



Code of Conduct



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1. Overview

Alinma Bank and its subsidiaries strive to abide by applying banking values and principles that are compatible with Sharia'h provisions and the rules and instructions issued by legislative authorities in order to enhance the Bank's reputation and brand. This is achieved through applying the best working standards and professional behavioral rules by the Bank's staff to serve Alinma Partners by providing them with the best banking and financial services. The rules consist of trust, responsibility, honesty and respect and they collectively constitute essential elements and basic pillars in the reputation and trust established by the Bank. This document answers the following and other questions:

- **What are the Code of Conduct?**
- **What are the objectives of these rules?**
- **Who is targeted by the these Rules?**
- **What are the principles of professional conduct rules?**


noting that these rules shall form an integral part of the relevant documents, policies and charters issued by the Bank in the future and of any other charters and rules issued by supervisory authorities.

2. Definition of the Code of Conduct

The rules are the activities expressed by an individual through his relationships with other individuals around him. Rules of conduct are an array of principles and standards that aim to ensure integrity, transparency and accountability in all matters related to Alinma Bank, its subsidiaries and stakeholders. The rules define the main standards necessary for carrying out the Bank's business in an ethical manner and in compliance with the values pursued by the Bank.

3. Objectives of the Code of Conduct

The rules aim to ensure that the performance of the employees of the Bank and its subsidiaries is within the framework of a set of ethical values and principles that enhance job discipline, integrity, transparency, objectivity, efficiency, loyalty and effectiveness, which leads to raising the efficiency and effectiveness of all works and activities.

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4. Parties Responsible for Applying the Code of Conduct

These rules shall apply to all persons employed by Alinma Bank or any of its subsidiaries and contracting companies, including employment companies, security guards, hospitality and cleaning workers and other employees of other parties, whether working on full or part-time basis. These rules shall also apply to members of the Board of Directors

5. Principles of Professional Rules of Conduct

Honesty and Integrity

Honesty Integrity are fundamental features of the Bank. Honesty and integrity refer to performing relevant tasks properly and thus reflecting a positive image and reputation of the Bank and its brand in the Kingdom.


Respect for All and Professionalism

Colleagues, partners, contracting parties or any third parties should be treated with respect and dignity, regardless of religion, sect, nationality and region. They should display the highest standards of professionalism at all times and demonstrate this through behavior, actions and overall appearance, including dress code that is compatible with public decency and order, compliance with the Bank's guidelines and policies, showing spirit of integrity, trust, credibility, and mutual respect.

Confidentiality and Protection of Stakeholder Information

Stakeholders have great importance and dealing with them should be in a manner that would achieve transparency, integrity and cooperation. Therefore, staff targeted by these rules should be bound to protect:

- Personal and financial information.
- Trade secrets.
- Financial information not disclosed to partners, companies or contracting parties.
- Information pertaining to contracts and agreements with suppliers.

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- Personal and confidential information by other affiliated and contracting companies upon obtaining it.
- Computer programs.
- Human Capital information (such as wages, salaries, benefits and staff records).
- Internal communication such as videotapes, phone recordings and transcripts of minutes of meetings.
- Unauthorized persons shall not be allowed to represent the Bank and its subsidiaries (speaking on behalf of the Bank and its subsidiaries) inside the Kingdom in audio, visual and readable means, websites, social networks, or participate in such means in a manner that indicates or highlights job title or contractual relationship with the Bank or its subsidiaries.

Protection of the Bank's Assets


- Maintaining the assets of the Bank and its subsidiaries, whether tangible or non-tangible, shall be deemed a collective responsibility. Such assets should carefully be used and protected without being wasted or misused. The responsibility of taking care of these assets rests with everyone to whom these rules apply.
- Assets of the Bank, partners, dealers and third parties shall not be used except for authorized purposes in accordance with necessary terms, conditions, and licenses, which include cash assets, securities, physical property, services, intellectual property and trademarks.

Compliance with the Resolutions of the Sharia'h Committee

The procedures and resolutions of the Sharia'h Committee should be adhered to. This includes ensuring compliance of contracts, forms, procedures and transcripts of products and services with the instructions and resolutions of the Sharia'h Committee. Any resolutions or actions that violate the Sharia'h Committee standards shall be deemed a violation to the Code of Conduct.

Compliance with Applicable Laws, Rules and Regulations

Compliance with rules, regulations, instructions and policies is one of the most important factors in the success of the Bank and its subsidiaries and in maintaining their reputation and credibility. Employees should be keen to access, recognize and comply with valid laws,

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regulations, instructions, and policies related to the tasks entrusted to them. Employees should apply such laws, regulations, instructions, and policies without any abuse, violation or negligence. They should also avoid executing any transaction in violation of the foregoing.

Combatting Fraud and Corruption

A practice involves the use of fraud to directly or indirectly obtain any type of financial assistance to the fraudulent or to others causing loss to the party exposed to fraud. Actual loss, suffered by the bank, shareholders or customers, often relates to liquid assets such as cash, securities and other tangible and non-tangible assets. Intentional misrepresentation of truth may tempt an individual to waive a valuable item or legal right.

The Bank has developed a policy related to combating fraud and corruption with the aim of achieving and activating the controls that help in detecting and preventing fraud activities. All employees should understand and comply with the controls of combating fraud and corruption.


Conflict of Interests

According to the Conflict of Interests Policy, which aims to avoid the Bank's business and interests being affected by any personal interest or private relationship, stakeholders should disclose any activity that may create a conflict between their interests and the interests of the Bank. The policy clarifies the procedure to be taken when a conflict of interests arises.

6. Combatting Money Laundering and Terrorism Financing

According to the Anti-Money Laundering Law, the Law on Combating Terrorist Crimes and its Financing, and their implementing regulations, money laundering and terrorist financing operations are among the criminal activities in the Kingdom, as the effects of such crimes not only affect the Bank, but also extend to society and the state. These laws and regulations also included preventive measures that should be implemented by the Bank and its staff targeted by the Code of Conduct.

Employees targeted by these rules shall be responsible for implementing the instructions related to combating money laundering and terrorist financing, including reporting

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suspicious operations and activities without informing the violator or any other person, implicitly or explicitly, of the issue. If it becomes evident that the whistleblowing is incorrect, the whistleblower shall not incur any liability towards the violator when reporting in good faith.


7. Rules of Serving and Dealing with Partner

The Bank believes in providing the highest standards in serving internal and external partners. This includes treating partners and stakeholders fairly and without discrimination. The Bank is also keen to ensure that its products, services, brand and communications reflect its commitment to justice, transparency, reliability, responsiveness and the establishment of reliable advisory relationships by caring for our customers and understanding/fulfilling their needs and goals.

7.1 Partner's Interest First

Concerned persons in the Bank and its subsidiaries and contracting companies should take into account the interests and needs of the Bank's partners when providing financial, banking and investment advice. They should also be honest, professional and accurate to achieve the interests of the partners in accordance with the policies, procedures, instructions and guidelines of the Bank with respect to sales and marketing practices. Recommendations provided to the partner should suit his needs and capabilities based on his investment objectives, financial awareness and risk tolerance. Recommendations should also reflect any other factors related to the partner obtained from him directly or through the "KYC" model.

Concerned persons should also be keen to make the partners understand the nature and consequences of any advice provided to them, including risks, fees and commissions without affecting their investment decisions. The Client should explicitly understand that the Bank is not its first advisor and that his investment, financial and banking decisions should be issued by him and bear its consequences. The Bank employees should take precautions that reduce risks to the Bank, including the legal risks arising from the relationship with the partner.

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7.2 Gifts and Hospitality from Partners and other Persons

Staff targeted by these rules should be cautious and apply sound judgment when presenting/accepting gifts to/from stakeholders in order to protect their integrity.


As part of the Bank keenness to maintain the principle of professionalism, gift and hospitality are assessed in terms of appropriateness and justification, taking into account the value, nature and timing of the gift/hospitality and the intended intentions. Thus, the following should be taken into account:

7.2.1 Not requesting or accepting any gift, invitation, service, or anything of material or non-tangible value, whether it is for the employee or for one of his relatives from a person or entity having or seeks to have a relationship with the Bank. Such relationship can either have a direct or indirect impact on the employee's independence and decisions, or force them to commit to something in return for accepting a gift or hospitality.

7.2.2 Legal accountability shall take place against everyone who performs, participates or assists in violating rules of requesting or acceptancing gifts and invitations. Current and former employees shall be equal in this respect.

7.2.3 If refusing a gift would cause an offense to the Bank, or if its return is impossible practically, or if it was presented in official visits and events or upon receiving official guests, which should be accepted under the rules of courtesy and visit protocols, it may be accepted, provided that the following shall be observed:

- a. The gift shall not in any way be in the form of cash, loan, shares or financial derivatives.
- b. The gift is regarded as a normal practice, according to the occasion, such as shields.
- c. In the event that the gift is a discount or waiver of fees, it must relate to a conference or a meeting that enhances knowledge, reflects positively on the Bank's business and does not give rise to a conflict of interests.
- d. The gift shall not be related to the employment/position of the gift recipient in the Bank.
- e. The gift-giving person shall not have a private or public interest that he hopes to obtain from the Bank.

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7.3 Awards Acceptance:

An employee may accept an award from other entities dealing with the Bank according to the following controls:

7.3.1 The award is granted regularly as part of a declared and recognized program.

7.3.2 Winners are selected according to declared criteria.

7.3.3 Obtaining a prior consent of the Bank.

7.4 The gift recipient should inform line manager, Group General Manager, or the HC Sector of the gift. The Compliance Sector should also be informed in the following cases by filling out the Form of Disclosure:

a. If the gift has a value and price.


b. If the gift is perishable and its value exceeds SAR 500.

7.5 Employees of the Bank and its subsidiaries are prohibited from giving personal gifts, donations and invitations to individuals who have a business relationship with the Bank, unless submitted through the competent department.

7.6 Employees of the Bank and its subsidiaries are prohibited from accepting or requesting gifts and donations that have the potential of adversely affecting the Bank's reputation.

8. Responsibilities of Staff Targeted by the Rules

- Reading, understanding and complying with the Code of Conduct.
- Proof, with words and actions, of commitment to integrity.
- Be aware of, and following up, instructions, regulations and policies.
- Avoiding any activity that may lead to illegal practices or adversely affect the Bank's reputation.
- Be aware of when and where to seek advice.
- Expressing opinion and raising questions/concerns regarding compliance.

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9. The Bank's Commitment to Protect Whistleblowers

The Bank shall protect whistleblowers, and no punitive measures will be imposed on those reporting in good faith.

A whistleblower is an employee who, in good faith, reports covertly or overtly the occurrence (or possible occurrence) of misconduct or illegal acts. No action or penalties will be imposed on whistleblowers reporting in good faith.

Information provided by the whistleblower will be dealt with confidentially and will not be disclosed except to regulatory authorities and as required by law or other authorities that need such information for the purposes of investigation and case settlement.

10. Violation, Breach or Non-Compliance with the Code of Conduct

All violations to the standards of the rules will result in disciplinary and other procedures according to the laws of local labor laws and the HC policies. Additionally, breaches of such rules may constitute legal violations that result in civil or criminal penalties against the employee and/or supervisor or affiliated employees and/or Alinma Bank under the penalties approved by prevailing laws and regulations.