

## **Anti-Money Laundering Policy**

### **1. Introduction**

Cannel Private Limited (“the Company”) is committed to preventing its services from being used to facilitate money laundering, terrorist financing, or any other illicit activities. This Anti-Money Laundering (AML) policy outlines our commitment to implementing effective measures to detect and prevent money laundering activities in accordance with relevant laws and regulations.

### **2. Objective**

The objective of this policy is to establish guidelines and procedures for the Company employees to follow when dealing with customers, transactions, and other activities that may present a risk of money laundering or terrorist financing. It aims to ensure compliance with applicable laws and regulations, protect the integrity of our operations, and maintain the trust of our stakeholders.

### **3. Scope**

This policy applies to all employees, officers, and directors of the Company, regardless of their position or level of responsibility. It covers all business operations and activities conducted by the company, including but not limited to customer onboarding, transactions processing, record-keeping, and reporting.

### **4. Policy Statement**

The Company is committed to maintaining a robust AML program and will take all necessary steps to prevent its services from being exploited for money laundering or terrorist financing purposes. The company will:

- a) Conduct regular risk assessments to identify and evaluate the risks associated with its operations and customers.
- b) Implement appropriate customer due diligence (CDD) measures to verify the identity of customers and understand the nature of their transactions.
- c) Apply enhanced due diligence (EDD) measures for higher-risk customers, business relationships, and transactions.
- d) Monitor customer activity for suspicious transactions and report such activity to the appropriate authorities.
- e) Maintain comprehensive records of customer information, transactions, and due diligence procedures.
- f) Provide ongoing training and awareness programs to ensure that employees understand their obligations and responsibilities under the AML policy.
- g) Conduct regular compliance monitoring to assess the effectiveness of AML controls and identify areas for improvement.
- h) Establish clear reporting and escalation procedures for suspected money laundering or non-compliance with the AML policy.

i) Take appropriate disciplinary actions against employees found to be in violation of the AML policy.

## **5. Responsibilities**

The ultimate responsibility for ensuring compliance with this AML policy rests with the senior management of the Company. However, all employees have a role to play in preventing money laundering, and their responsibilities include:

- a) Familiarizing themselves with the AML policy and related procedures.
- b) Conducting customer due diligence (CDD) in accordance with the prescribed procedures.
- c) Reporting any suspicious activity or transactions to the designated AML compliance officer.
- d) Keeping accurate and up-to-date records of customer information and transactions.
- e) Participating in training programs to enhance their understanding of money laundering risks and prevention measures.
- f) Cooperating fully with internal and external audits and investigations related to AML compliance.

## **6. Risk Assessment**

The Company will conduct regular risk assessments to identify and evaluate the risks associated with its operations and customers. The risk assessment will consider factors such as the nature of the company's products and services, customer types, geographical locations, and transaction volumes. The results of the risk assessment will inform the implementation of appropriate risk-based controls and due diligence measures.

## **7. Customer Due Diligence (CDD)**

CDD measures are designed to verify the identity of customers, understand the nature of their business relationship with the Company, and assess the money laundering risks associated with their transactions. The CDD procedures will include the collection of customer identification documents, verification of the customer's identity through reliable sources, and ongoing monitoring of the customer's transactions for any unusual or suspicious activity.

## **8. Enhanced Due Diligence (EDD)**

For higher-risk customers, business relationships, or transactions, the Company will apply enhanced due diligence measures. EDD may include obtaining additional information about the customer's source of funds, conducting more frequent reviews of the business relationship, and obtaining senior management approval for continued engagement.

## **9. Suspicious Activity Reporting**

Employees of the Company must promptly report any suspicious activity or transactions to the designated AML compliance officer. Suspicious activity may include transactions that are

inconsistent with a customer's known legitimate business, unusually large transactions, transactions involving high-risk jurisdictions, or transactions that lack an apparent business or lawful purpose.

#### **10. Record Keeping**

The Company will maintain comprehensive records of customer information, transactions, and due diligence procedures for a period specified by applicable laws and regulations. These records will be stored securely and made available for inspection by relevant authorities as required.

#### **11. Staff Training and Awareness**

The Company will provide ongoing training and awareness programs to ensure that employees understand their obligations and responsibilities under the AML policy. Training will cover topics such as recognizing money laundering red flags, conducting effective due diligence, and reporting suspicious activity. Employees will be required to complete the training upon joining the company and receive periodic updates to stay informed about emerging money laundering risks.

#### **12. Compliance Monitoring**

The Company will conduct regular compliance monitoring to assess the effectiveness of AML controls and identify areas for improvement. The monitoring activities may include transaction monitoring, testing of internal controls, and audits of AML procedures. Any identified deficiencies or weaknesses will be promptly addressed to enhance the overall effectiveness of the AML program.

#### **13. Reporting and Escalation**

Employees who suspect money laundering or non-compliance with the AML policy must report their concerns to the designated AML compliance officer or another designated authority within the company. The company will establish clear reporting and escalation procedures to ensure that reported concerns are appropriately addressed and investigated.

#### **14. Non-Compliance**

Failure to comply with this AML policy and related procedures may result in disciplinary action, up to and including termination of employment. Non-compliance with AML laws and regulations may also lead to legal and reputational consequences for the Company.

#### **15. Policy Review**

This AML policy will be reviewed periodically to ensure its continued effectiveness and compliance with applicable laws and regulations. Any necessary updates or amendments will be made in a timely manner, and employees will be notified of any changes to the policy.

## **16. Conclusion**

The Company is committed to preventing money laundering, terrorist financing, and other illicit activities. By implementing this AML policy, we aim to safeguard the integrity of our operations, protect our customers and stakeholders, and contribute to the global fight against financial crime.