



Aligned Investment Management Ltd

Anti-Money Laundering Policy

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1. Policy Statement

This Anti-Money Laundering Policy (the “Policy”) provides guidance and requirements of Aligned Investment Management Ltd and its subsidiaries and controlled entities (collectively, “ALIGNED”) for staff and/or third-party service providers on how to recognise, mitigate and report unusual and suspicious transactions or third parties in their daily work.

ALIGNED is committed to conducting all our business, wherever it takes place in the world, honestly and ethically, in accordance with our Code of Business Conduct and Ethics. As part of this culture, we are determined to ensure that we do not help criminals conceal, move or use the proceeds of their crimes.

Combating money laundering is an important part of the global fight to thwart drug dealing, organised crime and terrorist financing. There are strict international laws targeting those who engage in or assist with concealing or disguising the profits from these illegal activities, with severe penalties for individuals or companies involved. ALIGNED takes its legal responsibilities in this area seriously and is committed to complying with all the relevant laws, as per our Code of Business Conduct and Ethics.

2. To whom does this Policy apply?

This Policy applies to all ALIGNED staff working at all levels and grades, including any Director, directors, officer senior management, employees (whether permanent, fixed-term or temporary) and all third-party service providers working with or alongside staff, such as agents, consultants, contractors, trainees, seconded staff, casual workers, agency staff, volunteers and interns (collectively “Staff Members”).

In this Policy, a counterparty (a “Counterparty”) means any individual or entity with whom ALIGNED enters into a contractual relationship or transacts, including vendors, suppliers, distributors, brokers, and other contractors.

Each Staff Member must become familiar with the principles in this policy and integrate them into every aspect of ALIGNED's business. Therefore, all employees are required to comply with this policy. This policy sits alongside ALIGNED's Code of Business Conduct and Ethics.

3. What is Money Laundering?

Criminal activity often generates the proceeds of crime. When an individual moves, conceals or uses these proceeds, or assists someone else to do so, this is “money laundering”, in that it helps criminals to benefit from their crimes. Money laundering is a very broad offence where even being the subject of reasonable suspicion of involvement in an arrangement concerning criminal proceeds is a crime.

Sections 1 and 2 of the Anti-Money Laundering Act 2008 (Act 749) state clearly what constitutes the offence of money laundering. It goes a step further by making it an offence where one ought to have known that the activity described in the Act would constitute an offence under the Act. Section 2 of the same Act makes it a crime if a person who ought to have known that another person has obtained proceeds from an unlawful activity and enters into an agreement with that person. The penalty for any of the above can range from a fine to a term of imprisonment of not less than twelve months.

Money laundering can arise from any type of crime including, but not limited to, proceeds derived from fraud, tax evasion, theft and corruption.

Related to money laundering is “terrorist financing.” This may not directly involve the proceeds of criminality, but instead entail an attempt to conceal either the source of an individual or entity’s funds or what they will be used for, which could be for criminal purposes. Although the motives of traditional money launderers and terrorist financiers differ, the actual methods used to finance terrorist operations are often the same or close to the methods that are employed by criminals.

If a Staff Member is in any doubt about what constitutes money laundering, they should seek guidance from the Chief Financial Officer.

ALIGNED mitigates the risk of being involved in money laundering by conducting appropriate checks on our Counterparties and by being vigilant for unusual activity and red flags.

4. Know Your Customer and Due Diligence

Knowing who ALIGNED does business with is a critical part of ensuring that we do not inadvertently become involved in any criminal activity, including money laundering. The “Know Your Customer” (the “KYC”) process may include verifying the identity, legality, reputation, experience, business integrity, technical and commercial capability and track record of our Counterparties. ALIGNED makes sure that the KYC process on each potential individual or company we want to deal with is carried out in order to ensure that we do not increase our business, legal or reputation risks by association with them.

“Due diligence” is a more detailed investigation into the dealings of an individual or business that is used to determine potential liabilities which may result from higher stake collaborations such as an acquisition, joint venture, or merger.

ALIGNED carries out risk-based due diligence which includes the consideration of money laundering risk. This may involve verifying a Counterparty’s source of funds for a particular transaction, or their source of wealth more broadly, to confirm that these are not derived from any illegal activity. The level and complexity of the due diligence that is carried out are proportionate to the perceived risk and may range from simplified due diligence for low-risk Counterparties to extensive enquiries for high-risk Counterparties.

The Chief Financial Officer is responsible for conducting the appropriate level of risk-based KYC and due diligence checks on ALIGNED’s Counterparties in accordance with laid down

procedures. Staff Members must confirm that checks have been conducted and documented for all Counterparties that they do business with, bearing in mind that a Counterparty's risk rating may change in response to events or negative news, which may create additional due diligence requirements.

If a Staff Member wishes to transact or enter into business with a new Counterparty, he/she must first refer that Counterparty to the Chief Financial Officer for the appropriate KYC and due diligence checks. Staff Members must not trade or transact with any Counterparty that has not undergone the appropriate checks, regardless of how confident they are in the Counterparty's legitimacy.

The following entities are so associated with money laundering risks that Staff Members are prohibited from engaging in any transactions or other business with them:

- unlicensed banks;
- shell banks;
- unlicensed and unregistered Money Service or Money Transmission Businesses;
- any other individual or entity with whom transacting or doing business has been prohibited by the Legal and Compliance Department.

5. Unusual and Suspicious Activity

Staff Members must always be vigilant for unusual or suspicious activity by Counterparties that they do business with, as these may be indicators of potential money laundering.

"Unusual" activity may include a transaction, or pattern of transactions that is inconsistent in amount, origin, destination, or type with a Counterparty's known, legitimate business or personal activities. If appropriate inquiries do not yield any satisfactory explanation of the unusual activity, it may be regarded as "suspicious".

If a Staff Member believes that a Counterparty's activity is unusual he/she should consult the Chief Financial Officer immediately, who will then advise him/her on what inquiries to conduct to determine whether the activity is suspicious.

Staff Members should also be aware of the following "red flags" for potential money laundering and should seek advice from the Chief Financial Officer whenever they encounter them:

- being asked to make a payment or transaction in cash;
- being asked to make a payment to a bank or beneficiary different from the Counterparty's usual account;
- being asked to accord an undue level of secrecy to a transaction;

In general, Staff Members should avoid cash transactions, as these can often be vehicles for illegal activity such as money laundering.

The Chief Financial Officer will inform the Directors of all suspicious activity reports for consideration of whether these require a change in any of our policies or procedures.

6. Staff Member Responsibilities

All Staff Members must ensure that they read, understand and comply with this Policy and attend all mandatory training in relation to it.

All Staff Members are required to avoid any activity or behaviour that might lead to, or suggest, a breach of this Policy. This includes deliberately transacting with a Counterparty that the Staff Member knows has not undergone appropriate due diligence, failing to report or concealing unusual activity by a Counterparty, or willfully ignoring money laundering red flags.

ALIGNED takes breaches of this Policy very seriously, and these may have consequences up to and including termination of employment. ALIGNED also reserves the right to seek to terminate any contractual relationship with other parties, such as workers, consultants or agents, if they breach this Policy.

Staff Members must notify their line manager, the Chief Financial Officer or the Directors as soon as possible if they know or suspect that a breach of this Policy has occurred. Should an individual not do so, they may be liable to prosecution.

Alternately, ALIGNED operates a support line for Staff Members to raise breaches of this Policy confidentially and anonymously.

7. Who is responsible for the Policy?

The Directors have ultimate overall responsibility for ensuring this Policy meets all our legal and ethical obligations, and that all those in ALIGNED's employment comply with it.

The Chief Financial Officer has primary and day-to-day responsibility for implementing this Policy, monitoring its use and effectiveness, and dealing with any immediate queries on its interpretation. He/she may escalate related issues to the Directors at his/her discretion.

The Chief Financial Officer will discuss any breaches of the Policy with the relevant Staff Member's line manager to determine appropriate consequences, and may further escalate the breach to the Directors as necessary.

Management at all levels is responsible for ensuring those reporting to them are made aware of and understand this Policy and are given adequate and regular training on it.

8. Record Keeping

The Chief Financial Officer will keep a record of all referrals made and any action taken or not taken. The precise nature of these records is not set down in law but should be capable of providing an audit trail during any subsequent investigation.

9. Monitoring and Review

The Directors will review the implementation of this Policy on an annual basis, considering its scope, efficiency and effectiveness. All updates or amendments made by the Directors to the Policy will be communicated to Staff Members as soon as possible.

The Chief Financial Officer will collect anonymous management information in relation to reports of unusual activity for consideration by the Directors when it reviews this Policy.

Staff Members are invited to comment on this Policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Chief Financial Officer in the first instance and will be escalated to the Directors as appropriate.

10. Miscellaneous

This Policy does not form part of any Staff Member's contract of employment and may be amended at any time. This policy will be made available to all Staff Members.

The Directors approved this Anti-Money Laundering Policy on the 15th of January 2025.