



Statement on Anti-Money Laundering, Counter-Terrorist Financing (AML/CTF) and Sanctions Policy

March 2025

LHCM Ltd. (hereinafter “Company”), terms “LHCM Ltd” and the “Company” to be used interchangeably, is committed to high standards within financial crime compliance. It is a priority across the entire company to stay focused on the risks, prevent regulatory breaches and avoid facilitating clients or transactions involved in financial crime.

The Company is transparent and open in its approach with all relevant authorities and implements the regulatory requirements and law enforcement guidelines issued by them.

The Company has a responsibility to its customers and regulators to prevent the Company from being used to facilitate proceeds of crime or the movement of funds intended to finance terrorism and violation of international sanctions regimes.

AML/CTF and Sanctions compliance is an integral part of the overall compliance culture within the company. The Company is committed to identify and understand the risks of potential ML/TF (money laundering and terrorist financing) and Sanctions violations and to manage those to which the company is exposed. LHCM Ltd takes proportionate measures required to mitigate acknowledged risks and applies consistent AML/CTF and Sanctions compliance standards and procedures to prevent the use of products, services, or channels for illicit purposes.

Ultimately, the Management Board of the Company is collectively responsible for ensuring that activities of the Company comply with applicable regulations and internal requirements. It is the policy of the Management Board and Senior Management of LHCM Ltd to actively prevent money laundering and activities that facilitates money laundering, the funding of terrorist or criminal activities or potential violations of the applicable sanctions regimes.

Preventive Measures

To detect and mitigate potential illegal activities, LHCM Ltd has adopted a policy on the prevention of money laundering and counter-terrorist financing that requires all parts of the Company to develop and implement effective programmes to comply with applicable laws.



The document defines good practices covering as a minimum:

- Proper Know-Your-Customer (KYC) practices. Knowledge of the customer, its financial activity, source of funds and type of the financial activity helps to understand the general activities in which the customer would usually be expected to engage.
- Customer Due Diligence (CDD) includes, among other things, identifying the customer and verifying the customer's identity on the basis of reliable documents, data or information obtained from trustful and independent sources.
- Sufficient knowledge of the ownership (including ultimate beneficial owners of the customer) and control structure of our customers.
- The initiation or maintenance of a business relationship with a PEP (a person holding a politically exposed position, and the family members and well-known close associates of this person, through their position and influence, are considered to have a position which in itself constitutes a risk of being exploited for, among other things, bribery) or other relevant high-risk customer needs to be approved by an authorized decision-maker.
- The Company performs daily screening of the customer base against financial sanctions and PEP lists. All payments are also screened in real time to ensure compliance with international sanctions.
- Suspicious activity and transactions reporting obligations. The Company has a process in place to report suspicious transactions as per applicable regulations. Furthermore, the employees of the Company are trained to be able to detect suspicious transactions when they occur and report them to MLRO (Money Laundering Reporting Compliance Officer).
- Identification of transactions that infringe US, OFAC, UK, UN and EU Sanctions Regimes and sanctions monitoring responsibilities.

Suspicious Activity Reporting

A report should be made if a member of staff or the nominated officer thinks that there is a possibility that a person is or has been engaged in money laundering or terrorist financing.

The report should be made to the Money Laundering Reporting Officer (MLRO) who, should they be satisfied that there are grounds to suspect money laundering or terrorism, will make a Suspicious Activity Report (SAR) to the National Crime Agency (NCA).