

HONG LEONG BANKING GROUP ANTI-MONEY LAUNDERING, COUNTERING FINANCING OF TERRORISM, COUNTERING PROLIFERATION FINANCING AND TARGETED FINANCIAL SANCTIONS POLICY STATEMENT

Hong Leong Banking Group (“HLBG” or “the Bank”) affirms its commitment to managing the threats of money laundering, countering financing of terrorism, countering proliferation financing and targeted financial sanctions. The Bank is committed in safeguarding the integrity of our financial system and the interests of our customers, stakeholders and employees. HLBG has a proactive and responsible approach through the establishment of its Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions (“AML, CFT, CPF and TFS”) Programme (“the Programme”) as outlined in its Board Policy on AML, CFT, CPF and TFS (“the Policy”). The Policy reinforces the Bank’s dedication to comply with laws and regulations in all jurisdictions in which we operate, in an effort to stamp out illicit activities.

APPROACH

The Bank adopts a risk-based approach in implementing its policies, procedures, processes, systems and controls in line with regulatory expectations. This includes:

Prevention	Enacting a robust Know-Your-Customer process, that enables the Bank to undertake a consistent Customer Due Diligence approach, risk rating customers based on their profiles.
Monitoring	Detection of suspicious activities supplemented with transaction monitoring and periodic reviews of customers’ transactions and profiles.
Reporting	Timely and accurate reporting of suspicious transactions, activities, cash threshold reports and any relevant sanctions concerns, including actively collaborating with regulators and law enforcing agencies in investigations

Some of the key components of the Policy in ensuring effective implementation of the Programme, include:

- Periodic AML, CFT, CPF and TFS risk assessment to determine HLBG’s risk landscape and evaluate the effectiveness of the corresponding controls.
- Establish roles and responsibilities of the Board of Directors, Senior Management and all employees with regard to AML, CFT, CPF and TFS to denote clear accountability at all levels.
- Highlight and enforce TFS regimes applicable to HLBG, through screening of new, potential and existing customers and maintaining an up-to-date database on applicable regimes.
- Evaluation of new products, services and changes to business practices ensuring identified money laundering and terrorist financing risks are mitigated accordingly.
- Ensure record keeping requirements are adhered to, in line with HLBG’s record retention policy.

