

Anti-Money Laundering and Know Your Contractor Policy

INTERNAL PROCEDURE FOR COUNTERACTING MONEY LAUNDERING AND TERRORIST FINANCING REFERRED TO IN ARTICLE 50 POLISH ACT OF 1 MARCH 2018 ON COUNTERACTING MONEY LAUNDERING AND TERRORIST FINANCING

DISTINCOR SERVICES SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ

Sp. z o.o.

with its registered seat in **Łódź**

PIOTRKOWSKA No.

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Łódź, postal code 90-

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country POLAND

Republic of Poland

NIP (TIN): 7252323700

REGON (Statistical Number): 523241523

KRS (Commercial Number): 0000994224

1. DISTINCOR SERVICES SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ with its registered seat in Łódź, Republic of Poland (hereinafter: Distincor Services Sp. z.o.o.), is a legal entity incorporated by law of Republic of Poland and entered into Commercial Register, hold by District Court for the municipality Łódź, city Łódź, Commercial Division of National Court Register with Commercial No. ("KRS" number): 0000994224
2. The issue of anti-money laundering and counter acting terrorism has been regulated in:
 - a) the Polish Act of 1st March 2018 on counteracting money laundering and financing terrorism (Polish Journal of Laws 2021, item. 1132, 1163, 1535 – consolidated text);
 - b) Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (*OJ L 141, 5.6.2015, p. 73*);
 - c) Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (*OJ L 156, 19.6.2018, p. 43–74*);
 - d) Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (*OJ L 284, 12.11.2018*)
3. Money laundering shall be understood as the act referred to in Article 299 of the Act of 6 June 1997 – Polish Penal Code, that is:

Art. 299

§ 1. Anyone who receives, transfers or transports abroad, or assists in the transfer of title or possession of legal tender, securities or other foreign currency valu

property rights or real or movable property obtained from the profits of offence

committed by other people, or takes any other action that may prevent or significantly hinder the determination of their criminal origin or place of location, their detection or forfeiture, is liable to imprisonment for between six months and eight years.

§ 2. Anyone who, as an employee of a bank, financial or credit institution, or any other entity legally obliged to register transactions and the people performing them, unlawfully receives a cash amount of money or foreign currency, or who transfers or converts it, or receives it under other circumstances raising a justified suspicion as to its origin from the offences specified in § 1, or who provides services aimed at concealing its criminal origin or in securing it against forfeiture, is liable to the penalty specified in § 1.

4. Terrorist financing shall be understood as the act referred to in Article 165a of the Act of 6 June 1997 – Polish Penal Code; that is:

Art. 165a

Anyone who collects, transfers or offers means of payment, financial instruments, securities, foreign exchange, property rights or other movable or immovable property in order to finance a terrorist offence is liable to imprisonment for between two and 12 years.

5. Virtual currencies are developing quickly and are an example of digital innovation. However, at the same time, there is a risk that virtual currencies could be used by terrorist organizations to circumvent the traditional financial system and conceal financial transactions as these can be carried out in an anonymous manner.
6. Distincor Services Sp. z.o.o. performs business activity consisting in the provision of services in the scope of exchange between virtual currencies and means of payment. According to Article 2, point 1, section 12, letter A Polish Act on counteracting money laundering and financing terrorism Distincor Services Sp. z.o.o. has to be recognized as “obligated entity”.
7. The authority of Polish government administration exercising control over the compliance with the provisions on counteracting money laundering and terrorist financing is the General Inspector of Financial Information, hereinafter referred to as the “General Inspector”, Świętokrzyska 12 Street, 00-916, Warsaw, Republic of Poland.
8. This Policy outlines the minimum general unified standards of internal KYC / AML control which would be adhered to by Distincor Services Sp. z.o.o. in order to mitigate the legal, regulatory, reputational, operational, and as a consequence financial risk.
9. The main objectives of this policy are:
 - a) prevent Distincor Services Sp. z.o.o. from being used, intentionally or unintentionally, by criminal elements for money laundering or financing terrorist activities;
 - b) enable Distincor Services Sp. z.o.o. to know and understand its contractors with which Distincor Services Sp. z.o.o. has any financial dealings with and their financial background and source of funds better, which in turn would help it to manage its risks prudently;

- c) compliance with all applicable regulations, rules and laws and will be reviewed and updated on a regular basis to ensure appropriate policies, procedures and internal controls are in place to account for both changes in regulations and changes in Distincor Services Sp. z.o.o. business;
 - a) put in place appropriate controls for detection and reporting of suspicious activities in accordance with applicable laws, procedures and regulatory guidelines; and
 - b) equip Distincor Services Sp. z.o.o. personnel with the necessary training and measures to deal with matters concerning KYC/AML procedures and reporting obligations.
10. This Policy and defined KYC and AML procedures are revisited periodically and amended from time to time (especially in relation to changes in the risk factors concerning contractors, countries or geographical areas, products, services, transactions or their delivery channels – according to art. 27 point 3 Polish Act of 1st March 2018 on counteracting money laundering and financing terrorism) based on prevailing industry standards and international regulations designed to facilitate the prevention of illicit activity including money laundering and terrorist financing.
11. This Policy is subject to approval by the senior management of Distincor Services Sp. z.o.o.

Contractor identification – KYC Procedure

12. In order to establish business relation with Distincor Services Sp. z.o.o. contractors have to proceed through specific identity verification procedure.

Natural person contractor identification

13. To enter into business relation with Distincor Services Sp. z.o.o. contractor who is natural person has to provide following data:
- a. Full Name (with first name and last name separation);
 - b. Residential Address;
 - c. Citizenship;
 - d. Number entered in the Polish Universal Electronic System for Civil Registration (PESEL)-if applicable;
 - e. Date and place of birth;
 - f. The name (business name), the tax identification number (TIN - pl:” NIP”) and the address of the main place of business activity - in the case of a natural person conducting business activity.
14. Verification of identity is required by obtaining a high-resolution, non-expired copy of the contractor’s government-issued ID (passport or national identity card)
15. Verification of residence is required by obtaining a copy of an acceptable address proof document issued in the 3 months prior to establishing a business relationship with Distincor Services Sp. z.o.o. The document must carry the contractor’s name and address. A valid proof of residence document can be:
- a. bank statement;

- b. debit or credit card statement;
 - c. utility bill (water, electricity, gas, internet, phone);
 - d. payroll statement or official salary document from employer;
 - e. insurance statement;
 - f. tax document; or
 - g. residence certificate.
16. Further verification is requested from natural person by submitting a unique photo of themselves holding their government-issued ID. The ID document have to be the same government-issued ID the natural person submitted previously and must be fully clear and readable.

Business entity contractor identification

17. To enter into business relation with Distincor Services Sp. z.o.o. contractor who is a legal person or an organizational unit having no legal personality to whom legal capacity is granted under an act has to provide following data:
- a. the name (business name);
 - b. the organizational form;
 - c. the address of the registered office or the address of conducting business;
 - d. the Tax Identification Number (pl: "NIP");
 - e. commercial registration number;
 - f. date of registration;
 - g. the identification data and measures stipulated in point 12, 13, 14, 15 of the natural person representing entity.
18. Distincor Services Sp. z.o.o. verifies the legal status of the legal entity through proper and relevant documents, in particular:
- a. Excerpt from Commercial Register;
 - b. Founding act of legal entity;
19. Distincor Services Sp. z.o.o. verifies that any person purporting to act on behalf of the legal person / entity is properly authorized.
20. Distincor Services Sp. z.o.o. takes measures to identify the beneficial owner(s) of the contractor and verify his identity by obtaining data stipulated in point 12, 13, 14, 15 of this Policy.
21. Where business relationships are established or occasional transactions are conducted with a contractor which is the entity obligated to register of information on beneficial owners, the Distincor Services Sp. z.o.o. shall obtain the confirmation of the registration or a copy from the Polish Central Register of Beneficial Owners or the relevant register maintained in a Member State.
22. Beneficial owner shall be understood as a natural person or natural persons who control, whether directly or indirectly, a contractor through their powers which result from legal or factual circumstances and enable exerting a decisive impact on a contractor's acts or actions, or a natural person or natural persons on whose behalf business relationships are being established or an occasional transaction is being conducted, including:

- a. in the case of a contractor being a legal person other than a company whose securities are admitted to trading on a regulated market that is subject to disclosure requirements market that is subject to disclosure requirements in accordance with the EU law or subject to equivalent third country law:
 - i. a natural person being the contractor's shareholder or stockholder and holding the ownership right to more than 25 per cent of the total number of stocks or shares of such legal person, - a natural person holding more than 25 per cent of the total number of votes in the contractor's decision-making body, also as a pledgee or usufructuary, or under arrangements with other holders of voting rights,
 - ii. a natural person exercising control over a legal person or legal persons holding in aggregate the ownership right to more than 25 per cent of the total number of stocks or shares of the contractor or holding in aggregate more than 25 per cent of the total number of votes in the contractor's body, also as a pledgee or usufructuary, or under arrangements with other holders of voting rights,
 - iii. a natural person holding a senior management function in the case of the documented inability to determine beneficial owner in other way.
- b. in the case of a contractor being a trust: - the settlor, - the trustee, - the supervisor, if any, - the beneficiary, - other person exercising control over the trust;
- c. in the case of a contractor being a natural person carrying out economic activity with respect of whom/which no premises or circumstances were found which could indicate that any other natural person or natural persons exercise control over him/her, such contractor shall be assumed to be the beneficial owner at the same time.

Business relations with Politically Exposed Persons (PEP)

23. Politically exposed persons (PEP) shall be understood as natural persons with prominent posts or prominent public functions, including:
- a. heads of State, heads of government, ministers, deputy ministers, secretaries of state, and undersecretaries of state, including the President of the Republic of Poland, the Chairman of the Council of Ministers, and the Vice-Chairman of the Council of Ministers;
 - b. members of parliament or similar legislative bodies, including deputies and senators;
 - c. members of the governing bodies of political parties;
 - d. members of supreme courts, of constitutional courts or of other high-level judicial bodies, the decisions of which are not subject to further appeal,

except under exceptional procedures, including the judges of the Supreme Court, of the Constitutional Tribunal, of the Supreme Administrative Court, of voivodeship administrative courts and judges of appellate courts;

- e. members of courts of auditors or of the management boards of central banks, including the President and members of the Management Board of NBP;
- f. ambassadors, chargés d'affaires and high-ranking officers in the armed forces;
- g. members of the administrative, management or supervisory bodies of state-owned enterprises, including directors of state-owned enterprises and members of the management or supervisory boards of companies with the State Treasury shareholdings in which more than a half of stocks or shares are held by the State Treasury or other state-owned legal persons;
- h. directors, deputy directors and members of the bodies of international organizations or persons performing equivalent functions in these organizations;
- i. general directors of supreme and central offices of state authorities, general directors of voivodeship offices, and managers of field offices of the special government administration authorities.

24. Family members of a politically exposed person - this shall be understood as:

- a. a spouse or a cohabitant of a politically exposed person;
- b. a child of a politically exposed person and his/her spouse or a cohabitant;
- c. parents of a politically exposed person.

25. Persons known to be close associates of a politically exposed person - this shall be understood as:

- a. natural persons who have beneficial ownership of legal persons, organizational units having no legal personality or trusts with a politically exposed person, or any other close relationships with such a person related to the business activity conducted;
- b. natural persons who have sole beneficial ownership of legal persons, organizational units having no legal personality or a trust which is known to have been set up for the de facto benefit of a politically exposed person.

26. In order to establish whether a natural person contractor or a beneficial owner is a PEP Distincor Services Sp. z.o.o. executes determinations as follows:

- a. receives a statement from the contractor or beneficial owner in written or document form, to the effect that the contractor/beneficial owner is or is not a politically exposed person, which statement shall be submitted under pain of penalty of perjury. The person submitting the statement shall include therein the clause reading as follows: "I am aware of the penalty of perjury.". This clause according to Polish law replaces a notice of penalty of perjury;
- b. check contractor and beneficial owner status in:
 - i. <https://www.worldpresidentsdb.com/>
 - ii. <https://www.europarl.europa.eu/portal/en>

- iii. <https://everypolitician.org/>
- iv. https://pl.wikipedia.org/wiki/Wikipedia:Strona_g%C5%82%C3%B3wna
- v. <https://dilisense.com/>
- vi. LexisNexis World Compliance Data

Enhanced security measures

27. Distincor Services Sp. z.o.o.. undertakes enhanced financial security measures in the cases of
- a. higher risk of money laundering or terrorist financing;
 - b. business relations with Politically Exposed Persons (PEP)
28. A higher risk of money laundering and terrorist financing can be indicated in particular by:
- a. establishment of business relationships in unusual circumstances;
 - b. the fact that the contractor is:
 - i. a legal person or an organizational unit having no legal personality, whose activity serves to storage of personal assets;
 - ii. a company in which bearer shares were issued, whose securities are not admitted to organized trading, or a company in which the rights attached to shares or stocks are exercised by entities other than shareholders or stockholders;
 - c. the subject of the business activity carried out by the contractor covering conducting of a significant number of cash transactions or cash transactions of high amounts;
 - d. unusual or excessively complex ownership structure of the contractor, having regard to the type and scope of the business activity conducted by this contractor;
 - e. the fact of the contractor making use of services or products offered as part of private banking;
 - f. the fact of the contractor making use of services or products contributing to anonymity or hindering the contractor's identification, including the service consisting in creating additional numbers of accounts marked pursuant to the provisions issued under Article 68, subparagraphs 3 and 4 of the Act of 29 August 1997 – Polis Banking Law, as well as Article 4a, paragraph 5 of the Polish Act of 19 August 2011 on Payment Services linked to the account held, in order to make the account numbers available to other entities for the purpose of identification of payments or originators of those payments;
 - g. the fact of establishment or maintenance of business relationships or conducting an occasional transaction without the contractor being physically present - in the case when a higher risk of money laundering or terrorist financing related thereto was not mitigated in another manner, including by the use of a notified electronic identification measure adequately to the medium security level referred to in Regulation (EU) No 910/2014 of the

European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC (OJ L 257, 28.8.2014, p. 73) or the requirement of using a qualified electronic signature or a signature confirmed by the Electronic Platform of Public Administration Services (ePUAP) trusted profile;

- h. the fact of ordering of transactions by third entities unknown or not linked to a contractor, the beneficiary of which transactions is the contractor;
- i. the fact of covering by business relationships or transactions of new products or services or offering of products or services with the use of new distribution channels;
- j. linking business relationships or an occasional transaction by contractor with:
 - i. a high-risk third country;
 - ii. a country defined by reliable sources as a country of high corruption or other criminal activity levels, a country providing funding or support for committing activities of a terrorist nature, or with which an activity of an organization of a terrorist nature is associated;
 - iii. a country in relation to which the United Nations Organization or the European Union have taken a decision on imposing sanctions or specific restrictive measures.
- k. the fact that business relationships or occasional transaction are related to crude oil, arms, precious metals, tobacco products, cultural artefacts, ivory, protected species or other items of archaeological, historical, cultural and religious importance, or of rare scientific value;
- l. the fact that business relationships or occasional transaction are related to a customer who is a citizen of a third country and applies for a right to stay or citizenship in a Member State in exchange for capital transfers, immovable property acquisition or Treasury bonds or, as the case may be, investments in corporate entities in a given Member State

29. Enhanced security measures provide a greater level of scrutiny of potential and current contractors. In the cases of higher risk of money laundering or terrorist financing Distincor Services Sp. z.o.o. undertakes steps to understand the origin and legitimacy of the contractor's wealth and ask contractor for additional documents and information other than stipulated in point 12-17 of the Policy, in particular:

- a. Official corporate records of amendments in corporate structure from last 18 months;
- b. Copy of Annual Financial Statements from last 3 years;
- c. Copy of Tax Declarations with confirmation of submission from last 3 years;
- d. Names and location of contractor's contractors and suppliers;
- e. Bank statements from last 18 months;

- f. Copy of lease agreement of register office;
 - g. Standard documents, which confirm the sale of property, inheritance, salary, etc.
30. In the cases of higher risk of money laundering or terrorist financing Distincor Services Sp. z.o.o. verifies also contractor (its representatives and beneficial owner) in sanctions list, in particular:
- a. Warning of The Polish Financial Supervision Authority;
 - b. Warnings of the Polish Office of Competition and Consumer Protection;
 - c. VIES – European Commission;
 - d. United Nations Security Sanction list;
 - e. Us Consolidated Sanctions,
 - f. EU Financial Sanctions,
 - g. UK Financial Sanctions,
 - h. Interpol Wanted List,

Monitoring ongoing business relationship

31. Distincor Services Sp. z.o.o. ensures that the documents, data and information collected during the initial stages of the business relationship and as part of the enhanced security measure are kept up to date and questioned periodically, not less often than once per quarter.
32. Monitoring also involves identifying expired documents, changes in company structures, changes in address or business location and determining whether the contractor has become politically exposed, sanctioned or involved in dealings which are deemed to be high risk. Changes in the contractor profile might increase the contractor's risk category assigned, therefore requiring enhanced security measures.

Record keeping

33. Distincor Services Sp. z.o.o. shall maintain, for the period of 5 years counting from the first day of the year following the year in which business relationships with a contractor were terminated or in which occasional transactions were conducted, the following documents
- a. copies of documents and the information obtained as a result of application of financial security measures;
 - b. evidence confirming conducted transactions and records of the transactions, said evidence including original documents and copies of documents necessary for identifying a transaction.
 - c. prior to the expiry of the period referred to point a and b, the General Inspector may demand the storing of the documentation for the subsequent period not longer than 5 years, counting from the day on which the period expires, if this is necessary in order to counteract money laundering or terrorist financing.

Compliance officer and reporting

34. Distincor Services Sp. z.o.o. designates management board member responsible for implementing the duties set out in this Policy – Compliance officer.

35. The Compliance officer is responsible for ensuring the compliance of activity of the Distincor Services Sp. z.o.o. as well as its employees and other persons performing operations for the benefit of Distincor Services Sp. z.o.o. with the provisions on counteracting money laundering and terrorist financing.
36. The Compliance officer is also responsible for submitting, on behalf of the Distincor Services Sp. z.o.o. of the notifications referred to in Article 74, paragraph 1, Article 86, paragraph 1, Article 89, paragraph 1, and Article 90 Polish Act of 1st March 2018 on counteracting money laundering and financing terrorism, that is:
 - a. notification the General Inspector of the circumstances which could indicate a suspicion of commission of an offence of money laundering or terrorist financing;
 - b. notification the General Inspector, by electronic communication means, of a case of justified suspicion that a given transaction or specific property values may be associated with money laundering or terrorist financing.
 - c. notification the competent prosecutor of a case of a justified suspicion that the property values being the subject of a transaction or accumulated on an account are the proceeds of an offence other than an offence of money laundering or terrorist financing or a fiscal offence or are associated with an offence other than an offence of money laundering or terrorist financing or with a fiscal offence.
 - d. notification the General Inspector, by electronic communication means, of conducting the suspicion, in the case when provision of the notification was impossible prior to its conducting. In the notification the Distincor Services Sp. z.o.o. shall justify the reasons for failure to previously provide the notification and provide the information confirming the suspicion;
37. Distincor Services Sp. z.o.o. shall provide to the General Inspector the information on:
 - a. a received payment or disbursement of the funds of equivalent in excess of EUR 15,000 made;
 - b. a transfer of funds of equivalent in excess of EUR 15,000 made, except:
 - i. a national transfer of funds from other obliged institution;
 - ii. a transaction associated with the obliged institution's business dealings, which was conducted by the obliged institution in its own name and on its own behalf, including a transaction concluded on an interbank market;
 - iii. a transaction conducted on behalf of or for public finance sector entities referred to in Article 9 of the Polish Act of 27 August 2009 on Public Finance;
 - iv. a transaction conducted by a bank associating cooperative banks, if the information on the transaction has been provided by an associated cooperative bank;
 - v. conveyance of ownership for the purpose of securing property values made for the duration of a contract of ownership conveyance with an obliged institution.
38. An obligation of providing of information as referred to in 36 point a and b shall refer also to a transfer of funds from outside the territory of the Republic of Poland if the payment

service provider is an obliged institution.

39. Distincor Services Sp. z.o.o. shall provide the information within 7 days from the day of:
- a. receipt of the payment or making disbursement of funds - in the case of the information referred to point 36 letter a;
 - b. execution of a payment transaction in the form of a transfer of funds - in the case of the information referred to point 36 letter b;
 - c. making available the recipient's payment means - in the case of the information referred to in point 37
40. The information shall contain:
- a. a unique transaction identifier in the records of Distincor Services Sp. z.o.o. the date or the date and the time of conducting the transaction;
 - b. the identification data the contractor giving an instruction or order of conducting the transaction;
 - c. the amount and currency being the subject of the transaction;
 - d. the transaction type;
 - e. the transaction description;
 - f. the manner of issuing an instruction or order of conducting the transaction;
 - g. the numbers of the accounts used for conducting the transaction marked with the identifier of the International Bank Account Number (IBAN) or an identifier including the code of the country and the account number in the case of accounts not marked with an IBAN.
41. Distincor Services Sp. z.o.o. shall notify the General Inspector of the circumstances which could indicate a suspicion of commission of an offence of money laundering or terrorist financing.
42. The notification shall be submitted forthwith, however not later than within 2 business days of the day of confirmation by Distincor Services Sp. z.o.o. of the suspicion referred to in point 40.

Exclusion of entering business relationship by Distincor Services Sp. z.o.o.

43. Distincor Services Sp. z.o.o. is not entering into business relations with contractors from a high-risk third country or having a registered office in such a country. High-risk third country shall be understood as a country identified on the basis of information obtained from reliable sources, including reports from evaluation of national systems of counteracting money laundering and terrorist financing conducted by the Financial Action Task Force on Money Laundering (FATF) and the bodies or organizations associated with it, as not having an effective system of counteracting money laundering or terrorist financing or having strategic deficiencies in its system of combating money laundering or terrorist financing, in particular a third country identified by the European Commission in the delegated act adopted under Article 9 of Directive 2015/849 - https://ec.europa.eu/info/sites/info/files/list_of_scoping-priority-hrtc_aml-cft-14112018.pdf

AML audits

44. Distincor Services Sp. z.o.o. is aware that external audits by qualified AML experts provide a needed degree of objectivity in evaluating the internal controls program. Distincor Services Sp. z.o.o. use services of licensed law firm in Poland, which provides Distincor Services Sp. z.o.o. with a summary judgment about the quality of the Anti-Money laundering program.

Training

45. As part of Distincor Services Sp. z.o.o.'s Anti- Money Laundering program, all personnel are expected to be fully aware of the Anti- Money Laundering policies. Distincor Services Sp. z.o.o.'s employees are obligated to read and comply with this document and sign the acknowledgement form confirming that he has read and understands Anti-Money Laundering policies. Moreover, all personnel are required to reconfirm their awareness of the contents of Anti- Money Laundering policies by signing the acknowledgement form every 4 months.

46. All new employees receive anti-money laundering training as part of the mandatory new-hire training program. All applicable employees are also required to complete AML and KYC training annually. Participation in additional targeted training programs is required for all employees with day-to-day AML and KYC responsibilities.

47. Distincor Services Sp. z.o.o. ensures participation of the persons performing the obligations associated with counteracting money laundering and terrorist financing in training programs covering the execution of those obligations. The training programs take into consideration the nature, type and size of activity conducted by Distincor Services Sp. z.o.o. and ensure up-to-date knowledge in the realm of the discharge of obligations of the obliged institution, in particular the obligations referred to Article 74, paragraph 1, Article 86, paragraph 1 and Article 89, paragraph 1 Polish Act of 1st March 2018 on counteracting money laundering and financing terrorism

48. Distincor Services Sp. z.o.o. training program includes, at a minimum:

- a. how to identify signs of money laundering or financing of terrorism that arise during the course of the employees' duties;
- b. what to do once the risk is identified (including how, when and to whom report);
- c. what employees' roles are in Distincor Services Sp. z.o.o.'s compliance efforts and how to perform them;
- d. the disciplinary consequences (including civil and criminal penalties) for non-compliance.

49. Distincor Services Sp. z.o.o. personnel is obligated:

- a. At a time specified by the compliance officer, to undertake training programs on anti-money laundering policies and procedures;
- b. Participate in training how to recognize and deal with transactions which may be related to money laundering;
- c. Timely escalate and report the matter to the Compliance Officer;

- d. To get themselves acquainted with Anti Money Laundering Policy;
- e. Direct any doubts or queries in regard of Distincor Services Sp. z.o.o. ' Anti Money Laundering Policy to Compliance Officer.

Personnel protection

- 50. Distincor Services Sp. z.o.o. shall develop and implement an internal procedure of anonymous reporting by employees actual or potential breaches of the provisions in the field of combating money laundering and terrorist financing.
- 51. The procedure for anonymous reporting of breaches referred to in point 50 shall, in particular, specify:
 - a. the person responsible for receiving the reports;
 - b. the method of receiving the reports;
 - c. the manner of protection of an employee, ensuring at least protection against actions of a repressive nature, discrimination or having an impact upon deterioration other types of their legal or actual situation or consisting in directing threats; unfair treatment;
 - d. the manner of protection of personal data of an reporting employee and the person charged with committing a violation, pursuant to the provisions on protection of personal data;
 - e. the rules for preserving confidentiality in the case of disclosure of identity;
 - f. the type and the nature of follow-up actions taken after receipt of the report;
 - g. the time limit of removal by Distincor Services Sp. z.o.o. of personal data contained in the reports.
- 52. Distincor Services Sp. z.o.o. shall ensure employees protection against undertaking against them actions of a repressive nature or having an impact upon deterioration of their legal or actual situation or consisting in directing threats.
- 53. Distincor Services Sp. z.o.o. shall ensure employees performing activities related to fulfillment by the obliged institutions of the duties referred to in Article 74, Articles 86, 89 and 90 Polish Act of 1st March 2018 on counteracting money laundering and financing terrorism protection against undertaking against these persons actions of a repressive nature or having an impact upon deterioration of their legal or actual situation or consisting in directing threats.
- 54. Distincor Services Sp. z.o.o. shall not undertake against the employees' actions of a repressive nature or having an impact upon deterioration of their legal or actual situation or consisting in directing threats against them, in particular actions adversely affecting their working or employment conditions.
- 55. Employees and other persons performing activities for the Distincor Services Sp. z.o.o. exposed to the actions referred to in point 53 shall be entitled to report to the General Inspector the instances of such actions.

