

POLICY FACT SHEET

Title	Group Code of Conduct		
Applicability:	<i>Al Khaliji Group-wide</i>	Approval Date:	<i>3 June 2009</i>
Group Policy No.:	<i>CGP.COC.18</i>	Approved by:	<i>Board of Directors</i>
Policy Owner:	<i>Board Secretariat</i>	Corresponding Group Instructions No. (if any):	<i>CGP18.COC.I.01 CGP18.COC.I.02</i>
Review / Amendment Frequency:	<i>Annually (or when required upon issuance of new regulatory instructions)</i>	Revision:	<i>R.1</i>

Notes:

1. Policy number should be inserted in the footer section – left side of the page
2. Page numbers should be inserted in the footer section under the form (*Page 1 of 1*) – right side of the page
3. Corporate Secretary and Policy Owner should sign final copy of approved Policy for duly maintenance in Policy register

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Sign-off of Policy Owner

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Date

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Corporate Secretary

.....
Date

A. SCOPE OF APPLICATION

This Code of Conduct (“The Code”) applies to the members of the Board of Directors and the members of the staff of Al Khalij Commercial Bank Q.S.C. (al khaliji) and its Subsidiaries (“al khaliji” or “al khaliji Group”). It sets out the rules applicable in matters of professional ethics and behaviour and is to be read in conjunction with al khaliji applicable policies and regulations. The Code also applies by extension, and insofar as their contracts so provide, to third parties who have entered into contracts to provide services to the Bank.

B. BINDING POLICY

This Policy is binding for al khaliji Group and its employees. All subsidiaries of al khaliji Group (“al khaliji Group Members”) must adopt and implement this Policy taking into consideration their local corporate governance structures, organization and legal and regulatory requirements without undue delay.

C. POLICY TEXT

The Code of Conduct sets the rules that outline the responsibilities of and proper professional and behavioral practices for al khaliji members of Board of Directors and Staff. It illustrates the corporate principles and values that guide the decisions, procedures and systems of al khaliji ‘in a way that contributes to the welfare of its key stakeholders, and respects the rights of all constituents affected by its operations’.

A member of al khaliji Board of Directors is required under the annexed instructions *CGP18.COC.1.01* to comply with a set of values and responsibilities including among others: the general standards of conduct, the duties of the directors in terms of integrity, impartiality and discretion, the conflicts of interest, the financial interests, the disclosure of financial interests, the confidentiality, and the compliance with the local laws.

A staff member is bound by a set of behavioral responsibilities including among others the employee conduct, the use of position, the behavioral conduct in terms of banking supervision and safeguard of the bank property and information, the conflicts of interest, the outside activities and reporting of violations and disciplinary actions. Annexed Instructions *CGP18.COC.1.02* set out the rules of the employee conduct within al khaliji professional environment.

APPENDIX CGP18.COC.I.01

CODE OF CONDUCT FOR AL KHALIJI BOARD OF DIRECTORS

Introduction

A Board member may be requested hereunder to sign an Acknowledgment and/or to provide any information related to his/her family members and/or subsidiaries in which he/she holds any shareholding or interests.

General Standard of Conduct

As a Board member, you are required to conduct yourself at all times in a manner that fits your status as a director of al khaliji Group and your conduct should not bring the Bank into disrepute.

Duties of Board Members

- (a) Integrity: As a Board Member, it is essential that you act **honestly** and **truthfully** in regard to the motivations and consistency for your and al khaliji's actions, values, methods, measures and principles.
- (b) Impartiality: al khaliji places great value in the varied cultures, beliefs and backgrounds of its directors and staff. Your decisions are expected to be based on **objective criteria**. In addition, tolerance, courtesy and respect are expected of you in all your dealings with staff and colleagues.
- (c) Discretion: You are expected to exercise the utmost discretion in regard to all matters relating to al khaliji, to have the ability to make responsible decisions and to refrain from furthering your personal interests or disclosing Confidential Information.

Conflicts of Interest

As a Board member, you are expected to have a broad knowledge of the Conflict of Interest Policy approved by the Board and you are required to comply with the content of this policy at all times.

Gifts, hospitality, favours or gratuities

The giving or acceptance, from any source other than al khaliji, of gifts, hospitality, favours, gratuities, honours or awards in connection with your duties as member of al khaliji's Board is to be strictly avoided, as such behaviour could be construed as an attempt to influence your actions or the actions of others. However, on an exceptional basis, limited hospitality and small gifts of a social or customary nature, may be accepted provided that they are of immaterial value not exceeding QR 300. Gifts of immaterial value should be disclosed to the Board Secretary on a need to know basis only. Any gifts of greater value should be disclosed and submitted to the Board Secretary who should decide to grant them to charity or to use them in any other way decided by the Corporate Governance & Nomination Committee.

Financial Interests

- (a)** Generally, a Board member is free to conduct his or her personal financial affairs as he or she sees fit. However, personal financial affairs should be conducted in a manner that will: (i) avoid Actual or Apparent Conflicts between personal interests, whether direct or indirect, and the interests of the Bank; and (ii) not compromise the independence of judgment or action required in the performance of Bank duties.
- (b)** Additionally, a Board member shall refrain from using, or providing to others, any Confidential Information to which he or she may have access because of his or her affiliation with al khaliji Group for any purposes whatsoever. This obligation shall also continue after separation from the Bank.
- (c)** A Board Member must refrain from Short Term Trading in securities issued by the Bank; and knowingly acquiring, directly or indirectly, for his or her own account or the account of others, any Financial Interest in the Bank during the Stop Trading Periods stipulated under Qatar Exchange Internal Regulations or during any other period as it may be determined by al khaliji Group Secretariat or Investors Relations Unit.
- (d)** In addition, if a Board Member becomes aware of the fact that a member of his or her Immediate Family (as defined under QCB instructions or any other applicable regulations in Qatar or under any jurisdiction where al khaliji or any of its subsidiaries operates) has any Financial Interests in al khaliji Group, they should report the Financial Interests to the Board Secretary or the Group Compliance Officer.
- (e)** No Board member should use any privileged information, i.e., information obtained by virtue of his being a Board member, to his or his related parties' interest. This restriction extends to the

use of any privileged information to financially benefit or gain competitive advantage in any way by being able to better reposition himself / herself or his/her entity/related party in a competitive market. In the event such an incident has occurred, the Board member shall make full disclosure to the Board which shall be duly minuted.

Disclosure of Financial Interests

(a) A Board Member shall disclose to the Board Secretary or the Group Compliance Officer any Financial Interests of his or her own or that of his or her Immediate Family that exceeds any limit as stipulated under QCB Instructions or any other applicable regulations in Qatar or under any other jurisdiction where al khaliji or any of its subsidiaries operates.

Confidentiality

- (a) Confidential Information shall not be disclosed to anyone external to al khaliji Group, including to Immediate Family members.
- (b) Intellectual property pertaining to the al khaliji Group may not be used for personal benefit or for the benefit of others.
- (c) The above obligations continue after separation from the Bank.

al khaliji Property, Assets and Resources

al khaliji Group property, assets and resources should be used with the utmost care guarding against waste and abuse. al khaliji Group services, supplies or facilities should not be used for personal gain.

Whistleblower protection

Board Members reaffirm their support for and commitment to the al khaliji Group Whistle-blowing Policy, which is comprised of the duty on staff members to report suspected misconduct to the Compliance Officer or the Head of Internal Audit in addition to the duty on the Bank to protect a whistleblower from reprisals or retaliation.

The Board will encourage reporting of any behavior by directors which violates the Code and will not tolerate retaliation against any person who in good faith reports such violations to the

Chairman of the Audit Committee and/or the Chairman of the Compliance and Risk Committee and / or the Secretary of Board.

Local Laws

A Board Member must observe all applicable national laws and fulfill all personal obligations stipulated under such laws.

al khaliji Group policies and regulations

A Board member should observe all the policies approved by al khaliji Board of Directors, including but not limited to the Corporate Governance Policy & Framework, the Terms of Reference of the Board of Directors, the Insider Trading Policy, the Related Party Transactions and Conflict of Interest Policy, the Disclosure & Transparency Policy.

Disclosure or Delivering Statements to Media

A Board member will not share any information regarding al khaliji, its business and/or affairs with media without the prior written approval of the Chairman of the Board.

Acknowledgment

A Board Member agrees to abide by the al khaliji Code of Conduct, approved on 20 July 2009, as well as any other relevant legislation and policies, in the performance of his/her duties. If unsure of an appropriate course of action, the Board Member agrees to consult with the Board Secretary or any member of the Executive Management Team.

APPENDIX CGP18.COC.I.02

CODE OF CONDUCT FOR AL KHALIJI STAFF

Introduction

al khaliji Group is keen to provide a workplace free from discrimination and harassment and to ensure that the best possible standards of service delivery and professional conduct are achieved. To achieve this, al khaliji Board of Directors have adopted guidelines that set out expectations about staff performance and behaviour.

al khaliji Duty

al khaliji, as an employer, has primary responsibility for insisting that all employees refrain from unacceptable behaviour and poor performance and to take appropriate action when such behaviour and performance does occur.

Staff Duty

Every person at al khaliji, regardless of their position or tenure, has an individual responsibility to ensure that they do not discriminate against or harass other employees or clients, engage in any unacceptable behaviour, or perform poorly in the conduct of their duties. Contractors and consultants also are to comply with al khaliji Group Code of Conduct and ensure compliance with legislative and regulatory obligations.

Breaches

Breaches of the Code of Conduct will not be tolerated. Consequences for breaching the Code of Conduct may include: dismissal; suspension; reprimand; counseling or extended probation.

Your observance of al khaliji Values

This code is mainly about al khaliji Group values. When you're faced with a difficult decision, be **Bold** and use the Code as your guide. Take your decision **Swiftly**, because the longer you wait, the more others may try to change your mind. Be **United** with your friends and colleagues - they

are **Relying** on you to do the right thing for the bank, and for their livelihoods. And remember, it's **Cool** for a banker to be trusted – in fact it's the only reason people put their faith in us.

Compliance

- At all times comply not just with the letter of all local laws, but also the spirit of the laws, regulations, Group Policies, Instructions and this Code
- al khaliji is a guest in each country we operate in, so only offer products or services if they comply with local laws and regulations – even if the products or service complies with the law in other countries
- If local laws and regulations are more restrictive than Group Policies, Instructions or this Code, abide by the local laws and regulations. If there is no local law or regulation on a particular issue, or if local laws and regulations are weaker than Group Policies, Instructions or this Code, the Group Policies, Instructions and this Code apply
- It is YOUR responsibility to find out about this Code, Group Policies and Instructions, and to abide by them – unfortunately you can expect disciplinary action or even dismissal if you don't
- Exceptions to the Code require prior written approval from the Chief Executive Officer or your Country General Manager, subject to giving notice of such approval to the Board Secretary for direct reporting to the Board.

Speaking Up

- Report to your Line Manager or Country Head of Compliance or Head of Internal Audit any breaches of this Code, Group Policies and Instructions, criminal acts or any issue which you suspect or believe would damage the reputation of al khaliji. Don't be afraid - if you suspect that something is wrong, but are not absolutely sure; it is still better to raise the issue. The best case is that your suspicion is wrong and there is nothing to worry about. The worst case is that you are right and if you are right but didn't report it you will be considered an accomplice
- If you speak up about an issue, your report will be treated with sensitivity and the matter will be investigated in confidence. Should it be appropriate you will be notified of the outcome
- For more information about issues and cases to be reported, you should read and comply with the Group whistle-blowing policy.

Co-operating with our regulators

- al khaliji is open and transparent with our Regulators, so don't try to cover up a problem
- If you become aware of a regulatory breach, you have to report it to your line Manager or Country Head of Compliance. They'll work out the best approach to take with the Regulator.

Customer confidentiality and data privacy

- It's a serious legal offence to reveal customer information to anyone outside the bank, or between al khaliji branches, companies, or even within the same office, unless:
 - The customer has given consent and you are authorized to do so, or
 - You are compelled to do so (e.g. by a Court Order or Regulator), or
 - al khaliji has to protect its assets (e.g. in fraud or debt recovery cases)
- If in doubt, check with the Company Secretary, Company General Counsel or your Country Head of Compliance
- Ensure all private data and information held by the bank about potential, current, or past customers, staff, suppliers and other parties is:
 - Accurate, up-to-date and not biased or misleading
 - Only used for the purpose for which it was provided
 - Kept securely and only as long as necessary
 - Relevant, not excessive or unnecessary
 - Not discussed in areas where you can be overheard

Mis-selling and misrepresentation

- Don't sell a product that is unsuited to the customer or their needs – it is YOUR responsibility to know the products well enough to judge this. Mis-selling exposes the bank to penalties, legal action and damages our reputation
- Special rules apply to the sale of investment products and giving investment advice. Please consult your Country Head of Compliance
- Clearly explain product features, both verbally and in marketing material. Advertising material must be pre-approved by the Head of Legal and Country Head of Compliance to ensure it:
 - Is accurate, not offensive to any culture, countries, organizations, groups or individuals and is easily understood
 - Complies with local laws and regulations and explains any significant risks

- Does not make unfair comparisons to competitors

Complaints

- All customer complaints must be recorded – they are the best way for us to learn how we can improve
- All complaints must be handled and rectified courteously, efficiently and swiftly. Put yourself in other person's shoes – how would YOU like to be treated in that situation?
- Any replies which may have legal implications on behalf of al khaliji Group must be pre-approved by your Country Head of Legal

Bribery and Corruption

- Reject all forms of bribery and corruption. Don't:
 - Offer or accept any unofficial or unconventional payments, gifts or benefit to or from government officials or others in positions of power or influence
 - Offer to pay a customer, or a customer's employee, for their business
- If you are approached by anyone and you think it might be a form of bribery or corruption, report to your Country Head of Compliance immediately. This applies in private and working life – you can't separate the two in these matters.

Money-Laundering and Fraud

- Don't help criminals disguise the illegal origin of funds - we become an accomplice to their crimes if we do
 - Identify every customer using reliable documents
 - Know enough about your customer to be able to identify transactions which do not fit with their business or personal situation
 - Report suspicious transactions to the Country Head of Compliance
 - Keep safe any customer and transactional records which may be required in an investigation
 - Don't advise customers if they are under suspicion of money laundering
- Always follow the bank's Systems, Controls, Policies and Instructions and this Code – if you don't, it greatly increases the risk of fraud

- Report strange or unusual events (e.g. requests for unconventional transactions), deals which don't have clear purpose or are too good to be true
- Report actual or suspected frauds immediately to your Manager or to Chief Risk Officer or Country Head of Compliance. They will investigate the matter further.
- Read and comply with the Group Compliance Policy & Manual, AML Policy and Fraud Policy.

Conflicts of Interest

- Personal conflicts of interest occur when your own interest (or the interest of your friends, colleagues, relatives, associated companies, etc) and those of the bank become confused
- Business conflicts of interest occur when **al khaliji Group** has two customers who have a conflict of interest with each other, or the bank has confidential information about one customer that could be of benefit to another customer relationship
- Protect yourself and the bank by not allowing yourself or **al khaliji Group** to be placed in a conflict of interest situation from the outset. If this isn't possible, declare the conflict immediately to your line Manager or Country Head of Compliance or Board Secretary.
- Read the Group Conflict of Interest Policy for more information on this subject.

Gifts and hospitality

- Don't give or receive cash, gifts or other benefits, except when:
 - The items are of nominal value (QR 150 or less), or
 - It is reasonable business and entertainment hospitality (with prior approval from your line Manager)
 - The item is valuable, but to refuse it would cause unnecessary offence. In this situation immediately declare the items to your line Manager or Group Corporate Secretary (who will donate them to staff or charity events)

Insider Trading

- Don't give tips about, or trade (i.e. buy, sell or exercise options) in securities for your own account or for the account of relatives or friends, if you have information about the issuer or securities which is non-public, or price-sensitive
- Relating to **al khaliji** shares:

- Don't trade during "closed periods" (as determined under QE Internal Regulations) or dates advised by Group Secretariat or Investors Relations Unit
- All employees require approval from the Senior Executive or Managing Executive responsible for your area before trading in al khaliji shares
- You must read and observe the Group Insider trading policy approved by the Board of Directors

Personal Conduct

- Treat others in the way that you would like to be treated yourself – with dignity, respect and concern for their health and safety. Gain respect and confidence by remaining polite, calm and collected with colleagues and customers
- Project a professional image by dressing appropriately and maintaining good personal hygiene
- Manage your own personal finances in a manner suited to a banker and do not borrow or lend money to al khaliji colleagues
- Don't use the bank's stationery for personal matters
- al khaliji is an equal opportunity employer and will not tolerate discrimination and harassment in the workplace.
- You are expected to disclose any medical condition that would inhibit or prevent you from performing their duties and meeting the requirements of your position.
- You should accept that professional responsibility must take precedence over personal aims, needs and views. You are expected to exercise professional judgment within the parameters of the al khaliji Group's purposes, strategic directions, policies and practice.

Use of computers, email, internet, phones, letterheads, and any other property

- You are expected to use the property of al khaliji Group in a proper manner such that the risk of damage to property is minimized. Where damage to property has occurred and it is determined by your line manager that the damage was the result of willfulness, disciplinary action may be taken and remedial processes initiated.
- It is unacceptable to use the property of al khaliji Group for personal reasons where there is significant cost arising to al khaliji, either financially or operationally.
- You should not publicly represent yourself as a spokesperson for al khaliji without prior permission from the Senior Executive or Managing Executive of your area. Representations

include the use of letterheads, email, internet facilities and other property of al khaliji in such a manner as to create the impression to another agency or the public that you have the authority to speak or act on behalf of al khaliji.

Other Unlawful Activities

- It is unacceptable for an employee to engage in any form of illegal activity during work hours or in the context of their work. Furthermore, if you are involved with any illegal activity outside work, which results in you being charged with offences that may compromise the reputation or operation of al khaliji, you are required to inform your line manager who will discuss with you the impact of the charges on your work and al khaliji as an organization and initiate organizational responses as appropriate.
- Examples of types of unlawful activity which may result in disciplinary action include: Dishonesty and theft; Misappropriation of property; Receiving stolen property; Fraud; Vandalism; Health and safety breaches; Discrimination and harassment; Assault

Absenteeism

Non-attendance at work, poor time-keeping habits (e.g. regularly arriving late for work) and leaving work to do private business without approval is unacceptable. If you are absent, you must advise your line Manager as soon as possible and by 9.30am on the day of your absence. You always need a satisfactory reason for absence (e.g. illness).

Avoidance of Duties

Sleeping at work or being away from work for extended periods without an acceptable reason or approval may indicate an unwillingness or inability to meet the requirements of the job. You always need a satisfactory reason or approval for avoiding duties.

Intimidation

Intimidation of colleagues, clients, consultants or contractors is unacceptable. Examples of the types of intimidation include: Coercion and threats; Rude language, including inappropriate humor; Domineering and menacing behavior; Causing fear; Willful disrespect for another's political, cultural or religious beliefs; sexual harassment.

Subordination

You must comply with reasonable and lawful instructions of your team leader, Management Staff and Management Committee, where applicable. Lawful instructions must be consistent with Employment Contracts and Position Descriptions.

Recruitment and Staff Management

If you are involved in the recruitment of staff, you must ensure that appointments are made on the basis of merit and in accordance with the relevant al khaliji hiring policies and procedures. You must maintain independence in any appointment, or any other decisions relating to discipline, promotion or pay and conditions for any other employee (or prospective employee) to whom you are related, or with whom you have a close personal relationship.

Disclosure of Official Information

You must not use any confidential information obtained in the course of your employment with al khaliji for any private purpose outside your employment, or for any purpose other than that for which it was obtained, except in the pursuit of al khaliji business. The restrictions on disclosure of confidential information include information of a commercial nature howsoever it is obtained, whether in the course of your employment or otherwise. This is essential in order to safeguard the interests of al khaliji.

Whistleblower Protection

Every staff member must read and support al khaliji Whistle-blowing Policy, which is comprised of the duty on staff members to report suspected misconduct to the Compliance Officer or the Head of Internal Audit in addition to the duty on the Bank to protect a whistleblower from reprisals or retaliation.

Disciplinary Rules

It is impossible to list all the rules and standards that you must adhere to as an employee of al khaliji in a single document. This Code of Conduct outlines some general standards and you must

ensure that you are aware of any other rules that apply to your profession, position and workplace. A breach of this Code, or any other applicable conditions or rules, may render you liable to disciplinary action.

Acknowledgment

I agree to abide by the al khaliji Staff Code of Conduct, approved by the Board of Directors on 20 July 2009 and any future amendments communicated, as well as any other relevant legislation and policies, in the performance of my duties. If unsure of an appropriate course of action, I agree to consult with the Senior Executive or Managing Executive of my area or the Board Secretary, being the Owner of this policy.

Signed :

Name :

Position :

Area/Function :

Date :

Abbreviations:

QE: Qatar Exchange

QCB: Qatar Central Bank

CG: Corporate Governance