



**MCB BANK LIMITED
SRI LANKA OPERATIONS**

**MANAGEMENT STATEMENT ON BANK'S COMPLIANCE WITH PRUDENTIAL
REQUIREMENTS -2021**

RESPONSIBILITY

Bank has understood the criticality and the importance of the Bank's compliance with regulations, CBSL guidelines, laws, internal contracts and approved policies in business operations and have devised strategies for leveraging the compliance system to drive values as well as to increase the compliance performance.

The Compliance Dept., of the Bank, functions as an independent unit headed by a Compliance Officer. The Dept., addresses the Bank's compliance with regulations such as Know Your Customer (KYC) and Anti Money Laundering (AML) functions. Appropriate mechanisms have been devised by the Dept., to identify regulatory guidelines applicable to the bank and assess key compliance requirements, which are then disseminated to the business/operations units on a regular basis. The Compliance Officer is responsible in carrying out the regulatory compliance, dissemination of regulatory instructions across the Bank and for anti-money laundering compliance.

FRAMEWORK

Bank's compliance function is established in a framework to install robust ways to protect the Bank against unlawful behaviour and to strengthen its ethical consciousness. We have developed a compliance culture with adequate policies and procedures that enable oversight the functions to be carried out by the business lines and their staff. The compliance function also does a review of regulatory and supervisory structure which is governed by the external regulator which ensures that the Bank adheres to norms, guidelines and rules set by them. Our controls and procedures are benchmarked. Its execution of business process designs to manage risks is continuously updated with expected parameters/tolerance levels applicable to the entire industry.

The key compliance principles are monitored on an on-going basis to ensure that monthly/ quarterly reports submitted by business lines are in accordance with the policies and procedures.

The required compliance to Know Your Customer (KYC), Customer Due Diligence rules & guidelines issued by the Financial Intelligence Unit (FIU) are practiced across the Bank and monitored as an ongoing activity.


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CONFIRMATION

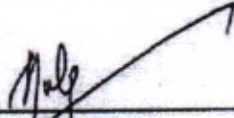
MCB Bank Limited Sri Lanka Operations, confirms that the Bank has complied with all applicable laws and regulations and guidelines and that there are no material non-compliances.



Kapila Fernando
Department Head Compliance



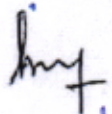
Tahir Riaz
Country General Manager – Sri Lanka



Syed Sikander Zulquernain
Group Head - International Banking



Farid Ahmad
Chief Compliance Officer


Muhammad Javed

30th March 2022