



## RETN-DOC-A19 -1 Sanction Policy

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**Circulation List**

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**Amendment History**

This policy is reviewed periodically, at least annually, and is retained for a period of three (3) years. Amendments and revisions are distributed to the named holders. The history of amendments and the issue of revisions are recorded below.

<b>Date</b>	<b>Amend. No.</b>	<b>Page No.</b>	<b>New Issue No.</b>	<b>Reason for Change</b>	<b>Authorised By</b>
01/06/2022	-	All	1	Initial release	Dmitry Samarin
01/06/2023	1	All	2	Annual review	Dmitry Samarin
01/06/2024	2	All	3	Annual review	Tony O'Sullivan
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Copies of this document other than those listed above will not be revised; such copies will be marked as **UNCONTROLLED**.

## 1. Introduction, Purpose and Applicable Sanctions Regimes

As a group with extensive interests in many medium risk jurisdictions, this sanctions policy has been formulated to ensure the group's compliance with applicable statutory and regulatory obligations. The policy applies to all entities and employees of the group, regardless of location or business unit.

RETN Networks Ltd as a UK based entity needs to comply with sanctions requirements not only with the UK sanctions but also US and EU due to contract terms. In addition, the RETN Group's European operations fall under EU sanction regimes.

There are couple of regimes that UK and EU entities need to adhere to:

- UK sanctions
- EU sanctions
- US sanctions
- country's specific sanctions

EU sanctions generally apply to:

- A national of any EU Member State, wherever located;
- An entity incorporated or constituted under the laws of an EU Member State (including its overseas branches);
- Any person located in the EU, regardless of nationality; and
- Activity done in whole or in part within the EU.

UK sanctions generally apply to:

- A UK national, wherever located;
- An entity incorporated or constituted under the laws of the UK (including its overseas branches);
- Any person located in the UK, regardless of nationality; and
- Activity done in whole or in part within the UK.

**RETN's UK/EU-incorporated entities and UK/EU nationals/residents need to ensure that they are not involved in the negotiation, approval or execution either directly or indirectly in any activity involving a UK/EU sanctions target or which otherwise risks violation of UK/EU sanctions.**

Furthermore, RETN should consider the risk of U.S. secondary sanctions, which apply to transactions outside the jurisdiction of U.S. primary sanctions and aim to deter non-U.S. persons from conducting certain types of activities with certain entities and individuals. Specifically, U.S. secondary sanctions target non-U.S. persons who engage in defined activities, including providing material support – in the form of goods, services, or financial assistance – to an SDN or facilitating significant transactions with SDNs. The list of SDNs imposed by U.S. can be checked <https://sanctionssearch.ofac.treas.gov/>

## 2. Definitions

### ANTI-BOYCOTT LAWS

Laws enforced by certain states to prohibit compliance with a boycott of certain other states.

### BLOCKING SANCTIONS

Sanctions that freeze or block assets, funds and/or economic resources of a Sanctions Target and that prohibit making available assets, funds and/or economic resources to such Sanctions Targets, directly or indirectly.

### EMBARGOED GOODS AND SERVICES

Any goods, technologies or services that are the subject of a prohibition on trade, supply or servicing in relation to particular counterparties, country of origin or destination country.

### EMBARGOED TERRITORY

Any country or territory that is the subject of comprehensive (i.e. country-wide or territory-wide) Sanctions. Embargoed Territories are, at present, Crimea, Cuba, Donetsk, Iran, Luhansk, North Korea and Syria. Embargoed Territories are subject to change.

### EXPORT CONTROLS

Laws, regulations or compulsory measures that impose restrictions or licensing requirements on the export, transit, brokering or technical assistance on a certain good or technology on the basis of its origin, destination, end-user or end-use.

### RESTRICTIVE MEASURES

Laws, regulations or compulsory measures that prohibit or restrict doing certain business with or involving certain individuals, groups, entities, vessels, aircraft, regimes, countries or territories.

These laws, regulations and compulsory measures may directly or indirectly restrict transactions involving goods, services, payments and capital transfers, or the movement of persons. They may also include other prohibitions, as well as licensing and reporting obligations. For the avoidance of doubt, they include but are not limited to, Anti-boycott Laws, Export Controls and Trade Embargoes.

## SANCTIONS

Laws, regulations or compulsory measures enacted by any Sanctioning Authority that comprise Blocking Sanctions, comprehensive and Sectoral Sanctions, and including general transaction prohibitions to prohibit or restrict doing business with or involving certain individuals, groups, entities, vessels, aircraft, regimes, countries or territories. These laws, regulations and compulsory measures may directly or indirectly restrict transactions involving goods, services, payments and capital transfers, or the movement of persons. They may also include other prohibitions, as well as licensing and reporting obligations.

## SANCTIONS TARGET

- any individual, entity, organisation, vessel or aircraft which is a listed target of Blocking Sanctions (e.g. US Specially Designated Nationals) or any government of an Embargoed Territory or Venezuela.
- any entity owned 50% or more, directly or indirectly, or controlled by any of the above.

## SANCTIONING AUTHORITY

Any supranational organisation or any governmental authority of the US, UK, EU or any other applicable jurisdiction that imposes Sanctions.

## SECTORAL SANCTIONS IDENTIFICATIONS

### (SSI) ENTITY

Any entity that is subject to Sectoral Sanctions, and any entity that is 50% or more owned, directly or indirectly, or controlled by any such entity.

## SECTORAL SANCTIONS

Sanctions imposed by any Sanctioning Authority that do not impose Blocking Sanctions but restrict the ability of certain individuals or entities to access financing or to access goods and services for certain prohibited projects. This includes entities on the US Sectoral Sanctions Identification List.

## TRADE EMBARGOES

Laws, regulations and compulsory measures enacted by any Sanctioning Authority on Embargoed Goods and Services.

### 3. Prohibited Activities

#### Sanctioned territories

No business activity can be carried out with sanctioned territories such as Crimea, Donetsk and Luhansk oblasts and non-government controlled areas of the Kherson and Zaporizhzhia oblasts by any RETN company. This relates to any sales, purchase, transfer or any other form of the business activity. The other territorial sanctions, not related to Russia, still continue – no business activity with Iran, Syria, Cuba and North Korea.

Responsibility to comply: Statutory Directors and CEO

#### SDNs [Specially Designated Nationals or Entities]

The assets of SDNs are blocked and UK/EU entities **are generally prohibited from dealing with SDNs**. The provision of telecommunication services to SDN is prohibited for UK-incorporated entities to the extent that there is a UK connection to the activity. Furthermore, the wider risks of RETN customers providing telecommunication services to a UK, EU or U.S. Designated Person should be considered. SDNs can be checked in Bridger- <https://bridger.lexisnexis.eu/>

Responsibility to comply: Statutory Directors and CEO

#### Ban on sale or transfer of dual use equipment and related software and licenses

The Russia (Sanctions) (EU Exit) Regulations 2019 as amended imposes a prohibition on the:

- export, making available, transfer, supply or delivery of dual-use goods or technology to Russia and Belarussia, to or for use in Russia and Belarussia;
- export, making available, transfer, supply or delivery of critical-industry goods and technology, as specified in [Schedule 2A to the Regulations](#), to or for use in Russia and BY.

There are limited exceptions that apply to the prohibition, including in respect of consumer communication devices.

Regulation 328/2022 contains a prohibition on the supply of certain telecommunications products from the EU to Russia and BY.

- Article 2 restricts the direct or indirect sale, supply, transfer or export of dual use goods and technology to any person or entity in Russia or for use in Russia. Dual Use goods and technology are those listed in Annex I to Regulation 821/2021 ([here](#)).
- Article 2a restricts the direct or indirect sale, supply, transfer or export of goods and technology which might contribute to Russia's military and technological

enhancement, or the development of the defense and security sector, as listed in Annex VII to Regulation 328/2022 ([here](#)).

In general, telecommunication equipment is regarded as **dual use. As such the equipment and related software and/or licenses are banned to export to Russia and Belarussia**. This is vital that there are no transfer or making available by any RETN entity directly or indirectly use of these items.

Responsibility to comply: CEO and CTO

#### Ban to provide other services

The provision, directly or indirectly, of technical assistance, brokering services, financing and financial assistance in respect of the same by any person required to comply with UK/EU sanctions is also restricted. Specifically UK entities or persons cannot provide any accounting, business consulting, PR and legal advisory services to Russia or Belarussia.

Responsibility to comply: CEO

Following the local and Group's requirement to comply with sanctions regime, RETN has implemented **The Sanction Check Process** across its all subsidiaries in relation to sales and purchase transactions. The part of the process relevant to checking of customers before entering into MSA with them is called **Appendix 1. SANCTION CHECK FOR SALES MANAGERS**.

## **4. Sanctions Screening Procedures**

### **4.1. The Sanction Check Process**

The process will consist of 2 types of checks - (i) for new customers and (ii) for existing customers and suppliers. The check for new customers needs to be performed as a part of the onboarding process, before entering into the contract. The responsibility to check rests with each account manager, MDs if authorised by Statutory Director and Statutory directors. The periodical check of all customers and suppliers will be made by Director of O2C and appointed lawyer for both customers and suppliers who are recorded in the billing system.

### **4.2. Sanction Check Software - Bridger**

To facilitate the verification of customer and suppliers against sanctions, the Group has procured software from LexisNexis called Bridger. Bridger is a screening platform with a catalogue of search results. The adequacy of search results is driven by level of details are included in search. The more precise input, the search results are more meaningful. On the other hand – the less details, the more information on related companies.

Bridger provides information of sanctions imposed by the entity with links to underlying official documents. Bridger does not make a decision whether the sanctions are relevant to our business or not. This needs to be decided by Statutory Director after consultation with legal team and CEO. For details please refer to the process map: **Appendix 1. SANCTION CHECK FOR SALES MANAGERS.**

## 5. Consequences of Violations

The penalties for non-compliance

A failure to comply with UK financial sanctions legislation **can constitute a criminal offence subject to fines and imprisonment.** The Office for Financial Sanctions Implementation (OFSI), the UK financial sanctions enforcer, also has the power to impose **civil penalties** of up to GBP1 million or 50% of the value of the breach, whichever is higher. To date, this has been OFSI's favoured method of enforcement.

<https://www.gov.uk/government/collections/enforcement-of-financial-sanctions>

<https://www.lawsociety.org.uk/topics/anti-money-laundering/sanctions-guide>.

## Appendix 1. SANCTION CHECK FOR SALES MANAGERS

### I. Checking New Customer During Onboarding Process

#### Sales manager responsibility

Each new customer must be scanned against sanctions. Primary responsibility to check the customer lies with Sales manager, but ultimate decision is taken by Statutory director.

Using [LexisNexis Bridger Insight](#) solution and following [How to use Bridger](#) each company and related brand that we want to do business with must be scanned and analyzed.

- Analyzing potential **prospects** is useful, however might be time consuming, results can be unstable, thus it is not mandatory
- Analyzing **new customers** at a stage when a new Lead is generated and MSA is being prepared is obligatory

When a company is scanned in a Bridger, there are following possible outcomes:

- **no matches or no records found** - means the company you searched for is neither sanctioned, or has any other negative records like penalty fees, assets freeze etc. Perfect, work with the prospect can be continued
- **some records were found** - oops, this needs additional analysis of competent person.

Some records might be insignificant. Currently we do not have a split for significant and less significant negative records, thus all negative records must be passed for additional review.

Even when company is sanctioned, you can still have this case additionally analyzed - it is possible that scope of sanctions is not applicable to the entity which will sign a contract with customer.

#### What are the rules for typing in customer name to perform the analysis?

- make sure to make no typo
- don't type any legal form abbreviations like "ltd", "sp.z.o.o.", "sia" etc
- if company name includes also country name, exclude country name from your search (ABC UK → ABC)
- when your searched company is part of a bigger brand, please scan brand name too to see the full picture

**Negative records related to affiliate company/brand** must be treated in the same way like they relate to company searched! Processes happening in affiliate companies might have significant impact on other entities, so all records must be taken into the account. When affiliate company is having negative records, it must be passed for additional analysis as well

So, all potential customers must be checked

- no records found -> all is fine
- records found -> someone has to double check this.

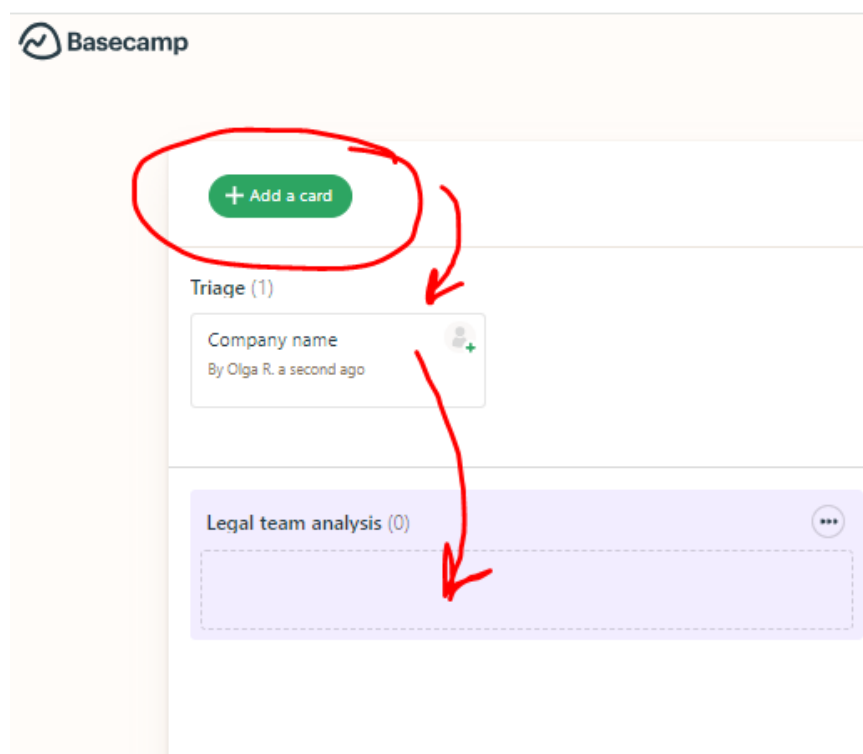
### Passing customer for verification

To pass company for further analysis we use Basecamp space [Sanctions-related verification](#) and [Card Table process](#).

This is open space where all Sanctions related decisions are made. Process of verification is easy and unified with predefined decision making groups and trackable history.

To pass any company for verification, you need to:

1. Add a new Card
2. Card Title: add company name you want to start doing business with
3. Card description:
  - 3.1. add important details
  - 3.2. company address / VAT number / Registration number
  - 3.3. when company is part of a bigger brand, provide brand name as well location of the services
  - 3.4. RETN entity that will sign a contract
4. Move your card to Legal Team analysis section



### Legal team and management responsibility

Each customer received for verification will be scanned by lawyers using Bridger tool once again. After analysis is done, lawyers will provide their comments and recommendations and then will pass this Card to Statutory Director.

Statutory Director will be taking the decision. CEO might be involved in decision making process, as well as he is informed on the ongoing process.

Decision taken might be – **Accepted** (Sales manager is allowed to continue work with prospect) or **Rejected** (Sales manager is not allowed to continue work with prospect, work should be stopped).

Potential customer Card will be moved in Bridger to the corresponding sections and person created the request will be notified of all comments and Card movements.

Regardless of whether additional prospect approval was made or not, before signing new MSA or first OF+T&C Statutory Director will be checking EACH new customer on Bridger portal.

### Accounts Receivable team responsibility

To make sure that only approved customers are onboarded AR team is allowed to start Billing process only when **fully** signed documents are received (document scans are allowed).

## II. CHECKING EXISTING CUSTOMERS

In addition to checking new Customers, regular existing portfolio scanning will be performed.

Scanning will be done for all RETN entities, for all active customers and all active suppliers.

Scanning will be performed and lead by Head of Accounts Receivable department twice per month.

When new (comparing to a previous week) negative record is found, customer will go through the above-described verification process initiated by Head of Accounts Receivable department. Sales manager will be included in the verification flow of particular customer.

## Appendix 2. HOW TO USE BRIDGER

### How to login to Bridger data base

Link: <https://bridger.lexisnexis.eu>

**Client ID:** RetnCapitalGB

**Login:** will be provided by the administrator, Mihails Bogdanovs.

**Password:** for first login will be provided lately by the administrator, Mihails Bogdanovs.

**Verification Code:** for the first login, you will need to input the code, which will be sent by LexisNexis by email. It takes up to 10 min to receive the code. Be patient.

Also it can be requested again during the following logins, if you haven't used your account for a while or have changed the device.

**LexisNexis support line: +44-808 234 9605**

**RETN Bridger administrators:** Mihails Bogdanovs ([mbogdanovs@retn.net](mailto:mbogdanovs@retn.net))

### CHECKING CLIENTS IN BRIDGER DATA BASE

Choose Search→ Sanction check, then select tab **Business**, type in the name of your potential client/supplier and click Search.

### What are the rules for typing in customer name to perform the analysis?

- make sure to make no typo
- don't type any legal form abbreviations like "ltd", "sp.z.o.o.", "sia" etc
- if company name includes also country name, exclude country name from your search (ABC UK → ABC)
- when your searched company is part of a bigger brand, please scan brand name too to see the full picture

### How to read search results?

Please note, software is meant to search only for companies having negative records. It is not meant to show companies registration or other data. If your searched company doesn't have any negative records, search results will be empty. And otherwise - if your search results are empty, that means that your searched company doesn't have any negative records. We will come back to this example later.

Results of the search, when there are some negative records found, will be shown in the following way:

- The yellow row shows the input for the search (the name you have searched for: PhosAgro in our example).
- White rows below show all records associated with the search.
- Column **Score**, shows the level of matching with requested criteria. 100 is the biggest, like 100%. It means found result is 100% similar to what you have typed in during the search. Less % amount indicates that company found is very similar, to what you are looking for, but might be not exactly the same.

While many found results might be useful to see the whole picture of related entities, it will still be required to find a right entity on the list. You can navigate by found company **Name, Address, Country** or **ID numbers** (these are company registration numbers, TAX numbers etc.).

Column **Reasons Listed** indicates there are some **negative records** about the company and explains why the result appears in this search – it could be that company is sanctioned, or company is government owned corporation, or has been engaged in fraud, anti-trust cases etc.

Upon clicking on each record, the line will unroll and you will be able to see the details. Bridger software is looking for information in variety of resources and shows all sanctions applicable Worldwide.

In **Comments** and **Record Sources** you can find additional information.

Click on record line once again and it will roll up back. Now you can click on other record lines and see other details.

You can save your search result report by clicking "**Download**" icon on the top of the page. You will be able to indicate how detailed you want your report to be produced. We recommend you saving reports in PDF with all available expand sections.

As a general rule, RETN do not work with entities under sanctions. However, scope of sanctions sometimes might be not relevant to certain situation or it won't be so easy to read search results in general. All negative records found require additional analysis. Sales manager raises an ELMA Task for additional prospect analysis and decision making. The Task shall go the Agree team and final decision will be taken by Statutory Director.

For details please see short version **Appendix 1. SANCTION CHECK FOR SALES MANAGERS** or full detailed version **Appendix 4. SANCTIONS CHECK PROCESS MAP**.

When search results show message "**No Matches Found**", it means that such a customer/supplier is not sanctioned neither there are any negative records associated with the name we are checking. Work with prospect can be continued.

To save the report click on **Print Report**.

## Appendix 3. CUSTOMER DUE DILIGENCE POLICY

### 1. Purpose

The **Customer Due Diligence Policy** establishes a robust framework for assessing and verifying customers in the telecommunications sector. It ensures RETN complies with international, regional, and

local legal obligations, including anti-money laundering (AML) regulations, Know Your Customer (KYC) policies, and sanctions compliance. This policy also aims to mitigate risks such as fraud, sanctions violations, financial instability, and cybersecurity threats, while supporting secure and resilient telecommunications infrastructure.

### 2. Scope

This policy applies to all current and prospective customers who engage in contractual relationships with RETN across its global telecommunications operations. It covers the entire customer lifecycle, from onboarding to ongoing monitoring and periodic reassessment. This policy is applicable to RETN's departments, including compliance, billing, legal, operations, and customer support.

### 3. Definitions

- **Customer:** Any individual, entity, or telecom service provider entering a contractual relationship with RETN for network connectivity, data services, or related telecom solutions.
- **Due Diligence:** A systematic process to verify the customer's identity, legal standing, operational capacity, and compliance with RETN's standards. It also ensures that potential risks, including financial, operational, and reputational, are identified and mitigated before engaging in business activities.
- **Telecom-specific risks:** Unique risks such as misuse of services for fraud, regulatory compliance related to data privacy (GDPR, CCPA), and risks related to network integrity or infrastructure abuse.

### 4. Due Diligence Procedures

#### STEP 1: Initial Account Creation Phase (ELMA System)

The initial phase focuses on verifying the customer's identity, legality, and basic operational credentials.

**The following information must be collected:**

- **Company Name:** The legal name of the customer entity.
- **Company Address:** Registered business address and physical office locations.
- **RETN Entity:** The specific RETN entity (e.g., subsidiary, branch) responsible for managing the customer relationship.
- **Company Website:** URL of the customer's official website, which may be used for further verification of legitimacy.

Additionally, RETN performs a **Mandatory Sanction Check** to ensure the customer is not listed on any international sanctions lists, including:

- **OFAC** (U.S. Treasury Department's Office of Foreign Assets Control)
- **EU Consolidated List** (Sanctions imposed by the European Union)
- **UN Sanctions Lists** (United Nations Security Council)
- A **PDF record of the Sanction Check** must be uploaded to the customer's account profile in the ELMA system.

## **STEP 2: Account Creation Phase to Establish Billing Account**

Once initial verification is complete, RETN proceeds to create a billing account. A detailed **customer**

**questionnaire** is triggered and shared with the customer, requesting the following information:

- **Company Name** (Legal name as per registration documents)
- **Company Address** (Physical and registered address)
- **Company Registration Number** (For verifying the entity's legal status)
- **VAT/TAX ID Number** (For fiscal and tax compliance)

### **Customer Contact Information:**

- **Admin Contact:** Primary point of contact for administrative matters.
- **Accounts Payable Contact:** Responsible for payment and billing issues.

- **NOC Contact:** Network Operations Center contact for technical and operational communications.
- **Delivery Contact:** Person responsible for coordinating service delivery and setup.
- **Marketing Contact:** If applicable, for promotional or collaboration purposes.
- **Legal Contact:** Person responsible for legal agreements and compliance matters.
- **Signatory Contact:** Authorized signatory for the contractual agreement (should have legal authority to bind the customer).

**Note:** All fields in the questionnaire are mandatory, as this information is crucial for both contractual and compliance reasons. The questionnaire is stored in the ELMA system and accessible to both billing and compliance departments for further processing.

### **STEP 3: Account Review and Approval by Compliance and Billing**

The completed application and all associated documents are then reviewed by both the compliance and billing departments.

**Compliance Review** includes:

- Verification of all legal documents (registration, tax ID, and sanction clearance).
- Review of risk factors such as the customer's jurisdiction, type of business, and history with telecom-related compliance issues.
- Cross-checking against anti-money laundering (AML) and counter-terrorism financing (CTF) databases.

**Billing Review** includes:

- Validation of billing information and payment terms.
- Ensuring that all financial data aligns with RETN's billing system and procedures.

**Results of the Review** can include:

- **Approved:** The account is fully verified and cleared for activation.
- **Refused:** Due to incomplete information, legal issues, or risks identified (e.g., sanctions violations, high-risk jurisdiction).

- **Additional Information Required:** Specific missing or incomplete documentation will be requested from the customer for resubmission.

The outcome is recorded in the ELMA system, and notifications are sent to the relevant teams.

#### **STEP 4: Providing Customer with Master Service Agreement (MSA) and Order Form**

Upon successful account approval, the customer is provided with:

- **Master Service Agreement (MSA):** Outlining the terms and conditions of service, including data privacy, regulatory compliance, service-level agreements (SLA), and cybersecurity obligations.
- **Order Form:** Detailing the specific products or services the customer will be subscribing to (e.g., network connectivity, data transport, cloud services).

Both documents require mandatory signing by the customer's authorized representative (Signatory Contact) and returned to RETN for formal contract activation.

### **5. Ongoing Monitoring and Compliance**

Once the account is activated, RETN engages in continuous monitoring to ensure compliance and to manage ongoing risks related to the telecommunications services provided.

#### **Ongoing Monitoring Includes:**

- **Real-time Risk Monitoring:** Automated systems in place to detect any changes in the customer's financial standing, legal compliance, or operational risk profile.
- **Sanctions Screening:** Periodic re-screening of customers to ensure compliance with global sanctions, especially for high-risk jurisdictions or telecom services with international exposure.
- **Performance Monitoring:** Regular assessments of service usage patterns to identify any potential misuse or deviation from agreed terms, such as improper traffic routing, fraud, or security breaches.
- **Compliance Audits:** RETN conducts both scheduled and ad-hoc compliance audits to ensure customers adhere to their contractual obligations, including data privacy (GDPR compliance), cybersecurity measures, and regulatory requirements.

**Incident Reporting:** Any incidents, such as data breaches, service misuse, or violations of RETN's terms, are immediately reported and escalated for investigation. Corrective actions or contract termination may be pursued depending on the severity of the violation.

## 6. Re-evaluation and Periodic Review

- **Annual Reviews:** RETN conducts an annual re-evaluation of customer risk profiles, focusing on high-risk customers, to ensure ongoing compliance and risk mitigation.
- **Risk Mitigation Updates:** Based on new or emerging risks (e.g., regulatory changes or geopolitical issues), RETN may adjust its due diligence requirements and request updated information from customers.
- **Continuous Improvement:** RETN's compliance team regularly reviews the effectiveness of this policy and updates it to ensure alignment with industry best practices, regulatory updates, and emerging risks in the telecommunications industry.

## 7. Automation & Manual Process Transition

The onboarding and due diligence processes will remain manual until at least the end of Q2 2025. During this period, the team will follow the manual verification steps outlined in this policy for each customer.

However, to streamline future operations, the onboarding phase is set to be automated and integrated into the Customer Portal V.2 or separate tool, which is currently under development.

### **The enhanced functionalities shall be implemented:**

- **Automated customer onboarding workflows**, reducing manual data entry and improving accuracy.
- **Pre-approved partner functionality**, allowing RETN to fast-track onboarding for partners who meet specific pre-defined criteria.

The automation will improve efficiency, mitigate risks of human error, and ensure that the onboarding process is scalable as RETN grows.

Until new tool is fully implemented and operational, manual onboarding and compliance checks will remain in place for all customers.

Teams are requested to continue adhering to this process and stay updated on the development of the automation.

## Appendix 4. SANCTIONS CHECK PROCESS MAP

**Responsible for Process creation:** Chief Governance and Compliance Officer

**Objective:** Main purpose of this process is to have all RETN customers & suppliers scanned against sanctions - during new partner onboarding and on a regular basis - to ensure that RETN Group is not in a breach of sanctions.

### I. CHECKING NEW CUSTOMER DURING ONBOARDING PROCESS

Each new customer must be scanned against sanctions. Primary responsibility to check the customer lies with Sales manager, but ultimate decision is taken by Statutory director.

Using [LexisNexis Bridger Insight](#) solution and following [How to use Bridger](#) each company and related brand that we want to do business with must be scanned and analyzed.

- Analyzing potential **prospects** is useful, however might be time consuming, results can be unstable, thus it is not mandatory
- Analyzing **new customer** on a stage when a new Lead is generated and MSA is being prepared is obligatory

#### Sales manager responsibility

When Sales manager scans a company in Bridger, there are following possible outcomes:

- **no matches or no negative records** were found - perfect! Work with prospect can be continued
- **negative records** were found - this needs additional analysis of competent person.

What are **negative records** options:

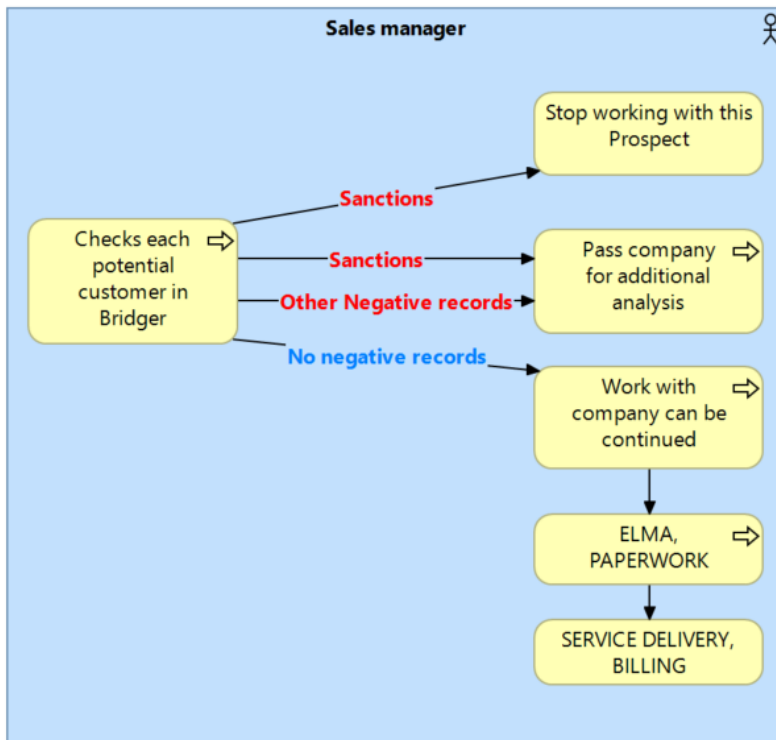
- they are **related to sanctions** - in general, we do not work with clients under sanctions. However scope of sanctions sometimes might be not relevant to certain situation. When Sales manager is still interested in working with such company, this case *must* be passed to Agree team for additional analysis and decision making. It is highly unrecommended to continue process of negotiation with company under sanctions, as on later stages contract with such company might not be signed and the efforts and resources of our company will be wasted.
- they are **not related to sanctions** - it is not so easy to read such results or understand weight and correlation off different negative records, that's why such companies *must* be passed to Agree team for additional analysis and decision making. (There might be indulgences in this point in a future, when we collect more examples)
- they are **related to other companies** having quite similar name, not exactly the same which was scanned (ABC mobile → ABC wood) - that means the same as no negative

records were found, work with prospect can be continued. We need to be sure companies are not related to each other.

**What are the rules for typing in customer name to perform the analysis?**

- make sure to make no typo
- don't type any legal form abbreviations like "ltd", "sp.z.o.o.", "sia" etc
- if company name includes also country name, exclude country name from your search (ABC UK → ABC)
- when your searched company is part of a bigger brand, please scan brand name too to see the full picture

**Negative records related to affiliate company/brand** must be treated in the same way like they relate to company searched! Processes happening in affiliate companies might have significant impact on other entities, so all records must be taken into the account. When affiliate company is having negative records, it must be passed for additional analysis.



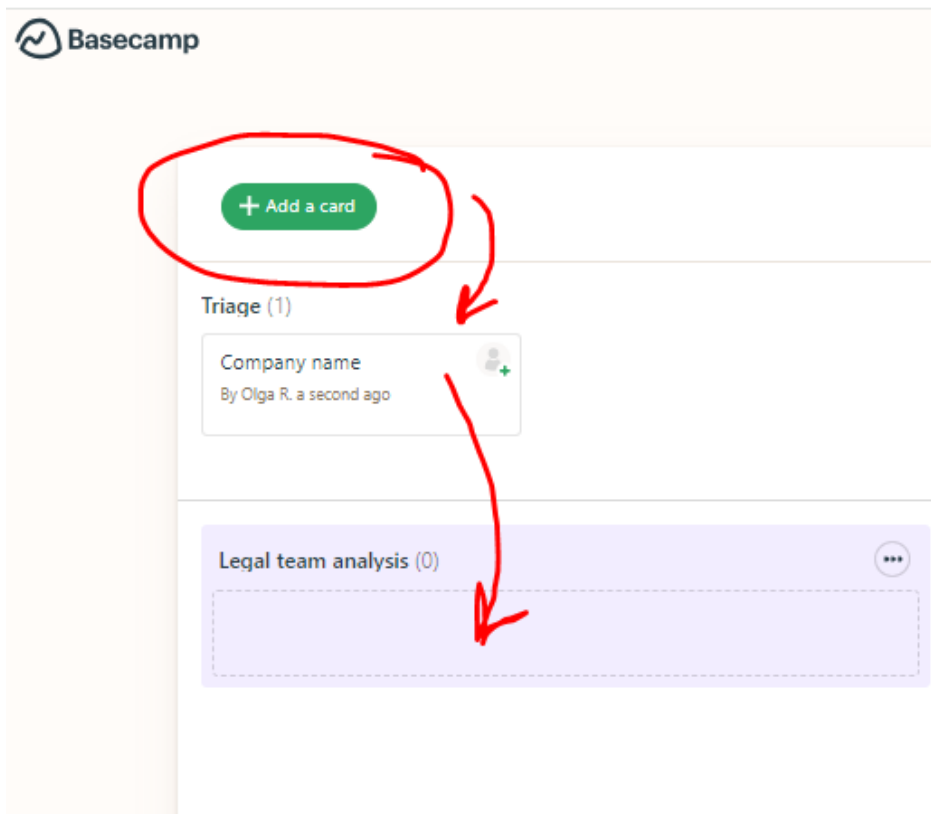
**Passing customer for verification**

To pass company for further analysis we use Basecamp space [Sanctions-related verification](#) and [Card Table process](#).

This is open space where all Sanctions related decisions are made. Process of verification is easy and unified with predefined decision making groups and trackable history.

To pass any company for verification, you need to:

1. Add a new Card
2. Card Title: add company name you want to start doing business with
3. Card description:
  - 3.1. add important details
  - 3.2. company address / VAT number / Registration number
  - 3.3. when company is part of a bigger brand, provide brand name as well location of the services
  - 3.4. RETN entity that will sign a contract
4. Move your card to Legal Team analysis section



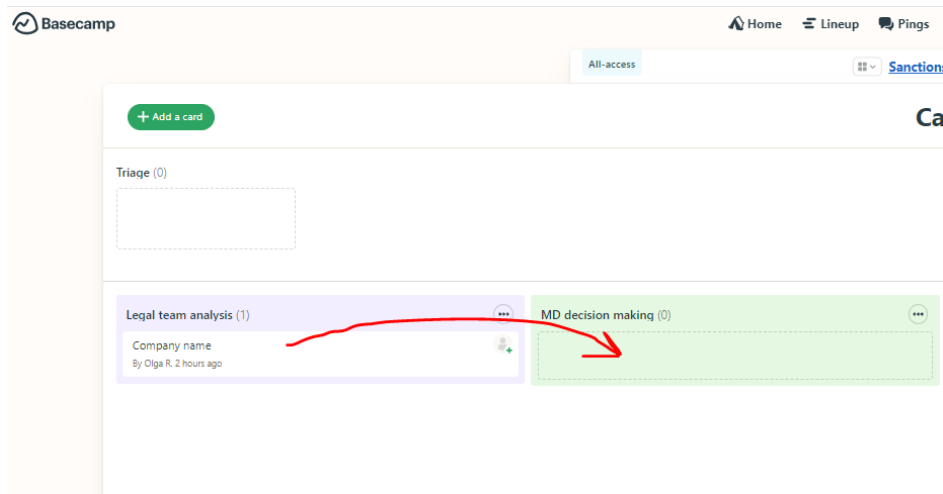
### Legal team and management responsibility

Once Card is moved to Legal team analysis and further when card is moved through other Card table sections all space Subscribers will be notified. Default Subscribers are: Lawyers, Director of O2C, Head of CB department, CEO, CFO, Chief Governance & Compliance Officer.

Each customer received for verification will be scanned by lawyers using Bridger tool once again. Different name and brand combinations inline with other available resources to be used to perform more detailed case analysis.

After analysis is done, lawyers provide their comments and recommendations and then pass customer to the next level - Statutory Director - for taking final decision. Card in Basecamp

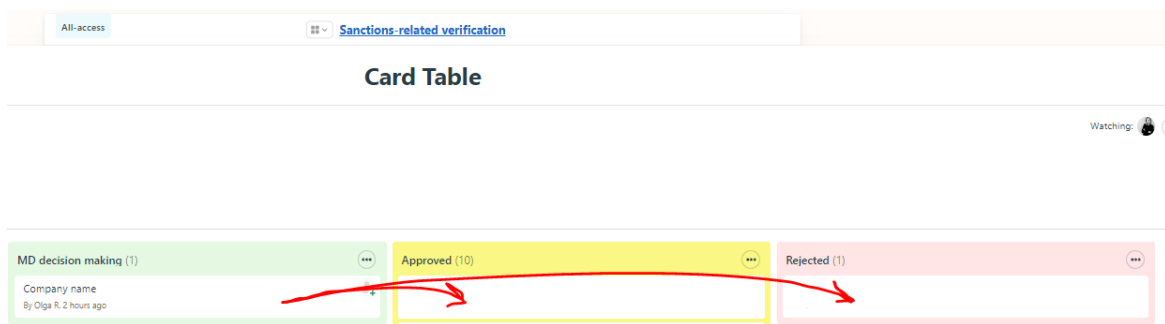
to be moved to section **MD decision making** and Assigned to [Statutory Director](#), who is responsible for entity where customer is contracted (or is planned to be contracted).



Statutory Director is ultimately responsible in relevant RETN entity for signing customer/purchase contracts. Statutory director takes the decision based on personal and lawyers analysis and is fully responsible for this decision. CEO might be involved in decision making process, as well as he is informed on the ongoing process.

Decision taken might be - **Accepted** (Sales manager is allowed to continue work with prospect) or **Rejected** (Sales manager is not allowed to continue work with prospect, work should be stopped).

Potential customer (or existing customer/supplier) Card will be moved in Bridger to the corresponding sections and person created the request will be notified of all comments and Card movements.

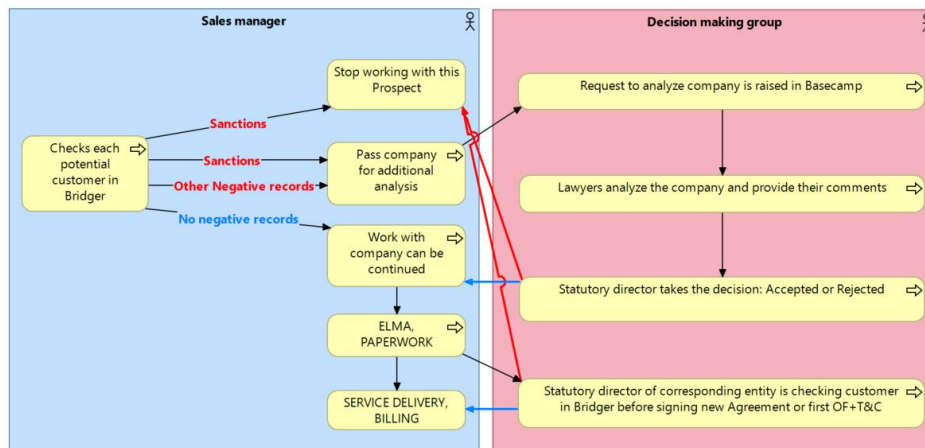


Regardless of whether additional customer approval was made or not, before signing new MSA or first OF+T&C Statutory Director (or a person authorized on behalf of the Statutory Director to sign documents) checks EACH new customer on Bridger portal.

If customer was not initially checked and/or sent for approval by Sales manager or customer status changed during negotiation process (customer was not sanctioned in the beginning of

negotiations and suddenly is sanctioned now), documents may not be signed and work with prospect might be stopped.

If customer was approved or no negative records/sanctions are applicable, documents can be signed and work with prospect can be continued, followed by service delivery and billing.



### Accounts Receivable team responsibility

To make sure that only approved customers are onboarded Accounts Receivable team is allowed to start Billing process only when **fully** signed documents are received (document scans are allowed).

### II. CHECKING NEW SUPPLIERS DURING ONBOARDING PROCESS

It is recommended for Procurement team to use Bridger portal for checking new Suppliers, however main control and safety in work with suppliers will be provided by legal wordings in cooperation agreements as well as regular existing customers & suppliers portfolio scanning. Twice per month all suppliers which are recorded in Billing will be scanned for sanctions in Bridger by Head of Accounts Receivable department. In case, a supplier is sanctioned, RETN will terminate a contract with immediate effect.

### III. CHECKING EXISTING CUSTOMERS & SUPPLIERS

In addition to checking new Customers & Suppliers, regular existing portfolio scanning will be performed.

Scanning will be done for all RETN entities, for all active customers and all active suppliers. Active means there are active AR or AP services in Billing at the moment of scanning.

Scanning will be performed and lead by Head of Accounts Receivable department twice per month. Confirmation of performed scanning will be provided on Basecamp space [Sanctions-related verification](#) in [To do section](#).

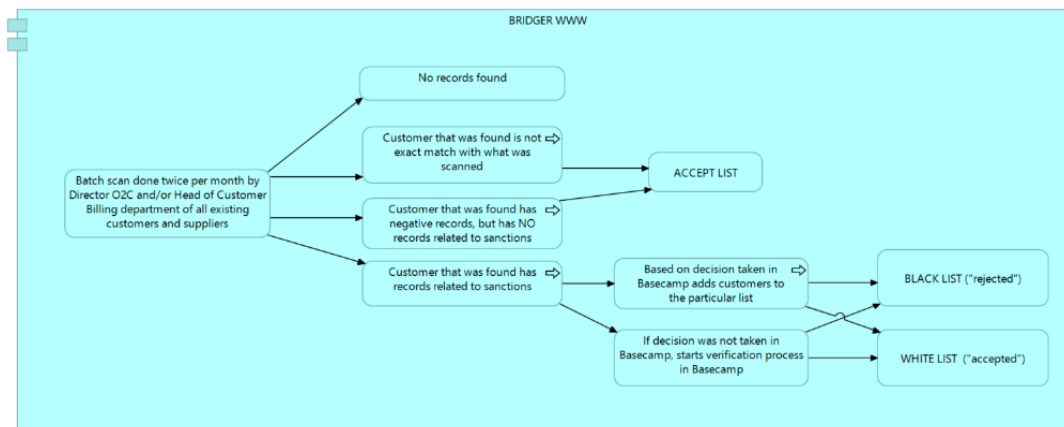
When new (comparing to a previous week) negative record is found, customer will go through the above described verification process initiated by Head of Accounts Receivable department. Sales manager will be included in the verification flow of particular customer.

When batch scan in Bridger is performed, there are following possible outcomes:

- **no matches or no negative records** - customer will not be shown in search results
- **negative records** were found - this needs additional analysis by Legal Department.
- Customers to be sorted to **Accept** list, **White** list or **Black** list based on below criteria.

Customer allocation to lists in Bridger:

- **Accept** list - (no verification is needed) - not exact name match or negative record is not related to sanctions
- **White** list - (we can work with this account) - customer was approved for work in [Sanctions-related verification](#) and [Card Table process](#).
- **Black** list - (we don't work with this account) - customer wasn't approved for work in [Sanctions-related verification](#) and [Card Table process](#) + customers disconnected due to non payment



## 6. On-going measures

### 1. Review & Approval

- **Internal Review:** Circulate the drafted policy among key stakeholders (Compliance, Legal, Accounts Receivable, and Operations) for feedback and adjustments.
- **Executive Approval:** Obtain formal approval from senior management or the board, especially given the implications for compliance and risk management.

### 2. Team Training & Communication

- **Training Sessions:** Provide training to relevant teams (compliance, billing, sales, etc.) on the new policy, ensuring they understand the procedures and manual steps to be followed until automation is implemented.
- **Communication:** Announce the updated policy and manual process to all departments affected, ensuring transparency regarding the manual-to-automated transition.

### 3. Policy Implementation (Manual Process Phase)

- **Manual Execution:** Begin applying the manual due diligence process outlined in the policy for all new and prospective customers.
- **Compliance Tracking:** Ensure that all customer documentation is correctly handled, uploaded, and stored in the ELMA system.

### 4. New Tool Development

- **Coordination with IT:** Collaborate with the IT and development teams to build and integrate the automated customer onboarding process into new tool
- **Feature Testing:** Test new features like automated workflows and pre-approved partner functionality before launch.

### 5. Ongoing Monitoring & Adjustments

- **Continuous Review:** Monitor the effectiveness of the manual process and identify areas that can be improved.
- **Prepare for Automation:** Regularly update the teams about progress on the new tool to ensure smooth transition.

## 7. Review

This policy was approved by the Chief Executive Officer on 01/06/2025 and is subject to annual review.



**Tony O'Sullivan**  
**Chief Executive Officer**  
**RETN Networks Ltd**

**1st June 2025**

## 6. Declaration

I, the undersigned, have read and understood this policy in its entirety and agree to comply with it in full and without exception.

**Name (Please print):** \_\_\_\_\_ **Signature:** \_\_\_\_\_

**Date:** \_\_\_/\_\_\_/\_\_\_