

## Announcement on the Rules Aiming to Prevent Money Laundering and Terrorist Financing

KELER Central Depository Ltd. (hereinafter: KELER) is firmly committed to prevent and combat money laundering and terrorist financing, and applies zero tolerance against any illegal cash flow taking place in the securities settlement system.

In accordance with its obligations taken under Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing (hereinafter: Act on Money Laundering), KELER applies the customer due diligence measures set forth in the law as well as its own internal risk assessment within the framework of the following services:

- Securities account maintenance
- Collateral management and valuation, and collateral verification
- Performance of regulated market transactions not guaranteed by the central counterparty and Participation in the settlement of international transactions / Cross-border settlement services relating to Hungarian securities
- Paying agent activity
- Participation in the settlement of international transactions / Cross-border settlement services relating to foreign securities and Securities account maintenance (exclusively in relation to foreign securities)
- Cash account maintenance and payment transactions
- Cash account processes relating to settlement and securities settlement activities
- Services provided by Treasury to KELER's clients

With regard to other KELER services, KELER performs identification - specified in KELER's General Business Rules and the Depository Announcements - regarding every client in compliance with the "Know Your Customer" (KYC) principle; however, it reserves the right to take additional customer due diligence measures set out in the relevant Internal Regulation and Internal Risk Assessment.

**Within the framework of the customer due diligence, the client shall present the original or the certified copy of the following documents:**

**For Clients (legal persons or other entities without legal personality)**

- 1) a document in Hungarian or in English, less than 30 days old and certifying the following, or such document with a Hungarian or English translation prepared by an expert translator entitled to prepare a certified translation:
  - i) the company has been registered by the court of registry or it has submitted its application for registration
  - ii) in the case of a domestic legal person - if registration by an authority or court is required for its establishment - the registration has been performed
  - iii) in the case of a foreign legal person or another entity without legal personality, the incorporation or registration as per the law of its country has been performed;
- 2) documentation certifying the beneficial owner and the ownership structure;
- 3) certification of tax residence and tax number;

- 4) in the case of correspondent relationships pursuant to the Act on Money Laundering, the evidence that the client performs the due diligence and verification of identity, in compliance with the laws, concerning its own clients with direct access to the correspondent account and continuously monitors access to the correspondent account. The Account Holder's own clients with direct access to the account maintained by KELER shall mean, in the case of securities accounts, those third parties who assign the Account Holder to perform securities custody activity on a central securities account, thereby providing them with indirect access controlled by the Account Holder to the securities settlement system.

**For representatives and agents (natural persons)**

- 1) a Hungarian citizen's official document suitable for the proof of identity and official document certifying residential address;
- 2) a foreign citizen's passport or identity card - provided that it entitles the person to stay in Hungary -, or the document certifying the right of residence or document providing right of residence;
- 3) a document suitable for certifying the foreign citizen's residential address; if no such document exists, the certified copy of a utility bill on his/her name;
- 4) proof of the right of representation.

KELER requests each of its clients to make a declaration regarding the beneficial owner and the "politically exposed person" status of the beneficial owner, and takes the necessary measures to identify the beneficial owners of its clients. During the customer due diligence, the client is obliged to make its ownership structure transparent and provide unequivocal certification regarding its beneficial owners.

On a risk-sensitive basis, KELER, in the case of its low-risk clients, may waive certain declarations and certification, while in the case of high-risk clients, it may request additional information or supporting documentation concerning the client, its business activities, partners and the source of the client's assets and cash to be deposited at KELER.

KELER is obliged to continuously monitor the transactions on the client's account and if unusual transactions are observed, it will request the client to make a declaration concerning the background of the transaction concerned, its economic rationality and the source of the cash concerned. KELER is entitled to suspend, and in the event of suspicion of money laundering or terrorist financing, to refuse the performance of the unusual transaction or if applicable, the right of disposal over the account.

Regarding its correspondent relationships, KELER expects the client to comply with the provisions of the relevant laws on the prevention of money laundering and terrorist financing with regard to third parties involved in KELER's services. In this regard, the Account Holder client shall conduct, in compliance with the laws, the due diligence and verification of identity concerning its own clients with direct access to correspondent accounts, paying particular attention to the domestic and international laws concerning the restrictive measures imposed by the European Union and the UN Security Council relating to liquid assets and other financial interests. The client continuously monitors the direct access to the correspondent account, furthermore, if necessary, provides KELER with the customer due diligence information for the prevention of money laundering and terrorist

financing at KELER's specific request. The client ensures the compliance of correspondent relationships with the AML regulation as per the Wolfsberg Group and ISSA (International Securities Services Association) standards in the course of regularly requesting the completion of questionnaires, in which our partners are asked to participate.

KELER Group treats the data disclosed to it in accordance with the relevant legal requirements, with enhanced protection of business, securities and bank secrets.

**We hereby inform you that if any changes occur in your data provided during the customer due diligence or concerning the identity of the beneficial owner during the term of the business relationship, you are obliged to report such changes at the contact administrator within 5 business days after becoming aware thereof.**

KELER Ltd.