



**QNB Group  
Financial Crime Statement  
2024**

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## Summary Profile

Scope / Coverage	QNB Group
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## **1. Introduction**

QNB is unwavering in its commitment to uphold the highest standards of integrity and compliance across all its operations. This Financial Crime Statement delineates our comprehensive approach to preventing and mitigating financial crime, encompassing money laundering, terrorist financing, fraud, bribery, and corruption. Our policy is designed to safeguard the bank, its customers, shareholders, employees, and the communities we serve. This statement is an overview of our internally established Anti-Money Laundering and Combating Terrorist Financing policy and the related procedures.

## **2. Scope**

This policy is applicable to all QNB employees, contractors, and third parties acting on behalf of the bank. It encompasses all business activities and transactions conducted by QNB globally, ensuring a unified and robust approach to financial crime prevention.

## **3. Policy Objectives**

### **Compliance with Laws and Regulations**

QNB strictly adheres to all applicable financial crime laws and regulations in the jurisdictions where we operate. This includes compliance with Anti-Money Laundering (AML), Counter Terrorist Financing (CTF), Sanctions, Proliferation of Weapons of Mass Destruction (WMD), and Anti-Bribery and Corruption (ABC) laws. Our commitment to legal compliance is unwavering, and we continuously monitor regulatory evolving requirements to ensure our policies remain effective and up-to-date.

### **Risk Management**

We have implemented a robust risk management framework to identify, assess, mitigate and monitor financial crime risks. This framework includes conducting regular risk assessments, updating our policies and procedures accordingly, and ensuring that all risk management activities are aligned with our strategic objectives. By proactively managing risks, we aim to prevent financial crime before it occurs.

### **Customer Due Diligence (CDD)**

QNB conducts Customer Due Diligence (CDD) on all customers, in accordance with the requirements set forth in our formal policies and procedures. This process ensures that customer verification is based on reliable, independent source documents, data and information, so that the beneficial owner is identified. Additionally, ongoing due diligence is conducted on businesses. Moreover, formal policies and procedures are in place for no-face-to-face customers (non-face-to-face CDD), including among others certification of documents presented and independent contact with the customer by the bank. Additionally, QNB employs Enhanced Due Diligence (EDD) measures for high-risk customers, including those designated as Politically Exposed Persons (PEPs), High Net-Worth Individuals (HNWIs), and Non-Profit Organisations (NPOs), among others. This process encompasses the identification and assessment based on four main components of a Risk Based Approach (RBA), which includes among others jurisdiction/country risk, followed by periodic review and ongoing monitoring of the aforementioned categories of high-risk customers. The objective of our CDD processes is to ensure that we have a comprehensive understanding of our customers and their activities, thereby reducing the risk of financial crime.

### **Transaction Monitoring**

We have established advanced systems and processes to monitor customer transactions for suspicious activity. These systems are designed to detect unusual patterns and behaviors that may indicate financial crime. Any suspicious transactions are promptly investigated and reported to the relevant regulatory authorities, ensuring that we take swift and decisive action against potential threats.

### **Training and Awareness**

QNB provides regular training to all employees on financial crime prevention, ensuring they understand their responsibilities and the importance of compliance. Our training programs are designed to keep employees informed about the latest trends and techniques in financial crime, as well as the specific policies and procedures they must follow.

### **Internal Controls and Procedures**

We maintain strong internal controls and procedures to detect and prevent financial crime. This includes segregation of duties, regular audits, and independent testing of our financial crime controls. Our internal controls are designed to create multiple layers of defense against financial crime, ensuring that no single point of failure can compromise our security.

### **Reporting and Escalation**

All employees are required to report any suspected financial crime activity. QNB has established clear reporting lines and escalation procedures to ensure a timely and effective response to potential financial crime incidents. Our reporting mechanisms are designed to facilitate the swift identification and resolution of issues, minimizing the impact of financial crime on our operations.

#### **4. Money-Laundering and Terrorism Financing**

QNB is dedicated to preventing money laundering and terrorism financing. We understand the severe impact these activities can have on the financial system and society. Therefore, we have implemented robust policies and procedures to identify, prevent, and report any suspicious activities related to money laundering or terrorism financing. In addition, we apply CDD procedures that include formal searches against lists of known or suspected terrorists issued by competent authorities having jurisdiction over the relevant financial institution. Our policies comply with international standards and regulatory requirements, ensuring we uphold the highest levels of integrity and compliance.

All employees, contractors, and associated parties are required to adhere to these policies. This includes performing thorough customer due diligence, monitoring transactions for unusual or suspicious activity, and promptly reporting any findings to the relevant authorities. We also provide continuous training to ensure employees are equipped to recognize and address potential risks. By fostering a culture of vigilance and responsibility, QNB aims to protect our organization and support the global combat against financial crime.

To further strengthen our efforts, we have utilized advanced systems and technology to enhance our AML and CFT transaction monitoring capabilities. We ensure that our recordkeeping for all anti-money-laundering/terrorism financing-related documents are compliant with local regulatory requirements in the countries where we operate. Regular audits and reviews of our AML and CFT programs are conducted on an annual basis to ensure their effectiveness and to adapt to evolving threats. We have also collaborated with regulatory bodies and industry experts to stay informed about the latest trends and best practices in combating financial crime.

#### **5. Sanctions and Proliferation of Weapons of Mass Destruction**

QNB is committed to complying with all applicable sanctions laws and regulations, including those related to the proliferation of weapons of mass destruction (WMD). We have established a comprehensive sanctions compliance program that includes screening customers and transactions against relevant sanctions lists, such as those maintained by the United Nations Security Council (UNSC), the United Kingdom (UK), the European Union (EU), the United States Office of Foreign Assets Control (OFAC), and Qatar National Counter Terrorism Committee (QANCTC), among others. Our program is designed to prevent the bank from engaging in business with sanctioned individuals, entities, and countries, thereby mitigating the risk of financial crime and protecting our reputation.

#### **6. Fraud**

QNB takes a proactive approach to preventing and detecting fraud. Our fraud prevention framework includes robust internal controls, employee training, and advanced technology to identify and mitigate fraudulent activities. We conduct regular audits and independent testing of our fraud controls to ensure their effectiveness. Employees are encouraged to report any suspected fraud through established reporting channels, and all reports are thoroughly investigated. By maintaining a strong anti-fraud culture, we aim to protect our customers and the integrity of our financial systems.

#### **7. Bribery and Corruption**

QNB has a zero-tolerance policy towards bribery and corruption. We are committed to conducting business ethically and in compliance with all applicable Anti-Bribery and Corruption (ABC) laws. Our policy includes clear guidelines on acceptable business practices, employee training on recognizing and preventing bribery and corruption, and stringent internal controls to detect and prevent such activities. We also require all third parties acting on our behalf to adhere to the same high standards of conduct. Any suspected bribery or corruption is promptly investigated, and appropriate disciplinary actions are taken.

#### **8. Governance**

QNB's Board of Directors and senior management are committed to the effective implementation of this policy. They provide oversight and ensure that adequate resources are allocated to financial crime prevention efforts. Moreover, as delegated by the board, prior approval of Group Compliance and Senior Management is mandatory for PEP customers or other customers from countries, businesses and products with the greatest risk of money-laundering/terrorism financing. Our governance structure includes regular reviews of our financial crime policies and procedures, as well as ongoing monitoring of our compliance with regulatory requirements.

#### **9. Continuous Improvement**

QNB is dedicated to continuously improving its financial crime prevention measures. We regularly review and update our policies, procedures, systems and controls to adapt to emerging risks and regulatory changes. Our commitment to continuous improvement ensures that we remain at the forefront of financial crime prevention, leveraging the latest technologies and best practices to protect our stakeholders.

#### **10. Conclusion**

QNB's Financial Crime Statement reflects our unwavering commitment to maintaining a safe and secure banking environment. By adhering to this policy, we aim to protect our stakeholders and uphold the integrity of the financial system. Our comprehensive approach to financial crime prevention ensures that we are well equipped to address the challenges of an ever-evolving threat landscape, safeguarding the trust and confidence of our customers and partners.

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