

Profonanpe

# Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Policy

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# 1 Introduction

Profonanpe is a private non-profit organization, specialized in the efficient raising and administration of financial resources for the execution of programs and projects that contribute to the conservation of biodiversity and the mitigation and adaptation to climate change.

In this regard, given the importance of proper management of financial resources, it is necessary to have an Anti-Money Laundering and Counter-Terrorist Financing Policy, as it will define the guidelines to ensure that Profonanpe is an institution capable of adopting effective measures to prevent and deal with operations related to money laundering and terrorist financing. It will also improve Profonanpe's financial stability and guarantee its institutional integrity.

This, in turn, takes into consideration the ability of criminal organizations to evade control mechanisms and infiltrate lawfully operating economic activities.}

Finally, it is worth mentioning that the Anti-Money Laundering and Counter-Terrorist Financing Policy has been prepared taking into account the National Anti-Money Laundering and Counter-Terrorist Financing Policy, as well as the standards of the Green Climate Fund (GCF).

## Objective

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Warn and detect operations related to money laundering and terrorist financing in order to be able to deal with them and report them to the competent authorities.

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## Scope

The application of this policy especially involves Profonampe's clients: donors, executors, implementation partners, among others. As well as collaborators, consultants and suppliers that provide services in and for the institution. This, when, due to the nature of this relationship, their actions may impact in any way on the financial integrity of the institution.





## Definitions

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It is important to define the following concepts for the purposes of this Policy:

**a) Competent Authorities**

Public authorities that have designated responsibilities concerning the fight against money laundering and/or terrorist financing.

**b) Client**

Person or entity related to a financial operation that may represent a significant risk for the entity. This may be donors, executors, implementing partners, among others.

**c) Terrorist Financing**

An autonomous crime that consists of raising licit or illicit funds for the purpose of financing terrorists, terrorist organizations or terrorist acts, in accordance with current legislation and international treaties.

**d) Legal Entity**

Institution formed by one, two or more persons, which exercises rights and fulfills obligations. It may be a for-profit or non-profit institution.

**e) Risk**

For the purposes of this document, the possibility of the institution being used to carry out acts or operations related to money laundering or terrorist financing.

**f) Money Laundering**

An autonomous crime that has its origin in a preceding crime and consists of giving the appearance of legality to the illicit funds or assets resulting from said crime, so that they may circulate without any problem in the financial economic system.

**g) Terrorism**

A succession of acts of violence carried out to spread terror.

**c) Terrorist Organization**

Any terrorist group that: i) commits or attempts to commit terrorist acts by any means, directly or indirectly, unlawfully and deliberately ; ii) participates as an accomplice in terrorist acts; iii) organizes or directs others to commit acts of terrorism; iv) contributes to the commission of terrorist acts by a group of persons acting with a common purpose when the contribution is made intentionally and with the object of carrying out the terrorist act or with knowledge of the group's intention to commit a terrorist act.

## **5 Principles**

**a) Transparency and Accountability**

The policies, plans, actions, as well as the progress and results achieved in the fight against ML/TF, must be communicated in a strategic and timely manner, according to the law, when applicable.

**b) Efficiency**

Available resources should be optimized, seeking innovation and continuous improvement in the fight against ML/TF.

**c) Efficacy**

Action in the fight against ML/TF should be oriented towards achieving goals and obtaining results.

**d) Confidentiality and Reserve**

The information, documentation, data and images corresponding to the client, as well as the related acts or operations must be handled with absolute confidentiality.

# Priority Axes

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### 6.1. Prevention

- Profonanpe will implement ex ante controls in order to timely identify risks related to money laundering and terrorism financing in the entity.
- Profonanpe will implement procedures for an adequate identification of its clients (donors, executors, implementing partners, among others), in order to be able to determine their risk profiles and take the respective measures.

### 6.2. Detection

- Profonanpe will apply due diligence measures (simplified or enhanced) according to the risk profiles identified in its clients.
- Profonanpe will implement instruments for the adequate management of registered risks.

### 6.3. Capacity Building

- Profonanpe will design a plan for professional training and capacity building in topics related to money laundering and terrorism financing, to enable the implementation of this Policy and its Action Plan.
- Profonanpe will organize events and activities to raise awareness about money laundering and terrorism financing.

### 6.4. Communication

- Profonanpe will timely report identified suspicious transactions to the Financial Intelligence Unit (FIU) - Peru, through the Compliance and Integrity Officer.

# 7 Implementation and Monitoring

The Office of Compliance and Integrity is responsible for the implementation and monitoring of the Anti-Money Laundering and Counter-Terrorism Financing Policy.

In this regard, the OCI will be responsible for preparing and submitting quarterly reports to the Executive Directorate on the progress and effectiveness of this Policy.





## Dissemination

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Profonampe will publish this Policy on the institution's website and will disseminate its implementation through its internal channels. Likewise, this content will be disseminated in the induction program provided to all employees at the beginning of their employment.

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## Effective Date

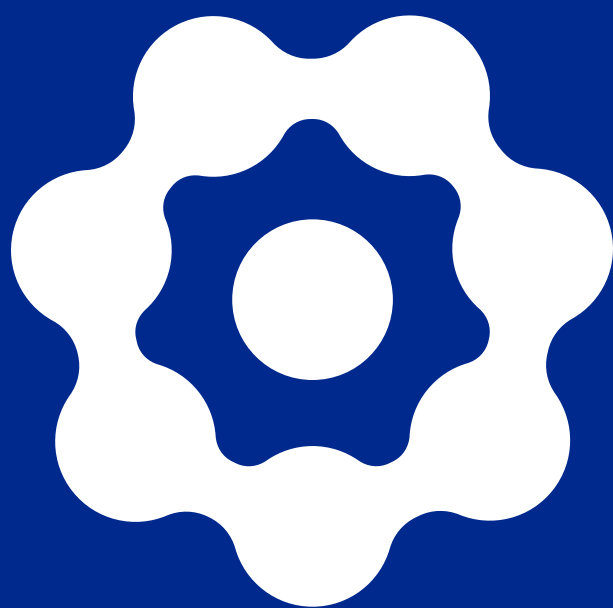
The Anti-Money Laundering and Counter-Terrorism Financing Policy will be effective the day after its approval by Profonampe's Executive Directorate.

## Review and Update

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This policy must be reviewed annually by the Compliance and Integrity Officer and provided there is a significant change in the institution.

Any modification to this policy shall be approved by the Chief Executive Officer.



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