

Compliance

Compliance is a core pillar of CIB, dedicated to ensuring the organization's adherence to all applicable laws and regulations. This commitment is supported by a robust framework comprising policies, procedures, controls, and ongoing training initiatives designed to proactively identify, manage, and mitigate compliance risks. CIB recognizes that maintaining strong compliance practices is essential to safeguarding the business and enabling sustainable growth.

Compliance Framework

The Compliance Group's strategic objective is to manage compliance risk across the Bank and its subsidiaries, and continue strengthening its ability to identify, measure, monitor, control, mitigate, and report on compliance risks. The Compliance team is responsible for managing the Compliance Program, with a focus on promoting compliance culture across the Bank.

CIB maintains a Compliance Program that is based on the following key pillars:

Regulatory Compliance

Regulatory Compliance is maintained through two units:

A) Regulatory Affairs

The Regulatory Affairs role is the point of contact between the Bank and the Regulator(s), with focus on how the Bank manages the various types of regulatory contacts and relationships to ensure that all regulatory contacts are handled in a logical, transparent, and well-coordinated manner through standardized practices, processes, and tools.

The Regulatory Affairs team is also the point of communication with the CBE regarding any new or updated regulations and regulatory requirements. The team is responsible for communicating with the CBE regarding all new CIB products, services, or business initiatives to secure the needed regulatory approvals.

B) Compliance Business Advisory

The Advisory Compliance team manages the Regulatory Change Management Process to ensure all new or updated regulatory mandates are duly incorporated into the Bank's policies, procedures, and operations, maintaining the Bank's full compliance. The team also provides the needed compliance advice regarding the interpretation of applicable regulations, how to do business in a compliant manner, and proactive action to identify and assess the compliance risks associated with the Bank's business activities.

Financial Crime

CIB is committed to implementing the recommendations of the Financial Action Task Force (FATF) and adhering to the standards of the Basel Committee on Banking Supervision regarding AML/CTF as well as the local regulators CBE and EMLCU.

The Financial Crime Program comprises policies, procedures, and systems that enable the Bank to detect and combat financial crimes. CIB continuously reviews the effectiveness of its Financial Crime Risk Management Program, recognizing the complex and evolving nature of financial crime risk.

During 2025, and in alignment with CBE requirements, the Financial Crime team conducted an enterprise-wide Financial Crime Risk Assessment covering the year 2024. This exercise provided a holistic view of the Bank's financial crime risk management framework, including CIB Kenya Ltd, and helped identify necessary improvements and strengthen overall controls.

The Financial Crime Program includes the following components:

Know Your Customer (KYC)

CIB is committed to applying Know Your Customer (KYC) procedures, adopting a risk-based approach, and conducting Customer Due Diligence (CDD) measures across all relationships and Enhanced

Due Diligence (EDD) for high-risk relationships that require compliance pre-fact approval.

The Bank ensures the effective implementation of the KYC principle, enabling it to identify the ultimate beneficial owners of all customer accounts during the on-boarding process and upon any KYC update.

CIB complies with the CBE's rules and regulations with regard to record-keeping, restricting dealings with shell banks, and prohibiting the opening of anonymous or numbered accounts. Moreover, the Bank works to identify US-based individuals or entities (a US citizen or resident for tax purposes). Under the Foreign Account Tax Compliance Act (FATCA), financial institutions in Egypt are required to provide the US Internal Revenue Service (IRS) with the necessary information regarding their customers who are subject to this law.

In 2025, the Financial Crime team, along with the Regulatory team, was crucial in shaping the Bank's approach to financial inclusion, particularly in streamlining the onboarding process for this targeted segment, without compromising regulatory requirements

This joint effort ensured that innovation and financial inclusion advanced in parallel with strong compliance standards, preserving the bank's regulatory integrity and supporting long-term growth.

In addition, the Financial Crime unit provided expert guidance and tailored solutions that helped prepare the Bank's infrastructure for the implementation of E-KYC and digital onboarding.

AML Transactions Monitoring and Staff Account Monitoring

CIB is equipped with advanced systems that monitor customer transactions and identify suspicious transactions, in addition to monitoring staff and staff relatives' accounts to avoid misuse. The AML Transactions Monitoring System is also equipped to

handle several scenarios to ensure seamless monitoring of transactions in order to promptly report suspicious transactions to the Egyptian Money Laundering Combating Unit (EMLCU).

With the increasing complexity of money laundering and terrorism financing risks, and in alignment with the Bank's growth, the Financial Crime Team successfully implemented a major upgrade to its monitoring system in 2025, representing a significant advancement in introducing enriched scenario logic and a streamlined inquiries workflow.

The upgrade is designed to support the Bank's expansion by ensuring that control mechanisms evolve in parallel with business growth, thereby effectively mitigating associated risks.

Sanction Monitoring

CIB implements the sanction mandates issued by the EMLCU, as well as the United Nations Security Council, the Office of Foreign Asset Control (OFAC), the European Union Commission, the United Kingdom, and France with regards to the sanctioned countries, territories, individuals, or entities.

The Bank utilizes top-tier technology to pre-fact screen all incoming and outgoing payments and SWIFT messages to detect sanctioned individuals and entities and take the necessary actions to stop or hold dealings with such entities. This is in addition to onboarding name screening and overnight screening of the customer database to efficiently safeguard CIB from engaging in a business relationship with any sanctioned individual or entity.

Anti-Bribery and Corruption

CIB has a zero-tolerance policy for bribery and corruption, in line with the Bank's ethical standards, which apply to internal and external stakeholders. CIB has established principles to identify and prevent potential bribery and corruption to protect the Bank's integrity and reputation.

Financial Crime Reporting & MIS

The dedicated Financial Crime team drives the implementation of the FC strategy to support decision-making through effective reporting and robust Management Information Systems (MIS).

The team also oversees essential technology upgrades and prepares financial crime reports for both internal stakeholders and regulatory bodies.

Additionally, it oversees the creation and improvement of Business Requirements Documents for new and enhanced systems, while acting as the primary liaison with the Data Governance team to improve data use and embed AI capabilities across compliance operations.

Conduct Risk and Customer's Rights Protection

CIB's Conduct Risk program adopts a proactive approach in disseminating a culture of good conduct. The Conduct Risk program encompasses advertising and promotional materials, products, and sales process developments, as well as aftersales services.

The CR & CRP department also monitors the mechanism handling customer complaints in coordination with relevant departments, in accordance with regulatory instructions while protecting customers' rights.

The Bank's Conduct Risk management centers on treating customers fairly, protecting their rights, and positively impacting communities. This also aligns with the CBE's instructions issued in February 2019 to clearly govern the relationship between banks and their customers throughout the customer journey.

The unit also monitors and governs the customer complaints handling mechanism in coordination with relevant departments, ensuring timely resolution, root cause remediation, and continuous improvement of customer experience.

Compliance Monitoring and Testing

The Compliance Monitoring and Testing team serves as the independent monitoring and testing arm of the Compliance Group, with overall responsibility for providing reasonable assurance regarding the strength of the Compliance program.

In 2025, the team conducted a Bank-wide Compliance Risk Assessment (CRA) to identify inherent compliance risks across the Bank and evaluate how well regulatory obligations are being met. The regular Testing Program covers all Bank activities, supplemented by more frequent risk-based or thematic monitoring.

This program provides the Board and Senior Management with reasonable assurance that compliance risks are being effectively identified and managed throughout the Bank and its subsidiaries.

In 2025, the Compliance Monitoring and Testing team changed the annual risk assessment methodology to an integrated approach that consolidates RCSA, COSO, and other assessments into a single, holistic enterprise risk view. This enabled the initiation of a strategic five year risk based plan covering the entire Bank and its subsidiaries.

Whistleblowing

CIB's Whistleblowing practices encompass a robust and confidential mechanism for reporting and investigating suspected violations of laws, regulations, or internal policies. The Bank's whistleblowing program "Speaking Up" is managed by the Compliance team, and was designed in adherence to all applicable regulations and best practices. Clear communication channels are provided to Bank staff and customers for reporting concerns confidentially and anonymously, and a comprehensive procedure is in place for investigation and resolution. These channels include the dedicated whistleblowing hotline, email, and portal on CIB's official website. This reinforces the Bank's commitment to ethical conduct and compliance.

Compliance Training and Awareness

In 2025, CIB continued to reinforce its commitment to a robust compliance culture through the implementation of a comprehensive and structured training framework. This initiative spanned across the entire organization—including the Board of Directors, Executive Committee, and Bank staff—through a combination of Bank-wide and specialized e-learning modules. Tailored training programs were also developed for the second and third lines of defense, ensuring alignment with their distinct roles and responsibilities.

CIB's subsidiaries, including CIB Kenya and Commercial International Finance Company (CIFC), successfully completed customized e-learning programs, with CIB Kenya's program aligned to Central Bank of Kenya (CBK) regulations. In-person sessions and dedicated programs for Compliance Representatives further reinforced their role across the Bank.

To further embed compliance awareness, the Compliance Group launched several internal and external awareness campaigns, with the objective of raising compliance awareness. Internally, the campaigns were delivered using different communication channels such as email, internal staff portal and desktop pop-up messages addressing multiple topics with special focus such as Whistleblowing, Conduct Risk and Customer Rights Protection. Externally, customer awareness videos under the "Know Your Rights" campaign were launched via the Bank official pages on Facebook and X to enhance customers' understanding of their rights and responsibilities. All training initiatives and awareness campaigns were executed in accordance with the regulatory guidance issued by the Central Bank of Egypt (CBE).

