

HIGH-RISK JURISDICTIONS POLICY

HORSAN BROKERS COMPANY SL

Registered Office: Calle Campoamor, 28 - Piso 1, Castellón de la Plana, Spain

Version 1.0 | Effective Date: 20 April 2026 | Approved by: Board of Directors

1. Purpose

Operating or sourcing in or from certain jurisdictions exposes HORSAN BROKERS COMPANY SL to elevated risks of money laundering, terrorism financing, sanctions breaches, corruption, human-rights abuses and other material compliance and reputational concerns. This Policy sets out the Company's framework for identifying such jurisdictions and for managing transactions and relationships that involve them.

2. Scope

This Policy applies to all business activities of the Company, including trading, sourcing, logistics and ancillary services, and to all employees, agents, representatives and business partners.

3. Classification of High-Risk Jurisdictions

A jurisdiction is classified as High Risk when it meets one or more of the following criteria, based on publicly available and credible sources:

3.1 Sanctioned Jurisdictions

- Countries subject to comprehensive sanctions imposed by the EU, the United Nations Security Council, the U.S. Office of Foreign Assets Control (OFAC) or UK HM Treasury (Office of Financial Sanctions Implementation, OFSI).

3.2 AML/CFT High-Risk Jurisdictions

- Jurisdictions on the FATF list of High-Risk Jurisdictions Subject to a Call for Action (so-called 'black list').
- Jurisdictions on the FATF list of Jurisdictions under Increased Monitoring ('grey list').
- Jurisdictions identified by the European Commission as having strategic deficiencies in their AML/CFT regimes.

3.3 Non-Cooperative Tax Jurisdictions

- Jurisdictions on the EU list of non-cooperative jurisdictions for tax purposes (Annex I).
- Jurisdictions designated as tax havens under Spanish legislation.

3.4 High-Corruption-Risk Jurisdictions

- Jurisdictions with a score below a defined threshold (e.g. 40/100) on the Transparency International Corruption Perceptions Index.
- Jurisdictions scoring poorly on the World Bank Worldwide Governance Indicators (Control of Corruption, Rule of Law).

3.5 Human-Rights and Conflict Risk

- Jurisdictions affected by armed conflict or systemic human-rights abuses, as identified by the United Nations, the European Union or recognised non-governmental organisations.

3.6 Sector-Specific Risk

- Jurisdictions presenting elevated risk in the specific sectors in which the Company operates (e.g. sanctioned oil flows, illicit trade).

4. Prohibited Activity

The Company does not engage, directly or indirectly, in:

- Any transaction with persons, entities or jurisdictions subject to applicable comprehensive sanctions.
- Any transaction designed to circumvent applicable sanctions.
- Any transaction with counterparties included in sanctions lists of the EU, UN, OFAC or UK HMT.
- Any activity that would breach applicable law in the relevant jurisdictions.

5. Enhanced Due Diligence (EDD)

Business relationships and transactions involving High-Risk Jurisdictions require Enhanced Due Diligence, including but not limited to:

- Detailed verification of the counterparty, its ownership structure and its Ultimate Beneficial Owners.
- Verification of source of funds and source of wealth.
- Understanding of the economic rationale of the transaction.
- Identification of all parties in the transaction chain (banks, intermediaries, shippers, insurers).
- Verification of vessels, flags, routes and cargoes, where relevant.
- Screening for red flags of sanctions evasion (ship-to-ship transfers in suspicious areas, AIS manipulation, false documentation).
- Documentation of all checks performed and decisions taken.

6. Approval Requirements

Business involving High-Risk Jurisdictions requires the following approvals:

- **Transactions involving FATF grey-list or medium-risk jurisdictions:** approval by the Compliance Officer.

- **Transactions involving FATF black-list, comprehensively sanctioned or high-corruption-risk jurisdictions:** approval by the Board of Directors, supported by a formal risk memorandum.
- **Any transaction presenting sanctions red flags:** mandatory escalation to the Compliance Officer and, where appropriate, the Board, regardless of jurisdiction.

7. Red Flags

The following circumstances, among others, are considered red flags and must be escalated to the Compliance Officer before the transaction proceeds:

- Counterparty or UBO located in, or with significant ties to, a sanctioned or high-risk jurisdiction not previously disclosed.
- Transactions involving vessels that have disabled AIS or that have recently changed flag, name or ownership.
- Use of shell companies or opaque structures in offshore jurisdictions.
- Unusual payment structures (third-party payments, offshore accounts, cash).
- Requests for incomplete or inconsistent documentation.
- Counterparties with ties to Public Officials not previously declared.
- Adverse media, litigation or regulatory actions relating to the counterparty.
- Transactions that appear economically irrational or that present features typical of trade-based money laundering.

8. Sanctions Screening

All counterparties, UBOs, directors, vessels and counterparties' banks involved in transactions with High-Risk Jurisdictions are screened, prior to execution, against:

- EU Consolidated Financial Sanctions List.
- UN Security Council Sanctions List.
- U.S. OFAC SDN and SSI Lists.
- UK HM Treasury OFSI Consolidated List.
- Any other applicable sanctions list.

Matches or possible matches are escalated immediately and, if confirmed, the transaction is not pursued.

9. Monitoring and Review of Country Lists

The Compliance Officer reviews the Company's list of High-Risk Jurisdictions at least every six months, and upon any material update to the underlying sources (FATF statements, EU updates, new sanctions designations). Updated lists are communicated to the relevant functions.

10. Reporting

Where the Company identifies transactions or attempted transactions that may involve breaches of applicable sanctions or money-laundering offences, it reports to the Spanish Executive Service of the

Commission for the Prevention of Money Laundering and Monetary Offences (SEPBLAC) or to the competent authority in the relevant jurisdiction, in accordance with applicable law.

11. Responsibilities

- **Board of Directors:** approval of business involving the highest-risk jurisdictions and oversight of the Policy.
- **Compliance Officer:** maintenance of the High-Risk Jurisdictions list, review of EDD files, approval of medium-risk jurisdiction transactions, reporting to authorities.
- **Commercial team:** application of this Policy, timely escalation of red flags, documentation of checks.
- **All employees:** compliance with this Policy and escalation of concerns.

12. Training

Employees involved in trading, commercial, operations and compliance functions receive regular training on sanctions, high-risk jurisdictions and red-flag recognition.

13. Record Keeping

All records relating to transactions involving High-Risk Jurisdictions, including due diligence, approvals and screenings, are retained for a minimum of 10 years.

14. Review

This Policy is reviewed at least annually and updated to reflect regulatory developments and lessons learned.

Approval and Sign-Off

This Policy has been reviewed, approved and adopted by the Board of Directors of HORSAN BROKERS COMPANY SL and is effective as of 20 April 2026.

Javier Sánchez

Chief Executive Officer / Administrador Único

HORSAN BROKERS COMPANY SL

Date: 20 April 2026

