

CEO's Statement on AML & CFT

Dear Colleagues,

We have just stepped into a new year, leaving behind the second consecutive year of the pandemic. With time and given circumstances, the challenges in the finance industry have also taken turns and reached new heights, giving us new issues to consider. There also have been upsurges in cyber-criminal activity across the world as the pandemic has left gaping holes in the financial institutions' networks. We have been extremely cautious during this period so that no fraudulent movement could take advantage of the loopholes and no criminal activity could take place. The fight is still on with our full force.

Money Laundering and Terrorist Financing are still existing threats, both from national and international perspectives, like they were in the previous years. The Panama paper and Pandora paper leaks have shocked the whole world demonstrating the hidden and sometimes unethical or corrupt dealings of the global wealthy and elite. According to Basel Anti-Money Laundering (AML) Index 2021, Bangladesh has improved as a country to counter money laundering activity but is still at high risk. Therefore, casual handling of this risk may bring disastrous impact to an organization in terms of penalty, loss of reputation, competitiveness and business. The Anti-Money Laundering and Counter-Terrorist Financing program of LankaBangla is designed to assist its employees to identify and report any suspicious personnel or activity and transactions and protect the company from being used for any illegal purposes. It is a team effort. Every single employee of LBFL should act responsibly and perform proactively in this regard. Any lapses in exerting AML related responsibilities will cause stern disciplinary action provision of which is already put in the HR Policy. Appropriate weight for proper documentation will be introduced in the KPI for relevant officials.

The Board of Directors of LankaBangla Finance Limited also considers money laundering prevention and combating terrorist financing as one of top most priorities and doesn't view it in isolation with other business systems of LBFL.

As I have mentioned, it is a new year with new challenges. And we deal with them with the learning from our past events. Like the previous years, both refresher training and training to new employees will be conducted by both internal and external resources to raise the AML/CFT related awareness among employees. Rigorous transaction monitoring and following the adverse media reports for identifying and reporting suspicious activities and transactions will be continued. We have already launched e-KYC which will help us detect identity fraud, and assess appropriate risk level of customers and thereby add massive value to our risk based approach in dealing AML/CFT threats. We will be adding more digital solutions in our arsenal to combat this risk more efficiently in the coming days. In short, LBFL will be committed to counter the ML and TF affair, being compliant with all the provisions of prevailing Acts, Rules as well as circulars on these issued by BFIU and will also put endeavor to further raise its compliance standard in this regard.

In the end, we all need to believe that this is our loving organization, and we should stay alert to maintain its standard and keep it safe from being captured by any criminal activity by complying with the regulatory and internal guidelines.