

Customer Identification and diligence policy

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1. GLOSSARY

- **Bank** – Legal Person part of the Group;
- **UBO** – Ultimate Beneficial Owner;
- **BCFT** - Money Laundering and Terrorism Financing (ML/TF);
- **Legal Arrangement** - the autonomous assets, the condominiums of real estate properties under a horizontal property regime, the estate in abeyance and the trusts ruled by foreign law arrangements similar to them, when and under the terms they are given relevance recognised by the Portuguese law.
- **CDD** - Customer Due Diligence (diligence on the customer);
- **CDD Review** – *Customer Due Diligence Review* (specific, planned, or occasional revision);
- **EDD** – Enhanced Due Diligence (enhanced diligence);
- **Entidade** – toda a pessoa singular ou coletiva, assim como quaisquer centros de interesses coletivos sem personalidade jurídica;
- **EBA** – European Banking Authority
- **FATF** - Financial Action Task Force;
- **Group BCP** - group of companies controlled by Banco Comercial Português, S.A. (for the purposes of this Service Order, only the financial institutions operating in Portugal);
- **KYC** – Know Your Customer (process and written records for consolidation of "knowledge on the customer");
- **OFAC** - Office of Foreign Assets Control (from the US Treasury Department)
- **Onboarding** - Term used to describe the establishment of a new business relation;
- **UN** –United Nations (UN);
- **PEP** - Politically Exposed Person;
- **RBA** – Risk-Based Approach, used to identify, assess, and understand the ML/TF risks and consequent adoption of proportional measures and controls;
- **UBCR** – Ultimate Beneficiary Central Registry;
- **CRR** – Customer Risk Rating, metric that attributes a BCFT risk notation to an entity;
- **RMA** - SWIFT Risk Management Application;
- **EU** – European Union Application;
- **ONU** – United Nations;
- **PEP** - *Politically Exposed Person* (Politically Exposed Person);
- **RBA** – *Risk Based Approach*, the approach by which ML/TF risks are identified, assessed and understood and the consequent adoption of measures and controls commensurate with them;
- **RCBE** – Central Registry of Beneficial Owners;
- **CRR** – *Customer Risk Rating*, a metric that assigns a BCFT credit rating to an entity;
- **RMA** - *SWIFT Risk Management Application*;
- **EU** – European Union.

2. CONTEXT

In compliance with national legislation and regulations and the European legislation in force, in terms of Prevention and Fight against ML/TF, and taking into account the good practices, recommendations and guidelines issued by bodies with internationally recognized technical authority in this field¹, the entities of Group BCP must implement a set of measures and procedures that prevent the use of its operations for practices of a criminal nature and that may induce increased operational, reputation and legal risks.

Thus, the set of controls inherent to the process of establishing new business relationships, as well as to the process of monitoring and updating the information and knowledge of customers and other business relationships, deserves special attention and detail.

This set of controls falls, from a regulatory perspective, within the group of identification and due diligence duties that must be exercised on all entities with which business relationships are established, or with which occasional transactions are carried out or when it is suspected that the operations, regardless of their value and of any exception or threshold, may be related to money laundering or terrorist financing (MLTF), or when there are doubts about the veracity or adequacy of client identification data previously obtained. Hence, and besides the identification procedures of entities, this document details the standard diligence or enhanced diligence to be triggered throughout the monitoring of business relationships, following an approach based on customer risk, which can be updated over time.

To implement these controls and apart from the procedures to identify the entities, this document details the standard diligence or enhanced diligence to be triggered throughout the monitoring of business relationships, following an approach based on customer risk, which can be updated over time.

The evaluation and update of the degree of risk of a customer, or of an entity associated with a customer of the Bank (for example a UBO), is an ongoing process within the BCP Group, and may result from a review process, which is ensured through the exercise of due diligence, standard or enhanced, depending on the degree of ML/TF risk of the entities under analysis.

These reviews and diligences are carried out whenever a suspicion is detected or increased risk factors are identified on the entities and their activities or, in their absence throughout the business relationship, at scheduled times and with pre-defined periodicity depending on the ML/TF degree of risk of the entity.

The implementation of the identification criteria, as well as of the standard, enhanced and periodical review diligence procedures appropriate to the risk profile of the business relationship in question, mitigate the exposure of the BCP Group to the risk of relationships with entities involved in financial crimes and fraud, as well as prevent the possibility of starting or maintaining business relationships with entities sanctioned by international entities, such as the EU, UN, OFAC and the Bank of England

¹ Basel Committee, FATF/GAFI, Wolfsberg Group and EBA.

3. OBJECTIVE AND SCOPE OF APPLICATION

From the group of measures and guidelines issued by the various specialised ML/TF entities, both at national and international level, are of particular importance the criteria used for the customer identification and diligence. These criteria establish the fundamental elements to be respected in the procedures for identifying their customers, their representatives, entities that are part of the ownership and control structure, namely BEF, in conjunction with the application of KYC principles, standard and enhanced diligence, following an approach based on the risk profile, create conditions for a correct assessment of the establishment or maintenance of a business relationship.

These criteria define, namely:

- a. The key-principles that must be followed when identifying the entities that establish a business relationship with Group BCP;
- b. situations of increased risk in the business relation or occasional transaction that justify the adoption of enhanced diligences;
- c. The number of identification data and respective confirmation documents for the several categories of customers, natural persons, legal persons or collective interests centres without legal personality that carry out transactions with Group BCP, and also for the UBO and/or entities part of the ownership and control structure;
- d. the activities required to comply with the CDD and EDD processes standard and enhanced diligence);
- e. the *periodical review and update of information on the Customer (CDD Review)*, by means of the update of the identification data and respective confirmation documents obtained, with a frequency which is programmed and is based on the Customer's risk;
- f. the extraordinary review of Customers, detecting alterations in the Customer's characteristics or suspicions which may affect the Customer's risk degree, which may occur at any time during the business relation.

The criteria for the customer identification and diligence apply transversally to all entities of Group BCP in Portugal, as established by Law².

² Cf. Article 2 (1) (t) of Law 83/2017.

4. KEY PRINCIPLES

The identification and diligence of Clients must be understood in the context of the banking relationship, in a broad sense, insofar as the elements necessary for the establishment of a continuous and stable business relationship, in compliance with legal regulations and the highest standards of ethical and professional performance, imply knowledge of a set of principles (detailed below) that go far beyond the elements of personal identification. in the strict sense.

1. **Principle of truthfulness:** regardless of the type and quality of the proof of identification elements contained in a document or written record required from Clients to confirm their identity, in a broad sense, the principle of truthfulness implies that, at all times, it is recognized that there is no suspicion that the elements and information being provided to the BCP Group suffer from falsehood, nor do they seek to conceal or distort realities that might otherwise prevent the commercial relationship from being established in the manner proposed;
2. **Principle of proof:** consequently, the principle of proof requires that the information obtained and collected at the time of establishing the business relationship or carrying out the occasional transaction, as well as throughout the maintenance of the relationship, and the elements provided by Clients, representatives, entities that are part of the ownership and control structure and BEF, are supported by the necessary and sufficient evidence contained in a document or written record to create effective proof of the veracity of the process;
3. **Principle of specialty:** highlighting the need to treat identification requirements in a differentiated manner, depending not only on the nature of the entity with which the BCP Group seeks to relate, but also on the various characteristics associated with each entity that differentiate the level of ML/TF risk;
4. **Principle of timeliness:** both at the time of the beginning of the business relationship and at the time of the completion of the occasional transaction, as well as during the course of the business relationship, if it is maintained on a lasting basis, the principle of timeliness requires that the evidence of the elements contained in the identification process must have been drawn up or obtained in a timely manner, as close as possible to the act and to the information they seek to prove, and it is not admissible to accept documents that have expired or that are inadequate for the proof to which they relate. In that sense, it must also be understood that the act of identification and verification of the identification elements is not exhausted at the time of the establishment of the initial relationship, but rather corresponds to a permanent process of updating;

5. **Principle of keeping updated records:** both at the beginning of and during the business relationship, on the making of an occasional transaction and while the business relation (if it lasts) the principle of updated information mandates that the documents evidencing the information of the identification process must be written down or received in due time, as near the act and the information they confirm and will not be admitted when expired or deemed inappropriate for the purposes they are meant to serve. Therefore, it must also be understood that the acts of identifying and verifying the identification data do not end when the relation is initiated but constitute an on-going update process.

5. SITUATIONS OF INCREASED RISK IN THE IDENTIFICATION OF CUSTOMERS³

The approach followed in the customer identification and diligence criteria by Group BCP is risk-based, which is why situations that constitute an increased risk for ML/TF and for which enhanced identification and due diligence procedures should be addressed.

5.1. COMPLEX BUSINESS STRUCTURES AND HIDDEN BENEFICIAL OWNERS

Are classified as cases with an increased-risk, regarding the type of entrepreneurial structural or its UBOs, the following cases:

1. Use of unusual or unnecessarily complex entrepreneurial structures such as trusts and private investment vehicles, particularly when there are signs that the UBOs intend to remain hidden.

Are considered signs that the UBO intends to remain hidden, the following situations:

- a. The legal person or the legal arrangement with/without legal personality presents a particularly complex and non-transparent structure or, whenever it is known or there is a suspicion that the Entity does not act on its own;
- b. The control structure is mostly established in an offshore jurisdiction or in a high-risk one⁴;
- c. If it takes notice of the existence of a high percentage of bearer shares in other jurisdictions;
- d. There is an indirect control through several complex structures from several entities established for the same or several corporate objects or purposes;
- e. There is the use of intermediaries or representatives with broad representation powers for purposes of establishment or management of a business relation.

³ Other factors and types indicative of potentially higher risk, which are appropriate to the Bank's reality, are considered, as well as the list of examples contained in Annex IV of Notice No. 1/2022.

⁴ Jurisdictions known for offering of simplified or non-existent relevant administrative procedures, privileged tax regimes that are clearly more favourable or a deficient ML/TF prevention regime or those which have been sanctioned or embargoed by the EU/UN, OFAC and Bank of England.

- f. In the case of legal persons with a non-corporate nature, such as foundations or collective interests centres without legal capacity with a nature similar to the one of the trusts⁵.

The initiation of business relations, carrying out of occasional transactions or other transactions should be refused when it is not possible to obtain the identification data and respective means of confirmation foreseen for the identification and verification of the customer's identity, of his/her/its representative and of the UBO, including the information to assess the capacity of UBO as well as on the customer's ownership and control structure⁶.

- 2. Tax residence is located in offshore jurisdictions or other high-risk ones, and also on other subject to sanctions, embargoes or other restrictive measures or additional countermeasures imposed by the UN, European Union or any other jurisdictions which are, directly or indirectly, applicable.

Detailed information on countries with operation restrictions is made available by COFF and can be consulted online at [Serviços Corporativos \(millenniumnet.net\)](http://Serviços Corporativos (millenniumnet.net));

Whenever the increased-risk situations mentioned above occur, the BCP Group will adopt the following enhanced measures:

- a. obtain information on the identity of the UBO and ensure, apart from collecting the identification data mentioned in chapter 6, as well as any other documents it deems sufficient for obtaining an adequate identification, the collection of the following information:
 - i. Incorporation documents;
 - ii. Shareholders agreements in force;
 - iii. Evidence of the ownership of stakes;
 - iv. Trusts;
 - v. Documents showing the origin of the initial share capital or of the constitutive funds;
 - vi. Information on the purpose and intended nature of the business relationship;
 - vii. Information on the origin and destination of the funds used within the scope of a business relation or in the making of an occasional transaction;
 - viii. Information on the source of funds and/or own funds of the customer and of the UBO.
- b. adoption of the appropriate measures to confirm the documents in view of the money laundering and terrorism financing risks associated with the Customer and with the business relation;
- c. Use of external, trustworthy and proper information sources in order to be able to monitor and update the information on the entities;

⁵Are UBO of the trusts the persons mentioned in article 30 (3) of Law 83/2017

⁶ In the form of Article 50 of Law No 83/2017.

- d. Registration in writing while keeping the means used to assess the quality of the UBOs.

5.2. DEPOSITS IN CASH AMOUNTING TO OR EXCEEDING €10.000,00

According to the provisions of article 38(1) of Notice no. 1/2022, in the case of cash deposits made by third parties in accounts held by customers and whenever the amounts to be deposited are equal to or greater than €10,000.00:

1. Bank checks the name of the depositor and the type, number, validity date and the entity issuer of the respective identification document, and also implements a computerised and centralised register of cash deposits made by third parties in accounts held by customers;
2. The entities of Group BCP obtain information on the relation of the third depositor⁷ with the holder of the beneficiary account by making a document or putting such information in writing, keeping the same in accordance with the legal requirements in force⁸.

5.3. OCCASIONAL TRANSACTIONS⁹ EQUAL OR EXCEEDING €15.000,00

Whenever the Entities part of Group BCP propose to make occasional transactions with an amount equal or above €15.000,00, regardless of it being made through a single operation or several ones that appear to be linked among them, they observe the applicable identification and diligence procedures (considering the time gap between operations, the identity of those who take part in them and their identification, or the segmentation of the amounts involved).

Are considered apparently related occasional transactions those made for an established timeline by the same entity or by a group of entities, which are admittedly related among themselves,¹⁰ during an established timeline which, in view of the execution of the tasks appropriate to mitigate the identified and assessed risks, reveals as being appropriate.

Apparently related occasional transactions are those carried out by the same entity, or by a group of entities recognisably related to each other, for a period of time¹¹ that, following the execution of the tasks that are appropriate to mitigate the specific risks identified and assessed, is appropriate. In order to assess the effective control provided for herein, the BCP Group Entities implement a computerised and centralised record of all occasional transactions carried out, regardless of their amount, in order to identify the splitting of operations, with the following characteristics:

⁷For that purpose, the persons described in article 31 (4) of Notice 2/2018 are not considered third-party depositors.

⁸ According to article 51 of Law no. 83/2017 and article 50 of Notice no. 1/2022.

⁹ According to Article 2(1)(hh) of Law no. 83/2017, "occasional transaction" is any transaction carried out by obliged entities outside the scope of an already established business relationship, characterised, in particular, by its expected timeliness.

¹⁰ The timeline to be determined for the purposes of the previous paragraph cannot be inferior to a 30 day-term, commencing on the day of the most recent operation made by the customer or group of customers known for being related among themselves.

¹¹ The period to be determined can never be less than 30 days, counting from the most recent transaction carried out by the client or group of clients known to be related to each other.

- a) It contains at least the date and value of the operation, as well as the name or full designation, type and number of the customer identification document;
- b) It is updated immediately whenever the organisation carries out an occasional transaction;
- c) It is permanently available to the entire organisational structure of the entity, as well as to its employees and third parties with operational functions related to payment services and the issuance of electronic money.

For identification and due diligence procedures relating to situations with increased risk of occasional transactions, the BCP Group entities must:

- a. when the individual or aggregate amount of the transfers equals or exceeds €15.000,00, comply with all the duties determined by law for occasional transactions in general, concerning the payers or the payees of those transfers;
- b. whenever the individual or aggregate amount of the transfers amounts to €1.000,00 and these transfers are not comprised within the exclusions or exemptions foreseen in numbers 2, 3, 4 and 5 of article 2 of the Regulation (EC) no. 2015/847, of the European Parliament and of the Council, dated 20 May 2015, identify the transfers payers or beneficiaries by fully executing the identification process and the entities must:
 - obtain, at least, the name and full designation and the type and number of the identification document of the legal or natural person;
 - a) when the individual or aggregate amount of the transfers equals or exceeds €15.000,00, comply with all the duties determined by law for occasional transactions in general, concerning the payers or the payees of those transfers;
 - b) whenever the individual or aggregate amount of the transfers amounts to €1.000,00 and these transfers are not comprised within the exclusions or exemptions foreseen in numbers 2, 3, 4 and 5 of article 2 of the Regulation (EC) no. 2015/847, of the European Parliament and of the Council, dated 20 May 2015, identify the transfers payers or beneficiaries by fully executing the identification process and the entities must:
 - obtain, at least, the name and full designation and the type and number of the identification document of the legal or natural person;
 - Confirm the veracity of those elements using documents, data or information provided by a reliable and independent source, being obliged to, under any circumstance, evidence before any competent authorities, the appropriate and proper nature of the document evidence used.

In this type of transfers wherein the associated risk is deemed relevant, the Banks must request the remaining identification data determined by law , or any additional elements that enable to achieve an increased knowledge on the Customer, its representative or on the UBO.

The exchange and re-exchange operations are considered occasional transactions when they are executed within the scope of a business relationship, therefore the duty of identification and due diligence applies.

To assess the risk associated with a given exchange and re-exchange operation, the following is considered:

- a. The exchange of coins or notes by notes with a higher denomination without a plausible justification;
- b. The exchange of notes by coins or notes with a lower denomination when such is not framed within the activity performed by the client involved in the exchange and re-exchange operation;
- c. the purpose and amount of the exchange and re-exchange operation versus the professional occupation, commercial activity and remaining information that the Bank has on the entity.

5.4. REMOTE OPERATIONS

A remote mean of communication, is “any mean of communication- phone, electronic or of other type - that enables the establishment of business relations, the execution of occasional transactions or the carrying out of operations in general, without the physical or simultaneous presence of the financial entity and its customer”, as set forth in article 2 (1) (i) of the Notice of Banco de Portugal 2/2018, of September 26 12.

The entities belonging to the Group, whenever they resort to remote identification means, include mechanisms that offer high-level security standards in their identification procedures, in accordance with the degree of ML/TF risk specifically identified.

When a high ML/TF risk is identified, the COFF may reject the execution of remote transactions, based on the internal risk “appetite” for the theme.

Regarding the use of alternative means or procedures to confirm the identification data by resorting to remote channels, are admissible the video conference, the identification by qualified providers of trustworthy services, in accordance with the legislation in effect¹³, and, therefore, in entities belonging to the Group, the confirmation of identification data may be carried out by alternative procedures, which were put into place observing the applicable requirements.

The use of video conference as an alternative mean of confirmation of identification data enables getting evidence on the identification¹⁴data.

¹² As stipulated in Article 2(1)(j) of Notice No 1/2022.

¹³ Article 1, part I and part II of Annex I of Banco de Portugal Notice No. 1/2022.

¹⁴ As mentioned in sub-paragraphs i) to vii) of paragraph a) of no. 1 of article 24 of Law 83/2017.

In the specific case of contracting of credit operations involving an amount equal or under € 50 000 by resorting to electronic means, the confirmation of the identification data may be made through the collection of simple copies of the original identification documents, in a hard or soft copy, provided that the requirements of article 29 of Notice 2/2018 are cumulatively complied with¹⁵.

identifying elements, by collecting simple copies of the original of the identification documents, in physical or electronic format¹⁶.

When verifying the identity at the time of the first payment related to the transaction, the Group Entities must request and guarantee that the transaction originates from a bank deposit account opened in the name of the Client, in a bank with its head office or establishment in an EU Member State or in an equivalent third country. The acceptance of anonymous payments, including by means of electronic money and/or using anonymous prepaid instruments, is prohibited¹⁷.

In the case of operations involving the transfer of funds abroad that are not part of a business relationship, it is mandatory that the funds to be remitted by them are always made available to financial institutions by means of a transfer or direct debit originating from a bank deposit account held by the payer, in a bank with its head office or establishment in an EU Member State or in an equivalent third country. as long as the verification of the identifying elements of the same is not carried out in one of the following ways:

- a. by means of proof presented in person to the financial institution that processes the remittance of the funds;
- b. by means of a written declaration confirming the veracity and timeliness of the information provided, to be issued by a financial entity with its head office or establishment in an EU Member State or in an equivalent third country or by a financial entity integrated in the same group, under the terms and conditions indicated above.

Without prejudice to the duty of abstention provided for in the Law, the entities that are part of the BCP Group must analyze the establishment of business relationships or carry out occasional transactions using means of distance communication in situations where the Client demonstrates resistance to establishing face-to-face contact with the institution.

¹⁵ Provided that the requirements set out in article 31 of Notice no. 1/2022 are cumulatively met.

¹⁶ Provided that the requirements set out in article 31 of Notice no. 1/2022 are cumulatively complied with.

¹⁷ According to the new wording of Law No. 58/2020 to Article 64, No. 2 of Law No. 83/2017.

5.5. CORRESPONDENT BANKS

In a correspondence banking relationship, the correspondent provides banking services to the respondent, either on behalf of the respondent, principal-to-principal, or on behalf of the respondent's customers.

The approach followed in the criteria for identification and diligence of Correspondent Banks by the BCP Group is defined in the Policy for Selection and Relationship with Correspondent Banks.

5.6. HIGH-RISK THIRD COUNTRIES

The BCP Group adopts reinforced, effective and proportionate measures to the existing risks whenever business relationships are established, occasional transactions, operations or otherwise have relationships with natural or legal persons or legal arrangements established in high-risk third countries.

A business relationship or transaction involves a high-risk third country if:

- a. the funds were generated in a high-risk third country;
- b. funds are received from a high-risk third country;
- c. the destination of the funds is a high-risk third country;
- d. the natural person or legal person resides in or is established/incorporated in a high-risk third country;
- e. relationship with a trustee established in a high-risk third country or with a trust governed by the law of a high-risk third country;
1. the transaction goes through a high-risk third country (e.g. through an intermediary);
- f. client's BEF is established in a high-risk third country.

5.7. POLITICALLY EXPOSED PERSONS

The BCP Group adopts enhanced identification and due diligence procedures for all PEP entities, close family members or persons recognized as closely associated, as well as all holders of other political or public office.

PEP are, regardless of the actual name given to the function, the incumbent natural persons who hold or have held, in the last 12 months, in any country or jurisdiction, the following prominent higher-level public functions:

- a. Heads of State, Heads of Government and members of the Government, including Ministers, Secretaries and Under-Secretaries of State or similar positions;
- b. Members of Parliament or other members of parliamentary chambers;
- c. Members of the Constitutional Court, the Supreme Court of Justice, the Supreme Administrative Court, the Court of Auditors, and members of supreme courts,

- constitutional courts, courts of auditors and other high-level judicial bodies of other states and international organisations;
- d. Representatives of the Republic and members of the self-government bodies of the autonomous regions;
 - e. Ombudsman, State Counsellors, and Members of the National Committee on Data Protection, of the Superior Council of the Magistracy, of the Superior Council of Administrative and Tax Courts, of the Office of the Attorney General, Superior Council for the Public Prosecution, the National Defence Senior Board, the Economic and Social Board and of the Media Regulatory Entity;
 - f. Ambassadors and Heads of Consulates;
 - g. General of the Armed Forces and of the Republican national Guard (GNR) on active duty, as well as the Chief-Superintendents of the Police (PSP);
 - h. Municipal Mayors and councillors with executive functions in municipalities.
 - i. Members of the management and supervisory bodies of central banks, including the European Central Bank;
 - j. Members of the management and supervisory bodies of public offices, public foundations, public establishments and administrative entities regardless of their denomination;
 - k. Members of management/supervisory bodies of entities belonging to the public business sector, including business, regional and local sectors.
 - l. Members of the executive management bodies of national or regional political parties.
 - m. Managers, deputy-managers and members of the Board of Directors or persons exercising similar functions in an international organization.

Close family members include:

- a. the spouse or civil partner of the politically exposed person;
- b. the parents of the politically exposed person and their spouses/de facto partners (to the extent that they do not benefit from affinity status) or equivalent in other legal systems;
- c. the children of the politically exposed person and their spouses/de facto partners (to the extent that they do not benefit from affinity status) or equivalent in other legal systems;
- d. siblings of the politically exposed person and their spouses/de facto partners or equivalent in other legal systems;
- e. the parents-in-law of the politically exposed person and their spouses/de facto partners (to the extent that they do not benefit from affinity status) or equivalent in other legal systems;

- f. the stepchildren of the politically exposed person and their spouses/de facto partners (to the extent that they do not benefit from affinity status) or equivalent in other legal systems.

Persons recognized as closely associated shall mean:

- a. any natural person, known as co-owner, with PEP, of a legal person or a legal arrangement;
- b. any natural person who is the owner of share capital or holding voting rights of a legal person, or of the assets of a legal arrangement, known as having a PEP as BEF;
- c. any natural person, known to have corporate, commercial or professional relationships with PEP.

"Holders of other political or public offices" are understood to be natural persons who, not being qualified as PEP, perform or have performed, in the last twelve months and in national territory¹⁸, positions of this nature.

Whenever the presence of a PEP, or clients related to it, is identified, the following reinforced procedures must be adopted:

- a. Conduct enhanced due diligence to establish the source of equity and the source of funds to be used in the transaction or business relationship;
- b. obtain approval from senior management member to initiate or maintain the relationship;
- c. Intensify the periodicity of monitoring and customer reviews.

In addition to the other normal identification and due diligence procedures foreseen, the BCP Group, in relation to the beneficiaries of life insurance contracts, as soon as they are identified or designated:

- a. collect the name or name of the beneficiaries, when expressly identified as natural or legal persons or as legal arrangements;
- b. obtain sufficient information on beneficiaries, when designated by characteristics, categories or other means, to ensure the necessary conditions for establishing their identity at the time of payment of the benefit.

When BCP Group detects an increased risk of ML/TF associated with a beneficiary of such contracts, it should motivate the adoption of enhanced measures within the scope of the duty of identification and due diligence.

5.8. SANCTIONED ENTITIES

The BCP Group adopts the appropriate means and mechanisms to comply with the restrictive measures approved by the UN, EU, OFAC and the *Bank of England*, preventing, directly or

¹⁸ Some of the positions are listed in paragraphs 1 and 3 of article 2 and article 3 of Law no. 52/2019.

indirectly, the provision or transfer of any funds, economic resources or assets to the designated persons and entities.

In the context of the activity of identifying potential customers, if there is suspicion, i.e. identified through internal filtering systems, in consultation with public sources or by any other means some type of applicable sanction, the start of the business relationship or execution of the transaction is subject to an enhanced due diligence process and subsequent approval, to be carried out by the Compliance Office.

Where the sanction or embargo relates to the jurisdiction or country in which the entity is incorporated or carries out its activities, an enhanced due diligence procedure on the economic activity shall be applied to ensure that there is no link between the sanction imposed on the country or jurisdiction and the activity carried out by the actor.

6. CUSTOMER IDENTIFICATION

In the context of customer identification, it is essential that an appropriate process is adopted for full knowledge of the customer, and there is a set of information that must be ascertained in order to characterize the ML/TF risk of an entity and in order to decide whether to accept or maintain the business relationship with a customer, As explained in Chapter 5.1 of the [OS0036](#).

6.1. ELEMENTS TO BE OBTAINED

National legislation and regulations establish a set of procedures for the fulfilment of the duty of identification and diligence with Clients, representatives, BEF and/or entities that are part of the ownership and control structure, which must be integrated into the respective identification/updating processes.

The following are the key elements to be obtained and registered within the scope of the procedure for the identification of natural persons, legal persons or legal arrangements, exhaustively detailed in the procedural rules in force.

6.2. NATURAL

In the case of natural persons, the Entities that are part of the BCP Group must obtain from the Client the following identifying elements:

- a. photography;
- b. full name;
- c. signature;
- d. date of birth;
- e. nationality on the identification document;

- f. type, number, expiry date and issuing entity of the identification document;
- g. tax identification number or, if you do not have a tax identification number, the equivalent number issued by a competent foreign authority;
- h. profession and employer, where they exist;
- i. full address of permanent residence and, where different, of tax domicile;
- j. naturalness;
- k. other nationalities not listed on the identification document.

In order to comply with subparagraph h) above, when the client is unemployed or retired, the BCP Group also collects information on the last profession exercised.

Whenever identifying elements relating to sole proprietors are collected and registered, the identification elements referred to above and the following data must be obtained:

- a. tax identification number of the sole proprietor (which in this case coincides with the tax identification number of a natural person) or, where it does not exist, an equivalent number issued by a foreign competent authority, where applicable;
- b. denomination;
- c. seat;
- d. object.

In cases where sole proprietors do not have a legal person identification number, national or foreign, the natural person tax identification number used is collected and registered.

Verification of identity in the strict sense must be carried out by means of a valid original identification document, which contains the identification elements mentioned above.

6.3. LEGAL PERSONS OR COLLECTIVE INTEREST CENTRES WITHOUT LEGAL PERSONALITY¹⁹

In the case of legal persons, the following information must be obtained from the Client:

- a. legal person identification card;
- b. denomination;
- c. object;

¹⁹ Pursuant to Article 2(1)(k) of Law No. 83/2017, Centres of Collective Interest without legal personality are: autonomous assets, such as condominiums of real estate in horizontal property, *trusts* under foreign law and collective entities similar to these, when and under the terms in which they are given relevance by domestic law, *Collective entities that have at least the following characteristics* are considered to be analogous to trusts: i) The assets constitute a separate estate and do not form part of the assets of their administrator; ii) The administrator, or whoever represents the collective entity, is the owner of the assets; and iii) The administrator is subject to the obligation to administer, manage or dispose of the assets and, where applicable, to render accounts, under the terms of the rules that regulate the collective entity.

- d. full address of the registered office, and, where applicable, of the branch or permanent establishment, as well as, when different, any other address of the main places of activity;
- e. certificate from the commercial registry or, in the case of an entity with registered office located outside the national territory, an equivalent document issued by an independent and credible source, which proves the above identifying elements (name, object, full address);
- f. legal person identification number, or, where none exists, an equivalent number issued by a competent foreign authority;
- g. identity of the holders of shareholdings in the capital and voting rights of 5% or more²⁰;
- h. identity of the members of the management body or equivalent body, as well as of other relevant senior management with management powers;
- i. Country of incorporation/incorporation;
- j. CAE code (classification of economic activities), institutional sector code or other code of a similar nature, where applicable;
- k. information contained in the CRBO²¹ whenever the client, under the terms of the aforementioned specific legislation, is obliged to register its BEF in the national territory,

²⁰Pursuant to article 24 of Law No. 83/2017, the Entities that are part of the BCP Group collect and register the following identifying elements referring to the holders of shareholdings in the capital and voting rights with a value equal to or greater than 5%, and to the holders of the management body or equivalent body and other relevant senior management with management powers:

(a) where they are natural persons:

- i) Full name;
- (ii) date of birth;
- iii) Nationality on the identification document;
- iv) Type, number, expiry date and issuing entity of the identification document;
- v) Tax identification number or, when they do not have a tax identification number, the equivalent number issued by a competent foreign authority;

b) When they are legal persons or collective interest centres without legal personality:

- (i) name;
- ii) Purpose;
- iii) Full address of the registered office;
- iv) Legal person identification number or, where there is none, an equivalent number issued by a competent foreign authority.

²¹ In Article 4 of the Annex to Law No. 89/2017, as amended, the following are excluded from the scope of application of the CRBO:

- a) Diplomatic and consular missions, as well as international bodies of a public nature recognised under an international agreement to which the State is Portuguese a party, established or with headquarters in Portugal;
- b) The services and entities of the sub-sectors of the central, regional or local government of the State;
- c) Independent administrative bodies, namely those responsible for regulating the economic activity of the private, public and cooperative sectors, covered by Law No. 67/2013, as amended by Law No. 12/2017, as well as those operating with the Assembly of the Republic;
- d) Banco de Portugal and the Regulatory Authority for the Media;
- (e) professional associations;
- f) Companies with shares admitted to trading on a regulated market, subject to disclosure requirements in accordance with

and the establishment or continuation of the business relationship, or the carrying out of the occasional transaction, depends on the verification of compliance with this registration obligation;

- I. In the case of financial institutions that carry out activities with virtual assets, proof of registration of the respective activity with Banco de Portugal should also be requested/consulted.

In the case of legal persons, the documents referred to in the preceding paragraph shall be verified by means of interoperability platforms between information systems issued by public services or by any of the following means of proof:

- a. Reproduction of the original of the identification documents, in physical or electronic format;
- b. certified copy of the same;
- c. access to their electronic information of equivalent value, in particular through the collection and verification of electronic data from the competent authorities responsible for their management.

6.4. IDENTIFICATION OF BENEFICIAL OWNERS (BEF)²²

The BEF of corporate entities or collective investment undertakings, when they are not companies with shares admitted to trading on a regulated market²³ subject to disclosure requirements in accordance with European Union law, or subject to equivalent international standards that ensure sufficient transparency of information relating to ownership, are considered to be natural person(s) that:

- a. in ultimately own or control, directly or indirectly, a sufficient percentage of outstanding units or securitisation units or a sufficient percentage of shares or voting rights or participation in the capital;
- b. exercise control by other means over that collective investment undertaking or corporate entity;

European Union law or subject to equivalent international standards, which ensure sufficient transparency of information relating to the ownership of shares, as well as their permanent representations;

(g) consortia and complementary groupings of undertakings;

h) Condominiums, in respect of buildings or groups of buildings that are constituted in horizontal property whose total patrimonial value, including the common parts and as determined in accordance with the applicable tax rules, does not exceed the amount of € 2 000 000, or exceeding, a permillage of more than 50% is not held by a single owner, by co-owners or by a natural person or persons who, in accordance with the control indices and criteria provided for in Law No. 83/2017, must be considered its beneficial owners;

(i) insolvent estates;

(j) Inheritances.

²² For more information on the identification of BEF, see the Support Manual for the Identification of Participation Holders and BEF.

²³ The exemption from the identification of BEFs **does not** apply to entities owned by listed companies.

- c. hold the top management²⁴ if, after exhausting all possible means and provided that there is no cause for suspicion:
 - i. no person has been identified in accordance with the preceding subparagraphs; or
 - ii. there are doubts as to whether the person or persons identified are the BEF.

For the purposes of assessing the status of BEF, when the client is a corporate entity or a collective investment undertaking, the Entities that are part of the Group:

- a. consider as evidence of direct ownership the holding, by a natural person, of shareholdings representing more than 25 % of the client's share capital or outstanding units or securitisation;
- b. consider as evidence of indirect ownership the holding of shareholdings representing more than 25 % of the share capital or units or securitisation outstanding of the client by:
 - i. a corporate entity that is under the control of one or more natural persons;
 - ii. several corporate entities that are under the control of the same person or natural persons;
- c. consider the top management, in the case of non-identification of natural persons directly or indirectly holding shareholdings, voting rights or securitisation in circulation, greater than 25%, defined as the top management of the subsidiary to be identified as BEF and not that of the participant;
- d. check the existence of any other control indicators and other circumstances that may indicate control by other means.

For the purposes of assessing the quality of BEF, when the client is a trust, foundation, or collective interest centers without legal personality of a nature analogous to *trusts*, the Entities that are part of the Group consider as BEF:

- a. the founder (*settlor*) or the founders (*settlers*);
- b. the trustee or *trustees* of trusts;
- c. the Trustee or Trustees, if applicable;
- d. the beneficiaries or, if they have not yet been determined, the category of persons in whose primary interest the *trust* was established or carries on its business;
- e. any other natural person who has ultimate control of the trust through direct or indirect participation or through other means.

For the purposes of assessing the status of BEF, when the client is a Pension Fund, the Entities that are part of the Group:

- a. Participants and beneficiaries of pension schemes shall be considered to be BEF in cases where:
 - i. exclusively or not, the participants or beneficiaries are members of the management bodies of the respective members. This rule applies only when at

²⁴ All the members of the top management will have to be identified, and it is not enough just to identify, for example, the President and the Vice-President.

- least 2% of the value of the Pension Fund is allocated to the financing of the past liabilities of the participants and beneficiaries referred to therein or to the value of their individual accounts;
- ii. collective membership agreements with open-ended pension funds where the value of the membership allocated to the financing of their past liabilities, or the value of their individual accounts, represents at least 5% of the value of the fund's units.
- b. BEF also considers any participant and/or beneficiary of individual memberships to an open pension fund, who individually hold at least 5% of the value of the units of that fund²⁵.

In the course of the identification and enhanced due diligence procedures related to the analysis of BEF, the Entities that are part of the Group:

- a. consult the information contained in the CRBO whenever the client, under the terms of the aforementioned specific legislation, is required to register its BEF in the national territory;
- b. carry out those consultations at intervals appropriate to the specific risks identified and, at least, when carrying out, updating or repeating the identification and due diligence procedures;
- c. collect evidence of the information contained in the CRBO, namely statements by the Company identifying the entire shareholding and BEF structure, or an excerpt from the register;
- d. make the establishment or continuation of the business relationship, or the execution of the occasional transaction, dependent on the verification of compliance with the registration obligation, by consulting the CRBO, or on a declaration issued by the Company with the entire structure of participations and BEF and, under penalty of the exercise of the duty of refusal;
- e. immediately communicate to the Institute of Registries and Notaries, I.P., any discrepancies between the information contained in the register and that which resulted from the fulfilment of the duties provided for in the Law, as well as any other omissions, inaccuracies or outdated errors found in that register.

The Entities that are part of the Group keep a written record of all actions aimed at complying with the identification of BEFs, including any means used to assess the status of BEF, as well as any difficulties encountered during the process of verifying the identity of beneficial owners.

In the case of Foreign Entities, the following procedure shall be adopted:

²⁵ In this case, it is the responsibility of the pension fund management entity to comply with the duties of providing information to the obliged entities regarding the BEF, and it is the responsibility of the pension fund member to provide the fund management entity with the necessary elements for this purpose, with reference to the elements of the last approved financial year.

- a. All foreign entities that want to open an account in Portugal must register with the RCBE, which must be delivered at the time of opening the account;
- b. If the foreign entity is not registered with the CRBO Portuguese it may, alternatively, submit the CRBO of the country of origin, provided that it is established in a Member State or in a third country that imposes requirements equivalent to those established in European AML/CFT legislation;
- c. If the foreign entity is not required to register with the CRBO in the country of origin, justification and documented legal proof must be presented in writing by the Client's representative, indicating that it is exempt from registration given the type of Entity.

6.5. IDENTIFICATION OF REPRESENTATIVES

In the case of customer representatives (whether they are natural or legal person customers), the document empowering such persons to act on behalf of them must also be checked.

Under the terms of the legislation in force, "representatives" are considered to be all persons with decision-making powers in the business relationship or in the occasional transaction, including powers to move funds based on a legal or voluntary instrument of representation, as well as representatives, business managers or any other natural or legal persons, of any nature, who act before the financial entity on behalf of or in the interest of its clients.

Whenever the means of proof used do not include some of the identifying elements provided for above, whether for natural or legal persons, they are collected through other admissible complementary means.

At the same time, the identity and reputation of any entity seeking to enter into a business relationship on behalf of a legal entity must be ensured, while at the same time proving the veracity of the supporting documents and the powers of representation.

6.6. IDENTIFICATION IN ONE-TIME TRANSACTIONS

In the case of occasional transactions, the Entities that are part of the BCP Group are obliged to verify the timeliness of the identification elements presented, regardless of whether they have already collected information about the customer during the execution of a previous occasional transaction. This includes any transactions carried out outside the scope of an already established business relationship, namely, the sale of real estate in the portfolio and change and destruction operations.

The verification of the client's identity must be carried out before the establishment of the business relationship or the execution of any occasional transaction, verifying the identification elements mentioned and the legislative specificities applicable to the operations in question.

6.7. IDENTIFICATION IN NEW BANK DEPOSIT ACCOUNTS

The BCP Group only opens bank deposit accounts when, cumulatively, it has made available all the identifying elements and means of proof of the customers, representatives, entities that are part of the ownership and control structure and BEF, legally and regularly provided for and applicable to the specific case.

Exceptionally, and after approval by the Compliance Office, the Bank may complete the verification of the identity of the client, its representatives and BEF, after the beginning of the business relationship, provided that the following assumptions are cumulatively met:

- a. if this is necessary so as not to disrupt the normal course of business;
- b. the contrary does not result from a legal or regulatory rule applicable to the activity of each Bank;
- c. the situation in question presents a reduced risk of ML/TF, after assessment by the Compliance Office;
1. the Group Entity applies the appropriate risk management measures for the situation, by limiting the number, type and amount of operations that can be carried out (inhibiting, if necessary, means of movement and debit and/or credit transactions);
- d. Any changes to the account, its holders, or the purchase of products are prohibited until the verification of identifying elements is completed.

In the case of evidence of other identifying elements, it is possible, depending on the risk specifically identified, to use:

- a. sources of information considered suitable, credible and sufficient;
- b. the written statement, in physical or electronic form, of the client or his/her representative.

In situations where the initial delivery of funds is made in cash or by another untraceable means of payment, which makes it impossible to identify the payer, the execution of any additional debit or credit movements is not allowed until the identification and analysis process is completed.

The issuance, use or acceptance of anonymous e-money payments, including the use of anonymous prepaid instruments, shall also be prohibited.

Whenever, exceptionally, the proof is carried out after the beginning of the business relationship, it must occur within a maximum period of 60 days, counted from the beginning

of the business relationship. The BCP Group immediately terminates the business relationship if the verification process is not completed within this period, fully complying with the duty of refusal provided for by Law.

6.8. QUALITY OF THE REQUIRED DOCUMENTS

The documents and elements of confirmation of identification information defined by the applicable regulations and internal regulations must always, at the time of the first contact with the Client, namely in the opening of a deposit account, be of the nature of an original document, in physical or electronic format, or a certified copy of the same or through access to the respective electronic information with equivalent value.

The verification of the identifying elements is carried out by the following means, whenever the customers and their representatives have the necessary elements for this purpose and express their intention to use them:

- a. through the electronic use of the Citizen Card using the Public Administration's interoperability platform, after authorization from the holder of the documents or their representative;
- b. through Digital Mobile Key;
- c. using interoperability platforms between information systems issued by public services pursuant to Regulation (EU) 910/2014 of the European Parliament and of the Council of 23 July 2014.

If the Clients do not have the necessary information for this purpose or do not express their intention to use them, the verification of the documents presented for verification of the identification elements is carried out by means of:

- a. reproduction of the original of the identification documents²⁶, in physical or electronic format;
- b. certified copy of the same;
- c. access to their electronic information of equivalent value, in particular through:
 - i. the use of devices that confer qualified certification, under the terms to be defined by regulation;
 - ii. the collection and verification of electronic data from the competent authorities responsible for their management.
 - iii. the use of qualified trust service providers, as provided for in Regulation (EU) no 910/2014 of the European Parliament and of the Council of 23 July 2014.

²⁶ If there is a need to reproduce an original identification document, either because the electronic means of reading are not available, or the identification document in question does not allow it, the Account Holder/representative/third party, in applicable cases, must be requested to give their consent to its reproduction in advance, by signing the declaration of consent for the collection of a photocopy of a personal identification document.

For the identity of natural persons when opening a bank deposit account, the BCP Group always requires the presentation of a valid identification document, with the identifying elements listed in point 6.2.

In the case of documents originating outside the country of the BCP Group's operation in which it is submitted, care must be taken in the analysis of their veracity and respective nature. The documents submitted must be originals or, as in the case of national documents, copies duly authenticated by a notary or other legally qualified entity, in Portugal or abroad, namely, a lawyer, solicitor or Portuguese consular authority abroad. In this case, it will generally be requested that the confirmation of the copies include the Hague Apostille as proof of authenticity.

Under no circumstances will documents be accepted that present erasures, damage or visible damage to fundamental parts or, for any reason, may suggest the suspicion of falsification or violation of elements.

In the case of documents written in non-Romanesque characters, a transliteration of their terms into Romanesque characters should be requested, if there is no other way of proving the elements contained in those documents.

In general, if there are doubts about its content, its suitability, authenticity, timeliness, accuracy or sufficiency, as well as about the veracity or quality of the documents presented, the act of identification of the Clients must be considered invalid, until the Compliance Office gives its agreement to the continuation of the process, or indication of which steps are appropriate to fully prove the identifying elements in question that should be promoted.

The documentary proof of the information to be updated can be made by simple copy, however, the BCP Group must request original documents, in physical or electronic format, or certified copies thereof, or, alternatively, obtain electronic information of equivalent value, where:

- a. the information in question has never been the subject of any previous proof, under the terms of the legislation in force;
- b. the elements provided by the Client for the updating of the data offer doubts;
- c. the update efforts are triggered by suspicions of BCFT;
- d. this is justified by the risk profile defined for that Client or by another circumstance considered relevant by the BCP Group.

7. DILIGENCE MEASURES (CDD E EDD)

The Entities that are part of the BCP Group adopt, as established in the Policy for Preventing and Combating Money Laundering and Terrorist Financing, regular due diligence procedures on the establishment of new business relationships, or on the maintenance of already established relationships, depending on the general degree of ML/TF risk and the information collected about their customers and related entities.

7.1. STANDARD DILIGENCE

In situations where a relationship or transaction of a specific customer presents an expected behavior and does not present signs or factors of increased risk, the Bank obeys the continuous duty to update the information of its customers, namely during the periodic review processes, keeping the KYC record of its customers up to date, and promoting the periodic performance of standard due diligences, as described in Chapter 5.1 of the [OS0036](#).

7.2. ENHANCED DILIGENCE

Enhanced due diligence measures should be applied in situations of increased risk in a business relationship or occasional transaction, with a view to further analysis and adequate mitigation of potential ML/TF risks, in order to trigger an assessment of the acceptance or maintenance of a customer relationship, as described in Chapter 5.2 of the [OS0036](#).

7.2.1. ENHANCED DILIGENCE FOR COMMERCIAL BANKING ACTIVITY

Enhanced due diligence measures may include:

- a. the verification of customer identity and BEF based on more than one authoritative, independent source;
- b. identify and verify the identity of shareholders other than the client's BEF or any natural person who has the authority to operate an account or give instructions regarding the transfer of funds or the transfer of securities;
- c. obtain more information about the client, the nature and purpose of the business relationship in order to create a more complete client profile, for example, by conducting research on public sources, *adverse media* or using reports from specialized entities, as well as information processed and already made available by other areas of the Bank;
- d. request additional documentation on statements of source of funds or rationale of financial transactions, as well as collect internal analysis on the source of funds of business relationships;
- e. Increase the frequency of transaction monitoring;
- f. review and, where necessary, update retained information and documentation more frequently;

- g. in order to ensure compliance with international sanctions, restrictions and blockades, verify entities and BEF through the filters of various sanctions and embargoes, issued by the UN, EU, OFAC and *Bank of England*, as well as internal lists;
- h. verify the entities and BEF in the filters for the detection of *adverse media*, of a sanctioning nature for the purposes of BCFT;
- i. check the entities and BEF in the detection filters of PEP.

7.2.2. ENHANCED DUE DILIGENCE FOR CORRESPONDENCE BANKING ACTIVITY

The activity of Correspondence Banking is considered an activity of increased risk, applying the rules defined in the Policy for Selection and Relationship with Correspondent Banks for the process of enhanced diligence to the establishment and maintenance of correspondence relationships.

7.2.3. ENHANCED DUE DILIGENCE FOR *TRADE FINANCE* ACTIVITY

The indicators to take into account when analysing a Trade Finance operation, are:

- i) The profile of the Bank's customer;
- ii) The traded commodity;
- iii) The market price of the traded commodity;
- iv) The quantity of traded commodities;
- v) The customer's counter-party;
- vi) The countries of the ports of loading or unloading of the commodity and means of transport used, that is, jurisdictions of origin, destination and transit of the goods;
- vii) The jurisdictions in which the customer carries out activity;
- viii) The correspondent bank.

The enhanced due diligence process for the Bank's Customer and its counterparty in a Trade Finance transaction includes the following measures:

- a. Achieve a better understanding on the ownership or on prior records of other parties in the transaction, especially when the same are established in a jurisdiction associated with an increased ML/TF risk or handle with high-risk commodities, by examining the company's registrations, research reports made by credible sources and researches from available public sources;
- b. identify if the operation has an evident relation with our customer's known and declared activity and if the same matches its profile. The collection of supporting information may prove to be necessary;
- c. Obtain more information on the financial standing of the parties involved;
- d. Obtain additional information about customers, their representatives, UBOs and counterparties to commercial transactions;

- e. Confirm the economic rationale underlying the operation by verifying the consistency of the pro-forma invoice or equivalent document, verifying if the price has not been upgraded or downgraded considering the price per unit /market price of the commodity;
- f. Operations segmented in several purchases/sales – find out the motive/justification and confirm that the Bank knows all the parties which are part of the purchase and sale circuit;
- g. highly structured operations, fragmented or complex that involve multiple parties without an apparent justification - ensure previously that it knows why there are several structures and why the same are fragmented in order to be able to guarantee compliance with the international sanctions, restrictions and blocking, confirm the entities and UBOs versus lists issued by the UN, EU, OFAC and *Bank of England* containing different sanctions and embargoes, and also internal lists;
- h. confirm the entities and UBOs in de adverse media filters in terms of application of sanctions due to ML/TF practices and identification of PEPs.

7.2.4. ENHANCED DUE DILIGENCE FOR *PRIVATE BANKING* ACTIVITY

In accordance with international guidelines and practices, the segment of Private Banking has an increased risk profile that is inherent to the service provided, the type of customers and the assets involved. The enhanced due diligence process applied to the Private Banking activity includes the following measures:

- a. Obtain and review the information on the customer more frequently than in situations with a standard risk;
- b. Establish, document and keep information on the source of the wealth and of the funds, for example through the following means:
 - Original or certified copy of a recent pay slip;
 - Confirmation in writing of the annual wage, signed by the employer;
 - Original or certified copy of the contract for the sale of assets and or financial assets;
 - Original or certified copy of testaments or concession of successions.
- c. Establish the destination of the funds, namely when under contracts;
- d. Request reports from experts or external sources deemed credible on ML/TF matters;
- e. To ensure the compliance with sanctions, restrictions and blocking with an international nature, confirm the entities and UBOs versus lists with different sanctions and embargoes, issued by the UN, EU, OFAC and *Bank of England*, and also internal lists;
- f. verify the entities and UBOs in de adverse media filters in terms of application of sanctions due to ML/TF practices and identification of PEPs.

8. CUSTOMER REVIEW OF CUSTOMERS – CDD REVIEW

The Bank undertakes a periodical process for the review of customer's identification data and documents which may change the customer's risk profile and condition the maintenance of the business relation. This review may be a planned one, in accordance with a frequency that matches the customer's risk profile or an extraordinary one and may occur at any time provided that some change has been detected in the characteristics established for the customer at the beginning of the business relation or has been confirmed in the planned review procedures or when there are suspicions that the customer is involved in ML/TF practices.

8.1. PLANNED REVIEW

The entities that are part of the BCP Group promote the periodic review of updated information on their customers, including identification elements and the respective supporting documents, at most every 5 years, and with a time limit determined according to the ML/TF risk, as described in chapters 8 and 9 of the [OS0036](#).

The medium-risk customers should be object of a review every 3 years, at the latest, and the customers with higher ML/TF risk must be revised once a year.

8.2. EXTRAORDINARY REVIEW

The BCP Group immediately takes the necessary steps to update the data whenever they have reason to doubt its veracity, accuracy or timeliness, if there are suspicions of practices related to ML/TF, and also in the event of specific events, such as the request for a new or higher risk product by the customer, changes in behavior or transactional profile, that may suggest a change in the risk associated with the relationship.

The necessary steps are also taken immediately to update the information contained in its records whenever it becomes aware of the occurrence of at least one of the following facts related to the customer, its representative or its BEF:

- a. change of the management body;
- b. change in the nature of the business or business model;
- c. expiry of the validity period of identification documents;
- d. where there are reasons to doubt the veracity, accuracy or timeliness of the data;
- e. when there are suspicions of ML/TF-related practices;
- f. when there are suspicions that the Entity is listed on international sanctions lists.

Documentary proof of the information to be updated may be made by simple copy, however, the presentation of original documents, in physical or electronic format, or certified copies thereof, must be requested, or, alternatively, electronic information with equivalent value, whenever:

- a. the information in question has never been object of any previous confirmation in accordance with the legislation in effect;

- b. the elements provided by the Customer for updating the identification data raise some doubts;
- c. The updating diligences were triggered by ML/TF suspicions;
- d. the confirmation results from a specific risk that has been identified or from any other circumstance deemed relevant.

9. FINAL PROVISIONS

This Regulation must be reviewed at least once a year to ensure that existing procedures and risk controls and those defined by new legislation or regulations are up to date.

The new version will be disclosed and made available to all employees whose duties are relevant to the activity.

Approved on: 16/04/2024

Approval Body: Executive Committee

Changes made compared to the previous version: The changes aim to adapt this Policy to its direct application to Interfundos - Sociedade Gestora de Organismos de Investimento Coletivo, S.A., with particular emphasis on the inclusion of Interfundos' irregularity reporting process in chapter 6. Point 4 has been included in Chapter 5 on the duties of employees and point 4 has been included in Chapter 8 on support for investigations requested by the Authority in the context of the investigation of irregularities.

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