

I. Introduction

Societe Arab Internationale De Banque (SAIB) or referred later as “the Bank” is committed to combat Money Laundering and terrorism financing through implementing sound Money Laundering/Terrorism Financing risk Management program

The Bank’s Borad of Directors (BoD), Management and it’s employees understand that Sound ML/FT risk management has particular relevance to the overall safety and soundness of the banking system, in that:

- It helps protect the reputation of both banks and national banking systems by preventing and deterring the use of banks to launder illicit proceeds or to raise or move funds in support of terrorism; and
- It preserves the integrity of the international financial system as well as the work of governments in addressing corruption and in combating the financing of terrorism.

The Bank also understands that the inadequacy or absence of sound ML/FT risk management exposes banks to serious risks, especially reputational, operational, compliance and concentration risks. Recent developments, including robust enforcement actions taken by regulators and the corresponding direct and indirect costs incurred by banks due to their lack of diligence in applying appropriate risk management policies, procedures and controls, have highlighted those risks. These costs and damage could probably have been avoided had the banks maintained effective risk-based AML/CFT policies and procedures.

It is worth noting that all these risks are interrelated. However, in addition to incurring fines and sanctions by regulators, any one of them could result in significant financial costs to banks (eg through the termination of wholesale funding and facilities, claims against the bank, investigation costs, asset seizures and freezes, and loan losses), as well as the diversion of limited and valuable management time and operational resources to resolve problems.

This Policy is set in accordance with the FATF Recommendations, BASEL guidelines on Sound management of risks related to money laundering and financing of terrorism, Wolfsberg guidance documents, and the Egyptian Anti-Money Laundering Law no. 80 for year 2002 and it’s amendments and regulations for managing of risks related to Money Laundering and terrorism Financing.

This policy must be read in conjunction with related laws and regulations, Any difference between this policy and the local regulations, the sticker shall apply.

All Bank employees are obliged to read and fully adhere to this policy and it’s amendments. Failure or reluctance to comply with this policy shall expose the person to punitive measures up to termination of service, in addition to any consequential legal proceedings.

II. AML Statement

This policy has been developed to reflect the Bank's Board of Directors, Management and Employees commitment to fight money laundering and the financing of terrorism and to ensure that money laundering risks are identified and appropriately mitigated.

The AML Program provides guidance to all Bank's employees, requiring them to conduct business in accordance with applicable AML laws, rules, regulations and best practices in accordance with it's size, client's base, operations, etc...

The AML Program includes but is not limited to:

Developing and Implementing AML/KYC policy is ratified by the BoD, its annual review by the compliance department and ratifying the updates/Modifications by the BoD.

The appointment of the Bank's Money Laundering Reporting Officer ("MLRO"), who can be the Head of Compliance.

A Customer Due Diligence ("CDD") Program, which incorporates Customer Identification and Verification and Know Your Customer ("KYC") principles, and the implementing of program designed to appropriately remediate CDD of our existing customers

Conducting enhanced due diligence ("EDD") on customers assessed as higher risk, such as Politically Exposed Persons ("PEPs") in senior positions, their relatives and close associates

Establishing processes and systems designed to monitor customer transactions for the purpose of identifying suspicious activity

The investigation and subsequent reporting of suspicious activity to the appropriate regulatory Authority ("Egyptian Money Laundering Combating Unit")

Mandated regular independent testing and regular AML training of its employees and contractors (according to the nature of the service –where applicable) as stated in section XIII AML Risk Assessment and Management

The prohibition of the some products, services and customer types (Section VII Customer Acceptance policy)

Any relevant additional local requirements circulated through the Regulator.