

Synopsis of KYC/ AML / CFT Policy of IndusInd Bank

The Bank's KYC/AML/CFT Policy is in line with the Indian Legal and Regulatory requirements and contains the essential elements as stipulated by the Regulators. Broad explanation about these elements is given below:

- I. **Customer Acceptance:** Laying down norms and prohibitions/ restrictions while accepting a Customer; ensuring that the identity of the customer does not match with any person or entity, whose name appears in the sanctions lists circulated by Reserve Bank of India; ensuring no transaction or account based relationship is undertaken without following the CDD procedure.
- II. **Risk Management:** Adopting a risk based approach for managing risks of Money Laundering and Financing of Terrorism associated with its customers, in accordance with RBI directions; categorising the customers into low, medium and high risk categories; following a system of periodic review of risk categorisation of accounts, and the need for applying enhanced due diligence measures.
- III. **Customer Identification:** Identifying customers while opening an account; and carrying out transactions for a non-account based customer (walk-in customer), enhanced due diligence for customer posing high risk.
- IV. **Monitoring of transactions:** putting in place systems, processes and controls for Transaction Monitoring from ML/ TF perspective; submission of various reports to FIU-India.

Besides, the Policy also includes norms for maintaining records of identity and transactions as required under the Prevention of Money-laundering (Maintenance of Records) Rules, 2005.

The Policy includes the need for providing training in KYC/AML to Bank personnel in various functions.

The Policy provides for the role of Audit Department in examining the effectiveness and efficiency of the KYC/AML framework of the Bank.

The KYC/ AML/ CFT Policy of the Bank is approved by the Board of Directors. It is reviewed annually and amended to align with the changes in Regulatory/Statutory guidelines, and in the interim any changes are effected through internal circulars.

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Date: 6th August, 2021

Sign:



A circular stamp of IndusInd Bank Limited, G.O. Compliance Dept. with a star at the bottom.