



البنك العربي الوطني
arab national bank

Compliance and AML Statement

Arab National Bank (The Bank or ANB) is licensed and operates under the supervision and regulations of the Saudi Central Bank (SAMA). The Bank is listed on the Saudi Stock Exchange and its head office is located in Riyadh.

The Kingdom of Saudi Arabia, as a full member of the Financial Action Task Force (FATF) and a founding member of the Middle East and North Africa Financial Action Task Force (MENAFATF), has proactively institutionalized comprehensive measures and aligned its efforts with international standards and best practices in combating money laundering, terrorist financing, and other illicit financial activities. These measures include mainly the issuance of the Anti-Money Laundering Law by Royal Decree No. (M/20) dated 05/02/1439H, and its Implementing Regulations, issued under the Decision of the Presidency of State Security No. (14525) dated 19/02/1439H, as well as the Law on Combating Terrorism Crimes and Financing, issued by Royal Decree No. (M/21) dated 12/02/1439H, and its Implementing Regulations, issued pursuant to the Council of Ministers' Resolution No. (228) dated 02/05/1440H.

SAMA, as the regulatory authority, reinforces these laws with robust implementation regulations and comprehensive Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) guidelines and reviews. Additionally, SAMA has issued account opening rules and guidelines to facilitate the implementation of Security Council Resolutions aimed at combating terrorism and its financing, as well as preventing the proliferation of weapons of mass destruction and its financing.

The Bank, its Board of Directors, Senior Management and Staff are all committed to strictly adhere to these laws, regulations, standards and guidance in the fight against money laundering and terrorism financing and actively collaborates with regulatory bodies and law enforcement authorities in their efforts to prevent, detect, and control financial crimes. This commitment extends to local and international branches, local subsidiaries which have to align also with their respective regulatory authorities supplemented by the Bank's policies. The ANB London branch and ANB Global Markets Limited in the Cayman Islands adhere to their local and SAMA regulations, always ensuring compliance with the highest jurisdiction's rules.

The Bank has in place a comprehensive Anti-Money Laundering (AML) program, designed to manage and mitigate the risks of money laundering, terrorist financing, commercial concealment, proliferation financing, and other illicit activities. This program is underpinned by a solid framework of policies and procedures that conform to AML, Counter-Terrorist Financing (CTF), and relevant sanctions laws and regulations, align with international best practices and FATF recommendations. The AML policy undergoes regular updates and reviews approved by the Board of Directors to remain aligned with changing regulatory requirements, risk assessment outcomes, and industry best practices. The AML program sets out well-defined roles and responsibilities, clear reporting lines, and escalation procedures to ensure prompt and effective response to AML issues. It also utilizes adequate monitoring systems.

The AML policy and manual procedures encompass comprehensive measures, including a risk-based approach, risk assessment, robust Know Your Customer, Customer Acceptance Policy, due diligences procedures, identification and verification of customers and Ultimate Beneficial Owners (UBOs), enhanced diligence measures for high-risk relationships and transactions, sanctions lists and screening, Politically Exposed Persons (PEP) requirements, records retention as per the regulatory mandates, internal controls, RCSA, independent audits, appropriate training and awareness for all stakeholders, ongoing monitoring of transactions and activities, on-going and periodic updates of KYC information and reporting of suspicious transactions and activities to Financial Investigation Unit (FIU).

The Bank has well-defined roles and responsibilities for all stakeholders and robust organizational structure to mitigate the MLTF risks it faces. The Bank has in this respect a dedicated and independent AML function with the necessary resources, tools and authorities to access the necessary information and data to effectively manage and implement the AML program. The AML function is managed by the Money Laundering Reporting Officer (MLRO), a senior management level employee who has access to the Board of Directors and Audit Committee. The AML function is staffed with highly qualified personnel who possess the necessary professional competence and capabilities, ensuring the effective execution of their responsibilities.

The Bank conducts appropriate awareness and training programs for Board members, Senior Management, and its employees to foster an understanding of compliance and, AMLCTF requirements and risks. The Bank has other programs which cover counter-fraud, anti-bribery and anti-corruption measures which all promote and strengthen a culture of compliance, integrity and ethical conduct.

Regular independent audits, in addition to reviews and inspections by SAMA and other relevant authorities are conducted to assess and evaluate the effectiveness of the Compliance and AML programs, ensuring adherence to regulatory requirements, high standards and bank policies.

The Bank maintains a proactive approach by closely monitoring regulatory changes, industry trends, MLTF typologies and emerging risks. This enables prompt updates and enhancements to the Bank policies, procedures and controls, ensuring the Bank stays ahead in the dynamic compliance landscape and effectively manages evolving risks.

The Bank also maintains distinct whistleblowing, counter-fraud, anti-bribery, and anti-corruption policies and procedures. In addition, the Bank incorporated compliance measures related to the Common Reporting Standards (CRS) and the Foreign Account Tax Compliance (FATCA). These policies and procedures are designed to deter and detect fraudulent activities, meet the tax transparency requirements and ensure high ethical standards across the organization. The Bank encourages employees, clients, and stakeholders to report any suspicious activities, potential violations, or concerns through the established whistleblowing, AML, and antifraud channels.