

# **Anti-Money Laundering (AML) & Anti-Bribery and Corruption (ABC) Policy**

Basel, 9 June 2020

**EUROFIMA**  
European Company for  
the Financing of  
Railroad Rolling Stock  
Rittergasse 20  
4001 Basel

---

## Index

		Page
<b>1.</b>	<b>Scope.....</b>	<b>3</b>
1.1.	Responsibilities.....	3
<b>2.</b>	<b>Prohibited business relationships.....</b>	<b>4</b>
2.1.	Know your customer (KYC) procedure.....	4
2.2.	Bank & broker relationships .....	5
2.3.	Approval of new products.....	5
2.4.	Embargo .....	5
2.5.	Anti-Bribery and corruption (ABC) and anti-fraud .....	6
2.6.	Training.....	6
2.7.	Periodical assessment .....	6
2.8.	Appendix.....	7

---

## 1. Scope

EUROFIMA is committed to the highest standards of Anti-Money Laundering (AML) and Anti-Financial Crime (AFC) including Anti-Bribery and Corruption (ABC), Combating Terrorism Financing (CTF), Anti-Fraud and other punishable criminal acts. The members of the Board of Directors, the Management and all employees are required to adhere to these standards to protect EUROFIMA and its reputation from being misused for money laundering and/or terrorist financing or other illegal purposes.

EUROFIMA is not under the supervision of any financial supervisory authority but benchmarks its compliance, integrity and anti-corruption policies and procedures with the legislation of the European Union.

EUROFIMA is committed to follow best practices and market standards in areas of accountability, governance, corporate social responsibility (CSR), transparency and business ethics in order to promote sustainability. At the core of these efforts are the mitigation and management of reputational and compliance risks that EUROFIMA faces.

### 1.1. Responsibilities

This policy document falls under the compliance policy as approved by the BoD

All policies and policy-related documents are published on EUROFIMA's internal network so they can be accessed by all staff at any time. The Management ensures an annual review cycle to ensure their conformity with applicable laws, regulations and best practices. Any change in the organization, business structure regulation framework may require a more frequent review of the policy. All key controls, which are related to AML and ABC process are regularly checked by internal or external audit.

---

## 2. Prohibited business relationships

EUROFIMA does not enter into a relationship if it cannot form a reasonable and documented belief that it knows the true identity of the counterparty, the nature of its business or cannot complete formal requirements concerning the identification of the business partner.

In particular, EUROFIMA will not:

- Accept assets that are known or suspected to be the proceeds of criminal activity;
- Enter into/maintain business relationships with individuals or entities known or suspected to be a terrorist or a criminal organization or member of such or listed on sanction lists;
- Be part of anonymous transactions;
- Enter into relationships with clients operating in prohibited industries.

EUROFIMA emphasises transparency in all of its activities, including lending operations, disbursement procedures and project monitoring, and actively aims at preventing corrupt or illegal behaviour. EUROFIMA shall support stakeholders including borrowers in their efforts to fight corruption by establishing appropriate codes of conduct and policies and procedures to prevent, detect and investigate corruption.

Should an employee become aware of any relationships that are entered into which may be prohibited, this case shall be presented to the compliance coordinator.

EUROFIMA is committed to pursue disciplinary, contractual, judicial and/or other actions in cases where it has been established that Prohibited Practices have taken place.

### 2.1. Know your customer (KYC) procedure

EUROFIMA's counterparties can be classified into the following categories:

- State railways (shareholders);
- Regulated banks;
- Brokers (other regulated financial intermediary); and
- National, regional and local governments in Switzerland

EUROFIMA is not trading with individual persons or on behalf of them. EUROFIMA does not provide bank accounts or payment services. EUROFIMA enters into direct relationships with its counterparties, using regulated banks or well know and approved brokers. It does not provide cash payments, nor does it accept cash receipts.

Before a transaction with a new customer is effected, its operations, management, government and legal structure must be assessed and understood.

All banks and brokers have to be regulated by an established national or international regulator and being approved by the Management before entering into any business with them. Such approval is part of the general counterparty approval process. The approvals granted shall be reviewed at least annually.

All private placements have to be traded over a regulated bank (on the list of the national regulator where the banks headquarter is located). For such transactions the Management

---

has to approve the new counterparty, which is part of the general counterparty approval process.

## **2.2. Bank & broker relationships**

EUROFIMA has implemented special safeguards and monitoring processes for its business. These safeguards encompass, but are not limited to:

- Obtaining sufficient information on the counterparty bank or broker to fully understand the nature of its business, its reputation, management and ownership structure and maturity of the bank's regulation and supervision in the respective country;
- Ensure the counterparty is regulated by an established national or international regulator.

## **2.3. Approval of new products**

EUROFIMA has implemented security measures and processes to prevent new products from being misused for money laundering or terrorism financing. The main item in this process is the approval by the Management to enter into new products. Such approval can only be granted on the basis of a documented request stating all necessary details relevant to the specific product, including the counterparty and obligor. Such measures also address the risk that new products facilitate anonymity of business relationships or transactions.

## **2.4. Embargo**

Compliance with applicable (financial) embargoes is mandatory within EUROFIMA. All EU & UN embargo regulations and all Swiss embargo regulations are binding for the whole company.

EUROFIMA has controls in place on new and existing counterparties as well as minimum requirements for checking transactions against embargo lists before they are executed to ensure their compliance. Such controls are part of the organization's ICS policy and are documented accordingly.

---

## **2.5. Anti-Bribery and corruption (ABC) and anti-fraud**

EUROFIMA does not tolerate bribery, or any form of corruption. All employees and third parties that act on EUROFIMA's behalf are strictly prohibited from having any involvement in acts of bribery and corruption.

EUROFIMA is aware of the safeguards required to dealing with politically exposed persons (PEPs) and their close relatives, however, it is not allowed to enter into transactions with such persons nor with institutions or corporations where such person is the beneficial owner. In the normal course of its business, EUROFIMA holds meetings with PEPs, as it speaks with national governments and the management of national railways. For transactions with the railways, EUROFIMA ascertains that this transaction is to the benefit of the railway and not to the benefit of any single person related to that railway. Furthermore, EUROFIMA is not allowed to enter into business transactions with private persons.

EUROFIMA's ABC program involves inter alia staff training, monitoring and testing, special requirements for dealings with public officials, or regulations for gifts, entertainments, donations and business courtesies.

EUROFIMA has implemented anti-fraud measures to ensure that the company is not misused for purposes of or that employees do not commit or contribute to any fraudulent activity. Such procedures are included in the ICS policy.

## **2.6. Training**

EUROFIMA's training is tailored to the business to ensure that staff are aware of different possible patterns and techniques of money laundering which may occur in their everyday business. Training also covers the general duties arising from applicable external (legal and regulatory) and internal requirements and the resulting individual duties which must be adhered to in everyday business as well as typical patterns to recognize money laundering or financial crime activities.

The Compliance Coordinator supports the relevant units with self-study material and recommendations for external courses. All employees will be requested to confirm their understanding of this policy annually.

## **2.7. Periodical assessment**

The Compliance Coordinator is responsible for this Policy, which shall be reviewed on a regular basis or if requested by the Management or the Board of Directors.

---

## **2.8. Appendix**

### **Definition - Prohibited Practices**

#### **Corrupt practice**

which means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party

#### **Fraudulent practice**

which means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation

#### **Coercive practice**

which means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party

#### **Collusive practice**

which means an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party

#### **Theft**

which means the misappropriation of property belonging to another party

#### **Obstruction**

which means deliberately destroying, falsifying, altering, or concealing evidence material to an investigation; making false statements to investigators in order to materially impede an investigation; failing to comply with requests to provide information, documents, or records in connection with an investigation; threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or materially impeding NIB's contractual rights of audit or inspection or access to information

#### **Money laundering**

which means intentional conversion or transfer of property derived from criminal activity to conceal or disguise its illicit origin; concealment or disguise of the true nature, source, location, disposition, movement or ownership of property known to have been derived from criminal activity; acquisition, possession or use of property known to have been derived from criminal activity; participation, or assistance, in the commission of any of the activities above

#### **Terrorist financing**

which means the provision or collection of funds, by any means, directly or indirectly, with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out terrorist activities