

## **SANCTIONS POLICY**

### **for dealing with entities which directly or indirectly support Russian Federation or Belarus in aggression against Ukraine**

#### **I. Definitions**

1. **Ultimate Beneficial Owner:** one or more natural persons having direct or indirect control over an entity by virtue of rights resulting from legal or factual circumstances and enabling them to exert decisive influence on the activities or actions undertaken by that entity or a natural person on behalf of whom business relations are established or an occasional transaction is performed
2. **Parent (Company):** a commercial or state-owned company which controls a subsidiary according to the Polish Accounting Act of 29 September 1994 (Journal of Laws 2021.217)
3. **List:** the list of individuals and organisations subject to sanctions, kept by the minister competent for internal affairs, published in Public Information Bulletin on his website <https://www.gov.pl/web/mswia/lista-osob-i-podmiotow-objetych-sankcjami>
4. **Statement:** a statement made appendix no. 1 to the Sanctions Policy
5. **Policy:** this sanctions policy
6. **Regulation 269/2014:** Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (OJ EU L.2014.78.6)
7. **Regulation 765/2006:** Council Regulation (EC) No 765/2006 of 18 May 2006 concerning restrictive measures in view of the situation in Belarus and the involvement of Belarus in the Russian aggression against Ukraine (OJ EU L.2006.134.1)
8. **Regulation 2022/263:** Council Regulation (EU) No 2022/263 of 23 February 2022 concerning restrictive measures in response to the recognition of the non-government controlled areas of the Donetsk and Luhansk oblasts of Ukraine and the ordering of Russian armed forces into those areas (OJ EU L.2022.421.77)
9. **Regulation 833/2014:** Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ EU.L.2014.229.1)
10. **Public Procurement Act:** Polish Public Procurement Act of 11 September 2019 (Journal of Laws 2021.1129)
11. **Act:** the Act of 13 April 2022 on Specific Steps to Counteract Supporting Aggression against Ukraine and to Protect National Security (Journal of Laws 2022.835)
12. **Registers:** registers of individuals and organisations subject to sanctions under Regulation 269/2014 and Regulation 765/2006
13. **LOHMANN POLSKA:** LOHMANN POLSKA spółka z ograniczoną odpowiedzialnością of Gdynia, ul. Krzemowa 2, 81-577 Gdynia, entered in the register of enterprises of the National Court Register under number KRS: 0000122974.

#### **II. Subject matter and scope of the policy**

1. Following the Russian Federation's aggression against Ukraine launched on 24 February 2022 and the ensuing restrictive measures implemented in particular on the basis of Regulation 765/2006, Regulation 269/2014, Regulation 2022/263, Regulation 833/2014 and the Act, as well as any other national and EU legislation concerning sanctions imposed on Russia, LOHMANN POLSKA undertakes and

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requires all its employees, associates, those laws on terms and conditions set out in this Policy.

2. LOHMANN POLSKA will take all appropriate actions and measures to ensure compliance with this Sanctions Policy.

### **III. Screening of business partners**

1. Each time before establishing a business relation with a new business partner (supplier or buyer) from outside the EU and whenever the internal screening in SAP is ambiguous, LOHMANN POLSKA will procure the Statement signed in accordance with the current rules of representation plus explanations in which the business partner will have to state whether it or members of its governing bodies and its ultimate beneficial owner are on the List or in the Registers, and whether they comply with the sanction laws.
2. As regards existing non-EU business partners and in the event that the internal screening in SAP is ambiguous, LOHMANN POLSKA will procure the Statement signed in accordance with the current rules of representation plus explanations in which the business partner will have to state whether it or members of its governing bodies and its ultimate beneficial owner are on the List or in the Registers, and whether they comply with the sanction laws. As regards existing business partners, the Statement will be required before the first new transaction with that business partner after the effective date of this Policy.
3. The business partner is obliged to inform LOHMANN POLSKA immediately, no later than within 24 hours, about any changes in the circumstances and information contained in the Statement.
4. The Statement will be procured exclusively to observe due care and fulfil obligations arising from generally applicable laws, and its content will be kept strictly confidential. LOHMANN POLSKA will not share the Information included in the Statement with any third parties, unless it is required to do so by the generally applicable laws or a decision of competent state authorities, of which LOHMANN POLSKA will notify the business partner.

### **IV. Inclusion of a business partner on the List or in the Registers or discovery of the business partner's sanctions violation**

1. If a business partner is found to be, directly or indirectly, on the List or in the Registers, LOHMANN POLSKA will fulfil its duty to freeze cash, funds or business resources or prohibit access to cash, funds or business resources by discontinuing the business relationship with that business partner.
2. LOHMANN POLSKA will discontinue the business relationship with a business partner if he is found to be in breach of the prohibitions and orders stipulated in the sanction laws in the course of his business relationship with LOHMANN POLSKA. LOHMANN POLSKA's liability for damages is excluded in such a case.
3. Without prejudice to the applicable reporting and confidentiality rules, LOHMANN POLSKA will:
  - a. immediately share with competent state authorities all information which may facilitate compliance with the sanction laws, i.e. information about accounts and amounts frozen pursuant to V.1 of the Policy and will share this information with the competent authorities directly and indirectly, and
  - b. co-operate with the competent authorities on verification of this information.

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4. If LOHMANN POLSKA's business partner fails to submit the Statement, the business relationship with that partner may be terminated to the exclusion of LOHMANN POLSKA's liability for damage suffered by that business partner.

### **V. Public procurement**

1. In the case of a public procurement contract or tender conducted pursuant to the Public Procurement Act, LOHMANN POLSKA will exclude:
  - a. contractors and bidders who are on the List or in the Registers;
  - b. contractors and bidders whose Ultimate Beneficial Owner is on the List or in the Registers, or who became such Ultimate Beneficial Owners on or after 24 February 2022 if they have been added to the List on the basis of a decision on inclusion on the list, which imposes the restrictive measure in the form of a ban from public procurement or tender procedures conducted pursuant to the Public Procurement Act;
  - c. contractors and bidders whose Parent Company is on the List or in the Registers, or who became such a Parent Company on or after 24 February 2022 if they have been added to the List on the basis of a decision on inclusion on the list, which imposes the restrictive measure in the form of a ban from public procurement or tender procedures conducted pursuant to the Public Procurement Act.

### **VI. Other liabilities**

LOHMANN POLSKA will comply with the provisions set out in Regulation 2022/263, Regulation 2022/765, Regulation 269/2014, Regulation 833/2014 and all relevant amending regulations.

### **VII. Final provisions**

1. Any amendments or additions to the Policy must be made in writing, or else will be null and void.
2. All appendices to the Policy form an integral part hereof.
3. The Policy is an internal document of LOHMANN POLSKA and enters into force on 01.11.2024.