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ANTI-MONEY LAUNDERING (AML) & KNOW YOUR CUSTOMER (KYC) POLICY

GEMRAC Consulting + Management

Effective Date: Jan 5, 2026
Version: 1.0

Approved By: Board of Directors / Executive Management

1. PURPOSE

This Anti-Money Laundering (AML) and Know Your Customer (KYC) Policy establishes the framework by which **GEMRAC Consulting + Management** (“the Company”) identifies, assesses, monitors, and mitigates risks associated with money laundering, terrorist financing, fraud, corruption, sanctions violations, bribery, and other illicit financial activities.

The purpose of this policy is to:

- Ensure compliance with applicable international AML/CFT laws, regulations, and best practices.
- Protect the Company from being used for illegal financial activities.
- Promote transparency, integrity, and ethical business conduct.
- Establish procedures for customer due diligence and ongoing monitoring.
- Reduce operational, legal, reputational, and financial risks.
- Support secure and compliant international business operations.

This policy applies to all employees, officers, directors, consultants, contractors, representatives, agents, intermediaries, and business partners acting on behalf of the Company.

2. POLICY STATEMENT

GEMRAC Consulting + Management maintains a **zero-tolerance** approach toward money laundering, terrorist financing, corruption, fraud, sanctions evasion, and unlawful financial conduct.

The Company is committed to conducting business only with legitimate clients, partners, investors, suppliers, and counterparties whose identities and business activities can be reasonably verified.

The Company shall:

- Conduct risk-based customer due diligence (CDD).
- Verify customer identity and beneficial ownership.
- Monitor transactions and business relationships.
- Maintain accurate records.
- Report suspicious activity where legally required.
- Refuse or terminate relationships that present unacceptable compliance risks.
- Cooperate with lawful requests from regulatory and law enforcement authorities.

3. SCOPE

This policy applies to:

- Clients and customers
- Investors

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- Suppliers and vendors
 - Strategic partners
 - Intermediaries and brokers
 - Agents and representatives
 - Consultants and contractors
 - Politically Exposed Persons (PEPs)
 - High-risk jurisdictions and counterparties
 - Commodity transactions
 - International trade activities
 - Cross-border financial transactions
 - Infrastructure and investment projects

4. REGULATORY & COMPLIANCE FRAMEWORK

The Company recognizes that international business operations, commodities transactions, investment activities, and cross-border commercial engagements may expose the organization to heightened regulatory and financial crime risks. Accordingly, the Company seeks to maintain a compliance framework aligned with internationally recognized standards and evolving regulatory expectations.

The Company's compliance philosophy is based on:

- Transparency in commercial operations
- Ethical and lawful business conduct
- Risk-based compliance management
- Protection of counterparties and stakeholders
- Prevention of financial crime exposure
- Responsible international trade practices
- Preservation of institutional reputation
- Ongoing regulatory awareness and adaptation

The Company seeks to align its AML/KYC framework with internationally recognized standards, including:

- Financial Action Task Force (FATF) Recommendations
- International anti-money laundering regulations
- Counter-terrorist financing (CTF) standards
- Anti-bribery and anti-corruption principles
- International sanctions compliance requirements
- Applicable local laws in jurisdictions where the Company operates
- International banking and correspondent compliance expectations
- Commodity trade compliance best practices
- Cross-border financial reporting obligations

The Company reserves the right to implement enhanced compliance measures where operational, jurisdictional, or transactional risks require additional safeguards.

4A. COMPLIANCE GOVERNANCE STRUCTURE

The Company may establish an internal compliance governance structure designed to ensure accountability, oversight, and operational implementation of AML/KYC obligations.

Responsibilities include:

Executive Management

Executive management shall maintain overall responsibility for:

- Compliance oversight
- Policy approval
- Strategic risk management
- Regulatory cooperation
- Allocation of compliance resources
- Internal control implementation

Compliance Officer / Compliance Function

The designated compliance function may be responsible for:

- Monitoring AML/KYC compliance
- Conducting internal reviews
- Managing due diligence procedures
- Reviewing high-risk transactions
- Maintaining compliance records
- Coordinating suspicious activity assessments
- Liaising with external institutions where appropriate
- Maintaining sanctions screening procedures

Employees & Representatives

Operational personnel are expected to:

- Follow compliance procedures
- Escalate suspicious activities
- Participate in training
- Maintain accurate records
- Cooperate with compliance investigations

4B. RISK-BASED COMPLIANCE APPROACH

The Company applies a risk-based methodology designed to allocate enhanced compliance resources toward relationships, transactions, industries, and jurisdictions presenting elevated exposure.

Risk evaluations may consider:

- Geographic exposure
- Political and regulatory environment
- Nature of commodities involved
- Transaction values
- Banking structures utilized
- Ownership transparency
- Industry corruption exposure
- Historical litigation or enforcement actions
- Presence of intermediaries
- Cross-border payment complexity
- Exposure to cash-intensive sectors
- Offshore financial structures

The Company may adjust monitoring intensity, documentation requirements, and approval procedures based on assessed risk levels.

4C. PROHIBITED ACTIVITIES

The Company strictly prohibits involvement in:

- Money laundering activities
- Terrorist financing
- Fraudulent transactions
- Bribery and corruption
- Sanctions evasion
- Falsification of documentation
- Trade-based money laundering
- Concealment of beneficial ownership
- Illicit commodities transactions
- Transactions lacking legitimate economic purpose
- Unauthorized third-party payment structures
- Use of shell entities designed to obscure ownership or control

The Company reserves the right to reject any relationship or transaction that may expose the organization to legal, financial, regulatory, or reputational harm.

4D. INTERNATIONAL TRADE & COMMODITIES COMPLIANCE

Given the Company's involvement in international consulting, strategic management, commodities, and trade facilitation activities, enhanced attention may be applied to transactions involving:

- Precious metals
- Natural resources
- Cross-border commodity trading
- International logistics coordination
- Infrastructure financing
- Multi-jurisdictional commercial arrangements
- High-value export/import transactions

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- Government-linked contracts

Additional controls may include:

- Verification of export/import documentation
- Review of bills of lading and shipping records
- Counterparty legitimacy verification
- Independent commodity inspection reports
- End-user and destination verification
- Review of transaction pricing anomalies
- Banking channel verification
- Enhanced source-of-funds assessments

5. DEFINITIONS

The Company seeks to align its AML/KYC framework with internationally recognized standards, including:

- Financial Action Task Force (FATF) Recommendations
- International anti-money laundering regulations
- Counter-terrorist financing (CTF) standards
- Anti-bribery and anti-corruption principles
- International sanctions compliance requirements
- Applicable local laws in jurisdictions where the Company operates

The Company reserves the right to implement enhanced compliance measures where operational, jurisdictional, or transactional risks require additional safeguards.

5.1 Money Laundering

Money laundering refers to the process of concealing the origin, ownership, or destination of illegally obtained funds to make them appear legitimate.

5.2 Terrorist Financing

Providing, collecting, transferring, or facilitating funds intended to support terrorist acts or organizations.

5.3 Know Your Customer (KYC)

The process of identifying and verifying the identity of customers and understanding the nature of their activities.

5.4 Customer Due Diligence (CDD)

Procedures undertaken to identify customers, verify identities, assess risk levels, and monitor relationships.

5.5 Enhanced Due Diligence (EDD)

Additional verification procedures applied to higher-risk clients, jurisdictions, or transactions.

5.6 Politically Exposed Person (PEP)

An individual who is or has been entrusted with a prominent public position, including close associates and family members.

5.7 Beneficial Owner

The natural person who ultimately owns, controls, or benefits from an entity or transaction.

6. CUSTOMER IDENTIFICATION & VERIFICATION

The Company shall conduct identity verification before entering into business relationships or processing significant transactions.

6.1 Individual Customers

The following documentation may be required:

- Valid passport
- National identification card
- Driver's license
- Proof of residential address
- Tax identification number (where applicable)
- Source of funds declaration
- Banking information

6.2 Corporate Clients

The following documentation may be required:

- Certificate of incorporation
- Memorandum and articles of association
- Business registration documents
- Tax registration certificates
- Corporate ownership structure
- Director and shareholder information
- Ultimate beneficial ownership declaration
- Board resolutions authorizing transactions
- Bank reference letters
- Financial statements
- Proof of operating address

6.3 Verification Procedures

The Company may utilize:

- Independent document verification
- Government registries
- Corporate databases
- Financial institution references
- Sanctions screening systems
- Adverse media screening

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- Third-party compliance providers
 - Video or electronic verification systems

The Company reserves the right to request additional documentation at any time.

7. CUSTOMER RISK ASSESSMENT

The Company applies a risk-based approach to AML/KYC compliance.

Customers may be categorized as:

- Low Risk
- Medium Risk
- High Risk

Risk assessments may consider:

- Geographic location
- Nature of business activities
- Transaction size and frequency
- Ownership complexity
- Use of intermediaries
- Political exposure
- Source of wealth and funds
- Industry sector
- Commodity involvement
- Cross-border activities
- Sanctions exposure
- Regulatory history

High-risk relationships may require Enhanced Due Diligence (EDD).

8. ENHANCED DUE DILIGENCE (EDD)

Enhanced Due Diligence procedures may be applied where elevated risk factors exist.

EDD measures may include:

- Senior management approval
- Detailed source of wealth verification
- Independent legal verification
- Financial audits
- Transaction justification review
- Enhanced monitoring frequency
- Site visits
- Additional corporate documentation
- Comprehensive sanctions screening
- Review of litigation or regulatory history

EDD may apply to:

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- Politically Exposed Persons (PEPs)
 - High-risk jurisdictions
 - Complex ownership structures
 - Cash-intensive businesses
 - Precious metals and commodities transactions
 - Large cross-border transactions
 - Offshore structures
 - Unusual transaction patterns

9. SANCTIONS COMPLIANCE

The Company shall not knowingly engage in transactions involving sanctioned individuals, entities, countries, or organizations.

The Company may conduct screening against:

- United Nations sanctions lists
- OFAC sanctions lists
- European Union sanctions lists
- United Kingdom sanctions lists
- International law enforcement notices
- Other applicable restricted-party databases

Any identified sanctions concerns must be escalated immediately to management and compliance personnel.

10. SOURCE OF FUNDS & SOURCE OF WEALTH

The Company may require customers and counterparties to provide evidence demonstrating the legitimate origin of funds and wealth.

Acceptable evidence may include:

- Bank statements
- Audited financial statements
- Tax returns
- Investment records
- Sale agreements
- Inheritance documentation
- Employment income evidence
- Commercial invoices
- Commodity transaction documentation

The Company reserves the right to reject transactions where the source of funds cannot be reasonably verified.

11. TRANSACTION MONITORING

The Company shall maintain procedures designed to identify unusual, suspicious, or inconsistent activity.

Monitoring procedures may be conducted on both a pre-transaction and ongoing relationship basis.

The Company may implement manual or technology-assisted monitoring systems appropriate to the scale and complexity of operations.

Monitoring may include:

- Large-value transactions
- Unusual payment structures
- Rapid movement of funds
- Multiple intermediary accounts
- Transactions lacking economic purpose
- High-risk jurisdiction exposure
- Structuring or avoidance indicators
- Inconsistent customer behavior
- Abnormal trade patterns
- Frequent changes in transaction instructions
- Use of unrelated third parties
- Round-dollar or irregular payment activity
- Mismatch between transaction size and business profile
- Trade documentation inconsistencies
- Commodity pricing irregularities

Transactions identified as unusual may be escalated for enhanced internal review.

The Company reserves the right to delay, reject, suspend, or terminate transactions pending compliance review.

11A. ONGOING CUSTOMER MONITORING

The Company may periodically review customer relationships to ensure information remains current and risk assessments remain accurate.

Periodic reviews may include:

- Updated identification documentation
- Confirmation of business activities
- Ownership structure verification
- Review of transaction behavior
- Updated sanctions screening
- Adverse media checks
- Review of banking relationships
- Updated source-of-funds information

Review frequency may vary based on risk classification.

Examples:

- Low-risk relationships: periodic standard review
- Medium-risk relationships: enhanced periodic review
- High-risk relationships: continuous or heightened monitoring

The Company may request updated documentation at any time.

12. SUSPICIOUS ACTIVITY REPORTING

The Company shall maintain procedures designed to identify unusual, suspicious, or inconsistent activity.

Monitoring may include:

- Large-value transactions
- Unusual payment structures
- Rapid movement of funds
- Multiple intermediary accounts
- Transactions lacking economic purpose
- High-risk jurisdiction exposure
- Structuring or avoidance indicators
- Inconsistent customer behavior
- Abnormal trade patterns

The Company reserves the right to delay, reject, suspend, or terminate transactions pending compliance review.

Employees and representatives must immediately report suspicious activity internally to designated compliance management.

Suspicious indicators may include:

- False or misleading documentation
- Refusal to provide requested information
- Unusual urgency or secrecy
- Transactions inconsistent with business profile
- Complex ownership concealment
- Requests to avoid compliance procedures
- Unexplained third-party payments
- Potential sanctions exposure
- Bribery or corruption indicators

Where legally required, the Company may report suspicious activity to relevant regulatory or law enforcement authorities.

Employees are prohibited from disclosing any internal investigations or reports to the subject party where prohibited by law.

13. RECORD KEEPING

The Company shall maintain records relating to:

- Customer identification
- Verification documentation
- Transaction records
- Risk assessments
- Compliance reviews
- Internal investigations
- Due diligence files
- Sanctions screening results

Records may be retained for a minimum period required by applicable law or internal policy.

14. DATA PROTECTION & CONFIDENTIALITY

The Company shall protect confidential customer and compliance information through appropriate administrative, technical, and operational safeguards.

Information collected under this policy shall be used solely for legitimate compliance, operational, legal, or regulatory purposes.

Access to sensitive information shall be restricted to authorized personnel.

15. EMPLOYEE RESPONSIBILITIES

All employees and representatives are responsible for:

- Understanding and complying with this policy
- Completing required compliance training
- Reporting suspicious activities
- Following verification procedures
- Maintaining confidentiality
- Cooperating with compliance reviews

Failure to comply with this policy may result in disciplinary action, termination, or legal consequences.

16. TRAINING & AWARENESS

The Company may provide periodic AML/KYC and compliance training covering:

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- AML/CTF regulations
 - Fraud prevention
 - Sanctions compliance
 - Customer due diligence procedures
 - Reporting obligations
 - Risk indicators
 - Ethical business conduct

Training frequency may vary depending on employee role and operational exposure.

17. THIRD-PARTY RELATIONSHIPS

The Company may conduct due diligence on third parties, including:

- Agents
- Brokers
- Consultants
- Introducers
- Suppliers
- Contractors
- Joint venture partners
- Logistics providers
- Financial intermediaries

Third parties may be required to:

- Provide identification documentation
- Confirm compliance standards
- Adhere to anti-corruption obligations
- Maintain ethical business practices
- Cooperate with compliance reviews

18. ANTI-BRIBERY & CORRUPTION

The Company is committed to conducting business with integrity, transparency, and ethical accountability across all jurisdictions and operational sectors.

The Company prohibits:

- Bribery
- Kickbacks
- Improper facilitation payments
- Corrupt financial arrangements
- Fraudulent conduct
- Undisclosed conflicts of interest
- Hidden commissions
- Improper gifts or inducements
- Misuse of corporate authority

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- Corrupt dealings with public officials

No employee or representative may offer, promise, request, or accept anything of value intended to improperly influence business decisions.

Employees and representatives are expected to:

- Maintain accurate records
- Report conflicts of interest
- Avoid improper financial arrangements
- Conduct business transparently
- Refuse unlawful inducements
- Escalate corruption concerns immediately

Any suspected bribery or corruption concerns may result in:

- Internal investigation
- Suspension of business activity
- Termination of relationships
- Regulatory reporting where applicable
- Legal action

18A. ETHICAL BUSINESS CONDUCT

The Company seeks to maintain a corporate culture emphasizing:

- Professional integrity
- Commercial transparency
- Accountability
- Fair dealing
- Regulatory cooperation
- Responsible international commerce
- Respect for applicable laws and regulations

Employees, contractors, and representatives are expected to conduct themselves in a manner that protects the reputation and operational integrity of the Company.

19. NON-COMPLIANCE & TERMINATION

The Company prohibits:

- Bribery
- Kickbacks
- Improper facilitation payments
- Corrupt financial arrangements
- Fraudulent conduct
- Undisclosed conflicts of interest

No employee or representative may offer, promise, request, or accept anything of value intended to improperly influence business decisions.

The Company reserves the right to:

- Refuse onboarding
- Suspend transactions
- Terminate business relationships
- Freeze negotiations
- Reject payments
- Report suspicious activity
- Conduct internal investigations

where AML/KYC concerns cannot be adequately resolved.

20. POLICY REVIEW & UPDATES

This policy may be reviewed periodically and updated to reflect:

- Regulatory developments
- Operational changes
- Emerging financial crime risks
- International compliance standards
- Internal compliance assessments

Management reserves the right to amend this policy at any time.

21. COMPLIANCE CONTACT

For AML/KYC compliance inquiries, documentation submissions, or reporting concerns, contact:

Compliance Department

Registered Company Name:	GEMRAC Consulting + Management Corp
Company Registration Number Uganda :	80034209336681
Date of Incorporation:	5th day of November, the year 2025
Country of Incorporation:	UGANDA
Company Email:	info@gemracglobal.com
Tel:	+ 971 55 858 6494
Registered Business Address:	Uganda , Central , Kampala , Nsambya Central , Gogonya One ,P.O.Box 198668 Kampala

22. ACKNOWLEDGMENT

All employees, consultants, agents, and representatives are expected to acknowledge and comply with this AML/KYC Policy.

Failure to adhere to these standards may result in disciplinary measures, contract termination, regulatory reporting, or legal action.

GEMRAC Consulting + Management Corp

Authorized Representative Name: **Mr. Ruwan Gilian Adjako**

Title: DIRECTOR

Authorized Signature: _____

Date: May 19, 2026



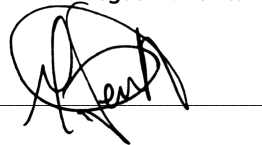
GEMRAC Consulting + Management Corp

Authorized Representative Name: **Mr. Meguel A. Newton**

Title: DIRECTOR

Authorized Signature: _____

Date: May 19, 2026



EDT (ELECTRONIC DOCUMENT TRANSMISSIONS)

1. EDT (Electronic document transmissions) shall be deemed valid and enforceable in respect of any provisions of this Contract. As applicable, this agreement shall be:-
Incorporate U.S. Public Law 106-2009, "Electronic Signatures in Global & National Commerce Act" or such other applicable law conforming to the UNCITRAL Model Law on Electronic Signatures (71)
2. ELECTRONIC COMMERCE AGREEMENT (ECE/TRADE/257, Geneva, May 68) adopted by the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT).
3. EDT documents shall be subject to European Community Directive No. 95/46/EEC, as applicable. Either Party may request hard copy of any document that has been previously transmitted by electronic means provided however, that any such request shall in no manner delay the parties from performing their respective obligations and duties under EDT instruments

END OF DOCUMENT