

## Policy on Implementation of Anti Money Laundering (AML), Countering Terrorist Financing (CFT) and Proliferation of Weapons of Mass Destruction (CPF) Program

Versi 9.0 – Mar 2024

### General Policy

1. The Bank carries out a business in conformity with a high ethical standard. The management of the Bank is fully committed to observe the Laws on the Criminal Act of AMLCFT, CPF and all related laws and regulations.
2. The Bank requires all employees to take the necessary action to prevent the Bank from the risk of being exploited in Money Laundering (ML), Terrorism Financing (TF) and Proliferation Financing (PF).
3. In carrying out its business activities, the Bank is guided by the following principles:
  - a. The Bank is committed to complying with all laws and regulations pertaining to the AMLCFT and CPF Program, including complying with the obligations related to the detection, investigation, and prevention of Financial Crime.
  - b. The Bank shall be obliged to take the necessary actions in accordance with the existing laws and regulations if the Bank were to know or deem that the funds being managed come from or were intended to support MLTF and PF. The action may cover rejection of account opening, transaction, and termination of business relationship with Customer and/or report submission to PPATK (Pusat Pelaporan dan Analisis Transaksi Keuangan).
  - c. The Bank refuses to provide facilities and/or to assist a Costumer intending to evade the process of upholding the law by hiding information, and/or providing a wrong, misleading, or incomplete information instead.

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- d. The Bank provides full assistance and support to law enforcement body and other authorities/agencies in fighting MLTF and PF.
  - e. The Bank is committed to report all transactions in accordance with prevailing rules and regulations.
  - f. The Bank reserves the right to suspend or discontinue the transaction if it is deemed inconsistent with prevailing rules and regulations.
4. In accordance with applicable regulations related to AMLCFT and CPF Program, the Bank has implemented AMLCFT and CPF which are established and actively supervised by the Bank's Board of Directors and Commissioners, which include:
- a. Develop risk based AMLCFT and CPF Policies and Procedures, which include provisions as follows:
    - Customer Due Diligence (CDD) to identify Customers' data and Customer data update, including classification method to determine the risk of Customers performed by branches and business units against potential MLFT and PF, identification of Beneficial Owners (BO)/Ultimate Beneficial Owners (UBO) and Customer screening against Sanctions Lists through database on AML System.
    - Conduct Customer screening for Customer onboarding and transaction against Sanctions Lists in accordance with Sanctions regulations and list issued by Local Regulator and Global MUFG.
    - Continuous monitoring and transaction analysis to identify customer transaction in accordance with Customer profiles, including business relationship termination

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- and transaction rejection in the context of AMLCFT and CPF Program implementation.
- Identify, assess, and mitigate MLTF and PF risk for the Bank's products and services.
  - Identification and reporting of Suspicious Financial Transactions (LTKM), Cash Financial Transactions (LTKT), Foreign Financial Transactions (LTKL) and the Integrated Service User System (SIPESAT) to PPATK.
  - Employee transaction monitoring procedure as part of the implementation of Know Your Employee (KYE).
  - CDD document administration and other documents related to AMLCFT and CPF Program for a minimum of 7 (seven) years after the end of business relationship with the Customer.
- b. Establish AMLCFT and CPF Team at the Head Office which in its functions directly report to Compliance Director. The AMLCFT and CPF team consists of employees who have adequate banking knowledge and experience regarding risk assessment and mitigation related to the implementation of the AMLCFT and CPF Program.
- c. Management Information System implementation in AMLCFT and CPF Program.
- For monitoring Customer's profiles and transactions, the Bank has system application that effectively able identify, analyze, monitor, and provide reports regarding transactions characteristics conducted by Customers, including identification of suspicious financial transactions. This application is equipped with parameters and

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thresholds which are continuously evaluated in accordance with the development of MLFT and PF modus.

d. The Obligations of AML and CFT Training for Employees.

All Bank's employees are required to understand their duties and responsibilities in accordance with the laws and regulations relating to the AMLCFT and CPF as well as related to reports the violations that occur in accordance with applicable procedures. To support the understanding of the Bank's employees in AMLCFT and CPF Program, all employees are required to attend AMLCFT and CPF training on a regular basis. The training method uses an interactive method with appropriate training materials for employees. In addition, specifically for employees in AML CFT and CPF Team Head Office, they could participate in AMLCFT and CPF training and certification, both in house and external training, to improve their ability to analyze and mitigate MLFT and PF risk.

e. Internal Control.

To ensure AMLCFT and CPF program implementation has been running effectively in accordance with the determined policies, a self-assessment procedure is applied to business units and branches, which will be validated by the AMLCFT and CPF Team - Head Office before being reported to Compliance Director. In addition, the Internal Audit Unit (SKAI) conducts audit on the implementation of AMLCFT and CPF Program periodically.

f. Reporting to Regulators related to AMLCFT and CPF Program implementation.

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- Reporting to PPATK, OJK and or other authorities and agencies in the context of AMLCFT and CPF Program implementation is conducted by AMLCFT and CPF Team in Head Office in accordance with applicable regulations, including the provision of Customer data requested by law enforcement officers.
- g. Implementation of Individual Risk Assessment (IRA) for AMLCFT and CPF risk assessment with reference to the National Risk Assessment (NRA) and Sectoral Risk Assessment (SRA) in financial services sector.
5. This policy holds for all Bank's Activities, Products, Branch and Regional Offices as well as Working Units and Business Units, including the Bank's subsidiaries, activities of the Custodial Bank and the Bank as Dealer, as long as not in contradiction with other laws and regulations that are specific in nature, including but not limited to the regulations of Bank Indonesia, the Minister of Finance and capital market. All the products, services and system that have relations with the AMLCFT and CPF Program which will be developed in the future by the Bank, must be reviewed by Financial Crime Compliance Division (FCC) before being applied. FCC conducts analysis and risk assessment/measurement to products, services, and systems as preventive actions and to minimize the risk of MLTF and PF and prevent the violation of rule-related to banking products, services and systems.
6. All Bank's employees must understand their tasks and duties in accordance with the laws and regulations pertaining to the AMLCFT and CPF Program as well as report any violation that occurs in accordance with the established procedure.

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7. The Management of the Bank realizes that from time-to-time changes and developments would occur in the Bank's products, activities and services as well as changes in the existing regulations. As the consequence, the present existing policy might not conform to the changes and developments. If it is considered necessary, the Management of the Bank will change the Policy to keep it relevant to the occurring external and internal changes.