

Milarex Economic Sanctions Policy

Milarex is committed to comply with economic sanctions adopted by *inter alia* the United Nations (UN), the United States of America (U.S.) and the European Union (EU). This Policy provides the framework for such commitment and applies to Milarex and all Employees.¹

Economic sanctions are commercial and financial penalties applied by one or more countries against a targeted self-governing state, companies or individuals. Potential penalties of violating sanction laws includes civil, company or personal penalties in the form of fines and/or imprisonment.

1. Economic sanctions policy

All entities within the Milarex Group and its employees are required to adhere to all applicable economic sanctions, including the sanctions administered by the United Nations (UN), U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") and the European Commission. Economic sanctions are financial, trade, and travel-related restrictions targeting individuals and entities ("**Sanctioned Persons**") as well as countries or geographic regions. A country or geographic region may be subject to comprehensive (*i.e.*, country-wide or territory-wide) sanctions (each, an "**Embargoed Country**") or non-comprehensive sanctions (each, a "**Restricted Country**").

In this Policy, the term "**Prohibited Country**" includes all countries in the table below.

Embargoed Countries²

Cuba
Iran
North Korea
Syria
Ukraine (Crimea region)

Other Prohibited Countries²

Belarus
Lebanon
Libya
Myanmar (Burma)
Nicaragua
South Sudan
Sudan
Ukraine (other regions)
Venezuela³
Yemen
Zimbabwe



For a full view of what countries are to be considered Restricted Countries, please see:

- The current list of sanctions programs administered by OFAC, available at www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx
- A current list of EU sanctions regulations, available at www.sanctionsmap.eu

Employees within the Milarex Group should not engage in transactions with any Sanctioned Person (UN/OFAC/EU Commission), Prohibited Country and/or Legal persons within a prohibited country. Nor "facilitating" (*i.e.*, assisting, supporting, or approving) activities by third parties that involve Sanctioned Persons and/or Prohibited Countries. Examples of prohibited facilitation include:

- Approving, financing, or providing transportation or insurance for transactions involving Sanctioned Persons/Prohibited Countries
- Filling orders through a third party for Sanctioned Persons/Prohibited Countries
- Referring business requests from Sanctioned Persons/Prohibited Countries to third parties

Examples of transactions involving or otherwise relating to a Prohibited Country, all of which Employees are prohibited from engaging in, include:

- A shipment starting from, ending in, or passing through a Prohibited Country
- A transaction or shipment involving any individual ordinarily resident in, entity located or organized in, or Government Entity of a Prohibited Country

All entities within Milarex Group and its employees should refrain from engaging in any transaction involving a counterparty refusing to provide its location, country of organization, or the country of origin or ultimate destination of goods. There are many more Restricted Countries than those covered by the term Prohibited Countries in this Policy, including *e.g.*, China and Russia.

To take up any new customer or supplier in countries that Milarex currently is not trading needs to be assessed and cleared by Milarex Legal specialist before entering into a business arrangements and/or transactions.



2. Restricted party screening

Restricted Party Screening should be conducted for counterparties, other than EU/EEA/UK/US/CA/AU/NZ Persons. Parties to be screened include distributors, vendors, customers, shipping companies, freight forwarders, agents, intermediate consignees and banks.

If any questions and/or needs for restricted party screening please contact Milarex Legal specialist. Yearly internal restricted party testing/screening to be initiated by Milarex CFO.

If Restricted Party Screening reveals a potential match against a Restricted Party List, the Milarex Legal specialist should file all relevant records from the screening.

3. Reporting and enforcement

A. Reporting a Concern

Employees have a duty to report potential, suspected, and actual violations of law or any Milarex policy. Reports may be made to next level manager, Milarex Legal Specialist or anonymously in accordance with Milarex Whistleblowing Policy.

No Employee will be subject to reprisal for reporting information about potential compliance issues. Any retaliation for reporting suspected misconduct or participating in an investigation should immediately be reported to Milarex HR Lead

B. Enforcement

Employees who violate this Policy may be subject to disciplinary action. Violations of this Policy by third parties will be considered grounds for termination of the relationship and may result in referral for prosecution.

4. Resources

This Policy does not address every possible issue that may arise concerning compliance with economic sanctions. If any questions or concerns arise regarding this Policy or its application to a specific situation, Employees are expected to seek guidance from their Manager and, if necessary, Milarex Legal Specialist.



Appendix A – Definitions

Employee	Any director, officer, contractor, or temporary or permanent employee of Milarex, as well as any (i) other person designated by Milarex and (ii) third party when acting on Milarex’s behalf.
EU/UK/EEA US/CA Persons	Government Entities or individuals/entities incorporated/resident or otherwise domiciled in the European Union, the European Economic Area, the United Kingdom, United States or Canada
Government Entity	Any national, federal, state or local, whether domestic or foreign, government, governmental entity, quasi-governmental entity, court, tribunal or any governmental bureau, or any regulatory, administrative or other agency, or any political or other subdivision, including any university or other institution of higher education, department or branch of any of the foregoing.
Policy	This Economic Sanctions Policy.
Restricted Party List	A list of individuals and entities subject to restrictive measures imposed by Government Entities or international organizations including, without limitation, (1) the U.S. Specially Designated Nationals (SDN) List, the U.S. Foreign Sanctions Evaders List, and the U.S. Sectoral Sanctions Identifications (SSI) List, all administered by OFAC within the U.S. Department of the Treasury; (2) the U.S. Denied Persons List, the U.S. Entity List, and the U.S. Unverified List, all administered by the U.S. Department of Commerce; and (3) the EU Consolidated list of persons, groups and entities subject to EU financial sanctions.
Restricted Party Screening	The process of confirming that an individual or entity is not the target of restrictive measures imposed by Government Entities or international organizations.