



Anti-Money Laundering, Anti-Bribery and Corruption Policy

This document articulates operational and performance guidance for Yellow Cake plc employees, directors, business partners, contractors, consultants and advisers.



1 Introduction

This document sets out the Yellow Cake plc (“**Yellow Cake**” or the “**Company**”) anti-money laundering, counter-terrorist and proliferation financing (“**AML / CTF**”) and anti-bribery and corruption (“**ABC**”) policy (the “**Policy**”).

This Policy, among others, is available on Yellow Cake’s public website.

If you have any questions about this Policy, please contact the Chief Financial Officer.

1.1 Scope

Key terms relevant to this Policy are:

- “**Bribery**” is offering, promising, giving or accepting any unearned reward or other advantage, to influence another’s behaviour, while corruption includes an illegitimate use of office for private gain, and may include a range of different types of crime, including misuse of proceeds.
- “**Money Laundering**” is the process of disguising or hiding the origin and original ownership of, or transferring, the proceeds of crime, whether or not in cash (or attempting to do so). Proceeds of crime may take any form, including money or money’s worth, securities, tangible property and intangible property.
- “**Proliferation Financing**” involves the act of providing funds or financial services for use, in whole or in part, in the manufacture, acquisition, development, export, trans-shipment, brokering, transport, transfer, stockpiling of, or otherwise in connection with the possession or use of, chemical, biological, radiological or nuclear weapons, including the provision of funds or financial services in connection with the means of delivery of such weapons and other CBRN-related goods and technology, in contravention of a relevant financial sanctions obligation.
- “**Terrorist Financing**” involves providing, depositing, distributing or collection of funds, directly or indirectly, intended to be used, or knowing that these funds are to be wholly or partially used, for the purposes of terrorism.

This Policy is aimed to prevent any company or individual from using Yellow Cake for money laundering or terrorist or proliferation financing activities and to prevent any employees, directors, business partners, contractors, consultants or advisers of Yellow Cake from committing bribery or corruption. To fulfil this commitment, Yellow Cake has established internal policies and procedures, including this Policy, which every employee, director, business partner, contractor, consultant, agent, representative and adviser of Yellow Cake (“**Yellow Cake Associates**”) must adhere to.

There are significant criminal penalties applicable to individuals and companies who are involved in breaches of AML / CTF and ABC laws.

The aim of this Policy and the procedures it underpins is to ensure that everyone at Yellow Cake acts professionally and in a manner that will stand up to scrutiny consistent with the Company’s values and, where relevant, local AML / CTF and ABC legislation.

2 AML / CTF Policy

Yellow Cake recognizes the importance of preventing money laundering, terrorist financing and proliferation financing and is committed to the highest standards of AML / CTF controls



and procedures. All of Yellow Cake's people have a personal responsibility for protecting the Company's reputation and living up to its values. To mitigate and manage the risk of money laundering and terrorist and proliferation financing, this Policy describes the controls and procedures maintained by Yellow Cake as a company listed on the London Stock Exchange's Alternative Investment Market whose business comprises the purchase and holding of physical U₃O₈ from physical producers and the spot market in order to meet the standards set by financial crime, anti-money laundering and terrorist and proliferation financing legislation in the jurisdiction in which it is listed. This legislation includes the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended (the "**Regulations**"), the Proceeds of Crime Act 2002 and the Terrorism Act 2000 (as amended).

2.1 Counterparty Due Diligence

To prevent money laundering / terrorist or proliferation financing and being involved in bribery and corruption, Yellow Cake implements processes and procedures to conduct appropriate counterparty due diligence, identifying the counterparty with which Yellow Cake is transacting, and verifying such identity on the basis of the following "Know Your Counterparty" sources of information:

- counterparty provided documentation; and/or
- information on the counterparty obtained from reliable and independent sources.

These sources of information are used to verify: (i) information about the counterparty themselves and the business relationship; and (ii) information concerning the ultimate beneficial ownership of the counterparty and/or their source of funds.

The following information is collected from any counterparty prior to engaging in dealings with them:

- legal entity name;
- address;
- name of any person owning, directly or indirectly, 10 percent or more of the legal entity, and any intermediate holding company or companies; and
- name of any other person controlling the legal entity.

We may also collect identification information regarding connected parties, the ultimate source of the uranium (where it is not the counterparty) and other persons with whom we have dealings, such as service providers.

Counterparty due diligence information will be regularly reviewed and updated as appropriate on an ongoing basis, including before engaging in a transaction with a counterparty. If you are unsure of your obligations when conducting due diligence on a new counterparty, please consult with Yellow Cake's Chief Financial Officer.

For counterparties defined as listed companies or public authorities, which present a lower risk for money laundering activities and terrorist activity due to their regulated activities, a simplified due diligence process may be put in place in Yellow Cake's AML / CTF processes and procedures if appropriate in the circumstances, and in accordance with the criteria set out in the applicable control / subject to the approval of the Chief Financial Officer.



For counterparties which are not listed companies or public authorities, additional checks and due diligence may be applied, including enhanced due diligence and screening in some cases (see section 2.2 below).

Unusual activity during the due diligence process or counterparty engagement should be reported without delay to the Chief Financial Officer.

2.2 Risk Based Approach to Counterparty Due Diligence

For Yellow Cake, the threat of being involved in bribery and corruption, money laundering, terrorist financing or proliferation financing activities depends in part on the type of business that Yellow Cake's counterparties carry out, the nature of the transactions and delivery channels concerned or on the country where Yellow Cake's counterparties are located, as well as any red flags identified in relation to the customer. Yellow Cake will classify its counterparties based on the risk level assessed to be associated with its customer in accordance with these factors. Identifying the potential risk will help to effectively manage these risks and implement appropriate controls to mitigate any identified risks.

2.3 High Risk Counterparties

Yellow Cake will not do business with the following segments of counterparties:

- Persons designated in any official blocking / asset freezing sanctions lists or who are owned or controlled by such targets of blocking / asset freezing sanctions (we will also evaluate dealings with all other sanctioned persons, such as persons who are subject to sectoral sanctions or who are subject to list-based trade controls, on a case-by-case basis);
- Persons who may have possible involvement in criminal activities, based on available information;
- Persons with businesses where the legitimacy of the relevant activity or source of funds cannot be reasonably verified;
- Persons refusing to provide the required information or documentation; or
- Entities whose shareholder / control structure cannot be determined to a suitable level of satisfaction.

The directors of the Company may also decline to do business with any counterparty where they reasonably believe there to be an unacceptable risk of bribery and corruption, money laundering, terrorist financing, proliferation financing and/or breach of applicable sanctions.

2.4 Designation of Money Laundering Reporting Officer

The Chief Financial Officer is designated as Yellow Cake's Money Laundering Reporting Officer ("MLRO"). The MLRO has been assessed as to their skills, knowledge and expertise to carry out their functions in relation to this Policy effectively, and as to their conduct and integrity, and will be responsible for:

- (a) Considering internal reports of money laundering, terrorist financing or proliferation financing;
- (b) Reporting suspicions of money laundering, terrorist financing or proliferation financing to the responsible authorities; and

- (c) Acting as key liaison with the money laundering, terrorist financing and proliferation financing authorities.

The MLRO will also be responsible for:

- (d) Ensuring money laundering, terrorist financing and proliferation financing training occurs;
- (e) Advising Yellow Cake's Board on process and next steps (including whether to cease a transaction) after a report of suspicion on money laundering, terrorist financing or proliferation financing has been raised, and undertaking such next steps as are agreed; and
- (f) Designing and implementing AML / CTF processes and procedures appropriate to Yellow Cake's business and the risks of money laundering, terrorist financing and proliferation financing across that business.

2.5 Reporting Suspicious Activity

Yellow Cake expects that, if any Yellow Cake Associate becomes aware of any suspicion or knowledge of possible money laundering, terrorist financing or proliferation financing activity, this must be reported as soon as practicable to the MLRO directly, using the appropriate internal reporting channel. The person who becomes suspicious must not inform the person / party about whom they have suspicions. A non-exhaustive list of money laundering red flags is set out in Appendix A.

A report on suspicious activity should contain, at least, the following information, which will be confirmed by the MLRO:

- (a) Identity of the person raising the suspicion;
- (b) Date of the report;
- (c) Who is suspected of money laundering or terrorist financing activities;
- (d) Other individuals involved in the activity;
- (e) Summary of the relevant transaction and any relevant facts;
- (f) What is suspected and why; and
- (g) Any possible knowing involvement of Yellow Cake (or its personnel, agents or third-party service providers). The MLRO may make reasonable enquiries within Yellow Cake to confirm these suspicions or obtain additional information to confirm these suspicions.

If, following this assessment, the MLRO agrees that the activity presents an indication of possible money laundering, terrorist financing or proliferation financing, the MLRO will report the details to Yellow Cake's Board and advise the Board on process and next steps in accordance with section 2.4 above.

Yellow Cake's Board shall determine whether or not it is necessary to file an official report with the responsible money laundering authority.

Details of internal reports will be held by the MLRO separately, excluded from customer files, to avoid inadvertent or inappropriate disclosure.

3 Bribery and Corruption

Yellow Cake values its reputation for ethical behaviour and for financial probity and reliability and is committed to maintaining the highest standards of behaviour. It recognises that, over and above the commission of any crime, any involvement or suspected involvement in bribery will also reflect adversely on its image and reputation.

All of Yellow Cake's personnel, agents, service providers and representatives must comply with Yellow Cake's ABC policies and procedures, and applicable ABC laws. Appendix B contains a non-exhaustive list of bribery and corruption red flags.

Yellow Cake has adopted the following measures to minimise the risk of becoming involved in bribery or corruption:

- Setting out a clear policy which communicates management's top-level commitment to avoid any instance of actual or perceived impropriety;
- Training directors and employees to avoid bribery and corruption and identify areas of potential malpractice or red flags, and providing this Policy and Appendix of red flags to all Yellow Cake Associates;
- Regularly reviewing the effectiveness of that policy, and implementing changes as appropriate;
- Encouraging all Yellow Cake Associates to be vigilant and to report any knowledge or suspicion of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
- A commitment to investigate rigorously any instances of alleged bribery and to assist the police and other appropriate authorities in any resultant prosecution;
- A commitment to take firm action against any individual(s) involved in bribery; and
- Periodic reports to management that include internal and external developments relevant to bribery and corruption.

For the avoidance of doubt, it is not acceptable for Yellow Cake Associates, or anyone acting on their behalf to:

- give, promise to give, or offer, a payment, gift, hospitality or any benefit whatsoever with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- give, offer or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- accept a payment, gift, hospitality or other benefit from a third party that you know or suspect is offered with the expectation that it will provide a business advantage for them or anyone else in return;
- accept hospitality from a third party that is unduly lavish or extravagant under the circumstances;
- give, offer or accept a gift, hospitality or other benefit to or from government officials or representatives, or politicians or political parties, without the prior approval of a manager or the MLRO;



- threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy; or
- engage in any other activity that might lead to a breach of this policy.

Bribes can take many forms and can include cash or cash equivalent, gifts, meals, entertainment or hospitality, services, loans, preferential treatment, discounts, favours, political or charitable contributions, sponsorship, or anything of value whether it is a direct or indirect benefit. Indeed, non-monetary favours can often be considered bribes – for example, offering an internship or job to a family member of a third party in exchange for a business advantage.

3.1 Facilitation Payments or Kickbacks

Facilitation payments, also known as "back-handers" or "grease payments", are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official). "Kickbacks" are an improper commission paid in return for a service that is rendered by the person accepting the kickback. Facilitation payments and kickbacks are illegal. Yellow Cake and Yellow Cake Associates will not make, and will not accept, facilitation payments, or "kickbacks" of any kind.

Yellow Cake Associates must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by Yellow Cake or someone operating on Yellow Cake's behalf, or that might suggest that such a payment will be made or accepted. If asked to make a payment, Yellow Cake Associates should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. Yellow Cake Associates should always ask for a receipt which details the reason for the payment. If there are any suspicions, concerns or queries regarding a payment, these must be raised with the MLRO without undue delay.

Yellow Cake may not receive or pay fees or commissions (money or in kind) unless these are disclosed and made clear to the client. At no time may payments impair the fair and truthful conduct of business. Any fees and/or commissions paid to or paid by Yellow Cake must be reasonable in terms of the value of the service being provided. A record of inducements must be kept and retained for five years.

3.2 Gifts and Hospitality

Proportionate and reasonable gifts and hospitality provided by or to you as an essential business courtesy will not by themselves constitute bribes.

However, Yellow Cake requires all employees, directors, business partners, contractors, consultants and advisers to comply with its policy in relation to any gift or hospitality given, offered or received in connection with the business of the Company.

You must not offer any gifts or hospitality to public officials, save for basic business courtesies.

You must not offer any gifts or hospitality to public officials (or third parties connected to them) save for token gifts of nominal value or basic courtesies offered at the Company's office while meeting with public officials (for example coffee or a modest lunch at the office during a meeting).

The term 'public official' means an individual who: (i) holds a legislative, administrative or judicial position of any kind, whether appointed or elected; (ii) exercises a public function or



acts in an official capacity for or on behalf of a country (including a territory or subdivision of such country or territory) or any public agency or public enterprise (for the purposes of this Policy, Yellow Cake has determined to treat Kazatomprom personnel as public officials); (iii) is an official or agent of a public international organization; (iv) is an official of a political party; (v) is a candidate for political office; or (vi) is an officer, director or employee of a state owned or controlled entity.

You must only give or receive modest and appropriate gifts and hospitality

You must not offer or accept any gift or hospitality:

- which puts the recipient under an obligation to the donor, or which would be likely to make the recipient favour the donor;
- if it is offered with the intention of influencing a person in order to obtain or retain business, to gain a business advantage, to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- if it is given in your name and not in the name of the Company;
- if it includes cash or a cash equivalent (such as gift certificates or vouchers);
- if it is of an inappropriate type and value or given or received at an inappropriate time (e.g. during contract negotiations or a tender process); or
- if it is given secretly and not openly.

You must declare and seek approval to receive or give certain gifts or hospitality

- Any gifts or hospitality valued under £100 (or equivalent value) on a single occasion and under £500 (or equivalent value) within a calendar year, whether given or received, is not required to be pre-approved by the MLRO.
- All Yellow Cake employees and directors are required to notify the MLRO and receive pre-approval in writing of any gift or hospitality given to or received from a client or any other person valued at or above £100 on a single occasion, or if £500 or more is given or received within a calendar year.

Gifts or hospitality received or given at or above £50 or equivalent value must be reported, and records of these gifts or hospitality must be maintained by the MLRO in accordance with Yellow Cake's record retention and document destruction policies.

Whilst the Company has provided guidance, it remains the responsibility of each individual to ensure that he or she complies with all applicable law and regulation with respect to the provision or acceptance of gifts or benefits to or from third parties.

If an individual has any doubt as to the appropriateness of a particular gift or hospitality, the individual should discuss it with the MLRO.

3.3 ABC Enhanced Due Diligence

In addition to the due diligence procedures noted above at sections 2.1 to 2.3, Yellow Cake also undertakes enhanced due diligence of Yellow Cake Associates, that are identified on a risk based approach by the MLRO, to satisfy itself that such Yellow Cake Associates do not present a bribery and corruption risk.



In the selection of Yellow Cake Associates for enhanced ABC due diligence, special attention will be given to associated persons who are expected to interact with or make introductions to government/public officials, assist in developing business with governmental entities or obtaining non-routine government approvals or action (i.e. where the agent's services relate to the "public sphere") and/or who are based or providing services in a jurisdiction that is considered high risk for bribery and corruption.

Where enhanced ABC due diligence is determined by the MLRO to be appropriate, such measures include collecting and verifying (including with the assistance of Yellow Cake's due diligence outsource service providers) information from selected Yellow Cake Associates as well as publicly available sources (such as media searches) to ascertain:

- that the Yellow Cake Associate is an entity or individual of substance (i.e., with a reputable background and evidence of legitimate business activities);
- whether any of the Yellow Cake Associate's personnel are 'public officials' as defined above (this includes any employees, directors, executives or other associates of the Yellow Cake Associate);
- whether the Yellow Cake Associate or any of its personnel has any links with or affiliations with government or any government ultimate beneficial owners (including political parties or state-owned enterprises);
- that the Yellow Cake Associate has adopted and implemented adequate compliance policies and procedures in relation to ABC risks, including maintaining adequate training and record keeping measures, and measures to monitor its compliance with these policies and their effectiveness;
- whether the Yellow Cake Associate has ever been subject to an investigation or enforcement action, allegation or any adverse media coverage in relation to bribery and corruption issues or more generally in relation to criminal allegations; and
- whether the Yellow Cake Associate uses third party intermediaries or representatives in its business.

In the event that there are any red flags identified in relation to a particular Yellow Cake Associate (refer to **Appendix B** for a non-exhaustive list of red flags), or the relationship is assessed as higher risk (for example: where the relevant third party will perform an agency relationship and act on behalf of Yellow Cake in dealing with government officials), Yellow Cake may also: (i) engage third party service providers to gather more detailed information on the counterparty and conduct a more detailed reputation assessment; and/or (ii) undertake further due diligence measures as deemed appropriate.

4 Compliance Clauses for Third-party Associates

This Policy applies to all Yellow Cake Associates, which includes any third-party service providers, agents and representatives of Yellow Cake. Third Party Associates are required to indicate they have read, understood and will comply with this Policy, or Yellow Cake must be satisfied that the Associate has appropriate compliance measures in place.

You must seek to include appropriate representations, warranties, covenants and other clauses in all Associate contracts to address bribery and corruption and money laundering risks. For example, these clauses should require counterparty compliance with all applicable ABC and AML / CTF laws and termination rights for Yellow Cake in the event of breach. Such



clauses may include additional representations and warranties if appropriate depending on the level of counterparty risk, and may also include Yellow Cake's rights to access information relating to the third parties' compliance with money laundering and bribery and corruption laws.

5 Training

Job-specific and comprehensive anti-money laundering, terrorist financing, proliferation financing and bribery and corruption training should be provided to the relevant employees to help recognize and deal with transactions which may lead to money laundering, terrorist financing, proliferation financing or bribery and corruption.

Training will be provided to all directors and employees during onboarding, and at regular intervals.

6 Record Keeping

Counterparty documentation can either be submitted in physical or electronic form. An appropriate record of the received documentation, steps taken for and copies of, or reference to, the documentation of the counterparty must be kept.

All Yellow Cake transactions must be appropriately documented and recorded, in accordance with accepted accounting standards and laws.

Records should be kept for as long as the relationship endures with the counterparty and for at least five (5) years after the relationship ends. In countries where another period is prescribed, Yellow Cake will comply with whichever is the higher.

Records of all versions of this Policy, as well as any ABC or AML / CTF risk assessments, the AML / CTF training undertaken by the MLRO and the controls and procedures established under this Policy will also be kept for a period of at least 5 years after they have ceased to apply.

7 Ongoing Monitoring and Policy Review and Approval

Regular reviews of the effectiveness of this Policy are carried out every two years. This provides senior executive management and the Board Audit Committee with the necessary assurance and information regarding the operating effectiveness of Yellow Cake's controls and processes relating to this Policy.

This Policy will also be reviewed upon any extension of Yellow Cake's business to a new product (e.g. entry into derivatives contracts), business practice or the adoption of new technology and upon undertaking transactions with a counterparty in a new jurisdiction.

This Policy has been reviewed and approved by Yellow Cake's Board and will be reviewed and approved after each amendment.

8 Protection

Individuals who refuse to accept or offer a bribe, or who raise concerns or report another's wrongdoing regarding potential money laundering or any other matter included in this policy, are sometimes worried about possible repercussions. Yellow Cake is committed to the highest possible standards of accountability, honesty and openness, and aims to encourage and enable individuals to raise concerns where they reasonably believe that they have



discovered serious wrongdoing or danger, and ensures that such individuals are protected against suffering detriment as a result of raising a genuinely held concern, even if that concern turns out to be mistaken.

For more details on how to speak up or raise a concern, see Yellow Cake's Whistleblowing Policy.

9 Breaches of this policy

Any failure to comply with the obligations under this policy could result in:

- a criminal offence being committed by the relevant individual and/or Yellow Cake;
- regulatory censure; or
- public scrutiny and/or reputational damage.

In addition, any Yellow Cake Associate who breaches this policy will face disciplinary action, which could result in dismissal and/or termination of contracts and relationships for misconduct or gross misconduct.

Appendix A

Below is a non-exhaustive list of potential money laundering red flags.

- A customer and/or counterparty provides insufficient, implausible or false information or is reluctant to provide complete information regarding:
 - (i) ownership structure (including where the counterparty has nominee shareholders or shares in bearer form); or
 - (ii) source of funds;
- The customer, or the beneficial owner of a customer, is a politically exposed person (or a family member or known close associate of a politically exposed person);
- A customer and/or counterparty's business formation documents are from a tax haven, or a country that poses a high risk for money laundering, terrorism or terrorist financing, or a country that is not otherwise associated with the customer and/or counterparty;
- Absence of indicators of legitimate business;
- Geographic risk associated, i.e. associated with the customer and/or counterparty's jurisdiction (i.e. countries rated as "non-compliant" on the Financial Action Task Force's consolidated assessment ratings);
- Unusual transaction behaviour, such as numerous unexplained transactions involving either small sums of money ("structuring") or large sums or money with no logical business explanation;
- Orders or purchases that are inconsistent with the customer and/or counterparty's trade or business;
- Transactions with unregistered geographic location or geographic information that does not correspond to the information known about the customer or counterparty;
- Methods or volumes of payment are seen that are not customarily used in the course of business (e.g. payments with money orders or traveller's cheques, and/or multiple instruments to pay a single invoice, and/or payments from unrelated third parties);
- Requests by a customer or partner to make payments outside of conventional financial institutions (e.g. cash or through cryptocurrency);
- Payments to or from third parties that have no apparent or logical connection with the customer or transaction;
- Payments to or from countries considered high risk for money laundering or terrorist financing, or from countries unrelated to the transaction or the known location of the customer;
- Overpayments followed by directions to refund a payment, especially if requested to send the payment to a third party;
- Structuring transactions to avoid government reporting or record keeping requirements; and
- Wire transfer or other payment activity that is not consistent with the business activities of the customer, or which originates or terminates with parties unrelated to the transaction.

Appendix B

All Yellow Cake Associates should be aware of the following non-exhaustive list of red flags which may indicate a higher risk of bribery and corruption:

- Business operations (including supply chain) in a country or region with acknowledged high levels of corruption (Transparency International's [Corruption Perception Index](#) is a useful guide, for instance, countries with a score below 50 are relatively high risk from a bribery and corruption perspective);
- A customer, agent or other third party that has close ties to a government, government/state-owned entities or other relevant third party;
- A customer or agent has beneficial owners who are public officials (as defined above);
- Abnormally high or frequent cash payments being made to or from clients or agents;
- Large payments for lavish meals or entertainment and travel expenses for third parties;
- Pressure being exerted for payments to be made in cash, urgently or ahead of schedule and/or refusal to provide a receipt;
- Payments being made through a third country unconnected with business being undertaken or an entity not associated with the customer or associate;
- Unexpected and unexplained expenses or requests for fees;
- Private meetings being undertaken between parties involved in public procurement or with public officials;
- Lack of transparency in expenses and accounting records of an agent or other relevant third party;
- Refusal of a party to provide an appropriately detailed invoice or receipt;
- Individual who insists on dealing with a specific client or matter themselves;
- Unexpected or illogical decisions being made accepting projects or contracts;
- Unusually smooth process of matters where individual does not have the expected level of knowledge or expertise;
- Departure from usual tendering/contracting processes where applicable;
- Missing documents or records regarding meetings or decisions;
- Company procedures or guidelines not being followed;
- Refusal to agree non-corruption provisions in agreements;
- Statements that should put you on notice / that are suspicious, such as an agent boasting about his connections or recommending that the company not ask how he/she is able to get things accomplished.