Export & Trade Compliance Policy

Classification	Internal Only
Owner	Compliance Manager
Approver	COO
Next Review	24 Feb 2027
Issue	v4.0
Distribution	All PQShield staff
Acknowledgement required	All PQShield staff

Introduction

This document sets out PQShield's commitment to export licensing compliance and must be read in conjunction with our Guide to Export Control.

PQShield develops cryptography products, which may be controlled as dual use - meaning that they can be used for both civil and military purposes. As such, they fall under export controls in many countries.

In particular, the products are largely developed in the UK, and PQShield Ltd (UK) owns our intellectual property, thus we fall under UK jurisdiction for export control. The specific law is the Export Control Act 2002, in accordance with Export Control Order 2008 (as amended).

However, PQShield and its staff must be aware of and comply with all relevant export and trade control laws and regulations wherever we operate, including the EU Dual Use Regulation (EC Regulation No. 428/2009), and the Export Administration Regulations (EAR) administered by the US Department of Commerce.

In addition, PQShield is committed to complying with all applicable economic sanctions, including those administered by the UK, the EU, and the US.

Why Comply with Export Controls?

- It's the law.

- Penalties: civil fines for breaches can run into £ millions, and there can also be criminal penalties for individuals which can include jail time.
- The risk of damage to the company's reputation. We don't want to give prospective customers a reason not to choose us.
- It is difficult to recover from an incident of falling foul of export controls; many companies go into terminal decline as a result. For example, the government can ban the use of licences for a period of time, limiting the ability to export and sell.

Applicability

This policy applies to all direct and indirect staff, including employees, contractors and interns working for or under the control of PQShield.

Director's Statement

"Compliance with export control laws and trade regulations is of critical importance to PQShield and I greatly appreciate the effort from all PQShield colleagues to maintain the highest legal, moral and ethical standards. PQShield is committed to compliance with all applicable laws and regulations."

- **Ali El Kaafarani** - Founder, CEO & Director

Principles

Our Export & Trade Compliance Policy operates to achieve the following basic goals:

- To ensure compliance with all applicable export control, trade and sanctions laws;
- To have appropriate processes in place to manage our compliance with these laws;
- That PQShield colleagues are appropriately trained on the processes that need to be followed to ensure compliance with these laws;
- That all relevant documentation relating to the export is accurate and complete.

All staff must comply with all policies, instructions, guidelines, processes, and procedures. Each individual is ultimately responsible for following these and failure to comply may result in criminal liability. Effective export control compliance is critical to our success and aligns with our core values and standards of ethical behaviour.

Compliance & Monitoring

- Compliance with this and all other policies and procedures is mandatory;
- Any breach of policy may result in disciplinary action, up to and including dismissal.

Monitoring

Compliance with the processes and guidance contained within this policy will be highlighted through notification of any Information Security and other Governance breaches whereby an

investigation will identify non-compliance and then seek to understand and address the reasons for non-compliance.

Audit & Review

Internal Review

Compliance with this policy will be monitored through Information Security Internal Audits, and by other management checks as required.

External Review

Inspections by external auditors may be carried out from time to time.

As part of these activities, external inspectors may ask to view internal records. Supervised access to such records must be provided where requested.

Copies of records must not be retained by an inspector unless this has been specifically approved by the CEO or COO.

Policy Review

This policy will be reviewed by the CEO or their nominated delegate at regular intervals, not exceeding one year, or when business changes warrant it as part of the continual service improvement process.