

# CONTINUED WINS AGAINST FINANCIAL CRIME

## CYPRUS:

Despite a lingering reputation that it inherited from past shortcomings, Cyprus has been successfully engaged in a protracted battle against Money Laundering. Even in the midst of an economic crisis, it has proactively terminated accounts, lost profits and turnover and engaged in an aggressive clean-up campaign under the most stringent rules. In other words, a complete overhaul and transformation of its culture.

### MONEYVAL REPORT

In December 2023, Moneyval revised its ratings for Cyprus, recognizing the country's progress in combating money laundering and terrorism financing. Cyprus has a score of compliant or largely compliant on 37 out of the 40 technical aspects of assessment, while just 3 are still rated as partially compliant. The report has not revealed any weaknesses for the banking sector which scored excellent marks.

### RECOGNITION FROM OECD

Cyprus is included in the OECD White List, of "Largely Compliant" jurisdictions, as per 2020 peer review.

## AHEAD OF THE CURVE:

# EARLY ADOPTER OF CRS, FATCA + OTHER RULES

Since December 2013, Cyprus has implemented one of the strictest AML regulatory frameworks in Europe and since then, it remains ahead of all international regulatory developments in the area.

Cyprus has been cited as an Early Adopter of CRS (Common Reporting Standards) of OECD and is fully compliant with FATCA as well as DAC6.

## BANK OF CYPRUS:

The Bank has engaged since the beginning of year 2014 in a very demanding and rigorous anti-financial crime remediation programme which has successfully been implemented in the following years. Today's compliance function of the Bank, is a benchmark of excellence reflecting best international standards and practices.

## RECENT PROGRESS

### ELIMINATING PROFESSIONAL INTERMEDIARIES

in 2014  
**1.601**  
Intermediaries

currently  
**0**  
Intermediaries

### CUSTOMER TERMINATIONS AND REJECTIONS

**39.298**

customers terminated  
/ suspended (\*)

*\*customers have multiple  
accounts.*

**18.753**

potential new customers  
rejected exclusively  
on Compliance (KYC/AML)  
grounds in years **2015-2024.**

## ADOPTION OF BEST INTERNATIONAL SANCTIONS ENFORCEMENT STANDARDS

The Bank fully adheres to all relevant international sanctions and other restrictions issued by local, European, USA and UK authorities.

## LOSS OF TURNOVER ON OWN INITIATIVE

Estimated

**€11,6 billion**

as a result of terminations /suspensions in years **2015-2024**.

## FOREGONE NET PROFITS ON OWN INITIATIVE

Estimated

**€39,6 million**

from customers terminated / suspended in years **2015-2024**.

**UKR**

## PROACTIVE ADDRESSING OF THE WAR IN UKRAINE

Proactively and well before the eruption of the war in Ukraine, the Bank adopted revolutionary measures to effectively address the relevant risks and avoid any potential exposure from subsequent issues of new sanctions.

The systemic status of the Bank and its inclusion under the Single Supervisory Mechanism of the EU, as well as the listing in the ASE and the Bank's voluntary adoption of the 2018 UK code, reflects its persistent alignment with best international standards of Corporate Governance. The Bank is now regulated by:

## INTERNATIONAL REGULATORS & ENHANCED OVERSIGHT

**8**

separate, international and local competent authorities

**4**

jurisdictions (Cyprus, Ireland, Greece and the EU)

**32 K**

## ALERTS

generated on average every month in 2024 by the Bank's specialized financial crime monitoring system, demonstrating a proactive stance.

## REPORTS TO FIU

**1.805**

Internal Suspicious Activity Reports filed since 2015

**1.644**

FIU reports proactively filed since 2015



# A MILESTONE IN COMPLIANCE

The Bank has successfully been certified with the ISO 37301 for its compliance function. This achievement is a testament to its unwavering commitment to maintaining the highest standards of compliance and governance and it has become the first organisation in the wider Southeastern EU region and one of the very few central European banks to hold this prestigious validation. The ISO 37301 is a comprehensive standard that outlines the requirements and guidelines for establishing a robust compliance management system (CMS). It emphasizes a risk-based approach to compliance, ensuring that organizations identify, assess, manage and report compliance risks effectively. By adhering to ISO 37301, the Bank can validly demonstrate its commitment to ethical behaviour, legal compliance, and continuous improvement.

## INTERNATIONAL AWARDS

### 2024

### 2024

- Gold Winner of the Best Compliance Team in the Banking Sector Award by the Compliance Officers' Association in Greece
- Platinum Winner of the Best Compliance Team in all sectors of the Greek Economy Award by the Compliance Officers' Association in Greece.

Best Corporate Governance Corporation (UK) Award by World Finance (UK).

### 2022

### 2022

Silver Winner of the Best Compliance Team Award globally by International Compliance Association.

Special Recognition Award-Best Banking Governance in Europe by Ethical Boardroom magazine (UK).

### 2017-2019

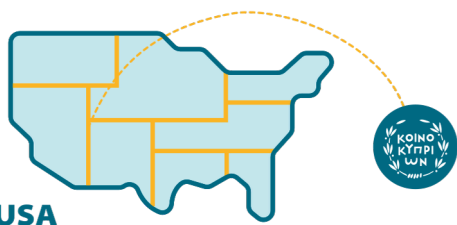
### 2017-2020

Best Corporate Governance Corporation (Cyprus) Award by World Finance (UK).

The Bank of the Year (Cyprus) Award, of Corporate Insider's Business Excellence Awards (UK).

### 2016

Transparency International Award for Best Practices, Initiatives and Actions to Reduce Corruption and/or Increase Transparency in Cyprus.



## USA AND BANK OF CYPRUS

## Major shareholders hailing from North America

(USA and Canada), account for **17.52%** of shareholding, as per notifications received from investors in accordance with the major holdings disclosure obligations pursuant to the Irish Transparency Rules and Regulations and as per latest update from the shareholders.

## RECOGNITION BY INTERNATIONAL RATING AGENCIES



The Institutional Shareholder Services (ISS), upgrades the Bank's **Corporate Governance & Business Ethics** rating (as part of its overall ESG Corporate Rating) **from D+ in 2018 to B in 2024**



The Morgan Stanley Capital International (MSCI), upgraded the Bank's ESG rating **from A in 2020, to the impressive AA in 2024**