ECONOMIC SANCTIONS AND TRADE RESTRICTIONS

JANUARY 2026

POLICY NUMBER: TMG-SEC-051
APPROVAL AUTHORITY: BOARD OF DIRECTORS

THE MAZI GROUP

1. PURPOSE

This Economic Sanctions and Trade Restrictions policy establishes The Mazi Group's framework for complying with economic sanctions and trade restrictions. Sanctions violations carry severe penalties including criminal prosecution. This policy applies across all brands: Mazi Beauty, Glam Switch, On The Go Mists, and Upvendo.

2. SCOPE

This policy applies to:

- All business transactions worldwide
- All employees, subsidiaries, and affiliates
- All third parties acting on our behalf
- All products, services, and financial transactions
- All geographic locations

3. SANCTIONS OVERVIEW

3.1 What Are Sanctions?

Economic sanctions are restrictions imposed by governments to:

- Achieve foreign policy objectives
- Combat terrorism and proliferation
- Address human rights concerns
- Respond to threats to national security

3.2 Types of Sanctions

- **Comprehensive:** Broad prohibitions on dealings with a country
- **Targeted:** Restrictions on specific individuals, entities, or sectors
- **Sectoral:** Restrictions on specific industries

4. APPLICABLE SANCTIONS REGIMES

4.1 United States

- OFAC (Office of Foreign Assets Control) sanctions

- Applies to US persons and US-origin goods
- Secondary sanctions may apply to non-US persons

4.2 European Union

- EU restrictive measures
- Applies to EU persons and within EU territory

4.3 United Nations

- UN Security Council sanctions
- Implemented by member states

4.4 Other Jurisdictions

- UK sanctions
- Canadian sanctions
- Other applicable local sanctions

5. SANCTIONED COUNTRIES

Comprehensive sanctions currently apply to countries including:

- Cuba
- Iran
- North Korea
- Syria
- Crimea region

Note: Sanctions programs change frequently. Always verify current status.

6. PROHIBITED ACTIVITIES

6.1 General Prohibitions

- Transactions with comprehensively sanctioned countries
- Transactions with designated individuals or entities
- Facilitating prohibited transactions
- Evading or attempting to evade sanctions

6.2 Specific Prohibitions

- Selling products to sanctioned destinations
- Purchasing from sanctioned parties
- Financial transactions with sanctioned parties
- Providing services to sanctioned parties
- Using sanctioned shipping or logistics

7. SCREENING REQUIREMENTS

7.1 Parties to Screen

- Customers
- Suppliers and vendors
- Distributors and agents
- Business partners
- Shipping and logistics providers
- Financial institutions

7.2 Screening Lists

- OFAC SDN List (Specially Designated Nationals)
- OFAC Consolidated Sanctions List
- EU Consolidated List
- UN Consolidated List
- BIS Denied Persons List
- BIS Entity List

7.3 Screening Process

- Screen before engaging in transactions
- Use automated screening tools
- Review potential matches carefully
- Escalate confirmed matches to Legal
- Document screening results

8. RED FLAGS

Be alert to indicators of sanctions risk:

- Unusual payment methods or routing
- Requests to ship to third countries
- Reluctance to provide end-user information
- Addresses in sanctioned countries
- Names similar to sanctioned parties
- Requests to remove country of origin markings
- Unusual shipping routes

9. E-COMMERCE CONSIDERATIONS

- IP address screening
- Shipping address verification
- Payment screening
- Terms of service restrictions
- Geo-blocking where required

10. LICENSES AND EXEMPTIONS

- Some activities may be licensed
- General licenses for certain activities
- Specific licenses require application
- Legal approval required before relying on licenses

11. CONSEQUENCES OF VIOLATIONS

11.1 Criminal Penalties

- Imprisonment up to 20+ years
- Criminal fines up to $1 million per violation

11.2 Civil Penalties

- Fines up to $300,000+ per violation

- Or twice the transaction value

11.3 Other Consequences

- Reputational damage
- Loss of export privileges
- Debarment
- Banking relationship issues

12. REPORTING AND ESCALATION

- Report potential sanctions issues immediately
- Escalate screening matches to Legal
- Do not proceed with questionable transactions
- Document all concerns and decisions

13. TRAINING

- Sanctions awareness training
- Role-specific training for high-risk functions
- Regular updates on sanctions changes
- Training records maintained

14. RECORD KEEPING

- Maintain screening records
- Document due diligence
- Retain records for 5+ years
- Records available for audit

15. ROLES AND RESPONSIBILITIES

15.1 All Employees

- Be aware of sanctions requirements
- Report concerns

- Do not circumvent controls

15.2 Sales/Customer Service

- Verify customer information
- Escalate red flags
- Do not process prohibited orders

15.3 Legal/Compliance

- Oversee sanctions compliance program
- Maintain screening systems
- Resolve screening matches
- Provide guidance

16. RELATED POLICIES

This policy should be read in conjunction with:

- TMG-SEC-004: Anti-Corruption and Anti-Bribery Policy
- TMG-SEC-049: Foreign Corrupt Practices Act (FCPA) Compliance
- TMG-SEC-050: Import/Export and Customs Compliance

17. POLICY REVIEW

This policy shall be:

- Reviewed annually by Legal
- Updated for sanctions changes
- Approved by CLO
- Communicated to relevant personnel

18. DEFINITIONS

- **OFAC:** Office of Foreign Assets Control - US sanctions administrator.
- **SDN:** Specially Designated National - sanctioned individual or entity.
- **Sanctions:** Government-imposed restrictions on transactions.
- **Screening:** Checking parties against sanctions lists.

For questions or to report concerns:

Legal Department

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