



**مصرف الائتمان العراقي**  
**Credit Bank of Iraq**

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**Information Technology Governance Committee Charter**

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group / administration	Compliance and Corporate Governance Department

### **1. Introduction**

The Information and Communications Technology Governance Committee is a committee emanating from the Bank's Board of Directors. It is formed and its powers are determined by the Board of Directors. The Committee is directly affiliated to the Board. The Committee aims to strengthen self-monitoring and independent oversight mechanisms and examine compliance in the areas of governance and management of information and related technology. Which contributes to continuous improvement and development of performance.

This regulation has been prepared in line with the governance and institutional management controls for information and communications technology in the banking sector issued by the Central Bank of Iraq on 04/25/2019. In the event of any conflict between the applicable laws and these regulations, the legal texts prevail and are operated in accordance with them.

### **2. Scope of work of the committee**

The Board of Directors authorizes the Committee to undertake the following:

- 1- Carry out the tasks and responsibilities that fall within the scope of this regulation.
- 2- The right to obtain - without restrictions - information related to management, employees, operations of the bank and all related information. The committee may request any information it deems necessary from any of the bank's employees.
- 3- Appointing independent consultants - according to the need - to carry out the tasks assigned to the committee, provided that this appointment is justified, in coordination with the Chairman of the Board, for the purpose of compensating for the shortfall in this field on the one hand, and to enhance the objective opinion on the other hand.

### **3. Membership and term**

1. Committee members shall be appointed or removed by the Board of Directors.
2. The committee shall consist of at least three members, and it is preferable to include in its membership persons with experience or strategic knowledge in information and communications technology.
3. The term of membership shall be the same as the term of membership of the Board of Directors, and shall not exceed 4 years, renewable for a maximum of 4 subsequent years.
4. The committee chairman must be an independent board member.

### **4. Committee Reporter**

1. The committee's reporter is chosen either by the secretary of the Board or any executive employee chosen by the committee, except for the director of the department concerned with the work of the concerned committee.
2. The committee reporter bears the following responsibilities:
  - Preparing and issuing invitations to meetings.
  - Preparing the contents of the agendas of all committee meetings and presenting them to the committee chairman for approval.
  - Preparing minutes for each meeting held by the committee and obtaining its approval.
  - The committee reporter records the attendance of committee members at each meeting.
  - The committee reporter is responsible for scheduling all committee meetings, preparing a written agenda, and providing all members with a copy of it, in addition to information about the meeting, within a period of no less than five working days before the scheduled date of the meeting.

3. In the absence of the committee reporter, the committee chairman shall appoint another member to carry out the duties of the committee reporter.

### **5. Quorum**

1. Only members of the committee and the committee's reporter have the right to attend the committee's meetings, and the committee has the right to invite any of the bank's administrators to attend its meetings to seek their opinion, including those concerned with internal auditing and members of senior executive management (such as the director of information and communications technology) or those concerned with external auditing.
2. A quorum for committee meetings shall be achieved in the presence of at least two committee members. If the quorum is not met, a new meeting shall be held.
3. The committee meeting - in which a quorum is reached - is considered sufficient to exercise all or any powers granted to the committee and to make any decisions based on those powers in accordance with the authorization of the Board of Directors.
4. The committee's decisions are approved by a majority vote of the members present, and if the vote is equal, the vote of the committee chairman shall have the casting vote.

### **6. Meetings**

#### **A- Periodicity of meetings**

1. The committee meets periodically (at least every three months) or as needed, noting that the committee chairman is responsible for setting meeting dates in coordination with the committee's rapporteur.
2. In the absence of the committee chairman, the attending members choose one of them to chair the meeting.

#### **B- Conflict of interests**

In the event of any conflict of interest, the concerned member shall not participate in the committee discussions, nor in taking any decision regarding the matter concerned.

#### **C- Minutes of meetings**

1. The committee reporter records the events and decisions issued by all committee meetings, including recording the names of attendees.
2. Minutes of meetings are signed by the Committee Chairman, and are provided before the next meeting for approval by the Committee members.
3. Minutes of meetings are passed to all members of the committee immediately, and to all members of the Board of Directors after approval.
4. The Chairman of the Committee presents the minutes of its meetings and recommendations to the Board of Directors for a vote.
5. The committee maintains written minutes of its meetings, in addition to a schedule of the committee's decisions, which is submitted with the minutes of the meeting to the Board of Directors.

### **7. Duties of the Committee**

- The Board of Directors delegates the committee to assume the following tasks and responsibilities:
  - 1- Adopting strategic plans for information and communication technology and appropriate organizational structures, including steering committees at the level of senior executive management, in particular (the steering committee for information and communication

- technology), in a way that ensures the achievement of the strategic targets of the bank and meets them, and achieves the best added value from projects and investments of information and communication technology resources and the use of tools and the necessary standards to monitor and ensure the extent to which this is achieved, such as using the IT Balanced Scorecards system, calculating the rate of return on investment (ROT), and measuring the impact of contributing to increasing financial and operational efficiency.
- 2- Adopting the general framework for managing, monitoring and controlling information and communication technology resources and projects that simulates the accepted international best practices in this regard, specifically (COBIT) (Control Objective for Information and Related Technology) in all its versions to achieve the objectives and requirements of these controls by achieving institutional targets in a sustainable manner, achieving the matrix of information objectives and associated technology, and covering information and communication technology governance processes.
  - 3- Adopting the matrix of institutional objectives and related information and technology objectives, counting their data as a minimum, and describing the sub-objectives necessary to achieve them.
  - 4- Adopting a matrix of responsibilities (RACI Chart) towards the main processes of information and communication technology governance and the sub-processes emanating from it in terms of the initially responsible entity, entities, person or parties Responsible and that responsibility finally Accountable, and the consultant parties, which are informed about all processes.
  - 5- Ensure that there is a general framework for managing information and communications technology risks that is compatible with the overall general framework for risk management in the bank and is integrated with it in accordance with international standards such as (ISO 31000, ISO 73) and takes into account all information and communications technology governance processes.
  - 6- Approving a budget for information and communications technology resources and projects in accordance with the bank's strategic objectives.
  - 7- General supervision and review of the progress of ICT operations, resources and projects to ensure their adequacy and effective contribution to achieving the bank's requirements and business.
  - 8- View audit reports of information and communication technology and take the necessary measures to address deviations and make recommendations to take the necessary measures to correct them.
  - 9- Review and update the ICT Governance Guide.
  - 10- View the recommendations of the Information and Communication Technology Steering Committee regarding the following matters:
    - Allocate the necessary resources and mechanisms to achieve the tasks of the ICT Governance Committee.
    - Any deviations that may negatively affect the achievement of the strategic objectives.
    - Any unacceptable risks related to information technology, security and protection.
    - Reports of performance and compliance with the requirements of the general framework for managing, monitoring and controlling ICT resources and projects.
  - 11- View the minutes of the Executive Information Technology Steering Committee meeting, where (the committee provides its reports to the Information and Communications Technology Governance Committee on an up-to-date basis and provides evidence supporting its review).
  - 12- Assuming direct responsibilities for the evaluation, guidance and control processes, as well as direct responsibility for the operations of ensuring the prudent management of information and communication technology and risk management operations in cooperation with the risk management in the bank, as these controls aim to meet the needs of stakeholders (stakeholder

needs) and achieve the directives and objectives of the bank by achieving The objectives of information and communication technology, to guarantee:

- a. Providing high-quality information that serves as a basis that supports the bank's decision-making mechanisms.
- b. Prudent management of ICT resources and projects to benefit from those resources and reduce waste.
- c. Providing a distinguished and supportive technology infrastructure that enables the bank to achieve its targets.
- d. Improving the bank's various operations by employing an efficient and highly reliable technical system
- e. Prudent management of information and communications technology risks ensures the necessary protection of the bank's assets.
- f. Assist in achieving compliance with the requirements of laws, legislation and controls as well as compliance with internal business strategy, policies and procedures.
- g. Improving the internal control system.
- h. Improving the level of satisfaction with information and communications technology by its users by meeting business needs efficiently and effectively.
- i. Managing third-party services entrusted with implementing operations and tasks related to services and products related to information and communications technology.

- **The tasks of the committee in terms of principles, policies and frameworks:**

- 1- Adopting a system of principles, policies, and frameworks necessary to achieve the general framework for managing, controlling, and monitoring ICT resources and projects, in a manner that meets the requirements of ICT governance objectives and processes.
- 2- Adopting principles, policies and frameworks, especially those related to information and communication technology risk management, information security management and human resources management, which meet the requirements of information and communication technology governance processes.
- 3- Adopting the necessary policy system for managing information and communications technology governance resources and operations, and considering this policy system as a minimum, with the possibility of combining and integrating these policies as required by the nature of the work, provided that other regulating policies are developed to keep pace with the development of the bank's objectives and work mechanisms, and that each policy is determined by the owner, the scope of application, the periodicity of review and update, access and distribution powers, objectives, responsibilities, work procedures related to them, penalties in the event of non-compliance, and compliance inspection mechanisms.
- 4- When creating policies, the contribution of all internal and external partners is taken into account and the adoption of international best practices and their updates as references for the formulation of these policies, such as (COBIT, ISO/IEC 27001/2, ISO 31000, ISO/IEC 9126, ISO/IEC 155504, ISO 22301, and PCI DSS). , ITIL,...etc.

- **The committee's tasks regarding services, programs, and information and communications technology infrastructure:**

- A- Adopting a system of services, programs and infrastructure for information and communications technology, and considering this system as a minimum, to be provided and developed continuously to keep pace with the development of the bank's objectives and operations and in accordance with the best accepted international practices in this regard.

- B- Adopting a system of services, programs and ICT infrastructure that supports and assists in achieving ICT governance processes and then the associated information and technology objectives and institutional objectives.
- **The tasks of the committee with regard to knowledge, skills and experience:**
    - Approving the qualifications matrix (HC Competences) and human resources management policies necessary to achieve the requirements of ICT governance operations and the requirements of these controls in general and to ensure that the right person is placed in the right place.
    - Employing qualified and trained human resources from people with experience in the fields of information and communication technology resources management, risk management, information security management, and information and communication technology audit management based on standards of academic, technical and professional expertise through approval from competent authorities, provided that the currently employed cadres are rehabilitated and trained, to meet the requirements mentioned in the instructions issued by the Central Bank of Iraq in this regard.

### **8. Review and amend the regulations**

The committee must have an internal work regulation that shows its tasks, scope of work, and procedures, including how reports are prepared to the Board of Directors and what is expected of the members of the Board of Directors from their membership in that committee. This regulation is subject to annual review by the committee, in order to ensure the following:

- Covering all ICT governance system procedures related to the bank.
- Ensure compliance with regulatory requirements.
- Stay abreast of the latest developments in ICT governance practices and standards, both locally and internationally.
- Any other necessary amendments.

In the event that there are any proposed amendments to the regulation, they are presented to the Board of Directors for approval