



## **ANTI MONEY LAUNDERING POLICY**

Money laundering is generally used to describe the activities of organized criminals converting the proceeds of crime into legitimate activities, thus hiding their true sources.

Aussie Automotive Group (AAG) is committed to conducting all its business in an honest and ethical manner. This includes acting professionally, fairly and with integrity in all our operations, business dealings and relationships. AAG acknowledges the importance of a zero-tolerance approach in preventing money laundering and in implementing and enforcing effective systems to detect this.

AAG strongly upholds all laws relevant to preventing money laundering in all the jurisdictions in which AAG operates. AAG intends to comply with any laws and regulations related to preventing money laundering and all relevant local anti-money laundering regulations.

AAG is unlikely to be a prime target for money laundering, however, the size and scope of services provided is such that it is not possible to be wholly immune from the risks surrounding money laundering.

This policy provides information and guidance on how to recognize and deal with money laundering issues.

### **1. To whom is this Policy addressed?**

- This policy applies to all individuals working at all levels and grades within AAG, including senior managers, officers, directors, employees (whether permanent, fixed term or temporary), consultants, contractors, trainees, seconded staff, home workers, casual workers and agency staff, volunteers, interns, agents and sponsors (the “workers”).
- All business partners of AAG are requested to follow the same principles and commitments regarding anti-money laundering and to always adhere to the provisions of this policy while conducting business with AAG.

### **2. Who is responsible for this policy at AAG?**

- The Owners of AAG has overall responsibility for ensuring that this policy complies with AAG legal and ethical obligations, and that everyone under control of AAG complies with it.
- The General Manager has been given responsibility for advising employees on anti-money laundering issues. The General Manager is responsible for carrying out risk assessments, including the assessment of agents, consultants and other business partners.
- The CFO 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.
- 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 CFO and/or General Manager, at your choice.
- The prevention, detection and reporting of money laundering and its other forms are the responsibility of all those working with AAG. All workers and business partners are required to avoid any activity that might lead to or suggest a breach of this policy.
- 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 CFO and/or General Manager.



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- Any worker 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 workers or business partners if they breach this policy.
- AAG 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.
- AAG is committed to ensuring that no one suffers any detrimental treatment because of their good faith reporting of their suspicion under this policy. Detrimental treatment includes dismissal, disciplinary action, threats, or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, inform the CFO and/or General Manager immediately.

### 3. Identification and Control Procedures

- AAG aims to implement, as far as practicable, procedures to prevent money laundering. The framework for doing so is set out below.
  - AAG will only appoint intermediaries (including agents, and other consultants) and engage with business partners who consistently demonstrate business integrity and who practice ethical conduct which meets the standards expected by AAG and all applicable laws and regulations.
  - The appointment of intermediaries and engagement of business partners is subject to the approval of the General Manager.
  - Prior to entering any contract or business relationship with any intermediary or business partners, the officer or employee responsible for the appointment must first notify the General Manager (including any suspicion under this policy) in writing (email is sufficient). If the General Manager deems it necessary, the appointing officer or employee may be requested to complete and submit a due diligence checklist.
- The General Manager 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 Manager who may retain third party investigators available to AAG to assist with the due diligence.
- Decisions not to engage in a business or to cease to do business will be taken by the Board of Directors.

### Reporting

Reports made under this policy will be investigated by the CFO together with the GENERAL MANAGER in the first instance, and later involving appropriate persons in any other relevant entity. 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. 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.



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### Indicators for suspicion of money laundering activities

It is not possible to provide an exhaustive list of the ways to spot money laundering or state every scenario in which you should be suspicious. However, the following are examples of possible indicators of suspicion “for money laundering activity”:

- transactions which have no apparent purpose, and which make no obvious economic sense;
- where the transaction being requested by the client/ business partner, without reasonable explanation, is out of the ordinary range of services normally requested or is outside the experience of AAG in relation to the particular client/business partner;
- where the client/ business partner refuses to provide the information requested without reasonable explanation;
- unusual investment transactions without an apparently discernible profitable motive;
- a client/ business partner refuses to proceed with a transaction when asked for identification;
- the extensive use of offshore accounts, companies or structures in circumstances where the client's/ business partner's needs do not support such economic requirements;
- where, without reasonable explanation, the size or pattern of transactions is out of line with any pattern that has previously emerged;
- where cash payment been offered by the business partners/clients;
- where 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;
- business activities that contradict core brand values;
- suspiciously close ties to government officials, previous allegations of corruption or unethical behaviour or a lack of proportionality between the proposed work and fees.

Workers and business partners should be aware of the red flags listed above to this policy (Red Flags) which may indicate that money laundering is taking place or providing grounds to raise suspicion. However, this list is not exhaustive, and workers and business partners should apply common sense in determining whether there may be other reasons for AAG not to use a potential partner to provide the relevant services or enter any contract with such a potential partner.

### How to Raise a Concern

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 CFO. Concerns should be reported as follows:

- (a) Directly to the CFO and/ or General Manager, at your choice.
- (b) Sending an email (if you wish to remain anonymous, by creating a temporary GMAIL address) to [confidential@aussieautogroup.com.au](mailto:confidential@aussieautogroup.com.au).

The email will be directed to the General Manager, who will take steps to investigate the report independently and confidentially, without recourse to the sender. If the matter is considered of sufficient seriousness, the CFO and General Manager will consider together appropriate further action, including informing the Group Owners, external legal counsel and/or relevant third-party authorities.

All appropriate steps will be taken to respect and protect the anonymity of and identity of any person making such a report.



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### **Monitoring and Review**

- AAG's General Manager is directly accountable for the oversight of the anti-money laundering program and will be the person to whom the CFO reports. The General Manager should have the proper authority and sufficient resources to implement and monitor all program activities; he/she will be responsible for ensuring that employees are provided with regular briefings on developments in anti-money laundering law and practice, as deemed appropriate.
- The General Manager is responsible for ensuring that appropriate systems and controls are put in place locally and that this Policy is effectively implemented.
- It is the responsibility of the General Manager to respond to any breach of this Policy that is brought to his/her attention, as well as shortcomings in this policy identified by the CFO in the management information provided to the General Manager. If any aspect of this policy appears to be inadequate to ensure compliance with relevant anti-money laundering law, it will be escalated to the Board of Directors with a view to highlighting the need for changes to or enhancement of this Policy.
- The General Manager is responsible for ensuring that the assessment of compliance with this policy is included in internal and external audit terms of reference, as appropriate. In addition, the General Manager will be responsible for agreeing with the CFO 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).
- All workers and business partners are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.
- Workers 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 CFO.
- The General Manager and the CFO will report to the Board of Directors on an annual basis.
- Internal reporting and management information will enable AAG to gather feedback on the effectiveness of this policy and its implementation and to ensure that its adequacy and effectiveness remain optimal. Internal auditors will also review the effectiveness of this policy and report to the General Manager.

**Aussie Automotive Group**

3 August 2021