

Anti-Money Laundering Policy

POL.24-01

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1. Setting the Context

It is our policy to conduct all of our business in an honest and ethical manner. Complying with the international and national laws as well as Anti-Money Laundering Regulations and Laws in the UK sits at the core of the business and operations of Kew Soda Ltd and its subsidiaries (references to “Company”, “WE Soda”, “Group”, “we”, “our”, “us”, and similar shall refer to the Kew Soda Group). This Policy supports Kew Soda Group to comply fully with all UK legislation and all relevant overseas legislation in relation to Anti-Money Laundering and to ensure it minimizes the risks of money-laundering in its operations. We take a zero-tolerance approach to money-laundering and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

1.1 Purpose of this Policy

This policy aims to inform our employees of the objectives we have set regarding money-laundering matters and the measures we are pursuing to achieve these goals. It is important that our all relevant employees are familiar with this policy to ensure our collective approach.

1.2 Scope of this Policy

This policy applies to all employees of the Kew Soda Group, working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, in all jurisdictions and any other affiliates of the Group. This policy does not cancel or override existing local and location-specific policies that are already in place in respect of our operations, but aims to supplement, unify and consolidate our objectives, requirements and policy statements on a Group level.

In this policy, **third party** means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

1.3 Roles & Responsibilities

To ensure effective understanding and implementation of this policy, we have delegated the following roles and responsibilities:

Role	Responsibilities
Employees	<ul style="list-style-type: none"> • Read, understand and follow the contents of this policy • Report non-compliance with this policy directly via Company's available reporting channels
Chief Finance Officer	<ul style="list-style-type: none"> • Approving and signing this policy • Ensuring the implementation of this Policy • Ensure that employees are given the necessary resources to ensure compliance with the policy • Such resources may include supporting documents, additional guidelines, training or internal procedures
Global Head of Compliance	<ul style="list-style-type: none"> • Coordinating with the Chief Finance Officer the implementation of Know Your Business Partner Due Diligence process • Updating and reviewing this policy on an annual basis

The primary point of contact for any questions or concerns related to the contents of this policy is the Chief Finance Officer and his/her delegate.

2. What is Money-Laundering?

Money laundering is the process of illegally concealing the origin of money, obtained from illicit activities such as [drug trafficking](#), [corruption](#), [embezzlement](#) or [gambling](#), by converting it into a legitimate source, or commerce.

3. Anti-Money Laundering Laws

Under relevant laws in many jurisdictions in which the Company operates, it is a crime to engage in prohibited conduct regarding Money-Laundering regardless of whether that conduct involves Government Officials or private persons in business relationships.

It is also common in many jurisdictions for the improper acts of third-party agents or representatives to create criminal liability for the entities for whom those representatives and agents work.

Regardless of local custom or practice, it is not permissible to engage in conduct that is, or would appear to be, a violation of the law.

4. Potential Risk Scenarios: “Red Flags”

Although it is not possible to give a definitive and complete list of warning signs to spot money laundering, the following are types of risk factors which may, either alone or collectively, suggest the possibility of money laundering activity:

- A new customer, business partner or sponsor / donation recipient not known to the Company
- A customer from a country known to carry a high level of risk (such as a sanctioned country, or country with known high levels of financial fraud or corruption) – *for details refer to Anti-Bribery and Corruption Policy and Sanctions Policy*
- A secretive person or third party e.g. that refuses to provide the requested information without a reasonable explanation.
- A request to pay a substantial sum in cash to the Company
- Concerns about the honesty, integrity, identity, or location of the people involved
- Involvement of an unconnected third party without a logical reason or explanation
- Overpayments for no apparent reason, and requests to pay the difference back to a third party
- Absence of any clear legitimate source for the funds received
- Significant changes in the size, nature, and frequency of transactions with a customer that are without reasonable explanation
- Cancellation, reversal or requests for refunds of earlier transactions
- Requests for account details outside the normal course of business
- A history of poor business records, controls or inconsistent dealing
- Receipt of a payment for which the Company has not issued an invoice or has not received a service
- Receipt of the payment from an unconnected third party which is different from the sold-to or ship-to entity stated in the legal documents such as agreement, Purchase Order, Terms and Conditions etc.
- Any other facts which tend to suggest that something unusual is happening and give reasonable suspicion about the motives of individuals

5. Controls

5.1 Due Diligence

Due diligence is the process by which Company ensures the legitimate business rationale for the funds it receives and can be confident that it knows the people and organisations with whom it works.

In this way, the Company can evaluate better the risks and manage them. Due diligence should be carried out before the funds are received.

In this regard, due diligence means:

- identifying and verifying the identity of a payer or a payee, typically a distributor or end customer
- where the payment is to come from or to be made by a third party on behalf of the distributor or end customer, identifying and verifying the identity of that third party
- identifying and verifying the source of funds from which any payment made and
- identifying and in some circumstances verifying the source of wealth from which the funds are derived. Source of funds refers to where the funds in question are received from. The most common example of a source of funds is a bank account.

As additional controls:

- No cash or cash equivalent payments such as bank cheques, gift cards etc is accepted
- Different payment routes which includes different geographical coverage is not accepted
- Suspicious payment receipts are monitored periodically by Finance Director and investigated where necessary
- No payment can be made other than to the original payer stated in the agreement

5.2 Screening

As a part of “Know Your Business Program”, the Company conducts sanction screening during the onboarding process of a distributor located in high-risk countries defined within the Sanction Policy which covers the relevant Anti-Money Laundering sanction list checks.

5.3 Training

All staff undertaking a finance function will receive annual refresher anti-money laundering and counter-terrorist finance training.

5.4 Monitoring and Auditing

3rd Party-managed books and records audit is executed yearly.

6. Record Keeping

We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties or receipt of payments specifically for overseas payments.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

Personal bank accounts or unapproved payment routes should not be used, whether directly or indirectly, to accomplish what is otherwise prohibited by this policy.

7. How to raise a concern

You are encouraged to raise concerns about any issue or suspicion of money laundering at the earliest possible stage via the Company’s available reporting channels in accordance with our Whistleblowing Policy.

8. Policy Review and Sanctions

8.1 Policy Review

This policy and all of its related statements and objectives should be reviewed annually, or more frequently if relevant legislation is enacted or other material changes occur, in order to uphold its accuracy and validity and to reflect the progress on time-bound objectives.

8.2 Corrective Action

In the event of non-compliance with this policy, we reserve the right to take corrective and/or disciplinary action as appropriate.

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