



TTS
TRANSPORT TRADE SERVICES S.A.
BUCUREȘTI – ROMÂNIA

[Translation from Romanian in English]

Rev 0 – GMS Decision 1/31.10.2025

Policy on Counterparty Risk in Business
TTS (Transport Trade Services) S.A.



Rev 0 - GMS Decision 1/02.10.2025

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I. General Framework

I.1 Purpose

The Policy on Counterparty Risk in Business (“the Policy”) establishes the guiding principles of business conduct designed to eliminate - where possible - or minimise the risk of non-compliance with legal provisions concerning the prevention and combating of money laundering and terrorism financing, as well as with legal provisions regarding the implementation of international trade sanctions regimes.

The purpose of this Policy is to ensure a coherent and uniform framework within the TTS Group for the initiation and execution of commercial transactions with third parties, in compliance with the relevant legal provisions in force.

The principles underlying the Policy are the prevention of non-compliance situations and the avoidance of commercial transactions that present a significant risk of non-compliance.

The prevention of non-compliance and the management of transaction-related compliance risks are grounded in the values of the TTS Group, as set forth in the TTS Code of Good Business Practices.

This Policy is not intended to address individually every possible situation that may arise in the activity of a company within the TTS Group, but rather to outline the general framework for addressing any particular situation, as well as the tools that may be used in resolving such matters.

In this respect, TTS expects each person involved to assess the approach and resolution of every situation in light of the principles set out in this Policy.

I.2 Applicability

This Policy applies to all companies within the TTS Group, composed of TTS (Transport Trade Services) S.A. Bucharest (“TTS”) and the companies in which TTS holds, directly or indirectly, a majority shareholding (“Subsidiary” or “Subsidiaries”).

The list of companies within the TTS Group is provided in Appendix 1, which forms an integral part of this Policy.

I.3 Responsibilities



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The management structures of the companies within the TTS Group are responsible for taking all necessary measures to ensure the implementation and observance of the provisions of this Policy.

The executive management of each company within the Group shall appoint a person responsible for ensuring the application of the Policy's provisions concerning the Know Your Business Partner procedures ("KYC Officer"), who shall manage the process of identifying and verifying the company's business partners and their ultimate beneficial owners.

1.4 Definitions

- **Beneficial Owner** – the natural person who ultimately owns or controls, directly or indirectly, by any means, a legal entity, or a transaction, and who effectively benefits from the advantages resulting therefrom;
- **B2B ("Business to Business")** – a business model in which companies sell products or services to other companies, typically involving larger volumes, long-term contractual relationships, and more complex decision-making processes;
- **Know Your Client (KYC)** – the process through which a company within the Group identifies and verifies the identity of its clients and their beneficial owners, in order to understand who they are, the nature of their activities, and the risks associated with entering into business relations with them, with the purpose of avoiding any transaction that might be suspected of breaching legal provisions on the prevention and combating of money laundering and terrorism financing, or legal provisions concerning the implementation of international trade sanctions regimes;
- **Goods or Services under Sanctions** – goods and services that are subject to international trade sanctions;
- **International Trade Sanctions** – a set of economic measures, restrictions, and obligations adopted by the United Nations Security Council, the European Union, other international organisations, or imposed through unilateral decisions by certain states, for the purpose of maintaining international peace and security, preventing and combating terrorism, ensuring respect for human rights and fundamental freedoms, promoting and consolidating democracy and the rule of law, and fulfilling other objectives in line with those of the international community, international law, and European Union law, relating to the limitation or prohibition of imports, exports, transit, services, or financial transactions involving certain states, non-state entities, or natural or legal persons.



II. Due Diligence Obligations

II.1 Obligations Regarding the Knowledge of Clients

The companies within the Group are required to conduct procedures for verifying the **identity of their clients**, identifying their beneficial owners, and establishing their risk profile.

The companies within the Group shall not initiate commercial or business relations with third parties whose documents, together with publicly available data and information, are insufficient to establish an adequate risk profile.

The companies within the Group shall terminate commercial or business relations with a partner if the documents provided by that partner, together with publicly available data and information, are insufficient to update its risk profile.

II.2 Obligations Regarding the Application of International Trade Sanctions Regimes

The companies within the Group shall not initiate commercial or business relations with third parties that are subject to international trade sanctions.

The companies within the Group shall terminate any commercial or business relation with a partner if that partner becomes subject to international trade sanctions.

The companies within the Group shall not initiate transactions involving Goods or services under sanctions.

II.3 Obligations Regarding Cash-Settled Transactions

Given the TTS Group's B2B business model, **transactions settled in cash are not accepted in commercial relations with clients.**



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II.4 Exemptions from Due Diligence Obligations

Subsidiaries that provide services to the general public are exempt from fulfilling the due diligence obligations in relation to such services.

At the time this Policy enters into force, the only Subsidiary exempt from fulfilling the due diligence obligations is NAVROM Bac S.R.L. Galați, a provider of local ferry transport services at the Danube crossing points in Galai and Isaccea.

III. Implementation of KYC Measures within the TTS Group

For the purpose of approving a business partner, each company within the Group shall carry out the KYC process, which includes identifying, documenting the identity, and verifying the partner, its representatives, and its ultimate beneficial owners, as well as establishing the partner's risk profile based on the results of the verification.

To verify partners and establish risk profiles, the companies within the Group may access - directly or through online automated consultation platforms - the following sources of information:

- databases maintained by trade registers, company registries, or equivalent business registration entities in the jurisdictions where business partners are registered; and
- databases on international trade sanctions.

With regard to information sources concerning the applicability of international sanctions, at least the following databases shall be considered:

- Restrictive measures imposed by the European Union:
<https://www.consilium.europa.eu/en/policies/sanctions/>
https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures_en
<https://www.sanctionsmap.eu/#/main>
- United Nations Security Council Resolutions- <https://sanctions.un.org/>
- Office of Foreign Assets Control (OFAC) - <https://sanctionssearch.ofac.treas.gov/>
- <https://www.un.org/sc/suborg/en/sanctions/information>
- UK Sanctions Regimes - <https://search-uk-sanctions-list.service.gov.uk/>

In cases where, following the verification of a third party or the monitoring of a partner, a Subsidiary has suspicions regarding the applicability of international sanctions regimes, the verification may be conducted by TTS, upon the Subsidiary's request.



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The monitoring of approved business partners shall be conducted by each company within the Group through periodic verification, conducted quarterly or annually, depending on the partner's risk profile.

IV. Communication and Information Sharing within the TTS Group

If, following the verification of a third party or the monitoring of a partner, a Subsidiary identifies a situation in which international trade sanctions regimes are applicable, it shall inform TTS of the situation concerning the third party or partner involved.

Following notification from a Subsidiary, or as a result of its own verifications, TTS shall inform all Subsidiaries regarding any third parties or partners identified as being subject to international trade sanctions.

V. Reporting Obligations

Each company within the Group shall include, in the Directors' Report on the individual annual financial statements, and, where applicable, in the Directors' Report on the consolidated annual financial statements, a summary of the Know Your Partner activities conducted during the reporting year, containing at least the following information:

- a record of the third parties verified and accepted during the year, together with the turnover generated with them;
- a record of potential clients verified and rejected during the year, including an estimate of the unrealised turnover resulting from these rejections;
- a record of clients with whom the business relationship has been terminated, the turnover achieved with them up to the termination of the relationship, and an estimate of the unrealised turnover.



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VI. Investigation of Non-Compliance with Due Diligence Obligations

If, following the verifications carried out within a company of the Group, it is found that a business partner was accepted without fulfilling the due diligence obligations or that such obligations were improperly fulfilled, the company concerned shall conduct an investigation into the causes that led to this situation.

The conclusions of the investigation shall be presented to the company's management, with notification to TTS, and shall serve as the basis for the corrective measures that the company in question must implement.

VII. Policy Review

The Policy on Counterparty Risk in Business shall be reviewed at least once every two years, as well as whenever necessary, following amendments to the legal framework, changes to the internal regulations of the TTS Group, or modifications to the Group's structure or operational context.

The responsibility for initiating the review process lies with the Board of Directors of TTS, upon the recommendation of the Governance and Sustainability Committee, with the support of the Corporate Governance and Investor Relations Department.



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APPENDIX 1 List of Companies within the TTS Group

TTS (Transport Trade Services) S.A. ("TTS")

Registered Office: Bucharest, Romania

CNFR NAVROM S.A. ("NAVROM")

Registered Office: Galati, Romania

Canopus Star S.R.L. ("CANOPUS")

Registered Office: Constanta, Romania

TTS Operator S.R.L. ("TTS Operator")

Registered Office: Constanta, Romania

DECIROM S.A. ("DECIROM")

Registered Office: Constanta, Romania

TTS Porturi Fluviale S.R.L. ("TTS Fluvial")

Registered Office: Galati, Romania

Navrom Bac S.R.L. ("NVR Bac")

Registered Office: Galati, Romania

Navrom Shipyard S.R.L. ("NVR Shipyard")

Registered Office: Galati, Romania

SUPERQUATRO GRUP S.R.L. ("SUPERQUATRO")

Registered Office: Galati, Romania

Bunker Trade Logistics S.R.L. ("BTL")

Registered Office: Constanta, Romania

Plimsoll Zrt. ("PLIMSOLL")

Registered Office: Budapest, Hungary

Fluvius Kft.

Registered Office: Budapest, Hungary



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Port of Fajsz Kft. ("PORT FAJSZ")

Registered Office: Fajsz, Hungary

TTS (Transport Trade Services) GmbH ("TTS VIENA")

Registered Office: 15b Lerchengasse, Langerzersdorf Austria

AGRIMOL TRADE S.R.L. ("AGRIMOL")

Registered Office: 34, Vaselor Street, Bucharest

Disclaimer:

"This is an unofficial English translation of the Policy on Counterparty Risk in Business.

It is provided solely for the convenience of interested parties. In case of any inconsistencies or divergences between this translation and the original document in Romanian, the Romanian version shall prevail. The Romanian version constitutes the sole legally binding instrument."