

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 must comply with the sanctions administered and enforced by the United Nations ("UN") and the related UAE laws and relevant regulatory requirements.

CBD recognises that failure to comply with applicable sanctions programmes and regimes would not only constitute a breach of legal and/or regulatory requirements but could carry significant reputational damage and financial loss for the Bank.

The Bank's Sanctions Policy aims to prevent CBD from engaging in any business activity that may represent a breach of applicable sanctions or expose the Bank to legal, regulatory, or reputational risks.

CBD's Sanctions Policy covers the following aspects:

- Screening customers and their transactions against the applicable sanctions lists issued by the relevant authorities.
- Screening trade finance transactions against the dual use goods and export controls lists to detect and stop transactions involving goods or services sensitive to proliferation of weapons of mass destruction.
- Investigating all customer or transaction related alerts generated by the Bank's sanctions screening systems and obtaining additional information, if needed.
- Prohibiting business relationships with individuals or entities named on applicable sanctions lists issued by the relevant authorities or business activity involving countries or territories subject to comprehensive sanctions.
- Restricting certain business activity involving countries, individuals, or entities subject to more selective, sectorial, or targeted sanctions programmes. These sanctions programmes apply restrictions to some types of products or services or target certain industry sectors.
- Blocking or rejecting transactions where CBD is required to do so under applicable sanctions programmes or CBD's Sanctions Policy.
- Refraining from processing transactions or providing products or services, even when permitted by applicable sanctions programmes, where these activities fall outside of CBD's risk appetite.
- Reporting breaches of applicable sanctions programmes and regimes to the relevant regulatory authority, if necessary. This can include any attempt by a customer to evade or circumvent applicable sanctions programmes and regimes.

The policy is important for the Bank and its customers because:

- It helps CBD to fulfil its legal and ethical obligations and to maintain its integrity and reputation in the global financial system.
- It protects CBD and its customers from potential fines, penalties, regulatory censure, or other adverse consequences that may result from violation of applicable sanctions programmes and regimes.
- It enhances CBD's customer service and relationship by ensuring that transactions are processed in a timely and compliant manner and by providing clear and transparent communication on the policy and its implications.