



Sanctions policy

Sanctions Compliance Policy

1. Introduction

Throughout this Policy, the terms "we", "Averda", "the Company", "our" and "us" refer to any Averda group company.

The Policy applies to all officers, directors, employees of Averda as well as collaboration and joint venture partners and agents acting on behalf of Averda.

This Policy sets out Averda's guidelines and procedures to ensure regulatory compliance and to minimise the risk of economic sanctions and international trade control breaches.

2. Economic Sanctions and International Trade Controls

2.1 What are Economic Sanctions?

Economic Sanctions and International Trade Controls ("**Sanctions**") are restrictive measures imposed by national governments and multinational bodies against:

- specific countries, governments, or government related institutions; and/or
- private organizations, legal entities or natural persons

(referred to collectively as "**Restricted Parties**" or individually as a "**Restricted Party**").

The most relevant Sanctions are measures adopted, administered or enforced by the United States of America, the United Nations Security Council and the European Union (and each of its member states).

A country or a body may become a Restricted Party as a consequence of:

- violating international laws, which threaten the security of the global community; or
- violating international norms of behavior e.g. human rights violations, annexation of territories belonging to another country etc.

2.1.1 Examples of Sanctions

- importation or exportation bans on certain goods originating from, or transshipped via, Restricted Parties;
- prohibitions on supplying certain services to, or receiving certain services from, Restricted Parties; or

- prohibition from carrying out any activity involving a government, entities or persons from or being in a specific country.

3. Purpose

The purpose of this Policy is to demonstrate compliance with the requirements of the Sanctions Authorities wherever Averda operates and to ensure that no business is undertaken that would breach those Sanctions Authorities' requirements.

4. Compliance

Averda conducts business worldwide and is committed to complying with:

- All applicable Sanctions in all jurisdictions in which it operates; and
- Contractual obligations in contracts with counterparties, including clients and financing institutions, relevant to Sanctions.

Averda shall not conduct business in or with,

- Any country or territory that is the subject of applicable comprehensive Sanctions (for example, Cuba, Iran, North Korea, Syria, and the Crimean region of Ukraine); and
- Any individuals or entities who are the subject or the target of any Sanctions.

5. Applicability

Each and every employee is responsible for complying with this Policy when:

- discussing or entering into a new business relationship with a customer, supplier or another third party (including advisors, consultants, financial institutions etc.);
- entering into or carrying out a transaction; or
- making or receiving a financial payment, transfer, or deposit related to a transaction.

6. Employee's Obligations

Each and every employee shall:

- Never provide to, or receive goods or services from, directly or indirectly, a Restricted Party;
- Be alert to the possibility that unusual or suspicious elements of a transaction could be indicators of a Sanctions breach. Examples include ordering goods without details of any transshipments, or the origin of the goods and/or its components.

- Cooperate fully with those responsible for conducting internal checks or reviews or compliance-related investigations within Averda.

7. Duty to Report a Suspected Sanctions Breach (whether by an employee, collaboration partner or agent)

If an employee suspects that a coworker, agent/ collaboration partner acting on behalf of Averda is acting in breach of Sanctions or the Averda Sanctions Policy, the employee must report it in writing (either by email or in paper format) to the General Counsel at the following email address:

emma.dickie@averda.com,

or disclosed in accordance with Averda's Speak Up Policy.

All reports shall be dealt with in strict confidence. Vigorous and prompt investigations shall be carried out by the General Counsel into all cases of actual or suspected breaches discovered or reported. The General Counsel shall decide whether the activity/transaction may continue or be prohibited. Averda may report any known Sanctions breach or suspicious activity to the appropriate authority in a timely manner and will do so when required by applicable law.

Averda will not tolerate any retaliation against any person who in good faith reports potential compliance concerns.

8. Consequences of a Sanctions Breach (whether by or involving an employee, collaboration partner or agent)

Any breach of this Policy or Sanctions may result in disciplinary action, employment or contract termination, or legal action.

The Company may also report suspicions of illegal activity to the applicable authorities, and such authorities may prosecute suspected offenders, who, as a result, could face civil or criminal fines, penalties and/or imprisonment.

9. Responsibilities

- The Chief Executive Officer ("CEO") is responsible for establishing and maintaining a sound internal control system that supports the achievement of Averda's policies, aims and objectives. The system of internal controls is designed to respond to and manage i.e. the risks of sanctions breaches.
- The overall responsibility for managing this Policy has been delegated to the General Counsel.