

GENERAL DECLARATION ON MONEY LAUNDERING PREVENTION POLICIES IN THE ANDBANK GROUP

Andbank Group, comprising the parent company Andorra Banc Agrícola Reig, SA duly formed and acting in accordance with Andorran law, and all its business areas, branches and affiliates, with registered offices both in Andorra and in the various other countries where they are established, is committed to and collaborates firmly with international efforts and initiatives to prevent money laundering and the financing of terrorism.

Andbank's Group has its registered office in Escaldes-Engordany, Andorra, and in matters of money laundering prevention it is supervised by the Andorran Financial Intelligence Unit (Unitat d'Intel·ligència Financera d'Andorra, UIFAND).

Andorra is assessed by the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) and has signed the European Monetary Agreement, having transposed into the Andorran national regulation the EU Directives on the prevention of money laundering and the financing of terrorism.

Andbank's Group has developed and implemented a Global Policy on this matter, set out in a Manual for the Prevention of Money Laundering and the Financing of Terrorism, of compulsory application and compliance for all affiliates, branches and business areas established in Andorra and/or abroad.

The Manual regulates and develops the following matters and procedures:

- General policy
- Organisation
- Policy on clients adoption
- Analysis and control of transactions
- Communication of suspicious transactions
- Supervisor bodies

Control of the policy of prevention of money laundering and the financing of terrorism is vested in the Board of Directors of Andorra Banc Agrícola Reig, SA.

All affiliates, branches and business areas, both in Andorra and abroad, have implemented this policy and have adapted the applicable regulations and procedures, which are established as minimum standards, to the special features of their respective local legislations and the characteristics of their business.

Principal aspects of our policies:

- **Internal organisation.** The system of responsibilities involves all business areas and levels of the Organisation. Senior Management understands and takes an active part in the design and application of the regulations, and in supervising the effectiveness of the money laundering prevention systems in all our units worldwide.

All Group units, both in Andorra and abroad, have AML Officers with functional reporting and report functionally to the Chief Compliance Officer of Andbank's Group.

- **Identification and knowledge of the client.** There are specific rules and procedures for identification and knowledge of the client. The policies on client's acceptance are very strict and criteria of refusal or previous authorisation are applied for certain types of clients and business areas.
- **Analysis of Transactions.** Computer tools are available for the analysis of transactions in order to detect unusual or suspicious transactions, among them Swift Sanctions Screening and Oracle OFSAA. These tools are applied in all our business lines.
- **Communication of suspicious transactions.** Internal procedures are available to ensure that all members of the organisation can comply with their obligation to communicate those transactions which they consider suspicious of being related with money laundering or the financing of terrorism.

In application of the different local regulations necessary communications or reports without delay to the competent authorities are established.

- **Training.** There are specific training programmes for all members of the organisation. These explain the legal regulations, the procedures of detection and control of suspicious transactions and how to deal with them through the appropriate internal controls.
- **Audit.** Internal Audit function and external audits carry out independent controls and tests to verify the correct functioning of the prevention system.