

# THE AML COMPLIANCE JOURNEY

## CONDUCT A MONEY LAUNDERING RISK ASSESSMENT

### ML/TF RISK ASSESSMENT FRAMEWORK

- Initial and ongoing Risk Assessment
- Nature, size & complexity
- Company information
  - Environmental Risk
  - Customer Risk
  - Business Risk
  - Channel Risk
  - Product / Service Risk
  - Country Risk
- Triggers to refresh - changing risk profiles

## DESIGN THE ANTI-MONEY LAUNDERING PROGRAM

### DESIGN AND DEVELOP RISK ASSESSMENT BASED SYSTEMS AND CONTROLS

- Develop AML Program proportionate to risks
  - Internal Risk
  - 3rd Party Risk
- Develop operational procedures that align to the AML Program
- Board adoption and signoff of AML Program

## IMPLEMENT AND OPERATIONALISE THE ANTI-MONEY LAUNDERING PROGRAM

### KNOW YOUR CUSTOMER

- KYC Policies and Procedures
- Collect and Verify KYC data
- Customer Risk Assessment
- Customer screening
- Enhanced CDD
- Ongoing CDD
- KYC Refresh and Remediation

### KNOW YOUR EMPLOYEE

- HR Policies and Procedures
- Define Key Risk Rolls
- Pre and Post Employment Screening
- Initial and ongoing Know Your Employee

### AML RISK AWARENESS TRAINING

- Training procedures
- Induction Training
- Ongoing Training
- Role-based Training
- Competency Testing
- Additional Training

### TRANSACTION MONITORING

- Transaction monitoring procedures
- Client, account and transaction monitoring
- Data feeds
- Define / Refine Rule logic
- Alert Mgmt.
- Investigation
- Case Mgmt.
- Lodge Suspicious Matters

### REGULATORY REPORTING

- Cash Transactions
- EFT / IFTIs
- Suspicious Matter Reports
- Compliance Reporting
- Internal Reports
- Regulatory Relationship Management

## ASSESS DESIGN AND OPERATIONAL EFFECTIVENESS OF PROGRAM

### INDEPENDENT REVIEW OF AML PROGRAM

- Assess compliance against obligations
- Control testing
  - Design effectiveness
  - Operational effectiveness
- Action / Issue tracking
- Report writing
- Operational dashboards
- Data analytics and compliance benchmarks
- Close compliance gaps and make improvements

### GOVERNANCE AND OVERSIGHT

- Appoint AML Compliance Officer
- Board / Executive Management Oversight

- Executive ML/TF Awareness Training
- Regulatory Relationship Management

### RECORD KEEPING

- AML Program
- Customer Identification Program

- Transaction Monitoring Program
- KYE / Training / Reporting Programs

### AML PROGRAM ADMINISTRATION

- Registration with regulators
- Designated business group setup / maintenance

- 3rd party dependencies / agreements
- Track & incorporate regulatory changes