



AFG Securities Pty Ltd

Anti-Money Laundering and Counter-Terrorism Financing

| PROGRAM SUMMARY

22 May 2025

Australian Finance Group Ltd (AFG)
ACN 066 385 822

Why does AFG Securities have an Anti-Money Laundering and Counter-Terrorism Financing Program?

As a responsible financial services provider, AFG Securities Pty Ltd (AFG Securities) recognises the potential for money laundering and terrorism financing within the financial services industry. To comply with regulatory obligations, AFG Securities has implemented an Anti-Money Laundering and Counter-Terrorism Financing Program (AML/CTF Program) applicable to all employees and relevant contractors in Australia and, if applicable, overseas.

How does AFG Securities ensure staff are aware of their obligations under the Anti-Money Laundering and Counter-Terrorism Financing Program?

AFG Securities provides appropriate training to all employees at regular intervals. New employees receive basic AML/CTF training, while more specific training is given to staff in high-risk positions, such as:

- those who interact with customers,
- authorise transactions,
- handle funds,
- report to AUSTRAC,
- or oversee the AML/CTF program.

Regular refresher training is also conducted. Training methods include on-the-job training, seminars, and other sessions.

How does AFG Securities ensure the Board of Directors has appropriate oversight?

AFG Securities' AML/CTF Program is approved by the Board of AFG Securities' parent company, Australian Finance Group Ltd. The AML/CTF Compliance Officer keeps the Board updated on any money laundering or terrorism financing issues until they are resolved.

How does AFG Securities ensure ongoing monitoring of customer transactions?

AFG Securities monitors customer transactions for unusual behaviour and reports suspicious activity or suspected identity fraud to the appropriate authorities.

How does AFG Securities ensure AUSTRAC feedback is considered?

The AML/CTF Compliance Officer ensures that feedback from AUSTRAC and industry-specific material published by AUSTRAC is considered and implemented where appropriate.

How does AFG Securities identify its customers?

AFG Securities applies Know Your Customer (KYC) and due diligence procedures as outlined in its AML/CTF Program. Enhanced due diligence is applied to higher-risk customers or entities.

How does AFG Securities define and identify a politically exposed person (PEP)?

AFG Securities adopts AUSTRAC's definition of a PEP, which includes individuals holding prominent public positions or roles in government bodies or international organizations, as well as their immediate family members and close associates. All applications are screened for PEP and sanctions, with potential matches referred for further assessment and senior management approval if necessary.

How does AFG Securities ensure its risk assessment is up to date?

The AML/CTF Compliance Officer regularly identifies and assesses new material money laundering or terrorism funding risks, updates the risk assessment, keeps records of changes, reviews the risk profile following trigger events, and develops new processes and procedures as needed. Records of changes to the AML/CTF Program, policies, procedures, and systems are maintained (typically for at least seven years).