

Directors Remuneration Policy of The Commercial Bank (P.S.Q.C) (the “Bank”)

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September 2022
Version 3.0



Revision History				
Revision Number	Revision Date	Amendment Description	Date Effective	Next Revision Date
1	Dec 2020	Amendment to comply with Qatar Central Bank Circular No. 68/2015 Principle 9, including an evaluation of the Bank's corporate performance against various metrics and clawback		
2	September 2022	Amendment to comply with QCB Circular 25/2022, Principle 7 5/4		

Review		
Authorised Reviewer	Date	Signature(s)
Head of Corporate Affairs		
Group Chief Executive Officer		
Board Remuneration, Nomination and Governance Committee	13 Sept 2022	BRNGC Decision No. 02/2022
Board of Directors	18 Sept 2022	BOD No. 6/2022 Meeting Minutes

Directors Remuneration Policy of The Commercial Bank Q.S.C (the “Bank”)

The Board of Directors of the Bank (the “Board”) hereby approves the following Director Remuneration Policy:

1. Governance

- 1.1 The Board Remuneration, Nomination and Governance Committee (“BRNGC”) shall recommend the directors’ annual remuneration to the Board.
- 1.2 The Board shall approve the directors’ annual remuneration and subject to QCB approval, recommend it for shareholder approval at the Bank’s Annual General Meeting.

2. Fees

- 2.1 The annual remuneration of the Chairman of the Board for participation on the Board of the Bank shall be determined by the BRNGC following their performance assessment of the Bank in accordance with Article 3 below.
- 2.2 The annual remuneration of each member of the Board for participation on the Board of the Bank shall be determined by the BRNGC following their performance assessment of the Bank in accordance with Article 3 below.
- 2.3 The annual remuneration of the Chairman and each member of the Board for participation on any of the Board Committees shall be fixed at QAR 500,000 per member. For the avoidance of doubt, if the Board member is a member of more than one Board Committee then he shall be entitled for one Board Committee Remuneration in the amount of QAR 500,000.

3. Performance Assessment

When determining the amount of directors' annual remuneration in Article 1.1. 2.1 and 2.2 above, the BRNGC shall evaluate the Bank's corporate performance measured against profitability, risk, capital adequacy, liquidity and Environment, Social and Governance (ESG) matters including financial inclusion and digital transformation.

4. Maximum Annual Remuneration

- 4.1 The maximum annual remuneration of the Chairman of the Board for participation on the Board of the Bank shall be QAR 2,000,000. For the avoidance of doubt, this excludes Board Committee fees, if any, due and payable to the Chairman of the Board, the maximum of which shall not exceed QAR 500,000 in accordance with Article 4.3 below.
- 4.2 The maximum annual remuneration of a member of the Board for participation on the Board of the Bank shall be QAR 1,500,000. For the avoidance of doubt, this excludes Board Committee fees, if any, due and payable to a member of the Board, which shall be fixed at QAR 500,000 in accordance with Article 2.3 above.

5. In Advance Fees

The Board may recommend (conditional on subsequent Shareholder approval) the advance payment of remuneration to any member of the Board who is required to spend a substantial amount of time on behalf of the Board on work related to the Bank provided however that any such amounts received by a member of the Board shall be deducted from the Annual Remuneration due and payable to such Board member at the end of such financial year.

6. Payment of Director's fees

6.1 The total value of remuneration amounts set out in Articles 1 to 5 (the “Director Remuneration”) - received collectively by all members of the Board shall not exceed 5% of the net profits after deduction of depreciation, transfers to Legal reserves and distribution of a dividend payment not less than 5% of the paid-up capital of the Bank.

6.2 Such Director Remuneration shall only be paid upon obtaining the approval of Qatar Central Bank.

6.3 The policy set out above is established in accordance with Qatar Central Bank Circular No. 18 of 2014, Qatar Central Bank Circular No. 68/2015 Principle 9, and is in compliance with the Commercial Companies Law (Law No. (11) of 2015) and the Bank’s Articles of Association.

7. Clawback

Director Remuneration paid shall be subject to clawback in the event that the basis on which the remuneration was set involved unacceptably high risks which exceeded the Bank’s acceptable risk limits.

8. Approval and disclosure of this policy

8.1 This policy shall be reviewed annually by the Board, and shall be presented for approval annually to the Annual General Meeting of Shareholders held for considering and approving the Bank’s financial statements.

8.2 This policy supersedes any previous directors remuneration policies.