



## **STATEMENT OF BIDV ON ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING COMPLIANCE**

In order to provide customers with modern and safe banking and financial services, the Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) has constantly consolidated its relationship with foreign financial institutions. In the context of globalization, money laundering/terrorism financing (ML/TF) risk is considered a challenge for banking industry in general and for BIDV in particular.

With the aim of identifying, mitigating and managing effectively ML/TF risk that might arise when serving customers, BIDV implements a comprehensive Anti-Money Laundering & Counter-Terrorism Financing (AML/CTF) program on the following areas: (i) establishing a compliance structure in accordance with “three lines of defense model”; (ii) developing the AML/CTF regulation framework, supervising implementation of AML/CTF policies and promptly updating them to ensure their compliance with all governmental legal requirements and international practices; (iii) investing in modern information systems supporting AML/CTF.

AML/CTF program in BIDV has always been highly appreciated by local regulatory authorities and international organizations. BIDV has assigned the Head of Legal, Supervision and Compliance Group to be in charge of AML/CTF and has adopted a uniform compliance structure from Head Office to branches. All transactions at BIDV must comply with both internal customer acceptance policies and sanctions policies with no violation. In particular, BIDV does not establish relationship with a number of specific customers/transactions. BIDV has built up specific requirements on know your customer (KYC); enhanced due diligence (EDD); detecting, reporting and handling suspicious transactions. Furthermore, BIDV has also developed and implemented risk-based assessment approach at bank-wide level on different factors including customers, products, delivery channels, countries/geographical areas, which are the basis to propose methods/actions preventing ML/TF risk level in an effective and timely manner.

BIDV pays special attention to training high quality human resources through a variety of programs including in-class/online courses. All employees, especially front-line staff must be trained and updated about AML/CTF policies annually. Newly recruited employees must be trained within 6 months.

BIDV commits to comply with the highest standards on AML/CTF of Vietnamese legal requirements and international practices, implementing appropriate methods to detect and prevent ML/TF risks effectively.

**Head of Legal, Supervision and Compliance Group**  
**Tu Quoc Hoc**