

## **Terralogix Group Limited (TX) Anti Money Laundering Policy**

### **1. Policy Statement**

- 1.1 It is the policy of Terralogix Group Limited (which includes all subsidiaries in any jurisdiction) (TX) to conduct its business in an honest and ethical manner. TX is committed to acting professionally, fairly and with integrity in its operations, business dealings and relationships worldwide and in implementing and enforcing effective systems to acknowledge its zero-tolerance and the importance of preventing money laundering.
- 1.2 TX strongly upholds all laws relevant to preventing money laundering in all of the jurisdictions in which it operates. TX intends to comply with any laws and regulations related to preventing money laundering and all relevant local anti-money laundering regulations.
- 1.3 This Policy provides information and guidance on how to recognise and deal with money laundering issues.
- 1.4 Money laundering is generally used to describe the activities of organised criminals converting the proceeds of crime into legitimate activities, thus hiding their true sources.

### **2 Applicability of this Policy**

- 2.1 This Policy applies to all individuals working at all levels within TX (the TX Team).
- 2.2 All business partners of TX are requested to follow the same principles and commitments regarding anti-money laundering and to adhere to the provisions of this Policy at all times while conducting business with TX.

### **3 Responsibility for this Policy**

- 3.1 The Management Team has overall responsibility for ensuring that this Policy complies with TX legal and ethical obligations, and that everyone under control of TX complies with it.
- 3.2 The General Counsel has been given responsibility for advising the TX Team on anti-money laundering issues. The General Counsel is responsible for carrying out risk assessments, including the assessment of agents, consultants and other business partners.
- 3.3 The General Counsel has primary and day-to-day responsibility for implementing this Policy and for monitoring its use and effectiveness and dealing with any queries regarding its interpretation. Management at all levels are responsible for ensuring that the individuals reporting to them are made aware of and understand this Policy and are

given adequate and regular training. The contact details for the General Counsel is GC@terralogix.ai.

- 3.4 Should you have any questions or queries in respect of this Policy, or if you are in any doubt as to the appropriate procedures set out under this Policy, please contact the General Counsel.

#### **4 Responsibilities and Protection**

- 4.1 You must ensure that you read, understand and comply with this Policy.
- 4.2 The prevention, detection and reporting of money laundering and its other forms are the responsibility of all those working for or with TX. The TX Team and business partners are required to avoid any activity that might lead to or suggest a breach of this Policy.
- 4.3 Any transaction, no matter how seemingly insignificant, that might give rise to a violation of this Policy and/or any applicable Anti-Money Laundering Laws must be reported immediately to the General Counsel.
- 4.4 Any member of the TX Team who breaches this Policy will face disciplinary action which could result in dismissal for gross misconduct. We reserve the right to terminate the contractual relationship with a member of the TX Team or business partners if they breach this Policy.
- 4.5 TX strives to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.
- 4.6 TX is committed to ensuring that no one suffers any detrimental treatment as a result of their good faith reporting of their suspicion under this Policy. If you believe that you have suffered any such treatment, inform the General Counsel immediately.

#### **5 Indicators for suspicion of money laundering activities**

- 5.1 It is not possible to provide an exhaustive list of the ways to identify money laundering. However, the following are examples of possible indicators of suspicion for money laundering activity (Red Flags):
- (a) transactions which have no apparent purpose, and which make no obvious economic sense;
  - (b) transactions being requested without reasonable explanation, out of the ordinary range of services normally requested or is outside the experience of TX in relation to the particular client/business partner;
  - (c) refusal to provide the information requested without reasonable explanation;
  - (d) unusual investment transactions without an apparent and discernible profitable motive;
  - (e) A client/business partner refusal to proceed with a transaction when asked for identification;

- (f) the extensive use of offshore accounts, companies or structures in circumstances where the client's/business partner's needs do not support such requirements;
  - (g) the size or pattern of transactions is out of line with any pattern that has previously emerged, without reasonable explanation;
  - (h) cash payment been offered by the business partners/clients;
  - (i) the client/business partner has no physical presence in the relevant country or where business is to be transacted in a country with a poor reputation record;
  - (j) business activities that contradict core brand values;
  - (k) suspiciously close ties to government officials, previous allegations of corruption or unethical behaviour or a lack of proportionality between the proposed work and fees; or
  - (l) other activity that might lead to a breach of this Policy.
- 5.2 TX Team and business partners should be aware of the Red Flags which may indicate that money laundering is taking place or providing grounds to raise suspicion.
- 5.3 The Red Flag list is not exhaustive, and TX Team and business partners should apply common sense in determining whether there may be other reasons for TX not to use a potential partner to provide the relevant services or enter into any contract with such a potential partner.

## **6 Identification Procedures**

- 6.1 TX aims to implement, as far as practicable, procedures to prevent money laundering. The framework for doing so is set out below.
- (a) TX will only appoint intermediaries (including sales agents, introducers and other similar consultants) and engage with business partners who demonstrate business integrity at all times and who practice ethical conduct which meets the standards expected by TX and all applicable laws and regulations.
  - (b) The appointment of intermediaries and engagement of business partners is subject to the approval of the General Counsel or compliance officer.
  - (c) Prior to entering into any contract or business relationship with any intermediary or business partners, the officer or employee responsible for the appointment must first notify General Counsel or compliance officer (including any suspicion under this Policy) in writing (email is sufficient). If General Counsel or compliance officer deems it necessary, the appointing officer or employee may be requested to complete and submit a due diligence checklist particularly where there are likely to be money flows between the parties as part of a transaction or partnership other than for the simple sale of goods or provision of services in the ordinary course.

- 6.2 The General Counsel will then consider the proposal and carry out further due diligence as they consider necessary before confirming their approval of the appointment. Due diligence will be carried out by or at the request of the General Counsel who may retain third party services available to TX to assist with the due diligence.
- 6.3 Decisions not to engage in a business or to cease to do business will be taken by the Management Team.

## **7 Raising a Concern**

- 7.1 You are encouraged to raise concerns about any issue or suspicion at the earliest possible stage. Any uncertainties as to whether a particular act constitutes money laundering, or any other queries, should be raised with the General Counsel.
- 7.2 Persons who wish to remain anonymous, by creating a temporary mail address (an email service that is non-jurisdiction specific) and sending an email from the temporary address to GC@terralogix.ai. The email will be received ONLY by the General Counsel, who will take immediate steps to investigate the report independently and confidentially, without recourse to the sender.
- 7.3 If the matter is considered of sufficient seriousness, the General Counsel will consider together appropriate further action, including informing the CEO and CFO, external legal counsel and/or relevant third party authorities.
- 7.4 All appropriate steps will be taken to respect and protect the anonymity of any person making such a report.

## **8 Monitoring and Review**

- 8.1 The Management Team and the General Counsel or Compliance Officer are directly accountable for the oversight of the anti-money laundering program. The General Counsel or Compliance Officer should have the proper authority and sufficient resources to implement and monitor all program activities; he/she will be responsible for ensuring that the TX Team are provided with regular briefings on developments in anti-money laundering law and practice, as deemed appropriate.
- 8.2 Management Team and the General Counsel or Compliance Officer is responsible for ensuring that appropriate systems and controls are put in place locally and that this Policy is effectively implemented.
- 8.3 If any aspect of this Policy appears to be inadequate to ensure local compliance with relevant anti-money laundering law, it will be escalated immediately to the Management Team with a view to highlighting the need for changes to or enhancement of this Policy.
- 8.4 The General Counsel or Compliance Officer is responsible for ensuring that the assessment of local compliance with this Policy is included in internal and any external audit terms of reference, as appropriate. In addition the General Counsel will be

- responsible for agreeing on the compliance monitoring program and training and reporting requirements which should be implemented locally (subject to the minimum standards set by this Policy on a global basis).
- 8.5 The TX Team and business partners are responsible for the success of this Policy and should ensure they use it to disclose any suspected danger or wrongdoing.
  - 8.6 The TX Team 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 General Counsel.
  - 8.7 This Policy does not form part of any contract of employment and it may be amended at any time.
  - 8.8 The General Counsel will report to the Management Team on an annual basis.
  - 8.9 Internal reporting and management information will enable TX to gather feedback on the effectiveness of this Policy and its implementation and to ensure that its adequacy and effectiveness remain optimal.

## **9 Reporting**

- 9.1 Reports made under this procedure will be investigated by the General Counsel or Compliance Officer in the first instance, and later involving appropriate persons in any other relevant entity.
- 9.2 The persons receiving reports submitted under this part of this Policy will consider whether external reporting is required in the relevant jurisdiction and, where necessary, report to the local money laundering reporting officer who will consider compiling a report under local anti-money laundering legislation if it appears there is criminal conduct which would require such a report.
- 9.3 Required reporting or voluntary self-reporting to the relevant prosecuting and other bodies will take place in accordance with local requirements applicable to each company or organisation covered by this Policy.