



TRACER
GROUP

Internal Control Regulations to Combat Corruption, Anti-Money Laundering and Terrorism Financing

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1. Purpose

The purpose of this Regulation is to establish a robust framework for internal controls aimed at combating corruption, preventing money laundering, and countering the financing of terrorism. Tracer Group commits to the highest standards of professional ethics, integrity, and accountability in all its business dealings. This section serves as a foundation for fostering a culture of compliance that permeates every aspect of the organization. It emphasizes that effective internal controls are essential for safeguarding the company's reputation and long-term sustainability. Ultimately, the purpose of this document is to create an environment where transparency and trust are the norm.

2. Scope

This Regulation applies to all employees, contractors, representatives, and business partners of Tracer Group, regardless of location or function. It governs conduct across all operational areas, including procurement, sales, logistics, consulting, and financial transactions. The scope extends to joint ventures, third-party agents, and intermediaries acting on behalf of the company. By clearly defining its applicability, the Regulation ensures there is no ambiguity about compliance obligations. This broad scope guarantees that every stakeholder operates under the same ethical and regulatory standards.

3. Legal and Regulatory Framework

Tracer Group operates in compliance with applicable national laws, European Union directives, and international conventions on anti-money laundering (AML) and counter-terrorism financing (CTF). The company acknowledges the binding nature of regulations such as the EU Anti-Money Laundering Directive and relevant domestic legislation in each jurisdiction where it operates. This section establishes the legal foundation on which the policy rests, ensuring that it is aligned with global best practices. Compliance with legal requirements is not optional but a mandatory obligation for all staff and partners. The legal framework also serves as a reference point for evaluating the adequacy of internal control measures.

4. Definitions

For the purpose of this Regulation, corruption is defined as any act of abuse of entrusted power for private gain. Money laundering refers to the process of concealing the origins of illegally obtained funds to make them appear legitimate. Terrorism financing involves providing financial support, directly or indirectly, to individuals or organizations engaged in terrorist activities. Internal controls are systematic measures designed to ensure compliance with laws, regulations, and company standards. Clear definitions prevent ambiguity and provide a shared understanding for all stakeholders.

5. Governance and Responsibility

Responsibility for implementing and monitoring this Regulation rests with senior management, compliance officers, and line managers across Tracer Group. Every employee, however, shares accountability for upholding the principles outlined herein. Managers are expected to lead by example, promoting ethical conduct and reinforcing the importance of compliance through daily actions. The company designates compliance officers to provide guidance, training, and oversight on AML/CTF and anti-corruption practices. This shared responsibility ensures that internal control is not limited to a single function but integrated throughout the organization.

6. Risk Assessment

Tracer Group conducts periodic risk assessments to identify vulnerabilities related to corruption, money laundering, and terrorism financing. These assessments evaluate business lines, geographic exposures, customer profiles, and transaction patterns. Findings are used to tailor internal controls to specific risks, ensuring proportionality and effectiveness. The process involves both qualitative and quantitative methodologies, including data analysis and expert judgment. By maintaining a dynamic risk assessment process, the company ensures that controls remain relevant in changing business environments.

7. Policies and Procedures

The company establishes detailed policies and procedures to operationalize this Regulation. These include due diligence protocols for customer onboarding, transaction monitoring guidelines, and escalation procedures for suspicious activity. Policies are documented, regularly updated, and communicated across all organizational levels. Procedures are designed to be practical, enforceable, and consistent with legal requirements. Their consistent application provides a reliable defense against misconduct and regulatory breaches.

8. Customer and Partner Due Diligence

Tracer Group requires thorough due diligence before engaging with any customer, supplier, or business partner. This involves verifying identity, assessing beneficial ownership, and understanding the purpose of the business relationship. Enhanced due diligence is applied to high-risk clients, politically exposed persons, or operations in jurisdictions with weak AML/CTF controls. Periodic reviews ensure that due diligence remains accurate and up to date. Rigorous due diligence is essential for preventing the misuse of the company's services for illicit purposes.

9. Record Keeping

The company maintains comprehensive records of all business transactions, customer files, and due diligence information for a minimum period consistent with applicable law. Records are stored securely to prevent unauthorized access, alteration, or destruction. Proper documentation ensures transparency and enables effective regulatory audits. Detailed record-keeping also supports internal investigations and reinforces accountability. Accurate and accessible records are indispensable tools for demonstrating compliance with AML/CTF regulations.

10. Training and Awareness

Tracer Group provides regular training programs to employees on corruption risks, AML/CTF obligations, and the company's internal policies. Training materials are adapted to specific functions, ensuring relevance and effectiveness. Employees are educated on how to identify suspicious transactions and report them appropriately. Training also emphasizes ethical decision-making and the consequences of non-compliance. Continuous awareness initiatives create a knowledgeable workforce capable of recognizing and mitigating risks.

11. Reporting of Suspicious Activities

Employees and business partners are obliged to promptly report any suspicious transactions or behavior. Reporting channels are secure, confidential, and accessible to all stakeholders. Tracer Group guarantees protection against retaliation for individuals who raise concerns in good faith. Reports are investigated by compliance officers, and necessary actions are taken, including notification of relevant authorities. Effective reporting mechanisms are central to the company's defense against financial crime.

12. Monitoring and Internal Audit

Compliance with this Regulation is monitored continuously through internal audits, reviews, and control mechanisms. Audits evaluate the effectiveness of policies, risk assessments, and due diligence practices. Findings are documented, and corrective measures are implemented without delay. Monitoring ensures that weaknesses are detected early and improvements are embedded into business processes. Independent oversight strengthens accountability and provides assurance to stakeholders.

13. Disciplinary Measures

Violations of this Regulation result in disciplinary action, which may include warnings, suspension, or termination of employment. Contractors and partners who breach compliance obligations may face termination of contracts or legal proceedings. Disciplinary measures are applied fairly and consistently to maintain organizational integrity. The company reserves the right to report severe breaches to competent authorities. Strict enforcement demonstrates the seriousness of Tracer Group's commitment to compliance.

14. Review and Amendments

This Regulation is subject to periodic review to ensure continued effectiveness and alignment with evolving legal requirements. Reviews are conducted at least annually or when significant regulatory changes occur. Amendments are approved by senior management and communicated promptly to all employees. Stakeholders are expected to familiarize themselves with updates and integrate them into daily practices. Regular review guarantees that the Regulation remains a living document responsive to new challenges.