



بنك قطر الأول
QFB

Corporate Governance Charter

Version: 1.0

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1. PURPOSE

- 1.1. This Corporate Governance Charter (hereinafter 'CG Charter') details the corporate governance standards that Qatar First Bank LLC (Public) (hereinafter 'Bank' or 'QFB') will abide by.
- 1.2. The success of embedding this CG Charter in the business will be dependent on the Board of Directors implementing its contents, in word and spirit, in their work thereby leading by example for all employees.

2. SCOPE

- 2.1. The scope of implementing this policy is within the jurisdiction of the Board of Directors. It is the responsibility of the Board of Directors, acting through Senior Executive Management, to ensure that this CG Charter is implemented in its spirit.
- 2.2. All employees are responsible for complying with the requirements defined in this CG Charter.

3. DEFINITIONS AND ABBREVIATIONS

3.1. Abbreviations

ARCC:	Audit, Risk, and Compliance Committee
AGM:	Annual General Meeting
CEO:	Chief Executive Officer
CG:	Corporate Governance
CG Committee:	Corporate Governance Committee
EGM:	Extraordinary General Meeting
EXCOM:	Executive Committee
LLC:	Limited Liability Company
NRCGC:	Nomination, Remuneration and Corporate Governance Committee
OPCO:	Operating Committee
QFB:	Qatar First Bank LLC (Public).
QFC:	Qatar Financial Centre
QFCA:	Qatar Financial Centre Authority
QFCRA:	Qatar Financial Centre Regulatory Authority.

QFMA: Qatar Financial Markets Authority.

SSB: Shari'ah Supervisory Board

3.2. Definitions

Affiliated Company: With respect to a company, a company belonging to the same group of companies as defined in QFB's Articles of Association.

Annual General Meeting: The annual general meeting of the Shareholders.

Annual Report: The report that is generated by QFB on an annual basis which outlines and analyzes its financial and operational activities and which is published on the QFB's website.

Articles of Association: The amended and updated articles of association of QFB, as adopted by the EGM on 28 March 2016 and amended from time to time thereafter.

Auditor: The External Auditor and the Internal Auditor.

Board or Board of Directors: The Board of Directors of QFB as defined in the Articles of Association.

Board Charter: The charter of the Board of Directors, as amended from time to time.

Board Secretary: The company secretary of QFB as defined in the Articles of Association.

Body Corporate: The body corporate as defined in the Articles of Association.

CG Committee: Management committee of the Bank composed of representatives from compliance, legal, risk, finance, human resources, and corporate services functions.

Chairman: The chairman of the Board of Directors as defined in the Articles of Association.

Corporate Governance Report: The annual corporate governance report of the Bank's corporate governance practices signed by the Chairman.

Director:	A director of QFB as defined in the Articles of Association.
External Auditor:	An independent audit professional who performs the audit of the Bank's financial statements as described in the Articles of Association.
Extraordinary General Meeting:	The extraordinary general meeting of the Shareholders.
General Meeting:	The general meeting of Shareholders, either as an AGM or an EGM.
Independent Director:	<p>A Director who is not under the influence of any factor that may limit his/her capacity to consider, discuss and decide on the Bank's matters in an unbiased and objective manner (on the basis of facts only). The following cases prevent the Director from being fully independent:</p> <ul style="list-style-type: none"> (a) If the Director, during the last 3 years, was employed by any Related Party to the Bank or any of its affiliates such as the auditors, biggest vendors or with any of his/her close relatives or has the majority shares in any of the aforementioned parties within the last 3 years. (b) If the Director is considered as one of the major executives in the Bank or any of its affiliates or any of his family members during the last 3 years. (c) If the Director is a Related Party of the executives in the Bank or any of its affiliates. (d) If the Director is a relative of any of the Senior Executive Management in the Bank or its affiliates. (e) If the Director has, or is a relative of an individual has, currently or within the last 3 years any significant direct or indirect commercial or financial dealings with the Bank. (f) If the Director is a member of the Board of Directors of another company under the same group.

	(g) If a Director has been sitting on the Board of Directors for more than 9 consecutive years.
Internal Auditor:	The internal auditor of QFB as appointed from time to time.
Internal Control Framework:	The system of internal controls in place at the Bank including financial, operational, and compliance controls and risk management systems.
Non-Executive Director:	A Director who is not in charge of Senior Executive Management duties in the Bank, who is not dedicated to the Bank full time, and does not receive monthly or yearly remuneration from the Bank other than the remuneration he receives as a Director.
QFMA CG Code:	The corporate governance code of the QFMA for companies listed in markets regulated by the QFMA (January 2009).
Related Party:	<p>A person is considered to be a Related Party to the Bank if he:</p> <ul style="list-style-type: none"> (a) Is a Director of the bank or a Director on the board of an Affiliated Company. (b) Is a member of the Senior Executive Management. (c) Owns or controls 5% or more of the voting shares in the Bank or any of its Affiliated Companies. (d) Is a relative of or partner of any of the natural persons mentioned in (a), (b) and (c) above. (e) Is a company in which the natural persons mentioned in (a), (b), (c), and (d) above jointly or severally hold 20% or more of the voting shares or occupy the position of director, chief executive officer or senior officer in such company. <p>The term "Related Party" also refers to:</p> <ul style="list-style-type: none"> • The projects and the companies affiliated with any other parties. • Companies controlled by the Directors and the Senior Executive Management and their relatives.

Senior Executive Management:	The CEO and other senior executive managers reporting directly to the CEO as defined in the Articles of Association.
Shareholder:	Any shareholder of QFB.
Stakeholder:	Every person (legal or natural) having an interest in the Bank including for example Shareholders, employees, creditors, clients, customers, suppliers and investors.
Terms of Reference:	The terms of reference for each Board Committee.
Vice Chairman:	The vice chairman of the Board of Directors as defined in the Articles of Association.
Whistle-blowing:	The disclosure by an employee of mismanagement, corruption, fraudulent behavior or some other form of wrongdoing in the Bank.

4. RESPONSIBILITY

- 4.1. The CG Committee, in coordination with the CEO, are responsible for proposing this CG Charter to the Board of Directors for approval.
- 4.2. The Board of Directors is the ultimate owner of this document and formally approves the CG Charter. Following approval by the Board of Directors, all future major changes to the CG Charter must be submitted to the Board of Directors through the CEO for approval.
- 4.3. The CG Charter should be reviewed at least annually for updates by the CG Committee and it should be noted that any employee may recommend changes to the CG Charter.

5. COMPLIANCE WITH SHARI'AH

- 5.1. As an institution offering only Islamic financial services, QFB is committed to ensure that Shari'ah principles are embedded in all activities which the Bank undertakes, internally and externally. Therefore, all aspects of corporate governance at QFB will be in line with these principles, recommended by the Islamic Financial Services Board (IFSB) and the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)

6. CORPORATE GOVERNANCE POLICIES

6.1. Board of Directors Roles and Responsibilities

- 6.1.1. The following are summary points, which should be read in conjunction with the Articles of Association, the Board Charter as well as the Terms of References of each Board Committee.

- 6.1.2. The following are the general roles and responsibilities of the Board of Directors:
- 6.1.2.1. Assuming responsibility towards Shareholders, other Stakeholders and Related Parties within QFB and the community at large.
 - 6.1.2.2. Reviewing and approving the strategies, plans, and objectives developed by the Bank.
 - 6.1.2.3. Monitoring the implementation of strategic initiatives.
 - 6.1.2.4. Overseeing and assessing the need to implement new or amended corporate governance best practices on a periodic basis.
 - 6.1.2.5. Reviewing and approving QFB's organizational structure.
 - 6.1.2.6. Ensuring that the necessary financial and human resources are in place for QFB to meet its objectives and goals.
 - 6.1.2.7. Appointing managers or authorized deputies, and vesting in them the right to sign, jointly or severally, on behalf of QFB.
 - 6.1.2.8. Supervising the adequate and fair selection of the Senior Executive Management.
 - 6.1.2.9. Conducting the CEO's performance appraisal on an annual basis, through the NRCGC.
 - 6.1.2.10. Reviewing Senior Executive Management performance against set goals and targets and monitoring the way in which their performance is reported via the NRCGC.
 - 6.1.2.11. Designing and implementing an adequate succession plan for the Board of Directors and Senior Executive Management.
 - 6.1.2.12. Ensuring the implementation of a system of internal controls/ Internal Control Framework across QFB.
 - 6.1.2.13. Conducting, on an annual basis, a review of the effectiveness of the Internal Control Framework.
 - 6.1.2.14. Ensuring, directly or through delegated authorities, that QFB is in compliance with the rules and regulations of the QFCA, QFCRA and QFMA, and more generally, the laws and regulations in the State of Qatar, where applicable.
 - 6.1.2.15. Reviewing and updating approved governance applications on regular basis.
 - 6.1.2.16. Forming Board Committees and delegating powers and authorities to appropriate levels within QFB (without absolving the Board of Directors of its responsibility of the delegated function).
 - 6.1.2.17. Maintaining updated information from Board Committees and Senior Executive Management.

- 6.1.2.18. Appraising and approving various strategic initiatives and investments.
- 6.1.2.19. Assuming responsibility for calling the General Meetings.
- 6.1.2.20. Developing the procedural rules for the Bank's corporate governance practices in an effort to ensure their implementation in a consistent manner.
- 6.1.2.21. At all times, keeping its members updated about the latest developments in the area of corporate governance and related best practices. The Board of Directors may delegate the same to the Board Committees as deemed appropriate.
- 6.1.2.22. Ensuring that the members of the Board Committees, Internal Auditor or its representative as the case may be, and representatives of the External Auditors attend the AGM.
- 6.1.2.23. Reviewing a comprehensive set of management, financial and operations reports for the purpose of meeting its above roles and responsibilities.

6.2. Board of Directors Composition

- 6.2.1. The Board of Directors will consist of not less than 7 and not more than 11 Directors, as determined by the AGM from time to time, and no more than one of which should exercise executive responsibility.
- 6.2.2. At least 1/3 of the Directors must be Independent Directors and a majority of them must be Non-Executive Directors.

6.3. Director Appointment

- 6.3.1. Each Director shall be appointed for a period as set in the in the Articles of Association.
- 6.3.2. Each nomination or removal of a Director shall be recommended by the NRCGC and approved through the AGM (in accordance with the Articles of Association) and shall be delivered promptly to the Board of Directors and the competent QFC authority.
- 6.3.3. No Director may own more than 10% of shares in the Bank, directly or indirectly.
- 6.3.4. A summary of the nominated Directors' profile shall be presented to the AGM for informed decision-making.
- 6.3.5. The particulars of each Director appointed, removed or who resigns and any change in the particulars of the Directors, will be registered with the QFC Companies Registration Office.

- 6.3.6. QFB appoints one of its Directors as Chairman to head the Board of Directors and appoints a Vice Chairman in accordance with the Articles of Association.
- 6.3.7. Once a Director is appointed, he/she is presented with an official letter of appointment signed by the Chairman.

6.4. Director Renewal and Removal

- 6.4.1. Director re-nominations for elections are recommended by the NRCGC.
- 6.4.2. The removal of Directors will be carried out in line with the Articles of Association.

6.5. Director Authority

- 6.5.1. Directors may collectively exercise all powers of QFB in accordance with its Articles of Association, within limits set by the QFC Authority and powers vested by the Shareholders.

6.6. Duties of Directors

- 6.6.1. The following are the general requirements of Directors in accordance with QFC and QFMA Regulations:
 - 6.6.1.1. Acting honestly and in good faith with a view to the best interests of QFB.
 - 6.6.1.2. Acting in accordance with the Articles of Association and QFC requirements.
 - 6.6.1.3. Exercising care, diligence and skill that a reasonably prudent person with the knowledge, skill and experience which may reasonably be expected of a Director in his/ her position.
 - 6.6.1.4. Ensuring that priority is given to the interests of the Bank and its Shareholders in cases where there are conflicts of interest.
 - 6.6.1.5. Monitoring the Bank's performance with regards to realizing its agreed objectives and goals and reviewing the Bank's performance reports including its annual, half-yearly and quarterly reports.
 - 6.6.1.6. Not using information gained from his/her position as a Director for the benefit of others.
 - 6.6.1.7. Not accepting any benefit from a third party conferred as a result of his/her position as a Director.
 - 6.6.1.8. Availing the Board of Directors and the different Board Committees of their skills, experiences, and qualifications through regular presence in the meetings of the Board of Directors and effective participation in the General Meetings and acquiring an understanding of shareholder opinions.
- 6.6.2. More specifically, Non-Executive Directors must:

- 6.6.2.1. Provide an independent opinion on strategic matters, policy, performance, accountability, resources, key appointments, and operating standards at meetings of the Board of Directors.
- 6.6.2.2. Participate in the designated Board Committee.
- 6.6.3. Failure to comply with any stipulation of the QFC, QFMA or the Articles of Association could result in the Director being liable to compensate QFB for any loss suffered or profit, gain or benefit obtained by the Director in consequence of any such failure.

6.7. Director Interests

- 6.7.1. A Director who has a direct or indirect interest, of which he is aware in a transaction entered into or proposed to be entered into by QFB, shall disclose the nature and extent of his/her interest to the other Directors in the Board of Directors.

Disclosure will be done in writing (in a conflict of interest disclosure form) detailing the conflict of interest and should be made within a reasonable time frame of the Director becoming aware of such interest.

- 6.7.2. QFB requires disclosure of all “relevant interests” in securities in companies of 5% or more (whether listed or unlisted) as well as disclosure of all “relevant interests” in QFB shares, howsoever held. “Relevant interests” arise where:

- 6.7.2.1. There is direct holding.

- 6.7.2.2. There is control - made up of the power to control voting, or disposal of shares in question (not necessarily linked to ‘beneficial’ but overlaps); with a deemed control arising where there is ability to control 5% of voting power.

- 6.7.2.3. Any of the foregoing occurs in respect of an “affiliate” (i.e. family, employment relationship, directorships, trusteeships, partnerships).

- 6.7.3. Irrespective of quantity, disclosure is also required of any interests (whether there is shareholding, directorships, family connections, employment), where there is a Related Party transaction.

- 6.7.4. All such disclosures shall be recorded in a register at QFB, maintained by the Board Secretary, and made available for inspection by any Shareholders and the Auditors.

6.8. Board of Directors Meetings

- 6.8.1. The Board of Directors will meet regularly, in accordance with the Articles of Association, to discharge its duties effectively.

- 6.8.2. As a minimum, the Board of Directors will meet 6 times per year. The overall program of meetings for each calendar year should be agreed by the Board of Directors annually and circulated in advance.
- 6.8.3. The Board Secretary will distribute agendas meeting to all Directors 7 days in advance.
- 6.8.4. The Board Secretary will document and maintain the minutes of the meetings of the Board of Directors.
- 6.8.5. A Director may appoint, by a letter addressed to the Chairman, another Director to vote on his behalf in accordance with the requirements stipulated in the Articles of Association.

6.9. Initial Induction Training and On-going Professional Development

- 6.9.1. The Board of Directors will ensure that newly-appointed Directors receive a full, formal, and tailored induction training upon joining the Board of Directors. This is to ensure that Directors are fully aware of their responsibilities and have an adequate understanding of the Bank's operations.
- 6.9.2. The Board of Directors will undergo continuous professional development and training throughout their tenure as Directors.
- 6.9.3. Extensive effort (i.e. more frequent trainings) should be carried out to train members with more limited financial, regulatory or risk-related experience.
- 6.9.4. The Board of Directors will ensure that all Directors have access to independent professional advice at QFB's expense where they judge it necessary to discharge their responsibilities as Directors.
- 6.9.5. All Directors will have access to the advice and services of the Board Secretary who is responsible for ensuring that Board of Directors procedures are complied with.

6.10. Evaluation of the Performance of the Board of Directors

- 6.10.1. The Board of Directors will state in its Annual Report to Shareholders how the performance evaluation of the Board of Directors, Board Committees and their individual Directors has been conducted.
- 6.10.2. The evaluation of the performance of the Board of Directors will be conducted as per the guidelines set by the NRCGC.

6.11. Committee Structures

- 6.11.1. The Board of Directors will approve the formation of any Board Committees.
- 6.11.2. The approval for the formation of day-to-day management-level committees will rest with the CEO.

6.11.3. All approved committees will have formal Terms of Reference documenting the committee's roles, responsibilities, and delegated authority.

6.11.4. The following will be the Board Committees established by QFB:

6.11.4.1. ARCC

6.11.4.2. NRCGC

6.11.4.3. EXCOM

6.11.4.4. OPCO

6.12. Organizational Structure/ Chart Development

6.12.1. The Board of Directors will oversee the development of an organizational structure that details how QFB is organized. Once developed, the Board of Directors will approve the organizational structure.

6.13. Evaluation of the CEO

6.13.1. The Board of Directors, through the NRCGC, will judge and assess the capabilities of the CEO and determine if he/ she is functioning and able to achieve QFB's strategy, goals, and objectives. Once the NRCGC completes its evaluation, it will submit its assessment to the Board of Directors.

6.13.2. The CEO will be particularly evaluated on performance in three major areas:

6.13.2.1. Execution of strategic plan and achievement of strategic goals and other long term goals.

6.13.2.2. Management, compliance and maintenance of sound investment operations.

6.13.2.3. Ability to inspire, motivate and cooperate with all QFB employees.

6.14. Remuneration

6.14.1. The Board of Directors, through the NRCGC, will develop and disclose a remuneration policy.

6.14.2. The NRCGC should determine the basis of bonus and bonus awards for Directors, CEO, and Senior Executive Management.

6.14.3. The NRCGC may obtain professional advice including the advice of independent remuneration consultants, as deemed necessary in the setting of the remuneration of the Director and Senior Executive Management.

6.14.4. Shareholders should be invited to General Meetings specifically to approve all new long-term incentive schemes and significant changes to existing remuneration schemes of members of the Board of Directors.

6.15. Shareholder Relations

- 6.15.1. Shareholders have all rights conferred upon them by related laws and regulations including the QFMA CG Code as well as the Bank's policies and Articles of Association.
- 6.15.2. The Board of Directors should ensure that Shareholders' rights are respected and Shareholders are treated in a fair and equitable manner.
- 6.15.3. The Board of Directors should foster constructive relationships with the Shareholders that encourage them to engage with QFB.
- 6.15.4. The Board of Directors, Board Secretary and corporate services function will ensure that Shareholders gain a better understanding of the business of the Bank through appropriate informative communications.
- 6.15.5. Dialogue with Shareholders**
- 6.15.5.1. Dialogue should be maintained with Shareholders based on the mutual understanding of objectives. The Board of Directors as a whole has the responsibility for ensuring that a satisfactory dialogue with Shareholders takes place.
- 6.15.5.2. Directors should maintain sufficient contact with Shareholders to understand their issues and concerns.
- 6.15.5.3. Directors should ensure that the views of Shareholders are communicated to the Board of Directors as a whole.
- 6.15.5.4. Directors should discuss governance and strategy with Shareholders.
- 6.15.5.5. The Chairman should arrange for Board Committee members to be available to answer questions at the General Meeting.
- 6.15.6. General Meetings**
- 6.15.6.1. The conduct of meetings and the general procedures in relation to these are detailed in the Articles of Association.
- 6.15.6.2. Shareholders should have the opportunity to participate effectively and vote in the General Meeting and should be informed of the rules, including voting procedures that govern the meeting.
- 6.15.6.3. Shareholders should be able to effectively participate in key corporate governance decisions. Shareholders should be able to provide their views on the remuneration policy for Directors and Senior Executive Management.
- 6.15.6.4. Shareholders should be able to vote in person or in proxy, and equal effect should be given to votes whether cast in person or in proxy.
- 6.15.6.5. Shareholders have the right to call for an EGM, to place items on the agenda, discuss matters listed on the agenda and address questions and receive answers.

6.15.7. Equitable Treatment

6.15.7.1. The below principles will be followed by QFB with regards to the equitable treatment of Shareholders:

- All Shareholders should be treated equally.
- All shares should carry the same rights.
- Processes and procedures for General Meetings should allow for equitable treatment of all Shareholders.

6.15.8. Queries and Access to Information

6.15.8.1. All information provided to Shareholders will be in the 'public' realm. As a strict policy, no insider information or preference of one shareholder over another in the provision of information is allowed.

6.15.8.2. Shareholders have the right to review and access the Bank's register of Shareholders free of charge during the Bank's regular office hours or at other times as determined by the Bank.

6.15.9. Dividends

6.15.9.1. The Board of Directors will submit a clear policy on dividend distribution at the AGM and provide the rationale behind the policy.

6.16. Corporate Governance Report

6.16.1. The Corporate Governance Report shall include the assessment by the Board of Directors of the compliance of the Bank to the provisions of the QFMA CG Code. The Corporate Governance Report shall be submitted to the QFMA on an annual basis and whenever required.

6.16.2. The Corporate Governance Report shall be published on the Bank's website.

6.17. Senior Executive Management Supervision

6.17.1. The Board of Directors will not interfere with or obstruct the daily management process. Senior Executive Management is responsible for the daily management of QFB's operations.

6.17.2. The Board of Directors must ensure that there is a framework in place to evaluate the performance of Senior Executive Management.

6.18. Senior Executive Management Succession

6.18.1. The Board of Directors and Senior Executive Management will coordinate to ensure that there is adequate staffing at all levels of QFB.

6.18.2. The Board of Directors, through the NRCGC, will ensure that a Senior Executive Management succession plan is developed to ensure that in the case of vacancy

of a Senior Executive Management position, QFB operations are not adversely affected.

6.19. Internal Controls

- 6.19.1. The general objective of the internal controls policy is to safeguard QFB's assets and capital and to ensure the reliability of QFB's financial recordkeeping.
- 6.19.2. The ARCC will be responsible for reviewing the Bank's financial and internal control systems. In addition, the ARCC will discuss the internal control systems with management to ensure that management performs its duty towards developing efficient internal control systems.
- 6.19.3. Internal Control Framework shall include effective and independent risk assessment and risk management functions, as well as financial and operational internal audit functions in addition to the external audit. The Internal Control Framework shall also ensure that all Related Party transactions are handled in accordance with the requirements related thereto.
- 6.19.4. The compliance function will periodically assess the compliance of the Bank with rules and regulations and provide periodic reports to the ARCC.

6.20. Internal Audit

- 6.20.1. The Bank will have an internal audit function with clearly defined roles and responsibilities. The Bank may choose to appoint a firm of auditors as an internal auditor under a material outsourcing arrangement with the permission of QFCRA. The Internal Auditor must:
 - 6.20.1.1. Audit the Internal Control Framework and overseeing its implementation.
 - 6.20.1.2. Be carried out by operationally independent, appropriately trained and competent staff.
 - 6.20.1.3. Submit its internal audit reports to the Board of Directors either directly or through the ARCC and be responsible to the Board of Directors.
 - 6.20.1.4. Have access to all activities of the Bank.
 - 6.20.1.5. Be independent, including being independent from the day-to-day functioning of the Bank.
- 6.20.2. Internal audit will produce a risk-based audit plan to be approved by the ARCC and execute audits as scheduled in the plan.
- 6.20.3. The ARCC will approve the terms of engagement and remuneration to be paid in respect of outsourced audit services.

6.21. External Audit

- 6.21.1. The External Auditor should be appointed upon the recommendation of the ARCC to the Board of Directors in the AGM.

- 6.21.2. The ARCC is responsible for overseeing the Bank's relationship with the External Auditor.
- 6.21.3. The ARCC will approve the terms of engagement and remuneration to be paid in respect of audit services provided.
- 6.21.4. External audits should be conducted on an annual basis in addition to a semi-annual review.
- 6.21.5. In accordance with the Articles of Association, QFB shall not appoint its External Auditors for more than five consecutive years.
- 6.21.6. The External Auditor must:
 - 6.21.6.1. Attend the AGM to deliver the annual audit report.
 - 6.21.6.2. Exercise due professional care and be accountable to Stakeholders.
 - 6.21.6.3. Comply with the highest professional standards and be independent.

6.22. Related Party Transactions

- 6.22.1. QFB will ensure that no Related Party transactions are undertaken which are not in the best interest of the Shareholders.
- 6.22.2. A series of connected transactions between QFB and a Related Party, or between QFB and parties who are related to each other, is deemed to constitute a single transaction.
- 6.22.3. QFB will ensure that transactions it enters into with Related Parties comply with the following conditions:
 - 6.22.3.1. Transactions are entered into on an 'arms-length' basis.
 - 6.22.3.2. The terms of the transactions are fair and reasonable.
 - 6.22.3.3. QFB will clearly and accurately detail the transaction in QFB's books, accounts, and records and disclose the nature and details of the transactions including any accounting information necessary to support the fairness and reasonableness of the terms and conditions of the transactions.
- 6.22.4. **Reporting of Related Party Transactions**
 - 6.22.4.1. QFB has established a reporting mechanism which specifies that action to be taken and the parties to be consulted in the event that a Related Party transaction is contemplated.

6.23. Confidentiality

- 6.23.1. QFB prohibits the public disclosure of confidential company and customer information. This applies to all its employees without any exception.

6.23.2. QFB will ensure that information of a confidential nature received in the course of dealings with its customers is treated in an appropriate manner, and records maintained in a confidential and secure manner.

6.23.3. Disclosure of Confidential Information

6.23.3.1. QFB's proprietary information must be disclosed to potential business partners. However, such disclosure should never be done without carefully considering its potential benefits and risks.

6.23.3.2. QFB has prepared standard non-disclosure agreements suitable for most disclosures in coordination with its legal function.

6.23.3.3. Specific policies have also been established regarding who may communicate information to the press and the financial community.

6.23.3.4. All inquiries or calls from the press should be referred to the corporate services function.

6.24. Conflicts of Interest

6.24.1. A conflict of interest arises whenever business or personal circumstances impair professional judgement or the ability to act in the interests of QFB or its customers.

6.24.2. Employees must take appropriate measures to recognize and manage situations where a conflict of interest may arise.

6.24.3. The Bank must manage conflicts of interests fairly both between itself and its customers and between one customer and another customer.

6.24.4. Cases in which conflicts of interest are identified shall be disclosed in the Annual Report.

6.24.5. QFB will clearly disclose the general nature and/or sources of conflicts of interest to the client before undertaking business for the client.

6.24.6. Directors will be responsible for disclosing their potential and actual conflicts of interest to the Board Secretary who in turn will inform the Head of Compliance.

6.24.7. Each individual employee of QFB will be responsible for disclosing his/her potential and actual conflicts of interest to the Head of Compliance.

6.24.8. Independence of Directors

6.24.8.1. The Board of Directors shall review the independent status of each member at least once annually in light of the interests disclosed.

6.25. Market Misconduct, Insider Dealing and Personal Account Transactions

6.25.1. Directors and employees are prohibited from involvement in any capacity in market misconduct or similar abuses. Engaging in any illegal or improper

activities will be considered a serious breach of the terms of employment and will result in disciplinary action.

6.25.2. Similarly, no Director or employee in possession of confidential price-sensitive information relating to a corporation, may deal in any listed securities of that corporation or a related corporation, or counsel or procure another person to deal in such securities.

6.25.3. QFB has established a mechanism in which these transactions, as well as other restricted transactions, are communicated to the relevant parties within the Bank.

6.26. Whistle-blowing

6.26.1. If an individual (including employees, agency staff, agents, contractors, suppliers and customers) believes that his/her own or another employee's behavior contravenes the standards of business conduct laid down in QFB's policies, or if he/she has a genuine concern that something is not right, it is vital that the matter be raised immediately.

6.26.2. All concerns raised will be taken seriously and investigated. The identity of employees who raise a concern will be kept confidential, and no employee will be discriminated against in any way as a result of raising an issue in good faith.