



Corporate Governance Manual

Bank of Baghdad



Board of Directors' Policies

Corporate Governance Manual

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Introduction

Working in the banking sector is distinguished from other sectors by its high risks, interconnectedness and complexity, which requires effective Corporate Governance, because its weaknesses may lead to the bank's exposure to problems, which may also affect other banks and the stability of the banking and financial sector as a whole.

The subject of the Corporate Governance has witnessed significant developments especially after the recent global financial crisis where a number of specialized organizations and bodies such as The Organization for Economic Cooperation and Development "OECD", Basel Committee on Banking Supervision, Financial Stability Board "FSB", Financial Accounting Standards Board "FASB", International Auditing and Assurance Standards Board "IAASB" and others have issued many principles governing corporate governance, and in light of these developments, the Central Bank of Iraq issued a Corporate Governance Manual, in line with internationally recognized best practices.

Among the basic principles on which Corporate Governance is based and which the Bank of Baghdad is committed to:

1.	Separating the responsibilities of the Chairman of the Board of Directors from the responsibilities of the Managing Director
2.	The chairman of the Board of Directors and any member of the board (except for the managing director) shall be non-executive
3.	The existence of organizational structures in which tasks and competencies are distributed with definition and clarity, with the provision of effective control frameworks.
4.	Treating all stakeholders with fairness, transparency and disclosure, enabling them to assess the bank's conditions, including its financial performance.
5.	The relationship between "management" and stakeholders " shall be governed by accountability rules
6.	The availability of an appropriate level of academic and practical qualifications, competence, integrity, honesty and good reputation in the members of the "Board of Directors" and "members of the senior executive management" in the bank

The Bank of Baghdad confirms its commitment to corporate governance practices, and the bank's board of directors is committed to applying professional performance standards in all the bank's activities, based on the instructions of the Central Bank of Iraq, and the requirements of the supervisory authorities and official authorities in Iraq, and the supervisory authorities in other countries in which a banker is present, or through his participation in banking groups.

The contents of the "Corporate Governance Manual" confirm the fairness of dealings and equality among shareholders, regardless of the size of their contributions and / or their nationalities by affirming the rights of shareholders as defined by Iraqi laws. Among the bank's obligations towards shareholders is to provide them with the necessary data and information about the bank, its activities and achievements.

The bank shall disclose the information that interest the (stakeholders) stipulated in the "Corporate Governance Manual" and a copy of the manual has also been uploaded to the Bank of Baghdad's website, and the bank allows those wishing from the public to view the manual.

Its annual report shall include details of the extent of its administration's commitment to the materials of the manual, and on the reasons for non-compliance - if any - with the material or articles of the manual.

The manual was approved by the Board of Directors in the fifth session on 28/4/2019, and a committee emanating from the Board was formed under the name of “Corporate Governance Committee” consisting of the Chairman of the Board and two Board members to follow up the implementation of the manual.

Specialists in the bank will review, amend and develop the manual in light of the instructions issued by the Central Bank of Iraq and the relevant laws.

Manual References

This manual is issued based on the letter of the Central Bank of Iraq No. 9/6/422 on 21/11/2018 that defined the references in a set of Iraqi laws, and on the basis of a wide range of international references, and in particular the following:

1.	The Iraqi legal references		
	1)	The Central Bank of Iraq Law No. (56) of (2004)	
	2)	Banking Law No. (94) of (2004)	
	3)	Electronic Signature and Electronic Transactions Law No. (78) of (2012)	
	4)	The AML/CFT law No. (39) of (2015)	
	5)	Companies Law No. (21) of (1997)	
	6)	Public Companies Law No. (22) of (1997) as amended	
	7)	Foreigners Residence Law No. (188) of (1978) as amended	
2.	International references		
	1)	Organization for Economic Co-Operation and Development "OECD" G20/OECD Principles of Corporate Governance	
	2)	International finance corporation	
	3)	Basel Committee on Banking Supervision	
		A.	Principles for Enhancing Corporate Governance
		B.	Core Principles for Effective Banking Supervision
	3)	Financial Accounting Standards Board- FASB	
	4)	International Financial Reporting Standards, IFRS	
	5)	International Auditing and Assurance Standards Board, IAASB	
	6)	Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements	

Glossary

Corporate Governance

It is a set of comprehensive systems that define the relationships between the board of directors and the executive management of the bank, shareholders and other stakeholders. Governance deals with the system through which the Board of Directors directs the bank and monitors its activities and that affects:

- Determining the Banks' strategy
- Managing the bank's risk system.
- The bank's business and activities.
- The balance between adhering to the responsibility towards shareholders, protecting the interests of depositors, and taking the interests of other stakeholders into account.
- The bank's compliance with the applicable laws, instructions and controls.
- Disclosure and transparency practices.

Appropriateness

The availability of certain minimum requirements in the members of the bank's board of directors and members of the senior executive management

The Board

The Board of Directors of Bank of Baghdad

The Corporate Body

Shareholders Corporate Body

Senior Executive Management

(High-level employees as stated in Article (1) of the Banking Law No. (94) Of (2004) and in accordance thereto) and in accordance with the instructions of the Central Bank of Iraq and the organizational structure of the bank, including:

1.	Managing Director and Associate Managing Director	
2.	Regional Director and Assistant Regional Director	
3.	The Director of each of:	
	1)	Accounts (Financial Manager)
	2)	Credit
	3)	Operations
	4)	Trade Finance Department
	5)	Risks
	6)	Internal Audit
	7)	Treasury
	8)	Investment (investment portfolios)
	9)	Compliance

	10)	Human Resources (Personnel Affairs)
4.	Any employee who has executive authority parallel to any of the powers of any of the aforementioned, and functionally directly related to the managing director or the regional director	
5.	Any other person at the level of a manager who is required by the Central Bank to comply with the requirements stipulated in the Central Bank of Iraq Law No. (56) Of (2004) and the Banking Law No. (94) Of (2004).	

Manager

Any person who is authorized with powers, and is responsible for a group of officers in the bank

Stakeholders

Any stakeholder in the bank, such as depositors, shareholders, employees, creditors, customers (clients) and the relevant supervisory authorities

Qualifying Holding

The main contribution to the bank's capital of (10%) ten percent or more, directly or indirectly

Related person

With regard to the bank (according to Article (1) of the Banking Law No. 94 of 2004 it is):

1.	Any bank manager.
2.	Any person who has a relationship with the manager till a second-degree kinship relationship, or relative kinship, including the adoption or care of the manager's children and any other person residing in the manager's residence.
3.	Any person who has (Qualifying Holding) in the bank, and in any project in which such person or bank manager owns a Qualifying Holding, and any manager of such person or project
4.	Any project not subject to incorporation in the preparation of the financial statements of the bank, in which the bank owns a Qualifying Holding, and any manager of such a project
5.	Managing Director or his assistant after leaving the job for two years
6.	The external auditor (the external accounts controller) for the duration of his service and two years after the end of his contract with the bank
7.	Any natural or legal person associated with the bank in a contractual relationship during the term of the contract

Associated group

A group of individuals or companies with kinship ties or influential economic interests

Bank's capital

The paid-up capital and capital reserves

The Bureau

Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Bureau established according to the Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Law No.(39) of 2015

Control

It deems exist to control another company if the person:

1.	Owns or controls directly, indirectly, or through one or more persons or having voting power (25%) or more of the voting shares of the company
2.	Has the power to choose the majority of directors of the company, or
3.	He exercises effective control as determined by the Central Bank.

Non-executive member

A member of the board of directors of the Bank of Baghdad who is not an employee of the bank or earn a salary therefrom

Executive member

A member of the board of directors who participates for a fee in managing the day-to-day business of the bank

Associated group

It is a group of individuals or companies that have kinship ties or influential economic interests

Independent member

A member of the Board of Directors of the Bank of Baghdad (whether in his personal capacity or as a representative of a legal person), who has no other relationship with the bank than his membership in the Board of Directors, which makes his judgment on matters free from any external considerations or matters. A member's dealings with the bank that arise due to the services or the usual business that the bank provides to its customers, and which are governed by the same conditions to which similar transactions with any other party are subject, and without any preferential conditions, are not considered among the matters affecting the independence of the member.

Audit Committee

A committee emanating from the Board of Directors, and is mainly responsible for the financial reports and their monitoring and the accompanying disclosures, in addition to a set of other responsibilities.

The Committee

The Corporate Governance Committee in the Bank of Baghdad

The Manager (the Director)

A member of the bank's board of directors, whether in his personal capacity, or as a representative of a legal person, the managing director of the bank, or any employee therein

The internal auditor

The internal auditor at the Bank of Baghdad

The external auditor

The certified external auditor to audit the operations and accounts of the Bank of Baghdad

Cumulative voting

It is a voting method for selecting the members of the board of directors during a Corporate Body meeting, as each shareholder has a number of votes equal to the number of shares he owns, and he may vote in all of them for one candidate for membership in the board of directors or distribute them among the candidates he chooses without repetition of these votes. The main goal of this approach is to increase the chances of minority shareholders obtaining their representation on the board of directors through cumulative votes, as well as to reduce the control of a specific shareholder over board seats.

Chapter I: The Board of Directors

Section I: Composition of the Board of Directors

1.	Members of the Board of Directors are appointed at the Corporate Body meeting for a period not exceeding four years, and a member may be reappointed for a period of four consecutive years.
2.	The number of Board members shall not be less than (7) members who are elected at the Corporate Body meeting according to the cumulative voting system, provided that the number of independent members shall not be less than (4) members or one third of the members of the Board, with a member representing the minority of shareholders, where this member may be among the Independent Members
3.	The Board shall have reserve members who shall be selected according to the method and percentages established for the original members in accordance with Paragraph (II) of Article (104) of the Companies Law No. (21) Of 1997.
4.	The board elects from among its members a chairman and a vice-chairman.
5.	The vice-chairman of the Board assumes the duties of the chairman when he is absent or is unable to chair the Board meeting
6.	It is not permissible for any of the board members to be an executive employee of the bank except for the Managing Director.

Section II: Qualifications and independence of the Board's member

Selection of a Board Member:

1.	Two-thirds of the board members shall have qualifications and banking, financial, accounting, administrative, economic, legal or similar competencies related to banking.
2.	He shall not be a member of the board of directors of any other bank inside Iraq, a managing director, a regional director, or an employee therein, unless the latter is affiliated with that bank
3.	The member may be a non-resident and a non-Iraqi
4.	Fulfill the legal requirements stipulated in the Banking Law No. (94) Of 2004 and the Companies Law No. (21) Of 1997, as amended.

Conditions for the independence of a board member:

1.	He shall not be a partner or employee of the bank's external auditor, and he was not a former partner or employee of the bank's external auditor, during the three years preceding the date of his election as a member of the board, and he shall not be related to the partner responsible for the audit process by first-degree kinship.
2.	He shall not be a lawyer or legal advisor to the bank, or an auditor of the bank's accounts
3.	He shall not, nor any company he is a member of its board, an owner of, or a principal shareholder in it, obtain credit from the bank the percentage of which exceeds (5%) of the bank's capital, and he shall not be a guarantor of credit from the bank whose value exceeds the same percentage.
4.	He shall not be a member of the board of directors of any other bank inside Iraq, or managing director, regional director, or employee therein, unless the latter bank is affiliated with the Bank of Baghdad

5.	He shall not be a member of the boards of more than five public shareholding companies inside Iraq, in his personal capacity in some of them, and in his capacity as a representative of a legal person, in others
6.	He shall not be an manager (director) or an employee of another bank, or a managing director of another bank
7.	He is not fully or partially engaged in the managing of the bank's operations in any way, with the exception of the managing director
8.	He shall not be an employee of the bank or any of the parties associated with it during the previous three years
9.	He shall not have any kinship with any of the members of the Board or the senior management or any of the parties related to them up to the fourth degree.
10.	He shall not be a major shareholder in the bank or his representative.
11.	He shall not own, directly or indirectly (includes the ownership of shareholder family members or related parties) more than 5% of the shares of any company of any kind

Section III: Board of Directors Meetings

1.	Board meetings shall not be less than (6) meetings per year whenever the need arises
2.	Board meetings shall be held at the headquarters of the bank's management or in any other place inside Iraq, if it is not possible to hold them at the headquarters of the bank's management, provided that all members of the board attend or provide a written apology from those not present.
3.	Board members are obligated to attend its meetings in person, and in the event that it is not possible to attend in person, the board member expresses his point of view through video or phone, after the approval of the Chairman of the board, and this method can be used in the event that the member does not attend a maximum of two times during the year
4.	In the event that the number of absenteeism has reached (3 or more times during the year), the chairman of the board must notify the Corporate Body of the bank in order to take what it deems appropriate.
5.	A Board meeting quorum is complete if (50%) of the members attend or (4) members, or whichever is more.
6.	The decisions taken by the board are approved by the majority of the votes of the attending members, and if the vote is equal, then the vote of the chairman shall be the casting vote.
7.	Board decisions are issued by the signature of all of its present members in person (or through video or phone) and the secretary of the board on the meeting minutes, and sealed with the bank's seal within a period not exceeding (10) working days, and the board is responsible for its decisions and their follow-up.
8.	The Secretary of the Board shall accurately and completely write the minutes of the meetings of the Board and its committees, and record any reservations raised by any member, and that the bank shall keep all these minutes, and that the minutes be recorded visually and audibly and be kept with him.
9.	The senior executive management is obligated, and at least five working days before the board meeting, to provide accurate and complete information to the members of the board regarding what will be presented in the meeting, and the board chairman verifies that before the meeting

Section IV: Duties and responsibilities of the Board of Directors

The board performs the following duties and assumes its responsibilities:

1.	Formulating the vision, mission, goals, and strategic objectives of the bank in light of the directives of the Corporate Body, then directing the senior executive management to prepare a proposed strategy to be submitted to the board to achieve these goals, and the final approval of this strategy by the Corporate Body, as well as the approval of the annual Action Plans prepared by the senior executive management which is in line with this strategy.
2.	Supervising the senior executive management, following up on its performance, ensuring the soundness of the bank's financial conditions and its solvency, and adopting appropriate policies and procedures for supervision and periodic monitoring of the bank's performance
3.	Adopting a policy for monitoring and reviewing the performance of the senior executive management, by setting "key performance indicators" to define, measure and monitor performance, and progress towards achieving the bank's corporate goals.
4.	Ensuring that the bank has policies, plans and work procedures that include all its activities, and are in line with the relevant legislation, and that they have been circulated to all administrative levels, and that they are reviewed regularly
5.	Determining the Core Values of the bank, and setting clear lines of responsibility and accountability for all bank's activities, and instilling a high culture of ethical standards, integrity and professional behavior for the bank's administration staff.
6.	Assuming responsibility for the integrity of all bank operations, including its financial conditions, reputation, and responsibility for implementing the requirements of the central bank, as well as the requirements of supervisory authorities, owners, and other regulatory authorities related to its work, taking into account "stakeholders", and that the bank shall be managed within the legislation framework, and within the bank's internal policies , and that effective control is available constantly on the bank's activity including the Outsourced Activities.
7.	The board performs the following tasks and duties
1)	Implementing the decisions of the Corporate Body and following up on that
2)	Submitting the final accounts and financial statements of the bank, and a comprehensive report on the results of implementing the annual plan to the Corporate Body for discussion and approval.
3)	Ensuring compliance with international standards in all activities and operations of the bank, according to the references referred to above, and other relevant references.
4)	Discussing and approving the annual plans and budgets related to the bank's activities and following up on their implementation
5)	Forming standing committees associated with the board, and temporary committees that are called for by the need from among the board members, or in addition to others
6)	Approving the selection of candidates to fill executive management positions, and periodically evaluating and following up their performance, supervising them and their accountability, and obtaining from them a clear explanation and clarification of the accountability matter.
7)	Appointing and terminating the services of the internal auditor, determining his fees and remuneration, and evaluating his performance
8)	Adopting internal control and monitoring systems for the bank and reviewing them annually, and ensuring that the internal and external auditors (i.e. the auditor as stated in Article (46) of the Banking Law No. (94) Of (2004), shall audit these systems at least once every year. The board shall include the bank's annual report, which confirms the adequacy of these systems

	9)	Ensuring the independence of the external auditor (the auditor, as stipulated in Article (46) of the Banking Law No. (94) of (2004), beginning and continuing.
	10)	Adopting an effective risk management strategy and monitoring its implementation, including the level of acceptable risks, and ensuring that the bank is not exposed to high risks. The Board shall be aware of the operating environment of the bank and the risks surrounding it, and ensures that there are necessary and sufficient tools and infrastructure for risks management in the bank, and are able to identify, measure, control and monitor all types of risks to which the bank is exposed.
	11)	Ensuring that the bank applies the basic principles of (good governance) as stated in the “Governance Rules and the Internal Control System” in Chapter Twenty Four of Instructions No. (4) Of 2010 to facilitate the implementation of the Banking Law No. (49) of (2004)
	12)	Ensuring the existence of adequate and reliable Management Information System – MIS to cover all the bank's activities.
	13)	Disseminating the culture of governance in the bank and encouraging all employees and the executive management to apply its practices and attend training courses related to it. Moreover, the bank shall encourage its customers to apply the rules of governance in their organizations, as well as to verify that the credit policy of the bank includes the application of corporate governance for its customers, especially the companies. In this way, risks are assessed by weaknesses and strengths according to their corporate governance practices.
	14)	Ensuring that the bank exercises its social responsibilities, including preparing and organizing appropriate “social initiatives” in the field of protecting the environment, health and education, and taking into account the provision of financing for projects and micro, small and medium-sized enterprises, at appropriate prices and deadlines.
	15)	Ensuring that the bank is in line with the Sustainability Principles mentioned in Annex No.(1)
	16)	Taking the necessary measures to create a clear separation between the powers of shareholders, who own a “Qualifying Holding,” on the one hand, and “senior executive management,” on the other hand, with the aim of strengthening sound corporate governance, and it must find appropriate mechanisms to limit the effects of shareholders who own “Qualifying Holding” through the following, for example, but not limited to:
	A	That none of the shareholders, who owns a " Qualifying Holding ", occupies any position in the senior executive management, and the bank must adjust its positions within one year from the date of the final entry into force of this manual
	B	That the senior executive management derives the powers solely from the board, and to operate within the framework of the mandate (authorization) granted to it by the board, when making the necessary decisions to manage banking operations and activities
	17)	Adopting an organizational structure for the bank that defines a clear administrative hierarchy, including board committees, and senior executive management
	18)	Determining the executive powers of the bank's business (whether the managing director or the executive management, whether it is for banking operations, granting credit, signing of transfers, checks, guarantees, warranties, borrowing, foreclosure and letters of guarantee).

	19)	Approving a subrogation plan for the executive management in the bank and reviewing it annually
	20)	Ensuring that the executive management is informed of the official website of the Anti-Money Laundering Bureau regarding the lists of freezing terrorist funds on a daily basis, and inform the Anti-Money Laundering Bureau and the Exchange Monitoring Department of the Central Bank immediately in the event that a person has been included in the list of freezing terrorist funds.
	21)	Determining the banking operations that require its approval, taking into account not to expand this, in violation of the supervisory role of the board, and not granting executive powers, including the powers to grant credit, to a member of the board of directors individually (including the chairman of the board, provided that the structure of the powers in the bank shall be amended to achieve this within a period of (90) ninety days from the date of the final entry into force of this manual.
	22)	The need to ensure its approval when appointing executive managers, such as the Chief Financial Officer and the Internal Audit Officer and those of their levels, after making sure that they have the required expertise
	23)	Since the Bank of Baghdad operates within a “banking holding company” that operates as a banking group, as stipulated in Article (1) of the Banking Law No. 94 of 2004, the following shall be adhered to: Familiarizing itself with the group’s structure, especially the complex structures, by knowing the links and relationships between the units and the parent company, and the adequacy of corporate governance within the group, with alignment between the parent company's corporate governance strategies and policies, provided that they do not violate the articles of this manual, or any instructions issued by the Central Bank, or other relevant supervisory authorities, later in this field, and in the event of a conflict, the prior approval of the Central Bank must be taken to address this in a manner that achieves compliance with this manual).
8.		Evaluating the managing director's performance annually
9.		The performance of the board as a whole must be evaluated at least once annually and the results of the evaluation are presented to the Corporate Body, by relying on a system to evaluate the board’s work, provided that this system includes, as a minimum, the following:
	A.	Setting specific goals, and defining the role of the board in overseeing the achievement of these goals, in a manner that can be measured periodically
	B.	Identifying Key Performance Indicators (KPIs) & KPRs of the managing director and the executive management that can be extracted from the bank's strategic objectives and annual work plans and used to measure the performance of the executive management periodically.
	C.	Communication between the board and shareholders, and the necessity to carry out his communication periodically
	D.	The periodicity of the Board's meetings with the executive management
	E.	The member’s role and duties in the Board’s meetings and the extent of his commitment to attend, as well as comparing his performance with that of other members. Feedback must also be obtained from the relevant member in order to improve the evaluation process.
10.		The bank shall provide the Central Bank with information related to the members of the boards or bodies of directors and the executive departments of its subsidiaries inside and outside Iraq, on a semi-annual basis, as well as upon any amendment thereof.
11.		The board of directors shall supervise the quality of disclosure, transparency and all information about the bank

Section V: Duties and responsibilities of the Board's Chairman

The chairman of the board of directors shall undertake the following as a minimum:

1.	Ensuring the establishment of a constructive relationship between the board, on the one hand, and the senior executive management of the bank, and between the bank and the shareholders and other stakeholders, on the other hand.
2.	Encouraging constructive criticism about the issues being discussed in general and those around which there is a divergence of views among members, and he encourages discussion and voting on those issues.
3.	Ensuring that all board members receive the minutes of previous meetings signed by him, with the aim of being signed by all members
4.	Members receive the agenda of any monthly or exceptional meeting at least one week in advance, provided that the agenda includes sufficient written information on the topics to be discussed in the meeting, and the handover shall be made by the Secretary of the Board.
5.	Ensuring that there is a charter or bylaw that organizes and defines the work of the Board
6.	Meeting the needs of the Board's members in terms of developing their experiences and continuous learning, and to allow the new member to attend an "Orientation Program" that takes into account the member's banking background, provided that this program shall include, as a minimum, the following topics:
	1) The corporate goals and objectives, the bank's strategy, annual action plans, and approved policies
	2) The bank's organizational structure, corporate governance, and code of professional conduct
	3) The financial condition of the bank
	4) The structure and types of risks the bank is exposed to, and its risk management framework
7.	Sending an invitation to the Central Bank to attend meetings of the Corporate Body, within a sufficient period of not less than (15) fifteen days, so that its representative can be named
8.	Ensuring that the Central Bank is informed of any material information

Section VI: Duties and responsibilities of the Board's Member

1.	Each member of the Board of Directors shall undertake the following as a minimum:
	1) Familiarizing with the legislation and principles related to banking, the financial, administrative and operational environment of the bank, and keeping abreast of developments that take place in it, as well as external developments related to its business, including the requirements for appointment in senior executive management positions in the bank
	2) Attending board meetings, committee meetings, as appropriate, and Corporate Body meetings
	3) Not to disclose the bank's confidential information, or to use it for its own benefit or for the benefit of others
	4) He must prioritize the bank's interest in all transactions that take place with any other company, in which he has a personal interest, and not take advantage of the bank's commercial business opportunities for his own benefit, and avoid conflicts of interest. As well as disclosing to the Council in detail any conflict of interest, if any, with the obligation not to attend or participate in the decision taken at the meeting in which such topics were discussed, and that this disclosure be recorded in the minutes of the Board meeting.

	5)	Active participation in the board's work, discussion, decision-making process and the board's activities
2.	Members of the Board and its Committees should be able to communicate directly with the Senior Executive Management and the Board Secretary, and facilitate their carrying out the tasks entrusted to them, including the use, when necessary, at the Bank's expense, with external sources, in coordination with the Chairman of the Board, with an emphasis on not undertaking any From the members of the board to influence the decisions of the senior executive management, except through the deliberations that take place in the meetings and decisions of the board or the committees emanating from it	

Section VII: Selection and appointment of the Managing Director

1.	The board of directors shall appoint one of its members as a managing director of the bank	
2.	The managing director so appointed shall fulfill the following conditions as a minimum:	
	1)	His age shall not be less than (30) years
	2)	He shall have a legal capacity and to be a decent and valid person
	3)	He shall not be a partner or employee of the bank's external auditor, and he was not a former partner or employee of the bank's external auditor during the three years preceding the date of his election as a member of the board, and he shall not have a first-degree kinship with the partner responsible for the audit process.
	4)	He shall not be a lawyer, legal advisor to the bank, or an auditor of the bank's accounts
	5)	He, or any company where he is a member of its board, an owner of it, or a principal shareholder in it, shall not have obtained a credit from the bank exceeding 5% of the bank's capital, and he shall not be a guarantor of credit from the bank whose value exceeds the same percentage.
	6)	He shall not be a member of the board of directors of any other bank inside Iraq, a managing director, a regional director, or an employee therein, unless the latter is affiliated with that bank
	7)	He shall not be a member of the boards of more than five public shareholding companies inside Iraq, in his personal capacity in some of them, and in his capacity as a representative of a legal person, in others
	8)	He shall work full-time to manage the day-to-day banking operations, in accordance with Article (18) of the Banking Law No. (94) Of (2004).
	9)	He shall have at least a bachelor's degree in financial and banking sciences, business administration or accounting, economics, law, or similar disciplines related to banking.
	10)	He shall have integrity, good reputation and technical adequacy
	11)	He shall have actual work experience in the executive management in banks in accordance with the controls and instructions issued by the Central Bank of Iraq
3.	The managing director shall be responsible for implementing the decisions of the board within the powers delegated to him.	

Section VIII: Duties and responsibilities of the Board's Secretary

The board shall define the duties of the board secretary, so that it includes the following:

1.	In relation to the Bank itself:	
	1)	Attending all board meetings, recording all deliberations, suggestions, objections, reservations, and how to vote on draft board decisions, with the necessity to adopt sound and image or any means he deems appropriate that ensures the recording of all notes mentioned during the board meeting with recording, keeping and documenting the records and minutes of Board meetings after being signed by the board members in addition to the sound and image (video).
	2)	Presenting the topics after preparing a brief summary of each topic, stating the opinion of the senior executive management and its committees, linking the documents and papers with each topic, and submitting them to the Chairman of the Board for approval of their presentation
	3)	Providing each member with an adequate summary of the bank's business, upon election or appointment, or upon request.
	4)	Deliberating with any new member, with the help of the legal advisor or the director of legal affairs of the bank, about the duties and responsibilities of the board, especially those related to legal and regulatory requirements, to clarify the duties, powers and other matters related to membership, including the membership period, and meeting dates
	5)	Providing each member of the board, upon his election, with the texts of laws related to the banks work and the instructions of the Central Bank related to the board work, including this manual, and provide him with a guide explaining the rights, responsibilities and duties of the member, and the duties and tasks of the Board Secretary
	6)	Determining the dates of the Board's meetings, in coordination with the Chairman of the Board
	7)	Ensuring that board members sign the board meeting minutes
	8)	Following up on the implementation of the decisions made by the Board, and following up the study of any issues raised in a previous meeting that had been postponed.
	9)	Keeping records, documents and minutes of board meetings
	10)	Following up the committees associated with the board and presenting their reports to the chairman of the board of directors.
	11)	Numbering the decisions in a sequence manner from the beginning of the year till its end so as each decision shall include the following:
	A.	Decision No.
	B.	Session No.
	C.	The date
	12)	Taking the appropriate procedures to ensure that the topics related to the draft decisions intended to be issued by the Board are in compliance with the legislations and instructions
	13)	Providing the Central Bank with the related decisions that are signed by the board members.
	14)	
	A.	Requests of the board chairman to present the topics to the board
	B.	Requests of the external entities such as the Central Bank and the Companies Registrar
	C.	Requests of shareholders and the requests of the board members.

	D.	The auditor's report
	E.	Notifications and decisions issued by higher authorities
	F.	Committees' topics and reports
2.	Concerning shareholders and Corporate Body meetings Communicating with shareholders and helping in organizing Corporate Body meetings, in particular:	
	1)	Maintaining data of shareholders
	2)	Preparing for Corporate Body meetings and cooperating with the board's committees
	3)	Sending invitations to shareholders, the Central Bank and the Companies Registrar
	4)	Ensuring the attendance of members of the Board of Directors, members of the Senior Executive Management and the External Auditor in the meetings of the Corporate Body
	5)	Keeping records of the Corporate Body meetings

Section IX: Appropriateness of the Board's members

The Board members shall have the greatest degree of credibility, integrity, competence, the necessary experience, and the ability to comply, and it is the responsibility of the Board and the Nomination and Remuneration Committee associated with it to follow up on this.

1.	The Board shall adopt an effective policy to ensure the appropriateness of its members, provided that this policy includes the minimum standards, requirements, and conditions that must be met by the nominated member as mentioned in Section II of this Manual, provided that this policy is reviewed whenever the need arises, with the development of sufficient procedures and systems to ensure that all members meet the criteria of appropriateness and continue to have them, and the bank shall provide the Central Bank with a copy of this policy, approved by its board of directors, within a maximum period of (120) one hundred and twenty days from the date of the final entry into force of this Manual.
2.	The Central Bank may object to the candidacy of any person for membership in the Board, if it is found that he does not fulfill any of the conditions mentioned in Section II of this Manual.
3.	Any person who holds the presidency or membership of the board must sign a declaration, according to the attached form No. (1), provided that a copy thereof shall be kept at the bank and a copy at the Central Bank accompanied by the member's CV.
4.	The chairman of the board shall ensure that the Central Bank is informed of any material information that may negatively affect the appropriateness of any of its members.

Section X: Inadmissibility to combine the positions of the Chairman of the Board and the Managing Director

It is not permissible to combine the positions of the Chairman of the Board and the Managing Director

Section XI: Limitations on responsibility and accountability – Board of Directors

With regard to the bank as a whole, the board shall carry out the following:

1.	Adopting clear limits on responsibility, accountability and commitment, on the basis of the work manual that is approved by the Board of Directors, and obligating all the administrative levels of the bank with them
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2.	To ensure that the organizational structure clearly reflects the duties and tasks, provided that this includes, at least, the following levels of control:	
	1)	The Board itself
	2)	Separate risk, compliance, and internal audit departments do not carry out day-to-day executive works
	3)	Units or employees that are not involved in the day-to-day operations of the bank's activities such as Middle Office employees.
3.	Ensuring that the senior executive management carries out its responsibilities related to managing the day-to-day operations of the bank, that it contributes to the application of corporate governance therein, that it delegates (authorizes) the powers to the employees, that it establishes an effective administrative structure that promotes accountability, and that it carries out the tasks in various fields and activities of work in a manner complies with the bank's strategy and with the policies and procedures approved by the Board	
4.	Adopting appropriate controls that enable it to carry out accountability of senior executive management	
5.	The chairman of the board, any of the board members, or the major shareholders must not be related to the authorized director by kinship below the fourth degree.	

Section XII: Limitations on responsibility and accountability – Managing Director

The Managing Director, in addition to what is mentioned in the legislation, shall act on the following, according to a strategy approved by the Corporate Body, and work manuals approved by the Board of Directors, with the Central Bank being informed of this:

1.	Developing the strategic orientation and contributing to the formation of the bank's strategy proposal
2.	Supervising the implementation of the strategy, policies and action plans of the bank after being approved by the Corporate Body
3.	Evaluating and following up the implementation of the bank's strategy with periodic key indicators
4.	Implementing the Board's decisions
5.	Communicating the bank's vision, mission and strategy to the employees
6.	Providing guidance for implementing short, medium and long-term action plans
7.	Informing the board of all important aspects of the bank's operations
8.	Managing the day-to-day operations of the bank according to its powers

Chapter II: Board of Directors – The Board's Committees

Section I: The general framework for forming and following up the committees work

1.	The board shall form committees from among its members where it defines their objectives and delegate powers to them, with a commitment not to take decisions alone without the bank's board of directors voting, and the board shall continuously follow up on the work of the committees to ensure the effectiveness of their role with the possibility of merging some committees according to the suitability of their competencies, provided that there be no conflict between the duties and responsibilities of these committees.
2.	Ensuring that committees can easily access sufficient information from the administration, and any committee can obtain advice and technical support from external sources, provided that this be done with the knowledge and approval of the Board
3.	Transparency must be observed in the formation of committees, with the names of their members disclosed in the annual report of the board
4.	Specialization, experience, impartiality and non-conflict of interests must be observed in the formation of committees
5.	Following up on the committees associated with the board of directors and present their reports and results to the chairman
6.	Each committee shall have an internal charter that shows its tasks, scope of work, and procedures, including how to prepare reports to the board of directors, and what is expected of members of the board of directors of their membership in those committees
7.	The bank shall provide the Central Bank of Iraq with a list that includes all committees affiliated with the work of the board, their tasks, work procedures, and the names of their members
8.	Rapporteur of the Board's committee shall be selected from the Secretary of the Board or any executive employee selected by the committee except for the director of the department concerned with the work of the concerned committee
9.	The chairperson of each committee formed shall be an independent board member

Section II: Organization of committees works

1.	The committees hold regular meetings, and their number is determined according to the nature of the work of each committee
2.	The committee's rapporteur shall organize the minutes of its meetings and writes down its recommendations or decisions according to the powers granted to him.
3.	The chairman of the committee submits the minutes of its meetings and recommendations to the board of directors for approval, and its decisions for review
4.	The committee's decisions are taken unanimously, or by a majority of votes, with recording the reservations of non-conformists
5.	The committees undertake to submit periodic reports and a quarterly report on the results of their work to the Board of Directors
6.	"Temporary committees" are formed by a decision from the board, its chairman, or at the request of the Central Bank of Iraq. The decision specifies the committee's composition, scope of work, its responsibilities, and the period required to complete its work.
7.	The board may determine remuneration for participation in the work of the committees in accordance with the regulations in force
8.	The term of membership in the committee is the same as that of the board of directors

Section III: Corporate Governance Committee

The bank pays the necessary attention to the exercise of sound corporate governance and is committed to applying the highest professional performance standards to all bank's activities in accordance with the best international practices included in the Basel Committee on Corporate Governance and the Governance Manual in accordance with the instructions of the Central Bank of Iraq. Therefore, this committee aims to:

1.	Establish a governance framework and manual for the bank, monitor its implementation, and amend it when necessary
2.	Carry out periodic review of decisions and instructions issued from time to time by the supervisory authorities regarding the rules and practices of governance and submit recommendations to the Board of Directors regarding the changes that it deems necessary for the development and application of new standards and practices

Section IV: Audit Committee

(That is, the "Audit Committee" stipulated in Article (24) of the Banking Law No. (94) of 2004)

	The Audit Committee shall audit (review) the following:	
	1)	The scope, results and adequacy of the bank's internal and external audit
	2)	Accounting issues that have a material impact on the bank's financial statements
	3)	The bank's internal control and control systems
	4)	Compliance with the laws, regulations and controls applied to the bank
	5)	The creation of a safe working environment free from money laundering and terrorist financing operations
	6)	The work of any other committee may not be merged with the work of this committee

Section V: Nomination and Remuneration Committee

1.	This committee works to provide support and advice to the Board of Directors to perform its oversight responsibility in the nomination and independence of board members and the integrity of the remuneration, benefits and salary strategy in the bank, as well as aiming to create a work attractant environment to attract human resources with the required expertise and skill	
2.	The main purpose of the Nomination and Remuneration Committee is the following:	
	1)	Providing support and advice to the Board of Directors on matters related to nomination, remuneration and human resources
	2)	Supporting the Board of Directors in developing appropriate policies for the succession and replacement of members to ensure continuity and career progression
	3)	Ensuring the transparency of appointing, renewing and replacing members of the Board of Directors and the managing director
	4)	Independent evaluation of the effectiveness of the board of directors as a whole and the effectiveness of each member of the board of directors and the evaluation of the performance of executive directors
	5)	Ensuring the transparency of salary, remuneration and compensation policies for members of the Board of Directors and managers and ensuring that these policies are consistent with the objectives of the bank.
	6)	Coordination with human resources in the bank to set and implement the succession and job replacement policy

Section VI: Risk Management Committee

1.	The Committee shall carry out the following duties:	
	1)	Reviewing the risk management framework in the bank
	2)	Supervising the development of the risk management strategy and policy in line with the bank's ability and the extent of its risk appetite.
	3)	Reviewing the performance of the senior management in managing credit, market, liquidity, and operational risks, among others, and ensuring that the senior management implements the procedures and controls necessary to comply with the approved risk management strategy and policy of the bank.
	4)	Keeping abreast of developments that affect risk management in the bank, and submitting periodic reports thereon to the Board
	5)	Verifying that there is no discrepancy between the actual risks taken by the bank and the level of acceptable risk approved by the Board, and providing clear guidance on the level of acceptable exposure to activities.
	6)	Creating appropriate conditions that ensure the identification of risks of a material impact, and any activities carried out by the bank that may expose it to risks greater than the level of acceptable risks, and submit reports thereon to the Board of Directors and follow up their treatment

Section VII: The Higher Committee

The objective of the higher committee emanating from the board of directors is to supervise and approve decisions that their amounts exceed the powers of the executive management committees of the bank, based on the recommendations of these committees and in accordance with the policy and limits approved by the Board of Directors, especially those related to granting facilities or investment operations, in addition to ensuring the application of credit and investment policy.

Section VIII: Information and Communication Technology Governance Committee.

The committee seeks to ensure compliance with the objectives and processes of the Information and Communication Technology Governance Manual, as it is considered the ultimate responsible entity in this regard. It also aims, through adherence to controls, to meet the requirements of stakeholders and achieve the objectives of the institution, including the provision of the following:

1.	Providing high quality information that supports the decision-making mechanisms of the bank
2.	Sound management of information technology resources and projects in a manner that achieves the necessary benefit and reduces waste
3.	Providing a distinct and supportive information technology infrastructure to achieve the bank's goals
4.	Upgrading the various banking operations
5.	Information and communication technology risk management that achieve protection for the bank's assets
6.	Improved internal control system
7.	Achieving compliance with instructions, laws and legislation, in addition to internal operation policies and procedure
8.	Improving the level of satisfaction with IT by users
9.	Managing third-party services that are assigned to carry out information technology tasks and actions

Section IX: Stakeholders rights

1.	The board shall provide a specific mechanism to ensure communication with "stakeholders" through disclosure and providing indicative information about the bank's activities to "stakeholders" through the following:
	1) Meetings of the Corporate Body
	2) The annual reports and the governance report
	3) Quarterly reports that contain financial information, in addition to the Board's report on the bank's shares trading and its financial position during the year
	4) The bank's website
	5) Report on the Shareholder Relations Department
2.	The board shall ensure that a section of the bank's website is designated to shareholders' rights and encourage them to attend and vote at meetings of the Corporate Body, especially small shareholders, as well as publish documents related to the meetings, including the full text of the invitation and meeting minutes.
3.	Heads of the "Audit" and "Nomination and Remuneration" committees and any other committees emanating from the Board shall attend the annual meetings of the Corporate Body
4.	Representatives of the external auditors must attend the annual meeting of the Corporate Body in order to answer any questions that may be raised about the audit and the external auditor's report
5.	The necessity to vote separately on each issue raised in the annual meeting of the Corporate Body shall be observed
6.	Members of the Board are elected and re-elected during the annual meeting of the Corporate Body, and the external auditor is elected during the same meeting.
7.	After the end of the annual meeting of the Corporate Body, reports are prepared to inform shareholders / owners about the observations made during it and the results, including the results of the vote, the questions raised by the owners / shareholders, and the executive management's responses to them.
8.	The board shall ensure the effectiveness of the dialogue with the shareholders by providing the following factors as a minimum:
	1) Ensuring that the board members are aware of the shareholders' views, particularly with regard to the bank's strategies and governance systems.
	2) Holding regular meetings with major shareholders, non-executive and independent members to get acquainted with their opinions and views on the bank's strategies.
	3) Disclosing in the annual report of the steps taken by its members, specifically the non-executive members, in the framework of reaching an agreement and a common understanding of the views of the major shareholders regarding the performance of the bank. Heads of the "Audit" and "Nomination and Remuneration" committees and any other committees emanating from the Board shall attend the annual meetings of the Corporate Body

Section VIII: Disclosure and transparency

1.	The board shall ensure the publication of financial and non-financial information of interest to stakeholders.
2.	The annual report of the bank shall include a text stating that the board is responsible for the accuracy and adequacy of the bank's financial statements and the information contained in that report, and for the adequacy of the internal control and control systems
3.	The board shall ensure that the bank adheres to the disclosures set by the "International Financial Reporting Standards, IFRS", the instructions of the Central Bank, legislation, and other relevant instructions and to ensure that the executive management is aware of the changes that occur to the IFRS and other relevant standards.
4.	The board shall ensure that the bank's quarterly report and quarterly reports include disclosures that allow current or potential shareholders to view the results of operations and the financial position of the bank.
5.	The disclosure is preferred in both (Arabic and English) languages.
6.	The board shall ensure that the annual report includes, as a minimum, the following:
	1) A summary of the organizational structure of the bank indicating the committees emanating from the Board of Directors and any changes therein
	2) A summary of the duties and responsibilities of the Board's committees, and any powers the council has delegated to those committees
	3) Information of interest to "stakeholders" stated in the Bank's Corporate Governance Manual, and the extent of its commitment to implementing the manual's provisions.
	4) Ensure that the bank's corporate governance report is prepared and included in the annual report
	5) Information about each member of the board, in terms of his qualifications, experiences, and the amount of his contribution to the bank's capital, its membership in the board's committees, the date of its appointment, any memberships it holds in the boards of other companies, the remuneration in all its forms that he obtained from the bank for the previous year, as well as the loans granted to him from the bank, and any other operations that took place between the bank and the member, or between related parties
	6) Information about risk management, including its structure, the nature of its operations, and the developments that took place
	7) The number of times the board and its committees meet and the number of times each member attends these meetings
	8) Names of each of the board members and the senior executive management who resigned during the year
	9) A summary of the remuneration policy at the bank, with disclosure of all forms of remuneration of board members separately, and the remuneration of all its forms that were awarded to the senior executive management, separately, for the previous year
	10) Names of shareholders who own (1%) one percent or more of the bank's capital, with specifying the Ultimate Beneficial Owner of these contributions or any part thereof, and to clarify whether any of these contributions are totally or partially mortgaged.
	11) Declarations from all members of the Board that the member did not obtain any benefits through his work in the bank, and he did not disclose them, whether those benefits were material or in-kind, and whether they were for him personally or for any of those related to him, for the previous year
	12) Disclosure by the executive management of the bank under the title "Management Discussion and Analysis" (MD&A), where it allows investors to understand the results of the current and future operations, and the financial condition of the bank, including the possible impact of known trends, accidents, and uncertainties, and the bank undertakes to commit that all the explanations contained in this disclosure are approved, complete, fair, balanced and understandable, and are based on the published financial statements of the bank.

	13)	Code of Business Conduct and the names of each of the board members, the executive management, and those who resigned during this year
	14)	Publish a report on corporate governance practices
	15)	The bank's sustainability policy and what has been done in this regard

Chapter III: Executive Management Committees

The senior management forms committees to assist it in carrying out its tasks and submitting reports to the relevant board committees on a regular basis to ensure the effectiveness of oversight and supervision. Executive management committees are formed of at least three members, and members of the board of directors can attend as an observer to help them, and the committees send their meeting dates to the board of directors before the meeting in order for any board members to attend as an observer if he so desires.

Section I: Credit Committee

This committee emanates from the executive management and its main purpose is to supervise and approve credit decisions and grant banking facilities in accordance with the policy and limits approved by the Board of Directors, in addition to ensuring the implementation of the credit policy and initial approval of credit products before submitting them to the relevant board committees to obtain the final approval in terms thereof. Among its objectives:

1.	Setting policies, limits and directives under which credit strategies shall apply (within the limits set by the Board).
2.	Submitting recommendations to the Board regarding acceptable credit or collateral
3.	Approving the recommendations within the powers granted
4.	Confirming the application of the credit policy and terms of credit products
5.	Achieving the objectives of granting credit in accordance with sound rules and applying the established credit controls

Section II: Investment and Liquidity Management Committee

The main objective of the Investment and Liquidity Management Committee is represented by the following:

1.	Assist in developing investment guidelines and overseeing investment activities based on the approval of the Board. The committee shall regularly monitor the results of investments, and review the extent of compliance with the investment objectives of the bank and the guidelines. Reports on the overall investment results must be prepared periodically to the committee, in order to facilitate the smooth and effective implementation of the bank's investment operation and ensures the existence of a system that allows for an independent and comprehensive evaluation of the bank's policies and procedures related to the current and future investment to achieve:	
	1)	Ensuring that investment operations are conducted objectively and based on sound principles
	2)	The existence of written and precautionary investment policies
	3)	Enhancing investment portfolios with appropriate and required documents and papers
	4)	The existence of standards that define the guarantees in terms of type and size and are acceptable by the management
	5)	The periodic evaluation of investment portfolios
	6)	Periodic verification and monitoring
2.	The committee shall manage the assets and liabilities of the bank's balance sheet in terms of structure, distribution of risks, calculation of returns and their risks and their impact on profitability, in addition to monitoring liquidity, cash flows, record of entitlements and foreign exchange dealing centers, so that it makes appropriate corrective adjustments based on trends and expected market conditions. It is also entrusted with the tasks of monitoring and following up the results of the bank's financial investments, and accordingly it aims to achieve the following:	
	1)	Increasing the profitability and maximizing capital and shareholder equity
	2)	Reducing the risk of market changes
	3)	Optimizing the sources of funds
	4)	Protecting the bank from financial crises that may arise from changes in local and international currency rates or rates of return for investments and financing.
	5)	Identifying, measuring and managing the types of risks facing the bank on a permanent and continuous basis (liquidity risk, market risk, return rates ...).
	6)	Effective management of the bank's financial position

Section III: Information and Communication Technology Committee

This committee is considered as the information technology steering committee to ensure the process of strategic alignment of information technology to achieve the strategic objectives of the bank in a sustainable manner, and this also means that operations and projects related to information technology must be consistent with the strategy of the institution and ensures that the needs of stakeholders are met, including the achievement of value, the optima handling of Risks, and optimal use of resources.

Section IV: Appropriations Committee

This committee emanates from the executive management and the main purpose of the appropriations formation committee is to ensure that the bank has an acceptable system for follow-up, evaluation, hedge, and provisioning, in addition to monitoring the credit granting process and measuring expected credit losses through a future look at credit exposures.

Also, ensuring that all necessary work is undertaken to verify the correctness and integrity of the methodologies and systems used in the framework of implementing standard 9 and providing the necessary support for this

Section V: Pricing and Product Management Committee

The objective of the Pricing and Product Management Committee is to:

1.	Review and approve the proposals for new products and services
2.	Amend the terms of current products and services
3.	Adjust the prices of current products and services (i.e. fees / commissions / interest rates ...).
4.	Manage and evaluate product and service performance throughout its life cycle or function
5.	Monitor and address any risks inherent in products or services that may affect customer experience and service

Chapter IV: The Executive Management of the Bank

Section I: Appropriateness of members of the senior executive management

1.	Members of the senior executive management shall have the greatest degree of credibility, integrity and efficiency, and the necessary banking experience, the ability to commit, and devote time to the work of the bank, and it is the responsibility of the Board and the Nomination and Remuneration Committee to ensure this
2.	The board should adopt a policy to ensure the appropriateness of the members of the senior executive management in the bank, provided that this policy includes the minimum standards, requirements and conditions that must be provided by the member of the senior executive management, and the board shall review this policy from time to time, and establish sufficient procedures and systems to ensure that all members of the senior executive management has met the standards of safety, and that they continue to do so, and the bank shall provide the Central Bank with a copy of this policy, within a maximum period of (90) ninety days from the date this manual comes into effect.
3.	Scope of its work:
	1) The senior executive management consists of the bank's officials according to Article (2) of this guide
	2) The senior executive management exercises its powers and performs its responsibilities according to the authorization and decisions issued by the Board of Directors.
	3) The senior executive management is accountable to the board of directors for the achievement of the bank's objectives and operations
	4) Board members shall have no right to interfere in the daily operational business of the bank
4.	The executive management shall perform the following tasks:
	1) Preparing and implementing strategic and operational plans, after approval by the Board of Directors, ensuring their effectiveness, and submitting proposals for their development or amendment
	2) Implementing relevant laws, regulations and instructions and policies and directives issued by the Board of Directors with responsibility, trust and responsibility.
	3) Presenting recommendations on making important decisions related to banking operations, including managing deposits, loans, and investments, and providing local and international services in terms of requirements, implementation method and continuous improvement.
	4) Reviewing plans for expanding new branches and offices and working on their implementation
	5) Preparing and developing policies and procedures for all business details
	6) Preparing an organizational structure for the bank that includes defining duties and responsibilities and allocating them to the organizational formations and defining vertical and horizontal lines of communication
	7) Preparing the necessary annual budgets for the bank
	8) Adhering to the internal control systems that are sufficient to protect the bank's funds and assets, and to ensure the good and safety of financial information and behavior, and work to implement them.
	9) Establishing appropriate systems to manage risks of all kinds
	10) Providing the internal and external oversight bodies with the reports and information they request and facilitate the completion of their control and inspection tasks.

	11)	Ensuring compliance with international standards in all activities and operations of the bank
	12)	Submitting periodic reports to the Board of Directors on the bank's business
	13)	Maintaining accurate and proper records and information systems for all activities and decisions and supporting them with the necessary documents
	14)	Discussing and following up the workflow in the bank and proposing solutions
	15)	Coordinating between different departments to ensure compatibility, harmony and integration
	16)	Determining the needs of human resources, and follow-up on their training to develop their performance
	17)	Monitoring the financial position of the bank and achieving appropriate profits, within the framework of the sound exchange between risk and return, and in accordance with its annual plan
	18)	View the official website of the Anti-Money Laundering Bureau regarding the freezing terrorist funds lists daily, and inform the Anti-Money Laundering Bureau and the Exchange Control Department at the Central Bank immediately in the event that a person has been listed on the of freezing terrorist funds list.
5.	The need to obtain the approval of the Board when appointing any of the members of the senior executive management in the bank	
6.	The following conditions must be met by whoever is appointed to the senior executive management of the bank	
	1)	He shall not to be a member of the board of directors of any other bank, unless the other bank is affiliated with that bank
	2)	He shall work full-time to manage the bank's business
	3)	He shall have a university degree, as a minimum, in financial or banking sciences, business administration, finance, accounting, economics, law, information technology, or any of the similar specializations of these disciplines that are related to bank business
	4)	He shall have experience in the field of banking business, or related work, of no less than five years, with the exception of the position of managing director or regional director, whose experience in banking or business related to financial sector activities must be at least ten years
9.	A non-objection must be obtained from the Central Bank, before appointing any member to the senior executive management, and therefore the bank must, before appointing any member to the senior executive management, obtain from the candidate for appointment his CV, accompanied by documents and academic certificates, experience certificates, certificate of good conduct and other necessary supporting documents, and asking the candidate to sign the accompanying declaration No. (2), and the bank must provide the Central Bank with a copy of the declaration accompanied by the member's CV.	
10.	The Central Bank may summon any person nominated for a position in the senior executive management of any bank to conduct a personal interview with him prior to the appointment, and the Central Bank may, in the cases it deems necessary, summon any member of the board of any bank to interview him.	
11.	The manager, who has been removed from his position by the Central Bank, may not become a member of the board of any bank, or a managing director of any bank, or for any bank's branch, or work as an administrative or within the senior executive management in any other bank.	
12.	The Central Bank must be notified of the removal or resignation of any member of the senior executive management, within (3) three days, and it must be notified of the reasons for this removal or resignation	
13.	A person, who was an employee of the senior executive management in a bank whose license was revoked, or whose liquidation was decided during the period of his tenure, may not work within the senior executive management in any other bank unless the Central Bank decides otherwise.	

Section II: Periodic evaluation of performance

1.	The Corporate Body shall adopt a system for evaluating the Board's work and the work of its directors, provided that this system guarantees, as a minimum, the following:	
	1)	Establishing specific goals, and defining the role of the board in achieving these goals, in a manner that can be measured periodically
	2)	Identifying Key Performance Indicators "KPIs" that can be derived from the strategic goals, annual action plans and use them to measure the Board performance periodically.
	3)	Communication between the board and shareholders, and the necessity to carry out his communication periodically
	4)	The periodicity of the Board's meetings with the senior executive management
	5)	The member's role and duties in the Board's meetings as well as comparing his performance with that of other members. Feedback must also be obtained from the relevant member in order to improve the evaluation process.
2.	The bank shall provide the Central Bank with information related to the chairman of the board, members of the board, and members of its senior executive management, including the committees emanating from the board according to the attached forms numbered (4/1, 4/2, 4/3 and 4/4) on a semi-annual basis, as well as when any modification occurs on them.	
3.	The bank shall provide the Central Bank with information related to the members of boards or bodies of directors and senior executive departments of its subsidiaries inside and outside Iraq according to the accompanied forms (5/1, 5/2 and 5/3) on a semi-annual basis, as well as when any modification occurs on them.	
4.	The Central Bank may, at any time, invite members of the Audit Committee, the Director of the Bank's Internal Audit Department, or the Director of the Compliance Department to discuss any matters related to their work.	
5.	The board shall adopt a system for measuring and evaluating the performance of the bank's managers, who are not members of the board, and the managing director, provided that this system includes the following as a minimum:	
	1)	An appropriate weight is allocated to measure the performance of compliance with the risk management framework, the application of internal controls, and the regulatory and supervisory requirements
	2)	That "gross revenues" and "net income" are not the only element in measuring performance. Rather, other elements to measure the performance of managers, such as risks related to basic operations, customer (client) satisfaction, etc., should be taken into consideration, wherever this is applicable.
	3)	Non-abuse of influence and conflict of interest
6.	The Corporate Body shall establish procedures for determining the remuneration of the Board members, depending on the measurement and evaluation system approved by it.	

Section III: Financial remunerations for administrative staff

1.	The policy for granting financial remunerations must have the following elements as a minimum	
	1)	To encourage the retention of managers with the necessary competencies, skills and experience, and to attract them, motivate them, and improve their performance
	2)	To be designed to ensure that it is not used in a manner that affects the solvency and reputation of the bank
	3)	It takes into account the risk, liquidity position and dividends timing
	4)	That the remuneration award component is not based on current year performance only, but also on his performance in the medium and long term, i.e. from (3-5) years
	5)	That it expresses the bank's objectives, core values, and strategy.
	6)	That the form of remuneration be defined, such as in the form of fees, salaries, allowances, bonuses, stock options, or any other benefits
	7)	That it includes the ability to postpone paying a reasonable percentage of remuneration, so that this percentage is determined for the period of postponement based on the nature of the work, its risks, and the activities of the concerned manager
	8)	That financial remuneration are not granted to the managers of control departments (risk management, auditing, compliance and others) depending on the results of the work of the departments that they monitor, without taking into consideration the results of their audit work and the quality of the control reports issued by those departments.

Section IV: Conflict of interest

1.	The managers of the bank must avoid conflicts of interest	
2.	The Board of Directors shall ensure that due diligence is taken to arrange the affairs related to the bank's business and matters related to the personal business in a manner that avoids a conflict of its personal interests with the interests of the bank.	
3.	The board must adopt a policy and procedures to address conflicts of interest, which may arise when the bank is part of a banking group, and disclose any conflict of interest that may arise from the bank's association with companies within the group.	
4.	The board shall adopt policies and procedures for dealing with stakeholders, including the definition of these parties, taking into account the legislation, policies, procedures and their monitoring mechanism, so that it is not allowed to overcome them.	
5.	The supervisory departments in the bank shall ensure that the stakeholders' operations are carried out in accordance with the approved policies and procedures. The audit committee should review all stakeholder transactions, monitor them, and inform the Board about these transactions.	
6.	The board shall adopt controls for information sharing among different departments, so as to prevent its exploitation for personal benefit	
7.	The board shall adopt policies and a code of professional conduct and circulate them to all managers, so that they include, as a minimum, the following:	
	1)	None of the employees exploiting internal information in the bank for their personal benefit
	2)	The senior executive management consists of the bank's officials according to Article (2) of this guide
	3)	The senior executive management exercises its powers and performs its responsibilities according to the authorization and decisions issued by the Board of Directors.
	4)	The senior executive management is accountable to the board of directors for the achievement of the bank's objectives and operations
	5)	Board members shall have no right to interfere in the daily operational business of the bank
8.	The board shall ensure that the senior executive management has high integrity in conducting its business, implements the approved policies and procedures, and avoids conflicts of interest.	

9.	No bank may extend credit to a related person or a high-ranking bank employee:	
	1)	If the board of directors, in the case of the local bank, does not approve the credit and its financial terms and provisions
	2)	If the credit is granted to a manager in a bank, or to a high-ranking bank employee, and the credit will result in exceeding the total amount of the credit disbursed from the bank to that person, and due, including the credit granted to one or more of the bank's subsidiaries, exceeds the equivalent (50%) fifty percent of the annual bonus for that person, or if the credit will result in the total amount of credits disbursed and due to all related persons exceed (10%) ten percent of the sound capital and sound reserves, or a lesser percentage as determined by the regulations issued by the Central Bank, provided that the aforementioned limits of percentages do not apply to any credit secured by a mortgage on ownership (real estate) of a local evaluator whose value exceeds the appraised value and according to the opinion of the Central Bank and at the time of granting the credit the value of the original amount of the credit not less than a third of the original amount, or:
	3)	If the credit is granted on terms and conditions less favorable to the bank than the terms and conditions that the bank offers to the public, in accordance with the established norms when granting credit
	4)	If the credit is not fully secured to the extent and method specified by the regulatory regulations issued by the Central Bank
10.	The bank shall have no right to buy assets from or sell assets to a related person, any natural person, any employee or official in the bank, or a related person.	
11.	The bank shall have no right to purchase assets from a related person, any natural or legal person	
	1)	If the board of directors, in the case of the local bank, does not agree to the financial terms and conditions for purchasing the assets
	2)	If the assets were purchased according to terms and conditions less favorable to the bank than the terms and conditions that the bank offers to the public in accordance with the customary norms when purchasing the assets
12.	The bank shall provide the Central Bank with the number of shares pledged by the bank's shareholders who own (1%) or more of the bank's capital, and the pledgee of these shares	
13.	The bank's audit committee is immediately informed of any credit provided by a bank in the case of a local bank to or purchasing assets from a related person, or a high-ranking bank employee. In the event that the bank provides this credit or purchases assets from a related person in violation of the provisions of paragraph 2-8 of Clause 8 of this Article, the credit must be paid immediately. The members of the board or the managing director, as the case maybe, are personally, collectively and individually responsible for paying the value of the principal value of the granted credit in violation of Paragraph (h) of this Article, with their knowledge and without their opposition, and for the payment of interest and other fees related to that credit.	
14.	The Central Bank may instruct a bank to deduct any loan offered to a related person, or a high-ranking bank employee, from the capital for the purposes of calculating the percentage.	
15.	The above restrictions do not apply to the shares of credit denominated in Iraqi dinars that are fully guaranteed, in accordance with the method specified by the regulations issued by the Central Bank, with deposits in a separate account with the bank and denominated in Iraqi dinars, or credit shares fully guaranteed by the principal of capital and interest by the Iraqi government, or by any department or agency of the Iraqi government determined by the Central Bank.	
16.	Board members shall obtain important information in a timely, clear and accurate manner in order to be able to fulfill their duties and perform their duties to the fullest extent.	

Chapter V: The regulatory environment

Section I: Internal Audit

The internal audit ensures the availability of the necessary periodic evaluation of the quality and performance of the bank's accounts, in compliance with international standards, and submits periodic reports to the Board of Directors, the bank's management and stakeholders on the effectiveness and appropriateness of the processes and internal control procedures approved and implemented by the bank's management

1.	Rules for selecting the employees of the internal audit department	
	A.	That the director of internal audit department and his assistant be among those who hold at least a bachelor's degree in accounting, banking management, financial and banking sciences, or one of the specializations related to banking work and have experience in the field of supervision in accordance with the regulations and instructions issued by the Central Bank of Iraq
	B.	It shall taken into account in the selection of internal audit personnel that they be specialists in accounting and auditing and have sufficient experience
	C.	A policy of exchanging roles and responsibilities between employees of the Internal Audit Department and not interfering in the executive operations of the rest of the bank formations must be followed.
2.	Tasks of the Internal Audit Department	
	1)	The board shall verify that the internal audit department is subject to direct supervision by the audit committee, and that it reports directly to the head of the audit committee to ensure its independence.
	2)	The authority to communicate directly with the board of directors, the chairman of the board of directors, the audit committee, the external auditor, and the compliance officer in the bank
	3)	Submit monthly, quarterly and semi-annual reports on business results to the Audit Committee
	4)	If the credit is not fully secured to the extent and method specified by the regulatory regulations issued by the Central Bank
3.	The bank shall have no right to buy assets from or sell assets to a related person, any natural person, any employee or official in the bank, or a related person.	
4.	Prepare a work manual for the internal audit department's policies and procedures, provided that the manual is approved by the audit committee and the board of directors, and is subject to review and update by the audit committee every year or two years at least	
5.	Examine and evaluate the internal control points in all bank's business, and diagnose strengths and weaknesses for the purpose of remedying them.	
6.	The structure of the internal control and control systems is reviewed by the Audit Committee and the Internal Audit Department at least once a year or whenever the need arises.	
7.	The board shall ensure that the Internal Audit Department in the bank is capable of carrying out the following tasks, as a minimum:	
	1)	Verify the availability of adequate internal control and control systems for the activities of the bank and its subsidiaries and adhere to them
	2)	Verify compliance with the bank's internal policies, international standards, central bank regulations, instructions, and controls it issues, and other relevant legislation.
	3)	Audit financial and administrative matters, in order to ensure that the key information about financial and administrative matters is accurate, reliable, and timely.
	4)	Review compliance with the Corporate Governance Manual
	5)	Review the validity and comprehensiveness of "Stress Testing" in accordance with the methodology approved by the Board
	6)	Ensure the accuracy of the procedures followed for the internal evaluation process of Internal Capital Adequacy Assessment Process - ICAAP

3.	The bank, based on the audit committee's recommendation, must inform the Central Bank at least thirty (30) days prior to the date of the Corporate Body meeting of its desire to nominate the external auditor for election (or re-election) by the Corporate Body.
4.	The Board shall ensure and strengthen the independence of the internal auditors, give them an appropriate position in the career progression of the bank, and ensure that they are qualified to carry out their duties, including their right to access all records and information, and to communicate with any employee within the bank, so that they can perform the tasks assigned to them and prepare their reports without any outside interference, and they may not be assigned to any tasks and duties outside the scope of their work
5.	The Board shall take the necessary measures to enhance the effectiveness of internal auditing through:
	1) Giving the necessary importance to the audit process and entrenching that in the bank
	2) Continue to correct the audit notes

Section II: Internal control and control systems

1.	The structure of the internal control and control systems is reviewed by the Audit Committee and the Internal Audit Department at least once a year.
2.	The board shall include within the annual report of the bank a report on the adequacy of the internal control and control systems in relation to Financial Reporting where the report shall include, as a minimum, the following:
	1) A paragraph explaining the executive management's responsibility for setting up internal control and control systems for financial reporting in the bank and maintaining these systems
	2) A paragraph about the framework that the executive management has used to assess the effectiveness of the internal control and control systems
	3) The executive management's assessment of the effectiveness of the internal control and control systems, as they are on the date of the financial statements included in the bank's annual report.
	4) Ensure compliance with international standards in all activities and operations of the bank
	5) Ensure that there is an Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Bureau linked to the Board and responsible for implementing the policies of Know Your Customer (KYC) and the tasks and duties resulting therefrom, including the Bureau's preparation of periodic reports on its activities.
	6) Foreign Accounts Tax Compliance Act- FATCA
	7) Disclosure of any weaknesses in the internal control and control systems of material value, since any material weakness is a clear "point" or "group of weaknesses" that leads to the possibility of preventing or disclosing an incorrect statement that has a material effect
	8) A report by the external auditor expressing his opinion on the executive management's assessment of the effectiveness of internal control and control systems
3.	The bank shall establish procedures that enable employees to report, in a confidential and timely manner, the existence of concerns about possible violations, in a manner that allows the investigation to take place, independently of these concerns and their follow-up, and through the implementation of these procedures by the audit committee

Section III: Risk Management

1.	The risk management shall monitor the bank's executive departments to meet the specified levels of acceptable risks
2.	The Board shall ensure that violations of the acceptable levels of risk are addressed, including accountability of the relevant senior executive management regarding these violations.
3.	The board shall ensure that the risk management department conducts "Stress Tests" periodically to measure the bank's ability to withstand shocks and face high risks, and for the board to have a major role in adopting the assumptions and scenarios (scenes) used, discussing test results, and adopting measures to be taken based on these results.
4.	The Board shall adopt the methodology for the internal assessment of the adequacy of the bank's capital, in line with the decisions of the Basel Committee on Banking Supervision No. 2 and Basel No. 3 and any other international standards, so that this methodology is comprehensive, effective, and able to identify all risks that the bank may face, and takes into account the bank's strategic plan. And the capital plan, reviewing this methodology periodically, verifying its application, and ensuring that the bank maintains sufficient capital to meet all the risks it faces.
5.	The Board, before approving any expansion of the bank's activities, must take into consideration the risks involved and the capabilities and qualifications of the risk management employees.
6.	The board shall ensure the independence of risk management in the bank, by submitting its reports to the Risk Management Committee, and granting this department the necessary powers to enable it to obtain information from other bank departments and cooperate with other committees to carry out their duties.
7.	The board shall approve a document for the acceptable risks to the bank
8.	The policies approved by the Board of Directors must include the acceptable limits of the risks that the bank may be exposed to, with the necessity for those limits to be consistent with the bank's ability to accept risks and the extent of this being appropriate with the size of the capital
9.	Measuring the extent of the continuity of suitability of the work steps for measurement, following up and monitoring risks, and making any adjustments to them if necessary in accordance with the market developments and the environment in which the bank operates
10.	The use of appropriate and effective information and communication systems, especially in relation to the following up and monitoring risks process and ensuring the efficiency of the information management system in a manner that allows the senior management of the bank, the risk committee and the board to be provided with periodic reports (monthly at least) that reflect the bank's commitment to the specified risk limits and clarify the violations of these limits, their causes and the corrective plan necessary for it.
11.	Risk management tasks consist of the following as a minimum:
	1) Review the Risk Management Frame in the bank prior to its approval by the Board.
	2) Implement the risk management strategy in addition to developing policies and work procedures to manage all types of risks
	3) Develop methodologies for identifying, measuring, monitoring and controlling each type of risk
	4) Submit a report to the Board, through the Risk Management Committee, and a copy for the Senior Executive Management, which includes information on the actual "Risk Profile" of all bank's activities in comparison with the accepted Risk Appetite and following up treatment of negative deviations
	5) Study and analysis of all types of risks faced by the bank
	6) Verify the integrity of risk measurement mechanisms with the "Management Information Systems MIS" used
	7) Submit recommendations to the Risk Management Committee on bank Exposures to risks, and record cases of exceptions from the risk management policy.
	8) Provide the necessary information about the bank's risks, to be used for disclosure purposes

Section IV: Compliance Management

1.	The board shall adopt a clear policy to ensure that the bank is in compliance with all relevant legislation and instructions review this policy periodically and verify its implementation.
2.	The Board shall approve the duties and responsibilities of the Compliance Department
3.	The Compliance Department submits its reports to the Audit Committee with a copy to the Managing Director
4.	The bank shall form an independent compliance department, to be provided with trained human resources, and adequately rewarded, in line with the Central Bank's instructions issued in this regard.
5.	The Compliance Department shall prepare effective policies and procedures to ensure that the bank is in compliance with all legislation and instructions in force, and any relevant instructions and manuals, and the bank shall document the duties, powers and responsibilities of the Compliance Department, which are circulated within the bank.
6.	The Board approves and monitors the compliance policy, and its preparation, development, and ensuring that their implementations in the bank are among the powers of the Compliance Department.

Section V: Management of Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT)

(In accordance to Articles 10 – 14 of AML/CFT Law No.(39) of 2015)

1.	The bank takes the following customers due diligence measures	
	1)	Identify and verify the identity of the customer and the real beneficiary through documents, data or information from reliable and independent sources.
	2)	Identify and verify the identity of any person acting for a client's account, and ensure that this person has the authority to act in this capacity
	3)	Understand the purpose and nature of the business relationship, and additional information may be requested in this regard
	4)	Identify the identity of the ownership and control of legal persons and legal arrangements
	5)	Continuous follow-up in everything related to the business relationship and examining any transactions that take place to ensure that they are consistent with what is available on the customer in terms of information, commercial activities, risk pattern, and the sources of his funds when necessary
2.	Due diligence measures are implemented in the following cases:	
	1)	Before and during the opening of the account or the establishment of a business relationship with the customer
	2)	Carrying out a process for an occasional customer whose value exceeds the amount determined by the AML / CFT Board with a statement issued for this purpose and published in the Official Gazette, whether it is a single operation or several operations that appear to be related. If the value of the operation is not known at the time of its execution, the identity of the client must be ascertained as soon as the amount of the operation was determined or when it reaches the specified limit.
	3)	Carrying out an electronic transfer in favor of an occasional customer whose value exceeds the amount determined by the AML / CFT Board with a statement issued for this purpose, and published in the Official Gazette
	4)	Suspicion of committing money laundering or terrorist financing
	5)	Doubt about the correctness, accuracy or sufficiency of the identifying data
	6)	Postponing verification of the identity of the customer or the true beneficiary until after the establishment of the business relationship, as part of what the supervisory authorities draw.
	7)	The rules of customer due diligence of the bank are specified by instructions issued by

		the governor
	8)	If any bank is unable to adhere to the customer due diligence measures, it is not permissible to open an account, initiate a business relationship, execute a transaction, or any operations, and the business relationship must be terminated if it exists and inform the office about the customer
	9)	Banks apply due diligence measures towards existing customers based on their relative importance and risks at appropriate times, taking into account the validity and adequacy of the data previously obtained
3.	The bank shall keep the following records, documents and papers for a period of (5) five years from the date of the termination of the relationship with the customer or from the date of closing the account or executing a transaction for an occasional customer, whichever is longer, and ensures that they are available to the competent authorities as soon as possible.	
	1)	Copies of all records obtained through the due diligence process in verifying transactions, including documents indicating identities of actual beneficiaries customers, accounting files and business correspondence
	2)	All records of local and international transactions, whether actually implemented or that there was an attempt to implement them provided that these records are detailed to the extent that it is permissible to re-represent the steps of each transaction separately.
	3)	Copies of the notifications sent to the AML / CFT Bureau and what is related to it, up to the expiration of (5) five years from the date of submitting the notification or the date of the final ruling in a lawsuit related to it, even if it exceeded that period.
	4)	Records related to the risk assessment or any information scheduled to be conducted or updated
4.	The Bank shall:	
	1)	Prepare and implement programs to prevent money laundering and terrorist financing, including:
		A. Conduct an assessment of the money laundering and terrorist financing risks to which it is exposed
		B. Establish internal policies, procedures and controls in line with the implementation of the obligations imposed in the field of AML / CFT.
		C. Establish and apply appropriate standards of integrity when selecting employees
		D. Continuous training for officials and employees to ensure raising their capabilities in the risks of money laundering and terrorist financing
		E. An independent audit to test the effectiveness and application of policies and procedures
	2)	Not to open or keep an account that is anonymous or fictitious
	3)	Adhere to the names given to the bank that are prohibited to deal with, whether they are natural or legal persons, who is issued against them decisions by local or international authorities
	4)	Non-disclosure to the customer, the beneficiary, or any person other than the competent authorities to implement the provisions of the above law
	5)	Take the following actions:
		A. Inform the AML / CFT Bureau immediately of any operation suspected of involving money laundering or terrorist financing
		B. Provide the AML / CFT Bureau with the information and documents it requires immediately.
		C. Submit all records to the courts and the competent authorities upon their request
		D. Not to deal with fictitious banks, or enter into business relationships with them, or correspondent banking relationships with them, or with institutions sent to them that allow the use of its accounts from fictitious banks.

Section VI: External Audit

1.	The board shall ensure a regular rotation of the external auditor between the audit firms and their subsidiary, affiliate, or associated companies in any way, every five years as a maximum, from the date of the election.
2.	The first year (upon rotation) is for the new office in a Joint manner with the old office
3.	The old office may not be re-elected again before two years, at least, from the date of its last election with the bank, other than the joint audit function.
4.	The audit committee shall verify the independence of the external auditor annually
5.	The Board shall take appropriate measures to address weaknesses in the internal control and control systems, or any other points revealed by the external auditor.
6.	The Board shall take appropriate measures to address weaknesses in the internal control and control systems, or any other points revealed by the external auditor.
7.	The Board's contribution to strengthening the role of the external auditor to ensure that the financial statements reflect the bank's performance in all important aspects and show its true financial position.

Section VII: Suspicious transactions and information

Suspicious information and transactions are treated as follows:

1.	If the board of directors, or any of its directors, officers, or employees becomes aware of the implementation of a banking transaction, or receiving, transferring, or paying an amount related to, or may be related to, any crime or illegal act, the bank shall immediately so notify the Central Bank.
2.	The bank's disclosure of any information, in good faith, in accordance with Clause (1) above, is not considered a breach of bank confidentiality, and the Central Bank does not bear any responsibility for that.
3.	The bank takes into consideration the cooperation of the Central Bank with the foreign authorities responsible for overseeing financial institutions, financial markets, foreign financial intelligence units, or foreign performance authorities, with regard to providing them with information and documents necessary to perform their duties, based on the provisions of the AML / CFT Law No. (39) of 2015

Section VIII: Control and inspection

The control and inspection activity carried out by the Central Bank includes the following, as a minimum:

1.	Reviewing the data, documents, transactions, information, clarifications and evidence provided by banks for the purposes of implementing this law
2.	Asking banks, and any of their branches, or subsidiaries, to provide and confirm in writing when it deems necessary, any additional information, documents, clarifications, or evidence.
3.	To conduct, at any time, on-site inspection of a bank by one or more of its officers, or to do so by another person, or any other persons, appointed by the Central Bank for this purpose, in order to review, through the inspection, the bank's operations to verify its financial position and the extent of its compliance with the provisions of laws and regulations related to the management of its activities, and its commitment to internal policies, and the Central Bank has the right to inspect all banks on an ongoing basis once a year, at least, with the exception of banking representative offices that are inspected at least once every two years

4.	Any person authorized to carry out the inspection process is subject to confidentiality requirements, and it is permissible to ask any director, officer, employee, or customer of a bank, its branches or subsidiaries, to provide him with all the necessary books, accounts, records and documents. Any information requested by the inspector that is deemed necessary and timely must be available during the inspection process.
5.	The information obtained from the bank, which disclose its customers and their transactions, or any other private matters related to the bank's relationship with its customers, are confidential and shall not be disclosed except with the approval of the bank, or as permitted by law. The Central Bank shall limit the access to such information on every customer to its authorized employees
6.	The inspectors submit a report to the Central Bank about the results of the inspection, and the Central Bank informs the relevant board of the inspection results.
7.	The central bank may publish information obtained from banks in whole or in part, provided that such publication does not disclose confidential information, and the Central Bank shall not disclose private matters regarding the bank's operations except after obtaining the bank's approval for that, except for those information contained in the financial statements which are approved by the Board or information originally available for publication

Chapter IX: Shareholders' rights

1.	Shareholders obtain all relevant information that enables shareholders to fully exercise their rights periodically and without delay.
2.	Participating and voting in the Corporate Body meetings, taking into account the topics that the shareholders wish to bring up in such meetings.
3.	Discussing the topics on the agenda of the Corporate Body and directing inquiries to the members of the Board
4.	Election of the bank's board of directors
5.	Providing shareholders with information on the location and date of the Corporate Body meeting and its agenda 30 days before the date of the meeting.
6.	Nominating, electing and terminating the service of members of the Board of Directors, inquiring about their qualifications, experiences, and ability to perform their work, discussing the size of remuneration and financial incentives that members of the Board of Directors and senior executives receive, in addition to their right to submit any inquiry to the board regarding any non-professional practices
7.	Small shareholders have the right to elect one or more members to represent them on the Board of Directors based on the cumulative voting mechanism.

Annex No. (1)

Sustainability Principles

Sr.	Principles	The Text
1.	Business Activities: Banking and environmental risk management	Incorporate environmental and social considerations into the decision-making process related to the organization's activities to avoid, reduce or compensate for negative impacts
2.	Business Operations: The Environment and the Social Footprint	Avoiding, reducing, or compensating for the negative effects of the business's operations on the local and environmental communities in which it operates and, where possible, enhancing the positive effects.
3.	Human Rights	Respecting human rights in the enterprise's business operations and activities
4.	Women's economic empowerment	Promoting the economic empowerment of women through a workplace culture that includes both genders in the business operations of the enterprise and work to search for products and services specifically designed for women through commercial activities
5.	Financial Inclusion	Seeking to provide financial services to individuals and societies considered traditional and that have limited or no access to the formal financial sector
6.	Governance	Implement strong corporate governance practices and transparency
7.	Capacity building	Developing the individual and sectoral institutions necessary to identify the management of social and environmental risks and opportunities associated with business activities and operations.
8.	Cooperative partnerships	Cooperating with all sectors and making use of international companies to accelerate collective progress and improve the sector as a single unit in order to ensure that the institution's vision is in line with international standards and local development requirements
9.	Reports	Reviewing and studying the progress reports regularly to meet these principles at the individual and sectoral organization level