

Anti-money laundering and counter terrorism financing protection concept of Slovenská sporiteľňa, a.s. (hereinafter the “Conception”)

Slovenská sporiteľňa, a.s., a bank with long tradition on the Slovak banking market, member of the Erste Group, as well as all of its subsidiaries value the trust extended by shareholders, clients, employees, partners and financial markets.

To maintain the bank’s reputation and stability of the Slovak market, as well as the stability of the whole financial system of the Slovak, European and global economy, which we are part of, the bank’s Board of Directors has reaffirmed its “zero tolerance” approach towards the penetration of “dirty” money into the financial system and against terrorism financing.

Slovenská sporiteľňa has declared unacceptability of any form of anonymity in business relations with clients, any means of unclear ownership structure, missing transparency at declaring beneficial owner, equally as receiving funds with unclear origin.

Thus the bank complies with the Anti-money laundering and counter terrorism financing Act No. 297/2008 Coll., (hereinafter the “Act”) and the directive issued by the National bank of Slovakia describing the conception in the area of prevention and uncovering money laundering and terrorism financing. The conception is in writing accepted by the Board of the Bank, which as the statutory body is responsible for the complex protection of the bank against the money laundering and terrorism financing, and also for its implementation. The conception is based on several protection pillars and takes into account not only the requirements stipulated by the Slovak and European legislation, but it is also based on the domestic and international standards, FATF regulations (Financial Action Task Force), directives, analysis drafted by advisory companies, the Erste group standards, as well as its own experience with the existing clientele and scope of services and products offered by the bank.

The main pillar of the Conception of the bank protection against the money laundering and terrorism financing is based on the recognized values of Slovenska sporiteľňa, a.s. the “Know Your Customer” principle.

Employees of the “first-line”, who are in daily contact with their clients thanks to their professional attitude are familiar with their needs and requirements, business operations, plans, standards transactions, and therefore they are able to offer the clients the most suitable product or service. On the other hand, since they work according to the “KYC” principle, they are in a good position to distinguish the irregularity of operations performed by individual clients and to proceed in accordance with law. With their professional approach the SLSP first-line employees are able to prevent abuse of the banking financial system in the form of money laundering or terrorism financing.

With the aim to increase the knowledge, all employees are regularly trained and are acknowledged with the most important elements in this area to be able to apply the risk approach.

Supporting this approach to protect the bank the systemic monitoring of business operations is in place to be able to detect the irregularities in the client’s financial behaviour.

The bank created a unit dealing with prevention and exposure of money laundering, managed by a person nominated in accordance with the law. The nominated person prepares and regularly updates a comprehensive AML conception including internal policies, control mechanisms, update of the red flags well as the criteria for analysis of the irregularities and their reporting.

Close co-operation with the Financial Intelligence Unit becomes an inseparable part of the complex AML conception of the bank and financial sector, as well as AML/CTF risk assessment based on general and bank's own risk factors, including National risk assessment outcomes being considered in order to improve mechanisms of protection against money laundering and terrorist financing.

The Board of Directors of Slovenská sporiteľňa, a.s. hereby presents to all clients the bank's clear commitment with respect to the prevention of the possible abuse of the banking system and against money laundering and terrorism financing. The Board of Directors shall never place the bank's business interests above the anti-money laundering and terrorism financing prevention and protection conception.

Slovenská sporiteľňa, a.s.
January 2020