

Sanctions Policy

1. Definition

Financial sanctions¹ are restrictive measures of a financial nature implemented by international organisations or by (individual) countries, which are applicable to jurisdictions, persons or entities for the purpose of combating terrorism and maintaining or restoring international peace and security.

Included among the countries or international organisations that maintain lists of designated persons, groups or entities are the European Union in accordance with the Common Foreign and Security Policy (CFSP), the Sanctions Committee, in accordance with the various Resolutions of the United Nations Security Council (UNSC) and the Office of Foreign Assets Control (OFAC).

2. Enforceability

The enforcing of the sanctions decreed constitutes an obligation for both the public and private sectors, affecting the activity of credit institutions such as Caixa - Banco de Investimento, S.A. (CaixaBI).

In Portugal, Law 11/2002 of 16 February, sets forth the penal system regarding non-compliance of financial or trade sanctions imposed by a United Nations Security Council resolution or a European Union regulation that sets restrictions on the establishment or maintenance of financial or trade relations with States, individuals or other entities expressly identified in the corresponding subjective scope of application.

As part of its activity, CaixaBI is bound by compliance with sanctions decreed by CFSP and UNSC, while ensuring compliance with the penalty systems in force in the jurisdictions where it operates, namely those enforced by OFAC.

3. General Operating Principles

CaixaBI has implemented a compliance programme that incorporates the international sanctions policy, which is managed by the Compliance Office (GDC), located in Portugal.

GDC is responsible for assessing whether the sanctions policy is in conformity with applicable legislation and sanctions, while regularly monitoring its efficiency and promoting any changes necessary for its improvement.

CaixaBI has implemented a set of policies and procedures aimed at making sure the Institution does not establish or maintain business relations or processes any transactions for/on behalf of sanctioned persons, entities or countries.

¹ Sanctions are instruments of a diplomatic or economic nature whose purpose is to modify actions or policies, such as violations of international law or of human rights, or policies that do not respect the rule of law or democratic principles.

In this regard, it filters customers and stakeholders in transactions, by checking them against the lists of sanctioned persons and entities issued by CFSP, UNSC and OFAC, among others.

CaixaBI has a customer acceptance policy that relies on a risk-based approach, having implemented an active system for the filtering of persons and entities when establishing business relationships.

It also filters its customer database on a regular basis and ensures the filtering of international inbound and outbound transfers.

As part of its system for the prevention of money laundering and combating the financing of terrorism, it has implemented integrated customer and transaction monitoring systems, whose warnings are examined by a technical team under GDC.

When establishing or maintaining banking correspondence relations with foreign banks, CaixaBI conducts the respective compliance risk analysis, consisting of the rating of all institutions and conducting a risk assessment on those that entail high risk.

Employees in the area of compliance are regularly given adequate training, aimed at helping them understand and enforce the sanctions policy.

CaixaBI actively collaborates with both supervisory and legal authorities concerning the enforcement of sanction systems.

September, 2017

Compliance Officer
Ália Pereira da Silva