

CHERRY BANK S.p.A.

AML Declaration

Cherry Bank operates under license of Bank of Italy in accordance with the current regulatory framework, internal Policies and Procedures aimed at ensuring compliance with all domestic and EU applicable legislations and its Code of Ethics.

For information about the Bank's UBO please refer to contents published on the bank website:

<https://www.cherrybank.it/normativa/>

ANTI-MONEY LAUNDERING IN ITALY: LAWS AND REGULATIONS

FOR THE PREVENTION AND COUNTERING OF MONEY LAUNDERING AND TERRORISM FINANCING

The Anti-Money Laundering (AML) and Counter Terrorism Financing (CTF) regulatory framework is based on a comprehensive set of national, EU and international regulatory sources. EU guidelines on preventing the use of the financial system for money laundering and terrorism financing are contained in EU Directive 2015/849 of the European Parliament and of the Council dated May 20th 2015 (Fourth Anti-Money Laundering Directive), implemented by EU Directive 2018/843 (Fifth Anti-Money Laundering Directive).

At the national level, prevention and fight against money laundering and terrorism financing is regulated by the following primary laws:

- Italian Legislative Decree no. 109 of 22 June 2007 which sets forth "Provisions to prevent, counter and repress the financing of terrorism and the activity of Countries that threaten peace and international security", as modified by Legislative Decree 90/2017 which implemented Directive 2015/849/EU.
- Italian Legislative Decree no. 231 of 21 November 2007, transposing EU Directive 2015/849 of the European Parliament and of the Council of 20 May 2015 (Fourth Anti-Money Laundering Directive) and EU Directive 2018/843 (Fifth Anti-Money Laundering Directive, as modified by Legislative Decree 90/2017 which implemented Directive 2015/849/EU and by Legislative Decree 125/2019 which implemented Directive 2018/843/EU;

Cherry Bank spa has transposed these decrees in its internal regulatory documents.

On its activities of prevention and countering of money laundering and terrorism financing, the Bank is subject to the constant review by its domestic Regulator Bank of Italy.

POLICY ON PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING

Cherry Bank spa is committed in its activity of preventing money laundering of proceeds from criminal activities and the financing of terrorism, by complying with the recommendations of the Financial Action Task Force on Money Laundering and the European Union directives on the matter, and therefore to carry out proper controls according to International and National standards.

To mitigate the risk of non-compliance with anti-money laundering and counter-terrorism financing requirements, Cherry Bank spa adopted a procedure that involves the following activities:

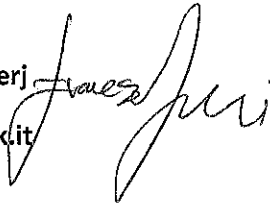
- Identifying the risk of non-compliance with AML/CTF requirements;
- Gap analysis and assessing the status of compliance;
- Management and mitigation of AML/CTF risks;
- Compliance controls (ex-ante and ex-post);

- Advisory and support to Management and branches network on AML/CTF issues;
- On-going AML/CTF risks monitoring and control;
- Specific reporting to top management, governing bodies, supervisory bodies and regulators;
- Structuring and provision of specific AML/CTF training courses.

CHERRY BANK SPA

Head of AML/CFT – Francesco Silverj

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A handwritten signature in black ink, appearing to read 'Francesco Silverj', written over the printed name.