

YETU

Tradição e Inovação



**ANTI-MONEY LAUNDERING AND COUNTER-
TERRORISM FINANCING POLICY**

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1. APPROVAL AND DISSEMINATION

| | Body | Date |
|------------------|--|--------------------------|
| Prepared | Directorate of Organization and Quality | 26.08.2022 |
| Validated | Compliance Office Executive Committee | 08.09.2022 13.09.2022 |
| Approved | Board of Directors | 29.10.2022 |

2. BACKGROUND

| Revoked Policy | Version |
|--|---------|
| Anti-Money Laundering and Counter-Terrorism Financing Policy | 06 |

| Version | Title | Amendment since last version | Date | Approval |
|---------|---|---|------------|---------------------|
| 01 | AML Policy | - N/A | 18.09.2015 | Board of Directors |
| 02 | MNP on Anti-Money Laundering and Counter-Terrorism Financing Policy | - General revision and harmonization with the new norms internal structure | 18.12.2017 | Board of Directors |
| 03 | MNP044- on Anti-Money Laundering and Counter-Terrorism Financing Policy | Revision in line with Law n° 34/11 of 12 December. | 30.08.2019 | Board of Directors |
| 04 | Anti-Money Laundering and Counter-Terrorism Financing Policy | - Revision in terms of Law n° 14/20, of 22 June. | 23.12.2020 | Board of Directors |
| 05 | Anti-Money Laundering and Counter-Terrorism Financing Policy | - General review | 06.07.2022 | Board of Directors |
| 06 | Anti-Money Laundering and Counter-Terrorism Financing Policy | - General revision and in terms of Notice N° 01/22 – Corporate Governance Code For Banking Financial Institutions | 06.07.2022 | Board of Directores |
| 07 | Anti-Money Laundering and Counter-Terrorism Financing Policy | - General revision of the Policy without any change to its contents | 29.09.2022 | Board of Directors |

3. INTRODUCTION

3.1 SUMMARY

In response to the growing concern of the international community regarding the problem of Money Laundering and Terrorist Financing (ML/CFT), numerous countries around the world have been adopting or revising laws on this matter.

Financial institutions are subject to strict rules aimed at preventing ML/TF and to define the parameters of collaboration with regulatory, supervisory and oversight bodies in this matter. Failure to comply with these rules implies liability, which may result in penalties or legal consequences.

Banco YETU identifies itself with society and the authorities by recognizing the importance of the fight against ML/TF, as it affects essential aspects of life in society.

Banco YETU believes that the best way to achieve its commitment is to establish effective internal rules and procedures that allow:

- to develop its financial activity in accordance with strict ethical rules and complying with the legislation in force;
- to implement operating rules and internal control and communication systems with the aim of preventing the Bank from being used in ML/TF;
- to ensuring that all its Employees comply with Know Your Customer (KYC) policies and procedures;
- to strictly comply with the laws against ML/TF, as well as the recommendations issued by the Financial Action Task Force (FATF) and by national and international authorities on this matter;
- to provide adequate training aimed at ensuring full, permanent and up-to-date of knowledge of its managers, workers and other Employees. Through the commitment of all Employees, it is possible to guarantee that the products sold and the services provided are not used for ML/TF.

3.2 PURPOSES

This Anti-Money Laundering and Counter-Terrorism Financing Policy falls within the scope of the ML/TF prevention mechanisms, taking into account the general principles of ML/FT prevention and fight, in compliance with the legislation, national and international regulations, and good practices in terms of acting in the markets, Banco YETU considers it essential to assess the possible risks of its Customers and potential Customers, in order to ensure the effective prevention of ML/TF.

3.3 SCOPE

This Policy applies to all Banco YETU's Employees, Shareholders, Customers, Counterparties and Partners, and those people responsible for Business Units (B.U.) must ensure that it is disseminated to the Employees attached to the respective BU.

Organization and Quality Department (DOQ) is responsible for the publication and dissemination of this Policy, as well as its update and review, without prejudice to any initiative taken by the Compliance Office (CO), the Executive Committee (ExCo) and/or the Board of Directors (BD).

3.4 LEGAL AND REGULATORY FRAMEWORK

This Anti-Money Laundering and Counter-Terrorism Financing Policy is in line with the legal and regulatory provisions to which Banco YETU is bound, namely:

- Law No. 05/2020 - Law on the Prevention and Fight against Money Laundering, Financing of Terrorism and Proliferation of Weapons of Mass Destruction.
- Notice N° 14/2020 - Rules for the Prevention and Fight against Money Laundering and Financing of Terrorism.
- Notice No. 01/2022 - Corporate Governance Code for Banking Financial Institutions.

3.5 INTERNAL FRAMEWORK

Banco YETU has established strict rules and procedures in order to comply with ML/FT regulations in line with the guidelines provided for in the legislation and regulations in force.

In terms of AML/CTF, Banco YETU complies with the duty to report to the supervisory and oversight entities any suspicious transactions that show signs of ML/TF, by requesting sufficient information from Customers and Counterparties about their identity or on their economic or professional activity, with the aim of applying internal control and reporting procedures, and training their Employees on issues related to AML/CTF.

The negative effects of ML/FT on reputation of the YETU Bank, require measures to be taken and that rules and procedures are established in order to ensure:

- That all activities of Banco YETU are in accordance with the best practices and in strict compliance with the laws and regulations in force;
- That no illegal transaction is carried out;
- That all Employees of Banco YETU know and follow the established rules aimed at knowing their Customers and counterparties and identifying any suspicious activities.

4. CONCEPTS

Money Laundering: Means participation in any activity that has the purpose of acquiring, holding, using, converting, transferring, concealing or disguising the nature, origin, location, disposal, movement or effective ownership of goods or rights over goods, knowing that said goods originate in an illegal activity or participation in an illegal activity.

Terrorism Financing: Consists of providing, depositing, distributing or collecting funds, by any means, directly or indirectly, with the intention of using them or with the knowledge that they will be used in whole or in part, for the carrying out any terrorist act.

Proliferation of Weapons of Mass Destruction: Transfer and export of nuclear, chemical or biological weapons, related materials and their means of delivery.

Politically Exposed Persons: National or foreign individuals who perform or have performed prominent public functions in Angola, or in any other Country or jurisdiction or in any international organization.

Compliance Officer: Person responsible for coordinating and monitoring the implementation of the Anti-Money Laundering, Counter-Terrorism Financing and Proliferation of Weapons of Mass Destruction System, including the respective Internal Control procedures, as well as information gathering and reporting to the Financial Intelligence Unit and other competent authorities any transactions susceptible to ML/TF and Proliferation of Weapons of Mass Destruction.

Employee: Any natural person who, in the name or interest of the Bank and under its authority or dependence, participates in the execution of any transactions, acts or procedures specific to the activity pursued by the Bank, regardless whether they have any working relationship with the Bank of a similar nature (Internal Collaborator) or not (External Collaborator).

Relevant Employee: Any Employee, internal or external, of the Bank, who meets at least one of the following requirements:

- Be a member of the respective management body;
- Perform functions that involve direct contact, in person or remotely, with the Bank's Customers;
- Be assigned to the functional areas of compliance control for the regulatory framework, risk management or internal audit;
- Be qualified as such by the Bank.

Suspicious Transactions: Any transactions that give rise to the practice of ML/TF crime and Proliferation of Weapons of Mass Destruction.

Beneficial Owner: An individual or individuals who ultimately hold a share in the equity of a legal person or control it and/or the natural person in whose name the transaction is being carried out.

Customer: Natural or legal person, group of natural or legal persons, public or private, affiliated or not, acting together, contractually have relationship with the Bank to whom the Bank provides products or services.

Usually, the money laundering process is closely linked with terrorism financing, and consists of three stages:

- **Placement:** Introduction of cash from illicit activities into financial or non-financial institutions;

- **Layering:** The untying of income from an illegal activity, through the use of several complex financial or non-financial transactions;
- **Integration:** the return of laundered income in the sector of the economy from which they came or in a different sector with an appearance of being legitimate.

5. OPERATIONAL RISK GOVERNANCE MODEL

5.1 MANAGEMENT BODY RESPONSIBILITY

1. To adopt and enforce policies, procedures and internal controls proportional to the identified risk;
2. To have adequate knowledge of the risks of ML/TF and the proliferation of weapons of mass destruction to which Banco YETU is exposed at all times, as well as the processes used to identify, assess, monitor and control these risks;
3. To implement policies and procedures and internal controls, in order to prevent situations of conflicts of interest;
4. To promote a culture of AML/CTF and proliferation of weapons of mass destruction that encompasses all Employees of Banco YETU whose functions are relevant in this area, supported by high standards of ethics and integrity and, whenever necessary, through definition and adoption of appropriate codes of conduct;
5. To monitor the activity of other top management members, insofar as they supervise business units that are or may be exposed to risks of money laundering, financing of terrorism and proliferation of weapons of destruction;
6. To periodically assess the effectiveness of policies and procedures and internal controls, by ensuring the implementation of appropriate measures to remedy any deficiencies detected;
7. To refrain from any interference in the exercise of the duty to report, whenever they establish that there is potential suspicions;
8. To ensuring that the Compliance Officer performs his/her duties independently, permanently, in an effective manner and with the decision-making autonomy necessary for such;
9. To ensure that the Compliance Officer has the suitability, professional qualifications and accountability appropriate to the exercise of the function, and the results of this assessment should be made available to the National Bank of Angola (BNA) whenever requested;
10. To ensure that the Compliance Officer has adequate technical, material and human resources and tools, including the Employees necessary for the proper performance of the function;
11. To ensure that the Compliance Officer has unrestricted and timely access to all information regarding the performance of the duty of identification and diligence and to the records of all transactions carried out and is not subject to potential functional conflicts, especially when there is no segregation of their duties.

5.2 COMPLIANCE OFFICE STRUCTURE

According to the nature, dimension and complexity of its activity, Banco YETU has appointed a Compliance Officer and guarantees that:

1. He/she performs his/her functions with permanent, effective authority and independence, with decision-making power, with the support of the Management body;
2. He/she has adequate technical, material and human resources and equipment;
3. He/she is not subject to potential functional conflicts, especially when there is no segregation of functions;
4. He/she has good reputation, professional qualifications and adequate availability to perform the function;
5. He/she have unrestricted and timely access to all internal information relevant to the exercise of their function, in particular information regarding the performance of the duty of identification and diligence and the records of transactions carried out.

5.3 COMPLIANCE OFFICER'S MAIN RESPONSIBILITIES

The main responsibilities of Compliance Officer are:

1. To coordinate and monitor the effective enforcement of policies and procedures and controls suitable for the effective management of the risks of money laundering, terrorist financing and the proliferation of weapons of mass destruction to which the financial entity is or will be exposed;
2. To participate in defining and issuing prior opinions on policies, procedures and controls aimed at preventing money laundering, terrorist financing and the proliferation of weapons of mass destruction;
3. To permanently monitor the adequacy, sufficiency and timeliness of policies, procedures and controls in terms of prevention of money laundering, financing of terrorism and proliferation of weapons of mass destruction, by proposing the necessary updates;
4. To participate in the definition, monitoring and evaluation of the Bank's internal training policy;
5. To ensure that all relevant information that comes from the different business units of Banco YETU is gathered;
6. To report, without any internal or external interference, transactions to the Financial Intelligence Unit (FIU);
7. To monitor and evaluate internal control processes and procedures in terms of the prevention and detection of criminal activities, including the prevention of ML/TF, as well as ensuring the collection of information and the reports legally due, in this context, with the competent authorities, namely to the FIU;

8. To support the development and execution of the assessments provided for in article 9.0 of Law No. 05/20, of 27 January;
9. To coordinate the development of reports, statements and other information to be sent to the BNA regarding ML/TF prevention;
10. To establish processes aimed at detecting and assessing the risk arising from non-compliance with the Institution's legal obligations and duties, as well as to remedy the detected weaknesses;
11. To establish and maintain a permanent and up-to-date record of internal regulations and current legislation to which the Bank is subject, with identification of those responsible for their compliance and for any non-compliances detected;
12. To monitor the compliance with Banco YETU's corporate governance policies, namely on conflict of interest and code of conduct;
13. To prepare regular reports for the management body in matters of compliance, namely, indications or concrete situations of non-compliance with the rules of conduct, including in the relationship with Customers, as well as situations in which Banco YETU or its Employees are or are may be subject to transgressional proceedings;

6. PREVENTION POLICIES

As fundamental elements of Banco YETU's policies, norms of risk control and management have been incorporated, and specifically with regard to the relationship with Customers, their representatives or transactions, including programs aimed at knowing its Customers (Know Your Customer). In this regard, 05 (five) fundamental policies have been developed:

- Customer Acceptance and Refusal Policy;
- Customer Identification and Verification Policy and Due Diligence Measures;
- Conflicts of Interest and Related Party Transactions Management Policy;
- Financial Sanctions Policy;
- Fund Freezing and Thawing Policy.

6.1 CUSTOMER ACCEPTANCE AND REFUSAL POLICY

Within the scope of AML procedures, and in compliance with regulatory standards and the recommendations of the relevant entities, the Bank adopts clear policies and procedures for Customers Acceptance, including outlining the types of Customers that imply a higher risk. Relevant factors are taken into account when defining the Customer's risk rating, namely: the country of origin, professional profile and possible participation in political activities, the Customer's line of business and the transactions they intends to carry out.

With the aim of protecting Banco YETU from practices that may jeopardize its activity and in order to protect its reputation, Banco YETU refuses any potential Customers who fall into any of the following categories:

- Persons whose available information suggests that they may be related to illicit activities, namely those included in any of the official sanctions lists;
- Persons whose activity or source of income is, directly or indirectly, the trade in arms or other equipment of a warlike nature or purpose;
- Persons for whom the Bank has information that links them to criminal activities;
- Customers or beneficial owners residing in tax havens or other risky territories identified by the FATF;
- Customers who carry out business in which it is not possible to check the legitimacy of the activities or the origin of the funds;
- Persons who refuse to provide the necessary information or documentation;
- People whose activity or way of life makes it impossible or difficult for the Bank to know the origin of their assets;
- Exchange bureaus, money transfer service providers or other similar entities, not authorized by the competent bodies;
- Shell banks.

Banco YETU has an onboarding process for potential Customers which depends on the authorization of the Compliance Officer (who in turn may decide on the need for authorization by the ExCo), the acceptance of Customers that fall into any of the following categories:

- Persons rated with a high likelihood of money laundering risk;
- Politically Exposed Persons (PEP's);
- PEP's that intend to become Customers in the country or outside the country of which they are nationals;
- Close members of the PEP's family, including people who live with them in a *de facto* situation;
- Other individuals or legal entities that are known to have close commercial or corporate relationships with the PEPs or their relatives;
- Other persons holding other relevant public positions.

Enhanced due diligence measures should be applied in the following cases:

- An authorization from the Executive Committee to start a business relationship, which will be registered (whenever the Compliance Officer deems it necessary to obtain this authorization);
- Enhanced and permanent monitoring of the business relationship;
- With regard to natural persons, to corroborate information on the Customer's activity by reviewing their sources or other external sources;
- In the case of legal persons, a certificate on the ownership of the transaction (individuals with direct or indirect share or control of 25% or more of the legal person);
- In the case of legal persons, the veracity of information provided by the Customer in their professional or business activity is verified, a fact that can be evidenced by the Annual Report and Accounts of the previous year.

6.2 CUSTOMER IDENTIFICATION POLICY AND DILIGENCE MEASURES

Banco YETU collects and maintains all information regarding Customers, their representatives and beneficial owners, before the start of the business relationship by requesting the following elements:

Natural Persons

1. Full name and signature;
2. Date of Birth;
3. Nationality;
4. Full Home address or, if not possible, any other contacts details considered valid by the banking financial institution;
5. Profession and employer, if any;
6. Name of the identification document used, identification number, expiry date and issuing entity;
7. Nature and amount of income;
8. Tax Identification Number (optional).

These details are verified as follows:

- Regarding the identification details mentioned in paragraphs 1), 2) and 3):

- a) By foreign exchange residents upon showing of identity card or resident card issued by the competent body, containing a photograph, full name, date of birth and nationality;
 - b) By non-foreign exchange residents upon presentation of their passport, with the exception of non-exchange residents of Angolan nationality upon presentation of an identity card, including a photograph, full name, date of birth and nationality.
- Identification detail mentioned in paragraph 8) is certified by presenting a tax identification card or equivalent document issued by the National Tax Directorate of the Ministry of Finance.

Legal persons

1. Full corporate name of the legal person;
2. Corporate object and purpose of the business;
3. Headquarters address;
4. Tax Identification Number (NIF);
5. Registration number of the commercial register;
6. Identity of the shareholders in the capital and voting rights of the legal person with a value equal to or greater than 20%;
7. Identity of the legal person's attorneys and the respective mandate;
8. With regard to individual traders, the Tax Identification Number, corporate name, registered office and corporate object are requested, in addition to the identification details referred to in paragraph 1).

These details are reviewed as follows:

- In relation to resident legal persons, identity details mentioned in paragraphs 1), 2), 3) and 4) are checked by presenting the commercial registration certificate issued by the Commercial Registry Office or another public document proving that, namely the copy of the National Gazette containing the publication of the bylaws or notarial certificate of deed of incorporation;
- In relation to non-resident legal persons, identity details mentioned in paragraphs 1), 2) and 3) are checked by show of evidence of the commercial registration certificate or another valid public document, duly certified by the competent authorities of the country of residence, and authenticated by the Angolan consulate in the country of origin;
- Identity detail mentioned in paragraph 4) is checked by showing of Tax Identification Card or equivalent document issued by the National Tax Directorate of the Ministry of Finance;
- Identity details mentioned in paragraph 6) are proven by means of presenting the Minutes of the Constituent General Meeting, as well as the minutes of amendment to the shareholders or partners structure;

- Identity detail mentioned in point 7) is confirmed by means of a written statement issued by the legal person itself, containing the names of management body appointed members, attorneys and representatives.

When establishing a business relationship on behalf of minors who, due to their age, do not hold any of the documents referred to in paragraph 1), proof of respective elements of identification of the minor is carried out by displaying a birth certificate, in case of foreign exchange resident or in the case of a non-foreign exchange resident, by an equivalent public document, to be presented by whoever has legitimacy as their legal representative for the establishment of the business relationship, whereas the respective identity shall be checked at the beginning of the business relationship.

6.3 CONFLICTS OF INTEREST AND RELATED-PARTY TRANSACTIONS MANAGEMENT POLICY

Banco YETU keeps, for a minimum period of 10 (ten) years, all necessary records, and these records include:

1. Copies of documents proving compliance with the duty of identification and due diligence;
2. Record of domestic and international transactions that are sufficient to allow the reconstitution of each transaction, in order to provide, if necessary, evidence in the context of a criminal proceeding; all documentation related to transactions carried out with correspondent banks;
3. Records of the results of internal investigations, as well as a record of the copy of reports filled by Banco YETU to the FIU and other competent authorities;
4. Justification of the decision not to report to the FIU and other competent authorities by the YETU Bank.

Banco YETU guarantees that all records relating to transactions and Customers are available in a timely manner, so that the competent authority, in accordance with applicable legislation, can consult them if it deems necessary. The records are kept in original documents, in the form of physical documents.

Banco YETU conducts periodically the monitoring and control of all activities carried out by Customers through:

1. Regular maintenance of information update at its disposal;
2. Regular review of all transactions carried out by the Bank's Customers and recorded in the system;
3. Verification of Customer risk based on regular manual monitoring of the Customer database against Anti-Money Laundering (AML) lists and identification of indications of money laundering situations;
4. Issuance of an opinion on suspicious transactions by the Compliance Officer.

Following the ML/TF risk assessment takes into account the following factors:

- a) Nature of the Customer;
- b) Nature of the Customer's activity;
- c) Form of establishment of the business relationship;
- d) Geographic location of the Customer and its activity, if applicable;
- e) Transactions carried out;
- f) Customer History;
- g) Products and services purchased

6.4 FINANCIAL SANCTIONS POLICY

Financial sanctions are restrictive measures of financial nature implemented by international organizations or countries (individually) applicable to jurisdictions, persons or entities for the purpose of combating terrorism and maintaining or restoring international peace and security.

Among the countries or international organizations that keep lists of designated persons, groups or entities are: the Office for Foreign Assets and Control (OFAC), Her Majesty's Treasury (HMT), the European Union's Common Foreign and Security Policy (CFSP) and the Sanctions Committee in accordance with the different United Nations Security Council (UNSC) Resolutions.

Designated persons, groups or entities: are the designated persons, groups or entities:

1. By the United Nations Sanctions Committee in accordance with United Nations Security Council Resolution No. 1267, through the List updated by the aforementioned Sanctions Committee;
2. By the Sanctions Committee pursuant to United Nations Security Council Resolution No. 1988, which maintains an up-to-date List of persons, groups and entities associated with the Taliban who pose a threat to peace, stability and security of Afghanistan;
3. By any other Sanctions Committee established by the United Nations or another United Nations bodies that maintains lists of persons, groups or entities associated with terrorism, including terrorism financing, of terrorists or terrorist organizations, with a view to enforcing restrictive measures of a financial nature; and
4. By the national competent authority for the national designation and enforcement of restrictive measures, by means of a national list, in accordance with Law no 1/12 of 12 January, Law on Designation and Execution of International Legal Acts, when such designations relate to persons, groups or entities associated with terrorism, including the financing of terrorism, terrorists or terrorist organizations, with the aim of enforcing restrictive measures of a financial nature.

If any Customer displays evidence, the Compliance Office shall contact the account holder to identify the justification for carrying out the suspicious transaction and issue an opinion on a suspicious transaction, if the suspicions are confirmed, the shall separate the suspected

transaction and report the occurrence and its opinion to the Board for final review and report to the FIU.

6.5 FUNDS FREEZING AND THAWING POLICY

6.5.1 Duty to Freeze Funds

YETU Bank shall freeze immediately and without any prior notice, all funds or economic resources belonging to, owned or held, directly or indirectly, individually or jointly.

The freezing of funds consists of an operational block carried out in the identified bank account(s), so that no deposit is allowed in the debit bank account(s), either in whatever the circumstance.

6.5.2.1 Unfreezing (Thawing) of Funds

Whenever Banco YETU receives clear instructions from the competent authority that indicate the lifting of the financial restriction measure, in relation to a designated entity, it must immediately remove the existing operational blocks and release the frozen funds.

7. COMPUTER TOOLS AND APPLICATIONS

A technological application has been implemented that allows risk assessment, management and mitigation and reporting, such as:

1. To assess the risk profile associated with Customers, business relationships, occasional transactions and activities in general;
2. To monitor Customer and transactions against identified risks, including timely detection of relevant changes to the operating pattern of a given Customer or set of related Customer and activities or set of operations that denote indications of suspicion;
3. To detect the acquisition of the status of a politically exposed person or holder of another political or public office, as well as any other specific quality that should motivate the intervention of a member of the top management or another member of a higher hierarchical level;
4. To detect persons or entities identified under restrictive measures, namely those resulting from a resolution of the United Nations Security Council, or others;
5. To block or suspend the establishment or continuation of a business relationship, as well as the execution of an occasional transaction or activity in general, whenever they depend on the intervention of a member of the top management or another member of a higher hierarchical level;
6. Timely extraction of reliable and understandable information that supports analysis and decision-making by the relevant internal structures, as well as the exercise of legally established reports and collaboration obligations.

8. BENEFICIAL OWNERSHIP IDENTIFICATION MECHANISMS

Banco YETU requests from the beneficial owner the same details and documents proving their identity as those would be required from a Customer.

Appropriate means of determining the identity of the beneficial owner should include, in particular:

- Authenticated document confirming the beneficial owner's identity;
- Copy of the trust or partnership agreement, or other equivalent document;
- Minutes of the constituent General Meeting as well as the minutes of amendment to the shareholder or partnership structure;
- Other reliable information that the financial institution may deem relevant.

9. OCCASIONAL TRANSACTIONS

Banco YETU collects and keeps information whenever, in person or remotely, a Customer intends to carry out occasional transactions the amount of which is greater in national or other currency than the equivalent of USD 15,000.00 (Fifteen Thousand United States Dollars), regardless of the transaction being carried out through one (single transaction or through several transactions that appear to be related.

Related transactions, among others, are considered to be those that meet one of the following criteria:

1. Multiple senders for the same beneficiary;
2. One sender for multiple recipients.

If occasional transactions are requested on behalf of minors, proof of the minor's identity details must be carried out by displaying a birth certificate, in the case of a resident foreign exchange, or an equivalent public document, in the case of a non-exchange resident, to be presented by someone who has legitimacy as their legal representative, to carry out the occasional transaction whereby the respective identity of the said person must be verified when carrying out the occasional transaction.

10. POLITICALLY EXPOSED PERSONS

PEPs are considered to be national or foreign individuals who perform or have performed prominent public functions in Angola, or in any other country or jurisdiction or in any international organization.

Senior positions of a political or public nature include, among others, the following:

1. President of the Republic or Head of State;
2. Vice-President of the Republic;
3. Prime Minister or Head of Government;
4. Support bodies of the President of the Republic, or members of the Government, namely Ministers of State, Ministers, Secretaries of State and Vice-Ministers and other similar positions or functions;
5. MPs, members of Parliamentary Chambers and the like;
6. Judicial Magistrates of the Higher Courts and Court of Appeal whose decisions cannot be appealed, except in exceptional circumstances;
7. Magistrates of the Public Prosecutor's Office at the same level as the Judicial Magistrates referred to in the previous paragraph;
8. Ombudsman and Deputy Ombudsman;
9. Members of the Council of the Republic, the National Security Council and other State Councilors;
10. Members of the National Electoral Commission;
11. Members of the Higher Councils of the Judiciary and the Public Prosecutor's Office;
12. Members of management and supervisory bodies of Central Banks and other regulatory and supervisory authorities in the financial sector;
13. Heads of diplomatic and consular missions;
14. General Officers in the Armed Forces and Commissioner Officers of the Security Forces and Law Enforcement Agencies;
15. Members of management and supervisory bodies of public companies and companies with exclusively or mostly public capital, public institutions, public associations and foundations, public establishments, whatever their designation, including management bodies the companies that are part of the local business sectors;
16. Members of the Board of Directors, Directors, Deputy Directors and/or persons performing equivalent functions in an international organization;
17. Members of Executive Boards of Political Parties;
18. Members of local administrations and local government;
19. Leaders of religious organizations.

Family members and people very close to the aforementioned individuals are also treated as PEP's, namely:

1. The spouse or common-law partner;
2. Relatives, up to the 3rd degree of the collateral line, alike up to the same degree, their respective spouses or de facto partners;
3. People with recognized and close relationships of a personal nature;
4. Persons with recognized and close relationships of a corporate or commercial nature, namely:
 - a) Any natural person who is notoriously known as the joint owner of a legal person with the holder of a high political or public position or who has close commercial relations with them;
 - b) Any natural person who owns the share capital or voting rights of a legal person or the assets of a collective scheme body without legal personality, which is notoriously known, with the sole beneficial owner being the holder of a high-ranking political or public position.

11. DUE DILIGENCE PROCEDURES

11.1 SIMPLIFIED DUE DILIGENCE

Banco YETU applies simplified due diligence procedures, provided that it has sufficient information for the purpose of a consistent risk assessment, and the Customer must also be included in one of the following categories:

1. State, or a legal person governed by public law, of any nature, integrated into central or local administration;
2. Public authority or body subject to transparent accounting practices and subject to supervision;
3. Individuals holding a simplified bank account;
4. Banco YETU must demonstrate to the BNA, if it deems it so, the verification of the Customers' classification in the aforementioned categories;
5. Banco YETU must define criteria to determine whether the information collected is sufficient to verify that the Customer fits into one of the above mentioned categories or professions, namely, the existence of publicly available information that confirms his identity.

11.2 ENHANCED DUE DILIGENCE

Given their features, certain Customers and transactions do pose an increased risk of ML/TF for which reason Banco YETU has adopted enhanced due diligence measures, namely:

1. Non-profit entities;
2. Correspondence Banking Relationships;
3. Politically Exposed Persons (PEP's);
4. People with high risk profiles (PPER's);
5. Customers or transactions relating to countries with high risk of ML;
6. When the Bank's risk assessment indicates that the business relationship or occasional transaction has a high risk of ML/TF;
7. When legally provided;

Enhanced due diligence consists of:

1. Obtaining information from the Customer and destination of their funds, as well as development of a report on the measures adopted;
2. Continued and enhanced monitoring of the Business relationship;
3. Obtaining additional documentation about the organizational structure, geographic location, destination of funds, including basic information on the beneficiaries, if necessary;
4. The origin of income;
5. Requirement of express authorization from the Management body of Banco YETU for the establishment/or maintenance of a business relationship, whenever necessary;
6. Requesting supplementary information in order to understand the nature of their activity.

12. DUTY OF CONTINUOUS MONITORING

Banco YETU does continuously monitor the business relationship, as well as its risk profiles, and the following information is to be requested:

- Nature and details of the business, occupation or employment;
- Records of changes in address;
- Origin and destination of funds to be used in the business relationship;
- Origin of initial and ongoing income;
- The various relationships between signatories and the respective beneficial owners, depending on the transactions carried out by Customers and the result of the risk assessment, Banco YETU may, whenever it deems necessary, request additional information from Customers, such as proof of funds origin, Annual Report and Accounts and other supplementary documents.

13. REPORT OF IRREGULARITIES

Banco YETU has implemented specific, independent and confidential channels that internally ensure, in an adequate manner, the receipt, handling and archiving of reports of abnormal behaviors related to its integrity and eventual violations of Law No. 05/20, of 27 January - Law on the Prevention and Fight against Money Laundering, Financing of Terrorism and Proliferation of Weapons of Mass Destruction and under the terms of Notice No. 14/2020, of 22 June - Rules for the Prevention and Fight against Money Laundering and Financing of Terrorism.

14. TRANSGRESSIONAL REGIME

Information provided in good faith by the subject entities within the scope of a certain transactions that show evidence of well-founded suspicion and, which are likely to be construed crime, shall not be regarded breach of the duty of secrecy, nor does it imply the accountability to whoever makes has provided it.

Without prejudice to criminal liability for the crime of money laundering to which both natural and legal persons may be subject or other related sanctioning provisions applicable to each specific case, offenses are typified for non-compliance with the duties and obligations provided by Law 5/ 20, of 27 January - Law on the Prevention and Fight against Money Laundering, Financing of Terrorism and Proliferation of Weapons of Mass Destruction and Notice 14/20, of 22 of June - Rules on Prevention and Fight against Money Laundering and Capital and Financing of Terrorism, under which financial entities may be held accountable.

Banco YETU is liable for any offenses when the facts have been committed, in the exercise of the respective functions or in its name or on its behalf, by a member of its governing bodies, representatives or any Employee, permanent or occasional.

The liability of the legal person does not exclude the individual liability of the respective agents.

15. SUSPICIOUS TRANSACTIONS REPORT

Whenever it becomes aware, suspects or has sufficient grounds to suspect that a transaction has taken place, is in progress or has been attempted, likely to be associated with the practice of ML/TF offense or any other crime, Banco YETU shall take the initiative to report, immediately to the FIU.

When reporting a suspicious activity to the FIU, Banco YETU shall fill in the Suspicious Transaction Report (STR) form. This document ensures that all the information necessary for its review is included in it.

Banco YETU undertakes to provide all information regarding its Customers or suspicious transactions, whenever requested by the competent authorities.

16. COLLABORATION WITH THE REGULATOR AND OTHER SUPERVISORY ENTITIES

The Compliance Officer of Banco YETU shall ensure the provision of all assistance required by the authority responsible for conducting any investigation processes or by the competent supervisory and oversight authorities, by ensuring direct and transparent access to information and presenting the documents or records requested by them.

Requests for information regarding money laundering of criminal origin, addressed to the Banco YETU issued by Courts or Judges or any other authority, are sent directly by the appointed Representative, who in turn shall respond to the authority.

17. STAFF RECRUITMENT

With regard to the hiring of new Employees, all information regarding their professional career and candidate's criminal record and if there is no history of illegal activities that do not present a high level of risk (e.g. difficulty in obtaining information about the candidate) the candidate will be able to join Banco YETU.

Candidates who reside in risk countries designated by FATF or who are foreigners with public office are subject to a thorough appraisal.

Banco YETU, when hiring its Employees (Selection and Identification Obligation), must carry out a reasoned assessment of the reliability and credibility of Employees that it intends to appoint for functions of greater sensitivity and risk in the full performance of their activity as well as their integrity.

18. TRAINING OF EMPLOYEES

Banco YETU periodically makes provisions for its Employees, according to their different needs, in particular, those newly hired, from the front office, supervision or those with Compliance, Auditing, Risk Management and Commercial Management functions, so that they are trained about:

- Legislation applicable to the prevention and fight against money laundering, financing of terrorism and Proliferation of Weapons of Mass Destruction;
- Money laundering, terrorism financing and Proliferation of Weapons of Mass Destruction;
- Procedures for identifying and reporting suspicious transactions to supervisory and other similar entities;
- Internal Control and Risk Assessment System in the context of the prevention of money laundering, terrorism financing and Proliferation of Weapons of Mass Destruction;
- Reputational, legal and prudential risks and consequences of a transgressive nature arising from non-compliance with ML/TF preventive obligations.

Banco YETU periodically provides training on ML/FT to its Employees, according to their different needs, in particular, newly hired employees, front office employees, supervisors or those with Compliance, Auditing, Risk Management and Commercial Management in order to ensure that they are informed about:

- ML/TF risk;
- Legislation applicable to the prevention and repression of money laundering and financing of terrorism;
- Procedures for identifying and reporting suspicious transactions to the appropriate entities;
- Internal control and risk assessment system within the scope of ML/TF prevention.

Banco YETU also has a policy of keeping copies of documents relating to training carried out to employees and contractors for a period of 05 (five) years.

19. CORRESPONDENCE BANKING RELATIONSHIP

Banco YETU shall define, implement and control specific and appropriate due diligence measures for identification and mitigation of money laundering, terrorist financing and proliferation risks that occur through its corresponding accounts, namely:

1. Understanding the nature of the activity of the corresponding Institution;
2. Identification of the country of origin of the corresponding institution and check of the country's risk, namely embargoes or sanctions imposed by International Organizations, levels of crime and corruption, legislation in the field of money laundering, financing of terrorism and proliferation of weapons of destruction in pasta;
3. To check the corresponding Bank's internal policies in relation to international standards for the fight against money laundering and financing of terrorism and the effective implementation of internal control processes and procedures in this matter;
4. To check whether the correspondent bank does not allow anonymous accounts or accounts under fictitious names to be maintained.

20. EXTERNAL AUDIT

Internal control measures described in this Policy are reviewed annually by a competent external entity.

The test results are recorded in a written report, which documents the current internal control measures, assesses their operational effectiveness and propose, if necessary, the necessary remediation or improvements.

The report, in any case, will be available to the supervisory and oversight entities, during the five (05) years following the date of issue, in case of need.

21. AML/CFT STATEMENT

Banco YETU hereby declares that it conducts its banking activity in accordance with the highest ethical standards and puts implements working methods and behavior that ensure that the Bank's services are not used as a platform for money laundering activities, terrorism financing or other criminal activity.

Banco YETU is committed to the following principles provided in this Policy:

1. To conduct its activity in accordance with current legislation and regulations;
2. To craft and apply rules of action and control systems in order to prevent or avoid Banco YETU from being used as a platform for activities considered illegal;
3. Ensuring knowledge and alignment of all Employees with the Bank's Policies and procedures.

This Policy is approved and monitored by the Board of Directors, and any amendment to its content will be brought to the attention and validation of the Board of Directors. It is further informed that this Policy is mandatory and crosscutting to all member from all the business units of Banco YETU.

22. FINAL PROVISIONS

1. The Compliance Office is responsible for maintaining this Policy, ie, the Compliance Office is responsible for making any proposals for amendment and updating that may prove necessary and shall table them before the Executive Committee on an annual basis for approval.
2. The Policy shall be reviewed annually by the Compliance Office, taking into account, in particular, the contributions and suggested improvement proposals.
3. It is the responsibility of the Board of Directors to ratify this Policy before its publication;

23. ANNEXES

23.1 ANNEX 1 - LIST OF THE SET OF CATEGORIES OF ML PREDICATE OFFENSES.

LIST OF THE SET OF CATEGORIES OF MONEY LAUNDERING CRIME PREDICATE OFFENSES (40 FATF RECOMMENDATIONS)

- Participation in an organized crime syndicate and illegitimate actions in order to obtain funds, including through blackmail, intimidation or other means;
- Terrorism, including the financing of terrorism;
- - Human trafficking, including trafficking in human organs or tissues and illicit trafficking in migrants;
- Sexual exploitation, including the sexual exploitation of children;
- Trafficking in narcotics and psychotropic substances;
- Trafficking in stolen goods and other goods;
- Corruption;
- Bribery;
- Fraud;
- Money counterfeit;
- Counterfeiting:
- Product piracy;
- Crimes against the environment, including trafficking in protected species;
- Murder;
- Serious bodily harm;
- Abduction;
- Kidnapping;
- Hostage taking;
- Robbery or theft;
- Smuggling;
- Extortion;
- Forgery;
- Piracy;
- Abusive use of inside information and market manipulation;
- Tax crimes;
- Pimping;
- Embezzlement.

23.2 ANNEX 2 - TYPE OF SUSPICIOUS TRANSACTIONS OR ACTIVITIES IDENTIFIED BY THE FIU FOR BANKS AND NON-BANKING FINANCIAL INSTITUTIONS LINKED TO CURRENCY AND CREDIT

In this sector, we can find the following types of suspicious transactions or activities or indicators for activities likely to be related to Money Laundering, Terrorism Financing and Proliferation of Weapons of Mass Destruction:

1. A potential customer clearly has a large amount of cash in his/her possession and opens several accounts or purchases several products with variations in account names and the potential customer has several different currencies in his/her possession and intends to carry out foreign exchange transactions as part of the transaction;
2. The customer structures a transaction in order to split the total amount into several transactions of smaller amount, in order to avoid that the established limits are exceeded (smurfing);
3. A foreign customer uses Alternative Remittance Services (ARS) to transfer significant amounts of money, under the false purpose of transferring money to the family in the foreign country;
4. The customer has acquired several similar financial products and moves funds between them, making additional cash payments;
5. The high equity value of a client is not compatible with the information their about or with the respective business; -
6. A customer who repeatedly uses an address but changes frequently between the names of people involved;
7. The customer's professional or home telephone number has been disconnected or it is detected that it is non-existent when trying to make the first contact within a short time after opening the account;
8. The customer is involved in an activity that is unusual for the type of person or type of business.