Sanctions Compliance Policy

Cartiere del Garda

November 2026

SANCTIONS COMPLIANCE POLICY

At Cartiere del Garda we are strongly committed to the highest standards of business ethics and compliance, including compliance with all Applicable Sanctions Regulations. For this reason, we follow a risk-based approach and maintain this Sanctions Compliance Policy, and other related internal controls, to help ensure that Cartiere del Garda and its Professionals comply with all Applicable Sanctions Regulations.

In particular, at Cartiere del Garda we are committed to:

1. Comply and act in compliance with all Applicable Sanctions Regulations[1].
2. Effectively implement this Policy through appropriate controls and training.
3. Ensure that Cartiere del Garda's Professionals understand this Policy and other internal related controls and carry out business on behalf of Cartiere del Garda in a legal, ethical and professional manner, according to all Applicable Sanctions Regulations.
4. Carry out reasonable, risk-based due diligence about its clients, and require those parties to participate in and cooperate with Cartiere del Garda's sanctions compliance program as a condition of doing business with Cartiere del Garda.
5. Keep complete and accurate records of the Relevant Business in the ordinary course of business.
6. Maintain effective mechanisms to encourage Cartiere del Garda's Professionals raising concerns in confidence and without fear of reprisal.
7. Monitor and take remedial and disciplinary action in case of any breach of this Policy and other internal related controls.
8. Cooperate with any government investigation or enforcement action concerning an alleged violation of this Policy and/or internal related procedures.

GENERAL PROHIBITIONS

1. Any business or transaction involving, directly or indirectly, any party located in, transiting to or from, or carrying goods to or from **Iran, North Korea**, **Sudan or Syria** is prohibited.
2. Unless approved in advance, Relevant Businesses involving **goods that are subject to trade or export restrictions** or controls under Applicable Sanctions Regulations are prohibited.
3. Relevant Businesses involving, directly or indirectly, any **Listed Persons** are prohibited. This includes any Relevant Business involving an entity which is owned or controlled by a Listed Person, and any Relevant Business involving the provision of goods or services, directly or indirectly, to a Listed Person or an entity which is owned or controlled by a Listed Person.

[1] The Sole Annex of this Policy contains further information about the US and EU Sanction Laws.

DEFINITIONS

Applicable Sanctions Regulations	Any economic or trade sanctions imposed against certain countries, individuals or entities by the Office of Foreign Assets Control of the US Department of Treasury, the United States Department of State, any other US government entity, the United Nations Security Council, the European Union, or any other relevant governmental or regulatory authority.
Cartiere del Garda	Cartiere del Garda and all legal entities owned or controlled, directly or indirectly, by Cartiere del Garda.
Listed Persons	A person or entity that is (i) listed on, or owned or controlled by one or more persons listed on, or acting on behalf of a person listed on any Sanctions List or (ii) otherwise a target of Applicable Sanctions Regulations.
Professional/s	Employees and other persons working for Cartiere del Garda, regardless of the type of contractual relationship with Cartiere del Garda. It includes employees at all levels, whether permanent or temporary, freelance contractors, managers, officers, directors, as well as any other secondees or contractors under Cartiere del Garda's effective control and other third parties acting on behalf of Cartiere del Garda.
Relevant Business	Any business relationship with a party from or located in a Sanctioned Country or which entails the sale, sending or delivery of Cartiere del Garda's products to a Sanctioned Country.
Sanctioned Country	A country subject to sanctions under Applicable Sanctions Regulations.
Sanctions Lists	The Specially Designated Nationals and Blocked Persons list, the Foreign Sanctions Evaders list or any other list administered by the US Treasury Department's Office of Foreign Assets Control, the US Commerce Department's Bureau of Industry and Security, or any similar list maintained by, or public announcement of sanctions designation made by, the United States Department of State or any other US government entity, the United Nations Security Council, the European Union, the Member States of the European Union (including the Consolidated List of Persons, Groups and Entities subject to European Union financial sanctions) or any other relevant governmental or regulatory authority.

SOLE ANNEX

Summary of US and EU Sanctions Laws

1. US Sanctions Laws

The US Treasury Department's Office of Foreign Assets Control (the "**OFAC**") administers a wide range of sanctions programs which prohibit or restrict transactions involving certain countries, entities, and individuals. This includes:

- *Geographic-based* sanctions which prohibit transactions involving targeted jurisdictions, such as Cuba, Iran, North Korea, Syria and the Crimea region of Ukraine;
- *Sectoral sanctions* which prohibit or restrict certain types of transactions in specified sectors of Russia (including the energy sector) and Venezuela; and
- *List-based sanctions* which prohibit transactions with certain individuals, entities and vessels designated by OFAC for one or more of several reasons (e.g., involvement in drug trafficking, human rights abuses, the situation in Crimea, corruption, etc.).

To help implement these programs, the OFAC publishes on its website several lists of individuals, entities and vessels which are subject to US sanctions.

- The primary list is called the list of "**Specially Designated Nationals**" or "**SDNs**." This contains the names and identifying information (e.g., dates of birth, addresses, etc.) for thousands of individuals, entities, ships and aircraft who are subject to US sanctions. US Persons generally cannot engage in any transaction with a SDN and must block (freeze) any SDN property and interests in property. SDNs are located in virtually every country, and the list of SDNs can change at any time and without advance notice.
- Another key list is the "**Sectoral Sanctions Identification List**" or "**SSI List**." This contains the names of a range of a Russian energy companies and banks, among others. US Persons are restricted from providing certain types of financing, goods, services and technology to SSI List entities. As with the SDN list, the SSI List too can change at any time and without advance notice.

Additionally, the OFAC has established a "**50% rule**" which applies to both the SDN and SSI Lists. Under the 50% rule, any entity owned 50% or more by a SDN or SSI Listed person is itself automatically considered to be subject to the same sanctions as its parent.

All "US Persons" are required to comply with the OFAC sanctions. This means US citizens, US permanent residents (e.g., green card holders), and any person actually in the United States, as well as entities organized under US law and their foreign branches. US sanctions on Cuba and Iran have an even broader reach: these also extend to non- US entities which are owned or controlled by US Persons (e.g., a non-US subsidiary of a US company).

The US also maintains a range of secondary sanctions that penalize foreign (i.e., non- US) Persons who engage in, among other things, certain types of activities involving Iran, North Korea, Russia. The US asserts that it can impose these secondary sanctions regardless of whether it has jurisdiction over the persons and conduct involved, and regardless of whether the conduct complies with local law.

The penalties for violating US sanctions can be severe, up to and including criminal prosecution. The reputational risks associated violations of US sanctions can also be severe.

2. EU Sanctions Laws

EU Sanctions Laws are agreed at EU level and implemented through EU Decisions and Regulations (the latter of which have direct effect in all 27 Member States). EU sanctions tend to be agreed per regime, with separate Regulations for each targeting specific policy objectives. Implementation, licensing and penalties for breaches of EU sanctions are managed at national EU Member State level.

EU Sanctions Laws typically include restrictions applicable to certain countries, persons, items, or end-uses. The nature and extent of sanctions restrictions can vary from limited to comprehensive depending on the relevant regime.

EU Sanctions Laws typically prohibit certain dealings, directly and/or indirectly, with EU Sanctioned Persons. The key restrictions in relation to EU Listed Persons are as follows:

a. A prohibition on making funds or economic resources available, directly or indirectly, to or for the benefit of EU Listed Persons (which can, for example, affect supplies of products and payments); and

b. The freezing of all funds and economic resources belonging to, or owned, held or controlled by EU Listed Persons (which can, for example, lead to funds received being blocked by banks/requiring licences to un-freeze).

These controls are very broadly defined and interpreted. In particular:

- the prohibitions capture indirect as well as direct dealings, which can impact dealings through third parties, or with a non-listed entity that is owned or controlled by a EU Listed Person (e.g. through majority ownership by a EU Listed Person, or if a EU Listed Person exercises control through other means, such as through a significant minority shareholding or control of the board).

- the concept of "funds" is defined extremely widely in this context and includes financial assets and benefits of every kind (including electronic payments, non-electronic payments and even set-off of funds), with no *de minimis* threshold.

EU Sanctions Laws apply, in summary:

(A) within the territory of the EU;
(B) o any legal person, entity or body incorporated under the laws of an EU Member State (including any non-EU branch offices of such entities), wherever their activities take place;
(C) to any national of an EU Member State, wherever located or operating; and
(D) to any legal person, entity or body, wherever located, in respect of any business done in whole or in part within the EU.

3. Anti-circumvention

Sanctions Laws typically prohibit facilitation, indirect trade, or other attempts to avoid or circumvent the application of sanctions. This includes situations where a party is willfully blind (i.e. chooses not to ask/know) as to the ultimate destination or end-user of its goods, services or technology.