US Sanctions Compliance Programme

I. Policy Statement

It is the policy of the Emirates Group (the “Group”)1 to comply with all applicable laws and regulations and to maintain the highest level of professional and ethical standards in all of its business affairs. The Group places the highest importance on protecting its reputation for honesty, integrity and high ethical standards.

All Group employees, contract workers, officers and directors (“Employees”), as well as anyone acting on behalf of the Group or any Group company, shall comply with all applicable laws and regulations. These include, but are not limited to US sanctions and embargoes (“US Sanctions”) whenever they apply to our business. Group companies and operating units located in countries other than the United States that maintain their own national sanctions and export control requirements also must comply with those requirements, when applicable.

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. Included at the end of this document is a simple checklist which Employees can review to understand whether a particular transaction may be subject to US Sanctions exposure.

In addition to the general compliance obligations described in Sections II to VIII of this Programme, Annexures 1 to 5 of the Programme contain further guidance for specific individuals and divisions of our business; namely: (1) US Persons; (2) non-US Persons; (3) Emirates SkyCargo; (4) Emirates Engineering; and (5) Procurement & Finance.

II. US Economic Sanctions and Export Controls

A. US Persons, Embargoed Countries and OFAC sanction targets

The US Treasury Department’s Office of Foreign Assets Control (“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), subject to a limited number of exceptions (such as for passenger travel).

“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” referred to above 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,

1 References to the “Group” in this Programme mean Emirates, dnata and dnata World Travel, together with their consolidated subsidiaries and controlled joint ventures.
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 (as defined below) (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 (for example, international wire transfers in US Dollar) 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. The travel exemption

Importantly, and relevant to the business of the Group, OFAC’s economic sanctions “do not apply to transactions ordinarily incident to travel to or from any country, including importation of accompanied baggage for personal use, maintenance within any country including payment of living expenses and acquisition of goods or services for personal use, and arrangement or facilitation of such travel including non-scheduled air, sea, or land voyages”. This exemption is commonly referred to as the “travel exemption” and applies to all countries served by the Group. Whilst the transportation of passengers constitutes a large proportion of the Group’s business, there is a significant amount of business conducted by the Group which might not fall within this exemption, for example, the Group’s cargo, ground handling, engineering and IT services businesses. The travel exemption is likely to be interpreted narrowly to capture elements that relate purely to passenger travel and associated hotel, rental car and other customary arrangements by or for passengers incident to their travel. Employees of the Group must consult with their line managers if they have any doubts on the applicability of the travel exemption.

D. 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 our 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 the screening and filtering process described more fully in Section IV of this Programme. Furthermore, in the absence of an appropriate 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.

III. US Export Controls

Under the Export Administration Regulations (“EAR”), the US Department of Commerce (“Commerce”) prohibits most exports or re-exports of US-Origin Goods to Embargoed Countries.

A. 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”.

2 A searchable list of SDNs can be found at List available online at: https://sanctionssearch.ofac.treas.gov/ . Given the complexity of the different US Sanctions rules, Employees must, in the event of any doubt, consult their line manager who will escalate to Group Legal as required.
B. Scope of the EAR

Under the EAR, Commerce controls exports on a case-by-case basis, by examining the nature of the product, the destination, the end-user and the end-use. The EAR prohibits the unlicensed export or re-export of US Export-Controlled Items to the Embargoed Countries as well as certain US-restricted end-uses and end-users, including so-called “Denied Persons.” In addition, some US Export-Controlled aircraft-related Items have strategic sensitivity, such as certain avionics, and may require licenses under the EAR for export or re-export to a broader range of countries.

Specific controls apply across the Group to export transactions that involve US Export-Controlled Items, including export-controlled US-origin commodities, software, technology, defence articles or controlled technical data. These controls seek to prevent the Group’s involvement in unauthorised exports of such US Export-Controlled Items, particularly to any SDNs, Denied Persons or Embargoed Countries. In cases of doubt, to determine whether a particular item constitutes a US Export-Controlled Item (including technology or a US-origin defence article) or is otherwise subject to restrictions under this Programme, Employees should consult their manager who will escalate to Group Legal as required.

C. 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 (or received assurance from its customers) that such transaction complies with applicable law (for example, because it does not involve any US Export-Controlled Item). The Group will require its cargo customers, as a condition of carriage of their goods, to warrant that their shipments comply with the applicable laws of the relevant exporting and importing countries and all terms and conditions of any applicable export controls or license requirements.

IV. 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 Section IV of this Programme, Restricted Persons means:

- 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); 4
- a person or entity listed by Commerce as a Denied Person or other US export restricted party; 5 or
- a person or entity that is designated as a sanctions target under the laws of other major jurisdictions in which the Group operates.

Unless authorised by Group Legal, no transaction may be executed that involves, either directly or indirectly, a Restricted Person. With the exception of transactions involving SDNs, dealings with other Restricted Persons can be authorised by Group Legal, subject to Group policy considerations, if they do not involve any US Elements. In cases of doubt, Employees must always consult their line manager, who will escalate the matter to Group Legal as appropriate.

If, at any time, an Employee believes that a counterparty, referral source, business contact or other party with whom the Employee has an existing business relationship, is or may be a Restricted Person, the Employee must notify their line manager who will obtain guidance from Group Legal as required. Employees should reject and report to their line

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3 “US-origin defense articles” include any US Export-Controlled Items designated on the US Munitions List under the International Traffic in Arms Regulations; i.e., sensitive military and other defense items and related software and technical data.

4 List available online at: https://sanctionssearch.ofac.treas.gov/

5 Lists available online at: http://www.bis.doc.gov/complianceandenforcement/liststcheck.htm
manager any request to omit or conceal names, addresses or other information relating to possible Restricted Persons or Embargoed Countries in transaction records or other commercial documents. Any such lack of transparency in regard to a US Sanctions issue will not be tolerated and may result in disciplinary proceedings.

Should any contemplated transaction or customer relationship appear to involve a Restricted Person, directly or indirectly, the transaction or relationship may only proceed with the prior approval of Group Legal, who will address the legality and reputational risk of the activity in question.

V. Insulation of US Persons

The Group is not a US Person, but all of its offices and Employees in the United States and any Employee globally with a US passport or green card are US Persons. In the absence of an applicable license, authorisation or exception (such as the travel exemption), US Sanctions prohibit the involvement of US Persons in transactions with OFAC sanctions targets. For this reason, the Group requires the non-involvement of US Persons in its dealings (if any) with Embargoed Countries and other OFAC sanctions targets unless those dealings relate to passenger transportation (covered by the travel exemption) or OFAC otherwise has authorised or licensed such dealings. In addition, as stated above, the Group does not allow dealings with SDNs by either US Person or non-US Person Employees.

VI. Local Export Control Requirements

Each Group company and all teams at outstations shall have sufficient awareness of any local law requirements to ensure that all applicable export licenses and/or other required authorisations are in place in relation to the Group’s own export transactions, and shall also obtain certifications of compliance from their customers in connection with all relevant cargo services. Records must be maintained in relation to all exports, including details of relevant licenses or authorisations, shipping documents and other records, for a period of at least five years or longer if required by local law. Aside from the United States, the European Union ("EU") has implemented a comprehensive economic sanctions and export controls regime. In light of the size of the Group’s business in the EU and the large number of EU citizens who are Employees, included in Annex 6 is a brief summary of the EU regime.

VII. Compliance Programme Administration

The ongoing administration of the Programme will be directed by Group Legal. Group Legal will coordinate with other relevant control functions within the Group as necessary, regarding procedures, training, and other compliance issues.

VIII. 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, or directly to Group Legal through the Senior Vice President – Legal.

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.
US Sanctions Compliance Checklist

A. Transactions that do not involve SDNs

1. Does the transaction involve an Embargoed Country or Restricted Person?
   YES □ / NO □

   If yes:
   2. Does the transaction involve “US Persons” or exports of “US Origin Goods”, including:
      • anyone located in the US;
      • anyone that has a US passport or US green card;
      • any US-based banks, freight forwarders or other US-based companies;
      • any USD-denominated wire payments, cheques or card charges; or
      • any transfers to an Embargoed Country or Restricted Person of US Origin Goods.
     YES □ / NO □

   If yes:
   3. Does the transaction involve something other or more than passenger transportation and accompanying luggage?
     YES □ / NO □

   If yes:
   4. Have you obtained authorization from Group Legal for the transaction?
     YES □ / NO □

     If no, do not proceed unless and until Group Legal authorizes the transaction.

B. Transactions that involve SDNs

• Group policy prohibits the involvement of SDNs in our transactions.

• Immediately upon determining that your transaction involves an SDN, put that transaction on hold and notify Group Legal.
Annex 1
Additional instructions for US Persons employed by the Group

You are a US Person if you have a US passport or green card or are located in the United States.

If you are a US Person, do not participate in any Group business that involves Embargoed Countries or Restricted Persons, except for passenger transportation and any other transactions authorised under US Sanctions. The requirement not to participate in such business includes a prohibition on:

1. Providing any commercial advice, assistance or other support in connection with any such business;
2. Supervising, authorizing or approving any such business;
3. Participating in the re-design or restructuring of any such business;
4. Providing corporate services (e.g., accounting, logistics, contract administration, technical services) specifically to support such business;
5. Referring such business to any other person.

The US sanctions do not extend to passive awareness by US Person employees of the Group’s activities involving Embargoed Countries or Restricted Persons, as long as the US Persons do not use their awareness of such business to engage in unauthorized activity that facilitates such business.

US Persons should consult with Group Legal whenever they have questions or concerns about US sanctions requirements.

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6 Under the travel exemption, the US Sanctions do not prohibit US Persons from travelling to Crimea, Iran, Sudan and Syria or engaging in customary travel-related transactions such as hotel and restaurant expenditures. In contrast, whether inside or outside Crimea, Cuba, Iran, Sudan, and Syria, US Persons may not negotiate business deals involving those countries or facilitate trade or commerce with those countries unless authorised to do so under US Sanctions.
Annex 2
Additional instructions for non-US Persons employed by the Group

Employees who are not US Persons must not involve US Persons, exports of US Origin Goods or services, or the US financial system in Group business that involves Embargoed Countries or Restricted Persons, except for passenger transportation and any other transactions authorised under US Sanctions.

Thus, as a non-US Person involved in such business:

1. do not work on that business while you are in the United States;
2. do not ask a US Person (including a US citizen or green card holder outside the United States) to assist you with that business;
3. do not discuss that business with a US Person, except to alert them to the need for compliance with this protocol or raise a US Sanctions compliance issue;
4. do not include US Persons in e-mail chains in furtherance of such business;
5. do not attempt to involve US Persons in that business by withholding information about its connection to an Embargoed Country;
6. do not use credit or other assets provided by US Persons to finance that business; or
7. do not authorise or permit any transactions that involve SDNs.

The following are examples of actions that would violate this protocol:
- a Dubai-based employee that has a US green card authorises and/or supervises a cargo shipment to Iran;
- a UK citizen employee prepares and emails comments in furtherance of cargo business with Iran and Sudan while temporarily working from an office in the US;
- from Dubai, the same non-US employee hires a consultant in New York to advise on the promotion of cargo business with Iran and Sudan; or
- a US passport holder employed by the Group in Dubai approves a cargo inter-line agreement with Iran Air.

The following are examples of actions that would NOT violate this protocol:
- an employee in the United States sells a plane ticket to a person in Iran;
- an employee in the United States provides reservation, passenger luggage handling check in and similar services incident to passengers travelling to Iran; or
- the same employee arranges a freight delivery to Iran for a US freight forwarder after confirming that the customer has a valid export license.
Annex 3
Additional instructions for Emirates SkyCargo and related Employees

The purpose of this Annex is to assist Emirates SkyCargo and its related Employees in identifying the key compliance actions that will be required to ensure compliance with the Programme.

- Emirates SkyCargo will implement systems to screen all Emirates SkyCargo customers against lists of Restricted Persons.
- Emirates SkyCargo will not engage in transactions with or involving Mahan Air or other SDNs, including cargo shipments.
- Emirates SkyCargo will not knowingly ship, or allow customers to ship, US Origin Goods to or for any Denied Persons.
- Emirates SkyCargo will not knowingly ship, or allow customers to ship, US Export-Controlled Items to an Embargoed Country without confirmation that US Sanctions permit such shipments.
- Emirates SkyCargo will not provide door-to-door service to or from an Embargoed Country.

For all other transactions known to involve the international transfer of US Export-Controlled Items, relevant Employees should be watchful for “red flags” of potential non-compliance with US Sanctions or export controls, for example, unusual shipping arrangements, payment terms, customer designations or shipping addresses, or any other unusual facts or circumstances that could increase the likelihood that the transfer could involve a US Sanctions or export control violation.

In particular, the US Commerce Department has advised exporters, freight forwarders and others involved in exports and re-exports of US Export-Controlled Items to watch for these red flags, citing potential examples as listed below, among others:

- a transaction party’s name or address matches to a Restricted Person;
- the exporter or purchasing agent is reluctant to offer information about the intended end-use of the item;
- the product’s capabilities do not fit the buyer’s line of business;
- the item ordered is incompatible with the technology needs or technical sophistication of the country to which it is being shipped;
- the exporter’s customer is willing to pay cash (for example, for an equipment disposal) when the terms of sale would normally call for financing;
- the exporter’s customer has little or no relevant business background relative to the proposed transaction;
- the exporter’s customer is unfamiliar with the product’s performance characteristics but still wants to ship the product;
- routine installation, training, or maintenance services are declined by the customer;
- delivery dates are inexplicably vague, or deliveries are planned for out of the way destinations;
- a freight forwarding firm is listed as the product’s ultimate consignee;
- the shipping route is abnormal for the product and destination; or
- when questioned, the buyer is evasive and especially unclear about whether the purchased product is for domestic use, for export, or for re-export.

Emirates SkyCargo generally does not provide freight forwarding services and generally will not have visibility into most of these or other potential red flag indicators. However, if an Employee knows that a transaction involves a US Export-Controlled Item and observes a potential red flag, the Employee should escalate the issue to his line manager who will further escalate to Group Legal as required.
Annex 4

Additional instructions for Emirates Engineering and related Employees

The purpose of this Annex is to assist Emirates Engineering and its related Employees in identifying the key compliance actions that will be required to ensure compliance with the Programme. Accordingly, Employees working in Emirates Engineering should note that this Programme prohibits:

• re-exports to and storage of US Export-Controlled Items in Embargoed Countries without a license;

• on-site and remote on-line access of employees resident in an Embargoed Country to engineering manuals for US-Origin aircraft and other US Export-Controlled Items;

• transfer of such manuals and other US Export-Controlled Items to Restricted Persons;

• installation of US Export-Controlled Items on aircraft operated by carriers based in Embargoed Countries without a license;

• the provision of engineering services to or exchange of US-Origin spares with Mahan Air and other Restricted Persons; and

• local sourcing in an Embargoed Country of US Export-Controlled Items without confirming they arrived in country compliantly (for example, pursuant to a license)
Annex 5
Additional instructions for Finance & Procurement and related Employees

Employees working in Procurement and Group Finance should note that this Programme prohibits:

• any transactions with or involving SDNs (except those transactions covered by the travel exemption);

• USD wire payment activity relating to cargo and other non-passenger services involving Embargoed Countries and Restricted Persons, including aircraft based in an Embargoed Country;

• disposals of aircraft, aircraft tear downs, engines and aircraft spare parts to any Restricted Persons or Embargoed Country unless specifically approved in writing by Group Legal; and

• any other significant disposals without first obtaining warranties/undertakings from buyers of compliance with US Sanctions in connection with the disposal.
Annex 6
Guidance on European Union Sanctions and Export Controls

Introduction

The European Union ("EU") applies sanctions (or "restrictive measures") in relation to third countries, individuals, groups or entities as part of its Common Foreign and Security Policy. It does so either in order to implement United Nations ("UN") Security Council Resolutions; or independently of the UN, in order to implement a collective position adopted by the EU Member States.

EU sanctions are set out in Council or Commission Regulations ("EU Sanctions Regulations"), which are directly applicable in all EU Member States.

EU Sanctions Regulations are expressed to apply only to "EU Persons", namely:

- any person within the territory of the EU;
- any person inside or outside the territory of the EU who is a national of an EU Member State;
- any legal person, entity or body, inside or outside the territory of the EU, which is incorporated or constituted under the law of an EU Member State;
- any legal person, entity or body in respect of any business done in whole or in part within the EU; and
- any person on board any aircraft or any vessel under the jurisdiction of an EU Member State.

The Group is not an EU Person, save to the extent that it is conducting any business in whole or in part within the territory of the EU. However, Employees who are nationals of an EU Member State, and all Employees whilst they are within the territory of the EU, will be EU Persons.

Overview of key prohibitions under EU sanctions

EU sanctions generally target persons, entities and bodies that have been listed as targets of particular sanctions programmes ("EU Sanctions Targets"), as well as prohibiting certain activities in relation to sanctioned countries, persons or entities.

EU sanctions typically prohibit the making available, directly or indirectly, of "funds" or "economic resources" (assets of every kind (whether tangible or intangible, movable or immovable) that are not funds) to or for the benefit of EU Sanctions Targets.

EU sanctions typically require the freezing of funds or economic resources that belong to (or that are owned, held or controlled by) EU Sanctions Targets. The EU maintains a consolidated list of EU Sanctions Targets.

EU sanctions may prohibit activities related to a particular sector within a sanctioned country (for example, investment in a particular industry; or the provision of listed goods and technology for use in a particular industry).

In addition, under EU sanctions, participating in any activity which has the object or effect, directly or indirectly, of circumventing the EU’s restrictions is prohibited. EU Member States are required to prescribe effective, proportionate and dissuasive penalties for breaches of EU sanctions.

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Overview of EU export controls

The EU maintains certain EU-wide controls on the export of goods and technology from the EU, to any location outside of the EU. Those controls apply, broadly, in relation to any of the following items (meaning that, generally, such exports to any location are prohibited unless an exemption applies or a licence is in place):

• dual-use items (namely, items which can be used for either military or civilian purposes);
• items for use in capital punishment, torture, inhuman or degrading treatment or punishment; and
• military items.

Approach to compliance with EU sanctions and export controls

As reflected in Section I of this Policy:

• the Group, together with its Employees, and anyone acting on behalf of the Group or any Group company, will comply with all applicable laws and regulations. These include EU sanctions and export controls whenever they apply to our business; and
• any Group companies and operating units located in (or operating in) EU Member States must also comply with any national sanctions and export control requirements, when applicable.

For the purposes of Section IV (Screening and Filtering) of this Policy, the term “Restricted Persons” includes a person or entity that is designated as a sanctions target under the laws of any major jurisdiction in which the Group operates; accordingly, EU Sanctions Targets will, where applicable, be “Restricted Persons”.

Please see Section VI (Local Export Control Requirements) of this Policy for the compliance obligations on Group companies and teams at outstations in relation to compliance with local law requirements, which include EU export controls, where applicable.

IF YOU HAVE ANY QUESTIONS ABOUT OUR SANCTIONS COMPLIANCE POLICY AND RELATED COMPLIANCE PROCEDURES, PLEASE CONTACT SENIOR VICE PRESIDENT LEGAL.