AML & CTF Policy

Introduction

Wingo Group Ltd (the **"Company"**) is committed to the highest standards of compliance against money laundering (AML) and anti-terrorist financing (CTF). The objective of the Company's Policy against Money Laundering and Terrorism Financing is to actively prevent the risks of these matters. To help the government combat the financing of terrorism and money laundering activities, the law requires all legally obliged institutions to obtain, verify, and record information that identifies each person who opens a trading account. We have an obligation to report suspicious clients' activity related to money laundering or terrorism financing, to an appropriate authority.

Money Laundering: The process of converting funds received from illegal activities (such as fraud, corruption, terrorism, tax evasion etc.) into other funds or investments that appear legitimate to hide or distort the actual source of funds.

Terrorist financing: The offense committed by any person who, by any means, directly or indirectly, unlawfully and willfully provides or collects funds with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out acts intended to cause death or serious bodily injury to civilians or non-combatants.

The Company is committed to be in compliance with all applicable laws and regulations regarding anti-money laundering and terrorist financing in the jurisdiction where it is registered, international practice and standards. The Company adheres to the principles of AML and CTF, and actively prevents any action that targets or facilitates the legalization process of illegally obtained funds.

The Company's AML & CTF policy aims to prevent the use of its services by criminals for money laundering, terrorist financing or any other criminal activities.

To prevent money laundering, the Company does not accept or pay in cash under any circumstances. The Company reserves the right to suspend the operations of any client, which may be considered illegal or, in the opinion of the Company, related to money laundering, terrorist financing.

Company procedures

Proper AML/CFT measures and processes are designed and implemented by the Company. So, the Company:

- Identifies and verifies each client, its representatives, beneficial owners, performs proper due diligence;
- Implements appropriate internal controls, ongoing monitoring of clients, their transactions;
- Maintains record keeping in accordance with applicable laws and regulations;
- Keeps proper records;
- Implements other processes and measures as required by the applicable AML/CFT regulations.

Know Your Customer

Know Your Customer (KYC) is the process of a business identifying and verifying the identity of its clients. The objective of KYC guidelines is to prevent financial institutions from being used, intentionally or unintentionally, by criminal parties for money laundering activities. Related procedures also enable these institutions to better understand their clients and their

financial dealings. This helps them to manage their risks prudently. Compliance with AML, KYC and sanctions requirements continues to be a key focus area for management, and the Company is taking all necessary steps and precautions to ensure that it is following appropriate compliance procedures to meet the increasing regulatory demands.

KYC controls typically include the following:

- Collection and analysis of basic identity information ("Client Identification Program" or CIP);
- Name-matching against lists of known parties (such as "politically exposed persons" or PEPs);
- Name-screening against sanctions lists;
- Determination of the client's risk in terms of propensity to commit money laundering, terrorism financing, or identity theft;
- Creation of an expectation of a client's transactional behaviour;
- Monitoring of a client's transactions against expected behaviour and recorded profile, as well as that of the client's peers;
- Identification of clients with inappropriate intentions to help to detect suspicious activity in a timely manner, preventing money laundering or terrorist financing;
- Promotion of compliance with all regulations;
- Promotion of safe and sound funds transfer practices;
- Minimization of the risk of services being used for illicit activities;
- Protection of the Company's reputation.

Client due diligence (CDD) forms an integral part of a global effort to combat money laundering, terrorist financing and fraudulent activities. Under this approach, the Company will collect information upon trading account opening, as well as on a periodic basis and from time to time, as required, to identify our clients and develop an understanding of their normal, expected funds transfer activities.

Every client, including its beneficial owners, connected parties and natural persons appointed to act on behalf of, will be subject to background screening against relevant money laundering and terrorism financing information sources, as well as lists and information provided by relevant authorities for the purposes of determining if there are any money laundering or terrorism financing risks in relation to the client.

The Company applies **enhanced due diligence** (EDD) for clients, being residents of countries, identified by credible sources as countries, as having inadequate AML/CTF standards, or who may pose a high risk of crime and corruption, and where beneficial owners of such clients reside in and whose funds are sourced from named countries. EDD could take many forms, from gathering additional information to verify the client's identity or income source(s), or perhaps an adverse media check. These checks should be relative and proportionate to the level of risk identified, providing confidence that any risk has been mitigated, and that the risk is unlikely to be realized. Approval must be obtained from the Company's Board of Directors before establishing or continuing a business relationship with the high-risk client or undertaking any transaction for the high-risk client. The Board of Directors shall provide and record written reasons for its decision as to whether to approve or reject a high-risk client.

Client Identification Program

The Company does not give client the option of dealing with them anonymously, or under a pseudonym. Due to the Company's commitment to AML and KYC policies, each Company's client must complete an identification and verification procedure. Before the Company

initiates any cooperation with the client, it ensures that satisfactory evidence is presented or other measures are taken that produce satisfactory proof of the identity of any client, its representatives, beneficial owners.

For the smooth and efficient process, the Company will use electronic verification, which allows Company to verify client's identity by using electronic tools and external data sources. In order to verify your identity electronically, we will ask you for your details (such as your name, address, and date of birth) and details of your identification documents. This information will be passed on to external organizations to match your information with information on their databases electronically. To do so:

• **Individual clients** must adequately identify and verify their identity, including information relating to the person's name and address, the national identity card, social security document, passport, or other applicable official identifying document.

• **Corporate clients** should adequately identify the beneficial owner of such entity, and take reasonable measures to identify and verify its ownership and control structure, including information relating to the client's name, legal form, head office address, and identities of directors; the principal owners and beneficiaries and control structure; provisions regulating the power to bind the entity and to verify that any person purporting to act on behalf of the client is so authorized and identify those persons.
In the event that a corporate client is listed on a recognized or approved stock exchange or when there is independent evidence to show that the corporate client is a wholly owned subsidiary or a subsidiary under the control of said company, no further steps will normally be taken to verify the identity of beneficial owners, and simplified DD is implemented.

The Company can also use the external data sources to verify client's identity, including:

- Credit information files held by the Company (this is only to confirm client's identity and is not a credit check);
- Publicly available information such as the electoral roll and white pages;
- Information held by the official record holder via third party systems.

In the course of KYC check, the Company has the right to request additional copies of documents confirming client's identity or the identity of individuals in the corporate structure of corporate client, as well as documents confirming the place of living and lawful possession and legal origin of funds. The Company also has the right to demand the provision of other documents or original documents for review.

PEPs, Sanctions lists

The Company determines if the client, beneficial owner, director of the corporate client is a politically exposed person (**"PEP"**), a close associate of a PEP, or a PEP's family member. Any relationship with a PEP is automatically considered high-risk.

The Company is responsible for ensuring that it does not conduct business with individuals or entities subject to sanctions laws. To fulfill this responsibility, the Company implements screening procedures for all clients against applicable sanctions lists.

Tracking client's activity, transactions monitoring

In addition to collecting client information, the Company continues to monitor the activity of each client to identify and prevent any suspicious transactions. A suspicious transaction is known as a transaction that is not consistent with the legitimate business of the client or with the transaction history of the regular client known by tracking client activity. The Company has implemented proper transactions monitoring processes (both automatic and, if necessary, manual) to prevent criminals from using the Company's services.

Ongoing monitoring of the clients' activities by the Company includes:

- Identifying suspicious activity through regular ongoing transactions monitoring;
- Conducting enhanced due diligence when necessary to assess potential risks.

Ongoing transactions monitoring of client relationships involves:

- Reviewing transactions within the business relationship to confirm they align with the Company's understanding of the client, the nature and scope of their business;
- Verifying the source of funds, source of wealth, and assets under the client's control, when circumstances justify such investigation;
- Ensuring that all documents, data, or information related to the business relationship are current and accurate, duly recorded.

Record keeping and maintenance

Records must be kept of all transaction data and data obtained for identification purposes, as well as all documents related to money laundering issues (e.g. suspicious activity reporting files, AML account monitoring documentation, etc.).

The Company maintains up-to-date records, ensuring that all documents, data, or information collected during the client due diligence process remain updated and relevant.

Those records are kept for a minimum of 7 years after the trading account is closed.

Measures taken

In cases of an attempt to execute transactions that the Company suspects are related to money laundering or other criminal activity, it will proceed in accordance with applicable law and report the suspicious activity to the regulatory authority.

The Company reserves the right to suspend the operation of any client, which may be considered illegal or may be related to money laundering in the opinion of the Company.

The Company has full discretion to temporarily block the suspicious client's account or terminate a relationship with an existing client.

This AML & CTF Policy is an integral part of any agreement concluded between the Client and the Company. Non-compliance with this Policy can be grounds for termination of the agreement at the Company's sole discretion.

Should you have a question about our AML & CTF Policy, please direct your questions to support@wingomarkets.com.