

## Anti-Money Laundering & Anti-Terrorism Policy

<b>Policy Name</b>	Anti-Money Laundering & Anti-Terrorism Policy
<b>Policy Number</b>	HRM-AMLATP

	<b>Print Name</b>	<b>Role</b>	<b>Signature</b>
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## **1. Introduction**

Human Relief Mission (HRM) is committed to conducting its operations in compliance with all applicable laws and regulations, including those related to Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT). This policy outlines HRM's commitment to preventing money laundering and terrorist financing activities and sets forth the organisation's framework for compliance.

### **1.1 Purpose and Background**

Human Relief Mission (HRM) operates with a steadfast commitment to ethical conduct, accountability, and compliance with applicable laws. As a responsible humanitarian organisation, HRM recognises the potential risks associated with money laundering and the financing of terrorism. This Anti-Money Laundering (AML) Policy serves as a foundational document outlining HRM's dedication to preventing illicit financial activities and complying with the legal frameworks designed to address these threats.

### **1.2 Regulatory Context**

The United Kingdom has established a robust legal and regulatory framework to combat money laundering and terrorist financing. HRM acknowledges the significance of aligning its operations with the Money Laundering, Terrorist Financing, and Transfer of Funds (Information on the Payer) Regulations 2017, as amended. This policy underscores HRM's commitment to upholding the principles outlined in these regulations and any other relevant legislation.

### **1.3 Organisation's Commitment**

HRM recognises the broader impact of financial crimes on global stability and security. The organisation is dedicated to preventing its resources from being misused for unlawful purposes and ensuring that funds directed toward humanitarian efforts truly benefit the communities it serves. By implementing this AML Policy, HRM reinforces its commitment to responsible financial stewardship and the highest standards of integrity.

### **1.4 Importance of AMLP**

Money laundering and the financing of terrorism threaten the core values of justice, fairness, and equality. HRM acknowledges that proactive measures to prevent these activities are essential for maintaining trust with stakeholders, including donors, partners, and the public. This AML Policy reflects HRM's recognition of its role in contributing to the global efforts against financial crimes.

### **1.5 Integration with Organisational Values**

HRM's mission of alleviating suffering and promoting sustainable development aligns inherently with the values of transparency, accountability, and ethical conduct. This AML

Policy seamlessly integrates into HRM's organisational fabric, reinforcing the organisation's commitment to responsible financial practices that support its overarching humanitarian goals.

### ***1.6 Collaboration and Shared Responsibility***

HRM recognises that combating money laundering is a shared responsibility that extends beyond organisational boundaries. This policy emphasises collaboration with regulatory bodies, law enforcement agencies, and the wider humanitarian sector. By working collectively, HRM aims to contribute to a global environment that is inhospitable to financial crimes.

## **2. Scope**

This AML Policy applies to all HRM staff, volunteers, board members, partners, and any individuals associated with HRM who may be involved in financial transactions on behalf of the organisation.

### ***2.1 Applicability***

This AML Policy applies comprehensively to all individuals associated with Human Relief Mission (HRM), including but not limited to staff, volunteers, board members, partners, and donors. Any person or entity engaging in financial transactions or representing HRM in financial matters is subject to the provisions outlined in this policy.

### ***2.2 Geographic Reach***

Recognising the global nature of money laundering and terrorist financing threats, this policy extends its reach to HRM's activities both within the United Kingdom and internationally. HRM acknowledges the need for a consistent and unified approach to AML measures across all regions where it operates.

### ***2.3 Inclusivity***

Adherence to AML principles is an inclusive responsibility at HRM. All individuals associated with the organisation are expected to understand, uphold, and comply with the provisions outlined in this policy. This includes staff at all levels, volunteers, partners, and any other stakeholders engaged in financial transactions on behalf of HRM.

### ***2.4 Specific Financial Activities***

This policy encompasses a broad range of financial activities, including but not limited to:

- Donations and Fundraising: Any financial transactions related to donations, fundraising events, and contributions from individuals or entities to HRM.

- Project Funding: Financial transactions associated with project funding, grants, and collaborative initiatives.
- Partnerships: Financial dealings with partners, contractors, and entities engaged in joint ventures or collaborations with HRM.
- Beneficiary Transactions: Financial transactions related to providing financial assistance or support to beneficiaries.
- Operational Finances: All financial transactions related to the operational and administrative functions of HRM.

### ***2.5 Third-Party Relationships***

HRM acknowledges that financial activities often involve interactions with third parties, including financial institutions, vendors, and service providers. This policy extends to such relationships, emphasising the importance of due diligence and collaboration to prevent money laundering risks associated with third-party engagements.

### ***2.6 Training and Awareness***

This policy applies to training programs and awareness initiatives conducted by HRM. All individuals undergoing AML training are expected to comply with the principles outlined in this policy in their respective roles within the organisation.

### ***2.7 Future Operations***

As HRM expands its operations or engages in new financial activities, this policy will automatically apply to such endeavours. The organisation commits to assessing and adapting its AML measures to address emerging risks and compliance requirements associated with new operations.

### ***2.8 Regulatory Changes***

In the event of changes to AML laws and regulations in the UK or any other jurisdiction where HRM operates, this policy will be updated accordingly to ensure ongoing compliance.

## ***3. Policy Statement***

### ***3.1 Commitment to Compliance***

Human Relief Mission (HRM) is unwavering in its commitment to full compliance with Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) laws and regulations in all jurisdictions where it operates. HRM recognises the importance of actively preventing money laundering and terrorist financing activities and is dedicated to upholding a zero-tolerance approach toward any form of financial crime.

### **3.2 Ethical Conduct**

HRM places a high premium on ethical conduct and responsible financial stewardship. This AML Policy underscores HRM's commitment to maintaining the highest ethical standards in its financial transactions, reinforcing trust with stakeholders, and contributing to the overall integrity of the humanitarian sector.

### **3.3 Integration with HRM's Mission**

This AML Policy seamlessly integrates with HRM's overarching mission of alleviating suffering and promoting sustainable development. By actively preventing financial crimes, HRM ensures that its resources are directed towards their intended humanitarian purposes, directly benefiting the communities it serves. The organisation recognises the vital role it plays in contributing to global efforts against money laundering and the financing of terrorism.

### **3.4 Continuous Improvement**

HRM is dedicated to continuous improvement in its AML practices. The organisation commits to regular reviews and updates of its AML measures to address emerging risks, enhance effectiveness, and align with evolving legal and regulatory requirements. HRM views the prevention of financial crimes as an ongoing process that requires adaptability and a proactive approach.

### **3.5 Collaboration and Shared Responsibility**

HRM recognises that the fight against money laundering is a shared responsibility that extends beyond organisational boundaries. The organisation is committed to collaborating with regulatory bodies, law enforcement agencies, and the wider humanitarian sector to collectively combat financial crimes. By fostering cooperation, HRM aims to contribute to a global environment that actively prevents and deters illicit financial activities.

### **3.6 Stakeholder Trust**

HRM acknowledges that the trust of its stakeholders, including donors, partners, beneficiaries, and the public, is paramount. By adhering to robust AML practices, HRM ensures that its financial activities are transparent, accountable, and aligned with the values of integrity and responsibility.

### **3.7 Legal and Regulatory Adherence**

HRM is dedicated to strict adherence to AML laws and regulations, including the Money Laundering, Terrorist Financing, and Transfer of Funds (Information on the Payer) Regulations 2017, as amended. The organisation commits to staying informed about

changes in relevant legislation and updating its AML measures promptly to ensure ongoing compliance.

### **3.8 Reporting and Investigation**

HRM encourages a culture of reporting and investigation within the organisation. Any staff member or stakeholder who suspects or identifies potentially suspicious financial activities is encouraged to report such concerns promptly through the established reporting mechanisms. HRM commits to thoroughly investigate reported concerns and take appropriate actions, including reporting to relevant authorities when required by law.

### **3.9 Non-Retaliation**

HRM guarantees protection against retaliation for individuals who, in good faith, report concerns related to potential money laundering or terrorist financing activities. Non-retaliation is integral to HRM's commitment to fostering an environment where individuals feel secure in reporting suspicions without fear of reprisal.

## **4. Risk Assessment**

HRM conducts regular risk assessments to identify and assess the risk of money laundering and terrorist financing activities associated with its operations. The risk assessment considers the organisation's activities, partners, and geographic locations.

### **4.1 Purpose of Risk Assessment**

The primary purpose of HRM's risk assessment is to systematically identify and evaluate vulnerabilities within the organisation that may expose it to the risk of money laundering and terrorist financing. This comprehensive assessment aims to cover all aspects of HRM's operations, considering the diversity of its activities, partners, and geographical locations.

The insights gained from the risk assessment process empower HRM to make informed decisions about allocating resources and implementing targeted AML measures. By understanding the specific risks associated with its operations, HRM can prioritise its efforts and adopt a risk-based approach to anti-money laundering.

### **4.2 Risk Assessment Process**

HRM commits to conducting regular risk assessments at intervals deemed appropriate by the organisation. This ensures that the risk landscape is continuously monitored, and adjustments are made to AML measures in response to evolving threats. The risk assessment methodology involves a thorough examination of HRM's operations, including but not limited to:

- Nature of Activities: The types of humanitarian activities, projects, and partnerships undertaken by HRM.
- Geographical Presence: The regions and countries where HRM operates, considering the varying AML risks associated with different jurisdictions.
- Partnerships and Collaborations: The nature and extent of partnerships and collaborations with other organisations, including financial institutions.
- Donor Relationships: Evaluation of donor relationships, with consideration given to the potential risks associated with diverse funding sources.
- Transaction Volumes: The volume and frequency of financial transactions processed by HRM.

#### **4.3 Risk Mitigation Strategies**

Based on the findings of the risk assessment, HRM will develop and implement targeted mitigation measures to address identified vulnerabilities. These measures may include enhanced due diligence procedures, enhanced monitoring, and specific training programs. HRM commits to allocating resources effectively to implement risk mitigation measures. This may involve training staff, enhancing technological systems, and collaborating with external experts where necessary. The effectiveness of risk mitigation measures will be regularly reviewed, and adjustments will be made as needed. HRM acknowledges the dynamic nature of AML risks and the need for ongoing evaluation and adaptation of mitigation strategies.

#### **4.4 Documentation and Reporting**

The results of the risk assessment, including identified risks and mitigation measures, will be documented and maintained in a secure and accessible manner. Periodic reports summarising the outcomes of risk assessments and the status of implemented mitigation measures will be presented to the relevant oversight body and other relevant stakeholders. HRM will communicate key findings and updates from risk assessments to staff, volunteers, and other relevant parties to foster awareness and understanding of AML risks within the organisation.

## **5. Customer Due Diligence (CDD)**

### **5.1 Purpose of Customer Due Diligence**

The primary purpose of Customer Due Diligence (CDD) at Human Relief Mission (HRM) is to verify the identity of individuals, entities, and other relevant parties engaging in financial transactions with the organisation. CDD measures are designed to ensure the legitimacy of these relationships and to prevent HRM from inadvertently being used as a conduit for money laundering or terrorist financing. HRM adopts a risk-based approach to CDD, tailoring the intensity and depth of due diligence measures according to the assessed risk associated with specific customers, transactions, and relationships. This

approach enables HRM to allocate resources efficiently and focus its diligence efforts where the risks are higher.

### **5.2 Customer Due Diligence Process**

The Customer Due Diligence (CDD) process is designated to ensure consistency, accuracy, and compliance with AML regulations. HRM collects sufficient information to accurately identify and verify the identity of customers. This includes individuals, entities, and any other parties involved in financial transactions with HRM. HRM employs a range of verification procedures to confirm the identity of customers. This may include obtaining official identification documents, conducting in-person interviews, and utilising third-party identity verification services. In cases where the assessed risk is higher, HRM commits to conducting Enhanced Due Diligence (EDD). This involves obtaining additional information and scrutinising the customer relationship more closely. EDD measures are proportionate to the identified risks.

### **5.3 Ongoing Monitoring**

HRM commits to conducting regular reviews of customer information to ensure its accuracy and relevance. Ongoing monitoring is essential to identify any changes in customer behaviour or circumstances that may pose an increased risk of money laundering or terrorist financing. HRM implements transaction monitoring systems to detect and investigate unusual or suspicious transactions. This proactive approach enables the organisation to identify potentially illicit activities and take prompt corrective action.

### **5.4 Politically Exposed Persons (PEPs)**

HRM acknowledges the potential elevated risk associated with Politically Exposed Persons (PEPs) and commits to identifying and scrutinising relationships with individuals holding or having held prominent public positions. When dealing with PEPs, HRM will apply enhanced due diligence measures to mitigate the heightened risk. This may include additional checks, approval processes, and ongoing monitoring of the relationship.

### **5.5 Third-Party Relationships**

HRM extends its due diligence efforts to third parties, including financial institutions, partners, and service providers. HRM commits to assessing the AML measures implemented by third parties with which it engages in financial transactions. Where applicable, HRM includes contractual obligations requiring third parties to adhere to AML principles and to promptly notify HRM of any suspicious activities or changes in risk associated with transactions involving HRM.



## **6. Reporting Suspicious Transactions**

All staff and volunteers are obligated to report any suspicious transactions or activities promptly. HRM maintains a mechanism for reporting such concerns confidentially, and reports are made to the appropriate authorities as required by law.

### **6.1 Culture of Vigilance**

Human Relief Mission (HRM) actively promotes a culture of vigilance and responsibility among its staff, volunteers, and stakeholders. All individuals associated with HRM are encouraged to report any suspicions or concerns regarding potentially suspicious transactions promptly. HRM guarantees protection against retaliation for individuals who, in good faith, report concerns related to potential money laundering or terrorist financing activities. Non-retaliation is integral to HRM's commitment to fostering an environment where individuals feel secure in reporting suspicions without fear of reprisal.

### **6.2 Reporting Criteria**

HRM provides clear and specific criteria to assist individuals in identifying transactions that may be deemed suspicious. These criteria are aligned with regulatory guidelines and include indicators such as unusual transaction patterns, inconsistent client behaviour, or transactions lacking an apparent lawful purpose. HRM includes training on the recognition of suspicious transactions as part of its broader AML training program. This training equips staff and volunteers with the knowledge and skills needed to identify and report transactions that may warrant further investigation.

### **6.3 Investigation Process**

HRM designates an individual from the senior management team who will be responsible for investigating reported suspicions of money laundering or terrorist financing. This individual is knowledgeable in AML procedures and is empowered to conduct thorough and impartial investigations. HRM commits to taking prompt action upon receiving reports of suspicious transactions. Investigations will be initiated promptly, and appropriate measures will be implemented to mitigate risks and prevent potential harm to the organisation.

### **6.4 Reporting to Authorities**

HRM acknowledges its legal obligations to report suspicions of money laundering or terrorist financing to relevant authorities. Reporting will be carried out promptly and in compliance with applicable laws and regulations. HRM commits to collaborating fully with law enforcement agencies, regulatory bodies, and financial intelligence units as required. This collaboration includes providing all necessary information and assistance during investigations.

### **6.5 Record-Keeping**

HRM maintains detailed and accurate records of all reports of suspicious transactions, including the nature of the suspicions, actions taken, and outcomes of investigations. Records related to suspicious transactions are securely stored and accessible for audit and compliance purposes, ensuring confidentiality and compliance with data protection regulations.

## **7. Record-Keeping**

HRM maintains accurate and up-to-date records of all financial transactions, customer due diligence, and AML-related documentation. Records are securely stored and accessible for audit and compliance purposes.

### **7.1 Purpose of Record-Keeping**

The primary purpose of record-keeping at Human Relief Mission (HRM) is to maintain comprehensive and accurate documentation related to AML measures. This includes records of customer due diligence, reports of suspicious transactions, risk assessments, and other relevant documentation. Record-keeping serves as a crucial component of HRM's commitment to compliance with AML laws and regulations. Well-maintained records enable HRM to undergo audits and assessments with transparency and efficiency. These records provide a historical trail of AML activities, facilitating internal and external oversight processes.

### **7.2 Storage and Accessibility**

HRM implements regular backup procedures for electronic records to safeguard against data loss. Backups are stored securely and are easily recoverable in the event of a system failure or data corruption.

Access to AML records is restricted to authorised personnel who require such access for their roles. HRM employs access controls, password protection, and other security measures to prevent unauthorised access.

### **7.3 Retention Period**

HRM adheres to regulatory requirements regarding the retention of AML records. The organisation ensures that records are retained for the specified duration as mandated by applicable laws and regulations.

HRM documents and communicates its retention policies for AML records to relevant staff and stakeholders. Clear guidelines on the retention period for different types of records are established to ensure consistency and compliance.

#### **7.4 Audit and Review**

HRM conducts regular internal audits of AML records to verify compliance with internal policies and regulatory requirements. These audits are performed by independent internal audit teams or designated individuals.

Findings from audits are utilised for continuous improvement. HRM reviews audit outcomes to identify areas for enhancement in AML processes, record-keeping practices, and overall compliance measures.

### **8. Training and Awareness**

HRM provides regular AML training for staff and volunteers to ensure a clear understanding of AML and CFT risks, policies, and procedures. Training includes updates on relevant laws and regulations.

#### **8.1 Importance of Training**

Human Relief Mission (HRM) recognises that training and awareness are integral components of an effective AML program. Training ensures that staff, volunteers, and stakeholders are equipped with the knowledge and skills necessary to identify, prevent, and report potential money laundering or terrorist financing activities.

#### **8.2 Target Audience**

AML training is mandatory for all individuals associated with HRM, including staff, volunteers, board members, and any other stakeholders engaged in financial transactions on behalf of the organisation.

#### **8.3 Training Content**

Training covers the fundamental concepts of anti-money laundering and countering the financing of terrorism, including the legal and regulatory framework within which HRM operates. Participants are educated on HRM's specific AML policies, procedures, and internal controls. This includes an in-depth understanding of customer due diligence processes, reporting mechanisms, and record-keeping requirements.

Training emphasises HRM's adoption of a risk-based approach to AML measures, providing practical guidance on assessing and mitigating risks associated with different transactions and relationships. Participants are trained to recognise indicators of potentially suspicious transactions.

Training includes an overview of the legal obligations of HRM and its personnel regarding reporting suspicious transactions, collaboration with authorities, and adherence to AML laws and regulations.

Participants are reminded of the ethical considerations associated with AML measures. Training reinforces the importance of responsible financial stewardship and ethical conduct in HRM's humanitarian mission.

#### **8.4 Training Delivery**

HRM employs a variety of training modes, including in-person sessions, workshops, and written materials. The organisation ensures that training methods are accessible and effective for diverse audiences.

HRM provides training materials in languages accessible to its diverse workforce, ensuring that language barriers do not hinder understanding or compliance.

#### **8.5 Awareness Initiatives**

HRM conducts regular awareness initiatives, including memos and briefings, to keep personnel informed about AML developments, and the organisation's commitment to AML compliance.

Awareness initiatives emphasise the importance of a reporting culture, encouraging individuals to proactively report suspicions and concerns related to potential money laundering or terrorist financing activities.

HRM establishes feedback mechanisms to gather input from staff and volunteers about the effectiveness of AML training and awareness initiatives. This feedback is used to refine and improve future training programs.

#### **8.6 Continuous Improvement**

HRM monitors the effectiveness of AML training through ongoing evaluation and feedback mechanisms. The organisation utilises key performance indicators to assess the impact of training initiatives on AML compliance.

Lessons learned from reported suspicions, investigations, and audits are incorporated into training materials to provide practical insights and real-world examples, enhancing the educational value of AML training.

### **9. Compliance Monitoring**

HRM conducts regular internal reviews to assess the effectiveness of its AML and CFT policies and procedures. The organisation is committed to addressing any identified weaknesses promptly.

### **9.1 Purpose of Compliance Monitoring**

Compliance monitoring serves as a proactive tool to identify potential areas of risk or non-compliance. By regularly assessing the effectiveness of AML controls, HRM can implement corrective actions promptly, reducing the risk of financial crimes and reinforcing a culture of compliance.

### **9.2 Compliance Monitoring Process**

HRM designates a Compliance Officer or Compliance Team responsible for overseeing the compliance monitoring process. This individual or team is knowledgeable in AML requirements and has the authority to enforce adherence to policies and procedures.

HRM commits to conducting regular assessments of its AML program, encompassing customer due diligence, record-keeping, reporting mechanisms, and other key components. These assessments may include internal audits, self-assessments, and external reviews.

The compliance monitoring process adopts a risk-based approach, prioritising areas with higher inherent risks. This ensures that resources are allocated efficiently, focusing on activities and relationships with a greater potential for exposure to money laundering or terrorist financing risks.

### **9.3 Internal Audits**

HRM engages internal auditors, independent of the AML function, to conduct periodic audits of AML controls. These auditors assess the effectiveness of AML policies, procedures, and risk mitigation measures.

Internal audits cover various aspects of HRM's AML program, including customer due diligence, suspicious transaction reporting, record-keeping, training effectiveness, and overall compliance with AML laws and regulations.

### **9.4 Corrective Action and Remediation**

In the event of identified deficiencies or non-compliance, HRM commits to taking timely corrective action. This may involve revising policies and procedures, enhancing training programs, or implementing additional controls to address specific risks.

HRM conducts root cause analyses to understand the underlying reasons for identified issues. This analysis informs the development of sustainable solutions to prevent recurrence.

### **9.5 Continuous Improvement**

HRM views compliance monitoring as a dynamic process that requires continuous improvement. The organisation adapts its monitoring methods, tools, and assessment criteria based on evolving risks, regulatory changes, and lessons learned from corrective actions.

HRM encourages feedback from staff, volunteers, and stakeholders about the effectiveness of compliance monitoring activities. This feedback is instrumental in refining monitoring processes and ensuring their relevance to the organisation's AML goals.

## **10. Cooperation with Authorities**

### **10.1 Commitment to Collaboration**

Human Relief Mission (HRM) acknowledges its legal and ethical responsibility to cooperate fully with relevant authorities in the prevention, detection, and investigation of money laundering and terrorist financing activities.

HRM commits to maintaining open lines of communication with law enforcement agencies, financial intelligence units, regulatory bodies, and other competent authorities. This commitment extends to both domestic and international authorities as necessary.

### **10.2 Reporting to Authorities**

In the event of suspicions or evidence of money laundering or terrorist financing activities, HRM commits to promptly reporting such concerns to the appropriate authorities in accordance with applicable laws and regulations. HRM will share all relevant information with authorities, including customer due diligence records, transaction details, and any other pertinent information that may assist in investigations.

HRM guarantees protection for individuals who, in good faith, report suspicions or concerns to the organisation or relevant authorities. Whistleblowers will be safeguarded against retaliation and discrimination.

### **10.3 Collaboration During Investigations**

HRM pledges to provide full assistance to authorities during the investigation process. This includes cooperating with requests for information, facilitating interviews, and sharing relevant documentation to the extent allowed by law.

HRM ensures that all cooperation with authorities is conducted in strict compliance with applicable legal and regulatory frameworks. The organisation seeks legal advice when necessary to ensure adherence to due process and protection of individual rights.

#### **10.4 Information Sharing Agreements**

HRM may enter into information-sharing agreements with relevant authorities where permitted by law. These agreements outline the terms and conditions under which information can be shared and provide a framework for collaborative efforts.

HRM respects the confidentiality of information shared by authorities and ensures that any information provided by the organisation is treated with the utmost confidentiality by the authorities.

#### **10.5 Cross-Border Cooperation**

Given HRM's potential involvement in international activities, the organisation recognises the importance of cross-border cooperation. HRM commits to collaborating with authorities across borders to address transnational money laundering and terrorist financing threats.

HRM ensures that its cooperation with foreign authorities aligns with international standards and agreements, including but not limited to those set forth by the Financial Action Task Force (FATF).

#### **10.6 Legal Counsel Engagement**

HRM recognises the importance of seeking legal representation when engaging with authorities. The organisation may engage legal counsel to navigate legal complexities, protect organisational interests, and ensure compliance with applicable laws.

HRM seeks to preserve legal privilege where appropriate, especially when seeking legal advice or engaging in discussions related to investigations with legal implications.

### **11. Communication**

HRM communicates its AML Policy to all relevant stakeholders, including staff, volunteers, partners, and donors. The policy is made accessible through the organisation's official channels.

#### **11.1 Internal Communication**

HRM establishes clear reporting lines for AML-related matters within the organisation. All staff, volunteers, and relevant stakeholders are made aware of the designated channels for reporting suspicions, concerns, or issues related to money laundering or terrorist financing.

HRM conducts regular training and awareness programs to educate staff, volunteers, and relevant stakeholders about the importance of AML compliance. These programs emphasise the role of individuals in identifying and reporting suspicious activities.

## **11.2 External Communication**

HRM is committed to transparent and timely communication with relevant authorities. In the event of suspicions or evidence of money laundering or terrorist financing, HRM promptly communicates with law enforcement agencies, financial intelligence units, and other competent authorities in accordance with legal obligations.

HRM establishes clear communication protocols with regulatory bodies. This includes regular reporting, responding to inquiries, and providing necessary information to demonstrate ongoing compliance with AML laws and regulations.

HRM recognises the importance of confidentiality in external communication, especially when collaborating with authorities. The organisation takes measures to safeguard sensitive information and ensures that disclosures are made in compliance with legal and regulatory confidentiality requirements.

## **11.3 Reporting Mechanisms**

HRM provides mechanisms for anonymous reporting of suspicions or concerns related to money laundering or terrorist financing. These mechanisms encourage individuals to come forward without fear of reprisal.

HRM establishes clear reporting forms and procedures to streamline the reporting process. This includes providing templates and guidance to facilitate the accurate and comprehensive reporting of suspicious activities.

HRM ensures the protection of whistleblowers who report suspicions or concerns in good faith. The organisation prohibits retaliation and discrimination against individuals who come forward with information related to potential AML violations.

## **11.4 Periodic Communication**

HRM provides periodic updates to stakeholders, including staff, volunteers, and donors, about the organisation's commitment to AML compliance.

HRM communicates updates to AML policies, procedures, and training programs. This ensures that all relevant individuals are aware of changes and stay informed about evolving AML requirements and best practices.

HRM establishes feedback mechanisms for stakeholders to provide input on AML-related matters. This includes avenues for individuals to raise questions, seek clarification, or provide suggestions for improving AML processes.



## **12. Review and Updates**

### **12.1 Regular Review Process**

HRM commits to conducting regular reviews of its AML Policy and associated procedures to ensure continued effectiveness and relevance. These reviews are conducted at least annually or more frequently if there are significant changes in the organisation's operations, regulatory landscape, or risk profile.

A designated AML Review Team, consisting of individuals with expertise in AML compliance, legal, and relevant operational areas, is responsible for leading the review process. This team may include the Compliance Officer, legal counsel, representatives from relevant departments, and external AML experts if necessary.

### **12.2 Review Criteria**

HRM stays abreast of changes in AML laws, regulations, and industry best practices. The organisation evaluates the AML Policy against these updates to ensure *alignment* and compliance with the latest legal requirements.

Findings from internal audits, external reviews, and any reported incidents related to AML matters are considered during the review process. The organisation will analyse these findings to identify areas for improvement and update the policy accordingly.

HRM gathers feedback from staff, volunteers, and relevant stakeholders regarding the effectiveness and practicality of the AML Policy. This input is valuable in assessing how well the policy aligns with day-to-day operations and understanding areas that may require clarification or enhancement.

### **12.3 Update Process**

Updates to the AML Policy are a collaborative effort involving all stakeholders. The team ensures that proposed revisions are clear, practical, and aligned with HRM's mission while addressing identified areas for improvement.

The revised AML Policy undergoes a formal approval process, including review and approval by HRM's leadership or Board of Directors. The organisation ensures that all required authorisations are obtained before implementing any updates to the policy.

HRM communicates updates to the AML Policy promptly and transparently to all relevant stakeholders. This includes staff, volunteers, board members, and other individuals involved in HRM's activities. The communication may take the form of training sessions, memos, or other suitable channels.

#### **12.4 Training and Awareness**

HRM provides training sessions to ensure that all relevant individuals are aware of and understand the updated AML Policy. This training includes explanations of policy changes, the reasons behind them, and any new requirements introduced.

HRM incorporates AML awareness into ongoing programs to reinforce the importance of compliance.

#### **12.5 Continuous Improvement Culture**

HRM establishes feedback mechanisms for stakeholders to provide input on AML policy updates. This includes opportunities for staff, volunteers, and relevant individuals to share their perspectives on the effectiveness and practicality of the updated policy.

HRM embraces an adaptive approach to AML policy management. The organisation remains flexible in responding to emerging risks, regulatory changes, and lessons learned from incidents, using these insights to inform continuous improvements to the AML Policy.

#### **12.6 Next Review Due**

This AML Policy is subject to periodic review to ensure its effectiveness and compliance with evolving laws and regulations. Updates will be made as necessary, and the policy will be communicated to all relevant stakeholders.