

GLOBAL SANCTIONS POLICY CTS GROUP



1. INTRODUCTION

CTS, its Board of Directors and management are committed to carry on business in accordance with the highest ethical standards. This includes complying with all applicable trade sanctions regulations applicable to our business activities (“**Sanctions Laws**”) in the countries in which we operate.

This Global Sanctions Policy (“Policy”) is intended to help employees and any third party acting on the Company’s behalf to understand where breaches of Sanctions Laws might arise and to support them in making the right decisions in line with the corporate position as stated in this Policy.

No employee or third party shall suffer as a consequence of bringing to the attention of senior management or the Chief Legal and Compliance Officer, in good faith, a known or suspected breach of this Policy.

If you have any questions about this Policy, you should contact our management.

2. WHO MUST COMPLY WITH THIS POLICY?

This Policy applies to all persons working for us or any group company or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

3. WHO IS RESPONSIBLE FOR THE POLICY?

The board of directors has:

- the overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it; and
- the primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective.

You are invited to comment on this Policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the management of CTS.

4. WHAT ARE THE RISKS?

Violations 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.

In addition, violations of Sanctions Laws can lead to damaging political 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.

Clients, being mindful of their own obligations, may also ask us about our policies and relationships with clients based in certain countries. Our replies, which must always be honest, may influence our appointment by those client.

5. WHAT DO WE MEAN BY SANCTIONS?

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 employees consult with management to understand the business implications.

The following are examples of countries/territories that are the subject of EU economic trade sanctions at the date of this Policy: Afghanistan, Belarus, Iran, Libya, Mali, Myanmar, North Korea, Russia, Somalia, Sudan, South Sudan, Venezuela, and Yemen. This list is not exhaustive and is subject to change without notice. Companies and individuals may also be subject to sanctions, and these are as listed on the EU website www.eeas.europa.eu.

6. RED FLAG REVIEW

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 regulatory issue.

All employees shall look 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.

Examples of Red Flags to be reported include:

- a lack of information as to the identity of the end-client involved parties and/or the reluctance of a party to provide such information;
- unusual invoicing requests;
- unusually favorable payment terms;
- any suspicion or evidence to suggest the possible involvement of a restricted territory or restricted party.

The examples of red flags are not an exhaustive list. Any suspicion of the direct or indirect involvement of a restricted territory or party should alert you to further investigate the activity in accordance with this Policy and report it to management.

7. COMPLIANCE CONTROLS

In order to ensure compliance with this Policy, the management of CTS shall:

- introduce appropriate controls when taking on a new client;
- monitor economic trade sanctions regulations and update the business in the event of any material change;
- determine and approve controls to be followed in specific regions where applicable;
- provide (legal) advice and guidance on specific situations on request, including on resolution of issues and red flag reviews;
- conduct ad hoc risk assessments as required in high risk regions and monitor any specific processes and controls.

8. EMPLOYEE RESPONSIBILITY

All employees have the obligation to read and comply with this policy, to understand and identify any red flags that may arise and to escalate potential compliance concerns relating to sanctions to the management of CTS. You should not take any actions prior to receiving advice and/or instructions.

9. NON-COMPLIANCE

Any employee who violates the rules in this Policy or who permits anyone to violate those rules may be subject to disciplinary action, up to and including dismissal and may be subject to personal civil or criminal fines.

10. UPDATES, REVIEW AND OWNERSHIP OF THIS POLICY

This policy is owned by management. It is subject to review and update from time to time and any updates shall be communicated via our handbook and/or internet.

11. SUSPECTED IRREGULARITIES

Each person is encouraged to speak up. Report any (suspected) violation of this policy and any other (suspected) irregularity of a general, operational or financial nature relating to CTS to your manager, your next higher level manager in the hierarchy chain up to and including the management of CTS. CTS ensures that the employee who has in good faith made a report will not need to be concerned with any consequences for your position.

Further guidance about reporting a (suspected) irregularity is provided in the Speak up Policy.

RIGHT TO SPEAK

**Speak up
if you think
something's not
right.
If you believe there
has been a violation
of the Code of
Conduct:**

1. **Discuss with the person(s)
involved**
or
2. **Talk to your manager**
or
3. **Talk to HR or the
Management of CTS**
or
4. **Report your concerns
anonymously using
SpeakUp:**

