



**Anti-Money Laundering  
Policy and Guidelines  
Ascend Group of Companies**



## Contents

1. Intent	1
2. Scope	1
3. Objectives	1
4. Roles and Responsibilities	1
5. Guidelines	2
6. Training	4
7. Whistleblowing	4
8. Policy Advice	4
9. Penalties	4
10. Related Laws, Regulations, and Policies	5
11. Appendices	5
Appendix A Definitions	6
Appendix B Businesses Required to Report to AMLO (Thailand)	7



# Anti-Money Laundering Policy and Guidelines

## Ascend Group of Companies

### 1. Intent

Ascend Group of Companies is fully committed to protecting itself from being used as an intermediary in the money laundering process and funding illegal business practices, both of which can seriously damage Ascend Group of Companies and its reputation.

### 2. Scope

This Anti-Money Laundering Policy and Guidelines apply to Charoen Pokphand Group, (hereafter “the Group”) which includes Charoen Pokphand Group Co., Ltd., and all of its subsidiary companies. The term “company” hereafter refers to any such company individually that has adopted this Anti-Money Laundering Policy and Guidelines. This document shall be reviewed at least once a year, or as conditions require.

### 3. Objectives

- 3.1 For directors, management, staff, customers and related parties to understand issues related to money laundering, in compliance with this policy.
- 3.2 To ensure that operations and transactions are in line with international standards regarding anti-money laundering.
- 3.3 To provide guidance for management regarding risks that might occur from money laundering through Ascend Group of Companies’ business channels.

### 4. Roles and Responsibilities

#### 4.1 Board of Directors

- 4.1.1 Ensure that the Anti-Money Laundering Policy and Guidelines are in place.
- 4.1.2 Ensure that the policy and guidelines are properly implemented.

#### 4.2 Management

- 4.2.1 Establish adequate anti-money laundering procedures that are adapted to fit the context of each business while in accordance with this Policy and Guidelines, regulations, and laws in countries where the Company operates.

4.2.2 Ensure that the organizational structure and related functions are in place for monitoring operations consistent with this Policy and Guidelines.

4.2.3 Monitor the effective implementation of policy, guidelines, and regulations and identify areas for improvement, in addition to ensuring regular performance reports related to this Policy and Guidelines.

#### **4.3 Responsible Department / Person**

4.3.1 Perform customer risk management and verify customers' identities prior to establishing business relations with customers.

4.3.2 Retaining customer due diligence records and other documents related to financial transactions.

4.3.3 Report to the Board of Directors or management on the performance of this Policy and Guidelines.

#### **4.4 Internal Audit Department**

Regularly audit transactions based on customer risk.

### **5. Guidelines**

#### **5.1 Customer Risk Management**

5.1.1 Assess and prioritize customer risk, as well as retain customer information and supporting documents accordingly. For example, customers with the politically exposed person status ("PEPs") are classified as having a high risk.

5.1.2 Implement the Know Your Customer ("KYC") and Customer Due Diligence ("CDD") processes according to their risk profile:

(1) For low-risk customers: allow the use of Simplified Due Diligence; using customer identification as initially provided without the need to request for additional information.

(2) For high-risk customers: consider the use of Enhanced Due Diligence; by requesting for additional information for verification, i.e. utility payments, as well as determining the intensity of transaction monitoring.

5.1.3 Continuously perform and update Customer Risk Management, from the approval of transactions until the end of business relations.

5.1.4 Depending on their risk appetite, each company should consider modifying their own Customer Risk Management procedures as appropriate.

## **5.2 Know Your Customer (KYC)**

- 5.2.1 Employees must have customers (whether they are natural or juristic persons) provide their information and supporting documents prior to completing transactions, as per AMLO or other local anti-money laundering authorities' requirements.
- 5.2.2 Employees must have customers (whether they are natural or juristic persons) specify the ultimate beneficial owner and ultimate controlling person.

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

- 5.3.1 Employees must have customers (whether they are natural or juristic persons) specify the ultimate beneficial owner and ultimate controlling person.
- 5.3.2 Thoroughly inspect the sources of the customer's assets and funds before opening up a bank account or conducting transactions, in accordance with international standards, such as sources of funds used in transactions that may be involved with PEPs.
- 5.3.3 In the event of having to complete transactions with high risk customers, staff are required to report to the management for approval and report to the Executive Board/Board of Directors for acknowledgement.
- 5.3.4 Review and revise customer information annually, as well as when there are noticeable changes in transactions, suspicions of money laundering, doubts about customer identification or the ultimate beneficial owner.

## **5.4 Retention of Customer Information**

- 5.4.1 Retain information related to customer identification for a period of five years, starting from the date the customer account is closed or from the end of business relations.
- 5.4.2 Retain financial transactions or records for a period of five years from the transaction date or when recording of facts occurred.
- 5.4.3 Retain customer due diligence records (i.e. customer's other sources of income, spousal information, business profile) for a period of ten years, starting from the date the customer accounts was closed or from the end of business relations.

In addition, retention of customer information should follow local anti-money laundering laws.

## **5.5 Reporting**

### **5.5.1 For companies based in Thailand**

Companies with business natures according to Section 16 of the Anti-Money Laundering Act B.E. 2542 (please see Appendix A for more information) shall report their business activities to AMLO.

### **5.5.2 For companies based overseas**

Transaction reporting should follow local anti-money laundering laws.

## **6. Training**

The Company shall communicate the Anti-Money Laundering Policy and Guidelines and cascade it through training programs, conferences, and other appropriate channels to its directors, management, and staff. The effectiveness of such training and communications programs shall be evaluated on a regular basis.

## **7. Whistleblowing**

In case a violation of this Anti-Money Laundering Policy and Guidelines is found, a report must be filed by following the procedure stated in the Whistleblowing Policy and Guidelines. The information of complainant or whistleblower will be protected and the information will be kept confidential during the investigation and after the completion of the investigation process.

## **8. Policy Advice**

In case of suspicion on the action that may violate laws, regulations and this Anti-Money Laundering Policy and Guidelines, the employee can seek advice from her or his supervisors; team or persons responsible for anti-money laundering, the Compliance Department or Legal Department before making any decision or carrying out any action.

## **9. Penalties**

In the event of an investigation, all employees must fully cooperate with internal and external entities. If an employee violates or fails to comply with this Policy and Guidelines, either directly or indirectly, the employee will be subject to disciplinary action in accordance with Company's regulations.



## **10. Related Laws, Regulations, and Policies**

- 10.1 Anti-Money Laundering Act B.E. 2542 (Thailand)
- 10.2 Anti-Money Laundering Acts in each country where Ascend Group of Companies operates
- 10.3 Ascend Group of Companies' Whistleblowing Policy and Guidelines
- 10.4 Ascend Group of Companies' Anti-Bribery and Anti-Corruption Policy and Guidelines

## **11. Appendices**

The following Appendices are attached to this Policy and Guidelines:

- 11.1 Appendix A: Definitions
- 11.2 Appendix B: Businesses Required to Report to AMLO (Thailand)

## Appendix A

### Definitions

#### 1. Money Laundering

The process of creating the appearance that large amounts of money obtained from criminal activity originated from a legitimate source.

#### 2. Transaction

An activity related to an entry into a juristic act, a contract or the execution of any act with others in financial or commercial matters, or the operation in connection with assets.

#### 3. Suspicious Transaction

A transaction with reasonable grounds to believe that it is related to a money laundering offense or possibly connected with the commission of a predicate offense.



## Appendix B

### Businesses Required to Report to AMLO (Thailand)

1. **Juristic persons carrying on such other businesses related to finance, as defined in Ministerial Regulation B.E. 2543 issued under the provisions of the Anti-Money Laundering Act B.E. 2542**
  - (1) *Ad hoc* juristic persons under the law governing *ad hoc* juristic persons for securitization of assets
  - (2) Juristic persons permitted to operate the business relating to the foreign currency payment factors under the law governing currency exchange control
  - (3) Financial institution asset management corporations under the law governing financial institution asset management corporations
  - (4) Asset management companies under the law governing asset management companies
  - (5) Juristic persons engaging in futures contract business under the law governing futures contract business
  - (6) Juristic persons engaging in futures trade under the law governing futures contract business
  
2. **Other Professions, as defined in Section 16 of the Anti-Money Laundering Act B.E. 2542**
  - (1) Professions that undertake provision of advice or being an advisor in transactions relating to the investment or movement of funds, under the law governing securities and stock exchange, and that are not a financial institution under Section 13
  - (2) Professions relating to trading of precious stones, diamonds, gems, gold, or ornaments decorated with precious stones, diamonds, gems, or gold (only applies to Juristic persons)
  - (3) Professions relating to trading or hire-purchase of cars (only applies to Juristic persons)
  - (4) Professions acting as a broker or an agent in buying or selling immovable property (only applies to Juristic persons)
  - (5) Professions relating to trading of antiques under the law governing selling by auction and trading of antiques (only applies to Juristic persons)

- (6) Professions relating to personal loan under supervision for businesses that are not a financial institution under the Ministry of Finance Notification relating to Personal Loan Businesses under Supervision or under the law governing financial institution business
- (7) Professions relating to electronic money card that are not a financial institution under the Ministry of Finance Notification relating to electronic money card or under the law governing financial institution business
- (8) Professions relating to credit card that are not a financial institution under the Ministry of Finance Notification relating to credit card or under the law governing financial institution business
- (9) Professions relating to electronic payment under the law governing the supervision of electronic payment service business
- (10) Professions conducting a financial business under the law on exchange control which is not a financial institution and poses a risk, according to risk assessment, of being abused for money laundering or terrorism financing, as prescribed by the Ministerial Regulation