

FSDH Commitment to Compliance

At FSDH Group, compliance plays a central role in all the activities of the Group and it is targeted at fostering a corporate culture that emphasizes honesty and integrity; in which the board of directors and senior management lead by example.

The Group views its commitment to compliance as an integral part of its business activities and not just the responsibility of specialist compliance staff members.

The Group culture and commitment is anchored on promoting ethical business practices and compliance with both the letter and spirit of the law. Given this, the FSDH Compliance Framework ensures that the Group has the right decision-making tools and processes in place to meet the expectations of both its regulators and stakeholders, as well as to mitigate any potential reputational risk.

The FSDH Compliance Strategy

The FSDH compliance strategy ensures the following:

- That FSDH is in full compliance with all statutes and regulations and adheres to sound and recognized banking practices.
- That the Bank does not become a victim of illegal activities perpetrated by internal and external parties.
- Adherence to effective policies that protect the good name and reputation of all its stakeholders.
- Sustain alertness to upcoming external regulatory developments and ensure regular review of its compliance policies and processes for Anti-Bribery and Corruption (ABC), Whistle Blowing, Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT).

FSDH Group Compliance Universe

The Group compliance universe (Legal/Regulatory and Business requirements) is driven by FSDH corporate culture, which is built around its vision, mission and ethical values. Its people, sustainable processes and technology as depicted below drive the function.

The compliance universe is designed to carry out the group's AML policies, as well as to identify and manage the risk of non-compliance to the policies. Training and awareness creation; assessment of risk and control effectiveness; and processes for managing and reporting material issues are key components of the universe. Non-compliance to or violation of the AML policies may attract severe sanctions including dismissal.

FSDH Group Compliance Universe & FSDH Compliance Function	
Legal & Regulatory Requirements	Business Requirements

Culture		
Vision	Values	Code of Conduct
Mission	Tone at the Top	Business Strategies

Compliance Function			
People	Process		Information Technology
Organizational Charter	Strategic Planning	Preparedness and Practice	Measures and Metrics
Organizational Structure	Risk Assessment	Monitoring and Evaluation	Information Management
Resources and Accountabilities	Controls, Policies and Procedures	Incidence Response	Performance Reporting
Competency Development	Training and Education	Communications and Reporting	Decision Support