

# Sanctions Compliance Policy

## 1. COMMITMENT

1.1 The purpose of this policy is to:

- (a) assist and support all directors, officers, employees (**QANTM Personnel**) to QANTM IP Intellectual Property Ltd and related bodies corporate (**QANTM Group**) meet their regulatory responsibilities including adhering to sanctions laws in all applicable jurisdictions; and
- (b) outline the high-level requirements of the QANTM Group and expectations of QANTM Personnel to enable the QANTM Group to do so.

1.2 The QANTM Group requires compliance with sanctions laws. All QANTM Personnel are prohibited from attempting to do or doing any activity which may constitute a breach of a sanctions law.

1.3 Any breach (or suspected breach) of this policy must be reported immediately upon identification of the breach in accordance with the reporting obligations set out in paragraph 7 below.

1.4 A breach of sanctions laws may carry with it civil and criminal liabilities and may also result in disciplinary action by the QANTM Group (including dismissal).

## 2. APPLICATION

2.1 This policy applies to all QANTM Personnel and is to be read with other applicable policies of the QANTM Group.

2.2 This policy will be made available to members of the QANTM Group via the Intranet of each subsidiary company or such other means as QANTM Intellectual Property Ltd determines to ensure that all QANTM Personnel are aware of and have access to this policy.

## 3. RESPONSIBILITIES AND GOVERNANCE

3.1 All QANTM Personnel have a part to play in preventing sanctions breaches. This includes:

- (a) **Directors and officers** – who are responsible and accountable for ensuring compliance with sanctions obligations and the requirements set out in this policy;
- (b) **Managing Principals or other such Senior Management** – who are responsible for ensuring that control processes and procedures are

# Sanctions Compliance Policy

appropriately designed and implemented, and are effectively operated to reduce the risk sanctions breaches;

- (c) **Employees** – who are responsible for complying with this policy and other applicable sanctions policies or procedures of the QANTM Group, completing all sanctions training assigned to them and reporting any known or suspected sanctions violations.

## 4. WHAT ARE SANCTIONS?

### 4.1 What are sanctions and how do they affect the QANTM Group

- (a) Sanctions are regulatory restrictions applicable to dealing with certain countries, territories, governments, groups, entities, individuals or controlled goods or services. The nature and extent of those restrictions vary between jurisdictions (for example, the Australian Government may impose sanctions on the provision of certain services which may differ to those imposed by the US Government).
- (b) Sanctions intend, among other things, to limit the ability of targeted individuals and entities to access the global economy, and in some cases, to prevent targeted parties from obtaining services or goods which may be misused to threaten international security and safety.
- (c) The following are examples of countries or territories and groups that have been the target of sanctions which the QANTM Group has categorised as Tier 1 sanctioned countries (subject to heightened and comprehensive sanctions by several jurisdictions) and Tier 2 sanctioned countries:
  - (i) **Tier 1 sanctioned countries:** *Russia, North Korea, Belarus, Cuba, Iran, Syria, Ukraine, Venezuela and Zimbabwe.*
  - (ii) **Tier 2 sanctioned countries:** *Afghanistan, Argentina, Armenia, Azerbaijan, Burundi, Central African Republic, Congo, Guinea Bissau, Iraq, Lebanon, Libya, Mali, Myanmar, Nicaragua, Serbia, Somalia, South Sudan, Sudan, Tunisia, Tukey, Yemen, Former Federal Republic of Yugoslavia.*
- (d) The main types of sanctions include:
  - (i) **Comprehensive sanctions** – *prohibiting transaction with anyone in certain countries (for example, US sanctions imposed on Russia, Iran and Cuba).*

# Sanctions Compliance Policy

- (ii) **Arms embargoes** – prohibiting the sale and purchase of certain goods used for military purposes (for example, UN sanctions on Russia, Libya and Zimbabwe).
  - (iii) **Asset freezes** – prohibiting dealings with certain assets (including financial assets) of designed persons.
  - (iv) **Sectoral (or thematic) sanctions** – prohibiting certain types of transactions with specific individuals or entities in certain sectors (for example, Australian sanctions on malicious cyber activity).
- (e) All QANTM Personnel must be aware of the sanctioned countries and comply with procedures outlined in this policy.
- (f) As indicated above, the scope of sanctions laws that can be imposed is broad and may relate to:
  - (i) **Where we do business** – ensuring compliance with sanctions on restricted countries/territories;
  - (ii) **Who we do business with** – ensuring compliance with sanctions on restricted persons and/or entities; and
  - (iii) **How we do business** – ensuring not to circumvent, evade, or facilitate the contravention of sanctions regulations.
- (g) The QANTM Group operates in multiple jurisdictions and has clients in jurisdictions which are subject to sanctions. As a result, the QANTM Group is subject to the Australian, US, UK sanctions regime as well as the sanctions regimes of a number of other jurisdictions. The following is a brief description of these sanctions regimes:
  - (i) **Australian sanctions regime**

*Australia’s sanctions regime comprises: the United Nations Security Council (UNSC) sanctions regime implemented by Australia; and the Australian autonomous sanctions regime. The UNSC sanctions regime is implemented under the Charter of the United Nations Act 1945 and its sets of regulations. The Australian autonomous sanctions regimes are implemented under the Autonomous Sanctions Act 2011 and the Australian Autonomous Sanctions Regulations 2011. Australia’s sanctions regime prohibits a range of conduct in respect of sanctioned entities and persons set out in the “Consolidated List” administered by the Department of Foreign Affairs and Trade.*

# Sanctions Compliance Policy

(ii) **US sanctions regime**

*The US sanctions regime is split into two categories (primary and secondary sanctions). Primary sanctions, such as asset freezes and trade embargoes, prohibit transactions with by persons in the sanctioned jurisdictions with sanctioned countries or persons. Secondary sanctions may be imposed on non-US persons directly or indirectly engaging in certain transactions relating to sanctioned jurisdictions (which include Russia and North Korea). US sanctions can also be categorised as comprehensive (i.e. country wide sanctions) or targeted (being list based sanctions similar to Australia's "Consolidated List: referred to above).*

(iii) **UK sanctions regime**

*The UK implements a range of sanctions regimes under the Sanctions and Anti-Money Laundering Act 2018 which can apply to companies incorporated or constituted under the law of any part of the UK. The UK imposes a range of types of sanctions measures which include trade sanctions (such as embargoes) and financial sanctions (such as asset freezes). The UK similarly prohibits dealings with persons or entities on the "designated persons" list managed by the UK Government.*

## 5. COMPLIANCE CONTROLS

All members within the QANTM Group have a role to play in preventing sanctions breaches. We set out below some of the key areas with which this is achieved by the QANTM Group.

### 5.1 Screening

In order to ensure compliance with sanctions laws, the QANTM Group has controls to screen employees, agents, suppliers, customers, clients, transactions and arrangements in line with this policy and other applicable QANTM Group policies for sanctions risks. This includes (where applicable), screening against relevant sanctions lists (including those referred to above).

Any sanctions risk identified during on-boarding must be reported immediately in accordance with paragraph 7 below.

Sanctions screening should be re-run as appropriate having regard to the level of sanctions risk over the course of any relationship with the QANTM Group.

# Sanctions Compliance Policy

## 5.2 Monitoring sanctions risks

The Managing Principals or other such Senior Management of the QANTM Group are required to demonstrate the existence of effective and adequate risk management systems and controls to address issues or risks identified and or changes to circumstances which could subsequently amount to a risk.

This involves testing and monitoring to ensure operational effectiveness and compliance with this policy (in accordance with other existing applicable sanctions procedures of the QANTM Group).

Effective systems and controls are demonstrated through:

- (a) prescriptive procedures and controls which align with this policy;
- (b) establishing and monitoring key risks and their indicators in relation to sanctions;
- (c) an up to date and effective training strategy; and
- (d) conducting regular testing, at least annually, of the effectiveness of all relevant systems and controls including screening controls.

## 5.3 Training and awareness

QANTM Personnel must receive appropriate training at regular intervals (at onboarding, and thereafter) on sanctions, to ensure that they are aware of and understand their legal and regulatory responsibilities, their personal obligations and their roles in sanctions risk management. Employees working in specialist business areas or with roles which carry heightened sanctions risk must complete enhanced training on a regular basis.

## 5.4 Record keeping

Records must be kept in line with legislation and regulatory requirements. The Managing Principals or such other Senior Management of the QANTM Group must establish procedures, systems and controls for the purpose of ensuring that appropriate records are kept and can be retrieved (in accordance with this policy and other applicable policies of the QANTM Group relating to sanctions and record keeping).

# Sanctions Compliance Policy

## 6. BREACHES

- 6.1** The QANTM Group requires compliance and takes breaches of this policy and sanctions laws in any applicable jurisdiction seriously. Failure to comply with this Policy has the potential to expose the QANTM Group to civil and criminal liability, fines, reputational damage, public reprimands, limitations on business activities and other serious consequences.
- 6.2** For QANTM Personnel, failure to comply with this policy may result in personal liability such as fines and imprisonment, in addition to employee disciplinary action, up to and including dismissal.
- 6.3** There are certain circumstances where QANTM Personnel may undertake business activities which would otherwise breach this policy, which include:
- (a) where authorisation or a permit has been issued by a regulatory body permitting certain sanctioned activity under certain prescribed conditions (*for example a permit issued by the Department of Foreign Affairs and Trade*); and
  - (b) QANTM Personnel have undertaken appropriate clearance procedures in accordance with this and any other applicable QANTM Group policies, in line with such prescribed conditions, or as required by the Directors.

## 7. REPORTING

- 7.1** Any breach of this sanctions policy and or sanctions laws must be reported immediately to any of the following:
- (a) The Managing Principals or other Senior Management in the QANTM Group; and
  - (b) The Company Secretary of the QANTM Group.
- 7.2** A failure to report a known breach of this policy constitutes a breach of this policy.

## 8. REVIEW

- 8.1** This policy is subject to review at least every year by the QANTM Group Directors, Company Secretary and Managing Principals or other Senior Management of the QANTM Group Businesses and may be accessed via the Intranet of each subsidiary company or such other means as QANTM IP Intellectual Property Ltd determines to ensure that all QANTM Personnel are aware of and have access to this policy.
- 8.2** If you have any questions or issues relating to sanctions compliance or compliance with this policy, please contact the QANTM Group Company Secretary, the Managing Principals or other Senior Management of the QANTM Group.

# Sanctions Compliance Policy

**Date Approved:** 19 August 2024

This policy has been approved by the Board of Directors of Fox HoldCo Limited.