

# **Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Policy**

**Hongda Information Technology B.V.**

**Effective Date:** March 2026

**Approved by:** Board of Directors

**Responsible Office:** Compliance Department

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## **1. Policy Statement**

Hongda Information Technology B.V. ("the Company") is fully committed to preventing its operations, services, and systems from being used to launder money or finance terrorism. The Company strictly adheres to all relevant laws and regulations of Curaçao, including the National Ordinance on the Prevention and Combating of Money Laundering and Terrorist Financing (NOPMLTF) and the requirements established by the Curaçao Gaming Control Authority (GCA).

This policy applies to all Company operations, employees, directors, agents, contractors, and any third parties engaged in business with the Company.

Hongda maintains a zero-tolerance approach to money laundering and terrorist financing activities and enforces procedures and controls designed to detect, prevent, and report suspicious transactions in compliance with Curaçao law.

## **2. Purpose**

The purpose of this policy is to:

- Establish internal procedures and controls to prevent and detect money laundering (ML) and terrorist financing (TF).
- Ensure compliance with Curaçao's AML/CTF legislation and the GCA's regulatory framework.
- Protect the integrity and reputation of Hongda Information Technology B.V. by maintaining transparent and lawful financial conduct.
- Provide clear guidance to employees on their responsibilities under AML/CTF obligations.

### **3. Audience**

This policy applies to:

- All employees and directors of Hongda Information Technology B.V.
- Third-party service providers and contractors engaged in operational, financial, or customer-related functions.
- Any person or entity acting on behalf of the Company.

### **4. Definitions**

Money Laundering (ML): The process of concealing the origins of illegally obtained funds to make them appear legitimate.

Terrorist Financing (TF): The act of providing or collecting funds, by any means, directly or indirectly, with the intention to support terrorist acts or organizations.

Customer Due Diligence (CDD): The process of identifying and verifying the identity of a customer prior to establishing a business relationship.

Politically Exposed Person (PEP): An individual who is or has been entrusted with a prominent public function and whose position may present higher ML/TF risk.

Sanctions Screening: The process of verifying that a customer is not listed under any applicable sanctions list.

### **5. Policy Implementation**

#### **5.1 Business Risk Assessment**

Hongda conducts a comprehensive Business Risk Assessment to identify and evaluate ML/TF risks associated with its operations, products, services, delivery channels, and customer base.

This assessment determines the adequacy of the Company's AML/CTF controls and is reviewed annually or upon any significant operational or regulatory change.

#### **5.2 Customer Risk Assessment (CRA)**

Before establishing any business relationship, the Company performs a Customer Risk Assessment to determine each customer's risk profile based on factors such as geographic location, product type, transaction size, and customer category.

High-risk customers are subject to enhanced due diligence procedures.

#### **5.3 Customer Acceptance Policy (CAP)**

Customer onboarding is conducted in accordance with the Customer Acceptance Policy. The Company does not accept customers who fail to provide satisfactory identification or are found to be PEPs or sanctioned individuals unless senior management grants explicit approval.

Sanctions screening and PEP identification are mandatory steps prior to customer activation.

#### **5.4 Customer Due Diligence (CDD)**

The Company applies CDD measures to verify customer identity using reliable, independent documentation.

CDD includes:

- Verification of identity and address;
- Screening against sanctions and PEP lists;
- Identification of the source of funds and wealth when required;
- Freezing of funds or accounts if suspicion arises;
- Reporting of suspicious activity to the Curaçao Financial Intelligence Unit (FIU).

#### **5.5 Ongoing Monitoring**

The Company continuously monitors customer transactions to detect unusual or suspicious activity.

Automated and manual monitoring systems identify patterns inconsistent with a customer's profile or expected behavior.

Enhanced monitoring applies to higher-risk customers or transactions.

#### **5.6 Reliance on Third Parties for CDD**

Where Hongda relies on third parties to perform CDD functions, such parties must comply with Curaçao's AML/CTF standards and be contractually obligated to provide identification data upon request.

Hongda remains ultimately responsible for AML/CTF compliance.

#### **5.7 Reporting of Unusual Transactions**

Any employee who identifies or suspects unusual or suspicious transactions must immediately report them to the Compliance Officer, who will evaluate and, if necessary, file a report with the Curaçao FIU in accordance with the NOPMLTF.

Reports and related documents must be securely stored for at least five years.

#### **5.8 Anti-Money Laundering Compliance Program**

Hongda maintains a comprehensive AML Compliance Program designed to mitigate ML/TF risks through:

- Regular staff training;
- Independent audits of AML procedures;
- Record-keeping of all due diligence documentation;
- Procedures to block or suspend accounts where ML/TF is suspected;
- Periodic review and improvement of AML/CTF controls.

## **6. Compliance and Consequences of Non-Compliance**

Failure to comply with this policy or Curaçao's AML/CTF regulations may result in:

- Internal disciplinary action, including termination of employment or contracts;
- Civil or criminal penalties under Curaçao law;
- Reputational and financial damage to the Company.

All employees and associated parties are required to cooperate fully with the Compliance Department and regulatory authorities.

## **7. Related Information**

- National Ordinance on the Prevention and Combating of Money Laundering and Terrorist Financing (NOPMLTF).
- Curaçao Gaming Control Authority AML/CTF Guidelines.
- Company policies on Know Your Customer (KYC) and Responsible Gaming.

## **8. Policy History**

**Version 1.0 – March 2026** – Initial issuance of AML/CTF Policy for Hongda Information Technology B.V.