

## Policy on Anti-Money Laundering and Counter Financing of Terrorism

### ***Purpose of the Policy***

- To govern Bank Muamalat Malaysia Berhad (“BMMB”) in combating money laundering, terrorism financing and unlawful activities; and
- To guide staff of BMMB in ensuring that the business activities carried out are in line with the legal and regulatory requirements.

### ***Legal and Regulatory Requirements***

- Anti-Money Laundering, Anti-Terrorist Financing and Proceed of Unlawful Activities Act 2001;
- Recommendations by Financial Action Task Force;
- Bank Negara Malaysia’s Policy on Anti-Money Laundering and Counter Financing of Terrorism (“AML/CFT”) - Banking and Deposit Taking Institutions (Sector 1 and 3);
- Securities Commission Malaysia’s Guideline on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries;
- Labuan Financial Services Authority’s Guideline on AML/CFT - Banking Sector; etc.

### ***Summary of the Policy***

- Money Laundering and Terrorist Financing: define the money laundering and terrorist financing terms, its stages and penalty under the above-mentioned requirements
- Risk Based Approach: describe the risk element, i.e. assessment, control, mitigation, profiling and reporting
- Customer Due Diligence Requirement: describe the customer due diligence (“CDD”) requirement, i.e. timing of verification, specific CDD measures, on-going due diligence, etc
- AML/CFT Compliance Program: describe the function of Board of Directors, Senior Management and independent audit function
- Financial Group: define the financial group requirements
- Responsibility of Compliance Officer: describe the function of compliance Officers and secrecy obligation
- AML/CFT Monitoring: describe the monitoring process at head office departments, branches and subsidiary units
- Reporting of Money Laundering / Terrorist Financing: describe the reporting of suspicious transaction and cash threshold report
- Combating the Financing of Terrorism: describe the mechanism on detection of terrorist financing via name screening requirement
- Retention of Records: describe the record keeping requirement
- Non-compliance with the Requirements: describe the disciplinary action that could be taken against the staff which doesn’t comply with the requirements

***For further information, please contact our Customer Care Line at 1-300-88-8787***