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GLOBAL SANCTIONS COMPLIANCE POLICY

ECOCARBON LIMITED

v.1.0.

ECOCARBON Limited is a limited liability company registered with the Cyprus Registrar of Companies under number H.E. 383222

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1. Introduction

1.1 As a company, Ecocarbon Limited (hereinafter – “Company”) is committed to carrying on business in accordance with the highest ethical standards. This includes complying with all applicable trade sanctions regulations (“Sanctions Laws and Regulations”) in the countries in which we operate. This Policy has been developed to help employees and business parties understand where issues related to sanctions regulations may arise and to support them in making the right decisions in line with our corporate position as stated in this Policy.

1.2 The management of the Company is committed to complying with all laws. Any employee who violates the rules in this Policy or who permits anyone to violate those rules may be subject to appropriate disciplinary action, up to and including dismissal, and may be subject to personal civil or criminal fines.

2. Policy Statement on Sanctions

2.1 It is Company's policy to comply with all Sanctions Laws and Regulations in our operations worldwide. To this end, the Company will comply with all economic and trade sanctions applicable to our business activities.

2.2 This Policy is intended to help employees, business partners, and other third parties acting on the company's behalf to understand where breaches of Sanctions Laws and Regulations might arise and to support them in making the right decisions in line with our corporate position as stated in this Policy.

3. Policy Purpose and Application

3.1 Purpose: the Policy establishes the minimum Company's expectations of risk management and compliance with Company's sanctions obligations and sets out the approach of the Company towards:

- the meaning of the sanctions;
- guidance on how to comply with applicable Sanctions Laws and Regulations or specific provisions of any Company's sanctions obligations, with respect to sanctions;
- principles and measures as to how to mitigate the risk associated with or arising from any potential breach of Sanctions Laws and Regulations in the jurisdictions of business operations of the Company;
- consequences of failing to comply with Company's sanctions obligations and the Policy;
- regular reporting on violation (or risks of such violation) of applicable Sanctions Laws and Regulations.

3.2 This Policy applies to:

- the Company's operations globally, including all subsidiaries and legal entities worldwide owned or controlled by the Company,
- all Company's directors, officers and employees,
- all Company's business partners (buyers, suppliers, contractors and others), including potential business partners, and other third parties acting for or on behalf of the foregoing.

4. What do the sanctions mean?

4.1 Sanctions are the regulatory restrictions applicable to dealings with certain countries/territories, governments, groups, entities, individuals, or controlled goods or services. The nature and extent of these

restrictions may vary (i.e. limitations on import/export, controls on specific goods and services, restrictions on financial operations, etc.). Sanctions may be imposed by bodies such as the United Nations (UN), the European Union (EU), individual countries or groups of countries. It is important that all the Company's employees and business partners understand the business implications.

4.2 All the employees shall ensure that the Company's business partners have a clear understanding and awareness of the nature of lists and reports delivered in accordance with section 241 of Countering America's Adversaries Through Sanctions Act of 2017 (Pub. L. 115-44) (CAATSA). Namely, as it was clarified by the U.S. Department of the Treasury (<https://home.treasury.gov/policy-issues/financial-sanctions/faqs/552>), the abovementioned lists and reports shall not be considered as sanctions lists and the inclusion of individuals or entities in such reports does not and in no way should be interpreted to impose sanctions on those individuals or entities. Inclusion in such a report or list also does not constitute a determination by any agency that any of those individuals or entities meet the criteria for designation under any sanctions program.

5. How to ensure compliance with sanctions?

5.1 The Company shall apply and incorporate in its business practices the Policy.

5.2 Employees shall comply with the Policy and consult in their business practices with the Policy.

5.3 All the Company's employees and business partners must be aware of and follow the rules applicable to their countries and or business related activities. The potential restrictions may be related to:

- Where doing business: ensuring compliance with sanctions on restricted countries/territories;
- Who doing business with: ensuring compliance with sanctions on restricted persons/entities;
- How doing business: ensuring we do not circumvent, evade, or facilitate the contravention of sanctions rules; and
- Red flags: ensuring reporting of any suspicions which may raise sanctions concerns.

5.4 Different countries or regions (e.g. the European Union) may impose different sanctions. Note that US Persons - US citizens and permanent residents / Green Card holders (wherever located or employed), entities organised under US law (including their non-US branches, employees, and, in certain circumstances, non-US subsidiaries) and even foreign nationals while present in the US – are subject to specific restrictions under US law. Therefore, the US sanctions may have ex-territorial application.

6. Red Flags

6.1 There is a number of issues, which should cause us to conduct further investigation into whether a particular transaction or relationship may present a potential economic trade sanctions regulation issue.

6.2 the Company's employees and business parties shall look out for any red flags or suspicions that may indicate the direct or indirect involvement of a restricted territory, restricted party, controlled item, service, end-use or any other sanctions compliance concern.

6.3 Some examples of red flags to be reported include:

- The customer is reluctant to offer information or clear answers on routine commercial issues (including intended geography of sales, beneficial ownership, or locations of operation);
- The unusual terms and/or methods of payment, using financial instruments that are not going through bank compliance;
- The counterparty is evasive about its customers;
- Unusual invoicing or shipping requests;
- Abnormal shipping route;
- Unusual volume requests compared to the anticipated size of the market;
- Unusually favourable payment terms, pricing or large cash payments;
- Any suspicion or evidence to suggest the possible involvement of a Restricted Territory or Restricted Party;
- Any suspicion or evidence to suggest that products to be exported, re-exported, or otherwise provided to business partner may be "dual-use" (i.e., having a potential civilian and military application);
- Any suspicion or evidence to suggest a military related end-use (e.g., military end-user).

The above is not intended to be an exhaustive list. Any suspicion of the direct or indirect involvement of a restricted territory, restricted party, controlled item, service, end-use or any other sanctions compliance concern should alert you to further investigate the activity in accordance with this Policy.

7. Compliance Controls – How to Mitigate Sanctions Risks

7.1 The responsibility to provide the Company's employees and business partners with the necessary information on how to comply with this Policy falls with Legal, Finance and every department working with the Company's business partners, as below:

- Legal Department (with relevant support of IT Department)
 - Monitor economic trade sanctions regulations and update the business in case of any change.
 - Determine and approve controls to be followed in specific regions or types of transaction
 - Provide legal advice and guidance on specific situations on request, including on resolution of issues and follow up of red flag
 - Assist the business in obtaining necessary and appropriate licenses
 - Conduct periodic risk assessments in high risk regions and monitor the processes and controls in place.
 - Conduct effective training and education to relevant business functions in relation to economic trade sanctions regulations
- Finance Department
 - Ensure that financial transactions/operations (including contact with financial institutions, usage of certain currency, segregation of funds) are in line with economic trade sanctions regulations, by following approved processes and controls;
 - Conduct due diligence checks on vendors e.g. Specially Designated Nationals and Blocked Persons Lists searches required.

- All Departments working with the Company's business partners:
- **Ensure that all business partners**, including potential business partners (buyers, suppliers, contractors and others) **are aware of the present Global Sanctions Policy, the Company's KYC Policy;** monitor compliance on an ongoing basis.
 - **Follow the Company's KYC policy**, and specifically ensure that all business partners, including potential business partners (buyers, suppliers, contractors and others), disclosed the required information and provided the Company with the necessary data and documents.

8. Consequences of Non-Compliance

8.1 Any Company's employee or business partner, who violates this Policy may be subject to appropriate disciplinary action, independently from potential other penalties resulting from their behaviour.

8.2 Violations of Sanctions Laws and Regulations may lead to severe civil and/or criminal penalties against companies and individuals, including significant monetary fines, imprisonment, extradition, blacklisting, revocation of licenses, and disqualification of directors.

8.3 In addition, violations of Sanctions Laws and Regulations can lead to damaging practical consequences, including harm to reputation and commercial relationships, restrictions in the way we can do business, and extensive time and cost in conducting internal investigations and/or defending against government investigations and enforcement actions.

9. Employee's Responsibility - Reporting

9.1 You have the obligation to read and follow this Policy, to understand and identify any red flags that may arise in your business activities and to escalate potential compliance concerns related to sanctions to your line manager or the Legal Department. You should not take any actions prior to receiving advice and/or instructions in case of any doubts.

10. Updates, Review and Accessibility

10.1 This Policy may be updated from time to time, and the updated version of the Policy will be immediately made available on the Company's site.