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2021
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INQ. DIGITAL SOUTH AFRICA (PTY) LTD

SANCTIONS COMPLIANCE PROGRAMME

1. POLICY OVERVIEW

inq. Digital South Africa (Proprietary) Limited ("**inq.**") and its affiliates and subsidiaries ("**the Group**") is committed to conducting its business in accordance with all applicable legal and regulatory requirements in its business sector. The Group strives to operate with integrity and to always maintain the highest ethical standards.

As a Microsoft SPLA Partner, inq. ought to comply with Microsoft's polices whenever they apply to Microsoft products and services being offered by inq.. Microsoft's policies include, but are not limited to, US Export rules known as Export Administration Regulations ("**EAR**") which are enforced by US Department of Commerce Bureau of Industry and Security ("**BIS**"). Additionally, both the US Department of Treasury and the Department of State regulate and control other types of export-related technology and product transfers and transactions. The Office of Foreign Assets Control ("**OFAC**") of the US Department of the Treasury administers and enforces economic sanctions against certain countries and regimes, terrorists, and other threats to U.S. national security, foreign policy or economic interests. These policies enable Microsoft to easily and readily export its products to non-embargoed destinations while maintaining a high level of compliance. For convenience, "**US Sanctions**" shall refer to all applicable US sanctions and embargoes.

The BIS, which enforces the EAR, has taken the position that customers, including cloud service providers such as Microsoft, are considered to be exporters of their own customer data. Therefore all Group employees, contract workers, officers and directors ("Employees"), as well as anyone acting on behalf of the Group, shall comply with US Sanctions.

The US Sanctions applicable to the business of the Group can be placed in two broad categories (i) US Economic Sanctions and (ii) Export Controls. The following sections describe these two aspects of the US Sanctions and explain the compliance obligations that apply to Group companies and their Employees.

2. US ECONOMIC SANCTIONS AND EXPORT CONTROLS

A. US Persons, Embargoed Countries and OFAC sanction targets

OFAC enforces US economic and trade sanctions based on US foreign policy and national security goals. For certain "**Embargoed Countries**", presently Crimea, Cuba, Iran, North Korea, Sudan and Syria, OFAC prohibits a broad range of dealings by US Persons with the country, its government, and associated "**OFAC sanctions targets**" (who can be individuals or entities).

"**US Persons**" include (a) all US-incorporated entities (and, in some cases, non-US subsidiaries of US companies), (b) all persons in the United States and (c) any US citizens or US green card holders.

The OFAC sanctions targets include not only persons in or associated with the Embargoed Countries and their governments but also persons identified in a list maintained by OFAC of Specially Designated Nationals and Blocked Persons ("**SDNs**"). US Persons must freeze the assets of SDNs and are prohibited from transacting either with them or companies owned 50% or more by them, unless authorised by OFAC. The SDN list includes not only SDNs associated with particular sanctioned countries but also OFAC designated terrorists, nuclear proliferation threats, narcotics traffickers, criminal organisations and other OFAC-sanctioned persons. Summaries of the OFAC sanctions programmes and related programme information are available at OFAC's website: www.treas.gov/ofac/.

B. Non-US Persons

OFAC's economic sanctions also apply to non-US Persons such as the Group and its non-US Employees, to the extent of their activity in or through the United States or otherwise involving US Persons, US territory, the US financial system and/or US Origin Goods (collectively, "**US Elements**"). Thus, the Group, or an Employee who is a non-US Person, potentially violates the OFAC sanctions by involving the US financial system or other US Elements in transactions with the Embargoed Countries, SDNs or other US Sanctions targets, unless OFAC has authorised that transaction.

In addition, even where a transaction involves no US Elements, OFAC can impose sanctions on any person or entity globally that engages in significant transactions with, or provides material assistance to, a SDN. Therefore, any dealings by the Group or its Employees with SDNs are strictly prohibited.

C. OFAC's Economic Sanctions: principal compliance obligation

It is the policy of the Group to comply fully with all Sanctions laws and regulations of the United States when applicable to its business globally. Therefore, in relation to OFAC's economic sanctions, neither the Group nor any of its Employees will engage in any business dealings with SDNs. Implementation of this compliance obligation will be achieved through a screening and filtering process implemented by inq.. Furthermore, in the absence of an appropriate OFAC license, authorisation or exemption the Group and its Employees will ensure that no US Elements are involved in any business dealings which involve Embargoed Countries.

3. US EXPORT CONTROLS

U.S. export controls are laws and regulations to control the export and transfer of items from the United States or to non-U.S. persons, in the interest of protecting U.S. national security and furthering U.S. foreign policy and other interests. U.S. export controls apply not only to traditional cross-border shipments of physical goods, but also transfers, uploads or downloads of software and data. That includes transfers, uploads or downloads of software or specific technical data using cloud-based services.

D. US Origin Goods

The definition of "**US Origin Goods**" under the EAR includes commodities, software and technology exported from the United States or re-exported from a third country. This will also include non-US Origin Goods which contain more than ten percent of controlled US-origin content. The range of applicable controls varies depending on the goods, technology, end use, end user, other participants and destination country. In this Programme, we refer to any US Origin Goods that require a specific US export license or other US written authorisation for export or re-export to a relevant country as a "US Export-Controlled Item".

E. Scope of the EAR

The EAR broadly governs and imposes controls on the export and re-export of most commercial goods, software, and technology. The EAR broadly govern exports from the United States; reexports or retransfers of U.S.-origin items and certain foreign-origin items with more than a de minimis portion of U.S.-origin content; and transfers or disclosures to persons from other countries. U.S. export controls apply not only to traditional exports or transfers of commodities and hardware, but also transfers, uploads or downloads of software, and transfers or disclosures of defined "technology" and "technical data"—all core features of cloud computing services.

BIS guidance holds that, when data or software is uploaded to the cloud or transferred between user nodes, the customer, not the cloud provider, is the 'exporter' who has the responsibility to ensure that transfers of, storage of, and access to that data or software complies with the EAR.

According to the BIS, export refers to the transfer of protected technology or technical data to a foreign destination or its release to a foreign person in the United States (also referred to as a deemed export).

Microsoft technologies, products, and services are subject to the US Export Administration Regulations (EAR). While there's no compliance certification for the EAR, Microsoft Azure, Microsoft Azure Government, and Microsoft Office 365 Government offer important features and tools to help eligible customers subject to the EAR manage export control risks and meet their compliance requirements.

F. US Export Controls: principal compliance obligation

It is the policy of the Group to comply fully with all export control laws and regulations of the United States when applicable to our business globally. In the absence of an appropriate license or authorisation, the Group will not knowingly make any sales, shipments or transfers of US Origin Goods to any individual, entity or country subject to economic or trade sanctions imposed by the United States or any of the other jurisdictions in which the Group operates, unless the Group shall have first determined that such transaction complies with applicable law.

4. SCREENING AND FILTERING

Before engaging in any transactions involving Embargoed Countries or individuals or entities who are residents or nationals of Embargoed Countries, the names of the parties involved must be screened to determine whether the transaction involves or relates to **"Restricted Persons."** Such transactions could include international wire payments, export/import transactions, including equipment disposals, or providing cargo services.

For the purposes of this Programme, **Restricted Persons** means:

i. a person or entity listed by OFAC as an SDN or other OFAC sanctions target (for example, a government or resident of an Embargoed Country or an entity owned 50% or more by an SDN;
ii. a person or entity listed by Commerce as a Denied Person or other US export restricted party; or
iii. a person or entity that is designated as a sanctions target under the laws of other major jurisdictions in which the Group operates.

5. REPORTING AND REMEDIATION

A. Reporting obligations

Employees should report any activity that they believe may violate the requirements of the Programme. Such report shall be made to an Employee's direct supervisor, or otherwise to the next most senior supervisor. Once an Employee has made a report, the Employee is required to cooperate fully with investigations by the Group into issues or

conduct under this Programme and to maintain the confidentiality of investigative information unless specifically authorised to disclose such information.

Under no circumstances shall the reporting of any such potential Programme violation serve as a basis for retaliation and intimidation against any Employee making the report in good faith.

B. Enforcement and discipline

The standards set forth in this Programme are important to the Group and must be taken seriously. Violations of these standards due to negligent or reckless conduct will not be tolerated and, in accordance with applicable laws and regulations, will result in the imposition of appropriate disciplinary actions, up to and including termination. A record of any disciplinary action shall be maintained.

REGISTRATION NUMBER: 2013/076869/07
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