

## SANCTIONS POLICY

### 1. Purpose

- 1.1. Ammega Group BV and its subsidiaries ("**Ammega**") must comply with economic and trade sanctions imposed by governments, by the European Union ("**EU**") and international organizations, such as the United Nations ("**UN**"). These sanctions prohibit or limit Ammega and its employees from engaging in, or facilitating, business activities with certain individuals, companies or countries.
- 1.2. Sanctions may be imposed against countries as a whole, including their governments and agencies (e.g., government-controlled enterprises) and, in some cases, the citizens and/or residents of such countries. The restrictions may also include entities controlled by such persons, or incorporated under the laws of these countries. Moreover, sanctions may be imposed against individuals and entities in any country, irrespective of location.
- 1.3. This sanctions policy ("**Policy**") gives an overview of the restrictive measures imposed by the UN, the EU, the United States of America ("**US**"), the United Kingdom ("**UK**") and Switzerland, and describes the handling of, and compliance with, sanctions within Ammega.
- 1.4. The Policy summarizes information about the kinds of sanctions Ammega is likely to encounter and who to approach for help and advice. The objective of the Policy is to raise awareness of the topic and the consequences for Ammega of failing to comply with economic sanctions.

### 2. Scope

- 2.1. The Policy applies to all legal entities of the Ammega Group and all employees (including permanent and temporary staff) worldwide.
- 2.2. Each legal entity within the Ammega Group is responsible for establishing necessary internal procedures to comply with this Policy and to be aware of the steps required to ensure compliance with sanctions regulations applicable to their particular businesses.

### 3. Roles and Responsibilities

- 3.1. While we are not expected to become subject experts, we must recognize potential sanctions breaches and seek advice to mitigate risks.
- 3.2. The Chief Compliance Officer is responsible for overseeing this Policy, including:
  - a) providing advice and support with respect to sanctions compliance;

- b) managing the screening of existing or potential business partners against sanctions lists;
- c) assessing new, or amending existing, measures and processes to ensure sanctions compliance;
- d) assessing new or existing business cases with regard to sanctions risk;
- e) implementing an appropriate monitoring program;
- f) providing sanctions training as necessary; and
- g) issuing guidelines in connection with sanctions.

#### 4. Applicable Sanctions

4.1. Ammega is required to comply with all applicable sanctions laws and regulations in the countries in which it has business activity. The following sanctions programs are to be considered the minimum standard for compliance purposes:

- a) United Nations
- b) European Union
- c) UK Office of Financial Sanctions Implementation ("**OFSI**")
- d) US Office of Financial Asset Control ("**OFAC**")
- e) Swiss State Secretariat of Economic Affairs ("**SECO**")

4.2. Although there is considerable overlap between these sanctions programs, the restrictions applicable to a particular country, entity or individual may differ significantly between them.

4.3. An illustration of global sanctions regimes is set out in the appendix

#### 5. United Nations

5.1. Under powers of the UN Charter, the Security Council imposes sanctions to address major challenges to international peace and security. Its sanctions may include arms embargos, commodity, finance and transportation restrictions and travel bans. The UN calls on all member states to ensure compliance with these sanctions regimes.

5.2. The UN publishes information on its sanction programs under the following link: <https://www.un.org/securitycouncil/content/un-sc-consolidated-list>

## 6. European Union

- 6.1. Under the framework of the Common Foreign and Security Policy, the EU enacts restrictive measures against certain countries, governments, entities or individuals. These restrictive measures (which include arms embargoes, travel bans, financial restrictions, and trade restrictions) are directly applicable to all EU member states and take precedence over conflicting measures of a member state. Some EU member states incorporate the EU sanctions into national law with additional measures that exceed the sanctions implemented at the EU level.
- 6.2. EU sanctions programs typically require compliance by persons, entities and bodies falling within the scope of application of the EU sanction programs. The application of these measures is mandatory for any Ammega entity registered in the EU. In addition, all EU citizens are required to ensure compliance with EU sanctions.
- 6.3. The following website gives an overview of the EU sanctions currently in place: <https://www.sanctionsmap.eu/>

## 7. United Kingdom

- 7.1. The UK's sanctions are administered and enforced by the Office of Financial Sanctions Implementation (**OFSI**). Since 31 December 2020, EU sanctions no longer apply in the UK.
- 7.2. The consolidated list of persons and organizations under UK sanctions can be downloaded on the following link: <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets>

## 8. Switzerland

- 8.1. The Federal Government of Switzerland may enact compulsory measures in order to implement sanctions that have been ordered by the UN, the Organisation for Security and Cooperation in Europe or by Switzerland's most significant trading partners. Switzerland's State Secretariat for Economic Affairs (**SECO**) is responsible for the publication of corresponding ordinances for affected countries.
- 8.2. SECO publishes detailed information on its sanctions programs under the following link: [https://www.seco.admin.ch/seco/de/home/Aussenwirtschaftspolitik\\_Wirtschaftliche\\_Zusammenarbeit/Wirtschaftsbeziehungen/exportkontrollen-und-sanktionen/sanktionen-embargos.html](https://www.seco.admin.ch/seco/de/home/Aussenwirtschaftspolitik_Wirtschaftliche_Zusammenarbeit/Wirtschaftsbeziehungen/exportkontrollen-und-sanktionen/sanktionen-embargos.html)

## 9. United States of America

- 9.1. The US Department of the Treasury, through the Office of Foreign Assets Control (**OFAC**), administers US economic sanctions against certain countries, governments, entities and individuals (listed on the Specially Designated Nationals list) or by means of their ownership or domicile in a country subject to comprehensive economic and trade sanctions.
- 9.2. The OFAC regulations apply to US persons defined as:
  - a) US citizens and permanent residents wherever located;
  - b) all persons within the United States; and
  - c) entities organized under US law, including their foreign branches.
- 9.3. Therefore, (i) a US citizen employed globally by Ammega, (ii) all Ammega employees while physically located in the US, and (iii) holders of "Green Cards" are all US persons under the OFAC regulations and subject to OFAC compliance obligations; even for transactions that otherwise have no US nexus.
- 9.4. Moreover, other Ammega legal entities and Ammega employees may be required to comply with US sanctions if they have any connection to the US (e.g., transactions completed in U.S. dollars).
- 9.5. OFAC sanctions programs are published on the following website: <https://www.treasury.gov/resource-center/sanctions/programs/pages/programs.aspx>

## 10. Restrictions

- 10.1. Ammega and its employees must comply with UN, EU, UK, US and Swiss sanctions regimes.
- 10.2. Ammega's export sales are also subject to export and re-export laws. These limit the export or re-export of specific items and technologies to certain end-users or destinations. Export and re-export laws are in addition to and separate from economic sanctions. Ammega and its employees must comply with both economic sanctions and export laws.

## 11. Country-based sanctions

- 11.1. Before undertaking any business activities (directly or indirectly) in or involving a country/region, which is the target of economic and trade sanctions ("**Sanctioned Countries**"), the Ammega entity must procure a review of all information about the proposed business activity, consult the Group General Counsel and obtain written approval for the transaction from the Chief

Compliance Officer.

- 11.2. These obligations extend to dealings with (i) entities owned by the governments of Sanctioned Countries (wherever those entities are located); (ii) entities owned or controlled by sanctioned individuals; (iii) entities organized under the laws of Sanctioned Countries; and (iv) individuals ordinarily resident in Sanctioned Countries.
- 11.3. Prior consultation with the Group General Counsel and written approval of the Chief Compliance Officer must be obtained for any proposal to invest in or acquire foreign entities that do business in or with any of Sanctioned Countries, so that appropriate steps may be taken to ensure that the Ammega entities and employees concerned comply with applicable laws.
- 11.4. None of Ammega's legal entities or employees may refer or recommend any transaction or activity involving a Sanctioned Country to any other person.
- 11.5. Ammega considers the following countries/regions as Sanctioned Countries and does not conduct any business with entities registered there:
  - a) Belarus
  - b) Cuba;
  - c) Iran;
  - d) North Korea;
  - e) Russia;
  - f) Russian-occupied territories of Ukraine; i.e., Crimea, Donetsk and Luhansk;
  - g) Sudan; and
  - h) Syria.

Ammega does not have subsidiaries, distributors, agents, intermediaries, or customers in any of these places.

- 11.6. Please note that some country-based sanctions are also subject to national laws (i.e., "**blocking laws**") that prohibit compliance with certain sanctions of another nation. It may not be appropriate to refuse to enter into a proposed transaction if such refusal constitutes a violation of such blocking laws. For example, the US imposed sanctions against Cuba and Iran. Canada, the EU and Mexico responded by publishing blocking laws banning compliance with the US sanctions. The US and other nations have adopted measures to frustrate adherence to

the Arab League's boycott of Israel, by penalising US persons or entities who participate in the boycott.

## 12. Countries / Regions of Concern

- 12.1. Dealings with certain countries/regions present an increased sanctions risk, for example, due to sanctions and restrictions imposed against the regime or former regime members or connections to entities, organizations or individuals specifically identified as sanctioned, on lists published by the UN, EU, OFAC and SECO, and all parties domiciled in sanctioned countries/regions, including public officials of those countries regardless of their domicile.
- 12.2. Before undertaking any business activities (directly or indirectly) in or involving a country/region of concern, the Ammega entity must procure a review of all information about the proposed business activity, consult the Group General Counsel and obtain written approval for the transaction from the Chief Compliance Officer.
- 12.3. The following countries/regions are deemed by Ammega as countries/regions of concern:

AF	Afghanistan	MM	Myanmar
AM	Armenia	SO	Somalia
AZ	Azerbaijan	SS	South Sudan
CF	Central African Republic	TJ	Tajikistan
CD	Congo Dem. Republic	TR	Turkey
IQ	Iraq	AE	United Arab Emirates
KZ	Kazakhstan	UZ	Uzbekistan
KG	Kyrgyzstan	VE	Venezuela
LY	Libya	YE	Yemen
MD	Moldova	ZW	Zimbabwe

### 13. List-based sanctions

- 13.1. Before undertaking any business activities (directly or indirectly) with any individual, entity or organization that is identified on lists published, among others, by the UN, EU, US, UK and Switzerland ("**Sanctions Lists**"), or with entities majority-owned by an individual or entity that is on a Sanctions List, the Ammega entity must procure a review all information about the proposed business activity, consult the Group General Counsel and obtain written approval for the transaction from the Chief Compliance Officer.
- 13.2. None of Ammega's entities or employees may refer or recommend any transaction or activity involving an individual, entity or organisation included on a Sanctions List to any other person.

### 14. Warning signs

- 14.1. The core elements of the sanctions compliance programme are due diligence and ongoing screening of customers, supply chains, intermediaries, counterparties, business owners, geographic locations, commercial and financial documents and transactions.
- 14.2. If we come across "red flags" we have an affirmative duty to resolve them and perform enhanced due diligence before proceeding with a proposed transaction.
- 14.3. Ammega may be exposed to the risk of enforcement proceedings if irregular circumstances in a transaction mask the true nature of the transaction and/or the identity of the parties.
- 14.4. The following is a non-exhaustive list of circumstances that should raise concerns and cause further investigation into whether a particular transaction or relationship may present a potential sanctions issue:
  - a) the counterparty is evasive or reluctant to provide information about: (i) its full identity; (ii) the use of the product; (iii) whether the product will be exported;
  - b) the counterparty is not familiar with the product and its uses;
  - c) the product does not fit with the counterparty's usual activities or location;
  - d) only minimal general market intelligence about a customer is available to the sales team;
  - e) the payment terms or method of payment are unusual; or

- f) shipping or delivery terms are unclear or suggest re-shipment.

## **15. Breaches**

- 15.1. Violations of sanction provisions can expose Ammega and its employees to both civil and criminal prosecution, substantial fines and reputational damage.
- 15.2. Employees who breach this Policy may be subject to the following:
  - a) disciplinary measures under relevant employment law, up to and including summary dismissal in serious cases; and / or
  - b) procedures under criminal law (fines or prison)
- 15.3. If you are aware of potential violations of this Policy you must inform the Chief Compliance Officer in writing. If you prefer, you may report the matter in accordance with the Speak Up Policy.

## **16. Ask for support**

If you are facing a situation where the right decision is not clear, or you have any questions, comments or concerns, please contact the Chief Compliance Officer for support.

## **17. Policy review**

This Policy is approved by the Group Executive Committee and will be reviewed regularly to ensure that it remains current, adequate and effective.

**December 2022**