

Policy on Sanctions Laws and Regulations

1. Introduction

- 1.1. Sarvagram Solutions Private Limited (“Company”), along with its affiliates, subsidiaries, associate companies, group companies (“Group”) is committed to carrying on its business in accordance with the highest ethical standards. This includes complying with the economic and trade sanctions laws and regulations of the United Nations (UN), European Union (EU), United States of America (US), as well as all applicable trade sanctions laws and regulations (including import and export control regulations) in the jurisdictions in which we operate. This policy on sanctions laws and regulations (“Policy”) sets out overarching requirements that apply across the Group relating to sanctions and export control laws and regulations and the standard of compliance. This Policy has been developed by the Company to help its employees, contractors and the Group to 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. As a truly international business, we have designed and maintain a sanctions programme that ensures we understand and apply, as and when required:
 - the sanctions laws, rules, and regulations imposed by the United Nations (UN), United States (US), European Union (EU), United Kingdom (UK) and other country-specific or international sanctions (collectively, “International Sanctions”); and
 - export control laws, rules and regulations (“Export Controls”).
- 1.3. Among other requirements, the Group will ensure that if an entity or individual becomes sanctioned any business with such entity or individual will either be terminated or duly restricted, as required.
- 1.4. The management of the Company is committed to complying with all laws. Any employee/ contractor/ Group 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 International Sanctions and Export Controls in our operations in India and 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 Group, employees, contractors, and other third parties acting on the Company's behalf to understand where breaches of International Sanctions and Export Controls might arise and to support them in making the right decisions in line with our corporate position as stated in this Policy.



2.3. The key objective of the Policy is to ensure that at all times, the Company and Group personnel, act in accordance with the relevant International Sanctions and Export Controls, to help prevent organized crime and terrorism and protect the reputation of the Group. The sanctions compliance programme includes:

- a) Screening of all Group customers/clients, suppliers, affiliates and active transactions globally against relevant International Sanctions and Export Control lists on a daily basis.
- b) Where screening identifies a potential sanction or export control issue or possible breaches of International Sanctions, Export Controls, or this Policy, promptly reporting such issues to the Legal Department and conducting further due diligence to clarify and determine whether International Sanctions or Export Controls apply and what action should be taken.
- c) Prohibition of all business activity, including commencing or continuing customer relationships, purchasing or providing items (goods, technology, software) or services, or facilitating any transactions that would breach applicable International Sanctions, Export Controls or this Policy. Such prohibition may apply to business activity with individuals or entities named in a Sanctions and Export Control list, directly or indirectly, or with their subsidiaries or affiliates, or involving countries or territories that are sanctioned.
- d) Providing training to appropriate staff on the identification and management of International Sanctions and Export Control matters, including information concerning the scope and content of International Sanctions, risk factors and “red flags” to watch for, and the procedures to follow when an issue arises, along with penalties for non-compliance.
- e) An International Sanctions and Export Control incident and risk exposure control and response plan; whereby investigations are conducted, and incidents reported as appropriate to the relevant regulatory authorities, seeking appropriate licenses or waivers, and takes other actions to ensure full compliance with all applicable laws and regulations. Periodically review of compliance and training programs as well as incident and risk exposure control and response plan relating to International Sanctions and Export Controls to secure ongoing relevance and accuracy.

3. **Board endorsement**

3.1. The Board of the Company will not criticize management for any loss of business resulting from adherence to this Policy. No employee or contractor will suffer as a consequence of bringing to the attention of the Board or senior management, in good faith, a known or suspected breach of this Policy. Also, employees and contractors will not suffer any adverse employment decision for abiding by this Policy.

4. **Who is subject to this Policy?**



- 4.1. This Policy applies to Company's operations globally, including all legal entities worldwide owned or controlled by the Company (including Group), and to all directors, officers, employees, contractors, and other third parties acting on behalf of the foregoing.

5. **What is the risk?**

- 5.1. Violations of International Sanctions and Export Control may lead to severe civil and/or criminal penalties against companies and individuals, including significant monetary fines, imprisonment, extradition, blacklisting, revocation of licences, and disqualification of directors.
- 5.2. In addition, violations of International Sanctions and Export Control 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.

6. **What do we mean by sanctions?**

- 6.1. 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.), and it is important that all Company's employees and contractors consult with the Legal Department to understand the business implications.

7. **How can we ensure compliance with sanctions?**

- 7.1. All employees and contractors must be aware of and follow compliance with sanction specific to the countries and/ or business related activities. The potential restrictions may be related to:
- (a) **Where we do business:** ensuring compliance with sanctions on restricted countries/territories;
 - (b) **Who we do business with:** ensuring compliance with sanctions on restricted persons/entities;
 - (c) **How we do business:** ensuring we do not circumvent, evade, or facilitate the contravention of sanctions rules; and
 - (d) **Red flags:** ensuring we report any suspicions which may raise sanctions concerns
- 7.2. 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.
- 7.3. If you are in any doubt or have any questions or concerns, please contact the Legal Department before proceeding further.

8. **Red Flags**

- 8.1. There are 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.
- 8.2. The Company's employees and contractors 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.
- 8.3. Some examples of red flags to be reported include:
 - (a) 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);
 - (b) The consignee has a different name or location than the customer or ultimate end user;
 - (c) The counterparty is evasive about its customers;
 - (d) Unusual invoicing, shipping, or packaging requests;
 - (e) Abnormal shipping route;
 - (f) Unusual volume requests compared to the anticipated size of the market;
 - (g) Unusually favourable payment terms or large cash payments; or
 - (h) 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.

9. **Responsibilities**

- 9.1. All legal entities worldwide owned or controlled by the Company (including Group), and all directors, officers, employees, contractors, and other third parties acting on behalf of the foregoing have the obligation to read and follow this Policy, to understand and identify any red flags that may arise in their business activities and to escalate potential compliance concerns related to sanctions to the Legal Department. No action should be taken prior to receiving advice and/or instructions from the Legal Department.

10. **Non-compliance**

- 10.1. Any person or entity who violates this Policy may be subject to appropriate disciplinary action, independently from potential other penalties resulting from their behaviour.
- 10.2. Internal Audit shall conduct regular checks on local businesses to ensure compliance with International Sanctions and Export Control.

11. **Updates, Review and Ownership**

- 11.1. The effectiveness of this Policy will be monitored regularly. Procedures and practices will be reviewed, and further practical guidelines may be issued with a view to ensure compliance with International Sanctions and Export Controls.
- 11.2. This Policy may be updated from time, and the updated version of the Policy will be immediately made available on the Company's website.

12. **Contact**

Legal Department

Email: cs@sarvagram.com
