

## 1. DEFINITIONS

“Bank or SICO” means SICO B.S.C (C), a leading regional asset manager, broker and investment bank licensed as conventional wholesale bank by the CBB and unless the context otherwise excludes shall include its direct and indirect subsidiaries.

“Code” means SICO’s staff Code of Conduct.

“Covered Party” means SICO staff member (s) and unless the context otherwise includes, shall be deemed to exclude the Director (s) of SICO.

“Director (s)” means member (s) of the Board of Directors of the Bank, who are not employees of the Bank.

“Staff Member (s)” means and refers to each officer and employee of the Bank (whether permanent, temporary or on contract)

## 2. INTRODUCTION

This Code of Conduct (referred to as “Code”) frames the standard of conduct for covered parties. The Code specifies standards of professional and personal conduct expected of all staff members of SICO. The Code defines the necessary guidelines to ensure that high ethical standards maintained by SICO are applied on a consistent basis by all the covered parties.

This policy statement should be construed in full accordance with the laws and regulations of Bahrain (including CBB and BHB and any other country where SICO conducts business and the covered parties must comply with all the applicable laws and regulations, as the case may be.

This Code has been framed in adherence to CBB Rulebook Volume I: Conventional Banks, Principles of Business (PB) Module, Business Conduct Module (BC), High-Level Controls (HC) Module and the guiding principles enshrined therein.

As per the provisions of HC Module of the CBB Rulebook Volume 1 HC-2.2.3, the Board must establish corporate standards for approved persons and employees. This requirement should be met by way of a documented and published code of conduct or similar document. These standards must be communicated throughout the bank, so that the approved persons and staff understand the importance of conducting business based on good corporate governance values and understand their accountabilities to the various stakeholders of the licensee. Banks’ approved persons and staff must be informed of and be required to fulfil their fiduciary responsibilities to the bank’s stakeholders.

As the Board of Directors is ultimately accountable and responsible for the affairs and performance of the bank, the responsibility of approving and enforcing this Code of Conduct lies with the Board of Directors of SICO. The Audit and Risk Committee is however responsible for ensuring that there is adherence by SICO staff to the principles of this code.

In the event that the applicable laws and regulations, being in force at the time, impose a higher standard on the covered parties, the higher standards as imposed by the laws and regulations shall apply. In the event of the Code imposing higher standards than the local laws and regulations, the Bank’s code shall prevail.

Staff Members are encouraged to seek guidance from the Bank’s Compliance Officer in all issues related to any regulatory, policy or other related matters wherein they lack clarity as to the course of action to be taken and to Legal department in case of legal matters. It is encouraged that in complex matters, appropriate advice of the Audit and Risk Committee and, if needed, of the Board, should be sought.

None of the covered parties should knowingly participate or assist in the violation or contavention of any of the applicable laws and regulations.

Compliance with the Code, as well as, with the other policies and procedure of the Bank is a condition of employment and strict adherence to the Code of Conduct is the responsibility of every employee of SICO.

## 3. The workplace :

SICO encourages a collaborative work environment as most of us share common workspaces. In saying that, staff are required to respect coworkers and ensure everyone is afforded a work space that allows them to perform their duties to the best of their abilities. That means avoiding loud and non-relevant chatting, keeping our offices reasonably orderly, and, above all, valuing each other's wellbeing.

#### 4. Environmental Management

Everyone at SICO is responsible for creating a healthy, clean, and safe environment through following both legal regulations and those that SICO believes are just good practice. Our environment is fragile and climate change is real. We do everything we reasonably can — in practice and in policy — to be more energy efficient, conserve water, reduce greenhouse gas emissions, and minimize waste. This means we turn lights off at the end of the day, keep printing to minimal, reduce the use of plastics, and treat the office as we would our homes. Smoking is not permitted within the office premises. Also congregation for smoking to be avoided on the ground floor at one time.

#### 5. Integrity & Ethics

Staff members must observe high standards of integrity and fair dealing. They must be honest and straightforward in their dealings with customers and provide full disclosure of all the relevant information to the customers as per best business practices and as required by CBB Regulations and Directives.

Staff members must use common sense in all work and business dealings and act ethically at all times. A sense of responsibility, honesty and fairness must be evident at all times in all staff dealings and communications (including e-mails, telephonic conversations and correspondence) whether with customers, regulators, colleagues or other stakeholders. Unethical behaviour is unacceptable at SICO. Staff Members should not do anything that can cast any doubt about their behaviour or tarnish the reputation of SICO.

#### 6. Management and Leadership

We encourage managers to seek ideas from all staff and involve them in decisions where appropriate. Managers must act as role models for all staff. They are expected to exhibit the highest standard of integrity in dealing with colleagues, clients, suppliers, and the community at large by virtue of their position of authority.

#### 7. Appearance, Attire & deportment

We consider ourselves a formal work environment accordingly:

- Since SICO work environment sees frequent visits from customers, clients, and the public, therefore, professional business attire is essential.
- Employees are expected to be neat in attire and appearance. Unkempt appearance and extremes of attire are unacceptable.
- Employees are expected to conduct themselves in a proper manner in their everyday contact with their associates and the public both within the company premises and outside.
- The employee must maintain personal hygiene as it reflects a positive image of the employee and the company.
- Excessive and loud talking must be avoided at all times.
- Discretion should be exercised in ensuring that unnecessary personal phone calls are not made during working hours, whether on office telephone lines or on personal mobiles.
- Male Employees are expected to dress professionally in suits and ties or national costume, clean shaven or trimmed beard, polished shoes, and appropriate hair style for professional environment.
- Female Employees are expected to dress professionally in pant suits, skirts, polished shoes and appropriate hair and make-up style for professional environment.
- Client facing employees are expected to carry business cards at all times.
- SICO allows its employees to wear smart business casual attire on Thursdays unless they have clients' meetings.

#### 8. WORK ETHICS

SICO staff are advised to make use of full working hours, and perform accurately, honestly, and to the best of your abilities to achieve SICO goals because when we do well, you do well. We respect office hours and understand everyone has circumstances that come up. However staff are expected to be on call and working during business hours and any absence must be cleared with your direct supervisor first.

#### 9. DUE SKILL, CARE AND DILIGENCE

Staff Members must act with due skill, care and diligence. The duty of due skill, care and diligence imposed on the Staff Members must conform to that of highest standard and as expected of a professional banker. Staff Members should exhibit alertness, dedication and industry in their continual effort to maximize the interest of SICO and its stakeholders.

#### 10. CONFIDENTIALITY

Staff Members must observe in full any obligations of confidentiality, including but not limited with respect to the customers information. Confidential and personal information, whether obtained from customers, other business partners or sources within SICO, including information on staff, must be safeguarded. The confidentiality shall not over-ride the duty of lawful disclosures required by Laws and Regulations in force for the time being in the kingdom of Bahrain. All such disclosures as required by Laws and Regulations shall be made after due approval of the Compliance Officer and the disclosure shall be made by the person duly authorised by the senior management in that respect.

The following shall act as the guiding cases in relation to confidentiality:

##### 10.1 PROVIDING SAFEGUARDS:

Staff Members may become privy to confidential information (i.e., information not generally available to public) concerning the affairs, plans and business transactions of SICO, its present and prospective customers, its suppliers, its shareholders and other staff members. Confidential information would also include trade secrets and other proprietary matters such as business or product plans, systems, methods, software, manuals and customers' lists. Safeguarding confidential information is essential to the conduct of SICO's business. Therefore, caution and discretion are required in the use of such information and in sharing it only with those who have a legitimate need to know. Staff members have a duty not to use the property of the Bank for their personal needs as though it was their own property. Such information and materials, including those maintained in an electronic format, are intellectual proprietary assets of the Bank and may not be retained for use nor removed from the Bank at the time employment ceases.

##### 10.2 RELEASE OF CUSTOMER INFORMATION:

Requests from third parties for confidential information concerning customers should be referred to the Senior Management/ Data protection Supervisor, who will advise appropriate response taking into account Personal Data Protection policy. Any such information may be released only if the consent of the customer concerned is obtained before hand.

Failure to follow these procedures may jeopardise a customer's business, be detrimental to our client relationship and result in a civil action against SICO.

##### 10.3 PERSONAL USE:

Confidential information obtained as an employee of SICO is not to be used for the purpose of furthering any private interest or as a means of making any personal gain. Use or disclosure of such information could result in civil or criminal proceedings, both against SICO as well as against the Staff Member concerned.

##### 10.4 INTER DEPARTMENTAL/ SECTIONAL:

While SICO's activities require the free flow of information throughout the Bank, confidential information concerning the business affairs, plans and customers of SICO that are available to one unit of SICO should be communicated to other units only when there exists a legitimate business need to know.

##### 10.5 Data Protection

Staff members must comply with Data Protection laws where applicable. The following key principles are provided as guidance.

Personal information that we hold must be:

- Collected and used fairly and lawfully
- Accurate, relevant and up to date
- Held secure and stored as required in relevant legislations, regulations and, if applicable, contractual clauses
- Only disclosed to those authorised to receive it
- Not kept longer than is necessary

Respect individual's rights in respect to their personal information:

- Provide a copy of their information on request
- Provide details of where the information is sourced and how we use it
- Ensure inaccurate data is corrected or deleted

## 11. PERSONAL FINANCE

The conduct of SICO Staff member of his personal finance shall reflect upon his professionalism and the degree of due skill, care and diligence he exercises in his personal finance and shall be reflective of his disposition to the customers while entering into financial transaction with them. Among others, staff members shall exercise the following precautions:

### 11.1 PERSONAL INVESTMENTS:

Personal Finances should be managed in a manner consistent with employment in a financial institution. This obligation requires the exercise of prudence in making personal investments, keeping clear of obviously speculative transactions, and avoiding specific situations which might influence judgments made or advice given on behalf of SICO in the course of business.

Staff Members are permitted to invest in securities, mutual funds/ETFs in the stock markets in which SICO currently transacts business (related markets), under controlled circumstances and on the conditions of full transparency. Prior approval of the Compliance Officer is mandatory to trade such securities in the MENA markets. No such pre-approval is required to trade other International Markets provided that an annual declaration is made by the staff member. No approval is required for T-Bills investments.

Staff may invest at their discretion, provided such investments do not involve, or appear to involve, a conflict of interest or the use of confidential information. Staff members should avoid investing in the securities of a customer or a supplier with whom such employee regularly deals, if the investment is of such magnitude in relation to net worth of the concerned staff or of the customer / supplier that it raises a question as to whether, as a consequence of such investment, the employee's decisions or judgments on behalf of SICO would be influenced.

The above restrictions and guidelines will also apply to investments in securities in relevant stock markets by immediate family members of staff i.e husband, wives and dependant children.

### 11.2 INSIDER TRADING POLICY AND PROCEDURES

SICO forbids any officer, director or employee from trading, either personally or on behalf of others, including mutual funds and portfolios managed by SICO, on material nonpublic information or communicating material nonpublic information to others in violation of the law. This conduct is frequently referred to as "insider trading." The below SICO's policies on Material Non Public Information and Insider trading, apply to SICO as Fund manager, investment advisor, principal underwriter, including every officer, director and employee thereof, and extends to activities within and outside their duties at SICO. Every officer, director and employee must read and retain this policy statement. Any questions regarding SICO's policy and procedures should be referred to the Compliance Department. An officer, director or employee must notify to the Compliance Department immediately if they have any reason to believe that a violation of the Policy Statement has occurred or is about to occur.

#### 11.2.1 Who is an insider:

The term "insider trading" is defined as per the CBB to include any person who has obtained inside information;

- By virtue of his employment or profession;
- Being an officer or shareholder of the issuer of the securities; or
- Through illegal means.

The husbands, wives, immediate families and those under the control of insiders may also be regarded as insiders. The concept of "insider" is broad. It includes officers, directors and employees of a company. In addition, a person can be a "temporary insider" if he or she enters into a special confidential relationship in the conduct of a company's affairs and as a result is given access to information solely for the company's purposes. A temporary insider can include, among others, a company's attorneys, accountants, consultants, bank lending officers, and the employees of such organizations. In addition, SICO may become a temporary insider of a company it advises or for which it performs other services

A person may be an insider if he is already aware that such information is classified as inside information even though none of the above applies to him. but generally is used to refer to the use of material nonpublic information to trade in securities (whether or not one is an "insider") or to communications of material nonpublic information to others.

#### 11.2.2 What is Material Information?

Trading on inside information is not a basis for liability unless the information is material. "Material Information" generally is defined as information for which there is a substantial likelihood that a reasonable investor would consider it important in making his or her investment decisions, or information that is reasonably certain to have a substantial effect on the price of a company's securities. Information that officers, directors and employees should consider material includes, but is not limited to: dividend changes, earnings estimates, changes in previously released earnings estimates, significant merger or acquisition proposals or agreements, major litigation, liquidation problems, and extraordinary management developments.

Material information also may relate to the *market* for a company's securities. Information about a significant order to purchase or sell securities may, in some contexts, be deemed material. Similarly, prepublication information regarding reports in the financial press also may be deemed material.

It is conceivable that similar advance information available on securities to be bought or sold by a large, influential institutional investor, may be deemed material to an investment in those securities. Advance knowledge of important proposed government regulation, for example, could also be deemed material information regarding companies in the regulated industry.

#### 11.2.3 What is Non-public Information?

Information is nonpublic until it has been disseminated broadly to investors in the market place. Tangible evidence of such dissemination is the best indication that the information is public. For example, information is public after it has become available to the general public through a public filing with the Bourse, Central Bank or some other governmental agency, and after sufficient time has passed so that the information has been disseminated widely

#### 11.2.4 What is Insider Trading

"Insider Trading" refers not only to the purchase or sale of an issuer's equity and debt securities, but also to the purchase or sale of puts, calls or other options with respect to such securities. Such trading is deemed to be done by an insider whenever he has any beneficial interest, direct or indirect, in such securities or options, regardless of whether they are actually held in his name.

Included in the concept of "insider trading" is "tipping", or revealing inside information to outside individuals, to enable such individuals to trade in an issuer's securities on the basis of undisclosed information.

While the law concerning insider trading is not static, it is generally understood that relevant law prohibits:

- trading by an insider, while in possession of material nonpublic information; or
- trading by a non-insider, while in possession of material nonpublic information, where the information either was disclosed to the non-insider in violation of an insider's duty to keep it confidential or was misappropriated;
- communicating material nonpublic information to others (i.e. tipping)

#### 11.2.5 Penalties for Insider Trading

Penalties for trading on or communicating material nonpublic information are severe, both for individuals involved in such unlawful conduct and their employers. A person can be subject to penalties even if he or she does not personally benefit from the violation.

Over and above to penalties prescribed under the Penal Code or any other law, any person who contravenes any of the provisions of relevant market abuse module ('MAM module) of volume 6 of the CBB shall be liable for penalties and enforcement actions stipulated under various provisions of the CBB Law including, but not limited to, criminal sanctions, fines, imprisonment, suspension of license, public censure, freezing of accounts, cease and desist order and specific directives. The CBB's investigation and enforcement proceedings and procedures, as set out in the Market Surveillance, Investigation and Enforcement (MIE) Module will be applicable for contraventions of this Module.

#### 11.2.6 Identifying Inside Information.

Before a SICO employee executes any trade for him/herself or on behalf of others, including investment mandates managed by SICO in the securities of a company about which the employee may have potential inside information, the following questions should be considered:

- Is the information material? Is this information that an investor would consider important in making his or her investment decisions? Is this information that would substantially affect the market price of the securities if generally disclosed?
- Is the information nonpublic? How was the information obtained? To whom has this information been provided?
- Has the information been disseminated broadly to investors in the marketplace by being published in Reuters/ Bloomberg, local media or other publications of general circulation? Is it on file with the Bahrain Bourse.

If, after consideration of the above, it is found that the information is material and nonpublic, or if there are questions as to whether the information is material and nonpublic, the following steps should be taken:

- Report the matter immediately to the Compliance Officer.
- The securities should not be purchased or sold by director or employee for him/herself or on behalf of others, including investment mandates managed by SICO.
- The information should not be communicated inside or outside SICO, other than to the Compliance Department.

After the issue has been reviewed, the Compliance Department will instruct the officer, director, or employee as to whether to continue the prohibitions against trading and communication, or allowing the trade and communication of the information.

#### 11.2.7 Contacts with Public Companies.

For SICO, contacts with public companies represent an important part of our research efforts. SICO may make investment decisions on the basis of the firm's conclusions formed through such contacts and analysis of publicly available information. Difficult legal issues arise, however, when, in the course of these contacts, a SICO employee or other person subject to this Policy Statement becomes aware of *material*, nonpublic information. This could happen, for example, if a company's chief financial officer prematurely discloses quarterly results to an analyst or an investor relation representative makes a selective disclosure of adverse news to a handful of investors. In such situation, SICO must make a judgment as to its further conduct. For the protection of the company and its employees, the Legal/Compliance Department should be contacted if an employee believes that he/she has received material, nonpublic information.

#### 11.3 DECLARATION OF PERSONAL INVESTMENTS IN THE STOCK MARKETS IN WHICH SICO DEALS:

It is obligatory on the part of every employee to sign a declaration to SICO disclosing the complete details of their personal portfolio of securities, mutual funds/ETFs in all the stock markets in which SICO currently operates (related markets) (See *Appendix 1*). This does not apply to investments in T-Bills and investments in Funds or their security holdings in stock markets that SICO does not currently operate. This declaration should be submitted to the Compliance Officer. For every subsequent buy or sell deals in the related markets, prior approval of the Compliance Officer should be obtained in writing (See *Appendix 2*). If SICO enters a new market, a new declaration should be signed with respect to the employee's security holdings in that market. In the absence of the Compliance Officer, this approval shall be obtained from the Chief Executive Officer. Every new employee shall sign the declaration at the time of accepting the contract of employment.



The requirement to obtain prior approval of the Compliance officer (Appendix 2) will also apply to investments in securities in relevant stock markets by immediate family members of staff members i.e. husbands, wives and dependent children. The declaration in such cases will be obtained by staff members on behalf of their immediate family members. The responsibility to provide the declaration for prior approval is on the staff member.

#### 11.4 BORROWINGS:

Staff Members should borrow only from reputed banks and other financial institutions which are in the business of regularly lending money. Borrowings from any financial institution including SICO's correspondent banks must not involve favoured treatment of any kind; and thus should be obtained on substantially the same terms, including the rates of interest, prevailing at the time for comparable loans to other borrowers. Borrowing from relatives is not subject to restrictions.

#### 12. CONFLICTS OF INTEREST

Staff Members must take all reasonable steps to identify, and prevent or manage, conflict of interest that could harm the interests of the customers. The conflict of interests, whether real or perceived, can create an appearance of impropriety that can undermine the confidence of the customers, hence the conduct of Staff Members should conform as per the standard.

The following shall help Staff Members to identify and deal with potential conflict of interest scenarios:

##### 12.1 PERSONAL BENEFITS:

Staff Members are not to solicit accept or retain a personal benefit from any customer of SICO, or any individual or organisation doing or seeking business with SICO. In this context, personal benefit is regarded as any type of gift, gratuity, favour, service, loan, legacy (except from a relative), fee, compensation or anything of monetary value.

Specific exception to this prohibition is made, if there is no, and there appears to be no, reasonable likelihood of improper influence in the performance of duties on behalf of SICO and if the personal benefit falls into one of the following categories:

- Normal business courtesies, such as a meal or entertainment, involving no more than ordinary amenities;
- Paid trips or guest accommodations which involve formal representation of SICO or which can be reciprocated on a personal basis;
- Non-cash gifts of less than USD 250 in value, such as received during festive time;
- Unsolicited advertising and promotional materials of nominal value;
- Gifts received because of kinship, marriage or social relationships entirely beyond and apart from any business relationship.

Special care must be exercised in determining whether a personal benefit is permissible in view of the limited exceptions. Therefore, any question as to whether a particular personal benefit might be construed as improperly influencing one's duties or whether it falls into one of the above categories must be referred promptly to the Staff Member's division head.

Any personal benefit received, other than the exceptions noted above, is to be reported to the compliance officer in addition to copying Staff Member's division head.

##### Specific guidelines on Gifts

- The employees must desist from accepting or receiving favors which might call their independence into question.
- The employees are allowed to receive non-cash gifts up to a value of USD 250 if there is no, and there appears to be no, reasonable likelihood of improper influence in the performance of duties on behalf of SICO. Gifts received that are valued in excess of USD 250 must be reviewed on a case to case basis by the Compliance Officer taking into consideration the circumstances surrounding each gift. All Gifts received

that exceeds USD 250/- must be handed over to the Compliance Officer and the Management shall decide whether it can be retained by the employee or the Company or any alternative.

- Gifts made above a value of USD 250/- on behalf of SICO must be disclosed to the Compliance Officer. This policy does not apply to the exchange of gifts between employees on a personal basis.
- A register of all gifts above the threshold values received or given by the Company and/or its employees shall be maintained by the Compliance Officer. It is the responsibility of every employee to ensure that the Compliance Officer is advised whenever such gifts have been received or given by them.

Relevant department staff should *also* take guidance from relevant conflict of interest guidelines and any other relevant guidelines that have been specifically established for their relevant departments in the light of the activities of those departments.

#### 12.2 LIMITS OF AUTHORITY: Credit accommodation / recommendation :

Staff members are not to grant direct or indirect credit accommodations or make credit recommendations with respect to:

- Themselves;
- Any individual or organisation lending money to them; or
- Any individual or organisation with which they are associated or in which a material financial interest is held.

#### LIMITS OF AUTHORITY Signature:

Signing on behalf of the Bank is a responsibility and such responsibility should be exercised with due care and consideration. Staff members are not to sign any document on behalf of SICO or to in any way represent or exercise authority on behalf of SICO unless specific approval has been granted by SICO. Staff Members may not use any property of SICO for a personal purpose or use SICO's name or any of its resources to enhance their own opportunities in personal transactions or outside relationships.

The above also applies to Bank stationery and literature unless prior SICO approval has been obtained.

Staff Members must not serve SICO's interest in any transactions with a company in which he has a personal interest.

A Staff Member is considered to have a "personal interest" in a transaction with a company if:

- (a) He himself; or
- (b) A member of his family (i.e. spouse, father, mother, sons, daughters, brothers or sisters); or
- (c) Another company of which he is a director or controller,

is a party to the transaction or has a material financial interest in the transaction. (Transactions and interests which are de minimis in value should not be included.)

#### 13. BUSINESS / MARKET CONDUCT

Staff Members, in general, must observe proper standards of market conduct, and avoid actions that would generally be viewed as improper and in specific shall take the following into account:

##### 13.1 IMPROPER PAYMENTS:

In the conduct of SICO's business, no bribes or similar remuneration or consideration of any kind are to be given or offered to any individual or organisation for the purpose of influencing such individual or organisation in obtaining or retaining business for, or directing business to SICO.

##### 13.2 BOOKS, RECORDS AND ACCOUNTS:

The integrity of accounting records of SICO is essential. All receipts, invoices and expenditures, therefore, must be supported by documents that properly and accurately describe such entries.

Staff Members responsible for keeping any books, records and accounts for SICO are required to record all entries based upon proper supporting documents and as per all applicable accounting standards so that the



accounting records of SICO are kept in detail, reflecting accurately and fairly all transactions concerning SICO as well as the disposition of its assets and liabilities. The falsification of any statements, books of record or account of SICO is unlawful and may result in the dismissal and possible civil court prosecution.

### 13.3 COMPLIANCE WITH LAWS & BEST PRACTICE STANDARDS:

The activities of SICO must always be in full compliance with the applicable laws and regulations, including the laws and regulations of all the states and countries in which SICO does business and as per industry best practices.. Staff Members are expected to keep abreast of such laws and regulations. Whenever a question arises regarding any law or regulation, the Senior Management should seek the advice of the legal counsel of SICO and, if deemed necessary, from an external legal counsel of repute.

### 13.4 COOPERATION, HONESTY AND FRANKNESS

All Staff Members are required to keep their supervisory officers fully informed of all matters pertinent to SICO's business activities with a view to ensure that Senior Management will be fully informed on a timely basis about all such matters. Moreover, in dealing with SICO's independent or internal auditors and legal advisors, complete frankness is essential.

### 13.5 INDEPENDENCE

Independence of attitude is an essential characteristic for all staff, which is indicated by a high level of personal integrity and an objective approach to work. Every employee must ensure that, by their conduct, are seen to be fully independent in all aspects of their work for SICO.

### 13.6 COMPETITION

In its many business activities, SICO engages in vigorous, but fair and ethical competition. Discussions and agreements, oral or written, with competitors concerning pricing or other competitive policies, which could be considered as unethical or uncompetitive are not permitted. Care should be taken to ensure that in meetings of trade associations or other banking groups, competitive policies are not discussed. In this regard, the staff member is encouraged to review with the Compliance Officer or counsel the rules and regulations of any group, association or trade organisation that the Staff Member or SICO is requested to join or intends to join.

### 13.7. MEDIA RELATIONS

Trade or business enquiries made by the media (e.g., TV, radio, press etc) must be handled only by the spokesman nominated by SICO. Any other person approached for interviews should have the CEO's approval before accepting such requests. Should any employee be involved in any interview for any other purpose, then he / she must not disclose the Bank's name.

### 14. CUSTOMERS ASSETS

Staff Members must take reasonable care to safeguard the assets and deposits of the customers for which SICO, including its subsidiaries, is responsible. All the assets of the customers are held in fiduciary capacity and hence SICO and the staff members must act in the conformity with the duty of trust imposed upon them while dealing with the customer's assets.

### 15. CUSTOMERS INTERESTS

Staff Members must pay due regard to the legitimate interests and information needs of their customers and communicate with them in fair and transparent manner. SICO's staff members, in all the dealing with the customers who are entitled to rely on their advice or discretionary decisions, must take reasonable care to ensure the suitability of such advice or decisions. Due care must be exercised by the Staff Members to ensure that the information disclosed to the customers are not incorrect or misleading in any respect.

### 16. RELATIONS WITH REGULATORS / SUPERVISORS

Staff members must bear in mind that SICO, including its subsidiaries, is licensed by CBB and must at all times comply with its rules and regulations and those of the other regulatory / supervisory bodies under whose

authority they come. The staff Members, thereby, must take reasonable care to ensure that their activities and in turn that of SICO and its subsidiaries, as the case may be, comply with all the applicable laws and regulations.

#### 17. RECRUITMENT OF RELATIVES

Existing employees must alert the HRD of any relatives, or relationship of other employees or candidates being interviewed. Failure to do so will be seen as a breach of conduct and subject to disciplinary action as per the Bank's policy.

#### 18. ADEQUATE RESOURCES

As a CBB licensee, SICO is duty bound to conduct its business and to ensure that it maintains adequate human, financial and other resources sufficient to run the business in an orderly manner. Staff Members are encouraged to notify senior management any lack of resources (human resources or otherwise), which may impair the conduct the SICO's business, including its subsidiaries, in an orderly manner.

#### 19. MANAGEMENT, SYSTEMS & CONTROLS

Staff Members must take reasonable care to ensure that their affairs are managed effectively and responsibly, with appropriate systems and controls in relation to the size and complexity of their operations. The systems and controls, as far as is reasonably practical, must be sufficient to manage the level of risk inherent in their business and ensure compliance with the CBB Rulebook.

#### 20. SAFETY, HEALTH AND SECURITY

Safety, health and security in the workplace is the collective and individual responsibility of SICO and all Staff Members. Department Heads are responsible for ensuring that staff are aware of any potential work hazards and are trained in safe work practices. Staff Members are responsible for taking all reasonable and necessary precautions to ensure their own safety as well as that of their colleagues.

#### 21. FAIR & EQUITABLE TREATMENT

Staff Members must treat all their colleagues fairly and equitably. SICO is committed to maintaining a work environment that supports productivity, dignity and self-respect of all employees, free of offensive behaviour, intimidation and harassment. The same principles of fairness apply to all staff dealings with customers, suppliers and other stakeholders. Their complaints (if any) must be documented, reported appropriately, and dealt with promptly and fairly. All customer complaints must be dealt with in accordance with the CBB's regulations on customer complaints as outlined in BC module of CBB rule book volume 1.

##### Staff Harassment and intimidation

We have zero tolerance for any kind of harassment or intimidation by any party, whether that's your supervisor, colleague, client, vendor, or any person dealing with us. Every person in SICO has the right to be treated in a professional manner, with respect and dignity.

Staff must report any suspected incident of harassment, discrimination or offensive behavior to senior management for investigation so that appropriate corrective action can be taken.

According to SICO policy, harassment includes, but is not limited to, committing or encouraging any of the following:

- physical assault;
- intentional physical conduct that is sexual in nature;
- unwanted sexual advances, propositions, or sexual comments;
- posting or displaying pictures, posters, calendars, graffiti, objects, or other materials that are sexual in nature; and
- verbal, written (including e-mail) or graphic communications containing derogatory comments or slurs based on gender, race, religion, national origin, age, or disability.

#### 22. OUTSIDE ACTIVITIES

##### 22.1 EMPLOYMENT:

Staff Members are not permitted to engage in paid jobs outside SICO. In exceptional instances where Staff Member wishes to engage in outside employment, such as lecturer, teacher, consultant or author, prior approval of the CEO is required.

No outside employment of any kind, including consulting, will be approved, which might subject SICO to criticism, or which will encroach upon the working time, interfere with regular duties, or necessitate such long working hours as to affect working effectiveness.

Becoming a director or trustee of an outside organisation also requires CEO prior approval or concurrence if the relationship already exists at the time of joining SICO.

## 22.2 OTHER ACTIVITIES:

Staff Members are not to act, without SICO approval, as:

- An executor, administrator, trustee, guardian, custodian or in any other fiduciary capacity except for persons related to the staff by blood or marriage;
- An official of any organisation with the exception of social organisations;
- A candidate for any public office, elective or appointive.

## 22.3 Internet and Social Media

Social media, which may include apps like Snapchat or Instagram, or other Internet networking applications like Facebook, should not be used during work hours except as it relates to business.

Although social media should not be used at work, employees are expected to handle their personal social media accounts appropriately outside of the office. Employees should always work to ensure that their personal accounts clearly state that their views do not represent our organization. Employees should never share any intellectual property, or the status of any of their assignments on social media.

Employees should never post discriminatory, offensive, or other illegal language on social media.

## 23. Financial Crime

We are committed to promoting the highest ethical and professional standards and strive to prevent the Bank from being used, intentionally or unintentionally, for financial crime.

We adhere to all applicable laws, regulations and international standards. This includes the financial crime regulations issued by the Central Bank of Bahrain and local regulators of jurisdictions in which we operate. We also adhere to the recommendations of the Financial Action Task Force (FATF).

Financial crime includes:

- Money laundering
- Terrorist financing
- Breach of Sanctions
- Fraud
- Bribery and Corruption

Staff members are required to:

- Understand and comply with our Financial Crime Policies and Procedures, and all related laws and regulations
- Never ignore red flags indicating that a client may be seeking to engage in a relationship or transaction for other than a lawful purpose or with the proceeds of alleged illegal activity
- Never establish client relationships or engage in transactions with prohibited clients, including clients prohibited by sanctions, or clients who refuse to provide required information, intentionally provide misleading information or provide information that is insufficient to meet the on-boarding procedures
- Attend financial crime training as your job requires
- Understand and follow legally binding sanctions restrictions
- Report suspicious activity immediately to MLRO or his deputy

## 24. WHISTLE BLOWING

SICO is committed to the highest standards of good governance, openness, transparency, integrity and accountability. Consequently if any Staff Member have any well-founded 'concerns', they have a duty to SICO and to the other colleagues to speak up and to report the situation immediately to Head of Internal Audit in

'good faith' who will inform the Chairman of Audit and Risk Committee so that the matter can be investigated promptly.

These 'concerns' may include:

- Staff think that they or anyone else at SICO may have violated any applicable law, regulation or the Code of Conduct,
- Staff are aware of any frauds (either attempted or realized),
- Concerns about the integrity of individual colleagues
- Staff detect a deficiency in SICO's processes or controls that would allow violations to go undetected
- Concerns with regards to health and safety risks, including risks to public/ employees, damage to environment.
- Indulgence in corruption, unauthorized use of Bank's funds/ property/ resources for illegal, improper or unethical purpose.

If the situation relates to the Head of Internal Audit then the staff should raise the issue with the Chief Executive Officer. Additionally, if the disclosures are not investigated, this should be raised as an issue with the Chief Executive Officer.

All such communications shall be treated with confidentiality to the extent possible and is intended to make it easier for members of staff to be able to report irregularities in "good faith", without having to fear that their actions may have adverse consequences.

"Good faith" means unequivocal belief in the veracity of the reported incidents. However, if any staff deliberately makes false allegations, or makes a report maliciously, such staff shall not be protected and this will be regarded as extremely serious and may result in disciplinary action, including dismissal.

Staff Members will be required annually to provide an affirmation (outlined within the Appendix 1) that they have read the whistle blowing procedures outlined in the staff code of conduct and understand their duty to report any 'concerns' immediately for investigation and action. Staff would also have to confirm that they have not come across any situation which warrants reporting under this clause.

#### 25. Other Acts of Misconduct

It is not possible to list all the forms of behaviors that are considered as misconduct or unacceptable in the workplace, the following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- Theft, fraud, dishonesty with business or property of the bank or any other organization or any person inside or outside the bank
- Falsification of employment documents/data to obtain employment
- Tampering with the office records
- Negligence or improper conduct leading to damage to the reputation of the bank
- Conviction for a criminal offence within or outside the office
- Smoking in prohibited area
- Spitting within bank's premises
- Unauthorized absence from duty
- Illegal strike
- Misuse of official stamps, letterheads, telephones, computers and other items

The bank, at its sole discretion, shall determine what act constitutes misconduct, breach of trust or negligence of duty

26. ADMINISTRATION OF THE CODE OF CONDUCT

26.1 QUESTIONS REGARDING THE CODE:

All Staff Members are expected to read and understand this Code of Conduct. Staff members are encouraged to seek guidance regarding the interpretation or applicability of any provision of the Code of Conduct. Initially, all queries should be discussed with the Compliance Officer.

26.2 REPORTING VIOLATIONS OF THE CODE:

If any Staff Member has reason to believe that any situation may have resulted in any provision of the Code of Conduct being violated, whether by that Staff Member or by another, the matter must be promptly be reported to the Staff Member's Division Head.

26.3 VIOLATIONS OF THE CODE:

Violation of any provision of the Code of Conduct by any Staff Member may constitute grounds for disciplinary action, including dismissal.

26.4 STAFF MEMBER ACKNOWLEDGEMENT OF THE CODE OF CONDUCT:

Each Staff Member of SICO are expected to read and understand this Code of Conduct and to review it from time to time to ensure that they are in compliance. Each staff member of SICO will be given a copy of the Code of Conduct and will be required to affirm in writing that they have read and understood the Code and that they will comply with it, including amendments thereto. Staff Members will be required annually to provide the same affirmation.

26.5 POSTING OF THE CODE OF CONDUCT:

This Code will be part of the Human Resources Policy and Procedures Manual Guidelines and will be posted separately on the SICO Intranet Portal.

Appendix 1

ANNUAL DECLARATION OF PERSONAL SECURITIES IN THE STOCK MARKETS IN WHICH SICO CURRENTLY OPERATES

Name: \_\_\_\_\_ Department/Unit: \_\_\_\_\_

Date of declaration: \_\_\_\_\_

I declare that I own the following securities\* in the following stock markets where SICO currently operates:

<input type="checkbox"/> BAHRAIN	<input type="checkbox"/> KUWAIT	<input type="checkbox"/> OMAN	<input type="checkbox"/> QATAR	<input type="checkbox"/> SAUDI ARABIA
<input type="checkbox"/> UNITED ARAB EMIRATES	<input type="checkbox"/> EGYPT	<input type="checkbox"/> JORDAN	<input type="checkbox"/> OTHER:	

Country	Name of security	Security Type	Date of last buy (if existing)	Volume (Units)

**N.B.:** Please attach another sheet if the space above is not sufficient to list down all your securities.

\* Staff Members are required to file nil reports should they have no investments in the stock markets where SICO operates.

\* Includes equities, Bonds, Mutual Funds, ETFs and cross listed securities

The above declaration duly filled in by the Staff Members should be submitted to the Compliance Unit-RMD no later than 1<sup>st</sup> quarter of every year.

- I, \_\_\_\_\_, acknowledge that I have read SICO's Code of Conduct and understand my obligations as an employee to comply with the principles, policies and laws outlined in the Code of Conduct, including any amendments made by SICO. I understand that a current copy of the Code of Conduct is posted on SICO's intranet portal.
- I have / have not traded through other brokers in the above markets.  
If yes, the name of the Broker \_\_\_\_\_
- I have read the whistle blowing procedures outlined in the staff code of conduct and understand my duty to report any 'concerns' immediately for investigation and action. I hereby confirm that I have not come across any situation which warrants reporting under this clause
- I have read the Compliance Charter/ Manual and AML manual. I am also aware of the Compliance risks associated with the bank.

Signature of the Staff Member: \_\_\_\_\_ Date: \_\_\_\_\_



**APPLICATION TO THE COMPLIANCE OFFICER SEEKING APPROVAL TO BUY OR SELL A PERSONAL SECURITY IN A STOCK MARKET IN WHICH SICO CURRENTLY OPERATES**

Name: _____	Department/ Section: _____
Date of application: _____	Date of the proposed deal(s): _____

I wish to  **BUY**       **SELL** (*tick as applicable*) the securities as detailed below:

Country	Name of the security	Security Type	Buy / Sell*	Volume (Units)	Approx Value (BHD)	Date of last buy (for sale deals*)	Counterparty

**I confirm that the deals would be carried out on an arm’s length basis and at normal rates and circumstances. I hereby declare that the deals do not arise out of any insider information and further confirm that there will be no conflict of interest with SICO or any of SICO’s customers arising out of the deals.**

Staff of Corporate Finance & Research Units:  
**My unit is currently not handling any project relating to the above company. The trade is not based on material non-public information.**

Signature of the Staff Member: \_\_\_\_\_

<b>DEPARTMENTAL HEAD</b>	<input type="checkbox"/> Approved	<input type="checkbox"/> Rejected
<b>COMPLIANCE OFFICER:</b>	<input type="checkbox"/> Approved	<input type="checkbox"/> Rejected
<i>Comments, if any:</i> (Attach annexure if space is insufficient)		
Signature of the Departmental Head	Signature of the Compliance Officer	
Signature of the CEO		

**CC:** To the Staff Member after signature by the Compliance Officer

- NOTES:** 1. *Brokerage unit* should attach a copy of this approved form with the staff deal ticket.  
 2. *Operations* should agree the details as per deal ticket with the details as approved above.

*Any deviation should be reported to the Compliance Officer.*

**\* Should satisfy minimum holding period of 3 months**