

PROGRAM AND POLICIES FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING

Banco de la Nación Argentina is an autarchic entity pertaining to the State, having administrative and budgetary autonomy. It is governed by the provisions of the Argentine Law of Financial Institutions, Law No. 21799, and other related legal regulations.

Banco de la Nación Argentina complies with the provisions of Law No. 25246, as amended, and with the standards issued by the Argentine Financial Intelligence Unit (FIU) and the Central Bank of the Republic of Argentina. Its program for the Prevention of Money Laundering and Terrorist Financing complies with the regulatory framework pertaining to the Revised Forty Recommendations of FATF, a body of which Argentina is a member.

The Program for the Prevention of Money Laundering and Terrorist Financing, pursuant to the aforementioned standards, contemplates the following main aspects:

- It has a Prevention of Money Laundering, Terrorist Financing, and Other Illegal Activities Committee, an appointed Compliance Officer, and a specific unit entitled Anti-Money Laundering Unit.
- It has a Prevention of Money Laundering and Terrorist Financing Manual and a Training Program for its employees.
- It is subject to annual internal and external audits (by an independent external auditor pursuant to Res. FIU 30-E/2017).
- The AML/CFT policies and procedures apply to Head Office, Domestic and Foreign Branches and Subsidiaries.
- Prevention policies comply with the USA Patriot Act.
- There is no relationship or connection with Shell Banks or Entities involved in terrorist activities.
- It does not render downstream correspondent banking services, nor payable-through accounts services to its customers.

The Prevention of Money Laundering and Terrorist Financing Policies are contemplated in the relevant Prevention Manual as follows:

- **POLICY FOR CHECKING AGAINST ANTI-TERRORIST LISTS AND AGAINST THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION**

In every case, notwithstanding the level of AML/CFT Risk of the Customer, a checking against the lists pursuant to the Resolutions in effect will be conducted. In this regard, the Bank will implement computer controls aimed at enabling the checking of its final beneficiaries/customers and employees against terrorist lists. Moreover, a checking against the lists submitted by the United Nations Security Council, the European Union, the United States of America, the United Kingdom of Great Britain, and Canada will be performed. The new customers will be verified at the moment of onboarding by the Institution and, as regards current customers, the checking against the complete customer

base will be performed on a daily basis. The institution will refrain from onboarding those who appear in such lists.

- **POLICY FOR THE BLOCKING OF ASSETS OR MONEY**

The Anti-Money Laundering Unit shall be in charge of conducting the Asset blocking measures set forth by the FIU in such regard. For such purpose, it will inform the Branches on the implementation of such measures and will submit the relevant Reports to the controlling body.

- **POLICY FOR KNOWLEDGE AND ONBOARDING OF POLITICALLY EXPOSED PERSONS (PEP)**

Procedures for strict knowledge and enhanced due diligence are established in business relationships with persons who are or have been entrusted with a prominent public function or that due to their position, manage public resources, have any power or are publicly known. The control will cover PEP's relatives, collaborators and acquaintances as well. For the purposes of mitigating PEP-related risks, the nature and degree of monitoring of the commercial relationship in respect of unusual or suspicious activities will be increased. BNA will identify this type of customers in the Database, and there will be a specific database in place for such purpose, which will be periodically checked against other sources.

- **POLICY OF ACCEPTANCE, IDENTIFICATION AND ONGOING KNOWLEDGE OF CUSTOMERS**

It will be the primary responsibility of all those sectors that maintain a direct contact with customers to obtain, review, verify and control the information presented by them, in order to establish their authenticity, through the implementation of the "Know Your Customer Policy".

The policy of acceptance of customers will be subject to identification through the submission of the relevant documentation in person or by electronic means. For such purpose, those documents indubitably proving their identity, legal capacity, domicile, economic and financial capacity, purpose of the accounts, and other data indicating the activity of the customer shall be collected. All customers shall be subject to ongoing follow-up for the purposes of identifying, without delay, the need to modify their Transaction Profile and their related risk level.

- **POLICY OF ACCEPTANCE, IDENTIFICATION AND ONGOING KNOWLEDGE OF FINAL BENEFICIARIES/OWNERS OF THEIR TRANSACTIONS**

Additional measures which enable the Bank to obtain information on the real identity of the person on behalf of whom the customers act (final beneficiary/owner) will be implemented. It will be deemed Owner or Beneficiary any natural person who controls or may control, directly or indirectly, a Legal Person and who enables the latter to exercise its final control. The policy of acceptance of Final Beneficiaries/Owners will be subject to control conducted through the checking against lists. It shall be verified that they are not included in terrorist lists and/or terrorist organizations pursuant to the relevant FIU Resolution in effect.

- **CUSTOMER RISK RATING POLICY AND RISK-BASED SEGMENTATION**

AML/CFT risks in respect of total customers will be rated, measured, segmented, and assessed through a Risk-based Approach. Risks ratings will be assigned according to the

following levels: High, Medium and Low Risks. Both the information and the performance of the Risk Methodology will be subject to annual review for the purposes of efficiently responding to potential changes as regards AML/CFT risks.

- **POLICY FOR UPDATING CUSTOMER PROFILES**

The customer profiles will be updated pursuant to AML/CFT Risk ratings, determined by the risk model implemented by the Institution. In this respect, a program for updating every customer risk level (High, Medium and Low) will be prepared. Due diligence will be implemented taking into consideration the Risk Profile assigned to each customer.

- **POLICY FOR ELECTRONIC TRANSFER OF FUNDS**

Total information required by the controlling bodies in relation to electronic transfers of funds will be secured, ensuring that the information required by the standards in effect is obtained.

- **POLICY FOR THE MONITORING OF TRANSACTIONS THROUGH A RISK-BASED APPROACH**

Adequate technological tools and continuous controls will be implemented for the purposes of monitoring transactions in order to prevent Money Laundering and Terrorist Financing, taking into consideration the Risk Profile assigned to each customer.

- **POLICY TO END RELATIONSHIPS WITH CUSTOMERS**

New customers will not be admitted if the provisions related to identification and knowledge of customer and risk management are not followed. Restrictive measures will be adopted in respect of continuity of commercial relations with customers who are suspected of money laundering or terrorist financing, subject to governing law. When a report is required to be submitted to the FIU, the continuity of the relationship with the customer will be analyzed pursuant to a risk-based approach.

- **POLICY FOR THE ASSIGNMENT OF FUNCTIONS AND DUTIES**

Pursuant to the Corporate Governance principles by virtue of which the set of rules applicable to the activities and business conducted by the Bank and the functioning of its Governing Bodies is established, the duty of the compliance officer, the senior management and the remaining officers and employees of ensuring compliance with the rules aimed at preventing and controlling money laundering and terrorist financing risk will be set forth.

- **TRAINING POLICY**

BNA will develop a triennial Training Plan approved by the Board of Directors, aimed at training all personnel on the regulatory standards in force and the policies and procedures that compose the AML/CFT Prevention System. Such Plan will guarantee, as a priority, the inclusion of the Risk-based Approach. Training will take into consideration the function and exposure to AML/CFT Risks of each employee.

- **POLICY FOR THE PRESERVATION OF DOCUMENTS**

Documents submitted by customers will be duly analyzed and safeguarded to serve as proof in every investigation related to money laundering and terrorist financing. Such documentation shall enable the Bank to rebuild transactions and shall be available upon

requirement of relevant authorities. Moreover, compliance with the terms for the preservation of documents required by the controlling bodies will be guaranteed.

- **POLICY FOR THE APPOINTMENT OF A COMPLIANCE OFFICER**

The Board of Directors of Banco de la Nación Argentina will appoint a Compliance Officer, pursuant to Article 20 bis of Law No. 25246, as amended, and to Executive Order No. 290/07, as amended, which will be responsible for ensuring compliance with and implementation of the procedures and duties set forth by the laws and regulations on control and prevention of money laundering and terrorist financing in effect, and for complying with and enforcing the policies set forth by the highest authority of the Institution.

- **POLICY FOR REVIEWING THE PREVENTION OF AML/CFT SYSTEM**

A comprehensive assessment of the Prevention System will be conducted, for the purposes of reviewing the quality and efficiency thereof. The assessment will be conducted by an independent external agent, with recognized expertise in the matter, pursuant to the relevant regulations of the controlling body.

- **POLICY OF TRUSTWORTHINESS OF DIRECTORS, EMPLOYEES AND COLLABORATORS**

Adequate preselection, onboarding and monitoring of behavior systems will be implemented for the whole staff. All employees shall implement a Code of Conduct aimed at ensuring the correct functioning of the AML/CFT Prevention System.

- **POLICY FOR ASSISTING CUSTOMERS, COOPERATIVES AND MUTUALS**

BNA will strengthen specific controls for all those customers conducting activities related to Cooperatives and Mutuals. Authorization by the National Institute of Social Economy in Argentina (INAES) will be essential for functioning thereof.

- **POLICY FOR ASSISTING CUSTOMERS PERTAINING TO THE PUBLIC SECTOR**

Specific monitoring will be performed of national, provincial and municipal bodies, autarchic entities, and all other public legal persons, which will be conducted according to the risk that they and their transactions may represent, applying special control over the purpose of funds.

- **POLICY FOR MITIGATION OF RISKS**

Adequate and efficient measures will be implemented to mitigate risks for the purposes of directing resources more effectively and applying preventive measures appropriate to the nature of the risks identified.

- **POLICY FOR CASH TRANSACTIONS**

Strengthened controls on cash transactions, volumes and frequencies will be implemented, analyzing the potential controversy between the profile of the account holder and the transaction methods and/or amounts.

- **POLICY FOR NEW PRODUCTS AND SERVICES**

Strict risk assessments will be performed before launching new products and services, with special emphasis on the type of transactions involved in each case, for the purposes

of identifying vulnerability thereof as regards money laundering and terrorist financing. Therefore, it will be mandatory to inform the Money Laundering Prevention Unit, in respect of every launching, the details of the features defining the new product/service, as well as the details of the transactions enabling usage thereof.

- **PENALIZING POLICIES**

The penalties stated in the Personnel Regulations of Banco de la Nación Argentina will be implemented upon non-compliance with any of the duties and rights set forth therein.



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