
Alinma bank

Anti-Money Laundry and Terrorists Financing and Know Your Customer Policy “Summary”

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1. Introduction

based on our initial commitment to the principles and provisions of the glorious Islamic Shari'ah that prohibit illegal gain of money whatever was its source, and also prohibit all forms of dealing with it; and Proceeding from our Bank values stemming from our tolerant religion principles, Based on this and in compliance with Kingdom of Saudi Arabia Anti Money Laundering Law ,Combating Financing Terrorist Crimes Law ,regulations issued by the legislative and regulatory bodies in the Kingdom and in line with the principles, standards and international initiatives in combating money laundering and terrorist financing, it is our legitimate, legal and ethical responsibility to:

"Fortify and protect ourselves and our Bank and prevent its use by money launderers or by terrorists or criminals, or from being misused by any party for any unlawful act; which leads to the protection of the Bank from non-compliance risks (legal, Shari'ah, reputation, operation and concentration risks).

AML and CTF General Principles

- The responsibility for combating and preventing money-laundering and terrorists financing lies on all the banks staff across all business lines, sectors and work centers and the Board of Directors and senior management are on the top of this responsibility.
- The Bank's policy depends on the principle of "Warding off harm has the priority over gaining benefits" as complying with laws and regulations and protecting the bank from the various non compliance risks (legal, Shari'ah, reputation...etc.) is on the top priority of the Bank and is submitted to attracting revenues, Once attracting revenues include suspicions, irregularities or risk affecting the bank's adherence to its principles.
- The Bank's policy depends on the "Risk Based Approach" as the Bank will identify, assess, measure, and analyze the risks of all its customers base, services and products offered by the bank and the risks of the geographical areas in which it operates in order to build the appropriate and adequate standards and controls and thus achieving the objectives of this policy.
- The Bank specified clear roles, responsibilities and operating procedures to all business lines in the field of anti-money laundering and terrorist financing, in particular the responsibilities of the compliance department staff and the related employees at the various business centers.
- The Bank set up clear and specific mechanism and procedures for "Suspicious Activity Reports-SARs" and "Cash Transaction Reports-CTRs."

- The Bank set up an independent audit program to ensure that “Anti Money Laundering and Terrorist Financing” policy, standards and instructions have been followed by the entire Bank’s staff.
- The Bank will follow up upon new Laws, regulations and the amendments of the existing ones to study analyze and evaluate their risks and their implications on the bank’s operations in order to develop the controls and standards necessary to comply with them.
- The Bank will follow up and cope with technological developments, analyze their risks and develop controls and standards to prevent them from being used in money laundering and the terrorists financing or in any unlawful activity.
- The Bank is keen to have the best and the most appropriate specialized AML & CTF and risk management solutions and electronic systems that strengthen and enhance the bank ability to combat money laundering and terrorist financing

New Customer Acceptance “NCA” Policy

Alinma Bank believes that the existence of a clear policy toward who is the customer that will be accepted by the bank "New Customer Adoption-NCA" through the implementation of " Know Your Customer-KYC" and " Customer Due Diligence-CDD " policies and procedures in compliance with legal and regulatory requirements issued by SAMA and other competent authorities, in a way that serves the interests of both the Bank and the customers; is considered one of the best preventive measures against money laundering and terrorist financing and against the misuse of the Bank’s services in any illegal activity.

Know Your Customer “KYC” and Customer Due Diligence “CDD” policies and principles:

- The Bank will not inter into any business relationship with any customer unless and only after the completion of KYC and CDD principles, standards and procedures.
- The Bank will verify the customer data by using valid proper identification documents issued by the competent authorities in addition to the data and information from the available reliable independent sources. Obtain a copy of the customer’s valid and proper identification documents and verify them against the originals. Identify the customer’s identity as well as the identity of the true beneficiary of the account “The Beneficiary Owner”,
- The Bank will update and validate the customer’s identifications documents on an ongoing basis throughout the relationship with the bank. And shall regularly review

- customer's profile in order to follow up and update any changes occur to the information of the customer.
- The Bank shall keep all documents, records and correspondence related to the banking operations and transactions, in proper files in a way that enables the banks to easily use and refer to them and to be used by supervisory authorities, other regulators and internal and external auditors.

Training of Staff

The Bank is aware that training and increasing the awareness among all employees is one of the key factors that will help to combat money laundering and terrorist financing. Therefore, the bank is keen to provide and communicate all available information relating to the fight against money laundering and terrorist financing to all staff by all convenient ways, such as training courses and electronic means, with effect from the date of commencing work and continuously throughout the employee's service with the bank.

For and on behalf of Alinma Bank

Homood AbdulAziz AlHomidan

Chief Compliance Officer

