Anti-Money Laundering & Anti-Terrorism Policy

Policy ID: HA/POL/AMLATP

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Version: 2

Last updated: November 2025

Next review: November 2027

1. Introduction

1.1 Human Appeal is a charity registered in England and Wales which works across the globe to strengthen humanity's fight against poverty, social injustice and natural disasters, through the provision of immediate relief and the establishment of self-sustaining development programmes. Human Appeal's vision is to contribute to a just, caring and sustainable world, free of poverty. Human Appeal carries out its mission by raising money and funding immediate and long-term sustainable solutions to empower local communities, in furtherance of its charitable objects.

1.2 Human Appeal is governed by its trustees (the '**Trustees**') who have various duties under charity law, including to protect Human Appeal's assets, ensure the advancement of its charitable purposes, at all times to ensure that Human Appeal operates in compliance with the law and to act reasonably and prudently. This policy ("AML/CTF policy") outlines Human Appeal's commitment to preventing the use of its resources and operations for money laundering, terrorism financing, or other illicit activities. The Trustees have ultimate responsibility for this AML/CTF policy, but the Trustees may delegate functions to staff as they consider appropriate – for example, to carry out due diligence on third parties.

2. Background

2.1 Human Appeal carries out and provides funding for charitable projects around the world. As such, Human Appeal is aware of the need for it to manage the risk of breach of:

(a) anti-money laundering; and

(b) counter-terrorism and sanctions,

(c) Legislation and regulation through its activities.

2.2 Not only must Human Appeal ensure that it is complying with its legal responsibilities, but it also recognises the damaging impact of crime and terrorism on local communities, and areas of Human Appeal's funded work. Any perceived or actual connection between Human Appeal's activities, including its funding activities, and the risks of money laundering, terrorism and sanctions, present an extremely high risk to Human Appeal and its reputation (a valuable charitable asset). This risk area must be mitigated through appropriate due diligence, monitoring and evaluation, including following this AML/CTF policy and Human Appeal's Monitoring, Evaluation, Accountability and Learning policies and guidelines.

2.3 This AML/CTF policy sets out Human Appeal's approach to managing risks associated with breach of anti-money laundering and counter-terrorism and sanctions law and regulation. The purpose of this AML/CTF policy is to provide guidance around the legal and regulatory framework, and the principles which will be applied by Human Appeal to mitigate risks. The AML/CTF policy sits alongside the Global Sanctions Policy which outlines Human Appeal and

all its affiliated entities approach to global sanctions compliance, this AML/CTF is intended to be considered alongside other risk mitigation policies including Human Appeal's Risk Management policy, Anti-Fraud and Anti-Corruption policy, Aid Diversion and Reporting policy, Serious Incidents Reporting policy and, as mentioned above, other Monitoring, Evaluation, Accountability and Learning policies and guidelines Human Appeal has in place at any time. Human Appeal also has a detailed due diligence process/policy AND/OR sanctions policy and process which must also be considered alongside with AML/CTF Policy.

2.4 Whilst this AML/CTF policy is focused on UK law and regulation, being the jurisdiction in which Human Appeal is registered, as a charity working internationally Human Appeal will also comply with relevant overseas law and regulation in accordance with the Global Sanctions policy and due diligence process/policy AND/OR sanctions policy.

3. Policy Scope

3.1 This MLAML/CTF policy applies to all of Human Appeal's Trustees, management, staff and volunteers (and those falling within these categories are referred to as **you** throughout this policy) regardless of where you are located, within or outside of the UK. For the avoidance of doubt, it also applies to staff in Human Appeal's field and country offices, who are expected to adhere to the principles within this policy at all times (and with any other specific jurisdictional requirements). Human Appeal's affiliated fundraising entities will observe the Global Sanctions Policy and ensure they have systems in place in accordance with due diligence process/policy AND/OR sanctions policy. Human Appeal's affiliated entities may also have their own AML/CTF policy or adapt this AML/CTF policy for its purposes.

3.2 Recipients of funding, partners and other third parties engaging with Human Appeal and who are not part of the Human Appeal family will also be expected to comply with the relevant Human Appeal due diligence process and their own duties and responsibilities in respect of the subject matter of this policy. Any formal arrangements Human Appeal makes with such funding recipients, partners and other third parties will be subject to clear contractual terms, including compliance with minimum standards and procedures relating to the provisions of this and associated policies.

3.3 Any breach of this AML/CTF policy will be a serious matter and may – at a minimum - result in reputational damage, and can result in direct monetary penalties or even criminal prosecution against Human Appeal, its Trustees or staff.

4. Definition and Legislative Framework

4.1 **Money laundering** is defined in the Proceeds of Crime Act (2002) as:

The process by which the proceeds of crime are converted into assets which appear to have a legitimate origin, so that they can be retained permanently or recycled into further criminal enterprises

4.2 There are three stages involved in money laundering:

(a) **Placement** is when the proceeds of crime enter into the financial system.

(b) **Layering** is the process of distancing the proceeds from its original criminal source through layers of financial transactions.

(c) **Integration** is when the criminal proceeds are then used in some way, appearing to be from a legitimate source.

4.3 It is an offence under the Proceeds of Crime Act 2002 if a person (without the relevant exceptions applying):

(a) Conceals, disguises, converts, or transfers criminal property or removes it from the UK;

(b) Enters into or becomes concerned in an arrangement which he knows or suspects facilitates (by whatever means) the acquisition, retention, use or control of criminal property by or on behalf of another person; or

(c) Acquires, uses, or has possession of criminal property.

4.4 The penalties for breaching money laundering legislation are severe. Individuals connected with any stage of money laundering could face unlimited fines and / or prison terms ranging from 6 months to 14 years, depending on the offence. There are also sanctions for businesses that fail to comply with their anti-money laundering obligations, imposed by HM Revenue and Customs and/or the Financial Conduct Authority.

4.5 **Terrorist Financing**, having the similar objective of masking financial resources and activities from the scrutiny of authorities and occasional use of similar techniques, resulted in money laundering and terrorist financing being examined in the same lens and often covered in the same legislation.

4.6 The requirements of the UK anti-money laundering and terrorist financing regime are set out in:

(a) The Proceeds of Crime Act 2002 (as amended by the Crime and Courts Act 2013 and the Serious Crime Act 2015);

(b) The Sanctions and Anti-Money Laundering Act 2018;

(c) The Money Laundering Regulations 2007;

(d) The Terrorism Act 2000 (as amended by the Anti-Terrorism, Crime and Security Act 2001, the Counter Terrorism Act 20089 and Proceeds of Crime Act 2002 (Amendment) Regulations 2007).

4.7 The National Crime Agency ('**NCA**') is the UK's lead Government crime-fighting agency with national and international reach with responsibilities which includes investigating money laundering and terrorist financing. The UK Office of Financial Sanctions (OFSI) is part of HM Treasury in the UK and works to ensure financial sanctions are properly understood, implemented, and enforced within the United Kingdom. The Charity Commission is the UK's lead Regulator of charities. Human Appeal will ensure it engages with each of these bodies as appropriate.

5. Reporting

5.1 If you know or suspect that money laundering is taking place or has occurred, or become concerned that Human Appeal's involvement in a transaction may amount to a breach of the anti-money laundering or terrorist financing regulations, you must disclose this immediately to the Chief Executive Officer (or such other person carrying out an equivalent role and duties from time to time – for example, in the CEO's absence, the Deputy CEO) (for the purposes of this policy, such persons shall be defined as the **CEO**) who shall at all times liaise with Legal Counsel.

5.2 At no time and under no circumstances should you voice any suspicions to the person(s) suspected of money laundering, nor should you discuss the matter with any colleagues other than the CEO. Failure to comply with this could result in a personal liability under law.

5.3 If appropriate, the CEO, in conjunction with Legal Counsel, will refer the case to the NCA and such other Regulatory bodies as appropriate who will undertake any necessary investigation and advise on any further action. This may include consent to continue with a particular transaction. Human Appeal (and you) must not alert the individuals concerned, otherwise it may be committing a criminal offence. The penalty for tipping-off or prejudicing an investigation is 5 years imprisonment and/or an unlimited fine.

5.4 If the CEO, after taking advice from Legal Counsel, concludes that there are no reasonable grounds to suspect money laundering, consent will be given for the relevant transaction(s) to proceed.

5.5 There is a legal duty to report suspicions of terrorist financing offences to the police under UK counter-terrorism law (as set out in the Charity Commission's regulatory alert available here: *https://www.gov.uk/government/news/terrorism-act-alert-30-september-2015*). Failure to do so is a criminal offence. A serious incident report must also be made to the Charity Commission in these circumstances, following the report to the police (see below).

6. Possible Scenarios / Risks to Human Appeal

6.1 Scenarios that may present a higher-risk of money laundering most relevant to Human Appeal are (please note that this list is not exhaustive):

(a) where payments received by Human Appeal are unusual or have come from an unexpected source;

(b) where a payment is received from a third party from an account in a different name;

(c) where a third party is asking Human Appeal to reverse a payment because a payment has been made in error, and/or asking for funds to be returned to a different account to the account it originated from;

(d) Where there are other unusual circumstances surrounding a payment e.g. the identity of the payer is unknown, the payer is anxious to make the payment quickly, the payer wants to make the payment in a number of instalments without a clear justification.

6.2 There are a number of terrorist financing offences but the offences that could be most relevant to the activities of Human Appeal are the following:

(a) the provision of money or property for the purposes of terrorism;

(b) receiving or providing money or property where it may be used for the purposes of terrorism;

(c) facilitating the laundering of terrorist money;

(d) making funds, financial services or economic resources available to or for the benefit of a designated person; or

(e) Dealing with funds or economic resources owned, held, or controlled by a designated person.

Counter-Terrorism and Sanctions

Counter-Terrorism

7. Definition and Legislative Framework

7.1 The Terrorism Act 2000 (the '**Act**') is the principal counter-terrorism statutory provision in the UK, but there is a wide range of other counter terrorism legislation (set out in Annex 1 to this policy). These create a number of offences relating to terrorism (as also defined at Annex 1), including fundraising for and financing terrorism, supporting terrorist activities and encourage terrorism. The Terrorism Act also creates an offence of failing to report suspicions of terrorist finance offences to the police. Many of those offences can be prosecuted in the UK even where the act took place abroad.

7.2 Of particular relevance to Human Appeal's work, the Home Secretary has the power to 'proscribe' an organisation as being concerned in terrorism. This applies various offences to

actions taken in relation to or that benefit proscribed organisations. The Home Office and Office of Financial Sanctions Implementation's (OFSI) joint *'for information note'* should be reviewed by staff working within the remit of this policy, which contains guidance for INGOs operating abroad where proscribed organisations may also be operating.

7.3 Key offences connected to supporting proscribed organisations that Human Appeal needs to be aware of include:

(a) being a member of a proscribed organisation

(b) claiming to belong to, or encouraging support for, a proscribed organisation – including expressions of support that are reckless as to whether they will encourage others to support the organisation

(c) arranging a meeting to encourage support for a proscribed organisation or which is addressed by a person who belongs to a proscribed organisation

(d) wearing clothing or carrying articles in public in such a way or in circumstances which lead people to suspect that the person is a member or supporter of a proscribed organisation

(e) raising funds for, or donating money to, a proscribed organisation

(f) receiving or using money or other property for the purposes of terrorism

(g) failing to report your suspicions or beliefs of terrorist finance offences to the police

The Charity Commission's guidance on charities and terrorism sets out its additional expectations over and above counter-terrorism law and these offences. It states that:

Even indirect or informal links with a terrorist organisation could result in a charity's reputation and public trust and confidence in charity generally being harmed.

Such links may be an association with someone who is a known supporter of a proscribed organisation or allowing a member of a proscribed organisation to influence the behaviour or activities of the charity.

Examples of indirect and informal links to proscribed organisations include:

- *using language or terminology associated with a particular proscribed organisation in a way which could inadvertently promote its cause or activities*

- *funding, supporting or working alongside a proscribed organisation, even if the charity's own funds are not used for terrorist purposes*

- *working with local partners in a community or region whose members or staff openly support proscribed organisations but who cannot be prosecuted in the UK because of jurisdictional reasons*

- *allowing charity premises to be used to promote the views of an individual or organisation which supports the views of a proscribed organisation*

If you encourage these types of links to terrorist organisations, allow them to happen, fail to report them, or do not take reasonable steps to prevent them, then you risk committing an offence under terrorism legislation. You will also be in breach of your trustee duties and responsibilities.

7.4 Human Appeal must therefore not, for example:

(a) send charity money to, or receive funds from, a proscribed organisation

(b) appoint a member of a proscribed organisation as a trustee or to any other position within the charity

(c) allow or use charity premises, events, websites or literature to support a proscribed organisation (including our social media and website – see our social media policy in addition)

(d) provide charity services or distribute aid specifically targeted at members of a proscribed organisation or their families

(e) arrange for or fund a member of a proscribed organisation to move around the UK or overseas

7.5 However, the Commission recognises in its guidance that in reality, it may be difficult to identify members of a proscribed organisation. Members are unlikely to openly admit their support. A partner organisation is unlikely to admit openly to supporting terrorism. A charity is unlikely to know for certain whether the partner organisation indirectly or covertly supports a proscribed organisation.

7.6 It states that "*however, you and your co-trustees cannot ignore the risks and need to be able to demonstrate that you have taken all reasonable steps to ensure that the charity, its representatives and partners are not linked to terrorism".*

Sanctions Legal Framework

8. Sanctions

8.1 Sanctions are restrictive measures used to fulfil UK legal obligations and government policy, and can include financial sanctions (including asset freezes), trade sanctions, transport sanctions, and immigration sanctions. Financial sanctions target individuals and organisations

restricting their access to funds, economic resources, financial markets and activities. A person (individual or organisation) subject to sanctions is known as a 'designated person'. Financial sanctions are a risk area for Human Appeal and its international work, as it operates in areas which those targeted by financial sanctions operate.

8.2 The UK imposes sanctions (including those imposed by the UN Through resolutions passed by the UN Security Council) through:

(a) Sanctions and Anti-Money Laundering Act 2018 (SAMLA 2018)

(b) Counter Terrorism Act 2008 (CTA 2008)

(c) Anti-Terrorism, Crime and Security Act 2001 (ATCSA 2001)

OFSI

8.3 The Office of Financial Sanctions Implementation (OFSI) is responsible for implementing financial sanctions in the UK. The UK financial sanctions regime lists individuals and entities that are subject to financial sanctions. These can be based in the UK, elsewhere in the EU or the rest of the world. In general terms, the law requires organisations not to provide funds to those on the list. OFSI produces charity-sector specific guidance on the sanctions regime which we expect staff involved in work that engages this policy to review, together with its general guidance.

The 'Consolidated List'

8.4 OFSI publishes what is known as the 'consolidated list' to help businesses and individuals comply with financial sanctions. The list includes all designated persons subject to financial sanctions under UK legislation, as well as those subject to UN sanctions which are implemented through UK regulations.

9. Human Appeal's Policy

9.1 Human Appeal must ensure that its activities do not breach UK counter terrorism law or result in a breach of UK sanctions regimes. As an international organisation working in many countries across the globe, in line with its Global Sanctions Policy, Human Appeal will also act in compliance with counter terrorism law of other key jurisdictions including of those in which it has a presence or operates. Human Appeal will seek to ensure this is the case through its robust due diligence processes into its partners and third parties (for more details, the Global Sanctions policy and due diligence process/policy AND/OR sanctions policy) a clear understanding of its partners and the work funded, and through its monitoring processes.

9.2 Human Appeal must exercise extreme caution when considering whether to provide funding or support to an organisation if there is any possibility that their work could result in any benefit to proscribed groups and/or designated persons or be used for the purposes of terrorism (within the meaning of UK counter-terrorism law). Even providing minimal, informal or indirect support could result in criminal liability, and even the appearance of providing support could result in reputational damage and regulatory action.

9.3 Human Appeal will be alert to the risks in this area when carrying out due diligence on potential partners or organisations which may receive funding from Human Appeal. Human Appeal will ensure that staff carrying out due diligence are adequately trained and alert to the legal issues and the red flags that they should look out for.

9.4 Human Appeal will be alert to ongoing risks as part of its monitoring of partners. Human Appeal will ensure that staff carrying out monitoring are adequately trained and alert to the red flags that they should look out for.

9.5 Annex 2 outlines possible risk areas for Human Appeal in respect of potential breaches of counter-terrorism and sanctions law.

10. Legal Duty and Reporting

10.1 In the case of certain terrorism related activities and offences, the law imposes a positive duty to report matters to the police and failure to do so is a criminal offence. If Human Appeal has reasonable cause to suspect that money or other property will or may be used for the benefit of a proscribed organisation or a designated person, it must be reported to the Counter Terrorism Internet Referral Unit, *https://www.gov.uk/report-terrorism* or to the Anti-Terrorist Hotline **0800 789 321**. Alongside this Human Appeal should report this to the Charity Commission as a serious incident (see below).

10.2 It is the duty of everyone within Human Appeal to deal responsibly and efficiently with any concerns relating to terrorism.

10.3 If there is any concern about an immediate threat to life and property, the police should be contacted immediately.

10.4 It is a criminal offence not to tell the police 'as soon as is reasonably practicable' if Human Appeal becomes aware of information which it knows or believes 'might be of material assistance' in:

(a) preventing an act of terrorism

(b) Securing the arrest, prosecution or conviction of someone involved in 'the commission, preparation or instigation of an act of terrorism'.

Any real or alleged link to terrorism or any organisation which is proscribed due to terrorist activity should be referred to the Counter Terrorism Internet Referral Unit, *https://www.gov.uk/report-terrorism* or contact via the Anti-Terrorist Hotline.

If you have concerns about terrorism or sanctions, you should contact Human Appeal's CEO, who alongside, Legal Counsel, will be able to guide you on next steps and take appropriate action to protect Human Appeal and our people.

Serious Incidents

11. Serious Incident Reporting

11.1 Human Appeal must report any serious incidents[1] concerning Human Appeal to the Charity Commission and you must support Human Appeal in doing so. A reportable serious incident would arise in the following scenarios, specific to terrorism and sanctions, as per the Charity Commission's serious incident reporting guidance:

E.g., if Human Appeal becomes aware of allegations being made, or has evidence to suspect that:

(a) Human Appeal (including Trustees, members of staff, volunteers or anyone connected with Human Appeal) have known or alleged links to a proscribed (banned) organisation or other terrorist / unlawful activity;

(b) Someone within or closely connected to Human Appeal, or one of its delivery partners, is placed on a UK or international terrorist list or is subject to an asset freeze;

(c) Human Appeal funds or assets have been used to pay bribes, protection money or ransoms;

(d) Human Appeal funds or assets have been used / diverted (perhaps via a delivery partner) to support a terrorist group or for other terrorist purposes;

(e) Human Appeal has been used to circumvent asset freezing measures; and / or

(f) Human Appeal personnel have been kidnapped or harmed by terrorist groups, including overseas, when representing Human Appeal or carrying out charity work.

11.2 Please see Human Appeal's policy, Serious Incidents Reporting, for further information.

Due Diligence

12. Human Appeal Policy in Relation to Due Diligence

12.1 Human Appeal recognises the importance of due diligence to mitigate risks of breach of money laundering, terrorism and sanctions law and regulation. Human Appeal takes a risk-based approach to due diligence, with reference to Charity Commission guidance[2].

12.2 You need to be vigilant regarding the possibility of anti-money laundering and breach of terrorism legislation and sanctions. You must be aware of the relevant legislative requirements and relevant risk factors as set out in this policy, including to inform the level of due diligence that may be appropriate. Human Appeal has a detailed due diligence

[1] *https://register-of-charities.charitycommission.gov.uk/reporting-or-updating-a-serious-incident*
[2] *Charities: due diligence, monitoring and verifying the end use of charitable funds - GOV.UK*

process/policy AND/OR sanctions policy and process which must also be considered in relation to due diligence, however in this AML/CTF Policy the basic approach is set out below.

13. Due Diligence on Third Parties

13.1 In all financial transactions, Human Appeal must be reasonably satisfied regarding the identity of a beneficiary, partner, customer, supplier or other third party. To achieve this, evidence of identity must be obtained and retained.

13.2 As appropriate, Human Appeal obtains information on third party identity by carrying out due diligence following the Know Your Customer ('**KYC**') principles, which are a set of guidelines used in the financial industry requiring that identity, suitability and risks are determined in relation to other parties in relationships.

13.3 There are three key components of KYC - these are:

(a) **Identify the other party**, verifying their identity using documents or other information from independent and reliable sources;

(b) If the customer/supplier is an organisation or legal entity, take reasonable measures to **understand its ownership and control structure**;

(c) **Assess,** and where necessary obtain information on, **the purpose and intended nature of the business relationship or transaction**.

13.4 Human Appeal must also check, where appropriate:

(a) That any third party is not included on the UK Government list of proscribed terrorist groups or organisations (found here: *Proscribed terrorist groups or organisations - GOV.UK*) and the UK Sanctions List (found here: *The UK Sanctions List - GOV.UK*).

(b) the OFSI Consolidated list: checks on individuals should be made against the list using the HM Treasury search engine[3].The search should be undertaken in accordance with the HM Treasury guidance including name matches, target matches and enabling "fuzzy" search[4].

(c) All other relevant sanctions list as per the Human Appeal due diligence process/policy AND /OR sanctions policy and process.

13.5 Types of information that would help to achieve the above may include (but are not necessarily limited to):

(a) A copy of the third party's governing document e.g., Articles of Association for a company;

(b) Letters or documents proving name, address and relationship;

(c) Letter headed documents (although these alone may not be sufficient as fake letterheads can be easily created);

[3] *https://sanctionssearchapp.ofsi.hmtreasury.gov.uk/*

[4] *280222_Consolidated_List_Format_Guide.pdf (publishing.service.gov.uk)*

(d) Invoices that show a company's registered office and VAT number;

(e) Checking on limited company authenticity with Companies House and/or checking registrations with other regulators;

(f) Credit checks – to be carried out in line with Human Appeal's procedures for ascertaining the creditworthiness of potential customers;

(g) For individuals: passport, visa, birth certificate and proof of home address. Checking the provided name and address against the electoral roll (where based in the UK).

13.6 The level of due diligence required in respect of a specific transaction will depend on a number of factors, and Human Appeal will take a proportionate and risk-based approach. As outlined in the Commission's guidance in relation to due diligence[5], factors Human Appeal will take into account include:

- *different aspects of a charity's work and the risks which arise*
- *how much money is involved*
- *whether partners and funds are overseas and what local problems there are - for example in areas of conflict*[6]

Record Keeping

13.7 Maintaining comprehensive records is vital for demonstrating that Human Appeal is complying with its requirements in respect of due diligence, and is particularly important should there be any investigation into any third-party transactions. The types of record kept may include (but not be limited to):

(a) Records of transactions;

(b) Receipts;

(c) Invoices;

(d) Cheques;

(e) Paying-in books;

(f) Third party correspondence;

(g) Third-party identity verification, including individuals' personal identification;

(h) Ongoing monitoring/verification;

(i) Risk assessments; and

(j) Written records of phone calls/conversations.

13.8 Records may be kept as originals, photocopies, scanned copies, or other digital formats. All stored items and copies must be readable and dates clearly stated. Storage locations must be clearly labelled/indexed, the contents organised as methodically as possible.

[5] *Chapter 2: Due diligence, monitoring and verifying the end use of charitable funds*
[6] *Chapter 2: Due diligence, monitoring and verifying the end use of charitable funds*

13.9 Storage of all the above information must be maintained securely permissions clearly stated. (Note that the information may also be required for other purposes such as tax compliance).

14. Training and Review

14.1 It is the responsibility of the CEO to:

(a) provide or facilitate provision of staff training and update sessions on sanctions and counter-terrorism law, risks particular to Human Appeal in these areas, and how to comply with this policy, including during routine visits to all Human Appeal's offices. Such training must be bespoke to the role of the staff in question – e.g. for any Money Laundering Reporting Officer, training will need to include reporting duties under this and the ethical conduct policy.

(b) Keep abreast of OFSI and Charity Commission guidance and relevant legislation including e.g. through government or Charity Commission websites.

(c) Keep abreast of best practice through professional accounting bodies and the various charity support organisations.

(d) Ensure our policy and procedures relating to counter-terrorism and sanctions risk (including this policy) are regularly reviewed in light of any recent events/experience and best practice/regulation.

15. Reviewing and Amending this Policy

15.1 This policy will be reviewed by the Trustees at regular intervals (usually at least once every 3 years) and the Trustees may vary the terms of this policy from time to time.

ANNEX 1

Key counter-terrorism legislation

In the UK, the legal definition of terrorism is provided in section 1 of the Terrorism Act 2000. This defines terrorism as the use or threat of action which:

- involves serious violence against a person
- involves serious damage to property
- endangers a person's life
- creates a serious risk to the health or safety of the public; or
- is designed seriously to interfere with or seriously to disrupt an electronic system

In circumstances where:

- the use or threat is designed to influence the government or to intimidate the public or a section of the public; and
- The use or threat is made for the purpose of advancing a political, religious or ideological cause.

If firearms or explosives are involved, there is no requirement that the use or threat must be designed to influence the government or to intimidate the public or a section of the public.

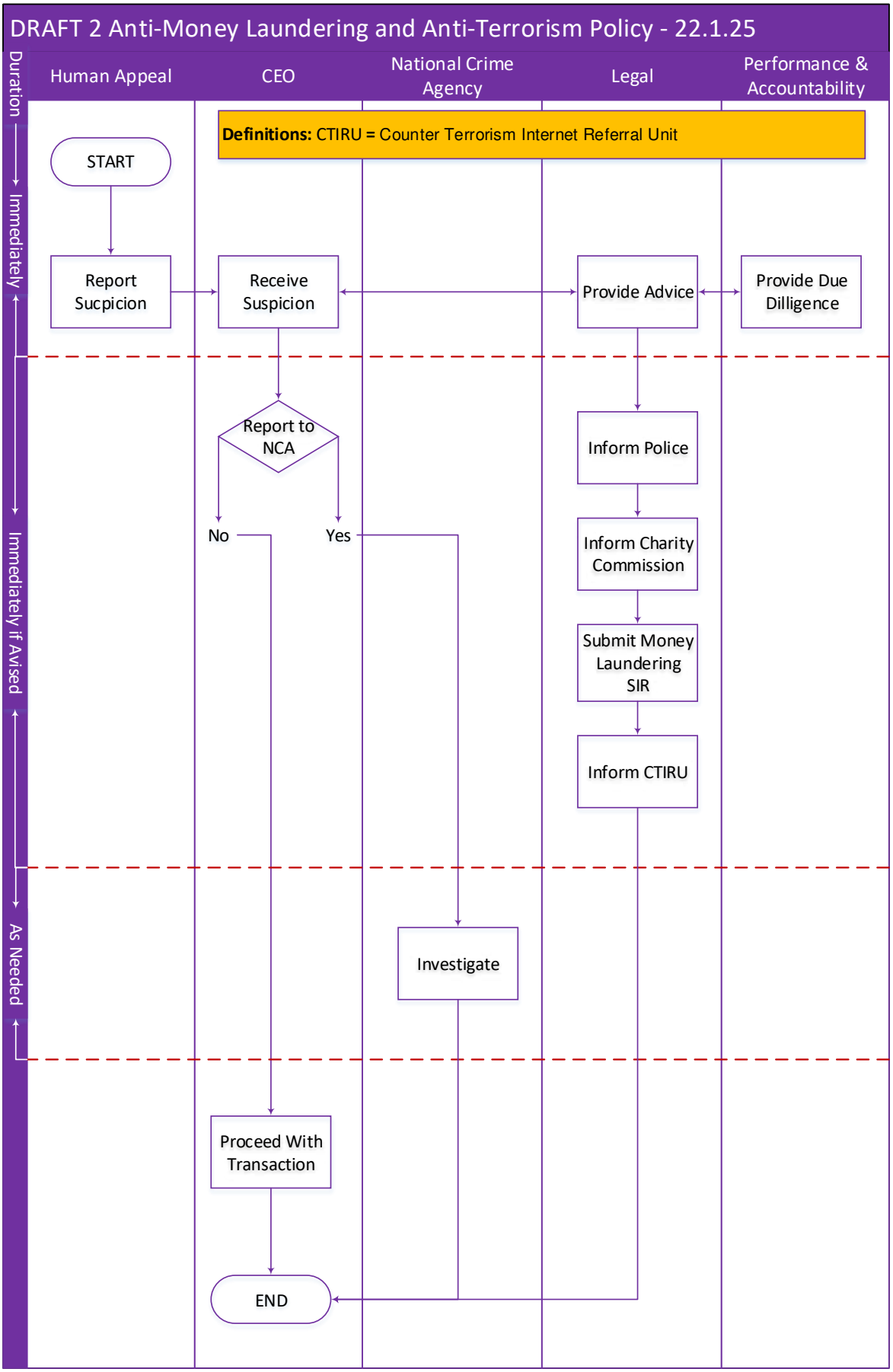
In addition to the measures imposed by the principal legislative measure - the Terrorism Act 2000 - there is a wide range of other legislation concerning terrorism, counter-terrorism, and extremism. The introduction of new laws can come quickly and it is important to keep up to date with changing legislation. The relevant legislation includes:

- The Anti-Terrorism, Crime and Security Act 2001
- Terrorism Act 2006
- Counter Terrorism Act 2008
- Terrorist Asset Freezing etc Act 2010
- Terrorism Prevention and Investigations Measures Act 2011
- Protection of Freedoms Act 2012
- Counter Terrorism and Security Act 2015
- Counter Terrorism and Border Security Act 2019
- Counter Terrorism and Sentencing Act 2021

ANNEX 2

The following is a list of possible risk scenarios identified by Human Appeal in the context of its operations under sanctions and counter-terrorism law. The list is not intended to be exhaustive and is for illustrative purposes only. See *Charity Commission Compliance Toolkit, Chapter 1, Charities and Terrorism* for further examples.

- an incident in which connections to proscribed organisations and/or designated individuals are suspected;
- an incident which appears to link Human Appeal to terrorism (including a proscribed organisation), or suggests Human Appeal supports terrorism (including a proscribed organisation), financially or otherwise;
- an incident of fraud and/or money laundering;
- a worker makes inappropriate comments in relation to terrorism or a proscribed organisation in a personal capacity, including on social media;
- funds are raised in the name of Human Appeal which are then used by the fundraisers for supporting terrorist purposes or to benefit a proscribed organisation, with or without the knowledge of Human Appeal;
- Human Appeal funds being transferred to another entity which could be diverted before reaching the intended recipients;
- Human Appeal being used to launder money or being used as a front to transport cash or other financial support from one place to another;
- a funding recipient misusing funds for terrorist purposes or being linked to/support terrorist groups or activities or proscribed organisations; or
- Human Appeal's assets (such as vehicles or premises) being used for terrorist purposes including to benefit a proscribed organisation.


DRAFT 2 Anti-Money Laundering and Anti-Terrorism Policy - 22.1.25
Duration
Human Appeal
CEO
National Crime Agency
Legal
Performance & Accountability
Definitions: CTIRU = Counter Terrorism Internet Referral Unit
Immediately
START
Report Sucpicion
Receive Suspicion
Provide Advice
Provide Due Dilligence
Immediately if Avised
Report to NCA
No
Yes
Inform Police
Inform Charity Commission
Submit Money Laundering SIR
Inform CTIRU
As Needed
Investigate
Proceed With Transaction
END