

Commercial Bank of Dubai (“CBD” or “the Bank”) is regulated by the Central Bank of the UAE (“CBUAE” or “Central Bank”) and is listed on the Dubai Financial Market. CBD and its subsidiaries are committed to the highest standards of Anti-Money Laundering (“AML”) and Counter Terrorism Financing (“CTF”) Compliance in accordance with UAE laws and regulations, Financial Action Task Force (“FATF”) Recommendations, and the Wolfsberg Group Principles.

The objective of CBD’s AML and CTF Policy is to prevent the use of the Bank’s products and services for money laundering, financing of terrorism or other illegal purposes. The policy is applicable to all CBD employees, including trainees, contractors, and other external and temporary staff, Board members, as well as outsourced agents, representatives and other third parties associated with CBD.

CBD’s Board of Directors is responsible for approving the Bank’s AML and CTF Policy and associated Risk Appetite and setting the tone from the top, promoting a strong culture of compliance with the policy requirements and applicable AML and CTF laws and regulations.

CBD’s AML and CTF Compliance Program is fundamental to ensuring compliance with relevant laws and regulations and upholding the Bank’s reputation and integrity. This program utilizes a Three Lines of Defence model, establishing a strong control environment to effectively mitigate and manage the risks of money laundering and terrorism financing across the Bank and its subsidiaries.

CBD's AML and CTF Compliance program includes:

- A strong governance model with defined roles, responsibilities, and accountabilities, which includes the appointment of a Chief Compliance Officer and Money Laundering Reporting Officer to oversee the Bank’s AML and CTF activities.
- A risk-based approach to conducting Customer Due Diligence (“CDD”) for face-to-face and non-face-to-face customers where appropriate due diligence measures are applied during onboarding and ongoing monitoring in accordance with the level of risk posed by customers. These measures include the identification and verification of customers and beneficial owners, understanding the purpose of the business relationship and the source of customer’s funds, and the periodic and event-driven review and update of CDD information. This also includes the application of enhanced due diligence measures to customers that pose a higher risk.
- Enhanced due diligence procedures for Foreign Politically Exposed Persons (“FPEPs”), including identification, due diligence, senior management approval, periodic review and ongoing monitoring of FPEPs and linked entities.
- Ongoing monitoring of customers’ activity, which includes monitoring of transactions executed throughout the course of the business relationship to ensure that they are consistent with the information, types of activity, and the risk profiles of the customers. When unusual¹ or suspicious² transactions are identified by responsible employees, an investigation process is triggered, which includes timely investigation and resolution of alerts, proper escalation and documentation of evidence and decisions, and reporting to the relevant

¹ Unusual transactions are those that, while not necessarily suspicious on their own, exhibit characteristics that are atypical for the customer or their peer group. These transactions warrant further scrutiny to ensure they are legitimate.

² Suspicious transactions are those that deviate from the expected behaviour of a customer based on their known financial profile, history, or usual activity. These deviations can indicate potential illegal activities, such as money laundering or terrorist financing.

authorities. The Bank rejects transactions known or suspected to involve money laundering or financing of terrorism.

- Procedures to ensure that suspicious activity is reported in accordance with requirements prescribed by local laws and regulations and shared, where legally permissible.
- Conducting a bank-wide Financial Crime Risk Assessment on an annual basis.
- An independent Internal Audit function responsible for annual review of AML and CTF policies, procedures, systems and controls.
- Independent Compliance Quality Assurance testing of key AML and CTF processes and controls on a periodic basis.
- Retaining relevant records for 5 years in accordance with the applicable laws and regulations as well as internal policies and procedures.
- Maintaining processes to address requests from regulators, government agencies and law enforcement bodies to manage risks of money laundering and terrorism financing.
- Robust program of mandatory training on AML and CTF undertaken by all staff after joining the Bank and annually thereafter. Additional role-specific training on AML and CTF is provided in line with regulatory expectations for employees who have additional/specialist training needs due to the nature of their roles and duties.