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Policy on Anti-Money Laundering and Combating the Financing of Terrorism and the Proliferation of Weapons of Mass Destructions
(AML/CFT/WMD)

Export-Import Bank of Thailand Policy
on
Anti-Money Laundering and Combating the Financing of Terrorism
and the Proliferation of Weapons of Mass Destruction
(AML/CFT/WMD)
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Prepared by
Compliance Division 1
Office of Compliance

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Wachara Dissamarn

Sworn translator of Thai Court of Justice, Register No. 3/2015, Date of expiry: February 27, 2018

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The Export-Import Bank of Thailand (Exim Bank) has prescribed its policy on anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction (AML/CFT/WMD) in order for the risks management on money laundering and the financing of terrorism and the proliferation of weapons of mass destruction from the business operations of Exim Bank to be efficient in conformity with various rules and orders of relevant agencies and international standards on anti-money laundering and combating the financing of terrorism.

Objectives

Exim Bank gives high priority in compliance with the law governing anti-money laundering and the law governing anti-financing of terrorism and proliferation of weapons of mass destruction. Thus Exim Bank is duty bound and ethical to prescribe the policy and guidelines of conduct to support the policy of anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction and to be in line with international standards for:

1. Its business operations to conform and comply with the law, rules and orders and requirements of official agencies and international standards in anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction as well as to conform with the code of ethics in the business operations of Exim Bank and the principle of good governance.

2. Preventing Exim Bank from being used as instrument or source of money laundering and financing of terrorism and proliferation of weapons of mass destruction, fraud and misconduct which would affect Exim Bank in its reputation, illegal conduct, confidence and security.

3. The executives and employees to comply with the law governing anti-money laundering and the law governing anti-financing of terrorism and proliferation of weapons of mass destruction and other relevant laws, including strict compliance with the guidelines prescribed and announced by the Anti-Money Laundering Office (AMLO).

Duties and responsibilities in compliance with the policy.

The board of directors of Exim Bank and its high-level executives give high priority to anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass

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destruction by stipulating the president to be authorized in considering to approve the methodology in accepting customers, the risks management on money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction and guidelines, procedures or handbook in the due diligence on customers, correspondent banks/trading partner banks and agents, domestic and foreign, including prescribing and supervising employees to strictly and efficiently comply with the policy, procedural rules and guidelines, procedures or handbook of Exim Bank as well as the laws and various rules and orders of relevant official agencies.

Supervision of employees to comply with the policy

1) Prescribing executives at every level, employees, agents, including brokers of Exim Bank to strictly comply with the policy and methodology on anti-money laundering and combatting the financing of terrorism and the proliferation of weapons of mass destruction.

2) Prescribing the executives with authority to supervise the compliance with the law governing anti-money laundering and the law governing combating the financing of terrorism and proliferation of weapons of mass destruction, including the contact and coordination with AMLO.

3) Prescribing the measure controlling the risks of money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction which may occur from using various services of Exim Bank.

4) Encouraging and promoting the board of directors, high-level executives, employees, agents, including brokers of Exim Bank to be sufficiently knowledgeable and understandable of anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction to be able to comply with the law governing anti-money laundering and the law governing anti-financing of terrorism and proliferation of weapons of mass destruction with efficiency.

5) Prescribing the rules, orders and guidelines, procedures or operation handbook in conformity with the policy on anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction.

In order for this policy to achieve the targets under the objectives of encouragement and operations in connection with anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction, various measures have been strictly prescribed for customer due diligence process, reports, transactions, internal risks management and performing

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other duties as prescribed by the law, namely, the measure on accepting customers, the measure on risks management of money laundering and anti-financing of terrorism and proliferation of weapons of mass destruction and the measure on business relationship and property of customers or transactors, including the authority and supervision for internal personnel to comply with the policy, orders and guidelines, procedures or handbook in the said operations with efficiency as follows:

1. Measure on accepting customers

Exim Bank prescribes the process creating or refusing the business relationship or transactions with customers, transactors, correspondent banks/trading partner banks, domestic and foreign, having business relationship with Exim Bank and prescribes extremely strict measure for conducting relationship with the countries having gross strategic defects on AML/CFT/WMD by considering from information of customers, transactors in order to be able to conduct identification of customers and due diligence on customers, transactors, including transaction reports and investigations of information on customers, transactors with the name list of prohibited names or having risks as prescribed by the law.

In this respect, to be determined in strictly complying with the process of due diligence on customers, transactors and essentially showing the principle and practice in accordance with proper steps under the law governing anti-money laundering and anti-financing of terrorism and proliferation of weapons of mass destruction, including international standards on AML/CFT/WMD as follows:

1) Arranging for self-identification of customers, transactors

Upon the service applicants notifying the wishes to create business relationships or applying for the first transactions, arrangement must be made for self-identification of customers, transactors under the rules and procedures in the ministerial regulations prescribing transactions to be arranged by financial institutions for customers to identify themselves and Notification of the Prime Minister Office, Re: Procedures for Self-identification of Financial Institution Customer

2) Identification of customers, transactors

Exim Bank must obtain other information of customers, transactors or seek for additional information on customers, transactors from reliable source of information in order to be able to state the facts that:

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2.1 Whether or not the relationship or service applicants who are natural persons or juristic persons/persons under legal agreements have risks level on money laundering and the financing of terrorism and the proliferation of weapons of mass destruction for Exim Bank to approve accepting as customers, transactors?

2.2 Exim Bank has sufficient information on customers, transactors to correctly fix the risks level on money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction.

3) Verification of customers, transactors

Exim Bank must verify the completeness and genuineness of information and evidence of self-identification and there are information verifications of customers, transactors with the "prescribed persons" database under the name list having resolution of or announcement under the Security Council of the United Nations or the name list under the consideration and order of the court to be the prescribed persons.

4) Denial to accept customers, transactors

Exim Bank shall deny the creation of relationships/acceptance of transactions should it find that:

4.1 The customers, transactors use fictitious names, pseudonym or falsify the information or submit false essential evidence.

4.2 The customers, transactors or genuine beneficiaries or participated persons of customers, transactors are prescribed persons.

4.3 The persons, group of persons or juristic persons are unable to be under due diligence as prescribed by AMLO.

4.4 The customers, transactors submit self-identification information or identification of customers insufficient for due diligence on customers, transactors as being essential to identify customers, transactors and give the risks on anti-money laundering and anti-financing of terrorism and proliferation of weapons of mass destruction.

4.5 The acceptance of customers, transactors or transactions would cause Exim Bank to have risks on money laundering or the financing of terrorism and the proliferation of weapons of mass destruction.

2. Measure on business relationship and property of customers, transactors

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Exim Bank prescribes measure on business relationship and property management of customers, transactors who are found to be the prescribed persons under the name list having the resolution of or notification under the Security Council of the United Nations or the name list considered or ordered by the court to be the prescribed persons.

3. Measure on risks management of money laundering and anti-financing of terrorism and proliferation of weapons of mass destruction

Upon Exim Bank processing the acceptance of customers, transactors up to the step of obtaining information of customers, transactors for identification, it must immediately carry out the risks management measure for customers, transactors by assessing internal risks in combination with risks of customers, transactors for each group of customers, transactors, including appropriately reviewing the risks level on money laundering and the financing of terrorism and the proliferation of weapons of mass destruction.

1) Internal risks management

Exim Bank manages the internal risks on money laundering and anti-financing of terrorism and the proliferation of weapons of mass destruction by consideration from the assessment and risks management under the risks assessment report on money laundering and the financing of terrorism at national level in combination with the risks factor for each category of products/services, service channels/transactions and areas or countries for consideration together with the risks of each customer, transactor, including prescribing the risks and damages mitigation measure owing to Exim Bank probably being used as the instrument or channel for money laundering or the financing of terrorism and the proliferation of weapons of mass destruction.

2) Risks management of customers, transactors

In the risks management for customers, transactors, Exim Bank has prescribed the factor in considering the risks of customers, transactors at low level, high level and very high level in conformity with the announcement prescribed by the Secretary-General of the Anti-Money Laundering Board, considering the conformity with the risks level as the priority, by prescribing the guidelines for risks management as follows:

2.1 Prescribing the measure in considering the risks which may be connected with money-laundering of customers, transactors as prescribed by the law and may conform with international standards on AML/CFT/WMD to be certain that the said measure is able to prevent or lessen the risks

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of using Exim Bank as the channel or intermediary in money laundering and the financing of terrorism and the proliferation of weapons of mass destruction.

2.2 Prescribing the assessment of risks in money laundering and the financing of terrorism and the proliferation of weapons of mass destruction in order to know the requirement level of storing the information and evidence of self-identification to be appropriate in accordance with the risks level in money laundering and anti-financing of terrorism and the proliferation of weapons of mass destruction of all customers, transactors.

2.3 Providing appropriate and more-enhanced-than-normal measure in the due diligence on customers, transactors having high level of risks in money laundering and the financing of terrorism and the proliferation of weapons of mass destruction.

2.4 Prescribing the continuous process of follow-up and verification of account movement of customers, transactors in accordance with the guidelines prescribed by the law to assess the conformity with the objectives, occupation and source of income in order for Exim Bank to update the information of customers, transactors.

2.5 Prescribing the risks management and revision of information and facts used for regular and continuous risks management of customers, transactors until the termination of relationship with customers, transactors, specific for customers, transactors having high-level risks, should the facts be found risky against money laundering and the financing of terrorism and the proliferation of weapons of mass destruction, the consideration for investigation must be made to deny the creation of relationship with customers, transactors or should the creation of relationship is needed, it must consider reporting the transactions under reasonable suspicion to AMLO.

2.6 Prescribing the measure to control the money laundering risks of customers, transactors not creating face-to-face relationship or not making face-to-face transactions which must be considered by Exim Bank whether the creation of relationship or providing the said transaction service would be risky against money laundering and the financing of terrorism and the proliferation of weapons of mass destruction owing to Exim Bank being unable to learn of the conduct of customers, transactors and unable to inquire of the objectives or information on the transactions with customers, transactors.

2.7 Prescribing the verification of information completeness in using the transaction service for money transfer or payment by electronic means as prescribed by the law.

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3. Risks management for investigation of transactions under reasonable suspicion

Exim Bank prescribes the measure of verifying the transactions having reasonable suspicion through frequent explanation and dissemination of knowledge on circumstances and important or significant illegal acts (case study) to create knowledge and understanding as follows:

3.1 The measure of follow-up, precaution and consideration of transactions by customers whether there are abnormalities from the objectives in the creation of relationship or there are circumstances which may involve illegal acts.

3.2 The measure of seeking for additional information to prove those circumstances having reasonable suspicion.

3.3 The measure of gathering relevant facts and details together with preparing and verifying reports of transactions having reasonable suspicion for quality reports of transactions having reasonable suspicion to AMLO.

4. Hiring and training employees

Exim Bank has given priority to the knowledge and understanding and sufficient and continuous knowledge development of employees in performing the duty of anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction in order for the employees to be able to legally perform the relevant duties and as international standards on anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction as follows:

1) Prescribing the measure of testing the initial knowledge on the law governing anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction prior to accepting any person to become an employee of Exim Bank.

2) Prescribing the continuous and regular training of employees to be knowledgeable and understandable in connection with performing duty under the measure on anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction in order to be able to correctly perform the duty in accordance with the policy, orders and relevant operation handbook.

3) Prescribing training for the employees being duty bound to report the transactions to be knowledgeable and understandable to the rules and practice in reporting transactions, including other relevant measures in accordance with the course of study prescribed by AMLO.

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4) Prescribing training for the employees being duty bound to carry out relationship with the countries having gross strategic defects on AML/CFT/WMD, including the regulating agency in accordance with the course of study prescribed by Exim Bank.

5. Internal audit on operation system of Exim Bank

Exim Bank prescribes the internal audit unit to carry out the audit in connection with the relevant duty performing to be in conformity and in accordance with the measure on anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction within Exim Bank and in accordance with the policy, orders and operation handbook of Exim Bank in full with independent authority free of intervention from any unit or the persons with administrative power within the organization.

6. Confidentiality

Exim Bank prescribes the measure on confidentiality related to the compliance with the law governing anti-money laundering and the law governing combating the financing of terrorism and the proliferation of weapons of mass destruction, including the policy, orders and operation handbook of Exim Bank.

7. Information storage

Exim Bank prescribes the storage of information related to the measure on anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction, including the policy, orders, operation handbook, documents related to risks management on money laundering and the financing of terrorism and the proliferation of weapons of mass destruction and conducting relationship of customers, correspondent banks/trading partner banks and the persons acting on behalf.

1) Storing the information, documents and evidence of self-identification or any other documentary evidence of customers or correspondent banks/trading partner banks and the persons acting on behalf used in getting to know customers and due diligence on customers, correspondent banks/trading partner banks and the persons acting on behalf.

2) Storing the information, documents and evidence related to reports of transactions under the law governing anti-money laundering.

For the compliance with 1) and 2), should the relevant official agency request examination of information, it must be made available at all times, whereas the period of information storage

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must conform with the policy, orders and practice guidelines of Exim Bank as well as the points of law and rules and orders of the relevant official agencies.

8. Development and improvement of policy, orders and practice guidelines, procedures and operation handbook

Exim Bank prescribes the policy, orders and practice guidelines, procedures or operation handbook in conformity with the policy on anti-money laundering and combating the financing of terrorism and the proliferation of weapons of mass destruction in line with the rules and orders prescribed and announced by AMLO, including the revision, improvement or amendment to always update the policy, orders and practice guidelines, procedures or operation handbook in order to be certain that various measures under this policy could be performed with efficiency for keeping up with change in the prevention or reduction of the risks from using Exim Bank as the channel or intermediary in money laundering and terrorism.

In this respect, this policy must always be revised for updating at least once a year or upon significant change.

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