

The Commercial Bank P.S.Q.C Board Committees Charter

01-01-CTR-003
March 2016
Version 2.0

COMMERCIAL
BANK





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Board Committees Charter - Summary Profile and Approval

Revision History				
Revision Number	Issue Date	Amendment Description	Date Effective	Next Revision Date
2.0	2016	General Update		

Review		
Authorised Reviewer	Date	Signature(s)
Head of Corporate Affairs (Board Secretary)		
Chief Executive Officer		

Approval		
Authorised Approver	Date	Signature(s)
Board of Directors:		
Sh. Abdullah bin Ali bin Jabor Al Thani Chairman		
Mr. Hussain Ibrahim Al Fardan Vice Chairman and Managing Director		
Mr. Jassim Mohammed Jabor Al Mosallam, Member		
Mr. Omar Hussain Al Fardan Member		
H.E. Mr. Abdul Rahman Bin Hamad Al Attiyah, Member		
Mr. Hassan Bin Hassan Al Mulla Al Jufairi Member		
Sh. Jabor bin Ali bin Jabor Al Thani Member		
Mr. Ali Saleh Nasir Al Fadala Member		
Mr. Mohd Ismail Mandani Al Emadi Member		



I. Introduction

Board Committees are established to assist the Board of Directors (the 'Board' or BOD) in providing organized and focused means to govern and achieve the Bank's goals and to properly address issues. The Commercial Bank (P.S.Q.C.) (hereinafter 'Commercial Bank' or the 'Bank') has formed the following four Board Committees:

- Board Audit and Compliance Committee
- Board Risk Committee
- Board Executive Committee
- Board Remuneration, Nomination and Governance Committee

The charters have been developed taking into consideration leading corporate governance practices (Corporate Governance Guidelines for Banks and Financial Institutions issued by Qatar Central Bank, Qatar Financial Markets Authority's Corporate Governance Code for Listed Companies, UK Combined Code, OECD Principles for Corporate Governance, US Conference Boards Governance Best Practices Manual ...etc.) and the Qatar Commercial Companies Law.

Amendments:

These Charters may be amended by a majority vote cast of the members of the Board present at any meeting, on condition that the proposed amendment(s) should not contradict with the Articles of Association of the Bank unless amended to reflect, and be in line with, any such amendments.



II. Board Committees Charter

1. Board Audit and Compliance Committee

1.1 Mandate

The Board Audit and Compliance Committee (BACC) is responsible for assisting the Board in fulfilling its responsibilities relating to oversee the quality and integrity of the accounting, auditing, internal control and financial reporting practices of the Bank as well as setting forth compliance and Anti-Money Laundering, and Combating Financing of Terrorism (AML/CFT) requirements, criteria and control mechanisms for all activities involving Bank wide related risks.

1.2 BACC Responsibilities

Internal Control

- 1.2.1 Review and monitor the adequacy and effectiveness of internal control systems, including accounting and financial controls and the Bank's system to monitor and manage business risk. Report findings to the Board with recommendations and advice.
- 1.2.2 Obtain explanations from management, internal auditors and external auditors on whether the Bank's financial and operating controls are adequate and functioning effectively.
- 1.2.3 Consider the effectiveness of the Bank's management of risks and internal controls over annual and interim financial reporting, regulatory and other reporting, including information technology security and controls.
- 1.2.4 Understand the scope of internal and external auditors' review of internal control over financial reports and obtain reports on significant findings and recommendations, together with management's responses.
- 1.2.5 Consider with internal and external auditors any fraud, illegal acts, deficiencies in internal control or other similar areas.



Internal Audit

- 1.2.6 Review and approve the Internal Audit charter, plans, activities, staffing and organizational structure of Commercial Bank's Internal Audit function.
- 1.2.7 Review and approve the appointment, replacement, relocation or dismissal of audit personnel as well as their remuneration and the assessment of the internal audit officers.
- 1.2.8 Ensure there are no unjustified restrictions or limitations on the functioning of the Bank's Internal Audit, as well as on Internal Audit's access to Bank records, documents, personnel as and when required in performance of their functions. Report findings to the Board together with any recommendations and advice.
- 1.2.9 Review the effectiveness of the Internal Audit function, including compliance with the Institute of Internal Auditors' Standards for the Professional Practice of Internal Auditing and other applicable standards and best practices.
- 1.2.10 On a regular basis, meet separately with the Chief Internal Auditor to discuss any matters that the Committee or Internal Audit believe should be discussed privately.
- 1.2.11 Review Internal Audit reports and recommendations and determine appropriate action.
- 1.2.12 Ensure that the management responds to recommendations by the internal auditors and that all information, records...etc. sought for and required by internal auditors in the performance of their formal duties is/are made available to them by management in an unhindered manner. Report findings to the Board with recommendations and advice.
- 1.2.13 Evaluate the job performance and related remuneration of the Chief Internal Auditor, as well as decisions relating to his appointment/renewal of contract or termination.



External Audit

- 1.2.14 Review recommendations regarding the external auditors, audit plan and the results of their audit including whether they have had full access to all relevant documents.
- 1.2.15 Review proposed fee and terms of engagement of the Bank's external auditors and makes recommendations to the Board for further action and decision.
- 1.2.16 Discuss with the external auditor the nature, scope and efficiency of the audit performed by them in accordance with International Standards on Auditing and IFRS.
- 1.2.17 Review the performance of the external auditors, and recommend final discharge of the auditors. In case of any conflict with the Board, the decision will be documented.
- 1.2.18 Review and confirm the independence and objectivity of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Bank, including non-audit services.
- 1.2.19 Make recommendations to the Board regarding the reappointment of the external auditors.
- 1.2.20 Review recommendations to appoint external auditors on additional assignments outside their prevailing mandate.
- 1.2.21 Review and approve with the external auditors the interim and annual financial statements, including any changes in accounting policies, with recommendation for Board approval.
- 1.2.22 On a regular basis, meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately, including management responses to their reports.
- 1.2.23 Seek specialised technical assistance from external consultants to perform independent reviews of any areas the BACC deems necessary according to the committee's assigned authorities and resources.



Financial Statements

- 1.2.24 Review significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas and recent professional or regulatory pronouncements, and understand their impact on the financial statements of the Bank including all subsidiaries and related entities (if any) falling under any jurisdiction inside or outside Qatar.
- 1.2.25 Review and approve the interim and annual financial statements and consider whether they are accurate, valid, complete, and consistent with the information known to committee members and reflect appropriate accounting standards and principles.
- 1.2.26 Ensure that the financial statements and reports are in compliance with accounting policies and practices determined by QCB, the applicable listing rules in the Qatar Exchange market, and with disclosure rules and any other requirements relating to the preparation of financial reports.
- 1.2.27 Review with management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards.
- 1.2.28 Understand how management develops interim financial information, and the nature and extent of internal audit, external audit involvement and coordination.
- 1.2.29 Review any legal matters that could significantly impact the financial statements of the Bank.

Compliance and AML/CFT

- 1.2.30 Review the Compliance and AML/CFT Policy, plans, activities, staffing and organizational structure of the Compliance and AML/CFT function.
- 1.2.31 Ensure the efficiency of the Compliance and AML/CFT functions in detecting the deviations and breaches within the Bank, and ensure the non-existence of any factors that would impact its independence, and objectivity as well as proper reporting of the Compliance and AML/CFT functions.
- 1.2.32 Review and approve the appointment, replacement or dismissal of the Compliance/AML personnel and their remuneration.



- 1.2.33 Ensure there are no unjustified restrictions or limitations on the functioning of the Bank's Compliance and AML/CFT, as well as on Compliance's / MLRO access to Bank records, documents, personnel as and when required in performance of their functions. Report findings to the Board together with any recommendations and advice.
- 1.2.34 Review the effectiveness of the system for monitoring compliance with applicable local as well as international laws, regulations and standards (e.g. Foreign Account Tax Compliance Act). Monitor the results of management's investigation and follow-up (including disciplinary action if applicable) of any instances of non-compliance within the Bank.
- 1.2.35 Review the findings of inspections by any regulatory body. Review high risk compliance findings and ensure appropriate action is taken by the management.
- 1.2.36 Review Compliance & AML/CFT reports and recommendations and determine appropriate action.
- 1.2.37 Ensure there is an effective mechanism for control, monitoring and reporting on the AML/CFT measures and related issues.
- 1.2.38 Ensure that the compliance requirements of external branches and subsidiaries (if any) outside the State of Qatar are covered within the framework of the whole Bank's compliance policy and those compliance policies of related entities.
- 1.2.39 Evaluate the job performance and related remuneration of the Head of Compliance and AML/CFT unit, as well as decisions relating to his appointment or termination.

Presenting Reports

- 1.2.40 Regularly report to the Board about Committee activities, issues and related recommendations.
- 1.2.41 Subject to applicable regulatory requirements, report annually to the shareholders describing the Committee's composition, role and responsibilities and how these were discharged and any other information required by regulations.
- 1.2.42 Inform and advise the Board of Directors on all audit/ compliance, AML/ CFT issues and recommendations.



Others

1.2.43 Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with its Charter.

1.2.44 Annually review the Committee's Charter and recommend to the Board any changes, where applicable.

1.3 Composition

Number of Members and Mix

1.3.1 Composed of two (2) non-independent members, one (1) independent member and one (1) alternate independent member.

1.3.2 The Chairman of the Board shall not be a member in the Board Audit and Compliance Committee.

1.3.3 In his absence, the Committee Chairman can designate another member of the Committee as the Chairman.

1.3.4 Other members of Commercial Bank's management may attend meetings by invitation of the Committee.

Term

1.3.5 The membership will run concurrently with the term spent on the Board and will be for a maximum three-year renewable period.

1.4 Membership

Qualifications and Requirements

1.4.1 Majority of the members should have knowledge of finance and accounting.

Nomination

1.4.2 The Board should approve appointments of the Committee members.



Resignation

1.4.3 Three months notice period and should be approved by the Committee Chairman and the Board.

Compensation

1.4.4 The Committee Chairman and members shall be remunerated on a per meeting basis in accordance with the compensation and benefits structure approved by the Remuneration Committee and the Board.

Committee Secretary

1.4.5 Appointed by the Committee, the Committee Secretary will be responsible for maintaining all committee documentation, distribution of meeting agendas, arranging for committee meetings in addition to other duties included in the job description of the Committee Secretary.

1.5 Meetings

Venue

1.5.1 Commercial Bank Head Office or other location approved by the Committee Chairman.

Frequency

1.5.2 The Committee will meet at least four (4) times a year and more frequently if needed.

1.5.3 The Committee shall hold private meetings at least annually with the Chief Internal Auditor, without the presence of the management.

1.5.4 A meeting of the Committee may be held by telephone or video conference call, and such participation shall be considered presence in person at such meetings.

Invitation and Agenda



1.5.5 Agenda for each Committee meeting shall be circulated at least one week prior to the date of the meeting.

Quorum

1.5.6 Two (2) members of the Committee shall comprise a quorum. In the event that it is not possible at any meeting to obtain a quorum the Chairman may invite the alternate member to attend the meeting and he shall be considered a member of the Committee for the purpose of establishing a quorum.

Decisions

1.5.7 The decisions of the Board Audit and Compliance Committee must be unanimous.

1.5.8 Decisions of the Committee may also be taken by circulation among members.

Access to Information

1.5.9 The Committee, in performing its functions, may as appropriate have unrestricted access to Bank's records and any other documents, reports, material or information in the possession of any employee or external advisor of the Bank.

Minutes of Meeting

1.5.10 Minutes shall be kept of each Committee meeting and such minutes along with a schedule of action items shall be circulated within a week after the meeting to all Committee members.



2. Board Risk Committee

2.1 Mandate

The Board Risk Committee (BRC) is responsible for all aspects of enterprise risk management including, but not restricted to Business, Credit, Market, Operational, Legal and Reputational risk. The BRC reviews policies on all risk matters, maintain oversight of all bank risks through the Management Risk Committee (MRC), the CEO, and the CRO and provides risk management directives through the CEO and the CRO.

2.2 BRC Responsibilities

- 2.2.1 The Committee will set forth risk policies, criteria and control mechanisms for all activities involving all types of risk:
 - 2.2.1.1 Risk policies and related standards, methodologies used in managing the risks in the Bank while taking into consideration recommendations made by MRC, CEO and the CRO;
 - 2.2.1.2 Risk Strategy and Risk Appetite of the Bank, for all identified Quantitative and Qualitative Risk related issues, including Credit, Market and Operational Risk for Board approval;
 - 2.2.1.3 Risk Charter of the Bank as recommended by the MRC and CEO;
 - 2.2.1.4 Risk, Asset & Liability Management, Treasury and Special Asset Management policies and delegation of authority manuals (DOAs), as recommended by the MRC.
- 2.2.2 Review and ratify risk tolerance levels and portfolio limits, including limits associated with industry sector, geography, asset quality and others, as approved by the MRC.
- 2.2.3 Provide Oversight Management of Business Continuity.



- 2.2.4 Review and assess the performance of the MRC and the Risk Group in monitoring and controlling risk to ensure that the strategies and policies approved by the Board are adhered to and implemented.
- 2.2.5 Review Basel Accord implementation.
- 2.2.6 Review and provide the Board risk reports as well as other reports covering Bank-wide portfolio trends.

Presenting Reports

- 2.2.7 Regularly report to the Board about the Committee activities, issues and related recommendations.
- 2.2.8 Subject to applicable regulatory requirements, report annually to the shareholders describing the Committee's composition, role and responsibilities and how these were discharged and any other information required by laws and regulations.

Others

- 2.2.9 Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with its Charter.
- 2.2.10 Annually review the Committee's Charter and recommend to the Board any changes, where applicable.

2.3 Structure

Number of Members and Mix

- 2.3.1 Composed of four (3) non-independent members, one (1) independent member and one (1) Advisor to the Board member.
- 2.3.2 In his absence, the Committee Chairman can designate another member of the committee as the Chairman.
- 2.3.3 The following and other members of Commercial Bank management may attend meetings by invitation of the Committee:
 - 2.3.3.1 Chief Executive Officer (CEO); and

2.3.3.2 Chief Risk Officer (CRO).

Term

2.3.4 The membership will run concurrently with the term spent on the Board and will be for a maximum three year renewable period.

2.4 Membership

Qualifications and Requirements

2.4.1 All members of the committee must have requisite knowledge of risk management.

Nomination

2.4.2 The Board should approve appointments of the Committee members.

Resignation

2.4.3 Three months notice period and should be approved by the Committee Chairman and the Board.

Compensation

2.4.4 The Committee Chairman and members shall be remunerated on a per meeting basis in accordance with the compensation and benefits structure approved by the Remuneration Committee and the Board.

Committee Secretary

2.4.5 Appointed by the Committee, the Committee Secretary will be responsible for maintaining all committee documentation, distribution of meeting agendas, arranging for committee meetings in addition to other duties included in the job description of the Committee Secretary.



2.5 Meetings

Venue

2.5.1 Commercial Bank Head Office or other location approved by the Committee Chairman.

Frequency

2.5.2 The Committee will meet at least four (4) times a year and more frequently if needed.

2.5.3 A meeting of the Committee may be held by telephone or video conference call, and such participation shall be considered presence in person at such meetings.

Invitation and Agenda

2.5.4 Agenda for each Committee meeting shall be circulated at least one week prior to the date of the meeting.

Quorum

2.5.5 A quorum comprises of two (2) members, and should include the Chairman or his designate.

Decisions

2.5.6 All decisions taken should be unanimous.

2.5.7 Decisions of the Committee may also be taken by circulation among members.

Access to Information

2.5.8 The Committee, in performing its functions, may as appropriate have unrestricted access to Bank's records and any other documents, reports, material or information in the possession of any employee or external advisor of the Bank.



Minutes of Meeting

2.5.9 Minutes shall be kept of each Committee meeting and such minutes along with a schedule of action items shall be circulated within a week after the meeting to all Committee members.

3. Board Executive Committee

3.1 Mandate

The Board Executive Committee (BEC) is responsible for evaluating and granting credit facilities within authorized limits as per QCB and Board guidelines. The Committee is mandated with attending to issues relating to approving all strategies, plans, budget/objectives and policies, procedures and systems as well as reviewing the performance of the Bank in relation to each of the foregoing.

3.2 BEC Responsibilities

- 3.2.1 Approve credit facilities in accordance with the mandate and directive provided by the Bank Board of Director (BOD).
- 3.2.2 Recommend credit facilities to the Board where these are above 10% of the Capital & Reserves of the Bank.
- 3.2.3 Based on Management recommendation, review country risk exposures and financial institution's exposures and recommend amendments in country limits to the Board of Directors.
- 3.2.4 Review the strategy on recovery of Special Asset relationships, whenever required.
- 3.2.5 Review and approve all credit proposals (other than off-the-shelf products) relating to political figures and persons in ministerial posts, within the Risk Delegation of Authority.
- 3.2.6 Approve credit facilities with tenor above 8 years.



Policies

- 3.2.7 Review and approve all policies relating to the Bank's organisation and operations including all necessary authorities required by Executive Management in the execution of their responsibilities (except those policies which are subject to other relevant Board Committee review as provided in the Board DOA).

Strategy

- 3.2.8 Develop the long-term strategy of Commercial Bank based on economic and market conditions and Board's vision. Review the Bank's overall strategy and ensure implementation and execution.
- 3.2.9 Review and approve annual business plans and budgets across Commercial Bank in line with the long-term strategy and changes in economical, market, and regulatory environments.
- 3.2.10 Review and approve Commercial Bank's brand vision and define values with all associated brands across the Bank.
- 3.2.11 Receive reports and analysis of the Bank's financial and operating performance, and to evaluate key performance indicators against their accompanying strategies.
- 3.2.12 Review and approve Commercial Bank corporate social responsibility strategy in light of Commercial Bank's values. Approve requests for donations and social support.
- 3.2.13 Review and approve all Operating and Capital Expenditure Budgets.
- 3.2.14 Take decisions relating to Corporate Premises including recommendations to the Board as to acquisition of premises and approval of other capital and operating expenditure.
- 3.2.15 Approve appointment of external consultants (except the Bank's External Auditor for which review of appointment is made through the BACC) involving fees exceeding approval authority of and CEO.
- 3.2.16 Approve appointment and signature of agreements related to Non- Executive members representing the Commercial bank in the boards of associate and subsidiaries banks and their Board Committees.

Presenting Reports

- 3.2.17 Regularly report to the Board about Committee activities, issues and related recommendations.
- 3.2.18 Subject to applicable regulatory requirements, report annually to the shareholders describing the Committee's composition, role and responsibilities and how these were discharged and any other information required by regulations.

Others

- 3.2.19 Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with its Charter.
- 3.2.20 Annually review the Committee's Charter and recommend to the Board any changes, where applicable.

3.3 Composition

Number of Members and Mix

- 3.3.1 Composed of five (5) non-executive members ,
- 3.3.2 In his absence, the Committee Chairman can designate another member of the Committee as the Chairman.
- 3.3.3 The following Commercial Bank management may attend meetings by invitation of the Committee:
 - 3.3.3.1 Chief Executive Officer (CEO);
 - 3.3.3.2 CRO;
 - 3.3.3.3 Chief Credit Officer (CCO);
 - 3.3.3.4 Head of Businesses (EGMs); and
 - 3.3.3.5 Other members of the Bank Management.



Term

- 3.3.4 Membership to the committee will run concurrently with the term spent on the Board and will be for a maximum three-year renewable period.

3.4 Membership

Qualifications and Requirements

- 3.4.1 Majority of the members should have knowledge of credit management.

Nomination

- 3.4.2 The Board should approve the appointments of the Committee members.

Resignation

- 3.4.3 Three months notice period and should be approved by the Committee Chairman and the Board.

Compensation

- 3.4.4 The Committee Chairman and members shall be remunerated on a per meeting basis in accordance with the compensation and benefits structure approved by the Remuneration and Nomination Committee and the Board.

Committee Secretary

- 3.4.5 Appointed by the Committee, the Committee Secretary will be responsible for maintaining all Committee documentation, distribution of meeting agendas, arranging for committee meetings in addition to other duties included in the job description of the Committee Secretary.



3.5 Meetings

Venue

3.5.1 Commercial Bank Head Office or other location approved by the Committee Chairman.

Frequency

3.5.2 The Committee will meet at least once a month (12 times a year).

3.5.3 A meeting of the Committee may be held by telephone or video conference call, and such participation shall be considered presence in person at such meetings.

Invitation and Agenda

3.5.4 Agenda for each Committee meeting shall be circulated at least one week prior to the date of the meeting.

Quorum

3.5.5 A quorum comprises of three (3) members.

Decisions

3.5.6 All decisions taken should be unanimous.

3.5.7 Decisions of the Committee may also be taken by circulation among members.

Access to Information

3.5.8 The Committee, in performing its functions, may as appropriate have unrestricted access to Bank's records and any other documents, reports, material or information in the possession of any employee or external advisor of the Bank.



Minutes of Meeting

4. Minutes shall be kept of each Committee meeting and such minutes along with a schedule of action items shall be circulated within a week after the meeting to all Committee members.

4. Board Remuneration, Nomination & Governance Committee

4.1 Mandate

The Board Remuneration, Nomination & Governance Committee is responsible for setting the Bank's remuneration framework for the Board Members, management and staff. The Committee is responsible for recommending Board Members' appointments and re-nomination for election by the General Assembly as well as conducting the annual self-assessment of the Board's performance.

4.2 Remuneration, Nomination & Governance Committee Responsibilities

Remuneration

- 4.2.1 Prepare a remunerations policy including the Board members, this policy shall indicate the performance-related remuneration components including measurable standards focusing on long term interests.
- 4.2.2 Develop and set a clear remuneration framework covering the executive management remunerations in order to attract and retain qualified individuals for the Commercial Bank management who have the required knowledge, skills and expertise.
 - 4.2.2.1 Approve the employment requirements, employment contract, and the relevant procedures such as pensions, basic bonus, increments, in addition to the end of service requirements relating to the Bank's chief executive officer.
- 4.2.3 Present the Bank's remuneration policy to the General Assembly for approval after being acknowledged by the Board.
- 4.2.4 Ensure that remuneration shall be indicated based upon the achievement of long term goals and strategic objectives.



- 4.2.5 Present recommendations to the Board related to current and new Executive Management members remunerations in accordance with the remunerations levels in the Banking sector.
- 4.2.6 Ensure that the remuneration structure and benefits for the Bank staff of all levels is reviewed annually, and present recommendation to the Board for approval.
- 4.2.7 Review the performance of the Chief Executive Officer and the Executive Management members, to be annually evaluated compared to the institution long term goals not only the current year's achievement and present the evaluation results to the Board.
- 4.2.8 Indicate the requirements related to compensations in the event of terminating the contract of any of the Executive Management members before due date.
- 4.2.9 Obtain professional advisory including counseling independent remuneration advisors when necessary during the process of setting remunerations.

Nomination

- 4.2.10 Identify and nominate new Board Member candidates that demonstrate the ability and oversight to make sound decisions on behalf of the Bank and its shareholders. Ensure that nominations and appointments of Board Members are made according to formal, rigorous and transparent procedures as well as notifying QCB the reasons for selecting and rejecting the Board Members nominated by the Committee.
- 4.2.11 Ensure that nominations take into account the candidates' sufficient availability to perform their duties as Board Members, in addition to their skills, knowledge and experience as well as professional, technical, academic qualifications and personality and nominations should be based on the 'Fit and Proper Guidelines for Nomination of Board Members' annexed to Qatar Financial Markets Authority's Governance Code.
- 4.2.12 Supervise the training of the Board Members with regard to Corporate Governance of the Bank.
- 4.2.13 Provide recommendations concerning the appropriate size and composition of the Board, including the structure (e.g. type of membership) of Board Committees.



- 4.2.14 Establish criteria for selecting new Board Members, and exercise oversight of the evaluation of the Board and Commercial Bank management.
- 4.2.15 Conduct an annual self-assessment of the performance of the Board and Board Committees.
- 4.2.16 Assess and evaluate Board Members based on criteria including:
 - 6.2.15.1 Their integrity and judgment;
 - 6.2.15.2 Their records of public service;
 - 6.2.15.3 Their ability to devote sufficient time to the affairs of the Bank; and
 - 6.2.15.4 The diversity of backgrounds and experience they will bring to the Board.

Governance

- 4.2.17 Review and assess on a periodic basis any changes to international and local corporate governance practices that could have an impact on how the Bank operates and manages its governance policies. Eventually, recommend any changes thereto to the full Board.
- 4.2.18 Prepare required recommendations and proposals to the Board for approval pertaining to the scope of work of relevant management committees as well as other recommendations raised by senior management through appropriate channels.
- 4.2.19 Consider any governance non-compliance matters and recommend to the Board actions to resolve the same as applicable.
- 4.2.20 Recommend actions with regard to changes in governance practices where required.

Others

- 4.2.21 Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with its Charter.
- 4.2.22 Annually review the Committee's Charter and recommend to the Board any changes, where applicable.



4.3 Composition

Number of members and mix

- 4.3.1 Composed of two (2) non-executive members and two (2) executive member.
- 4.3.2 In his absence, the Committee Chairman can designate another member of the Committee as the Chairman.
- 4.3.3 CEO and other members of Commercial Bank management may attend the meeting by invitation of the Committee.

Term

- 4.3.4 Membership to the committee will run concurrently with the term spent on the Board and will be for a maximum three year renewable period.

4.4 Membership

Qualifications and Requirements

- 4.4.1 Majority of the members should have knowledge of recent compensation and remuneration trends.

Nomination

- 4.4.2 The Board shall appoint members to the Remuneration, Nomination & Governance Committee based on the available pool of independent members and non-executive members from the Board.

Resignation

- 4.4.3 Three months notice period and should be approved by the Committee Chairman and the Board.



Compensation

- 4.4.4 The Committee Chairman and members shall be remunerated on a per meeting basis in accordance with the compensation and benefits structure approved by the Remuneration, Nomination & Governance Committee and the Board.

Committee Secretary

- 4.4.5 Appointed by the Committee, the Committee Secretary will be responsible for maintaining all committee documentation, distribution of meeting agendas, arranging for committee meetings in addition to other duties included in the job description of the Committee Secretary.

4.5 Meetings

Venue

- 4.5.1 Commercial Bank Head Office or other location approved by the Committee Chairman.

Frequency

- 4.5.2 The Committee will meet at least two times a year.
- 4.5.3 A meeting of the Committee may be held by telephone or video conference call, and such participation shall be considered presence in person at such meetings.

Invitation and Agenda

- 4.5.4 Agenda for each Committee meeting shall be circulated at least one (1) week prior to the date of the meeting.

Quorum

- 4.5.5 Majority of the members shall comprise a quorum.



Decisions

- 4.5.6 All decisions taken should be unanimous.
- 4.5.7 Decisions of the Committee may also be taken by circulation among members.

Access to Information

- 4.5.8 The Committee, in performing its functions, may as appropriate have unrestricted access to Bank's records and any other documents, reports, material or information in the possession of any employee or external advisor of the Bank.

Minutes of Meeting

- 4.5.9 Minutes shall be kept of each Committee meeting and such minutes along with a schedule of action items shall be circulated within a week after the meeting to all Committee members.



III. Abbreviations

Abbreviation	Meaning
BACC	Board Audit and Compliance Committee
BEC	Board Executive Committee
BOD	Board of Directors
BRC	Board Risk Committee
CEO	Chief Executive Officer
MRC	Management Risk Committee
OOT	One Obligor Total
QCB	Qatar Central Bank
QFMA	Qatar Financial Markets Authority

IV. Appendices

Appendix A: Board Committees Charter Revision Proposal Form

Board Committees Charter Revision Proposal Form		
Reference 01-01-CTR-003	Date March 2016	
Originated by Maha Khammar	Position Head of Corporate Affairs (Board Secretary)	
Matters proposed to be revised (attach photocopies, if required)		
Section No. 4	Section Name Board Remuneration Committee	
Proposed revisions Amend the Committee Name from Remuneration Committee to Remuneration, Nomination & Governance Committee.		
Reasons for proposed revisions New Board Committee Structure has been approved by the Board on 23 March 2016 as follows: 1) Board Executive Committee – “BEC”; 2) Board Remuneration, Nomination & Governance Committee – “BRNGC”; 3) Board Risk Committee – “BRC” and 4) Board Audit and Compliance Committee – “BACC”.		
Other comments		
Approved	Signatories	Effective Date

Appendix B: Board Committees Charter Distribution and Acknowledgement Form

Board Committees Charter Distribution and Acknowledgement Form		 البنك التجاري Commercial bank
Charter		
Version Number		
Name of the Director		
Date of Acknowledgement		
Director Signature		