

CAIXA GERAL DE DEPÓSITOS, SA
EAST TIMOR - BRANCH
(BNU Timor)

Anti-Money Laundering and Counter-Terrorism
Financing Disclosure Statement

1. Institutional Information

- **Name:** Caixa Geral de Depósitos, SA (CGD) - East Timor Branch (also uses the brand BNU Timor)
- **Address:** Avenida Presidente Nicolau Lobato, 12/13, Díli, Timor - Leste
- **Country of incorporation:** Portugal
- **Legal status:** Public limited company 100% owned by the Republic of Portugal
- **SWIFT BIC CODE:** CGDI TL DI
- **Regulatory Framework:** CGD is authorised by the Bank of Portugal and regulated in Portugal by both the Bank of Portugal (www.bportugal.pt) and the Portuguese Securities Market Commission (www.cmvm.pt).

East Timor CGD branch is regulated by Banco Central de Timor (www.bancocentral.tl).

- **Credit institution code :** 02
- **External auditors:** Deloitte & Associados, SROC SA
- **Contact details**

Head Office – C/o Head of Compliance

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Phone number: +351 21 8456077 / Fax number: +351 21 7905471

Email address: gfc.branqueamentocapitais@cgd.pt

East Timor Branch – C/o Compliance Officer

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2. Relevant International and National Frameworks

International Framework:

- 40 Recommendations of FAFT/GAFI (developed in 1990, revised in 1996, 2003, 2004 and 2012) - that provide a complete set of counter-measures against money laundering and terrorist financing covering the criminal justice system and law enforcement, the financial system and its regulation, and international co-operation;
- European Council and Parliament Directive 2005/60/CE of 26 October;
- Commission Directive 2006/70/CE of 1st August;
- Law No. 25/25/2008 dated June 5 of the Portuguese Republic - Establish the measures of preventive and repressive nature of combating money laundering advantages of illicit origin and the financing of terrorism, transposing into national law the Directive no. 2005/60/EC of the European Parliament and of the Council, of 26 October, and Directive no. 2006/70/EC of the Commission, of 1 August, on the prevention of the use of the financial system and the activities and professions specially designated for the purpose of money laundering and terrorist financing (proceeds to the second amendment to Law no. 52/2003 of 22 August and revokes Law Nº. 11/2004 of 27 March).

National Framework:

- Public Instruction no. 2/2004, from the Banking Authority and Payments of East Timor (now East Timor Central Bank) - concerning the prevention of money-laundering, bank customer identification and registration and data maintenance.
- Public Instruction no. 2/2004, from the Banking Authority and Payments of East Timor (now East Timor Central Bank) – concerning import and export of cash.
- Law no. 17/2011, of 28 December, amended and republished by Law no. 5/2013/III, of 14 August - establishes the legal framework for preventing and combating money laundering and terrorist financing.
- Law-Decree no. 16/2014, of 18 June - concerning the Financial Intelligence Unit.
- Criminal Code, article 133 – classifies terrorist financing as a crime.
- Penal Code, article 313 - classifies money laundering as a crime.

3. AML / CTF Measures in International Operations of CGD

In the International operations that CGD has a controlling interest in, policies and procedures are in place, which assist the operations to comply with their respective domestic AML/CTF laws.

Under CGD Internal Policy (based on article 29 of Law no. 25/2008) its branches and majority-owned subsidiaries in third countries apply measures equivalent to those laid down by Portuguese law, regarding identification, due diligence, correspondent banking, record keeping and training.

CGD also implemented the policies and internal procedures defined in compliance, namely internal control, evaluation and risk assessment and management and internal audit, in order to effectively prevent money laundering and terrorism financing.

4. Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Measures in BNU Timor

In compliance with Head Office internal policy, the East Timor Branch has adopted all AML/CTF policies and procedures set by Head Office applicable to the Branch's business as well as the duties requirements established in laws and regulations in force in the Democratic Republic of East Timor.

As such BNU Timor adhere to and apply the following policies and procedures:

Customer Due Diligence/Know Your Customer-Counterparty: BNU Timor has policies and procedures in place to comply with the obligation to identify and perform due diligence on customers which includes a filtering IT solution (to check and watch proscribed lists) and is implementing an IT solution to score customer's profile based on ML/TF risk.

Politically Exposed Persons (PEPs): BNU Timor has enhanced due diligence and transaction monitoring towards customers or beneficial owners who are PEPs.

Anonymous and numbered accounts: BNU Timor does not provide customers with anonymous or numbered accounts.

Record Keeping: Records relating to customer identification and original documents, copies, references or any other durable support systems, equally admissible in court proceedings as evidence, of the demonstrative documents and of the records of the transactions, are kept to enable the reconstruction of the transaction, for a period of seven (7) years after its execution, even if the transaction is part of a business relationship that has already ended.

Monitoring of Suspicious Activities: Screening of customer's transactions is carried out by BNU Timor

employees through a risk-based approach.

Reports of Suspicious Transactions: BNU Timor is required to report any suspicious customer activities or transactions to the Financial Intelligence Unit of East Timor Central Bank. Internal policies and procedures are in place to ensure compliance with the applicable legislation and regulatory requirements.

Employee Training Program: AML/CFT training is provided to all BNU Timor employees concerning the detection and reporting process for suspicious activities, as well as the importance of KYC (Know your Customer).

Independent audit and compliance review function: Our internal auditors and the compliance department conduct programs of audit and compliance tests of all CGD's policies and operational procedures including those applicable to AML in the all international units under CGD control. The audit and compliance programs are approved by the Board of Directors.

Correspondent Banks: BNU Timor has implemented risk based due diligence procedures that include the following - understanding the nature of the correspondent's business, its license to operate, the quality of its management, ownership and effective control, its AML policies, external oversight and prudential supervision including its AML/CFT regime. Additionally, ongoing due diligence of correspondent accounts is performed on a regular basis or when circumstances change. All correspondent bank relationships are approved by the Board of Directors, with prior opinion from GFC.

Shell Banks: BNU Timor does not conduct business with shell banks, as defined in Law no. 17/2001, amended and republished by Law no. 5/2013.

Payable-through accounts: BNU Timor does not provide payable through accounts.

Assessment of payments against watch lists and proscribed lists (TF and sanctions): BNU Timor has an IT solution to filter all inward and outward payments against UN, EU and OFAC proscribed lists.

Sanctions Policy: BNU Timor has implemented a set of policies and procedures to ensure that the institution does not establish or maintain a business relationship, or process operations to / for the benefit of persons, entities or sanctioned countries.

BNU Timor Sanctions Policy is available in the branch internet site: www.bnu.tl.

5. Wolfsberg AML Questionnaire

BNU Timor follows the principles contained in Wolfsberg AML Questionnaire concerning AML/CTF.

BNU Timor's Wolfsberg AML Questionnaire is available in the website (www.bnu.tl).

6. USA Patriot Act Certificate

Under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act) Act 2001, CGD may be required from time to time to provide Certification Regarding Accounts for Foreign banks.

Please find 'USA Patriot Act Certificate' in the website (www.cgd.pt).