

## PROCEDURE ON COMBATING MONEY LAUNDERING AND TERRORIST FINANCING

### 1. GENERAL PROVISIONS

1.1. This procedure on combating money laundering and terrorist financing ("**Procedure**") is intended to implement and regulate their operations of Central Express CVS JSC ("**Company**") and its subsidiaries, to establish the general principles and standards for conducting operations in accordance with this procedure.

#### 1.2. **Scope**

All employees of the Company and its subsidiaries shall comply with this Procedure.

#### 1.3. **Review and Amendments**

Environmental, Social and Governance Committee ("**ESGC**") of the Board of Directors of the Company (the "**Board**") shall review this Procedure regularly and submit necessary changes or amendments to the Board for approval. Any changes or amendments shall enter into force upon approval by the Board.

#### 1.4. **Provisions of this Procedure**

In the event of a conflict between this Procedure and Charter of the Company (the "**Charter**"), the Charter shall prevail. In the event that this Procedure is in compliance with the governing laws and regulations of Mongolia, the respective latest updated law shall prevail accordingly. Any uncertainty or disagreement regarding the interpretation of the provisions of this Procedure shall be regulated by the motion of the Executive Chairman of the Board with participation of directors of the Board. Any issues or matters not specified in this Procedure shall be regulated by Company Law of Mongolia, the Charter and other laws and regulations.

#### 1.5. **Terms and Interpretation**

Terms used in this procedure shall be interpreted as follows:

1.5.1. "**money laundering**" refer to knowing in advance that any income or property has been obtained illegally, concealing its source and origin, putting it into circulation in order to legitimize the right to own, use, or dispose of the income or property;

1.5.2. "**terrorist financing**" refer to accumulating, transferring or spending property in any form, knowing in advance that it will be spent on terrorist organizations and terrorist activities.

### 2. GENERAL PRINCIPLES

2.1. The Company will refrain from the following activities within the framework of the purpose of combating money laundering and terrorist financing:

2.1.1. Using, owning, and spending money of unknown origin;

2.1.2. Acquiring and transferring property knowing that it will be used in terrorist organizations and terrorist activities;

2.1.3. Conduct other illegal activities.

**3. RESPONSIBILITIES OF THE COMPANY**

- 3.1. Without receiving relevant details involving the name, address, legal status, capability, and competence of the contracting party, the company will not enter into a contract with a citizen or legal entity or transfer payment under the contract.
- 3.2. The company will collaborate with and encourage contractors who have concepts and initiatives for combating money laundering and terrorist financing.
- 3.3. When receiving any transaction worth more than MNT 100,000,000, the Company's Finance Department will pay attention and proceed to request the contractor for clarification on the source of the funds being transferred. The Company will give the contractor this information if they would like to acquire concerning the money that originated with the Company relocated from.
- 3.4. The Finance Department will determine guidelines for the Company's employees to refrain from engaging in money laundering, terrorism, and other illegal measures, and it will further organize campaigns reminding them of potential consequences.
- 3.5. The Finance Department shall cooperate by providing the required information to the authorities and setting requirements for gathering that information if there is a suspicion that the source of the money may be connected to criminal activity.
- 3.6. In order to prevent its workers from engaging in money laundering, terrorist financing, terrorist activity, corruption, and other criminal actions, the company shall take all expected precautions.

**4. OTHER PROVISIONS**

- 4.1. The implementation of this Regulation will be monitored by the Company's Finance Department/Internal Control Unit.
- 4.2. This Regulation shall be effective from the date of its approval.