

1. Summary

Softline Group of Companies (hereinafter referred to as Softline) strives to conduct its business transparently and in accordance with applicable regulations and other obligations, including those arising from agreements with Business Partners regarding Trade Restrictions, in order to avoid violating them and causing damage to the company.

Trade restrictions prevent or limit the provision of financing, goods, or services to certain individuals. This Policy sets forth guidelines and requirements for preventing any violations of Trade Restrictions.

2. Scope of application

This Policy applies to all Employees.

3. Terms and definitions

The terms used in this Policy have the following definitions:

Business partner – any person who is a counterparty of Softline or acting on behalf of and/or on the instructions of Softline , including suppliers, Clients, consultants, advisors, contractors, distributors, agents, commercial and other intermediaries.

The Chief Ethics and Compliance Officer is the Chief Compliance Officer.

Client(s) means individuals or companies who purchase goods or receive services from Softline .

Director means any member of the governing body of a company, association or other body of a company.

Due diligence means the process undertaken to assess risk by collecting, analysing, managing and monitoring information about an existing or potential Business Partner.

Employee – a manager, Director, employee or official hired by Softline on a permanent basis or under a fixed-term employment contract, civil law contracts, including any Softline agency workers , temporary workers working part-time or full-time, interns.

Good(s) means any good, part, product, component, software, technology or related technical data, or service.

Trade restrictions means applicable restrictive measures, including prohibitions or restrictions on trade or movement of goods, products or services.

Softline Group of Companies (Softline) – PJSC Softline and its affiliates listed in the corporate information disclosure list on the Interfax website.

Technical data means information necessary for the design, development, production, manufacture, assembly, operation, repair, testing, maintenance, modification, use, installation, overhaul, or restoration of Products. Information may be in the form of drawings, sketches, photographs, plans, instructions, diagrams, models, formulas, tables,

engineering designs and specifications, manuals, and documentation, regardless of the medium.

4. Responsibilities

4.1 Employee Responsibilities

Employees are required to:

- read, understand and comply with this Policy and any other documents aimed at its implementation;
- Always demonstrate ethics, honesty and responsibility and expect the same from others;
- submit any questions, concerns, or information about any known or suspected violations of this Policy through the channels described in the Whistleblowing Policy;
- undergo training as needed, as determined by Softline .

4.2 Responsibilities of Managers

In addition to the above, managers are responsible for ensuring that Employees and Business Partners comply with the requirements and instructions set forth in this Policy and receive ongoing training on the requirements of this Policy.

4.3 Ethics and Compliance Unit / Responsibilities of the Chief Ethics and Compliance Officer

Ethics and Compliance Unit / Chief Ethics and Compliance Officer:

- is obliged to annually review and, if necessary, update this Policy and any other documents aimed at its implementation;
- organize training and education on Trade Restrictions for relevant employees upon employment and as determined by Softline , and ensure that relevant employees successfully complete such training and education;
- be responsible for the implementation of this Policy, as well as maintaining a register of requests and issued permits;
- report any actual or suspected violations of this Policy or the Trading Restrictions to the Softline Board of Directors as soon as possible;
- advise Employees and provide support on matters of compliance with this Policy and relevant regulations.

5. Basic Provisions

5.1 Trade Restrictions

Softline shall ensure that its Business Partners and Clients are not subject to applicable Trading Restrictions.

There are different types of Trade Restrictions, including:

- territorial embargo;
- blocking restrictions, including the seizure of assets and a ban on the provision of any type of financing;
- sectoral restrictions that limit the provision of certain goods and services to the presence of certain conditions; and
- prohibitions or restrictions on the export, import, transfer, re-export, or transfer of goods of a certain type.

You should always:

- Ensure that Business Partners, Clients, and M&A targets are screened for Trade Restrictions in accordance with the current Business Partner Due Diligence Policy prior to signing, entering into, or extending any contracts or agreements. If an individual is subject to Trade Restrictions, they will require a thorough background check and prior written approval from the Chief Ethics and Compliance Officer before conducting or supporting any business with them. Please refer to the Business Partner Due Diligence Policy for more details.
- understand the impact of Trade Restrictions on your dealings with Business Partners and Customers with whom you deal in your role and comply with them;
- understand the impact of Trade Restrictions on the Goods you deal with in your role and comply with them;
- conduct a risk assessment prior to the import, export, transfer, re-export or transfer of any Goods and ensure that the Goods are not supplied to prohibited end users or for prohibited end purposes;
- Comply with applicable Trade Restrictions regulations. You are responsible for understanding and complying with any requirements imposed on you and Softline .

For more information on how we manage risks as part of our due diligence process for our Business Partners and Clients, please refer to our Business Partner Due Diligence Policy.

5.2 Interaction with authorities and regulators

You should not interact with authorities or regulators regarding Trade Restrictions on your own; only the Chief Ethics and Compliance Officer has such authority. Interaction with authorities and regulators covers potential or actual violations, disclosures, audits, requests for information, or investigations.

6. Reporting violations

Any Employee who has knowledge of a violation or potential violation of this Policy or applicable Trade Restrictions regulations is required to report it in accordance with the Whistleblower Policy.

Softline's senior management will provide full support to any employee who reports a violation or potential violation in good faith in accordance with the Whistleblower Policy. Negative responses following a good-faith report are unacceptable. Employees and Business Partners will not be penalized for making a good-faith report, even if their concerns are not substantiated. Those who engage in negative responses will be subject to disciplinary action.

7. Violation of this Policy

If Softline becomes aware of any violations of this Policy or Trade Restrictions regulations by Employees, an internal investigation will be initiated. If necessary, law enforcement agencies and other competent authorities will be involved.

All Employees are responsible for compliance with this Policy and other documents aimed at its implementation. Failure to comply with the requirements of this Policy will be grounds for disciplinary action, including dismissal or termination of the business relationship.

Any questions regarding the Policy can be directed to the Director of Ethics and Compliance or sent by email to compliance@softline.com.

Vladimir Lavrov,
CEO of the Softline Group of Companies