

code of conduct policy

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**Credit Bank of Iraq**

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**Introduction**

This booklet has been prepared using the principles set out in the Basel Committee Guidelines on “Compliance and Compliance Functions in Banks, April 2005.”

In addition to the recognized professional norms that are in line with the strategies of the Credit Bank of Iraq to ensure a work environment that ensures adherence to all professional norms.

The management of the Credit Bank of Iraq defines compliance as the risk of legal or regulatory penalties, financial or material losses, or reputational damage that may be incurred as a result of the bank’s failure to adhere to the laws, regulations, rules, standards, and principles of conduct applicable to its banking activities.

Compliance is seen as a major responsibility for all employees and an integral part of the Credit Bank of Iraq's work activities and culture, and not just the responsibility of the relevant compliance employees only. All employees must apply the highest standards when performing their work and strive at all times to observe the letter and spirit of the law. Failure to assess the impact of their actions on the bank’s shareholders, customers, employees, and the markets may result in negative publicity and damage to the bank’s reputation, even if no law has been violated.

**Principles of commitment of the Credit Bank of Iraq**

Every employee must behave at all times in a professional manner towards other individuals within his team, as well as towards the Credit Bank of Iraq and its clients, in accordance with applicable laws and regulations. He must also adhere to all instructions, laws, regulations and internal procedures of the bank.

Everyone within the Credit Bank must deal with any of their colleagues, superiors, subordinates, and/or clients according to the highest standards of honesty, integrity, and dignity and not expose their reputation or the reputation of the bank to danger, as everyone must work in the interest of the bank.

**Avoid conflicts of interest**

Employees should avoid and do not enter into situations where a conflict of interest could arise and where the Credit Bank of Iraq or a member of its staff might be suspected of not acting in a fully independent manner.

Everyone must put the interest of the bank before personal interest, and not enter into any procedure or carry out any work that would achieve the personal interest or benefit of any of the

employees or their relatives up to the fourth degree, as well as their wives and/or husbands on the occasion of or because of his work at the bank.

It is prohibited for any of the employees to engage in any financial, commercial or selling operations in which the bank is a main party without obtaining a prior written approval from the bank management, in accordance with what achieves the interests of the bank and the employees.

### **Bank secrecy**

Employees must comply with the principles of bank secrecy and respect discretion to protect business confidentiality. Disclosure of confidential information should be limited to employees on a need-to-know basis.

All employees are committed to maintaining the confidentiality of all information that is circulated within the bank or between it and any other parties, regardless of whether it is, and not to disclose that information to any other party outside the bank. The information confidentiality clause applies to all information circulated within the bank as long as it is not disclosed within the frameworks that the law governing this, in addition to that no employee has the right to inform others, regardless of whether they are employees of the bank, of the confidential information related to the bank, whether in his possession or in the possession of other employees of the bank due to or on the occasion of work or assisting them or facilitating access to any of the information. Which is characterized by its confidential nature to any party, regardless of who it is, except by explicit and direct written orders from the bank's management.

### **Compliance with regulatory requirements**

Employees must adhere to the rules and regulations applied in the markets in which the bank operates. Therefore, they must refrain from publishing false information, not manipulate the prices of financial instruments, and not disclose information that cannot be published or disclosed, or information that is considered internal and specific to the bank. Employees must also not undertake any activities that would prevent the verification of information and data, contribute to distorting such data or information, block access to it, or affect the movement of supply and demand.

All employees must also take all possible measures and procedures to prevent money laundering and terrorist financing operations, and work relationships with clients must be based on a deep understanding of the client's background, starting with complete verification of the client's identity, in addition to full knowledge of the nature of the client's activities. Employees who have suspicions about money laundering or terrorist financing operations, or those who know

information about such transactions that may be suspicious because they are unusual on the part of the client, must report their suspicions to the anti-money laundering official.

### **Policy guidelines**

In addition to the general principles regarding confidentiality and passing confidential information outside the Credit Bank of Iraq, there are also important procedures governing the passing of information within the bank. These measures are often referred to as firewalls to prevent the leakage of important and sensitive information and data. Firewalls that prevent the leakage of information and data are arrangements whereby some sensitive information related to market prices that reaches some bank employees by virtue of their work is blocked and does not reach other employees within the bank.

A distinction should be made between regular customer information and information that is sensitive to unannounced market prices. Regular customer information should be passed to another employee as necessary to know. On the other hand, price-sensitive and undisclosed information included in any transaction related to internal information is subject to greater controls. This information must be used for the purpose of the work for which it was given and must not be passed under any circumstances to anyone at home or abroad who is not directly concerned with that specific information.

### **Procedures and controls for firewalls**

The firewalls are to prevent the leakage of important and sensitive information and data are theoretical entities to ensure that price-sensitive and unannounced information (not available to the general public) about companies that is obtained from one of the departments of the Credit Bank of Iraq will not be passed to other departments in the bank. In this way, the integrity of the operations of the Credit Bank of Iraq can be maintained.

### **Personal dealings and outside business interests**

The policy of the Credit Bank of Iraq is for all employees to manage their personal transactions and external work activities in a way that does not violate any law or regulatory requirements, does not negatively affect their work duties, and does not lead to work that is unacceptable, whether from an ethical standpoint or that conflicts with reputational interests. Information that is not in the public domain and which was obtained when carrying out the work of the Credit Bank of Iraq should not be used.

**Apply rules to employees**

- All permanent employees and those hired under external contracts, including expatriates.
- All temporary employees, contractors and outsourced workers whose employment continues for more than three months.
- Temporary employees, contractors and outsourced workers whose work is expected to last three months or less may not enter into any outside employment unless written approval is obtained from the Group Compliance Officer.

**Accounts to which the rules apply**

Account of the following employees and persons related to it:

- Husband / wife or partner, children and dependent relatives of the employee who live in the employee's care.
- Accounts in which any of the above has a direct or indirect beneficial interest or exercises direct or indirect control or influence over them through investment decisions in the account.

If you have any doubts regarding the inclusion of any particular account, please contact the Bank's Compliance Department.

**Other general rules applicable to all employees****1- Financial inducements - personal gifts - hosting**

In the context of work, employees often host or visit clients. Below are the guidelines that apply to all these activities.

**Asking for gifts**

Employees are prohibited from soliciting personal gifts or other benefits from anyone in the course of employment.

**Accepting gifts without asking**

Employees are prohibited from accepting cash or cash equivalent gifts of any amount. Employees are prohibited from accepting gifts or other benefits that were not requested without the prior written approval of the Head of Administration, the Compliance Department Officer and the Human Resources Manager.

**Giving gifts**

Employees are prohibited from giving cash or cash equivalent gifts of any amount. It is prohibited for employees to give any other forms of personal gifts or inducements to other people to obtain

a benefit for the Credit Bank of Iraq without the prior written approval of the head of administration.

The approval of the Compliance Department Officer and the Human Resources Director must be obtained for gifts that exceed the specified amount. This part of these rules does not include hosting the client for lunch or dinner and routine gifts from the Credit Bank of Iraq, but the approval of the head of administration must be obtained first.

## **2- Personal transactions with customers**

Employees should not conduct any transactions with customers outside of their usual dealing relationships as an employee of the Credit Bank of Iraq. This means that employees should not conduct any financial or commercial transactions on a personal basis with clients of the Credit Bank of Iraq. Employees acting on the basis of personal knowledge should not carry out any banking procedures or investment facilities or give any professional advice to any client of the Credit Bank of Iraq.

## **3- Employees' personal mail**

No employee may, under any circumstances, use any of the bank's property or tools in the employee's custody and/or the logo of the Credit Bank of Iraq for any personal purposes, and their use is limited to the scope of work only.

## **4- Working outside the bank**

Employees must obtain prior approval from the Human Resources Director and the authorized director before engaging in any outside work, whether paid or unpaid.

## **5- Speeches, seminars and lectures**

Employees must obtain the approval of the Human Resources Director and the authorized manager before accepting any invitation to speak on anything related to work. Whatever the nature of the conversation, all employees are expected to observe traditional standards of honesty and public decency.

**6- Contacting the media**

Employees must obtain approval from the Human Resources Director and authorized director before accepting any invitation to communicate with the media.

**Policy related to combating money laundering and terrorist financing**

It is the policy of the Credit Bank of Iraq to prevent the use of the facilities of the Credit Bank of Iraq to launder money resulting from illegal activities, whether theft, terrorism, fraud, or drugs. All employees must be aware of the possibility that the Credit Bank of Iraq may be unknowingly involved in the activities of other parties who may seek to use the facilities of the Credit Bank of Iraq to conceal the source of funds or beneficial ownership of funds or other financial property.

The Credit Bank of Iraq attaches tangible importance to combating money laundering and terrorist financing. All employees are expected to take into account the requirements of the Credit Bank of Iraq as well as their own personal legal obligations in this important area.

**Detect and report suspicious transactions**

While not all unusual transactions are automatically linked to money laundering or terrorist financing, unusual transactions become suspicious if they are considered inconsistent with the known activities, legitimate or personal transactions of any client or the nature of the account. All employees must report their suspicions regarding money laundering or financing of terrorist activities to the Anti-Money Laundering and Combating the Financing of Terrorism Department.

**Non-disclosure**

The Credit Bank of Iraq will take into account the requirements not to allow banks and financial institutions to disclose to customers or external parties the fact that the information disclosed to the authorities or to any investigations is related to money laundering. The bank's failure to allow its facilities to be used for money laundering purposes is an important issue for the Credit Bank of Iraq. It is important that all employees are aware of the operational procedures in this regard and that employees implement them diligently.

**Foreign Account Tax Compliance Account (FATCA) compliance policy**

All employees are subject to the US Person Policy, Tax Compliance and any other policies that include any tax requirements of the Credit Bank of Iraq.

All employees who deal with customers must ensure that they do not provide any formal or informal advice or incite measures to help any account holder (client or employee) avoid their tax obligations, including submitting tax reports.

If an employee is unsure about any tax inquiry or action, please contact the Compliance Department, and do not respond to any customer inquiry if they are unsure of the answer.

Please note that any violation of US Person policy or provision of written/verbal advice regarding avoiding tax laws shall subject the violating employee to disciplinary action by management.

### **Honesty and integrity**

It is also necessary to emphasize the importance that the Credit Bank of Iraq attaches to standards of honesty and integrity. These are the standards that all employees are also expected to follow throughout their career with the Credit Bank of Iraq. Every employee must apply the highest standards of honesty and integrity in all his daily dealings, whether with his colleagues, subordinates, those he supervises, or any of the employees and/or with the bank customers.

### **Decent manner of dealing**

The Credit Bank of Iraq always and forever adopts a work policy that guarantees all its employees a decent manner of dealing. Thus, all employees, regardless of their job grades and administrative levels, must adhere to the appropriate manner of dealing, especially in verbal transactions, as none of the employees has the right to undertake any action, it may deviate from the context of proper communication in dealings, including, but not limited to, verbal abuse and the use of words or phrases that would belittle others or that would negatively affect the relationship between employees or customers with the bank.

### **Equality in rights and duties**

We at the Credit Bank of Iraq support equality among everyone in rights and duties without discrimination between everyone. Therefore, everyone is prohibited from using words or suggestions that would discriminate between individuals on the basis of religion, ethnic, clan, color, sex, lineage, or political affiliation... Etc.

### **Freedom of religious beliefs and political rights**

Religious beliefs and beliefs are a personal freedom for everyone, in addition to the fact that political rights are guaranteed for everyone, and given that the Credit Bank of Iraq supports a



work environment free from any differences, it is forbidden for everyone to promote or speak in any matters of religion and politics within the bank, whether it is during official working hours. Or in others, in order to avoid the occurrence of any differences based on religion or politics, which could negatively affect the quality of the work environment that we all aspire to.