



بنك تنمية المدن والقرى
CITIES & VILLAGES DEVELOPMENT BANK

Conflict of Interest Policy 2026

Section (1):-

This policy shall be titled “Policy on the Prevention of Conflicts of Interest for Members of the Board of Directors, the General Manager, and Employees of the Cities and Villages Development Bank” and shall be effective as of the date of

Section (2):-

The following words and phrases shall have the meanings assigned to them below, unless the context indicates otherwise: -

The Bank: The Cities and Villages Development Bank.

The Board: The Bank’s Board of Directors.

The Director: The General Manager of the Cities and Villages Development Bank.

Employees: Employees of the Cities and Villages Development Bank and any person contracted by the Bank to provide a service or perform a function.

Related Parties: Any person having an interest in the Bank.

Section (3):-

This policy applies to members of the Board of Directors, the General Manager of the Bank, and its employees. It aims to protect the Bank’s interests by ensuring the Bank adheres in its operations to national integrity standards based on justice, equality, accountability, the rule of law, and good governance.

Clause (4):-

Obligations of Board Members:

- a- The Chairman of the Board of Directors is obligated to request that each member of the Board disclose any conflict of interest regarding items on the meeting agenda, and such disclosure shall be recorded in the minutes of the meeting.
- b- No member of the Board shall derive profit from any of the Bank’s projects or receive any financial return, service, or direct or indirect benefit from any related source (relatives or acquaintances) or work in such projects or benefit from them in

any way, except for the remuneration they receive within the limits expressly stipulated in the Banking Law or in any regulations issued pursuant thereto.

- c- Each member is obligated to act in the best interests of the Bank as a whole and not in their own personal interests.
- d- Each member of the Board of Directors and members of the committees formed by the Board of Directors of the Bank shall avoid engaging in or participating in any activity that directly or indirectly conflicts with the interests of the Bank.
- e- Members of the Bank's Board of Directors are obligated not to use the Bank's assets or various resources for any personal interest or exploit them for private gain or other purposes that fall outside the scope of the Bank's activities and operations. Furthermore, the Bank's assets, facilities, property, equipment, documents, information, and the Bank's name and logo must be preserved.
- f- Members of the Board of Directors and members of its committees are prohibited from disclosing any information classified as confidential or restricted regarding the Bank's performance, operations, and plans, and they are all required to maintain the confidentiality of the information they receive and protect it from unauthorized use and disclosure to any party, with the aim of ensuring that all external parties have equal opportunities to access the Bank's information through its disclosure in the manner deemed appropriate by the Bank. None of the aforementioned parties shall, during their term of membership on the Bank's Board of Directors, disclose any information classified as confidential outside the Bank except with the authorization of the Board of Directors, or if required to do so pursuant to the legislation governing the Bank's operations. Furthermore, the use of any confidential information to achieve personal gain for any of them or for other parties outside the Bank is prohibited.
- g- Each member of the Board of Directors is required to disclose any gift offered to them if its value exceeds (50) dinars
- h- They may accept customary official gifts, customary tokens of appreciation, and any other acceptable forms of recognition; and shall not accept or seek to obtain any type of gift, benefit, or other compensation of value, whether for themselves or for others, for the purpose of performing or failing to perform any part of the official duties imposed upon them. Gifts whose value exceeds the amount specified in this paragraph shall be considered funds and property to be transferred to the

Directorate of Financial and Administrative Affairs for disposal in accordance with applicable legislation.

Clause (5) Obligations of Bank Employees: Bank employees shall comply with the following:

- 1) Neither the Director nor any employee shall be entitled to derive profit from any of the Bank's projects or to receive any financial return, service, or benefit—whether direct or indirect—from any source related thereto (relatives or acquaintances), nor shall they work in such projects or benefit from them in any way, except for the salaries and bonuses they receive within the limits expressly stipulated in the Banking Law or in any regulations issued pursuant thereto.
- 2) Managers and employees are required to avoid engaging in or participating in any activity that directly or indirectly conflicts with the Bank's interests.
- 3) Managers and employees are required not to use the Bank's assets or various resources for any personal interest or exploit them for private gain or other purposes that fall outside the scope of the Bank's activities and operations. Furthermore, the Bank's assets, facilities, property, equipment, documents, and information, as well as the Bank's name and logo, must be safeguarded.
- 4) The manager and employees are prohibited from disclosing any information classified as confidential or restricted regarding the Bank's performance, operations, and plans. and they are all required to maintain the confidentiality of the information they receive and to protect it from unauthorized use, with the aim of ensuring that all external parties have equal opportunities to access and obtain the Bank's information through its disclosure in the manner the Bank deems appropriate. None of the aforementioned parties, whether during their tenure at the Bank or thereafter, shall disclose any information classified as confidential outside the Bank except with the authorization of the Board of Directors, or if required to do so pursuant to the legislation governing the Bank's operations. Furthermore, the use of any confidential information to achieve personal gain for any of them or for other parties outside the Bank is prohibited.
- 5) No bank employee shall accept any gift valued at more than twenty-five (25) dinars from any external party or individual, so as not to compromise the objectivity of that employee's decisions or their ability to perform their duties and responsibilities, and

so as not to harm the bank's interests or result in personal gain. The gift must be recorded in a special gift acceptance log, and if the value of the gift exceeds the specified amount, it must be handed over to the Directorate of Financial and Administrative Affairs.

- 6) Bank employees shall avoid any situations in which their personal interests conflict with their dealings with related parties with whom the Bank conducts business.

Clause (6): General Provisions:

1. The Board, the Director, and employees are responsible for adhering to this policy and ensuring its proper implementation.
2. Members of the Board of Directors, the Director, and employees are required to comply with all applicable laws and regulations.
3. Members of the Board of Directors, the Director, and employees are required to disclose and report their personal interests, and the burden of disclosing the existence of an actual conflict of interest rests with the person facing it; such disclosure must be made in writing to the Bank's management.
4. A responsible person who plans to be absent from a meeting because they believe a matter involving a conflict of interest will be discussed must disclose all material facts regarding the conflict of interest, and this must be noted in the meeting minutes.
5. The adoption, review, amendment, and monitoring of the implementation of this policy fall within the authority of the Board of Directors.
6. The Board of Directors has the authority to determine cases of violation of this policy and to direct the competent authorities to take the necessary disciplinary or legal action.
7. The Board of Directors shall adopt this policy, notify all those to whom it applies, and publish this policy on the Bank's website.
8. The Board, the Director, or any employee is prohibited from working with any entity operating in the same field or having common interests with the Bank for a period of one year following their departure from the Bank.
9. Every person in a position of responsibility must complete the commitment and disclosure form every two years and must disclose any relationships, positions, or circumstances in which they are involved that they believe may give rise to a conflict of interest.

Sample Declaration of Compliance with the Conflict-of-Interest Policy at the Cities and Villages Development Bank

I, the undersigned,, in my capacity asI hereby confirm that I have read the Conflict-of-Interest Prevention Policy of the Cities and Villages Development Bank, issued pursuant to Law No. and published in the Official Gazette No. dated .../2020, and I hereby undertake to comply with its provisions.

Name:

Signature:

Disclosure Pledge Form in the Event of a Conflict of Interest at the Cities and Villages Development Bank

Undertaking and Declaration

I, the undersigned, in my capacity asthat I have reviewed the Conflict-of-Interest Policy of the Cities and Villages Development Bank, issued pursuant to Law No. and published in the Official Gazette No. dated .././2020, and accordingly, I hereby disclose the following:

Name:

Signature: