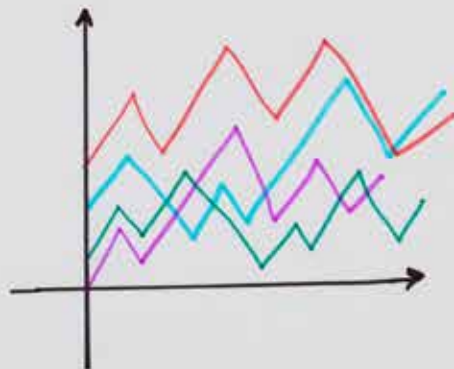


ENHANCED CUSTOMER DUE DILIGENCE (EDD) & RISK SCORING



21
OCT 2026



COURSE OVERVIEW

This one-day training provides a practical overview of identifying and managing high-risk customers.

Participants will learn key EDD requirements, customer risk factors, risk-scoring approaches, PEPs, beneficial ownership, source of funds/wealth, adverse media, ongoing monitoring, and appropriate escalation and documentation practices.



FEE:
PKR 18,000
(Plus Tax)

COURSE OUTLINES

AML/CFT/CPF & CDD Refresher

Understanding the regulatory environment in Pakistan

CDD fundamentals

- Customer identification and verification.
- Understanding the purpose and intended nature of the relationship.
- Identification of beneficial owners.
- Understanding ownership and control structures.
- Customer information and documentation.
- Ongoing CDD.
- CDD vs SDD vs EDD
- When normal CDD is sufficient?
- Circumstances where simplified measures may apply.
- When EDD becomes necessary?
- Proportionality of controls to risk.

Risk-Based Approach & Customer Risk Profiling

- What is a Risk-Based Approach?
- Inherent risk vs residual risk.
- Customer risk vs transaction risk vs product risk.

Customer-related risk

Geographic risk

Product/service risk

Channel risk

Customer Risk Profile

- Low Risk
- Medium Risk
- High Risk

Enhanced Due Diligence

When should EDD be triggered?

- High-risk customers.
- PEPs, family members and close associates.
- Higher-risk jurisdictions.
- Complex ownership structures.
- Unusual or unexplained transactions.
- High-risk products/services.
- Unusual cross-border activity.
- High-risk businesses.
- Other situations identified through the bank's risk assessment.

What does effective EDD look like?

Source of Funds vs Source of Wealth

Source of Funds (SoF)

Where did the particular funds involved in the transaction come from?

Source of Wealth (SoW)

How did the customer accumulate their overall wealth?

EDD for Higher-Risk Customer Categories

PEPs

Legal Persons & Complex Ownership

Cash-Intensive Businesses

NPOs/NGOs/Charities

Non-Resident / Cross-Border Customers

Ongoing CDD, Transaction Monitoring & Re-Rating

- Periodic customer review.
- Trigger-based reviews.
- Change in ownership.
- Change in business activity.
- Significant transaction.
- Change in transaction pattern.
- New geographic exposure.
- New products/services.
- Change in PEP status.
- Regulatory/legal developments.
- Transaction monitoring alerts.

Documentation, Governance & Audit Readiness

- EDD checklist.
- Risk-rating rationale.
- Evidence supporting the risk score.
- Source of wealth/source of funds documentation.
- Approval records.
- Monitoring rationale.
- Review dates.
- Escalation records.
- Audit trail.

Common weaknesses to discuss

- "High risk" selected without explanation.
- Risk score not supported by evidence.
- Generic EDD questionnaires.
- Inadequate UBO identification.
- Weak SoW/SoF analysis.
- No documented rationale for management approval.
- EDD performed at onboarding but not updated.
- Customer risk rating disconnected from transaction monitoring.

WHO SHOULD ATTEND?

- AML/CFT Compliance Officers and Managers
- Customer Due Diligence (CDD/KYC) Officers
- Risk Management Professionals
- Financial Crime Compliance Teams
- Compliance Monitoring and Assurance Teams
- Internal Audit Professionals
- Branch Managers and Operations Staff
- Relationship Managers and Customer Onboarding Teams
- Transaction Monitoring and Financial Crime Investigators

FACILITATOR

Mr. Usman Ali Khan is a highly experienced and accomplished professional in the field of training and development. With over 17 years of expertise in Anti Financial Crime Compliance Controls and Governance, he brings a wealth of knowledge and practical insights to his training sessions. He is a Certified Anti-Money Laundering Specialist (CAMS) from ACAMS. He has worked with renowned international and national financial institutions and banks, holding senior and management-level positions.

TRAINING MANAGER: FARAH KHAN

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