



شركة الاستثمار الوطنية  
NATIONAL INVESTMENTS COMPANY

## ***Code of Conduct & Ethics***

- This Code of Ethics and Business Conduct sets forth principles that you must follow in your activities as a director, officer, or employee of National Investments Company (NIC). It also covers your obligations to NIC, should you leave the Company. It should be read together with other applicable Company policies and procedures.
- The Code of Ethics does not cover every legal or ethical issue that you may face at the Company. Indeed, no code can attempt to anticipate the myriad issues that arise in any business. However, by following this Code and other Company policies and procedures, by adhering to the letter and the spirit of all applicable laws and regulations, and above all by applying sound judgment to your activities, you can demonstrate your commitment to the Company's values.

### **Purpose**

- The purpose of this Code of Ethics and Professional Conduct for employees is to:
  - A. Reduce the risk of code of conduct violations.
  - B. Set clear guidelines for appropriate behaviour internally.
  - C. Provide a standardized message for all NIC employees.
  - D. Enhance NIC's image for employees and outsiders.

### **Scope**

- This Code of Ethics and Professional Conduct is applicable to all directors, officers, and employees of NIC.

### **Audience**

- All executives, officers and employees at NIC will have access to the document.



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## **General Principles**

- The employee shall consider the Company's interest to be as his/her main objective when working at the Company. The employee shall use his/her competences and expertise in the best way possible in order to achieve this within the framework of his/her duties at the Company.
- The employee, when conducting his/her tasks and duties as stipulated in the employment contract and the Human Resources Policy Manual, shall avoid any personal interests and goals by abiding by neutrality, objectivity, transparency, integrity, credibility, and cautiousness. He/she shall execute the work assigned to him/her with accuracy and honesty in line with the provisions of rules adopted by the Company.
- The employee, when conducting his/her duties at the Company, shall carefully observe the Company's policies, and all the rules, regulations, and resolutions issued by any of the regulatory bodies.
- The employee, within the framework of the Company, shall consistently maintain the Company's independency away from any external influence regarding his/her work or the Company's work.
- The employee, especially if he/she is occupying a leading or supervisory position at the Company, shall set a role model by maintaining full credibility when performing his/her work duties and adopting the appropriate professional and personal conduct.

## **Principles of the Code**

- 1. Follow both the letter & the spirit of the law and NIC policies.**
- 2. Act in the best interests of stakeholders, the Company and the public.**
- 3. Identifying, Managing, and Reporting Conflicts:**



### 3.1. Potential Business Conflicts

- Conflicts of interest may arise as a consequence of the Company's interests and its relationships with multiple customers, counterparties, and suppliers. Conflicts, for example, can occur between different customers and between customers and the Company itself.

Officers and employees are responsible for:

- identifying and managing conflicts in accordance with regulatory requirements and Company policies; and
  - Escalating any conflicts or potential conflicts to their supervisor or other designated person, as appropriate.
- Managers who identify conflicts of interest in the business or to whom conflicts are raised by employees should manage those conflicts in accordance with Company policies and the normal procedures of their business unit or department, whenever possible. There may be occasions, however, when a conflict is not addressed by existing Company policies or is potentially significant with respect to not only the manager's individual business area, but also the Company as a whole. In those situations, the conflict should be referred to the senior management of the business unit or in accordance with the normal escalation procedures.

### 3.2. Personal Conflicts

- Your day-to-day responsibilities may expose you to situations that potentially raise personal conflicts of interest. A conflict of interest may arise, for example, if you or a family or household member has an economic or personal interest that differs from (or that appears to differ from) the Company, its customers, or its shareholders.
- While it is not possible to describe every situation in which a potential conflict of interest may arise, the following are examples of situations that may raise a conflict of interest:



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- a) Accepting special favours as a result of your position with the Company from any person or organization with which the Company has a current or potential business relationship.
  - b) Competing with the Company for the purchase or sale of property, services, or other interests.
  - c) Acquiring an interest in a transaction involving the Company, a client, counterparty, or supplier (not including routine investments in publicly traded companies or mutual funds).
  - d) Receiving a personal loan or guarantee of an obligation as a result of your position with the Company, or granting personal loans or giving gifts to other directors, officers, or employees that could make or might be perceived as making the recipient beholden to you (over and above repayment of the loan).
  - e) Working for a competitor, customer, or supplier or otherwise competing with the Company while a director, officer or employee of the Company.
  - f) Directing business to a supplier owned or managed by, or that employs, a relative or friend.
- Members of the Board of Directors should also disclose any actual or potential conflicts of interest to the Chairman of the Board, who shall determine the appropriate resolution. All directors must refuse themselves from any Board discussion or decision affecting their personal, business, or professional interests.

### 3.3. Gifts and Entertainment

- CMA Executive Bylaw Article (6-1) Book # 8 stated that “Without prejudice to the rights of a Licensed Person to collect commissions, charges and fees required for providing services as mentioned in the agreement entered with the Client, the Licensed Person, while practicing an activity involving Securities, Shall not pay any fees or commissions, provide monetary or non-monetary benefits or gifts, whether directly or indirectly, to his clients.



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Furthermore, it shall not receive any of the mentioned except in the following cases:

- a) Fees, commissions or non-monetary benefits that are not intended to encourage the Licensed Person to provide better service for its clients, such as symbolic gifts.
- b) Any charges or monetary amounts incurred by the Licensed Person for providing services to its client such as, costs of safekeeping , commissions of settlement and clearing and fees that do not contradict in its nature with the duties of the Licensed Person to act honestly, fairly and professionally in a way that fulfils the interests of its clients.

The prohibition set out herein shall apply to employees of the Licensed Person.”

#### **4. Confidential Information**

4.1. The employee shall take the ordinary and necessary precautions to ensure the confidentiality of the information, documents, or memos circulated during work, either through various electronic means of communication, or any other method. The employee shall keep any of the mentioned documents in the assigned places in the Company according to the adopted procedures, and be cautious not to allow those unconcerned with the documents to peruse them.

#### **5. Prevent the misuse of inside information**

5.1. As described by the CMA, inside information is an information and data not announced to the public which if announced would influence the price or trading of a security

5.2. The misuse of inside information may result in disciplinary action by the Company, up to and including termination of your employment or service, and civil and criminal penalties.



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## **6. Compliance with the laws**

6.1. In their work, NIC employees must strictly obey all applicable provisions of the law and the generally accepted principles of business policies.

6.2. Respect the laws of the State of Kuwait and abide to its authorities regulations/instructions, taking into consideration country's traditions/public rules.

### **• SAFEGUARDING COMPANY ASSETS**

Employees must ensure reasonable care in protecting NIC's assets as they are vital to the operations, regardless of whether the asset is tangible or intangible. The use of NIC's assets for illegal or non-ethical business purposes is strictly prohibited.

Assets include but are not limited to:

- Intellectual Property
- Employee Data
- Computers
- Programs & Codes
- Customer Lists / Customer Sensitive Data
- Confidential & Proprietary information