

Abu Dhabi Islamic Bank

Anti-Money Laundering and Counter-Terrorist Financing & Anti-Bribery and Anti-Corruption (“ABAC”) Policy Statement

Abu Dhabi Islamic Bank and its subsidiaries, controlled affiliates, and international branches (“ADIB”, “ADIB Group,” “Group” or “the Bank”) are committed to applying Shari’a Rules and Principles and the highest level of standards to manage Anti-Money Laundering (“AML”) and Counter-Terrorist Financing (“CTF”) risks and ensure transparency in its business activities. ADIB has implemented AML/CFT Compliance Program (“Program”), which is fundamental to manage compliance with relevant and applicable laws and regulations relating to money laundering and terrorist financing.

The Group Anti-Bribery and Anti-Corruption (“ABAC”) Policy provides the guiding principles that set the tone and provide the direction or course of action to ensure compliance with relevant and applicable laws and regulations relating to bribery and corruption. The Group Policy;

- Prohibits giving, receiving, requesting, or promising of bribe or facilitation payments in return for business advantage or favorable treatment.
- Does not allow group personnel and their family members to request or accept any gifts, or any form of financial gain, or benefits or any sort of rewards offered by any individual, entity, or third party that deals with ADIB Group. Gifts may only be given and distributed in the name of ADIB in accordance with the ADIB’s Group Gifts and Entertainment (G&E) Policy. Please refer to ADIB’s G&E Policy for more information.
- Charities and Donations Committees have been set up which operate independently of any Business Unit in the Bank and have the sole discretion to approve or reject any request for a Charitable Contribution or Donation from a third party. No other staff member of the Bank, irrespective of level or position, has the authority or discretion to approve a request for a Charitable contribution or Donation under any circumstances.
- Prohibits all interactions with a domestic or foreign government public official for the purpose of influencing a business decision or securing an improper advantage are strictly prohibited. Any facilitation of payments to foreign officials or political parties, intermediaries for the purpose of expediting or securing the performance of a routine governmental action is strictly prohibited.

Key Principles

ADIB Group has established the Three Lines of Defense model to identify, assess, and manage AML/CTF & ABAC risks across the Group and design, implement, and monitor relevant controls to manage the identified risks. ADIB’s Board of Directors is responsible to set the tone at the top to establish a strong culture of commitment to comply with applicable regulations and regulatory requirements via the Program. The Program constitutes:

- Adopting AML/CFT & ABAC Policies and Procedures defining minimum legal, regulatory and internal requirements to be complied with for managing Money Laundering (ML) / Terrorist Financing (TF) and Bribery and Corruption (BC) risks);
- Appointing Money Laundering Reporting Officer (MLRO);
- Adopting of Risk-Based approach in conducting Customer Due Diligence.
 - ADIB Group maintains Customer due diligence policies and procedures in compliance with applicable regulations wherever the group operates. ADIB takes a risk-based approach to perform the due diligence for face to face and non-face to face customers which includes client identification and verification based on reliable source information; identification of beneficial owners; client risk assessment and screening.
 - Bank applies a risk-based periodic review and event-driven approach to update each customer’s profile.
 - Banks performs screening of customer and its associated parties through internal and external lists built within the screening system and applicable local regulatory lists if any for each jurisdiction the Group operates.

- Apply specialized due diligence on Politically Exposed Persons (“PEPs”) including identification, enhanced due diligence, senior management approval, periodic review and on-going monitoring of PEP and PEP linked entities.
- On-going monitoring of customer relationship to detect possible ML/TF, BC and other related risks arising throughout the life of the business relationship.
- ADIB Group has established following;
 - Due diligence process on third parties prior to establishing business relationships.
 - Monitoring controls of client accounts and transactions to detect unusual/suspicious transactions using adequate processes and systems.
 - Investigation escalation and reporting requirements to deal with unusual/suspicious activities and filing Suspicious Activity Report (wherever required);
 - Processes to support requests from regulators, government agencies, and law enforcement bodies in identifying and combatting AML/CFT and BC risks.
 - Learning and awareness training programs for all Group employees on identification, mitigation and reporting of AML/CTF & BC risks.
 - Record retention Policy to keeps relevant documents and records relating to AML/CFT and ABAC in accordance with applicable local laws and regulations (at least 5 years following the end of the client relationship or transaction).
 - Internal independent Audit and Assurance functions

The approved AML/CFT and ABAC Policy forming part of the Program is applicable to all employees of ADIB Group including all the branches (local and overseas) and subsidiaries, its directors, and all other parties associated with ADIB. Since the Group operates in multiple jurisdictions and is subject to different legal and regulatory requirements, so whenever local regulation differs, the more stringent requirements/control will be applied and adhered to.

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