



Code of Ethics for Employees of the Capital Markets Authority



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Preamble

Based on the provisions of Law No. (7) of 2010 (the Law) Regarding the "Establishment of the Capital Markets Authority and Regulating Securities Activities" and its Executive Bylaws, and the Human Resources Policy Manual of the Capital Markets Authority, and the Manual of policies, regulations, rules and procedures of the Authority's employees; this Code (which shall always be referred to as the "Code of Ethics" or "Code") was issued and approved pursuant to the Board of Commissioners Decision No. M.M.H. 11-16 of 2012 to define the codes of ethics, conduct and duties that every employee in the Authority is required to follow while working in the Authority, and adopt in the course of conducting his work duties.

This Code aims to define the professional and personal standards which the Authority's employees shall comply with in order to improve the integrity and transparency levels when performing their work at the Authority, which shall enhance the trust of persons dealing with the Authority and the ones subject to its supervision regarding protecting their interests, as well as enhance the level of integrity in their performance.

First- Definitions

Authority's Law or Law:	Law No. (7) of 2010 Regarding the Establishment of the Capital Markets Authority (CMA) and Regulating Securities Activities and any amendments thereto.
Executive Bylaws:	the Executive Bylaws of the Authority's Law and any amendments thereto.
Authority:	the Capital Markets Authority, established pursuant to Law No. (7) of 2010.
Board of Commissioners or the Authority's Board:	the Board which manages the Authority and constitutes of five commissioners, pursuant to the Authority's Law, and appointed by an Amiri Decree.
Employee:	the Kuwaiti or non-Kuwaiti natural person working at the Authority by a contract with a specific renewable term, or by a special contract in return of a salary and benefits defined in the contract.

Human Resources Policy Manual:

the Capital Markets Authority's Human Resources policy manual issued by the Board of Commissioners Decision, and amendments thereto.

Manual:

the manual of policies, regulations, rules, and procedures which are approved by the Authority's Board of Commissioners, and any amendments thereto.

Employment Contract:

the employment contract entered into between the employee and the Authority, which defines and sets out the employees' rights and obligations.

Code of Ethics:

the code of ethics and conduct of the Authority's employees, which is issued by the Authority's Board of Commissioners. Each employee shall comply with this Code immediately when working at the Authority.

Second - General Principles

1. The employee shall consider the Authority's interest to be as his main objective when working at the Authority. The employee shall use his competences and expertise in the best way possible in order to achieve this interest within the framework of his duties at the Authority.
2. The employee, when conducting his 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 shall execute the work assigned to him with accuracy and honesty in line with the provisions of the laws, rules and regulations adopted by the Authority.
3. The employee, when conducting his duties at the Authority, shall carefully observe the Authority's Law and the Executive Bylaws, and all the rules, instructions, and resolutions issued by the Authority.
4. The employee, within the framework of the Authority's Law, shall consistently maintain the Authority's independence and avoid any external influence regarding his work or the Authority's work.
5. The employee, especially if he is occupying a leading or supervisory position at the Authority, shall be a good role model by maintaining full credibility when performing his work duties and adopting the appropriate professional and personal conduct.

Third- Integrity and Conflicts of Interest

1. The employee shall not use his position at the Authority, or the information or data obtained during his work at the Authority to achieve personal interests or goals either for himself, or for others.
2. The employee, during his tenure with the Authority, is prohibited from the following:
 - a. Practicing any commercial business on behalf of himself, or as an agent or guardian or trustee with the exception of shares to which he is entitled by inheritance or by a court judgment, provided that he does not take part in the administration.
 - b. Practicing any job or occupation or any other work in the public or private sector.
 - c. Providing any services or advice, whether directly or indirectly.
 - d. Participating in the membership of any Board of Directors in any entity, subject to the supervision of the Authority or any entity related thereto.
3. The employee shall fully abstain, throughout the employment period at the Authority, from accepting any gifts, presents, remunerations, benefits, or services from any entity that is subject to the Authority's supervision or is related to it, which are not considered part of ordinary hospitality.
4. The employee shall abstain from obtaining any benefits for himself or to his minor children who are under his custody when dealing with banks or financial institutions, or any entity subject to the supervision of the Authority when receiving a loan or financing.

5. The employee, during his employment at the Authority, shall abstain from exploiting the authority of his position to nominate any of his relatives or acquaintances or any other person to work in any other entity subject to the supervision of the CMA.
6. The employee shall disclose personal, financial or other interests that contradict with the Authority's interests while complying with the provisions related to disclosure of conflicts of interest stipulated in the CMA Law No. (7) of 2010 and Law No. (49) of 2016 regarding public tenders and their amendments and related laws.
7. The employee, after the end of his employment with the Authority, shall maintain proper ethics and conduct as is befitting to his previous position at the Authority.
8. The employee shall report in writing any crime revealed to him while working at the Authority without any liability unless proven otherwise through the following procedures:
 - I. Reporting shall be submitted in person from the reporting employee to the Legal Affairs Sector.
 - II. Reporting shall be supported by evidence that the violation is valid.
 - III. The Legal Affairs Sector shall examine the reporting and verify its seriousness.
 - IV. The Legal Affairs Sector shall submit the results of the examination to the Managing Director to take the necessary action towards the submitted reporting.

Fourth - Transparency and Professional Confidentiality

1. The employee, especially if he holds a leading or supervisory position, shall treat licensed persons and those that are subject to the supervision of the Authority, as well as the rest of the Authority's employees, according to the Authority's Law and the Executive Bylaws, its circulars, its resolutions, regulations, instructions and Human Resources Policy Manual.
2. It is prohibited for any employee invited to attend a meeting in any area under the jurisdiction of the Authority and has a direct or an indirect interest in the topic introduced for discussion, to participate in studying or giving opinion or voting on such topic. Accordingly, the employee shall disclose the interest, at the beginning of the meeting, and shall leave the meeting before the discussion of the topic begins. The interest is considered a direct one if the topic being studied or discussed or voted on has a direct effect on the employee, whether this effect achieves benefit or gain, or avoids harm or loss. The interest is considered indirect if the topic being studied or discussed or voted on has a direct effect on the spouse and the immediate and extended relatives and brothers and sisters of the employee, whether this effect achieves benefit or gain, or avoids harm or loss. The employee, whenever he is subject to any of the direct and indirect interest cases, shall disclose this interest at the beginning of the meeting. He shall also abstain from studying or discussing the topic of the interest or the voting, and he shall leave the meeting before the discussion of the topic begins. Ownership of shares in public shareholding companies which are granted to the nationals by the government shall not be considered as an interest.
3. It is prohibited for any employee to take any administrative action in a matter in which he has a direct or indirect interest. He shall disclose such interest to his immediate supervisor.

4. The employee, immediately after occupying his position at the Authority, shall submit a written declaration to the Authority regarding all the types of securities listed in the Kuwait Stock Exchange and owned by himself and his minor children who are under his custody. The employee is obligated to disclose in writing any changes that may occur to the same according to the regulations set out by the Board of Commissioners.
5. The employee shall maintain complete confidentiality of the information revealed to him by virtue of his position at the Authority, and preserve the documents and papers related to the Authority's work which he comes across. He shall only disclose them to the authorized persons at the Authority. The employee, even after the end of his employment at the Authority, may not use any information or data about the Authority that he may have obtained by virtue of his position, unless the Authority's Law or any other law related to disclosure or any order issued by any legal body obliges him to disclose.
6. The employee shall not exploit confidential information for personal gain or gain for other parties and shall not seek information that is not related to the performance of his or her job duties or is not authorized to access it.
7. The employee shall maintain the confidentiality of information when discussing issues related to working with other employees and not discuss them with non-specialists dealing with topics.
8. The employee shall maintain the confidentiality of passwords related to electronic systems and not to circulate with others.

9. The employee shall abstain from making announcements to the media or disclosing any information regarding any of the Authority's work to any third party, unless there is a written permission from the Authority's Managing Director, which shall be within the limits and scope of such permission.
10. The employee shall abide by disclosing to the Authority any final court judgments issued against him regarding bankruptcy or conviction of a crime involving a breach of honor or trust.
11. The employee shall immediately disclose to the Authority any reasons prohibiting him from performing his duties at the Authority in the proper manner, especially in case of disability or illness pursuant to medical reports accepted by the Authority.

Fifth - Work Duties and Ethics

1. The employee shall consistently maintain proper attire and appearance which is appropriate to the nature of work at the Authority.
2. The employee shall abide by the official work hours at the Authority, and shall attend and leave in accordance with such hours, and obtain permissions based on the provisions specified in the Manual, in addition to the Authority's rules and regulations.
3. The employee shall avoid bringing relatives, friends and others to the official work place.
4. The employee shall be keen to cooperate with other colleagues in order to accomplish the work for the Authority's interest, and treat them with the due respect without interfering in their personal matters. He shall also treat the Authority's visitors and guests in an appropriate manner.
5. The employee shall maintain the safety of the devices, equipment, and tools used for work at the Authority. He may not use them for personal purposes or purposes unrelated to his work. He shall also maintain the Authority's properties and use its funds responsibly and dutifully.
6. The employee shall not make a statement, comment or opinion in the media or social media sites or provide them with materials, information or documents in a direct or indirect manner about the Authority or related to his work unless he is instructed to do so by the responsible entity of the Authority.

7. The employee shall abide by professional and ethical values and upgrade the level of job performance and job duties stipulated in the Human Resources Regulations and the decisions and instructions issued by the Authority.

8. The employee must behave respectfully in his relations with others, act in a collegial spirit with his superiors, colleagues and subordinates, and act in a civilized manner without the personal issues or disputes.

Sixth - Liability and Accountability

1. The employee shall be held liable in front of the Authority if he violates any of the obligations, duties, or provisions stipulated in this Code or in the Authority's Law, Executive Bylaws, or resolutions and instructions issued by the Authority.
2. Being unfamiliar with his professional duties does not excuse him from liability.
3. The Investigation of the employee about the violation of any of his obligations or duties prescribed in this Code or the CMA Law, or Executive Bylaws, or decisions, or instructions issued by the CMA in accordance with the rules and procedures prescribed in the CMA Human Resource Bylaws and the Human Resource Policy Guide and the relevant rules and procedures.
4. The employee shall be exempt from disciplinary punishment if it is proven that the violation was carried out pursuant to a written order issued to him by his superior, despite being alerted of the violation.
5. The employee shall be disciplined and the penalty imposed on him in case the violation is proven against him in accordance with the rules, provisions and procedures prescribed in the CMA's Human Resources Bylaws.

Seventh - Effectiveness

The provisions of this Code and its amendments shall be effective from the date of issuing a resolution of approval by the Authority's Board.

CMA Data Classification: Public

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Eighth: Acknowledgment and Undertaking

I, the undersigned, acknowledge that I have received a copy of the Code of Ethics and undertake to review it and abide by the provisions contained therein, and to maintain good conduct and good behavior with colleagues and superiors.

I also acknowledge and undertake to maintain the confidentiality of information that comes to my knowledge by virtue of my position at the Authority or by virtue of my employment at the Authority, during my employment with the Authority or after leaving and not to use it for my own benefit or for the benefit of others directly or indirectly, and to preserve the documents under my possession, which will only be exposed to the specialist at the Authority, unless the CMA Law or any other law calls for it, or a judgment or order is issued by a judicial authority obliging me to disclose or provide any information or documents obtained by virtue of my position or my employment at the Authority, I shall comply with immediately notifying the Authority as well as the disclosure of the information or documents to be disclosed and the party to which it is disclosed to, before the disclosure is made.

I also undertake not to access for the purpose of utilizing or exploiting internal information by buying or selling securities, disclosing internal information or giving advice on the basis of insider information to an uninformed person.

Employee Number:

Name:

Civil ID:

Date:

Signature:

CMA Data Classification: Public

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