EXHALE
Health Foundation

Counter Terrorist Financing and Sanctions Policy and Procedures

Policy reference EHF CF 02 | Version 1.0| Policy owner: Executive Lead | Prepared 1 June 2026

Purpose and commitment

Exhale Health Foundation (EHF) will prevent its funds, services, equipment and other resources from being used to support terrorism, money laundering or prohibited activity. We will comply with applicable Nigerian financing restrictions and targeted financial sanctions, and with other sanctions or proscription requirements that apply to a transaction, activity or contract. Humanitarian purpose alone will not be treated as permission to disregard a prohibition.

Controls will be proportionate to EHF's project-based operations and the specific risks of each relationship. They will protect legitimate research and public-health work without treating a person's nationality, sexual orientation, religion, ethnicity or location as evidence of wrongdoing.

Scope and meaning

This policy will apply to trustees, staff, consultants, advisers and volunteers involved in funds, procurement, partnerships or project decisions. It covers accepting donations and grants, customers, suppliers, partners, subcontractors, consultants, transfers, reimbursements, and the provision of resources in kind.

Terrorist financing will include providing or collecting funds or resources for terrorist purposes, whether the original funds are lawful or unlawful. **Financial sanctions** may require asset freezes or prohibit making funds or economic resources available to designated persons or entities, including those owned or controlled by them. **Proscription** will mean the legal prohibition of an organisation or specified dealings with it. A **potential match** will be a screening result requiring review, not proof of a breach.

SCUML registration and financial reporting

EHF holds a registration certificate from the Special Control Unit Against Money Laundering, a department of the Economic and Financial Crimes Commission in Nigeria. The Executive Lead will retain the certificate, confirm registration particulars and designate a compliance officer with access to the required reporting systems. Registration will not be presented as an exemption from reporting or inspection, or as proof that every transaction has been individually approved.

EHF will keep complete financial transaction records and submit reports required for its regulatory status and activities. The compliance officer will maintain a current calendar covering transaction and suspicious-activity reports, relevant public-sector or politically exposed person reports, training returns and required nil returns. The basis, deadline, channel and acknowledgement of each submission will be recorded.

The 2024 EFCC regulations will guide applicable reporting of currency transactions above NGN 5 million for individuals or NGN 10 million for corporate bodies, specified domestic foreign-currency transfers above USD 10,000, and cash-based transactions above USD 1,000 or

equivalent, with seven-day deadlines where required. Monthly nil and other periodic returns will be submitted as applicable. Suspicious transactions, including attempts, will be reported to the NFIU without delay regardless of amount and within the applicable statutory deadline. Transactions will never be split to avoid reporting.

SCUML reports will use the official portal under the procedure effective from 1 January 2026; suspicious reports will use the NFIU's prescribed channel. The officer will check current rules and any sector-specific direction before relying on a threshold or process. Keeping records of all transactions will be distinguished from the duty to submit particular reports. EHF will also supply records when lawfully required by the regulator.

Accountability and separation of duties

The trustees will oversee compliance and appoint a finance or compliance focal point and an independent alternate. The Executive Lead will ensure staff have access to current official lists and that contracts specify relevant donor restrictions. The focal point will maintain due diligence and screening records, monitor changes and coordinate escalation. A second authorised person will review potential matches and higher-risk relationships.

No one will approve their own reimbursement, clear a concern about themselves, or both initiate and independently authorise the same payment. Where staffing is limited, an unconflicted trustee will provide the additional review. Delegations and bank mandates will be documented; advisers will not obtain spending authority merely through their advisory role.

Rules for accepting funds and choosing counterparties

EHF will identify the contracting or donating party, the purpose and source of funds, the expected destination of resources and relevant beneficial owners or controlling persons. Verification will use proportionate independent evidence, such as registration records, official institutional information, a contract and verified banking details. We will record the extent of checks and will not collect unnecessarily sensitive identity documents.

Staff will assess warning signs, including unexplained third-party payments, instructions to conceal a beneficiary, inconsistent identities, opaque ownership, unusual cash requests, pressure to bypass controls, unexplained changes in bank details or a purpose inconsistent with the organisation's work. A politically exposed person or work in a higher-risk setting will require appropriate review, rather than automatic rejection or an assumption of criminality.

EHF will not accept anonymous or untraceable funding where the source, conditions or legal risk cannot be reasonably established. Substantial cash, cryptocurrency, unusual intermediaries and payments to an account not held by the contracted party will require enhanced review and written independent approval before acceptance or payment. Any activity prohibited by law will remain prohibited regardless of internal approval.

Screening and monitoring procedure

Identify the applicable rules. Before entering a relationship, the focal point will record the jurisdictions, banks, currency routes, activities and contractual restrictions involved. Nigerian and UN sanctions requirements will be checked. UK, EU, US or other restrictions will be

included where a legal nexus or contract requires them; staff will not assume every foreign rule automatically applies to all EHF work.

Use current official sources. Screening will use the Nigeria Sanctions Committee list and the UN Security Council Consolidated List. Where UK restrictions apply, the current UK Sanctions List and relevant Home Office proscription information will be used. The retired OFSI Consolidated List will not be used as the current source of UK designations. Other official lists will be added when relevant. Commercial tools may assist, but will not replace checking the applicable official requirement.

Screen before commitment and payment. Relevant counterparties, beneficial owners and controllers will be checked before onboarding, signing, accepting restricted funds, making a transfer or providing resources. EHF will subscribe to official Nigerian sanctions alerts and maintain ongoing daily checks of active counterparties against relevant Nigerian and UN list changes, consistent with Nigeria Sanctions Committee guidance. The focal point and alternate will document how this monitoring is covered during absences. Screening will also be refreshed following ownership changes, new warning signs and updates affecting a relationship.

Keep evidence. Each check will record the party and relevant identifiers, sources and list dates, search date, result, reviewer, any ownership or control assessment, resolution and authorisation. A matching name alone will not establish identity. A no-match result will not override credible evidence of prohibited control or diversion.

Resolve potential matches. Staff will pause the affected commitment, transfer or provision of resources and refer it promptly to the focal point and independent reviewer. They will compare proportionate identifiers and obtain qualified legal or regulatory advice where needed. They will not delete evidence, tell the counterparty how to evade screening, or release funds while a material concern remains unresolved. A documented false match may be cleared by an authorised unconflicted reviewer.

Act on confirmed restrictions. Where a legal freeze applies, EHF will freeze affected funds or resources within its possession or control without delay and without prior notice, stop prohibited provision of resources, contact the relevant bank and notify the competent authority as required. EHF will not move, return or redistribute frozen resources without lawful authority. Measures will target the affected resources; a blanket freeze of unrelated funds will not be assumed necessary. Suspected or attempted prohibited transactions will also be considered for reporting.

Reporting and escalation

Any suspected diversion, sanctions breach or unexplained financial activity will be reported immediately to the Executive Lead and compliance focal point, or directly to an unconflicted trustee if either is implicated. The general contact will be exhalehealthfoundation@gmail.com or +234 815 546 5671. Staff may report anonymously and will be protected from retaliation for an honest concern.

The focal point will ensure immediate statutory notifications where required, including to the Nigeria Sanctions Committee, and assess any further reporting to the Nigeria Financial Intelligence Unit, SCUML, sector regulator, law enforcement or an overseas authority according to the applicable law and EHF's status. Nigeria Sanctions Committee guidance identifies

nigsac@nfiu.gov.ng for notifications; the current official reporting channel will be checked at the time. Internal review or client approval will not delay a statutory report.

Clients will be notified promptly where their funds or work may be affected, and the contract requires notification. Relevant incidents affecting clients' work will be reported immediately to the approved channel, subject to lawful disclosure restrictions. Staff will not alert a suspected party where this would be prohibited tipping off or prejudice a lawful investigation.

Humanitarian exceptions and lawful continuation

Before relying on an exception, exemption or licence, the focal point will obtain and record competent advice on the exact prohibition, applicable regime, conditions, permitted activity and any reporting or record requirements. A licence will be obtained before a prohibited transaction unless a valid exception already authorises it. A donor's approval or a bank's willingness to process a payment will not replace legal authorisation.

Due diligence will not be used to impose unnecessary identity collection or blanket exclusion on people receiving assistance. Where restrictions may affect a necessary activity, EHF will examine lawful alternatives, minimise harm and document the decision. Unresolved legal uncertainty will be escalated before proceeding.

Financial controls records and review

Payments will use approved budgets, documented deliverables, independently verified banking details and traceable methods. Changes in bank details will be confirmed through a trusted channel independent of the change request. Staff will retain invoices, receipts, approvals and reconciliations; splitting transactions to avoid controls will be prohibited. Project accounts will be reviewed regularly, and bank reconciliations completed monthly when accounts are active.

Due diligence, screening, transaction and decision records will normally be kept for at least five years after the transaction or end of the relationship, or longer where law, contract or a legal hold requires. Personal data will be limited, protected and reviewed for justified retention. EHF will assess its registration and reporting obligations under applicable AML and CFT rules and complete required registrations before undertaking activities that require them.

Induction and at least annual refresher training will cover warning signs, screening and reporting. A competent person independent of daily compliance and payment processing will test selected due diligence files, screening records, statutory returns and approvals at least annually. They may be an unconflicted reviewer or appropriately appointed external specialist. Findings, corrective actions, owners and deadlines will be reported to trustees. Trustees will review implementation annually and after a serious incident or major regulatory change. Monitoring will cover screening completion, unresolved matches, authorised exceptions, training and corrective actions.

Practical records to maintain

- Counterparty record: identity; registration and ownership; purpose and source of funds; jurisdiction and contract restrictions; risk assessment; supporting evidence; approval and review date.

- Screening log: person or entity; official source and date; search identifiers; result; reviewer; potential-match assessment; decision and independent authorisation.
- Incident or licence record: affected resources; relevant restriction; action and time taken; bank and regulator communications; advice or licence conditions; decision maker; follow-up and closure.

Legal and operational references

Nigeria Sanctions Committee guidance and official lists

UN Security Council Consolidated List

UK financial sanctions guidance for charities and NGOs

Current UK sanctions information and lists

SCUML current reporting procedures and EFCC regulations

Approval and implementation

This policy will take effect on the approval date recorded below. The Board of Trustees, or a trustee with documented delegated authority, will approve the policy and record the operational appointments. An implicated person will not approve or oversee a case concerning themselves.

Approved by: Dr Kelly Elimian **Position**: President/Executive Director

Signature:  **Approval and effective date**: 1st July 2026

Operational focal point: Dr Florence Amiewalan **Direct contact:** +2348035090922

Independent trustee or alternate: Prof. Nosa Eghafona **Direct contact:** +2348034468560

Next review due: 1st June 2027 **Adoption record reference**: Board resolution dated 1st July 2026

Before implementation, the Executive Lead will confirm named contacts and access permissions, brief the people covered by this policy, establish the required records and communicate relevant reporting routes. No activity requiring prior safeguards or approval will begin until those controls are in place. Staff will acknowledge the policy at induction and after material revisions.