

Aterian plc Economic Sanctions Policy

1. Purpose

The purpose of this policy is to outline the guidelines and procedures to be followed by all employees and stakeholders of Aterian Plc ("the Company") to ensure compliance with economic sanctions laws and regulations. This policy aims to prevent the Company from engaging in prohibited activities that may result in legal, financial, or reputational risks.

2. Scope

This policy applies to all employees, contractors, consultants, agents, and third-party business partners of Aterian Plc, regardless of their position or location. It encompasses all Company operations, including subsidiaries, affiliates, and any business dealings conducted on behalf of the Company.

3. Compliance with Economic Sanctions

- a. The Company is committed to complying with all applicable economic sanctions laws, regulations, and international trade controls, including but not limited to those imposed by the United Nations (UN), the European Union (EU), the United States (US), and the United Kingdom (UK).
- b. It is the responsibility of all employees to familiarize themselves with and comply with applicable economic sanctions laws and regulations related to their job responsibilities. Failure to comply may result in disciplinary action, up to and including termination of employment.

4. Prohibited Activities:

The following activities are strictly prohibited under this policy:

- a. Engaging in transactions or conducting business with individuals, entities, organizations, or countries subject to economic sanctions or listed on sanctioned party lists.
- b. Exporting, importing, or re-exporting goods, technology, or services to sanctioned countries or individuals/entities without obtaining the necessary licenses or approvals as required by applicable laws and regulations.
- c. Facilitating transactions or providing support to others in violation of economic sanctions laws or regulations.
- d. Concealing or attempting to conceal the true nature, origin, or destination of funds or assets to evade economic sanctions.
- e. Engaging in any activities that directly or indirectly contribute to or support the development of prohibited weapons or technologies in sanctioned countries.
- f. Initiating, authorizing, or approving any transactions that violate economic sanctions laws or regulations.

If any employee becomes aware of any potential violation of economic sanctions laws or regulations, they must immediately report it to the Compliance Department or the designated point of contact within the Company.

5. Due Diligence and Risk Assessment

- a. The Company shall conduct appropriate due diligence and risk assessments to identify and mitigate potential risks associated with economic sanctions compliance. This includes conducting screening measures to ensure that the Company does not engage in business with sanctioned individuals, entities, or countries.
- b. The Compliance Department is responsible for implementing risk-based procedures to assess and monitor business relationships, transactions, and third-party suppliers for compliance with economic sanctions laws and regulations.

6. Training and Awareness

- a. The Company shall provide regular training programs and resources to all employees and relevant stakeholders to ensure awareness and understanding of economic sanctions laws, regulations, and the Company's compliance obligations.
- b. New employees shall receive appropriate training on economic sanctions compliance as part of their onboarding process, and existing employees shall receive periodic refresher training.

7. Non-Retaliation

The Company is committed to non-retaliation against any individual who, in good faith, reports a potential violation of economic sanctions laws or regulations or raises concerns regarding compliance. Any form of retaliation against such individuals is strictly prohibited and may result in disciplinary action.

8. Compliance Monitoring and Reporting

The Compliance Officer shall regularly monitor and assess the effectiveness of the economic sanctions compliance program and report any material violations, concerns, or deficiencies to the appropriate authorities within the Company.

All employees and stakeholders have a duty to cooperate fully with any compliance monitoring, investigation, or audit related to economic sanctions. Failure to cooperate may result in disciplinary action.

Any employee who becomes aware of a potential violation of economic sanctions laws or regulations must promptly report the information to the Compliance Department or the designated point of contact within the Company. The Company encourages open communication and whistleblowing in accordance with the Company's Whistleblower Policy.

The Compliance Department shall maintain appropriate records and documentation related to economic sanctions compliance, including screening results, due diligence records, and training records.

9. Consequences of Non-Compliance 9.1.

- a. Violations of this policy or applicable economic sanctions laws and regulations may result in severe consequences for both the Company and individuals involved, including but not limited to legal penalties, fines, loss of business opportunities, damage to reputation, and potential criminal liability.
- b. The Company reserves the right to take appropriate disciplinary action against any employee found to have violated this policy or engaged in activities that breach economic sanctions laws or regulations. Disciplinary actions may include but are not limited to warnings, retraining, suspension, termination of employment, or legal action as deemed necessary.

10. Policy Review and Updates

- a. This policy shall be reviewed periodically to ensure its effectiveness and compliance with changes in economic sanctions laws, regulations, and industry best practices.
- b. Any updates or revisions to this policy shall be communicated to all employees and stakeholders and made available through the Company's internal communication channels.
- c. Employees are responsible for staying informed about the latest updates to this policy and complying with any changes or amendments.

Aterian Plc is committed to conducting its business in a responsible and ethical manner, which includes strict adherence to economic sanctions laws and regulations. Compliance with this policy is essential to mitigate legal and reputational risks and maintain the Company's integrity. All employees and stakeholders are expected to uphold these standards and actively contribute to the Company's economic sanctions compliance efforts. By adhering to this policy and working together, we can ensure that Aterian Plc operates within the boundaries of applicable laws and regulations while maintaining a strong commitment to ethical conduct and corporate social responsibility.

Approved: 15 March 2023
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