

## **The Housing Bank “ HB” Anti-Money Laundering Policy Statement**

The Housing Bank (HB) is a regulated financial institution based in Jordan. It is regulated by the Central Bank of Jordan (CBJ) for its banking activities. The Housing Bank has a written policies and procedures regarding Anti Money Laundering. Including “ Know Your Customer”, which are in Compliance with the local Anti-Money Laundering Laws and regulations, Law No.(46) For 2007 Anti-Money Laundering and Counter Terrorist Financing Instructions No.(14/2018) issued by the Central Bank of Jordan (CBJ).

The Housing Bank AML/CTF Policy applies to every banking aspect and in every other country the Housing Bank exists. Taking into Consideration the implementation of the stiffer standards wherever Anti Money Laundering and Counter Terrorist Financing Laws, Regulations, and Requirements of home country (Jordan) and host country in which the bank exists are Different.

The Housing Bank established AML/CTF & Sanctions approved policy & procedures in order to comply with instructions & regulations of combatting Money laundering and Finance of Terrorism, in addition to creating robust KYC program that ensures having proper Customer information and documentation.

High risk customers such as (PEPs, Non- resident customers, Non- profit organization, customer who belong or are in countries that do not apply or insufficiently apply the FATF Recommendations), falls under Enhanced Due Diligence (EDD) category and the Housing bank takes the following procedures regarding such categories:

- 1- Acquiring the approval of the bank's general manager/ regional manager or whom the same authorizes from the Senior Executive Management before establishing or resuming the relation with such customers, and such approval shall also be acquired upon discovering that risk level of a customer or beneficiaries became high.
- 2- Taking sufficient measures to verify the source of the wealth of customers and real beneficiaries who were classified under such category.
- 3- Strictly following up on the dealings of such customers with the bank and exerting strict due diligence on the business relations and the dealings that take place with any of them, along with continuing to take such strict due diligence procedures and control over such relationships.
- 4- Taking the measures needed to find out the circumstances surrounding any business relation and transactions taking place with any customers classified under such category and the purposes thereof in case the bank finds out that the same do not have clear economic justifications, and take the needed decision along with keeping the results of the same in the files thereof.

The Housing bank implemented automated transactions monitoring Systems by using state of art scenarios that monitors daily transactions conducted through our clients’

accounts. Moreover, HBTF applies Risk based approach for monitoring customers transactions, classifying the customer based on their risk level depending on customer type, geographic locations, products and services used , and channels of delivery , in addition to update the customer information based on the risk level the customer has.

The Housing bank is committed to comply with the sanctions laws and regulations issued by the international bodies such as; the UN, EU and OFAC, in addition to the local sanctions laws and regulations, and screen all of transactions & clients against sanctions lists to avoid dealing with listed persons or entities in addition to screening its customer database periodically . The Housing bank follows the updates received from international bodies official websites (United Nations “UN “ , European Union “EU”, office of Foreign Assets Control “OFAC”) in order to adhere to the new legislations, decisions & executive orders issued and take proper procedures regarding recently listed names.

All employees in different departments, work centers and branches, should report (internal SAR's) (Suspicious Activity Report) through specified work channels, to the MLRO, (Money laundering Reporting Officer), which in his turn reports to the concerned authorities (AML Unit) in case of operations suspected to be associated with money laundering or terrorist financing transactions, and in accordance with enforce instructions and policies.

The Bank is committed to educate its staff members with the necessary information about combating money laundering and terrorist financing laws, regulations and instructions issued and suspected patterns associated with money laundering or terrorist financing, through training courses and awareness publications provided to employees, about policies, principles, procedures and internal controls implemented by the bank in combating Money Laundering and Terrorist Financing.

The Housing Bank embeds a strong Anti-Money Laundering and Combating Terrorist Financing (AML/CTF) program & sound compliance culture. This comes from the robust belief of HBTF's management that commitment in implementing best practices and executing the regulations issued by local and international bodies in the fields of compliance, AML/CTF, sanctions regimes will enhance the transparency, ethics and professional values on all levels for the bank's activities as well as protecting the Bank's reputation & operations from compliance risks. The Housing Bank believes that the adoption of such comprehensive and effective KYC and AML Policies is an essential part of its Compliance Function. Accordingly, these policies have been developed to reflect the Bank's Commitment to its regulatory obligation.

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