted annually to QCB and QFMA and at any time requested by the QFMA for their comments. The report should be published on MAR website in both Arabic and English. The content of the corporate governance report is governed by the local applicable regulations and aligned with international best practices.</p>
19.2	<p>Annual report: MAR board will submit to the AGA an annual report that focuses on the financial highlights of the Group. The annual report should contain the Board of Directors' report, the external auditors' report, the SSB report, and the consolidated financial statements. It should also include information on MAR business review and performance, capital structure and shareholder information.</p>
20.	OTHER PROVISIONS
	<p>Other governance matters: The Board ensure that MAR has approved policies and processes on all governance matters including management of conflict of interest, succession planning, remuneration of executives, risk management, and other internal control matters.</p>

SECTION 3 - INSTRUCTIONS

INSTRUCTIONS

N/A.

MAR (Merged Entity)

Page 14 of 15

Group Corporate Governance Framework (V.0)

For internal use only



SUPPORTING DOCUMENTATION

Forms and Records Management

Form	Retention Time	Retention Location
Board and subcommittees minutes, reports, materials, packs, profiles, disclosure forms....ect	15 years	Company Secretary files

Related Material

Name	Location	Document Type
Subsidiary Governance Model	Policy Register	Policy
Board approved policies and terms of reference	Policy Register – Intranet	Policies

SECTION 4 - GOVERNANCE

RESPONSIBILITY

Policy Owner	Board of Directors represented by Board Corporate Governance, Nominations and Remunerations Committee
Policy Author	Company Secretary
Policy Custodian	Company Secretary

VERSION CONTROL AND CHANGE HISTORY

Version Number	Approval Date	Approved by	Amendment
V.0	24 October 2022	CGNRC	New release. Redraft of former CG framework in place pre-merger.