



Financial Institution Name:

Luminor Bank AS

Location (Country):

Estonia

The questionnaire is required to be answered on a Legal Entity (LE) Level. The Financial Institution should answer the questionnaire at the legal entity level including any branches for which the client base, products and control model are materially similar to the LE Head Office. This questionnaire should not cover more than one LE. Each question in the CBDDQ will need to be addressed from the perspective of the LE and on behalf of all of its branches. If a response for the LE differs for one of its branches, this needs to be highlighted and details regarding this difference captured at the end of each sub-section. If a branch's business activity (products offered, client base etc.) is materially different than its Entity Head Office, a separate questionnaire can be completed for that branch.

No #	Question	Answer
1. ENTITY & OWNERSHIP		
1	Full Legal Name	Luminor Bank AS
2	Append a list of foreign branches which are covered by this questionnaire	Luminor Bank AS Latvian Branch - registration number 40203154352; address: Skanstes iela 12, LV-1013 Riga, Republic of Latvia. Luminor Bank AS Lithuanian Branch - registration code 304870069; address: Konstitucijos pr. 21A, 03601 Vilnius, Republic of Lithuania.
3	Full Legal (Registered) Address	Liivalaia 45, 10145 Tallinn, Republic of Estonia
4	Full Primary Business Address (if different from above)	
5	Date of Entity incorporation / establishment	16 November 2006
6	Select type of ownership and append an ownership chart if available	
6 a	Publicly Traded (25% of shares publicly traded)	No
6 a1	If Y, indicate the exchange traded on and ticker symbol	
6 b	Member Owned / Mutual	No
6 c	Government or State Owned by 25% or more	No
6 d	Privately Owned	Yes
6 d1	If Y, provide details of shareholders or ultimate beneficial owners with a holding of 10% or more	Luminor Holding AS (Estonia; registration number: 14723133) directly owns 100% of the shares. Refer to the legal structure in Annex 1. There is no ultimate beneficial owner (natural person) owning directly or indirectly 10% or more of the capital or interest in Luminor Bank AS. Please also refer to 18.
7	% of the Entity's total shares composed of bearer shares	0
8	Does the Entity, or any of its branches, operate under an Offshore Banking License (OBL)?	No
8 a	If Y, provide the name of the relevant branch/es which operate under an OBL	
9	Does the Bank have a Virtual Bank License or provide services only through online channels?	No
10	Name of primary financial regulator / supervisory authority	The European Central Bank
11	Provide Legal Entity Identifier (LEI) if available	213800JD2L89GGG7LF07
12	Provide the full legal name of the ultimate parent (if different from the Entity completing the DDQ)	Not applicable. Refer to the legal structure in Annex 1.
13	Jurisdiction of licensing authority and regulator of ultimate parent	Not applicable.
14	Select the business areas applicable to the Entity	
14 a	Retail Banking	Yes
14 b	Private Banking	Yes
14 c	Commercial Banking	Yes
14 d	Transactional Banking	Yes
14 e	Investment Banking	Yes
14 f	Financial Markets Trading	Yes
14 g	Securities Services / Custody	Yes
14 h	Broker / Dealer	Yes
14 i	Multilateral Development Bank	No
14 j	Wealth Management	Yes
14 k	Other (please explain)	No
15	Does the Entity have a significant (10% or more) portfolio of non-resident customers or does it derive more than 10% of its revenue from non-resident customers? (Non-resident means customers primarily resident in a different jurisdiction to the location where bank services are provided.)	No
15 a	If Y, provide the top five countries where the non-resident customers are located.	

16	Select the closest value:	
16 a	Number of employees	Approx. 2.4 thousand
16 b	Total Assets	Approx. \$15.7 billion
17	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
17 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
18	If appropriate, provide any additional information / context to the answers in this section.	<p>6 d1: There is no ultimate beneficial owner (natural person) owning directly or indirectly 10% or more of the capital or interest in Luminor Bank AS. However, pursuant to Estonian Money Laundering and Terrorist Financing Prevention Act, if such person cannot be identified, the natural person who holds the position of a senior managing official is deemed to be the beneficial owner; therefore, Stephen A. Schwarzman is registered in the Estonian Commerce Register as UBO on the grounds of holding senior management position. Mr. Schwarzman is the Chairman and CEO of Blackstone Inc. which is publicly listed on the New York Stock Exchange.</p> <p>6 d1 and 12: On 30 September 2019, a consortium led by private equity funds managed by Blackstone completed acquisition of 60% majority stake in Luminor Bank. The consortium includes a wholly-owned subsidiary of the Abu Dhabi Investment Authority, as well as other co-investors. Nordea Bank Abp and DNB Bank ASA each retained approx. 20% equity stake in Luminor Bank. In 2021 and 2022, the consortium acquired Nordea's remaining shareholding and now owns 80.05%, DNB - the remaining 19.95%.</p> <p>10: Local financial regulators / supervisory authorities: Estonian Financial Supervision and Resolution Authority (for Luminor Bank AS); Bank of Latvia (for Luminor Bank AS Latvian branch); Bank of Lithuania (for Luminor Bank AS Lithuanian branch).</p> <p>15: Customers - non-Baltic companies or individuals - shall prove strong business or personal connection with Estonia, Latvia or Lithuania. 98.1% of deposits are from residents of the Baltic states, and 0.2% - from residents of other EU countries.</p>
2. PRODUCTS & SERVICES		
19	Does the Entity offer the following products and services:	
19 a	Correspondent Banking	No
19 a1	If Y	
19 a1a	Does the Entity offer Correspondent Banking services to domestic banks?	
19 a1b	Does the Entity allow domestic bank clients to provide downstream relationships?	
19 a1c	Does the Entity have processes and procedures in place to identify downstream relationships with domestic banks?	
19 a1d	Does the Entity offer correspondent banking services to foreign banks?	
19 a1e	Does the Entity allow downstream relationships with foreign banks?	
19 a1f	Does the Entity have processes and procedures in place to identify downstream relationships with foreign banks?	
19 a1g	Does the Entity offer Correspondent Banking services to regulated Money Services Businesses (MSBs) / Money Value Transfer Services	
19 a1h	Does the Entity allow downstream relationships with MSBs, MVTs, or Payment Service Providers (PSPs)?	
19 a1h1	MSBs	
19 a1h2	MVTs	
19 a1h3	PSPs	
19 a1i	Does the Entity have processes and procedures in place to identify downstream relationships with MSBs / MVTs / PSPs?	
19 b	Cross-Border Bulk Cash Delivery	No
19 c	Cross-Border Remittances	Yes
19 d	Domestic Bulk Cash Delivery	Yes
19 e	Hold Mail	No
19 f	International Cash Letter	No
19 g	Low Price Securities	Yes
19 h	Payable Through Accounts	No
19 i	Payment services to non-bank entities who may then offer third party payment services to their customers?	No
19 i1	If Y, please select all that apply below:	
19 i2	Third Party Payment Service Providers	
19 i3	Virtual Asset Service Providers (VASPs)	
19 i4	eCommerce Platforms	
19 i5	Other - Please explain	
19 j	Private Banking	Yes
19 k	Remote Deposit Capture (RDC)	No
19 l	Sponsoring Private ATMs	No
19 m	Stored Value Instruments	No
19 n	Trade Finance	Yes
19 o	Virtual Assets	No

19 p	For each of the following please state whether you offer the service to walk-in customers and if so, the applicable level of due diligence:	
19 p1	Check cashing service	No
19 p1a	If Y, state the applicable level of due diligence	
19 p2	Wire transfers	No
19 p2a	If Y, state the applicable level of due diligence	
19 p3	Foreign currency conversion	No
19 p3a	If Y, state the applicable level of due diligence	
19 p4	Sale of Monetary Instruments	No
19 p4a	If Y, state the applicable level of due diligence	
19 p5	If you offer other services to walk-in customers please provide more detail here, including describing the level of due diligence.	No other services.
19 q	Other high-risk products and services identified by the Entity (please specify)	Alternative investment / structured products: FX forward, swap.
20	Confirm that all responses provided in the above Section are representative of all the LE's branches.	No
20 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	19 d: Domestic cash delivery service is provided to customers - legal entities - only in Lithuania, through a security services company.
21	If appropriate, provide any additional information / context to the answers in this section.	19 a: The policy of Luminor is not to provide Correspondent Banking services; as an exception, accounts of six banks (Latvia, Lithuania, Estonia) with restricted use; in particular, commercial customer payments are not allowed. 19 c: International payments (wire transfers); no retail remittances through non-bank entities. 19 j: Private Banking services only to individuals - residents of Estonia, Latvia or Lithuania, or having strong personal or business connections to Estonia, Latvia or Lithuania. The number of the customers and income from the services is immaterial in comparison with the total number of customers and income of Luminor Bank. Luminor has set internal limiting quantitative measures on the number of Private Banking customers outside EU / EEA and operating profit from Private Banking activities, which are followed up on a quarterly basis. 19 n: Standard Trade Finance products (guarantees, letters of credit, documentary collections), no structured Trade Finance products.
3. AML, CTF & SANCTIONS PROGRAMME		
22	Does the Entity have a programme that sets minimum AML, CTF and Sanctions standards regarding the following components:	
22 a	Appointed Officer with sufficient experience / expertise	Yes
22 b	Adverse Information Screening	Yes
22 c	Beneficial Ownership	Yes
22 d	Cash Reporting	Yes
22 e	CDD	Yes
22 f	EDD	Yes
22 g	Independent Testing	Yes
22 h	Periodic Review	Yes
22 i	Policies and Procedures	Yes
22 j	PEP Screening	Yes
22 k	Risk Assessment	Yes
22 l	Sanctions	Yes
22 m	Suspicious Activity Reporting	Yes
22 n	Training and Education	Yes
22 o	Transaction Monitoring	Yes
23	How many full time employees are in the Entity's AML, CTF & Sanctions Compliance Department?	Approx. 30
24	Is the Entity's AML, CTF & Sanctions policy approved at least annually by the Board or equivalent Senior Management Committee? If N, describe your practice in Question 29.	Yes
25	Does the Board receive, assess, and challenge regular reporting on the status of the AML, CTF & Sanctions programme?	Yes
26	Does the Entity use third parties to carry out any components of its AML, CTF & Sanctions programme?	No
26 a	If Y, provide further details	
27	Does the Entity have a whistleblower policy?	Yes
28	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
28 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
29	If appropriate, provide any additional information / context to the answers in this section.	23: Approx. 30 employees in the 2nd Line of Defence; in addition, approx. 160 employees in the 1st Line of Defence for these functions.
4. ANTI BRIBERY & CORRUPTION		
30	Has the Entity documented policies and procedures consistent with applicable ABC regulations and requirements to reasonably prevent, detect and report bribery and corruption?	Yes

31	Does the Entity have an enterprise wide programme that sets minimum ABC standards?	Yes
32	Has the Entity appointed a designated officer or officers with sufficient experience / expertise responsible for coordinating the ABC programme?	Yes
33	Does the Entity have adequate staff with appropriate levels of experience / expertise to implement the ABC programme?	Yes
34	Is the Entity's ABC programme applicable to:	
34 a	Joint ventures	No
34 b	Third parties acting on behalf of the Entity	Yes
35	Does the Entity have a global ABC policy that:	
35 a	Prohibits the giving and receiving of bribes? This includes promising, offering, giving, solicitation or receiving of anything of value, directly or indirectly, if improperly intended to influence action or obtain an advantage.	Yes
35 b	Includes enhanced requirements regarding interaction with public officials?	Yes
35 c	Includes a prohibition against the falsification of books and records (this may be within the ABC policy or any other policy applicable to the Legal Entity)?	Yes
36	Does the Entity have controls in place to monitor the effectiveness of their ABC programme?	Yes
37	Does the Board receive, assess, and challenge regular reporting on the status of the ABC programme?	Yes
38	Has the Entity's ABC Enterprise Wide Risk Assessment (EWRA) been completed in the last 12 months?	No
38 a	If N, provide the date when the last ABC EWRA was completed.	2021
39	Does the Entity have an ABC residual risk rating that is the net result of the controls effectiveness and the inherent risk assessment?	Yes
40	Does the Entity's ABC EWRA cover the inherent risk components detailed below:	
40 a	Potential liability created by intermediaries and other third-party providers as appropriate	Yes
40 b	Corruption risks associated with the countries and industries in which the Entity does business, directly or through intermediaries	Yes
40 c	Transactions, products or services, including those that involve state-owned or state-controlled entities or public officials	Yes
40 d	Corruption risks associated with gifts and hospitality, hiring / internships, charitable donations and political contributions	Yes
40 e	Changes in business activities that may materially increase the Entity's corruption risk	Yes
41	Does the Entity's internal audit function or other independent third party cover ABC Policies and Procedures?	Yes
42	Does the Entity provide mandatory ABC training to:	
42 a	Board and senior Committee Management	Yes
42 b	1st Line of Defence	Yes
42 c	2nd Line of Defence	Yes
42 d	3rd Line of Defence	Yes
42 e	Third parties to which specific compliance activities subject to ABC risk have been outsourced	No
42 f	Non-employed workers as appropriate (contractors / consultants)	Yes
43	Does the Entity provide ABC training that is targeted to specific roles, responsibilities and activities?	Yes
44	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
44 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
45	If appropriate, provide any additional information / context to the answers in this section.	34 a: Luminor Bank AS does not have joint ventures. 42 e: Luminor Bank AS does not outsource compliance activities to third parties.
5. AML, CTF & SANCTIONS POLICIES & PROCEDURES		
46	Has the Entity documented policies and procedures consistent with applicable AML, CTF & Sanctions regulations and requirements to reasonably prevent, detect and report:	
46 a	Money laundering	Yes
46 b	Terrorist financing	Yes
46 c	Sanctions violations	Yes
47	Are the Entity's policies and procedures updated at least annually?	Yes

48	Has the Entity chosen to compare its policies and procedures against:	
48 a	U.S. Standards	No
48 a1	If Y, does the Entity retain a record of the results?	
48 b	EU Standards	Yes
48 b1	If Y, does the Entity retain a record of the results?	Yes
49	Does the Entity have policies and procedures that:	
49 a	Prohibit the opening and keeping of anonymous and fictitious named accounts	Yes
49 b	Prohibit the opening and keeping of accounts for unlicensed banks and / or NBFIs	Yes
49 c	Prohibit dealing with other entities that provide banking services to unlicensed banks	Yes
49 d	Prohibit accounts / relationships with shell banks	Yes
49 e	Prohibit dealing with another entity that provides services to shell banks	Yes
49 f	Prohibit opening and keeping of accounts for Section 311 designated entities	Yes
49 g	Prohibit opening and keeping of accounts for any of unlicensed / unregulated remittance agents, exchange houses, casa de cambio, bureaux de change or money transfer agents	Yes
49 h	Assess the risks of relationships with domestic and foreign PEPs, including their family and close associates	Yes
49 i	Define the process for escalating financial crime risk issues / potentially suspicious activity identified by employees	Yes
49 j	Define the process, where appropriate, for terminating existing customer relationships due to financial crime risk	Yes
49 k	Define the process for exiting customers for financial crime reasons that applies across the Entity, including foreign branches and affiliates	Yes
49 l	Define the process and controls to identify and handle customers that were previously exited for financial crime reasons if they seek to re-establish a relationship	Yes
49 m	Outline the processes regarding screening for sanctions, PEPs and Adverse Media / Negative News	Yes
49 n	Outline the processes for the maintenance of internal "watchlists"	Yes
50	Has the Entity defined a risk tolerance statement or similar document which defines a risk boundary around their business?	Yes
51	Does the Entity have record retention procedures that comply with applicable laws?	Yes
51 a	If Y, what is the retention period?	5 years or more
52	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
52 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
53	If appropriate, provide any additional information / context to the answers in this section.	
6. AML, CTF & SANCTIONS RISK ASSESSMENT		
54	Does the Entity's AML & CTF EWRA cover the inherent risk components detailed below:	
54 a	Client	Yes
54 b	Product	Yes
54 c	Channel	Yes
54 d	Geography	Yes
55	Does the Entity's AML & CTF EWRA cover the controls effectiveness components detailed below:	
55 a	Transaction Monitoring	Yes
55 b	Customer Due Diligence	Yes
55 c	PEP Identification	Yes
55 d	Transaction Screening	Yes
55 e	Name Screening against Adverse Media / Negative News	Yes
55 f	Training and Education	Yes
55 g	Governance	Yes
55 h	Management Information	Yes
56	Has the Entity's AML & CTF EWRA been completed in the last 12 months?	Yes
56 a	If N, provide the date when the last AML & CTF EWRA was completed.	

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57	Does the Entity's Sanctions EWRA cover the inherent risk components detailed below:	
57 a	Client	Yes
57 b	Product	Yes
57 c	Channel	Yes
57 d	Geography	Yes
58	Does the Entity's Sanctions EWRA cover the controls effectiveness components detailed below:	
58 a	Customer Due Diligence	Yes
58 b	Governance	Yes
58 c	List Management	Yes
58 d	Management Information	Yes
58 e	Name Screening	Yes
58 f	Transaction Screening	Yes
58 g	Training and Education	Yes
59	Has the Entity's Sanctions EWRA been completed in the last 12 months?	Yes
59 a	If N, provide the date when the last Sanctions EWRA was completed.	
60	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
60 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
61	If appropriate, provide any additional information / context to the answers in this section.	All indicated areas are assessed in AML & CTF EWRA or internal / external reviews. In addition to the EWRA, regular audits and Compliance checks are performed in all AML / CTF and Sanctions areas.
7. KYC, CDD and EDD		
62	Does the Entity verify the identity of the customer?	Yes
63	Do the Entity's policies and procedures set out when CDD must be completed, e.g. at the time of onboarding or within 30 days	Yes
64	Which of the following does the Entity gather and retain when conducting CDD? Select all that apply:	
64 a	Customer identification	Yes
64 b	Expected activity	Yes
64 c	Nature of business / employment	Yes
64 d	Ownership structure	Yes
64 e	Product usage	Yes
64 f	Purpose and nature of relationship	Yes
64 g	Source of funds	Yes
64 h	Source of wealth	Yes
65	Are each of the following identified:	
65 a	Ultimate beneficial ownership	Yes
65 a1	Are ultimate beneficial owners verified?	Yes
65 b	Authorised signatories (where applicable)	Yes
65 c	Key controllers	Yes
65 d	Other relevant parties	Yes
66	What is the Entity's minimum (lowest) threshold applied to beneficial ownership identification?	25%
67	Does the due diligence process result in customers receiving a risk classification?	Yes
67 a	If Y, what factors / criteria are used to determine the customer's risk classification? Select all that apply:	
67 a1	Product Usage	Yes
67 a2	Geography	Yes
67 a3	Business Type / Industry	Yes
67 a4	Legal Entity type	Yes
67 a5	Adverse Information	Yes
67 a6	Other (specify)	Customer risk (PEP status; residence; for non-resident customers, connection to the Baltics; occupation; relations to other high-risk customers). Delivery channel risk.
68	For high risk non-individual customers, is a site visit a part of your KYC process?	Yes
68 a	If Y, is this at:	
68 a1	Onboarding	Yes
68 a2	KYC renewal	Yes
68 a3	Trigger event	Yes
68 a4	Other	No
68 a4a	If Y, please specify "Other"	
69	Does the Entity have a risk based approach to screening customers for Adverse Media / Negative News?	Yes



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69 a	If Y, is this at:	
69 a1	Onboarding	Yes
69 a2	KYC renewal	Yes
69 a3	Trigger event	Yes
70	What is the method used by the Entity to screen for Adverse Media / Negative News?	Combination of automated and manual
71	Does the Entity have a risk based approach to screening customers and connected parties to determine whether they are PEPs, or controlled by PEPs?	Yes
71 a	If Y, is this at:	
71 a1	Onboarding	Yes
71 a2	KYC renewal	Yes
71 a3	Trigger event	Yes
72	What is the method used by the Entity to screen PEPs?	Automated
73	Does the Entity have policies, procedures and processes to review and escalate potential matches from screening customers and connected parties to determine whether they are PEPs, or controlled by PEPs?	Yes
74	Is KYC renewed at defined frequencies based on risk rating (Periodic Reviews)?	Yes
74 a	If yes, select all that apply:	
74 a1	Less than one year	Yes
74 a2	1 - 2 years	Yes
74 a3	3 - 4 years	Yes
74 a4	5 years or more	No
74 a5	Trigger-based or perpetual monitoring reviews	Yes
74 a6	Other (Please specify)	No
75	Does the Entity maintain and report metrics on current and past periodic or trigger event due diligence reviews?	Yes
76	From the list below, which categories of customers or industries are subject to EDD and / or are restricted, or prohibited by the Entity's FCC programme?	
76 a	Arms, defense, military	Always subject to EDD
76 b	Respondent Banks	Always subject to EDD
76 b1	If EDD or restricted, does the EDD assessment contain the elements as set out in the Wolfsberg Correspondent Banking Principles 2014?	Yes
76 c	Embassies / Consulates	EDD on risk-based approach
76 d	Extractive industries	EDD on risk-based approach
76 e	Gambling customers	Always subject to EDD
76 f	General Trading Companies	EDD on risk-based approach
76 g	Marijuana-related Entities	Prohibited
76 h	MSB / MVTs customers	Always subject to EDD
76 i	Non-account customers	Prohibited
76 j	Non-Government Organisations	EDD on risk-based approach
76 k	Non-resident customers	Always subject to EDD
76 l	Nuclear power	Always subject to EDD
76 m	Payment Service Providers	Always subject to EDD
76 n	PEPs	Always subject to EDD
76 o	PEP Close Associates	Always subject to EDD
76 p	PEP Related	Always subject to EDD
76 q	Precious metals and stones	Always subject to EDD
76 r	Red light businesses / Adult entertainment	Prohibited
76 s	Regulated charities	EDD on risk-based approach
76 t	Shell banks	Prohibited
76 u	Travel and Tour Companies	EDD on risk-based approach
76 v	Unregulated charities	Prohibited
76 w	Used Car Dealers	EDD on risk-based approach
76 x	Virtual Asset Service Providers	Prohibited
76 y	Other (specify)	Shell legal entities and entities who have issued bearer shares or other bearer securities are prohibited. Businesses related to trading in oil, ferrous and non-ferrous metals, works of art, jewellery, cash collection, asset management and foreign exchange transactions are always subject to EDD and restricted.
77	If restricted, provide details of the restriction	Business relationship may be started only after applying additional AML measures, e.g., approval by a senior manager or Customer Risk Committee. Further limitations on products, services, and non-facing channel usage may be applied.
78	Does EDD require senior business management and / or compliance approval	Yes
78 a	If Y, indicate who provides the approval:	Senior business management

79	Does the Entity have specific procedures for onboarding entities that handle client money such as lawyers, accountants, consultants, real estate agents?	Yes
80	Does the Entity perform an additional control or quality review on clients subject to EDD?	Yes
81	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
81 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
82	If appropriate, provide any additional information / context to the answers in this section.	64 h: Identification of source of wealth is a part of EDD and ongoing EDD processes; source of wealth may also be reviewed and requested to identify during the transaction monitoring processes. 66: Regardless of the beneficial ownership status threshold of 25%, all customers are required to provide full ownership structure. 71: All customers and connected parties are subject to this screening at onboarding and KYC renewal. 76 b: Policy of Luminor Bank is not to provide Correspondent Banking services. Baltic banks may, as an exception, have restricted-use accounts (in particular, commercial customer payments are not allowed) and are subject to the above limitations and Financial Institutions Risk Committee approval. 76 a, 76 c, 76 e, 76 h, and 76 k to 76 q: These categories are not only subject to EDD, but also restricted (refer to 77). 76 k: Business relationships with non-Baltic companies and individuals are started only in exceptional cases. Customers - non-Baltic companies or individuals - shall prove strong business or personal connection with Estonia, Latvia or Lithuania. 98.1% of deposits are from residents of the Baltic states, and 0.2% - from residents of other EU countries.
8. MONITORING & REPORTING		
83	Does the Entity have risk based policies, procedures and monitoring processes for the identification and reporting of suspicious activity?	Yes
84	What is the method used by the Entity to monitor transactions for suspicious activities?	Automated
84 a	If manual or combination selected, specify what type of transactions are monitored manually	
84 b	If automated or combination selected, are internal system or vendor-sourced tools used?	Vendor-sourced tools
84 b1	If 'Vendor-sourced tools' or 'Both' selected, what is the name of the vendor / tool?	IMTF Siron GmbH / Siron
84 b2	When was the tool last updated?	< 1 year
84 b3	When was the automated Transaction Monitoring application last calibrated?	< 1 year
85	Does the Entity have regulatory requirements to report suspicious transactions?	Yes
85 a	If Y, does the Entity have policies, procedures and processes to comply with suspicious transaction reporting requirements?	Yes
86	Does the Entity have policies, procedures and processes to review and escalate matters arising from the monitoring of customer transactions and activity?	Yes
87	Does the Entity have a data quality management programme to ensure that complete data for all transactions are subject to monitoring?	Yes
88	Does the Entity have processes in place to respond to Requests For Information (RFIs) from other entities in a timely manner?	Yes
89	Does the Entity have processes in place to send Requests For Information (RFIs) to their customers in a timely manner?	Yes
90	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
90 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
91	If appropriate, provide any additional information / context to the answers in this section.	
9. PAYMENT TRANSPARENCY		
92	Does the Entity adhere to the Wolfsberg Group Payment Transparency Standards?	Yes
93	Does the Entity have policies, procedures and processes to comply with and have controls in place to ensure compliance with:	
93 a	FATF Recommendation 16	Yes
93 b	Local Regulations	Yes
93 b1	If Y, specify the regulation	Estonia: Money Laundering and Terrorist Financing Prevention Act; International Sanctions Act. Latvia: Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing; Law on International Sanctions and National Sanctions of the Republic of Latvia; Credit Institution Law; Law on Payment Services and Electronic Money. Lithuania: Law on the Prevention of Money Laundering and Terrorist Financing; Law on International Sanctions. Other statutory legal acts.
93 c	If N, explain	
94	Does the Entity have controls to support the inclusion of required and accurate originator information in cross-border payment messages?	Yes
95	Does the Entity have controls to support the inclusion of required beneficiary in cross-border payment messages?	Yes

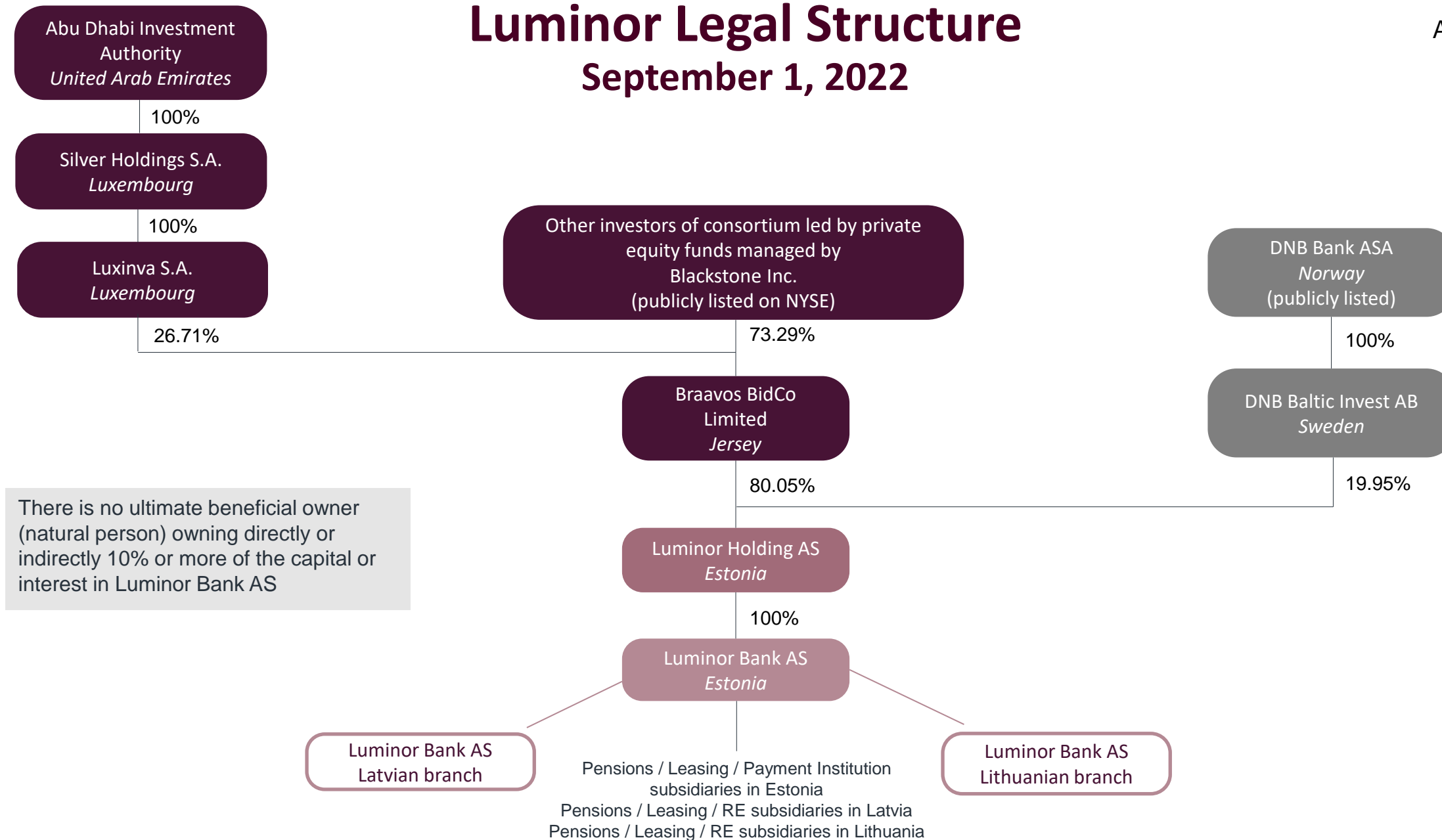
95 a	If Y, does the Entity have procedures to include beneficiary address including country in cross-border payments?	Yes
96	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
96 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
97	If appropriate, provide any additional information / context to the answers in this section.	
10. SANCTIONS		
98	Does the Entity have a Sanctions Policy approved by management regarding compliance with sanctions law applicable to the Entity, including with respect to its business conducted with, or through accounts held at foreign financial institutions?	Yes
99	Does the Entity have policies, procedures, or other controls reasonably designed to prevent the use of another entity's accounts or services in a manner causing the other entity to violate sanctions prohibitions applicable to the other entity (including prohibitions within the other entity's local jurisdiction)?	Yes
100	Does the Entity have policies, procedures or other controls reasonably designed to prohibit and / or detect actions taken to evade applicable sanctions prohibitions, such as stripping, or the resubmission and / or masking, of sanctions-relevant information in cross-border transactions?	Yes
101	Does the Entity screen its customers, including beneficial ownership information collected by the Entity, during onboarding and regularly thereafter against Sanctions Lists?	Yes
102	What is the method used by the Entity for sanctions screening?	Automated
102 a	If 'Automated' or 'Both automated and manual' selected:	
102 a1	Are internal system or vendor-sourced tools used?	Vendor-sourced tools
102 a1a	If 'Vendor-sourced tools' or 'Both' selected, what is the name of the vendor / tool?	IMTF Siron GmbH / Siron
102 a2	When did you last test the effectiveness (of finding true matches) and completeness (lack of missing data) of the matching configuration of the automated tool? (If 'Other', please explain in Question 110)	< 1 year
103	Does the Entity screen all sanctions relevant data, including at a minimum, entity and location information, contained in cross-border transactions against Sanctions Lists?	Yes
104	What is the method used by the Entity?	Automated
105	Does the Entity have a data quality management programme to ensure that complete data for all transactions are subject to sanctions screening?	Yes
106	Select the Sanctions Lists used by the Entity in its sanctions screening processes:	
106 a	Consolidated United Nations Security Council Sanctions List (UN)	Used for screening customers and beneficial owners and for filtering transactional data
106 b	United States Department of the Treasury's Office of Foreign Assets Control (OFAC)	Used for screening customers and beneficial owners and for filtering transactional data
106 c	Office of Financial Sanctions Implementation HMT (OFSI)	Used for screening customers and beneficial owners and for filtering transactional data
106 d	European Union Consolidated List (EU)	Used for screening customers and beneficial owners and for filtering transactional data
106 e	Lists maintained by other G7 member countries	Not used
106 f	Other (specify)	National sanctions lists; used for screening customers and beneficial owners and for filtering transactional data.
107	When regulatory authorities make updates to their Sanctions list, how many business days before the Entity updates their active manual and / or automated screening systems against:	
107 a	Customer Data	Before start of each business day.
107 b	Transactions	Before start of each business day.
108	Does the Entity have a physical presence, e.g. branches, subsidiaries, or representative offices located in countries / regions against which UN, OFAC, OFSI, EU or G7 member countries have enacted comprehensive jurisdiction-based Sanctions?	No
109	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
109 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
110	If appropriate, provide any additional information / context to the answers in this section.	

11. TRAINING & EDUCATION		
111	Does the Entity provide mandatory training, which includes :	
111 a	Identification and reporting of transactions to government authorities	Yes
111 b	Examples of different forms of money laundering, terrorist financing and sanctions violations relevant for the types of products and services offered	Yes
111 c	Internal policies for controlling money laundering, terrorist financing and sanctions violations	Yes
111 d	New issues that occur in the market, e.g. significant regulatory actions or new regulations	Yes
111 e	Conduct and Culture	Yes
111 f	Fraud	Yes
112	Is the above mandatory training provided to:	
112 a	Board and Senior Committee Management	Yes
112 b	1st Line of Defence	Yes
112 c	2nd Line of Defence	Yes
112 d	3rd Line of Defence	Yes
112 e	Third parties to which specific FCC activities have been outsourced	No
112 f	Non-employed workers (contractors / consultants)	Yes
113	Does the Entity provide AML, CTF & Sanctions training that is targeted to specific roles, responsibilities and high-risk products, services and activities?	Yes
114	Does the Entity provide customised training for AML, CTF and Sanctions staff?	Yes
114 a	If Y, how frequently is training delivered?	Annually
115	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
115 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
116	If appropriate, provide any additional information / context to the answers in this section.	112 e: Luminor Bank AS does not outsource Financial Crime Compliance activities. 112 f: Trainings to external non-employed workers (e.g., consultants) are not automatically assigned as mandatory due to setup of the internal system. The trainings are being assigned manually per request of the respective unit manager (e.g., training for particular salesperson of leasing vendor). 114: Level 1, Level 2 and Level 3 trainings assigned according to the training target groups. Also, ad hoc trainings as necessary.
12. QUALITY ASSURANCE / COMPLIANCE TESTING		
117	Does the Entity have a program wide risk based Quality Assurance programme for financial crime (separate from the independent Audit function)?	Yes
118	Does the Entity have a program wide risk based Compliance Testing process (separate from the independent Audit function)?	Yes
119	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
119 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	
120	If appropriate, provide any additional information / context to the answers in this section.	Compliance reviews / testings have methodology and are described in the Compliance Division Procedure. Compliance reviews are separate from Compliance advice and awareness activities and constitute substantial / majority amount of workload of Compliance Division executing functions of the 2nd Line of Defence.
13. AUDIT		
121	In addition to inspections by the government supervisors / regulators, does the Entity have an internal audit function, a testing function or other independent third party, or both, that assesses FCC AML, CTF, ABC, Fraud and Sanctions policies and practices on a regular basis?	Yes
122	How often is the Entity audited on its AML, CTF, ABC, Fraud and Sanctions programme by the following:	
122 a	Internal Audit Department	Annually
122 b	External Third Party	Not Applicable
123	Does the internal audit function or other independent third party cover the following areas:	
123 a	AML, CTF ABC, Fraud and Sanctions policy and procedures	Yes
123 b	Enterprise Wide Risk Assessment	Yes
123 c	Governance	Yes
123 d	KYC / CDD / EDD and underlying methodologies	Yes
123 e	Name Screening & List Management	Yes
123 f	Reporting / Metrics & Management Information	Yes
123 g	Suspicious Activity Filing	Yes
123 h	Technology	Yes
123 i	Transaction Monitoring	Yes
123 j	Transaction Screening including for sanctions	Yes
123 k	Training & Education	Yes

123 I	Other (specify)	
124	Are adverse findings from internal & external audit tracked to completion and assessed for adequacy and completeness?	Yes
125	Confirm that all responses provided in the above Section are representative of all the LE's branches.	No
125 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	Latvian branch: regulatory requirement to have an external audit in this area depends on risk grade of the bank. Currently the requirement for the Latvian branch is one time in 4 years.
126	If appropriate, provide any additional information / context to the answers in this section.	
14. FRAUD		
127	Does the Entity have policies in place addressing fraud risk?	Yes
128	Does the Entity have a dedicated team responsible for preventing & detecting fraud?	Yes
129	Does the Entity have real time monitoring to detect fraud?	Yes
130	Do the Entity's processes include gathering additional information to support its fraud controls, for example: IP address, GPS location, and / or device ID?	Yes
131	Confirm that all responses provided in the above Section are representative of all the LE's branches.	Yes
131 a	If N, clarify which questions the difference/s relate to and the branch/es that this applies to.	129: Card and non-card transactions monitoring is performed in real time in Latvia and Lithuania. In Estonia, card payments monitoring is performed in real time, non-card payments are monitored retrospectively.
132	If appropriate, provide any additional information / context to the answers in this section.	
Declaration Statement		
<p>Wolfsberg Group Correspondent Banking Due Diligence Questionnaire 2023 (CBDDQ V1.4) Declaration Statement (To be signed by Global Head of Correspondent Banking or equivalent position holder AND Group Money Laundering Prevention Officer, Global Head of Anti-Money Laundering, Chief Compliance Officer, Global Head of Financial Crimes Compliance OR equivalent)</p> <p>Luminor Bank AS (Financial Institution name) is fully committed to the fight against financial crime and makes every effort to remain in full compliance with all applicable financial crime laws, regulations and standards in all of the jurisdictions in which it does business and holds accounts.</p> <p>The Financial Institution understands the critical importance of having effective and sustainable controls to combat financial crime in order to protect its reputation and to meet its legal and regulatory obligations.</p> <p>The Financial Institution recognises the importance of transparency regarding parties to transactions in international payments and has adopted / is committed to adopting these standards.</p> <p>The Financial Institution further certifies it complies with / is working to comply with the Wolfsberg Correspondent Banking Principles and the Wolfsberg Trade Finance Principles. The information provided in this Wolfsberg CBDDQ will be kept current and will be updated no less frequently than every eighteen months.</p> <p>The Financial Institution commits to file accurate supplemental information on a timely basis.</p> <p>I, Gunda Straume, Head of Trade Finance and Financial Institutions Department, certify that I have read and understood this declaration, that the answers provided in this Wolfsberg CBDDQ are complete and correct to my honest belief, and that I am authorised to execute this declaration on behalf of the Financial Institution.</p> <p>I, Mari Mois, Chief Compliance Officer, certify that I have read and understood this declaration, that the answers provided in this Wolfsberg CBDDQ are complete and correct to my honest belief, and that I am authorised to execute this declaration on behalf of the Financial Institution.</p> <p> 19.04.2023 (Signature & Date)</p> <p> 21.04.2023 (Signature & Date)</p>		

Luminor Legal Structure

September 1, 2022





Absolute AML/CFT/CFP and Sanctions risk limitations

Luminor will not under any conditions establish a relationship with the Customers falling under the categories below. Should any relationship with the Customers listed below already exist, immediate actions must be taken to restrict and eventually close the Customer's access to Luminor's services and products, and to terminate the relationship.

1. Absolute limitations based on laws and regulations

- 1.1. Prohibitions related to AML/CFT/CFP laws and regulations:
 - 1.1.1. Anonymous Customers or Customers using alias or fictitious names.
 - 1.1.2. Customers who have issued bearer shares or other bearer securities.
 - 1.1.3. Shell banks or any correspondent bank known to be providing services to shell banks.
 - 1.1.4. Customers who concurrently conform with the indications of shell arrangement:
 - 1.1.4.1. there is no connection of the legal person to an actual economic activity, or the activity of a legal person forms little or no economic value, and there is no documentary information available to Luminor that would prove otherwise;
 - 1.1.4.2. the laws and regulations of the country where the legal person is registered do not impose an obligation to prepare and submit to the supervisory authorities of the respective country the financial statements, including the annual financial statements, of the activities of the legal person.
 - 1.1.5. Any Customer who fails to provide material information or documents required for the application of due diligence measures.
 - 1.1.6. Any Customer where the required source of funds and/or source of wealth cannot be identified or when the assets are known or suspected to be the proceeds of illegal activity.
 - 1.1.7. Where Luminor cannot obtain full clarity and/or evidence of high-value and/or unusual transactions and transaction patterns that do not have a reasonable economic or lawful purpose or that are not characteristic of the business activities of the Customer.
 - 1.1.8. Where a full clarity of the identity of the Customer's ultimate beneficial owner cannot be obtained, or whose beneficial owner information has not been entered into national registry, where such statutory requirement exists.
 - 1.1.9. Customers who attempt to establish a business relationship or conclude an occasional transaction as a front for someone else.
- 1.2. Prohibitions related to national and international Sanctions laws and regulations:
 - 1.2.1. Prospective Customers who are subjects (directly or indirectly) to blocking/freezing Sanctions imposed by United Nations, European Union or by the competent authority in the jurisdictions where Luminor operates - Estonia, Latvia, Lithuania.

2. Absolute limitations based on Luminor's risk appetite

- 2.1. AML/CFT/CFP area absolute limitations:
 - 2.1.1. Virtual asset service providers whose economic activity includes trading and/or issuing cryptocurrencies, -coins or -tokens.
 - 2.1.2. Correspondent accounts that are used directly by third parties to transact business on their own behalf (payable through accounts).
- 2.2. Sanctions area absolute limitations:
 - 2.2.1. Existing Customers who are subjects (directly or indirectly) to blocking/freezing Sanctions imposed by United Nations, European Union or by the competent authority in the jurisdictions where the Bank operates - Estonia, Latvia, Lithuania.
 - 2.2.2. Customers who are subjects to blocking/freezing Sanctions imposed by US OFAC, United Kingdom (HMT), Sweden or Norway.
 - 2.2.3. Customers who permanently reside or have their registered office in country/territory subject to comprehensive sanctions imposed by United Nations, European Union or US OFAC. The list of countries/territories subject to comprehensive Sanctions is published in the Bank's internet page.