بنك قطر الأول

QFB

Corporate Governance
Report for 2017

28 March 2018

Dear Shareholders,

It is with great pleasure and honour that I present to you the Corporate Governance Report for Qatar First Bank LLC (Public) which covers the fiscal year ending on 31 December 2017. The Corporate Governance Report has been prepared in accordance with the requirements of the Corporate Governance Code for publicly listed entities which was issued by the Qatar Financial Markets Authority (QFMA) in 2014 (hereinafter "QFMA CG Code") and the regulations and applicable laws related to the Qatar Financial Centre and the State of Qatar.

It is our commitment to issue a report on Corporate Governance annually, as per Qatar Financial Centre Regulatory Authority's (QFCRA) requirements and QFMA's requirements to the Bank's shareholders at the Annual General Assembly Meeting.

Thank you.

Abdulla Bin Fahad Bin Ghorab Al Marri

QFB Chairman

Table of Contents

1. Introduction

Qatar First Bank LLC (Public) (hereinafter referred to as 'QFB' or the 'Bank') is a leading Shari'ah-compliant bank based in Qatar which offers investment opportunities and innovative financial solutions on a local, regional and international scale. The Bank provides a wide range of products and services including alternative investments focused on private equity and real estate, private banking and wealth management, corporate and institutional banking, as well as treasury and investments management.

QFB was established as one of the first independent Shari'ah compliant financial institutions licensed by the QFCRA on 4 September 2008. The Bank's authorized capital amounts to QAR 2.5 billion and the issued and paid up capital is QAR 2 billion (the number of shares is 200,000,000). QFB became listed on the Qatar Stock Exchange in April 2016 and is subject to the laws and regulations set forth by the QFMA.

2. Corporate Governance

QFB has adopted a Corporate Governance framework in line with the requirements of the QFCRA and the QFMA CG Code. The objectives of the Bank's Corporate Governance structure are to increase returns for stakeholders and various parties through exercising effective guidance and control over the Bank's activities, while maintaining integrity and objectivity.

QFB's Corporate Governance framework is built on a Corporate Governance Policy and Procedure Manual, Corporate Governance Charter, Board Charter, Board Committee Charters, and other governance-related documentation. All documentation was prepared in line with the provisions set forth by the QFMA CG Code and the requirements of the QFCRA.

The following Governance report sheds light on the Bank's Corporate Governance practices between 1 January 2017 and December 31, 2017.

3. Board of Directors

3.1. Board Structure

The Board of Directors consists of 10 Directors, 9 of which are Non-Executive Directors and 1 is Executive Director, 3 of the Directors are also Independent. All non-independent members are directly or indirectly shareholders or representing an entity which is a shareholder of the Bank.

Board of Directors				
#	**Full Name**	**Position**	**Classification**	**Percentage of share capital (directly or indirectly) as at 31 December 2017**
1	Abdulla Bin Fahad Bin Ghorab Al Marri (personal shares)	Chairman	Non-Executive	3.15%

2	Ibrahim Mohammed Al-Jomaih (personal shares and as representative of Al Jomaih Automotive Co.)	Vice Chairman	Non-Executive	1.36%
3	Sheikh Jassim bin Hamad bin Nasser Al-Thani (personal shares)	Director	Non-Executive and Independent	0.0182%
4	Ahmed Bin Abdullah Al Marri	Director	Non-Executive	0%
5	Ibrahim Mohammad Ibrahim Jaidah (personal shares)	Director	Non-Executive	0.22%
6	Anwar Jawad Ahmed Bukhamseen (as representative of Arab Investment Company and Kuwait International Bank)	Director	Non-Executive	5.5%
7	Khaled Abdulla AlKhoori*	Director	Executive	0%
8	Jassim Mohamed Al Kaabi (as representative of Barroq Trading Company and Al Zubara for Real Estate Investment Company)	Director	Non-Executive	21.47%
9	Mosabah Saif Mosabah Al Mutairy	Director	Non-Executive and Independent	0%
10	Mohamed Nasser Al Faheed Al Hajri (personal shares)	Director	Non-Executive and Independent	0.0091%

*Mr. Khaled Abdulla Al Khoori has resigned as a Board Member on January 2018.

3.2. Profile of Board Members

#	Name and Position	Profile
1	Abdulla Bin Fahad Bin Ghorab Al Marri Chairman – State of Qatar	Abdulla F. G. Al Marri is the Founder and chairman of Qatar First Bank LLC (Public). He is also a member of the Shura Council of the State of Qatar. Mr. Al Marri held several senior positions in the government including Undersecretary and Advisor to the Amiri Diwan of the State of Qatar. Mr. Al Marri served as Vice Chairman and a member of the Executive Committee of Qatar Islamic Bank from 1993 to 2002. He also holds senior positions at a number of international companies in Qatar, including serving as Chairman of International Projects Company.

2		Mr. Al Marri is holder of a BA in International Affairs from George Washington University in the USA.
2	Ibrahim Mohammed Al-Jomaih Vice Chairman – Kingdom of Saudi Arabia	Ibrahim M. Al-Jomaih is the Vice Chairman and the CEO of Al Jomaih Automotive Company. He also serves as CEO of Al Jomaih Water and Energy Company, Al Jomaih Bottling Plants (Pepsi Cola) and Aljomaih Can Manufacturing Plants. In addition, he is the General Manager of Aljomaih Holding Co. for the Eastern Province. Mr. Al Jomaih sits on the board of several companies including Al Jomaih and Shell Co., and he is the Vice Chairman of Pendekar Energy Limited. Mr. Al Jomaih holds an MBA from University of Santa Clara, and a B.Sc. in Business Administration from Portland State University in the USA.
3	Sheikh Jassim bin Hamad bin Nasser Al-Thani Director – State of Qatar	Sheikh Jassim started his career in 2008 as a Business planning analyst at Barwa Real Estate, where he helped manage the company's multibillion dollar investment portfolio. In 2012, he was appointed as Qatari Diar Real Estate Investment Company' s Regional Director – Europe & Americas, where he was responsible for the development of Qatari Diar's projects in Europe, to positively contribute to the organization's bottom line. Sheikh Jassim was promoted to Chief Development Officer – Europe & Americas in 2016, and is in charge of developing the company's multibillion dollar real estate investment projects in the two key regions. After graduating in 2008 with a BSc in Financial Management from the University of Essex, London, UK and then with a MSc degree in Finance and Management in 2009, Sheikh Jassim received professional training and interned at some of the world's most prestigious and successful organizations including Qatar Central Bank, Barclays Capital, Goldman Sachs International, Insead Business School
4	Ahmed Abdulla Al Marri Director – State of Qatar	H.E. Mr. Al Marri held a number of state positions in Qatar including Minister of Endowment and Islamic Affairs. Mr. Al Marri served as an Advisor at the Amiri Diwan of the State of Qatar.
5	Ibrahim Mohammad Jaidah Director – State of Qatar	Ibrahim M. Jaidah, GCEO & Chief Architect of the Arab Engineering Bureau, is a highly recognized architect who was awarded numerous accolades for his work such as Islamic Cities Award, Arab Town Organization Awards and Agha Khan Award nominations. In 2005 Mr. Jaidah was honoured with the State of Qatar Encouragement Award. He ranks as a pioneer of a new architectural movement which combines the far-reaching influences of Islamic art with modern style, creating memorable landmark structures that are helping to shape the developing State of Qatar.

		Under Mr. Jaidah's leadership, AEB, which he acquired in 1991 with only 6 employees, has evolved to a current figure of over 600 employees across 5 international offices and has completed over 1600 projects across 3 continents. Mr. Jaidah's commitment to cultural awareness and growth, and his passion for research resulted in the publication of *History of Qatari Architecture and 99 Domes* books that have been widely used as reference materials in academia. Mr. Jaidah obtained his Architectural Degree from the University of Oklahoma, USA.
6	Anwar Jawad Bukhamseen Director – State of Kuwait	Anwar J. Bukhamseen is the Managing Director of Bukhamseen Holding, a company with interests in travel, real estate, retail, banking and insurance, amongst many other activities. Chairman of Warba Insurance Company, Mr. Bukhamseen sits on the board of Kuwaiti Industries Union, Kuwait International Bank, Bukhamseen Holding Group Company. In addition, Mr. Bukhamseen is a member of the Finance and Investment committee of the International Bank of Kuwait. Mr. Bukhamseen is a holder of a BA in Commerce, Economics and Political Science from Kuwait University.
7	Khaled Abdulla AlKhoori Director – United Arab Emirates	Khaled A. AlKhoori served as Chief Executive Officer of Al Hilal Bank from December 2015 until January 2017. Prior to it, Mr. AlKhoori played numerous key roles at the Abu Dhabi Investment Authority (ADIA), as he was the Director of Real Estate and Infrastructure Department and previously the Director of the Private Equity Department for three years. He also served as Vice Chairman of Abu Dhabi Islamic Bank (ADIB) from 2007 to 2015. Mr. AlKhoori is the Chairman of National Takaful Company (Watania). Mr. AlKhoori graduated Summa Cum Laude from Boston University where he earned his BSBA in Business Administration. He is a member of the CFA Institute. In addition Mr. AlKhoori completed the General Manager Program "TGMP" from Harvard Business School in 2005.
8	Jassim Mohamed Al Kaabi Director – State of Qatar	Jassim Mohamed Al-Kaabi works at Borooq Trading Company in Qatar. He also serves at the Amiri Diwan of Qatar. Mr. Al Kaabi holds Bachelor's degree in Business Administration from Norwich University in the UK.
9	Mosabah Saif Al Mutairy Director - Sultanate of Oman	Mosabah Al Mutairy is the Accounts Manager at the Royal Guard of Oman and in 2003 he was appointed as the Acting Manager of the Royal Guard of Oman Pension Fund. He sits on the board of several financial institutions and investment committees of companies and funds across the GCC. Mr. Al Mutairy is also a board member of the Pension Fund of the Royal Guard of Oman, Hotel Management Company (Chedi), Oman National Investments

		Development Company, Oman Munition Production Company, Gulf Finance House-Bahrain and Nizwa Bank. Mr. Al Mutairy holds an MBA in Finance from the University of Lincolnshire & Humberside, and a BA in Accounting from South West London College in the UK.
10	Mohamed Nasser Al Hajri Director – State of Qatar	Mohammad Al Hajri is the Head of Economic and Political Affairs at the Amiri Diwan in the State of Qatar. He started his career at the Amiri Diwan in 1994 where he held several positions including Head of Studies and Research, Head of Development Studies and Economic Researcher. Mr. Al Hajiri holds a BA in Economics from Qatar University. He has also attended several post graduate programs on Leadership and Economics in London School of Economics in the UK and John Kennedy College – Harvard in the USA.

3.3. Director Appointment

3.3.1 Each Director on the Board shall be appointed for a period as stated in QFB's Articles of Association.

3.3.2 Directors are nominated based on the "Fit and Proper" guidelines set forth in the QFCRA rules and regulations and in compliance with the QFMA CG code.

3.3.3 Each nomination or removal of a Director is recommended by the NRCGC (chaired by an Independent Director) and shall be in writing and approved through the Annual General Meeting (AGM) in accordance with the Articles of Association of the Bank and shall be delivered promptly to the Board of Directors and the competent QFC authority. A summary of the nominated Directors' profile is presented to the AGM for informed decision-making.

3.4. Responsibilities of Directors

The Board's responsibilities include, but are not limited to the following:

3.4.1 Reviewing and approving the Bank's strategies, plans, and objectives.

3.4.2 Supervising the adequate and fair selection of the Bank's Senior Executive Management.

3.4.3 Reviewing the effectiveness of the Bank's internal control framework.

3.4.4 Maintaining updated information from Board Committees and Senior Executive Management.

3.4.5 Ensuring, directly or through delegated authorities, that QFB is compliant with the rules and regulations of the Qatar Financial Center Authority, QFCRA, and QFMA, and more generally, the laws and regulations in the State of Qatar, where applicable.

3.4.6 Calling the Annual General Meetings (AGM).

3.4.7 Developing the procedural rules for the Bank's corporate governance practices in an effort to ensure their implementation in a consistent manner.

3.4.8 At all times, keeping its members updated about the latest developments in the area of corporate governance and related best practices. The Board may delegate the same to the NRCGC or any other body as deemed appropriate.

3.5. Board Meetings

As per the Board Charter, the Board of Directors meets at least six times per year (minimum once every two months) to review and approve the annual budgets, business plans, and all capital expenditures. The Board of Directors reviews the Bank's progress towards achieving its strategic goals and recommends adjustments or modifications where necessary. In 2017, the Board of Directors met a total of 12 times.

3.6. Board Committees, Structure, and Committee Meetings

The Board has established 4 Board Committees to which it has delegated certain powers and authorities. The Board Committees operating at QFB are as follows:

a. Nomination, Remuneration and Corporate Governance Committee (NRCGC)
b. Audit, Risk, and Compliance Committee (ARCC)
c. Executive Committee (EXCOM)
d. Operating Committee (OPCO)

3.6.1 Nomination, Remuneration and Corporate Governance Committee (NRCGC)

The NRCGC is responsible for assisting the Board of Directors (the "Board") in determining the policy and structure for the remuneration of Directors and Senior Executive Management. It is also responsible for recommending the nomination and re-nomination of Directors. With regard to governance, the NRCGC looks after the corporate governance practices of the Bank to ensure their alignment to the QFMA CG Code, QFCRA, and other relevant corporate governance guidelines.

The structure of the NRCGC is outlined below:

Nomination, Remuneration, and Corporate Governance Committee (NRCGC)

#	Full Name	Position	Classification
1	Khaled Abdulla AlKhoori	Committee Chairman	Executive
2	Ibrahim Mohammad Jaidah	Committee Member	Non-Executive
3	Anwar Jawad Bukhamseen	Committee Member	Non-Executive
4	Ahmed Abdulla Al Marri	Committee Member	Non-Executive

As set out in the NRCGC Terms of Reference, the NRCGC shall meet once per year, or more frequently if circumstances require it. In 2017, the committee met 3 times.

Mr. Khaled Abdulla Al Khoori resigned as a member and Chairman of the NRCGC on 12 April 2017 following his appointment as acting CEO and in order to avoid any Conflict of Interest. The new Chairman will be appointed by way of circulation prior to the next Board meeting scheduled on 9 February 2018.

3.6.2 Audit, Risk, and Compliance Committee (ARCC)

The ARCC is responsible for assisting the Board in fulfilling its oversight responsibilities for the Internal and External Audit functions, QFB Risk functions, QFB Compliance functions, the financial reporting process, the system of internal control, and the Bank's process for monitoring compliance with laws and regulations and the QFB code of conduct. As set out in the ARCC Terms of Reference, the ARCC shall meet as often as required but not less than six times a year. In 2017, the committee met a total of 4 times.

The structure of the ARCC is outlined below:

Audit, Risk, and Compliance Committee (ARCC)			
#	Full Name	Position	Classification
1	Mosabah Saif Al Mutairy	Committee Chairman	Non-Executive and Independent
2	Ahmed Abdulla Al Marri	Committee Member	Non-Executive
3	Mohamed Nasser Al Hajri	Committee Member	Non-Executive and Independent
4	Jassim Mohamed Al Kaabi	Committee Member	Non-Executive

3.6.3 Executive Committee (EXCOM)

The EXCOM is responsible for providing management with Board guidance and advice and acting as a "sounding board" for management on emerging issues, problems, and initiatives. The EXCOM also acts as an advisor to the Board and reviews, assesses and makes recommendations to the Board on various matters as requested. As set out in the EXCOM Terms of Reference, the EXCOM shall meet as often as required but not less than three times a year. In 2017, the committee met a total of 6 times.

The structure of the EXCOM is outlined below:

Executive Committee (EXCOM)			
#	**Full Name**	**Position**	**Classification**
1	Abdulla bin Fahad Bin Ghorab Al Marri	Committee Chairman	Non-Executive
2	Ibrahim Mohammed Al-Jomaih	Committee Vice Chairman	Non-Executive
3	Ibrahim Mohammad Jaidah	Committee Member	Non-Executive
4	Anwar Jawad Bukhamseen	Committee Member	Non-Executive
5	Khaled Abdulla AlKhoori	Committee Member	Executive
6	Sheikh Jassim bin Hamad bin Nasser Al-Thani	Committee Member	Non-Executive

3.6.4 Operating Committee (OPCO)

The OPCO is responsible for assisting the Board in the development and approval of business initiatives for the commercial banking activities, namely the approval of financing facilities to Qatari individuals and businesses. As set out in the OPCO Terms of Reference, the OPCO shall meet at least once a month and as and when required. In 2017, the committee met a total of twice.

The structure of the OPCO is outlined below:

Operating Committee (OPCO)

#	Full Name	Position	Classification
1	Abdulla bin Fahad Bin Ghorab Al Marri	Committee Chairman	Non-Executive
2	Ibrahim Mohammad Jaidah	Committee Member	Non-Executive
3	Mohammed Nasser Al-Hajri	Committee Member	Non-Executive and Independent
4	Shk. Jassim Hamad Al Thani	Committee Member	Non-Executive and Independent

4. Shari'ah Supervision

As an institution offering only Islamic financial services, QFB is committed to ensuring that Shari'ah principles are embedded in all activities undertaken by the Bank, internally and externally. QFB's Shari'ah Supervisory Board (SSB) objective is to ensure that the Bank's operations compliance with the Islamic Shari'ah principles. The SSB consists of 3 members.

The structure of the SSB is outlined below:

Shari'ah Supervisory Board (SSB)		
#	**Full Name**	**Position**
1	Professor Dr. Ali Al Quradaghi	SSB Chairman
2	Shaikh Dr. Yahia Al Noaimi	SSB Member
3	Shaikh Dr. Sultan Al Hashemi	SSB Member

5. Senior Executive Management Team

The Senior Executive Management team consists of the CEO and his direct reports. The CEO is appointed by the Board of Directors. The CEO is responsible to the Board of Directors for the general and active management of the business, including overseeing the day-to-day operations of the Bank, and ensures that the resolutions of the Board of Directors and the shareholders are carried out. The CEO has the right to delegate a part of his responsibilities and prerogatives to other employees or officers of the Bank.

The Senior Executive Management Team is made up of the following individuals:

Senior Executive Management Team		
#	**Full Name**	**Position**
1	Mr. Khaled Al Khoori	Acting Chief Executive Officer
2	Mr. Sulaiman Yousif Al-Hashmi	Chief Business Officer

3	Mr. Ayman Zaidan	Head of Treasury and Investment Management
4	Mr. Omar Fayed	Executive Director – Alternative Investments
5	Mr. Scott Strachan	Executive Director – Alternative Investments
6	Mr. Andre Nussbaumer	Head of Compliance and MLRO
7	Mr. Hani Katra	Chief Financial Officer
8	Mr. Yaser Al Maghribi	Chief Risk Officer
9	Mr. Ismail Alawadhi	Head of Shari'ah Compliance
10	Mr. Toufic Abi Fadel*	General Counsel and Company Secretary
11	Mr. Mohammed Al-Sahli	Head of Corporate Services

*Mr. Toufic Abi Fadel resigned with effect from 26 January 2018.

6. Separation of the Positions of Chairman and the CEO

The positions of Chairman and CEO at QFB are held by two different individuals. The Chairman of the Board is Mr. Abdulla bin Fahad Bin Ghorab Al Marri and the Acting CEO is Mr. Khaled Al Khoori.

7. Remuneration

QFB's Remuneration policy is in place and was reviewed to ensure alignment with the QFMA CG Code. It was approved by the AGM on 6 April 2017. The Remuneration Policy covers the remuneration of the Directors on the Board, the CEO, and other members of Senior Executive Management. The Remuneration Policy states that there will be fixed and performance related components to remuneration packages.

The NRCGC is responsible for reviewing and recommending changes to the Remuneration Policy. The remuneration of directors on the Board is disclosed in the Bank's Annual Report.

8. Conflicts of Interest

The Compliance Department at QFB maintains a register of all reported and/or identified conflicts of interests and the Head of Compliance continuously reports on all identified conflicts of interests to the ARCC on a quarterly basis. In 2017, no conflicts of interest transactions have been reported to the Compliance Department. There were no reported conflicts of interests between the Directors and the Bank. However, all related party transactions (including credit facilities to Directors and to affiliates of the Bank) are declared and monitored by the Risk Department and mentioned in a related party transactions report circulated to the Senior Executive Management. Any sole major transactions with any "Related Party" can only be carried out after the approval of the General Assembly of the Bank and is included in the agenda on the next General Assembly.

9. Management – level Committees

The establishment of the Bank's management-level committees is approved by the CEO. The following management-level committees are operational at QFB:

a. Management Committee (MANCOM)
b. Asset & Liability Committee (ALCO)
c. Product Development Committee (PROCO)
d. Credit Committee (CCOM)
e. Investment Committee (INVCO)

10. Internal Audit

The Internal Audit function is responsible for auditing the internal controls and overseeing their implementation. The Internal Audit Function at QFB reports to the ARCC. Currently, QFB's Internal Audit function is outsourced to an external professional firm. This arrangement has been approved by the QFCRA. In 2017, 11 audit reports were finalized. QFB is in the process of recruiting a personnel to handle its Internal Audit function internally.

11. External Audit

The External Audit Report will state whether (consolidated) financial statements of QFB have been prepared in accordance with Financial Accounting Standards (FAS) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). In line with the requirements of AAOIFI, for matters that are not covered by FAS, the Bank use the guidance from the relevant International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as set out in the accounting policies in the notes to the consolidated financial statements.

In accordance with the Bank's Articles of Association, QFB will not appoint the same External Auditor for more than 5 consecutive years.

KPMG's first annual audit was for the year ended 31 December 2015 and then were reappointed as QFB's External Auditor on 6 April 2017 for the year ended 31 December 2017.

12. Compliance

The Head of Compliance reports directly to the ARCC Chairman. The Bank's Corporate Governance structure ensures that it benefits from expert advice and the support of compliance in order to ensure that all areas of the Bank's operations are in full compliance with relevant local statutory requirements.

13. Risk Management

QFB's Internal Control Framework includes the Risk Management functions in addition to the Internal Audit functions and the External Audit. Risk management activities are carried out at all levels of the Bank, including the Board of Directors, Board Committees (namely the ARCC), and Senior Executive Management. The Bank has in place a Risk Management Framework Policy covering the following key areas:

- Design including risk governance & oversight, risk strategy, risk appetite, risk policies and procedures, risk processes and risk infrastructure
- High-level risk profile including business risks and governance risks
- Risk-rating matrix including likelihood, impact and risk rating

14. Disclosures

The Bank is fully committed to abiding by all disclosure requirements imposed by the QFMA CG Code. Major events related to the Bank should be disclosed to Qatar Exchange (QE) and the media in line with the requirements of QFMA and the Bank's Articles of Association. The summary of the financial statements should be sent to the shareholders 21 days prior to the General Assembly meeting. The Annual Report is distributed to shareholders in the General Assembly meeting. The Annual Report will include important information pertaining to the Bank's activities and the financial statements that are prepared as per the financial accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

The following is a disclosure of the percentage of share capital held by Board members, executive officials, and senior shareholders as of 31/12/2017:

- Percentage of share capital held by the Board members (directly or indirectly through companies they represent at the Board): 31.73%
- Percentage of share capital held by Senior Executive Management: 0%
- Percentage of share capital held by major shareholders (owning more than 5% of the share capital): 21.47%

15. Shareholder Relations

Shareholders are the owners of QFB, sharing its risks, profits, and losses, and having a residual claim on the earnings and assets. Shareholders have all rights conferred upon them by related laws and regulations including the QFMA CG Code as well as the Bank's policies and Articles of Association.

The Board of Directors aims at ensuring that Shareholders' rights are respected and Shareholders are treated in a fair and equitable manner. The Board of Directors, Board Secretary, and Corporate Services Function at QFB are responsible for ensuring that shareholders gain a better understanding of its business through appropriate informative communications.

16. Sustainability and Corporate Social Responsibility

The Bank acts according to a deep commitment to advance sustainability and social responsibility. The commitment is demonstrated in the Bank's initiative to take part in community development and promotion, environment preservation through effective and meaningful participation system of corporate social responsibility. The Executive Management in the Bank puts forth a plan through which it implements the CSR philosophy, policy and principles towards the benefit of community.

For the last few years, the Bank organised the following events:

- Free Lecture session for Qatar University students (both QFB and University premises)
- Providing host venue for Qatar Debate program
- Annual contribution for ROTA event
- Injaz event support and contribution
- Knowledge Excellence Series - focused on education and promotion of knowledge which aligned with Qatar's National Vision of which education is a key pillar.

During 2017 more particularly, the following activities were mainly completed focusing the area of education:

- Free Lecture session for Qatar University students (both QFB and University premises)
- Providing host venue for Qatar Debate program

17. General Meetings (AGM and EGM)

The Corporate Service Function at QFB manages the timely gathering of Shareholders and coordinates the timely preparation of General Meeting letters and agenda with the Board Secretary. The function discloses the date, time, venue and agenda of the AGM/EGM to QE and QFMA immediately after the Board convenes and approves the financial results and dividend distribution. As per the Articles of Association, the AGM/EGM meeting should be called by giving at least 21 days' notice to all Shareholders, the Board and the Auditors.

Shareholders should have the opportunity to participate effectively and vote in the General Meeting and should be informed of the rules, including voting procedures that govern the meeting. As per the Bank's Articles of Association, shareholders have the right to call for an EGM, to place items on the agenda, discuss matters listed on the agenda and address questions and receive answers.

QFB's last General Meeting was held on 6 April 2017.

Appendix A - QFMA Checklist

QFMA Corporate Governance Checklist

Article #	Item #	Compliance	Non-compliance	N/A	Governance applications	Comments / Action Plan
Article 2 Scope of Implementation	2-1 The Code shall apply to companies, legal entities listed on the Main Market unless there is a special provision on this regard stipulated in any of the Authority's Legislation. 2-2 The Company shall disclose its compliance with the provisions of this Code in the annual report. 2-3 In case of non-compliance with any principle or provision for reasons accepted by the Authority, the Company shall specify the article or articles that have not been complied along with its justifications for non-compliance in the Governance report.	☒	☐	☐	2-1 QFB is listed on the Qatar Stock Exchange and their CG Manual follows QFMA regulations. 2-2 QFB has disclosed its compliance with the provisions of the code in its annual CG report. 2-3 The CG report includes QFMA CG Checklist, the Bank's governance applications and states non-compliance justifications.	
Article 3 Compliance with	3-1 The Board shall ensure the company commits to implement the	☒	☐	☐	3-1 QFB has contracted an external consultant to perform a Corporate Governance Gap	

Governance Principles	Governance principles set out in the QFMA Code. 3-2 The principles shall include upholding the values of corporate social responsibility and providing the public interest of the Company and Stakeholders over the personal interest. 3-3 The Board shall review and update				Analysis Review on QFB's Governance practices last October 2017. The gap analysis review, although not an exhaustive exercise, focused on identifying Corporate Governance gaps against the following guidelines: • "A Guide to Corporate Governance for QFC Authorised Firms" issued by QFCRA in January 2012 (Guideline); and • "Governance Code for Companies & Legal Entities Listed on the Main Market" issued by QFMA in May 2017. 3-2 The CG Manual mentions the Bank's role in participating in community development and promotion, and the environment preservation through effective and meaning participation system of Corporate Social Responsibility. 3-3 QFB's CG Manual is prepared in	

	the approved Governance applications on regular basis. 3-4 The Board shall update professional conduct rules setting forth the Company's values and shall review its policies charter and internal procedures on a regular basis.				compliance with QFMA provisions and is periodically reviewed and updated. 3-4 QFB has a Code of Conduct in place and is periodically reviewed and updated.	
Article 4 Governance Report	4-1 The board shall prepare annual corporate governance report signed by the Chairman. 4-2 The Governance report shall include all the information relevant to the implementation of the provisions of this code including but not limited to the following: 4.2.1 The procedures followed by the company in this respect;	☒	☐	☐	4-1 The CG Committee at QFB is in charged with the task of preparing the annual corporate governance report in coordination with the relevant functions at QFB. The CG report is signed by QFB Chairman Abdulla Bin Fahad Bin Ghorab Al Marri. 4-2 The CG report is developed in accordance to QFMA Corporate Governance rules and includes all the information pertaining to the execution of the guidelines pertained in the Code. Further details on disclosures are cited in QFB's financial statements. 4.2.1 The CG report includes the procedures and	

					actions followed by the Bank.	
	4.2.2 The disclosure of any violations committed during the fiscal year, their reasons and the remedial measures taken to avoid the repetition of the same violations in future;				4.2.2 The report includes a QFMA CG Checklist and states non-compliance justifications.	
	4.2.3 The disclosure of Board members and its Committees, Senior Executive Management in the Company, their responsibilities, powers and activities during the fiscal year, as well as their remunerations;				4.2.3 The CG Report provides information concerning the responsibilities and remunerations of the Board and Senior Executive Management.	
	4.2.4 The disclosure of procedures of risk management and internal controls of the Company including supervising the financial affairs, investments and any relevant information;				4.2.4 The CG Report includes concise information on risk management and internal control. The procedures are included in the risk management policy.	
	4.2.5 The committees' works, including number of meetings and their recommendations;				4.2.5. The CG Report includes the responsibilities of the committees, number of meetings required and actual meetings held.	
	4.2.6 The disclosure of procedures followed by the Company in defining, assessing and managing significant risks, a comparative analysis of the risk factors encountered by the Company and discussion of the systems in place to confront drastic or unexpected changes in the market;				4.2.6 The CG Report includes concise information on risk management. The procedures are included in risk management policy.	

	4.2.7 The disclosure of the assessments conducted for the Board's performance in achieving the Company's interest, doing the committee's works and their attending of the Board and Committees. The disclosure of the performance assessment of the Senior Executive Management in implementing the Internal Controls System and risk management including the identification of the number of times when the board was notified of control issues, complaints, proposals, notifications and the ways of managing such issues by the Board;			4.2.7 The Board self-assessment was conducted in January 2017. Senior Management's performance against the set targets were discussed during the Board meetings on a continuous basis.
	4.2.8 The disclosure of the failures in internal controls, wholly or partly, or weaknesses in its implementation, contingencies that have affected or may affect the Company's financial performance and the procedures followed by the Company in addressing internal control failures, in particular the problems disclosed in the company's annual reports and financial statements;			4.2.8 An internal audit policy is in place which has been reviewed and approved by the ARCC in December 2017. The policy includes procedures implemented by the Bank in addressing any failures in internal controls or weaknesses in implementing its internal controls along with contingencies that may affect the Bank's financial performance. No failures in internal controls were identified for 2017.
	4.2.9 The disclosure of the compliance of			4.2.9 QFB is committed to abiding

	the Company with applicable market listing and the disclosure of the rules and requirements of listing; 4.2.10. The disclosure of any conflicts or dispute on which the Company is a party including arbitration and lawsuits.				by all disclosure requirements imposed by the QFMA CG Code and major events are disclosed on QE. 4.210 No conflicts of interest were reported in 2017. The Conflict of Interest policy is incorporated within the Bank's CG Manual which is periodically reviewed and updated.	
Article 5 Board Member Requirements	5-1 The Board member must be qualified with sufficient knowledge of administrative matters and relevant experience to execute its duties effectively, and must render sufficient time to perform its job with integrity and transparency to achieve the Company's interest, goals and objectives.	☒	☐	☐	5-1 All QFB board members are qualified based on the 'Fit and Proper' guidelines set forth in the QFCRA rules and regulations and in compliance with the QFMA CG Code. Board members were carefully chosen through a rigorous process in which their qualifications experiences, and experience in administrative matters were assessed.	
	5-2 The Board member must: 5.2.1 Not be under twenty-one years old with full capacity. 5.2.2 Not have been sentenced to criminal penalty, or a crime against honour or integrity, or any of the crimes stipulated in Article (40) of Law				5-2 All Directors are nominated based on the guidelines provided in points 5.2.1 and 5.2.2	5.2.3 This process will be followed by 30 June 2018.

	No. (8) Of 2012 concerning the Qatar Financial Markets Authority, and articles (334) and (335) of law No. (11) Of 2015 Promulgating Commercial Companies Law, or be prevented from practicing any work in the entities subject to the Authority's jurisdiction under Article (35 paragraph 12) of law No. (8) Of 2012 referred to, or have been bankrupted, unless been rehabilitated. 5.2.3 Be a shareholder owning, when elected, or within thirty days from its election date, a number of the Company's shares determined by Article of Association. Such shares shall be deposited to the Depository within sixty days from starting date of membership with prohibition from trading, mortgage or seize until the end of membership period, approved on the last budget of financial year of doing business. Such shares shall also be allocated to ensure the rights of the Company, shareholders, creditors and third					

	parties for the responsibility of the Board members. If the member does not provide the guarantee as mentioned, its membership becomes invalid. The Independent Member shall be exempted from this requirement.					
	5-3 The candidate for Board membership shall provide written acknowledgment stating not undertaking any legally prohibited job position to combine it with the Board membership.				5-3 Board members have not taken any legally prohibited job positions. Refer 7.3 for board members written acknowledgment details.	
	5-4 The Company shall commit to send a list of names and data of Board membership candidates attached with each candidate's curriculum vitae and original copies of candidacy requirements to the Authority at least two weeks before the date specified for Board election.				5-4 The Bank sends a list of names and required details about Board membership candidates when new members are to be elected.	
Article 6 Board Composition	6-1 The Board composition shall be pursuant to the Law and the Company's	☒	☐	☐	6-1 The Board members were selected through a rigorous process in which their qualifications and	

	Articles of Association. 6-2 At least one-third of the Board Members shall be Independent Board Members, the majority of the Board members shall be Non-Executive Board Members; and a seat or more of seats may be allocated to represent the Minority and another to represent the Company employees. 6-3 In all cases, the Board composition shall ensure that one member or more do not dominate issuing the Board decisions.				experience were assessed. 6-2 The Board of Directors consists of 10 Non-Executive Directors, 9 of which are Non-Executive Directors and 1 is Executive Director. 3 of the Directors are also Independent which makes 1/3 (30%) of the members independent. All non-independent members are directly or indirectly shareholders or representing an entity which is a shareholder of the Bank. 6-3 Each member holds 1 vote only and in case of a tie, the Chairman holds the final vote.	
Article 7 Prohibition of Combining Positions	7-1 It is prohibited for any one, whether in person or in capacity, neither to be a Board Chairman or a vice-chairman for more than two Companies which their headquarters located in the State. 7.1.1 nor to be a Board member for more than three shareholding companies which	☒	☐	☐	7-1 QFB Chairman Abdullah Al Marri holds a Board chairman position in another Qatari based company in addition to his current role of Chairman at QFB. 7.1.1 None of the Board members are board members in more than 3	

	their headquarters located in the State. 7.1.2 nor to be a Managing Director in more than one Company which its headquartered located in the State. 7.1.3 nor to combine two memberships of two Companies exercising a homogenous activity.			shareholding companies. 7.1.2 None of the Board members are managing directors in more than 1 company.	
	7-2 It is also prohibited to combine the position of the Chairman with any other executive position in the Company. The Chairman shall not to be a member of any of the Board committees set out in this Code.			7-2 The positions of Chairman and CEO at QFB are held by two different individuals. The Chairman of the Board is Mr. Abdulla bin Fahad Bin Ghorab Al Marri and the acting CEO is Mr. Khaled Al Khoori. Moreover, the Chairman is not part of the NRCGC and ARCC committees, however he is part of EXCOM and OPCO committees.	
	7-3 The Chairman and the members of the Board must provide an annual acknowledgment that no one of them shall combine the prohibited positions according to the Law and this Code provisions. The Secretary shall keep such acknowledgment in				7.3 Board members are in the process of providing a written acknowledgment stating that they are not undertaking any legally prohibited job position/s to combine with the Board membership through the Conflict of

	the file prepared for this purpose.					Interest Disclosure Form.
Article 8 Key Functions and Tasks of the Board	8-1 The Board shall prepare a Charter called "Board Charter" detailing the Board's functions, and rights, duties and responsibilities of the Chairman and members, according to the provisions of the Law and this Code, and shall be published at the Company's website. 8-2 The Board Charter shall include the Board's key functions and responsibilities including, at least the following: 8.2.1 Approving the Strategic Plan and main objectives of the Company and supervising their implementation, including: 8.2.1.1 Setting a comprehensive strategy for the Company and key business plans and risk management policy, reviewing and directing them. 8.2.1.2 Determining the most appropriate capital structure of the Company, its	☒	☐	☐	8-1 QFB has a Board charter that is published on their website. The charter is developed based on QFMA, QFCRA and QFB AoA and any changes that need to be done to the charter require board approval. The charter includes the policies and standards for board members. 8.2.1 The Board charter clearly states the Board responsibilities including the following: Set overall direction, Approve risk levels, Task full time Senior Executive Managers to implement direction, Assist in business plan implementation, Monitor performance & ensure compliance, and Approve published financial statements.	

	strategies and financial objectives and approving its annual budgets. 8.2.1.3 Supervising the main capital expenses of the company and acquisition/disposal of assets. 8.2.1.4 Setting the performance objectives and monitoring the implementation thereof and the overall performance of the Company. 8.2.1.5 Reviewing and approving the organizational structures of the Company on periodic basis to ensure distinct distribution for the functions, tasks and responsibilities of the Company especially internal control units. 8.2.1.6 Approving the procedures manual needed to implement the strategy and objectives of the Company, prepared by senior executive management. The manual shall include determining ways and means of the quick contact with the Authority and other regulatory authorities as well as all parties concerned to governance,					

	including the appointment of a communication officer. 8.2.1.7 Approving the annual plan of training and education in the Company that includes programs introducing the Company, its activities and Governance, according to this Code.					
	8.2.2 Setting the rules and procedures for Internal Control and supervising them, that includes: 8.2.2.1 Developing a written policy that would regulate conflict of interest and remedy any possible cases of conflict by Board members, Senior Executive Management and shareholders. This includes misuse of the Company's assets and facilities and the mismanagement resulting from transactions with Related Parties. 8.2.2.2 Developing full disclosure system as to achieve justice and transparency and to prevent conflicts of interest and exploiting the insider Information.				8.2.2 The Board charter states that the BOD are responsible to assess the performance of senior executive management with regards to internal control. The Bank has in place a Conflict of Interest policy which is incorporated within its CG Manual.	

	Such system shall include procedures followed when dealing in securities by Insiders, and identify prohibited periods of their trading in securities of the Company or any company of its group, as well as preparing and updating a list of Insiders to provide a copy to the Board and the Market upon adoption or update. 8.2.2.3 Ensuring the integrity of the financial and accounting rules, including rules related to the preparation of financial reports. 8.2.2.4 Ensuring the implementation of control systems appropriate for risk management by generally forecasting the risks that the Company may encounter and disclosing them transparently. 8.2.2.5 Reviewing annually the effectiveness of the Company's Internal Control procedures. 8.2.3. Drafting a Governance code for the Company that does not contradict the provisions of this Code, supervising and monitoring in				8.2.3 The charter is developed based on QFMA, QFCRA, and QFB AoA and any changes that need to be done to the charter require Board approval.	

	general the effectiveness of this Code and amending it whenever necessary. 8.2.4 Setting forth specific and explicit policies, standards and procedures for the Board membership and implementing them after approval by the General Assembly. 8.2.5 Developing a written policy that regulates the relationship among the Stakeholders in order to protect them and their respective rights; in particular, such policy must cover the following: 8.2.5.1 Indemnifying mechanisms of the Stakeholders in case of contravening their rights pursuant to the Law and their respective contracts. 8.2.5.2 Mechanisms of complaints or disputes that might arise between the Company and the Stakeholders. 8.2.5.3 Suitable mechanisms for maintaining good relationships with customers and suppliers and protecting the confidentiality of			8.2.4 The charter includes the policies and standards for Board members. 8.2.5 The Bank has a Stakeholder Relationship policy incorporated within its CG Manual which is periodically reviewed and updated.		

	Information related to them. 8.2.5.4 Put a code of conduct for the Company's executives and employees compatible with the proper professional and ethical standards, and regulate their relationship with the Stakeholders and mechanisms for supervising this Code and ensuring compliance there with. 8.2.5.5 The Company's social contributions.					
	8.2.6 Setting policies and procedures to ensure the Company's compliance with the laws and regulations and the Company's obligation to disclose material Information to shareholders, creditors and other Stakeholders.				8.2.6 The charter is developed based on QFMA, QFCRA, and QFB AoA.	
	8.2.7 Inviting all shareholders to attend the General Assembly Meeting in the way charted by Law. The invitation and the announcement shall include a thorough summary of the General Assembly agenda, including the item of discussing				8.2.7 The Board secretary prepares a timely letter and agenda for the General Meetings.	

	and approving the Governance Report.					
	8.2.8 Approving the nominations for appointment in functions of Senior Executive Management, and the succession planning concerning the management.			8.2.8 The charter discusses succession planning of the Board and the Senior Executive Management and other key functions.		
	8.2.9 Developing a mechanism for dealing and cooperation with providers of financial service, financial analysis, credit rating and other service providers as well as the entities that identify standards and indices of financial markets in order to provide their services for all shareholders in a quick manner with integrity and transparency.			8.2.9 Dealing with the financial market is part of the Bank's Risk Management Policy and Finance Policy.		
	8.2.10 Developing awareness programs necessary for spreading the culture of self-control and risk management of the Company.			8.2.10 The Board charter mentions the responsibility of the Board to develop awareness programs for spreading the culture of control self-assessment and risk management within the Bank.		
	8.2.11 Setting a clear and written policy that defines the basis and method of granting remuneration for the Board members, in addition to incentives and rewards of Senior Executive			8.2.11 Based on the NRCGC Terms of References (TOR), the NRCGC are required to develop a remuneration policy to be presented to the shareholders at the AGM.		

	Management and the Company's employees in accordance with the principles of this Code without any discrimination based on race, gender or religion. Such policy shall be submitted yearly to the General Assembly for approval. 8.2.12 Developing a clear policy for contracting with the Related Parties and presenting it to the General Assembly for approval. 8.2.13 Setting foundations and standards for evaluating the performance of the Board and the Senior Executive Management.				Remuneration policy is in place and was last approved at the AGM on 6 April 2017. 8.2.12 Connected party, large exposure and related party policy is in place and was communicated at the AGM for approval. 8.2.13 The charter states that Board members perform self-assessment which is then submitted and reviewed by NRCGC. The Board assesses Senior Executive Management based on timeliness and accuracy of notifying the Board of control issues as well as the manner in which these issues were handled by the Board.	
Article 9 Board Responsibilities	9-1 The Board shall bear the responsibility to protect shareholders from illegal or abusive practices and business, or any acts or decisions that may be harmful to them, discriminate among	☒	☐	☐	9-1 The Board assumes responsibilities towards shareholders.	

	them, or let a group dominate another.					
	9-2 The responsibilities of the Board must be clearly stated in the Company's Articles of Associations and in "the Board Charter" referred to in the previous article				9-2 The Board Charter and the Bank's AoA clearly state the Board responsibilities.	
	9-3 Without violating the provisions of the Law, the Board must carry out its functions and duties, and bear responsibility according to the following: 9.3.1 The Board must carry out its duties in a responsible manner, in good faith and with due diligence. Its decisions should be based on sufficient Information from the executive management, or from any other reliable source.				9.3.1 The Bank is managed by a Board of Directors. The Board of Directors has been granted full control and authority to manage and run the Bank's business. Each member of the Board or the Senior Executive Management has a "duty of care" and "duty of loyalty".	
	9.3.2 A Board member represents all shareholders; shall undertake to carry out whatever might be in the interest of the Company, but not in the interests of the group it represents or that which voted in favor of its				9.3.2 The Board assumes responsibility towards shareholders and stakeholders.	

	appointment to the Board.					
	9.3.3 The Board shall determine the powers to be delegated to the executive management and the procedures for taking any action and the validity of such delegation. It shall also determine matters reserved for decision by the Board. The executive management shall submit to the Board periodic reports on the exercise of the delegated powers.				9.3.3 The Board delegates the Senior Executive Management to implement decisions. Executive Management periodically reports to the Board.	
	9.3.4 The Board shall ensure that procedures are laid down for orienting the new Board members of the Company's business and, in particular, the financial and legal aspects, in addition to their training, where necessary.	☒				9.3.4 The CG manual states that full, formal and tailored induction training are to be given to newly appointed Directors. However, QFB has not conducted any training for newly appointed Directors for 2017. Training plan for the Board members is in place and will be rolled out in 2018.
	9.3.5 The Board shall ensure that sufficient Information about the Company is made available to all Board members, generally,				9.3.5 The Directors have unrestricted access to company records and information and receive regular	

	and, in particular, to the Non-Executive Members, to enable them to discharge their duties and responsibilities in an effective manner. 9.3.6 The Board shall not enter into loans that spans more than three years, and shall not sell or mortgage real estate of the Company, or drop the Company's debts, unless it is authorized to do so by the Company's Articles of Association. In the case where the Company's Articles of Association includes no provisions to this respect, the Board should not act without the approval of the General Assembly, unless such acts fall within the normal scope of the Company's business.				detailed financial and operational reports from the Management. 9.3.6 Connected party, large exposure related party policy is in place, however it does not mention board authorization in regards to loans, mortgages and debt.	
Article 10 Tasks Delegation	10-1 The Board shall assume all the necessary competencies and powers for the Company's management. 10-2 The Board may delegate to its committees to exercise some of such powers, and	☒	☐	☐	10-1 The Board acts honestly and in good faith, exercising care, diligence and skill. 10-2 The Board forms the Board committees and delegates powers and authorities to the appropriate levels.	

	may form a special committee or more to carry out specific tasks to be stipulated in the decision of formation the nature of those tasks 10-3 The ultimate responsibility for the Company rests with the Board even if it sets up committees or delegates some of its powers to a third party. The Board shall avoid issuing a general or an open-ended delegation				10-3 Directors may collectively exercise all powers within QFB in accordance with its Articles of Association, within limits set by the QFC Authority and powers vested by the Shareholders.	
Article 11 Duties of the Board Chairman	11-1 The Chairman: is the president of the Company, represents it before the others and before the judiciary and is primarily responsible for ensuring the proper management of the Company in an effective and productive manner and working to achieve the interest of the Company, partners, shareholders and Stakeholders. 11-2 The Board Charter must include tasks and responsibilities at least the following:	☒	☐	☐	11-1 The Chairman represents the Bank as a whole and has the final vote in case there is a tie vote. 11-2 The duties of the Chairman outlined in QFMA Governance Code are practiced at QFB and reflected in	

					the Board Charter and the CG Manual.	
	11.2.1 Ensuring that the Board discusses all the main issues in an efficient and timely manner;				11.2.1 The Board shall schedule a minimum of six Board meetings (minimum once every two months). The Board held 13 meetings in 2017.	
	11.2.2 Approving the agenda of the Board meeting taking into consideration any matter proposed by any other Board member;				11.2.2 The Board secretary will circulate the Board agenda. Additional items will be included in the agenda despite the Chairman's objections if two or more Directors insist on including the items.	
	11.2.3 Encouraging all Board members to collectively and effectively participate in dealing with the Board affairs for ensuring that the Board is working with its responsibilities to achieve the best interest of the Company;				11.2.3 The Board shall act honestly and in good faith, exercising care, diligence and skill.	
	11.2.4 Making available for the Board Members all data, Information, documents and records of the Company, and of the Board and its committees;				11.2.4 The Directors have unrestricted (i.e. full and immediate) access to company records and information and receive regular detailed financial and operational reports from the Management.	
	11.2.5 Creating effective				11.2.5 The Board and shareholders raise	

	communication channels with shareholders and making their opinions heard to the Board; 11.2.6 Allowing effective participation of the Non-Executive Board Members in particular and promoting constructive relations between Executive and Non- Executive Board Members; and 11.2.7 Keeping the members constantly informed about the implementation of the provisions of this Code, the Chairman may authorize Audit Committee or other committee in this mission. 11-3 The vice-chairman shall replace the Chairman during his absence, and the Chairman may authorize another of the Board members in some of his/her powers.				their opinions in the AGM. 11.2.6 The Board of Directors consists of 10 Non-Executive Directors, 9 of which are Non-Executive Directors and 1 is Executive Director. 3 of the Directors are also Independent which makes 1/3 (30%) of the members independent. All non-independent members are directly or indirectly shareholders or representing an entity which is a shareholder of the Bank. 11.2.7 This mission has been delegated to the NRCGC committee. 11-3 The Board charter states that the Vice Chairman shall replace the Chairman during his absence, and the Chairman may authorize another of the Board members in some of his/her powers. In addition, it is also mentioned in the AoA, that the Vice	

					Chairman shall act as a Chairman of meeting of the board in the absence of the Chairman.	
Article 12 Board Members Obligations	12-1 The Board members shall comply with the following: 12.1.1 Attending meetings of the Board and committees regularly, and not withdrawing from the Board except for the need at the right time. 12.1.2 Giving priority to the interest of the Company, shareholders and all Stakeholders over their own interest; 12.1.3. Providing opinion on the Company's strategic matters, policy of projects implementation, staff accountability systems, resources, key appointments and operation standards; 12.1.4 Monitoring the Company's performance in realizing its agreed	☒	☐	☐	12.1.1 The Board meets at least six times per year. For 2017 the Board met 12 times. 12.1.2 As per the CG Manual, the Board assumes the responsibility towards Shareholders and other Stakeholders and Related Parties within QFB and the community at large. 12.1.3 As per the CG Manual, the Board is responsible to review, approve and monitor the strategies, plans, and objectives, organizational structure developed by the Bank. In addition, they are responsible to ensure that the necessary financial and human resources are in place for QFB to meet its objectives and goals. 12.1.4 As per the CG Manual, the Board is responsible to review a comprehensive set	

	objectives and goals and reviewing its performance reports including the Company's annual, half yearly and quarterly reports;			of management, financial and operations reports for the purpose of meeting their roles and responsibilities.	
	12.1.5 Supervising the development of the procedural rules for the Company's Governance to ensure their implementation in an optimal manner in accordance with this Code.			12.1.5 As per the CG Manual, the Board is responsible to develop the procedural rules for the Bank's corporate governance practices in an effort to ensure their implementation in a consistent manner and any amendments to them require Board approval.	
	12.1.6 Using their diversified skills and experience with diversified specialties and qualifications through an effective and productive management of the Company, and working to achieve the interests of the Company, partners, shareholders and other Stakeholders.			12.1.6 As per the CG Manual, the Board assumes the responsibility towards Shareholders and other Stakeholders and Related Parties within QFB and the community at large. Furthermore, they assist in business planning.	
	12.1.7 Effective participation in the Company's general assemblies, and achieving its members' demands in a balanced and fair manner.			12.1.7 As per the CG Manual, the Board assumes the responsibility for calling the General Meetings.	
	12.1.8 Not to make any statements, data or Information without prior written permission from the			12.1.8 The CEO is the Bank's official spokesperson.	

	Chairman, and the Board shall appoint an official spokesperson for the Company. 12.1.9 Disclosure of financial and trade relations, and litigants, including the judicial, which may affect negatively on carrying out the tasks and functions assigned to them.				12.1.9 QFB prohibits the public disclosure of confidential company and customer information. This policy applies to all its employees without any exception.	
Article 13 Invitation for Meeting	13-1 The Board shall meet upon an invitation by the Chairman, and pursuant to what is stipulated in the Company's Articles of Associations. 13-2 The Chairman may call the Board for the meeting upon a request by at least two of its members. 13-3 The invitation, accompanied with the agenda, shall be sent to each member at least one week prior to the meeting date; the member may request to add	☒	☐	☐	13-1 The Board holds meetings according to a preapproved schedule. As per the AoA and CG Manual, the Board must meet least six meetings annually. The Board meets upon invitation sent by the secretary on behalf of the Chairman's request. 13-2 At least two Board members may call for a meeting upon request to the Chairman. 13-3 As per the Board Charter, the secretary will circulate the Board agenda and any papers for discussion at least two weeks prior to the scheduled Board meeting.	

	an item or more to the agenda.					
Article 14 Board Meetings	14-1 The Board shall convene at least six meetings during the year and three months must not elapse without convening a meeting. 14-2 The Board meeting shall be deemed valid if attended by the majority of the members provided that either the Chairman or the vice-Chairman attends the meeting. 14-3 The absent member may, by written request, delegate any other Board member to represent it in attendance and voting. A Board member cannot represent more than one member. 14-4 If the Board member is absent from attending three consecutive meetings or four non-consecutive meetings without an excuse acceptable to the Board, the Board member shall be deemed as resigned.	☒	☐	☐	14-1 The Board met 12 times during 2017. 14-2 Majority of the members attended the meetings. 14-3 A Director through a letter addressed to the Chairman, may appoint another director to vote on their behalf. 14-4 If the Director fails to attend three consecutive board meetings or three consecutive board committee meetings in a year is deemed resigned.	

Article 15 Board Decisions	15-1 Without violating the provisions of the Law in this regard, the Board shall pass its decisions by majority votes of attendants and representatives. In case of a tie votes, the Chairman shall cast the deciding vote. 15-2 A minute shall be prepared for each meeting, including names of the attending and absent members, as well as the meeting discussions. 15-3 The Chairman and Secretary shall sign on the minute and if there is any member, who does not agree on any decision taken by the Board, may prove his objection in the meeting minute. 15-4 The Board, if necessary or urgent, may issue some decisions by passing subject to written approval of all its members to those decisions, and to be presented at the next Board meeting to include them in its minutes.	☒	☐	☐	15-1 As per the Board charter, each Board member holds one vote. In the case of a tie vote, the Chairman holds the deciding/final vote. 15-2 The Board secretary documents and maintains the minutes of the Board meetings. 15-3 As per the Board charter, the minutes need to be signed by the chairman and the secretary. 15-4 Board members send urgent matters for approval prior to holding formal meetings. The CG manual clearly states the Board's right to issue decisions by passing the subject to written approval.	

Article 16 Secretary	16-1 The Board shall issue a decision naming the Board Secretary. A priority shall be for a person who holds a university degree in law or accounting from a recognized university or equivalent, and for who has at least three years' experience in handling the affairs of a listed company. 16-2 The Secretary may, upon the Chairman approval, requires the assistance of any employee of the Company to perform its duties.	☒	☐	☐	16-1 QFB has appointed a Board secretary with appropriate experience and qualifications to properly fulfil the required duties. 16-2 As per the CG Manual and Board charter, a sub-delegation for the Board secretary position shall be appointed based on the approval from the Chairman for assistance to perform the duties.	
Article 17 Tasks and Duties of the Secretary	17-1 Recording the minutes of the Board meetings setting out names of the attending and absent members and the meeting discussions and prove member's objections to any decision issued by the Board.	☒	☐	☐	17-1 The Board secretary documents and maintains the minutes of the Board of Directors meetings. As mentioned in the Board charter, the minutes will include the names of Directors present and will be signed by both the Chairman and secretary of the meeting at which the proceedings took place (or by the Chairman and secretary of the next succeeding meeting)	

	17-2 Recording the Board decisions in the register prepared for this regard as per issuance date. 17-3 Recording the meeting held by the Board in a serial numbered register prepared for this regard arranged as per the holding date setting out names of the attending and absent members, the meeting discussions and the member's objections, if any. 17-4 Safekeeping the Board meetings' minutes, decisions, reports, all Board records and correspondence, and its writings in paper and electronic records. 17-5 Sending to the Board members and participants - if any – the meeting invitations accompanied with the agenda at least one week prior to the meeting specified date, and receiving				as evidence of approval of the proceedings / minutes. 17-2 Meeting minutes are recorded based on meeting date. 17-3 Meeting minutes are recorded based on meeting date and includes names of the attending and absent members. 17-4 Meeting minutes are kept with the Board secretary of the Bank. 17-5 Board Secretary will distribute meeting agendas at least two weeks prior to the scheduled Board meeting.	

	members' requests to add an item or more to the agenda with submission date. 17-6 Making full coordination between the Chairman and the members, among members themselves, as well as between the Board and the Related Parties and Stakeholders in the Company including shareholders, management, and employees. 17-7 Enabling the Chairman and the members to have timely access to all Information, documents, and data pertaining to the Company. 17-8 Safekeeping the Board members' acknowledgments of not combining prohibited positions pursuant to the Law and the provisions of this Code.				17-6 The secretary ensures coordination between amongst board members and stakeholders. 17-7 The secretary has the responsibility to ensure sound information flows within the board and the board committees. 17-8 The Board members' acknowledgment through the Conflict of Interest Disclosure Form will be circulated and implemented on the next General Assembly.	

Article 18 Board Committees	18-1 Nomination Committee, chaired by one of the Board members and a membership of at least two. When selecting the Committee members, the Board shall take into account the experience necessary for exercising the committee's functions, which are – at least - the following: 18.1.1 Developing general principles and criteria used by the General Assembly members to elect the fittest among the candidates for Board membership. 18.1.2 Nominating whom it deems fit for the Board membership when any seat is vacant. 18.1.3 Developing draft of succession plan for managing the Company to ensure the speed of a suitable alternative to fill the vacant jobs in the Company. 18.1.4 Nominating whom it deems fit to fill any job of the Senior Executive Management.	☒	☐	☐	18-1 In QFB the Nomination and Remuneration Committees are combined to one and include One Independent chairman and three members of whom one is independent. The NRCGC TOR includes all the authorities and responsibilities of the Board committee.	

	18.1.5 Receiving candidacy requests for the Board membership. 18.1.6 Submitting the list of Board membership candidates to the Board, including its recommendations in this regard, and sending a copy to the Authority. 18.1.7 Submitting an annual report to the Board including a comprehensive analysis of the Board performance to identify the strengths, weaknesses, and proposals in this regard. 18-2 Remuneration Committee, chaired by one of the Board members and a membership of at least two. When selecting the Committee members, the Board shall take into account the experience necessary for exercising the Committee's duties, which are – at least - the following: 18.2.1 Setting the Company's remuneration policy yearly including the way of identifying remuneration of the			18-2 In QFB the Nomination and Remuneration Committees are merged to one and include one independent chairman and three members of whom one is independent. The NRCGC TOR includes all the authorities and responsibilities of the board committee and states that the Board members' yearly remuneration shall not exceed 5%.	

	Chairman and all Board Members. The Board members' yearly remuneration shall not exceed 5% of the Company's net profit after deduction of reserves, legal deductions, and distribution of the dividends (in cash and in kind) to shareholders. 18.2.2 Setting the foundations of granting allowances and incentives in the Company, including issuance of incentive shares for its employees. 18-3 Audit Committee, chaired by an Independent Board Member and a membership of at least two. When selecting the Committee members, the Board shall take into account that: the majority of them shall be Independent Board Members; any person who has previously conducted audit for the Company within the previous two Years shall not be a candidate, directly or indirectly, for the Committee membership; and they shall have the experience necessary for			18-3 The committee includes one independent chairman and three members of whom one is independent. The ARCC TOR includes all the authorities and responsibilities of the Board committee.	

	exercising the committee's duties, which are – at least - the following: 18.3.1 Preparing and presenting to the Board a proposed Internal Control system for the Company upon constitution, and conducting periodic audits whenever necessary. 18.3.2 Setting the procedures of contracting with and nominating External Auditors, and ensuring their independence while performing their work. 18.3.3 Overseeing the Company's Internal Controls, following the External Auditor's work, making coordination between them, ensuring their compliance with the implementation of the best International Standards on Auditing and preparing the financial reports in accordance with International Financial Reporting Standards (IFRS / IAS) and (ISA) and their requirements;					

	verifying that the External Auditor's report include an explicit mention if it had obtained all the necessary Information and the Company's compliance with international standards (IFRS / IAS), or whether the audit was conducted based on International Standards on Auditing (ISA) or not. 18.3.4 Overseeing and reviewing the accuracy and validity of the financial statements and the yearly, half-yearly and quarterly reports. 18.3.5 Considering, reviewing and following up the External Auditor's reports and notes on the Company financial statements. 18.3.6 Ensuring the accuracy about and reviewing the disclosed numbers, data and financial statements and whatever submitted to the General Assembly. 18.3.7					

	Making coordination among the Board, Senior Executive Management, and the Internal Controls of the Company. 18.3.8 Reviewing the systems of financial and Internal Control and risk management; 18.3.9 Conducting investigations in financial control matters requested by the Board. 18.3.10 Making coordination between the Internal Audit Unit in the Company and the External Auditor. 18.3.11 Making coordination between the Internal Audit Unit in the Company and the External Auditor. 18.3.12 Reviewing the Company's dealings with the Related Parties, and making sure whether such dealings are subject to and comply with the relevant controls. 18.3.13					

	Developing and reviewing regularly the Company's policies on risk management, taking into account the Company's business, market changes, investment trends and expansion plans of the Company. 18.3.14 Supervising the training programs on risk management prepared by the Company, and their nominations. 18.3.15 Preparing and submitting periodic reports about risks and their management in the Company to the Board - at a time determined by the Board - including its recommendations, and preparing reports of certain risks at the behest of the Board or the Chairman. 18.3.16 Implementing the assignments of the Board regarding the Company's Internal Controls. 18.3.17 Conducting a discussion with the External Auditor and Senior Executive					

	Management about risk audits especially the appropriateness of the accounting decisions and estimates, and submitting them to the Board to be included in the annual report.				
Article 19 Committees Work	19-1 The Board shall issue a decision to nominate the chairman and members of each committee, identifying its responsibilities, duties and work provisions and procedures.	☒	☐	☐	19-1 The Board has established four Board Committees to which it has delegated certain powers and authorities.
	19-2 Audit Committee shall meet at least six meetings a year.		☒			19-2 For 2017, the Audit Committee met 4 times. As per the new QFMA regulations, the ARCC TOR now state that the Audit Committee needs to meet at least six times a year.
	19-3 It is prohibited to chair more than one committee composed by the Board, and it is not permissible to combine the chair of the Audit Committee				19-3 The Chairman of the audit committee is not part of any of the other committees.	

	and the membership of any committee. 19-4 The Nomination Committee and Remuneration Committee may be combined together in one committee called "Nomination and Remuneration Committee". 19-5 The committee's meeting shall be deemed valid if attended by its chairman and the majority of the members. A minute shall be prepared for each meeting including the meeting discussions signed by the committee's chairman. 19-6 Each committee shall submit an annual report to the Board including its work and recommendations. 19-7 The Board shall review and evaluate the committees' achievements, and include it in the Governance Report.				19-4 In QFB, the Nomination Committee and Remuneration Committee are merged into one committee i.e. NRCGC. 19-5 In QFB both committees are combined under NRCGC. 19-6 Each committee reports to the Board on a yearly basis (and when required) about its activities, issues, and related recommendations. 19-7 The committees report to the BOD on a yearly basis regarding the activities, issues, and related recommendations.	
Article 20	20-1	☒	☐	☐	20-1 and 20-2	

Internal Control	The Board shall adopt a proposal submitted by the Audit Committee on the Company's Internal Control. The proposal shall include control mechanism, duties and functions of the Company's departments and sections, its provisions and procedures of responsibility, and awareness and education programs for employees about the importance of self-control and Internal Controls. 20-2 The proposal shall include the Company's plan in risk management that at least includes identifying major risks that may impact the Company especially those related to new technology, the Company's ability to take risks, put in risks identification mechanisms to ensure its qualification and implement awareness programs and ways to mitigate them.				An internal audit policy is in place which has been reviewed and approved by the ARCC in December 2017. The policy includes procedures implemented by the Bank in addressing any failures in internal controls or weaknesses in implementing its internal controls along with contingencies that may affect the Bank's financial performance.	
Article 21 Internal Control	21-1 Internal Control system of the Company shall include establishing	☐	☒	☐		21-1 to 21-3 The internal audit function is currently outsourced to an

	one or more effective and independent unit (s) for assessment and management of risk, financial audit and overseeing the Company's compliance with the controls of financial Transactions, especially those done with any Related Party. 21-2 This unit shall be managed by one or more internal auditor (s) who has qualification and experience in financial audit, performance assessment and risk management, and has an access to all Company's departments to follow-up the unit work. 21-3 The Board shall issue a decision on appointing and determining functions and remuneration of the internal auditor, and shall be responsible before the Board.					External Consultant. The Bank is already in the process of hiring/recruiting for their Internal Audit function.
Article 22 Internal Control Reports	22-1 Every three months, the internal auditor shall submit to the Audit Committee a report on the Internal Control	☒	☐	☐	22-1 The internal auditors submit regular reports detailing the Bank's internal control achievements according to the audit	

	achievements in the Company. The report should include, which are at least the following: 22.1.1 Procedures of control and supervision in respect of financial affairs, investments, and risk management. 22.1.2 Review of the development of risk factors in the Company and the appropriateness and effectiveness of the systems in the Company to face the drastic or unexpected changes in the Market. 22.1.3 Comprehensive assessment of the Company's performance regarding its implementation of the Internal Control system in compliance with provisions of this Code. 22.1.4 The Company's compliance with applicable market listing and disclosure rules and requirements. 22.1.5 The Company's compliance with Internal Control systems when				plan validated by the Board. The reports have been submitted to the ARCC.	

	determining and managing risks. 22.1.6 The risks faced the Company, their types, causes and the actions taken in this regard. 22.1.7 The suggestions for addressing the violations and mitigating the risks.					
Article 23	23-1 The Audit Committee shall review and consider offers of External Auditors registered in the external auditors list of the Authority, and then submit to the Board a recommendation with reasons to choose one offer or more for appointment of the Company's external auditor. 23-2 Immediately, after the Board's approval of the recommendation, it shall be included in the the Company's General Assembly agenda. 23-3 The General Assembly shall appoint an External Auditor or more for one Year, renewable for a similar period or other similar periods	☒	☐	☐	23-1 The External Auditor is appointed on the recommendation of the Audit Committee. 23-2 Recommended External Auditors are to be hired by approval at AGM. 23-3 QFB does not appoint external auditor for more than five consecutive years. KMPG is their current external auditor and	

	up to a maximum of five consecutive Years, provided that the re-appointment shall not be before passing two consecutive Years. 23-4 The External Auditor and its employees are prohibited neither to reveal the Company secrets, nor to combine between its assigned business, functions and duties and any other business in the Company, nor to work at the Company before at least one Year from the date of relations end with such Company.				were hired first time for the year ending 2015. 23-4 The External Auditors need to exercise professional due care and comply with highest professional standards and be independent.	
Article 24 Functions and Responsibilities of the External Auditor	24-1 The External Auditor shall inform the Board - in writing – about any risk to which the Company exposed or expected to be exposed, and about all of the violations immediately upon identification, as well as send a copy of that notice to the Authority. 24-2 The External Auditor shall have the right to invite the General Assembly to convene pursuant to the Law provisions in this regard, provided that	☒	☐	☐	24-1 In case of any risks or issues, the external auditors escalate the matters to the Board. 24-2 External auditors attend the AGM to deliver the audit report.	

	informing the Authority thereof. 24-3 The External Auditor – even if they are more - shall submit one report to the General Assembly and read it, as well as shall send a copy to the Authority with responsibility for the validity of data contained therein. 24-4 Each shareholder of the General Assembly has the right to discuss with the External Auditor and seek clarification in any matter of the report. 24-5 The External Auditor's report must include whatever informs shareholders with the control works and performance assessment in the Company, especially relating to the following: 24.5.1 Appropriateness and effectiveness of Internal Control systems implemented in the Company. 24.5.2 The Company's ability in continuous of				24-3 and 24-4 The bank follows AAOFI auditing standards. The external auditors prepare a presentation to the ARCC which covers business risks, financial highlights, accounting and control matters, audit opinion, and communication with those in charge of governance.	

	engaging activities and implementation of its obligations; that is evaluated independently of what shown by the Board. 24.5.3 The Company's compliance to develop all types of internal policies and procedures, and the appropriateness of them with the Company's status, as well as its compliance with their implementation. 24.5.4 The Company's compliance with its Articles of Associations and its compliance with the provisions of the Law and the Authority's relevant legislations, including the provisions of this Code. 24.5.5 The Company's compliance with the implementation of the best international standards in auditing and the preparation of financial reports as well as its compliance with international audit and accounting standards (IFRS / IAS) and (ISA) and their requirements. 24.5.6 The Company's					

	cooperation with the External Auditor in providing access to the necessary Information to complete its duties.					
Article 25 Disclosure	25-1 The Company must comply with disclosure requirements, including the financial reports, the number of shares owned by each of the Chairman and the Board members, Senior Executive Management, and major shareholders or controlling shareholders. 25-2 The Company must also comply with disclosure about information related to the Chairman, members, and committees of the Board as well as their scientific and practical experiences as in the Curriculum Vitae, and whether one of them is a Board member, Senior Executive Management of another Company or a member of any of their Board committees. 25-3 The Company must determine its policy	☒	☐	☐	25-1 QFB abides to all disclosure requirements imposed by QFMA. 25-2 QFB CG Report includes information related to Chairman and all board members in regards to their experiences. 25-3 QFB has a Code of Conduct in place	

	on dealing with rumors by denying or proving, and on how to disclose clearly in writing without inconsistence with the Authority's relevant legislations.				which is periodically reviewed and updated..	
Article 26 Conflicts of Interest	26-1 The Board shall comply with the principles of this Code and with the disclosure for dealings and transactions, which the Company enters into with any "Related Party" and in which such Related Party has an interest that may conflict with the Company's interest. 26-2 Prior at least a week from the date of holding the General Assembly called for considering the Company's budget and the Board's report, the Board must disclose in details for the shareholders about the abovementioned dealings and transactions, and must disclose them in the Company's annual report.	☒	☐	☐	26-1 and 26-2 Conflict of Interest policy is in place and incorporated within the Bank's CG Manual which is periodically reviewed and updated.	
	26-3 In all cases, the Company must not carry out any dealing or enter into any				26-3 As per the Bank's CG Manual, in all cases, the Bank must not carry out sole major	

	transaction with any "Related Party" only after the approval of the General Assembly of the Company, and must be included in the agenda of the next General Assembly to complete the procedures.				transactions with any "Related Party" only after the approval of the General Assembly of the Company, and must be included in the agenda of the next General Assembly to complete the procedures.	
Article 27 Transparency and Upholding the Company's Interest	27-1 Any Related Party, which is a party, has a relation with a business dealing, or has a relation with or a transaction entered into by the Company, shall not attend the Board meeting while discussing that dealing, relationship or transaction. 27-2 Such Related Party shall not be entitled to vote on what is issued by the Board regarding these relationships or transactions. 27-3 All relationships held by the Company with others must serve the Company's interest, as well as all transactions shall be made according to market prices and on arm's length basis and shall not involve terms that are	☒	☐	☐	27-1 to 27-3 Connected party, large exposure and related party policy is in place. The related party transactions articles are covered in the Bank's CG Manual.	

	contrary to the Company's interest.					
Article 28 Disclosure of Securities Trading	28-1 The Board members, Senior Executive Management, all Insiders, their spouses and minor children must disclose any trading and transaction they carry out involving the Company's shares and any other securities, and the Board shall adopt clear rules and procedures regulating trading of the Insiders in securities issued by the Company.	☒	☐	☐	28-1 The Bank includes the need to disclose any transaction involving the company shares within their Insider Trading Policy.	
Article 29 Shareholder's Equity Rights	29-1 The Company's Articles of Associations and by-laws shall include procedures and guarantees needed for all shareholders to exercise their rights. 29-2 The rights, in particular, rights to dispose of shares, obtain the determined dividends, attend the General Assembly and participate in its deliberations and voting on decisions, as well as the right to access to Information and request it with no	☒	☐	☐	29-1 The AoA includes the shareholder rights in regards to share ownership, AGM, voting rights.	

	harm to the Company's interests.					
Article 30 Access to Ownership Register	30-1 The Company shall submit, monthly, an application to the Depositary to get an updated copy of shareholders register and keep it.	☒	☐	☐	30-1 The Bank holds an updated internal shareholder register	
Article 31 Shareholders Right to Access to Information	31-1 The Company's Articles of Associations and by-laws shall include procedures of access to Information that enable the shareholder to exercise full rights without prejudice to other Shareholders' rights or harm the Company's interest. 31-2 The Company shall comply to check and update the Information regularly, and to provide the shareholders with all Information they deemed important and enable them to exercise their rights fully, using new and modern technologies	☒	☐	☐	31-1 AoA includes the shareholder rights in regards accessing information and the information than can be accessed. 31-2 All information provided to shareholders will be in the 'public' realm. As a strict policy, no insider information or preference of one shareholder over another in the provision of information is allowed. Requested documents listed in the AoA shall be sent by the bank to the shareholder based on the address provided in the register.	
Article 32 Shareholders	32-1	☒	☐	☐	32.1.1 AoA states that all shareholders are	

Rights Related to General Assembly	The Company's Articles of Associations shall include regulating the shareholders' rights related to the General Assembly Meeting, including: 32.1.1 The shareholder(s) who owns at least (10%) of the Company's capital shall, for serious grounds, be entitled to request an invitation to convene General Assembly. The shareholders representing at least (25%) of the Company's capital shall be entitled to invite Extraordinary General Assembly to convene pursuant to the procedures prescribed by the Law and the regulations in this regard.				entitled to attend and vote. Further, it states that the shareholder(s) who owns at least ten percent of the capital shall, for serious grounds, be entitled to request an invitation to convene the AGM.
	32.1.2 The right to request including certain issues in the General Assembly's agenda to be discussed in the meeting if the Board do not include such issues and the Assembly decided that.				32.1.2 The shareholders have the right to place items on the agenda.
	32.1.3 The right to attend meetings of the General Assembly, and to allow the opportunity to effectively participate in them				32.1.3 The AGM shall be called by giving shareholders at least 21 days' notice, which includes the date, time, place, and general nature of the

	and in its deliberations as well as discuss matters listed in the agenda, and to facilitate knowing date and place of the Assembly and the issues listed in the agenda as well as the rules governing the discussions and asking questions.			matters to be discussed in the meeting	
	32.1.4 A shareholder shall – in writing and upon a power of attorney- be entitled to appoint another shareholder who is not a Board member to attend the General Assembly on his behalf; provided that shareholder by proxy shall not own more than (5%) of the Company's capital shares.			32.1.4 Shareholders can entitle a proxy as long as they provide notice in writing to the Bank within the required time period.	
	32.1.5 The right of minors and shareholders restricted to attend the General Assembly meeting, to be represented by their legal attorneys.			32.1.5 The AoA mentions that legal attorneys must be present in the AGM with minors and restricted shareholders.	
	32.1.6 The shareholder shall be entitled to ask questions to the Board members and shall be answered in a manner that does not prejudice the Company's interests and shall be entitled to appeal to the General Assembly if			32.1.6 Shareholders have the opportunity to: a) Inquire about the annual external audit report. b) Propose items for the agenda of General Meetings.	

	the answer considered as not sufficient. 32.1.7 The right to vote on General Assembly decisions, and to facilitate all information about the rules and procedures governing the voting process. 32.1.8 The shareholder shall be entitled to object to any decision deemed for the interest or harm of a certain group of shareholders; or brings a special benefit for Board members or others without regard to the Company's interests, and be entitled to demonstrate this in the meeting minutes and to invalidate the objection according to the provisions of the Law in this regard.				c) Propose resolutions, subject to reasonable limitations. 32.1.7 The AoA states the voting process that takes place in general assembly. 32.1.8 The AoA states that no objection may be raised to the right of any voter except at the meeting at which the voter is to vote. The decision of the chairman of the meeting in respect of any objection or the right of any voter shall be final.	
Article 33 Facilitating Effective Participation in General Assembly	33-1 The Company shall choose the most appropriate place and time of the General Assembly, and shall use new and modern technologies in communicating with shareholders in order to facilitate the effective participation of the greatest	☒	☐	☐	33-1 The Corporate Service function at QFB discloses the date, time, venue and agenda of the AGM/EGM.	

	number of them in the General Assembly 33-2 The Company shall enable shareholders to know the matters listed on the agenda and any new matters accompanied by sufficient information that enable them to make their decisions and shall also enable them to purse the General Assembly minutes. 33-3 The Company shall disclose the results of the General Assembly immediately upon finishing and send a copy of such minutes to the Authority immediately upon approval.				33-2 The Corporate Service function at QFB discloses the date, time, venue and agenda of the AGM/EGM by giving a notice (at least 21 days) to all shareholders. The shareholders are provided with sufficient and timely information concerning the date, location and agenda of General Meetings, as well as full and timely information regarding the issues to be decided at the meeting. 33-3 The Bank disclosed the results of the AGM last April 2017, in a form of minutes, a copy of which has been sent to the Authority upon approval.	
Article 34 Shareholders Rights Related to Voting	34-1 Voting is a shareholder's right - can be exercised in person or by a legal representative – which shall not be waived or denied. 34-2	☒	☐	☐	34-1 to 34-3 Shareholders have the right to vote and can vote by assigning a proxy. Processes and procedures for General Meetings allows for equitable treatment of all shareholders. In	

	The Company is prohibited to put any limitations or take any action might hamper the use of the shareholder's voting right. 34-3 The shareholders shall be afforded all possible assistance as may facilitate to exercise of the right to vote, using the new and modern technologies.				addition, the procedures in place ensures that it does not make it unduly difficult or expensive for the shareholders to cast votes.	
Article 35 Shareholders' Rights Related to Board Members Election	35-1 The Company shall comply with disclosure requirements relating to Board members' candidates and shall inform in sufficient time the shareholders all the information of all candidates and their knowledge and practical experiences as in their Curriculum Vitae before the date determined for convening the General Assembly. 35-2 The General Assembly shall elect the Board members by secret ballot in accordance with the Cumulative Voting method.	☒	☐	☐	35-1 The AoA clearly states the requirements needed in order for shareholders to be able to elect an individual as a director. 35-2 The shareholders elect Board members using cumulative voting at the AGM.	
Article 36 Shareholders' Rights	36-1	☒	☐	☐	36-1 to 36-3	

Regarding Dividends Distribution	The Company's Articles of Associations shall determine - without prejudice to the Company's ability to fulfill its obligations to third parties - the minimum percentage of net dividends that should be distributed to shareholders. 36-2 The Board shall lay down a clear policy for the distribution of such dividends, in a manner that may realize the interests of the Company and shareholders; Shareholders shall be informed of that policy during the General Assembly and reference thereto shall be made in the Board report. 36-3 The dividends approved by the General Assembly for distribution, whether they be in cash or bonus shares shall be given, as of right, to shares owners who are listed in the register kept at the Depository at the end of trading session on the day on which the General Assembly is convened.				AoA states that the board shall submit a clear policy on dividend distribution at the AGM. Dividends approved are given to shareholders based on the Bank's internal register.	
Article 37 Shareholders'	37-1	☒	☐	☐	37-1	

Rights Regarding to Major Transactions	The Company's Articles of Associations shall include a specific mechanism for the protection of Shareholders' rights in general and Minorities in particular in the event that the Company conducted Major Transactions that might harm their interests or prejudice the ownership of the Company's capital. 37-1 The Company must disclose its capital structure, any agreement concluded thereto, and the shareholders who own, directly or indirectly, (5%) or more of the shares.				The AoA states that minority shareholders shall have the right to require the company after passing a resolution concerning a material transaction to acquire all the shares that they own. 37-1 The Bank declares its capital structure in its AoA.	
Article 38 The Stakeholders' Rights (non-Shareholders)	38-1 The Company shall maintain and respect the Stakeholders' rights. Each Stakeholder in the Company may request the Information related to his interest with attaching a proof of capacity, and the company shall provide the requested Information in a timely manner and in a way that does not threaten the others' interests or prejudice	☒	☐	☐	The Board has the responsibility towards Shareholders and other Stakeholders and Related Parties within QFB and the community at large. The Stakeholders Relationship Policy is in place which is incorporated within the Bank's CG Manual and is periodically reviewed and updated.	

	the Company's interests. 38-2 The Board shall establish, in writing, a mechanism that defines procedures of the Stakeholders' appeals against the decisions and actions of the Company's officials and Senior Executive Management, and other procedures to receive and consider their complaints, proposals and notifications regarding all aspects affecting the Company's interests and 38-3 The mechanism shall state the confidentiality of content of such complaint, proposal or notification, and shall protect the applicant, and deadlines to decide on appeals and response to complaints and proposals.					
Article 39 The Community's Right	39-1 The Company shall do its part in community development and promotion, and the environment preservation through effective and	☒	☐	☐	39-1 The CG Manual mentions the Bank's initiative to take part in community development and promotion, environment preservation through	

	meaningful participation system of corporate social responsibility.				effective and meaningful participation system of corporate social responsibility.	