

§ 1 Policy Statement

- It is Inter-Cultur's policy to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities.
- Staff must not agree to pass cash or bank transfers on to another party outside of Inter-Cultur's normal activities.
- We report any suspected breaches of legislation or sanctions as appropriate. Action will be taken through line management, following a discussion with the Executive Director in respect of any staff member who fails to adhere to the policy.
- External legal action may result in prosecution, fines and/or prison sentences for both the staff member and Inter-Cultur.

§ 2 Background

- Money laundering is the process of making illegally-gained proceeds (i.e., "dirty money") appear legal (i.e., "clean"). Typically, it involves three steps: placement, layering, and integration.
 - Placement involves introducing the illegal proceeds into the financial system, often through banks or other legitimate businesses.
 - Layering conceals the source of the money through a series of transactions and bookkeeping tricks.
 - Integration involves making the funds available to the criminal from what seem to be legitimate sources.
- This process is a serious crime with severe legal consequences and poses significant risks to financial institutions and other organizations, including reputational damage, financial losses, and regulatory penalties.

§ 3 Risk Statement

- There is a low risk that Inter-Cultur will be used as a means for criminals to launder money. However, the impact on the organisation of any proven or alleged money laundering is high due to the potential for reputational damage.

§ 4 Policy Details

- Staff must not agree to pass cash or bank transfers on to another party outside of Inter-Cultur's normal activities.
- Inter-Cultur applies due diligence procedures in all our work. Our due diligence procedures to mitigate the risk of money laundering, prior to making payments to partners, include:
 - The screening of partner bank account names against current lists to ensure that they are not proscribed or placed under sanctions by the United Nations, the European Union, United States.
 - The request for and review of a completed form showing bank details and a recent bank statement to support all details given on the form.
- In respect of fundraising, Inter-Cultur carries out due diligence, appropriate for the size and nature of the donation, on the financial and reputational dealings of possible donors, and conditions attached to the donation, before accepting their donations.

This to provide assurance that income is not derived from money laundering or being given with conditions that are part of a money-laundering scheme.

§ 5 Policy Dissemination

- To ensure thorough understanding and compliance, this AML policy will be disseminated through the following channels:
 - AML training sessions will be conducted upon employee onboarding.
 - For developing cooperation partners, this policy is integral to the ethical principles to which we abide. A reference to this policy and its explanation shall be conducted during cooperation agreement negotiations.
 - The AML policy document will be accessible on the company's intranet for all employees and partners.
 - Annual reminders will be sent to reinforce the importance of AML compliance and highlight key aspects of the policy.

§ 6 Compliance with Policy

- The Executive Director is responsible for monitoring compliance. If lack of compliance with this policy is identified by any individual, please report it immediately to the Executive Director.
- If lack of compliance with this policy is identified by the Executive Director, please report it immediately to the Audit Committee of the Board of Directors.
- If any staff member feels under duress to pay a bribe or facilitation payment or is unsure whether a payment constitutes a bribe or facilitation payment, they should contact the Executive Director for advice.

§ 7 Board of Directors (BOD)'s responsibilities

- The Board of Directors (BOD) holds the ultimate responsibility for reviewing and approving this policy.
- It is imperative that the BOD ensures Inter-Cultur's compliance with the policy and takes all necessary steps to protect the organization's assets, reputation, and stakeholders.
- BOD members, in conjunction with the Executive Director, will be held personally liable for any negligence or failure to uphold the standards outlined in this policy, resulting in financial loss, reputational damage, or harm to the organization and its stakeholders.
- It is incumbent upon the BOD to exercise due diligence in overseeing the implementation and enforcement of the policy to safeguard the organization's interests.