Anti-Money Laundering, Countering the Financing of Terrorism (AML/CFT), and Economic Sanctions Compliance Policy

Remitly Japan K.K. (“the Company”) prioritizes preventing money laundering, terrorist financing, and violations of economic sanctions, and is committed to ensure the prevention of its products and services’ use for such illegal activities. To fulfill this objective, the Company has established its **AML/CFT and Economic Sanctions Compliance Program** (“the Program”) to ensure compliance with the *Act on Prevention of Transfer of Criminal Proceeds* (“APTCP”), the *Foreign Exchange and Foreign Trade Act* (“FEFTA”), and other applicable laws and regulations, and is committed to maintaining the effectiveness of the Program.

Overview of the AML/CFT and Economic Sanctions Compliance Program

Risk-Based Approach

The Company employs a risk-based approach, assessing potential money laundering, terrorist financing (ML/TF), and sanctions violation risks associated with customers, countries/regions, products, services, delivery channels, and transactions. We implement appropriate controls based on the identified risk levels and regularly review our risk assessments to adapt to evolving environmental and threat landscapes.

Customer Due Diligence (CDD), Enhanced Due Diligence (EDD) and Ongoing CDD review

For all transactions, the Company verifies customer identity and transaction purpose based on reliable and independent sources in accordance with relevant laws and regulations. In cases where a customer's profile or activity indicates high risk factors during the customer risk rating or transaction review, the Company performs enhanced due diligence (EDD) to thoroughly understand the customer and the nature of the transaction. Additionally, to ensure optimal management based on up-to-date information about our customers, we conduct risk-based ongoing CDD.

Should the customer verification process prove insufficient, such as when a customer declines to provide necessary KYC information or does not meet our user acceptance criteria (as outlined in the User Agreement), the Company will implement appropriate risk mitigation measures. These may include rejecting the transaction or discontinuing the customer relationship.

Transaction Monitoring

The Company maintains risk-based transaction monitoring to detect potentially suspicious activity in accordance with applicable laws and regulatory requirements. Scenario-based transaction monitoring is tailored to the company's business profile, customer and geographic risk exposure.

Economic Sanctions and Politically Exposed Persons (PEPs)

The Company screens customers and related parties against relevant sanctions lists. Enhanced controls are applied to politically exposed persons (PEPs), their family members, and close associates. If a transaction or relationship violates Japanese or international economic sanctions, or if the associated risk is unacceptable, the Company will reject or discontinue the customer relationship.

Record Keeping and Reporting of Suspicious Transactions

The Company maintains records of customer identification, transaction information, and monitoring results for the legally required period. Suspicious transactions are promptly reported to the local Financial Intelligence Unit (JAFIC) in accordance with the APTCP. In addition, Remitly upholds strict ‘no tipping off’ compliance obligations to prevent the unauthorized disclosure of information related to ongoing investigations or regulatory actions.

Governance and Training

Senior management is ultimately accountable for the Program's effectiveness. The Company maintains robust internal control systems, policies, and procedures and ensures all employees and contractors receive training at hire and annually thereafter on AML/CTF and Economic Sanctions requirements and regulations. This training ensures employees have the requisite knowledge and skills necessary to fulfill their responsibilities effectively.

Internal Audit and Independent Review

The Company conducts annual internal audits of its AML/CFT and economic sanctions compliance framework to evaluate its effectiveness. To ensure continuous adherence to domestic regulatory requirements, the Company may engage external independent experts for third-party evaluation when necessary.

Cooperation and Information Sharing with Authorities

The Company collaborates closely and cooperatively with relevant authorities, supervisory agencies, and law enforcement bodies, sharing information as required by applicable laws and regulations.