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Anti-Money Laundering and Counter-Terrorist Financing Policy

OUR COMMITMENT

UAB "Decentralized" (CoinGate) is authorised by the Bank of Lithuania as a Crypto-Asset Service Provider (CASP) under the Markets in Crypto-Assets Regulation (MiCAR) and as a Payment Institution under Lithuanian payments law. We are committed to preventing our products and services from being used for money laundering, terrorist financing, or the financing of proliferation of weapons of mass destruction.

Our Anti-Money Laundering and Counter-Terrorist Financing (AML/CTF) Policy is approved by our Management Board and sets the minimum standards applied across the Company. It is built on a **risk-based approach**: the depth and intensity of our controls scale with the level of risk identified, and we do not apply simplified due diligence to any customer.

WHO WE SERVE

CoinGate provides its regulated crypto-asset and payment services exclusively to legal entities and legal arrangements (companies, organisations, and similar structures), not to individual consumers as customers. Individuals interact with us only in connection with such an entity — for example, as a beneficial owner, director, or authorised representative.

CUSTOMER DUE DILIGENCE

Before establishing any business relationship, we:

- Identify and verify the customer, its beneficial owners, and the individuals authorised to act on its behalf;
- Understand the purpose and intended nature of the relationship, including expected activity and transaction patterns;
- Assess the source of funds and, where relevant, the source of wealth involved;
- Determine a risk rating that governs the scope of ongoing monitoring applied.

Customers, beneficial owners, and their representatives are screened against sanctions and politically exposed persons (PEP) lists, and against adverse media, both before onboarding and on an ongoing basis.

ENHANCED DUE DILIGENCE

We apply enhanced measures wherever risk is elevated — for example, where a customer or beneficial owner is a PEP, where the relationship involves a high-risk jurisdiction, where ownership structures are complex, or where transaction patterns are unusual. Enhanced due diligence requires additional information, senior compliance approval, and closer ongoing monitoring.

TRANSACTION MONITORING

All transactions processed through our services are subject to risk-based monitoring, combining automated screening rules with manual review. This includes:

- Real-time and retrospective analysis of transaction patterns;
- Blockchain analytics applied to crypto-asset addresses and flows;
- Pre-transaction checks and, where necessary, holds on higher-risk transactions pending review;
- Compliance with the EU Travel Rule requirements for information accompanying crypto-asset and fund transfers.

Alerts are investigated by trained compliance staff, independent of the business teams handling the customer relationship.

REPORTING AND COOPERATION WITH AUTHORITIES

Where our review of a transaction or relationship gives rise to a suspicion of money laundering or terrorist financing, we report it to the competent Lithuanian authorities without undue delay, in accordance with applicable law. We cooperate fully with the Bank of Lithuania, the Financial Crime Investigation Service, and other competent authorities, including responding to information requests and complying with instructions to freeze or suspend transactions where required.

Consistent with legal requirements, we do not disclose to a customer that a report has been made or that an investigation is underway.

GOVERNANCE

Our AML/CTF programme is overseen by:

- The **Management Board**, which holds overall responsibility and approves this Policy and our risk appetite;
- A **Board member responsible for AML/CTF oversight**;
- Our **Money Laundering Reporting Officer (MLRO)** and Deputy MLRO, who lead implementation and act as the primary point of contact for regulators;
- Independent **Compliance and Risk functions**, and an **Internal Audit** function providing independent assurance to the Board.

We maintain segregation of duties across these functions and ensure they have the resources, access, and authority needed to operate independently and effectively.

RECORDS AND TRAINING

We retain customer due diligence records, transaction records, and records of investigations and reports for the periods required by applicable law, in a manner that allows them to be reconstructed and provided to regulators on request. All employees receive AML/CTF training appropriate to their role, on joining and on an ongoing basis.

REVIEW

This Policy is reviewed regularly and updated to reflect changes in law, regulatory guidance, our risk assessment, and our business activities. It is approved and, where amendments are material, re-approved by the Management Board.