

## GENERAL STATEMENT ON MONEY LAUNDERING POLICIES AT THE ANDBANK GROUP

The Andbank Group, composed of its parent company Andorra Banc Agricol Reig S.A., duly constituted and acting in accordance with Andorran law, and all its business areas, branches and subsidiaries domiciled both in Andorra and in the various countries where they are established, are committed to and collaborate decisively with international efforts and initiatives to prevent money laundering and the financing of terrorism.

The Andbank Group has its registered office in Escaldes Engordany, Andorra, and for the prevention of money laundering it is supervised by the Unitat d'Intel·ligència Financera d'Andorra (UIFAND).

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

The Andbank Group has developed and implemented a Global Policy on this matter, which is set out in writing in a Manual for the Prevention of Money Laundering and the Financing of Terrorism, which must be applied and complied with by all subsidiaries, branches and business areas established in Andorra and/or abroad.

In the aforementioned Manual the following matters and procedures are regulated and developed:

- Global Policy
- Organisation
- Customer Acceptance Policy
- Transaction analysis and control
- Communication of suspicious transactions
- Reviewing bodies

The holder of the policy for the prevention of money laundering and the financing of terrorism is the Board of Directors of Andorra Banc Agricol Reig, S.A.

All the subsidiaries, branches and business areas in Andorra and abroad have implemented this policy and adapted the rules and procedures, which are established as minimum standards, to the peculiarities of the respective local legislation and to the characteristics of their business.

Main aspects of our policies:

- **Internal organisation.** The system of responsibilities involves all business areas and levels of the Organisation. A high-level centralised core of the Bank's management is familiar with, and actively participates in, the design and implementation of the regulations, as well as in supervising the effectiveness of anti-money laundering systems in all our units worldwide.

All the Group's units, both in Andorra and abroad, have Prevention Officers appointed at different levels who report functionally to the Andbank Group's Chief Compliance Officer.

- **Customer identification and knowledge.** There are specific standards and procedures for identifying and knowing customers. Policies for acceptance of commercial relations are very strict and criteria for rejection or prior authorisation are applied for certain types of customers and businesses.
- **Analysis of Transactions.** Computer tools are available for the analysis of transactions and enable the detection of unusual or suspicious operations, including Swift Sanctions Screening and Oracle OFSAA. These tools are applied in all our lines of business.
- **Communication of suspicious transactions.** Internal procedures exist to help any member of the organisation to meet their obligation to report transactions that they suspect may be related to money laundering or the financing of terrorism.  
In applying the different local legislation, the necessary communications or reports are established to the competent authorities.

- **Training.** There are specific training programmes aimed at all staff members. They explain the legal regulations, procedures for the detection and control of suspicious transactions and how to properly process them internally.
- **Auditing.** Internal Audit services and external companies perform independent controls and tests to check the proper functioning of the prevention system.