



CARGO METALS
Your trusted partner in global metals trading

AML & KYC Policy

Cargo Metals Limited
Anti-Money Laundering & Know Your Customer Policy
Version 1.0 | Effective Date: July 30, 2025



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Anti-Money Laundering & Know Your Customer (AML/KYC) Policy

Version 1.0

Effective Date: July 30, 2025

Jurisdiction: Hong Kong SAR

Prepared by: Legal & Compliance Department

Applicable to: All counterparties, suppliers, buyers, agents, and trade facilitators



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1. Introduction

Cargo Metals Limited ("the Company") is a Hong Kong-incorporated trading entity engaged in the global purchase and sale of ferrous and non-ferrous metals. As part of our commitment to ethical trade and regulatory compliance, we maintain robust procedures to prevent money laundering, terrorist financing, and trade-based financial crime.

2. Legal & Regulatory Framework

This policy is aligned with:

- The Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615, Hong Kong SAR)
 - Guidelines issued by the Financial Action Task Force (FATF)
 - International sanctions regimes (UN, EU, UK, US)
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3. Scope of Application

This policy applies to all counterparties involved in trade transactions, including:

- Suppliers and buyers of metal commodities
 - Freight and logistics partners
 - Trade finance institutions
 - Agents and intermediaries
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4. Risk-Based Approach

Cargo Metals applies a risk-based approach to AML/KYC, assessing each counterparty and transaction based on jurisdiction, product type, payment method, and ownership structure.

5. Customer Due Diligence (CDD)

Prior to onboarding, the Company shall collect and verify:

- Certificate of Incorporation
- Business Registration Certificate
- Identity documents of directors and ultimate beneficial owners (UBOs)
- Proof of registered address



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- Bank reference letter (where applicable)

CDD is mandatory for all counterparties prior to trade execution.

6. Enhanced Due Diligence (EDD)

EDD shall be applied in cases involving:

- High-risk jurisdictions or politically unstable regions
- Complex corporate structures or nominee arrangements
- Unusual trade volumes or payment terms

EDD may include additional documentation, source-of-funds verification, and senior management approval.

7. Politically Exposed Persons (PEPs)

PEPs and their close associates shall be subject to EDD. The Company reserves the right to decline onboarding where reputational or regulatory risk is deemed excessive.

8. Sanctions & Restricted Party Screening

All counterparties shall be screened against:

- OFAC (U.S. Treasury)
- EU Consolidated List
- UN Sanctions List
- UK HMT Sanctions List

Cargo Metals does not engage in trade with entities or jurisdictions subject to active sanctions.

9. Transaction Monitoring

All trade transactions are monitored for red flags, including:

- Inconsistent documentation
- Unusual routing or transshipment
- Discrepancies in cargo description vs. invoice
- Use of third-party payers without justification



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10. Reporting Obligations

Suspicious activity shall be reported to the Joint Financial Intelligence Unit (JFIU) in accordance with Hong Kong law. Internal escalation shall be made to the Compliance Officer immediately upon detection.

11. Record Retention

All KYC records, trade documents, and compliance logs shall be retained for a minimum of seven (7) years from the date of transaction or account closure.

12. Staff Training & Awareness

All relevant staff shall undergo AML/KYC training annually. Training records shall be maintained by the Compliance Department and reviewed during internal audits.

13. Policy Governance & Review

This policy is reviewed annually by the Legal & Compliance Department and updated as required by changes in law, risk exposure, or operational scope. Amendments must be approved by the Board of Directors.