



# GLOBAL SANCTIONS POLICY

## INTRODUCTION

As a company, we are committed to carrying on business in accordance with the highest ethical standards. This includes complying with all applicable trade sanctions regulations (Sanctions Laws) in the countries in which we operate.

This Policy has been developed by NWNS to help employees, contractors and customers to understand where issues related to sanctions regulations may arise and to support them in making the right decisions in line with our corporate position as stated in this Policy.

The management of NWNS is committed to complying with all laws. Any employee who violates the rules in this Policy or who permits anyone to violate those rules may be subject to appropriate disciplinary action, up to and including dismissal, and may be subject to personal civil or criminal fines.

## POLICY STATEMENT ON SANCTIONS

It is NWNS's policy to comply with all Sanctions Laws in our operations worldwide. To this end, NWNS will comply with all economic and trade sanctions applicable to our business activities.

## BOARD ENDORSEMENT

NWNS senior management will not criticize anyone for any loss of business resulting from adherence to this Policy. No employee or contractor will suffer as a consequence of bringing to the attention of senior management, in good faith, a known or suspected breach of this Policy. Also, employees and contractors will not suffer any adverse employment decision for abiding by this Policy.

## WHO IS SUBJECT TO THIS POLICY?

This Policy applies to NWNS's operations globally, including to all directors, officers, employees, contractors, and other third parties acting on behalf of the foregoing.

## WHAT'S THE RISK?

Violations of Sanctions Laws may lead to severe civil and/or criminal penalties against companies and individuals, including significant monetary fines, imprisonment, extradition, blacklisting, revocation of licenses, and disqualification of directors.



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In addition, violations of Sanctions Laws can lead to damaging practical consequences, including harm to reputation and commercial relationships, restrictions in the way we can do business, and extensive time and cost in conducting internal investigations and/or defending against government investigations and enforcement actions.

## WHAT DO WE MEAN BY SANCTIONS?

Sanctions are the regulatory restrictions applicable to dealings with certain countries/territories, governments, groups, entities, individuals, or controlled goods or services. The nature and extent of these restrictions may vary (i.e. limitations on import/export, controls on specific goods and services, restrictions on financial operations, etc.), and it is important that all NWNS employees and contractors consult with senior management to understand the business implications.

The following (status November 2020) are some examples of countries / territories and groups that have been the target of economic trade sanctions: Crimea, Cuba, Iran, North Korea, Sudan, Syria, Russia, Belarus, Burundi, the Central African Republic, Libya, South Sudan, Venezuela, Zimbabwe, narcotics traffickers, Weapons of Mass Destruction Proliferation, human rights abusers, and terrorists, among others. This list is not meant to be exhaustive.

## HOW CAN WE ENSURE COMPLIANCE WITH SANCTIONS?

All NWNS employees and contractors must be aware that potential restrictions may be related to:

- Where we do business: ensuring compliance with sanctions on restricted countries or territories.
- Who we do business with ensuring compliance with sanctions on restricted persons or entities;
- How we do business: ensuring we do not circumvent, evade, or facilitate the contravention of sanctions rules; and
- Red flags: ensuring we report any suspicions which may raise sanctions concerns.
- We've vetted our partners and contractors and have them completed a self-certification process

Note: Different countries or regions (e.g. the European Union) may impose different sanctions.

## REFERENCE TOOLS

OFAC (US Office of Foreign Asset Control): <https://sanctionssearch.ofac.treas.gov/>

European Union: <https://www.sanctionsmap.eu/#/main>

The Financial Action Task Force (FATF): [www.fatf-gafi.org](http://www.fatf-gafi.org)



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## RED FLAGS

There are a number of issues, which should cause us to conduct further investigation into whether a particular transaction or relationship may present a potential economic trade sanctions regulation issues.

NWNS employees and contractors shall look out for any red flags or suspicions that may indicate the direct or indirect involvement of a restricted territory, restricted party, controlled item, service, end-use or any other sanctions compliance concern.

Some examples of red flags to be reported include:

- The customer is reluctant to offer information or clear answers on routine commercial issues (including intended geography of sales, beneficial ownership, or locations of operation);
- The consignee has a different name or location than the customer or ultimate end user.
- The counterparty is evasive about its customers.
- Unusual invoicing, shipping, or packaging requests.
- Abnormal shipping route.
- Unusual volume requests compared to the anticipated size of the market.
- Unusually favorable payment terms or large cash payments.
- Any suspicion or evidence to suggest the possible involvement of a Restricted Territory or Restricted Party.
- Any suspicion or evidence to suggest that products to be exported, re-exported, or otherwise provided to a customer may be "dual-use" (i.e., having a potential civilian and military application)
- Any suspicion or evidence to suggest a military related end-use (e.g., military end-user).

The above is not intended to be an exhaustive list. Any suspicion of the direct or indirect involvement of a restricted territory, restricted party, controlled item, service, end-use or any other sanctions compliance concern should alert you to further investigate the activity in accordance with this Policy.



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## COMPLIANCE CONTROLS

The responsibility to provide NWNS employees and contractors with the necessary information to comply with this Policy falls with Legal, Finance, Procurement and the General Manager, as below:

### Legal and Compliance:

- Monitor economic trade sanctions regulations and update the business in case of any change.
- Determine and approve controls to be followed in specific regions or types of transaction
- Provide legal advice and guidance on specific situations on request, including on resolution of issues and follow up of red flag
- Assist the business in obtaining necessary and appropriate licenses
- Conduct periodic risk assessments in high-risk regions and monitor the processes and controls in place.
- Conduct effective training and education to relevant business functions in relation to economic trade sanctions regulations

### Finance:

- Ensure that financial transactions/operations (including contact with financial institutions, usage of certain currency, segregation of funds) are in line with economic trade sanctions regulations, by following approved processes and controls.
- Conduct due diligence checks on vendors; and
- Ensure that all licenses are obtained when required e.g. US Treasury Department Licenses (Office of Foreign Asset Control).

### Procurement:

Ensure that co-packers and suppliers are aware of the NWNS Global Sanctions Policy and monitor compliance on an ongoing basis.

### General Manager:

- Ultimate responsible for ensuring the local activities will comply with economic trade sanctions regulations, setting the right tone and providing appropriate support for compliance activities
- Ensure that all employees, contractors, and other third parties acting on the company's behalf are properly trained and comply with economic trade sanctions regulations, following approved processes for compliance with economic trade sanctions regulations.



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## EMPLOYEE RESPONSIBILITY

You have the obligation to read and follow this Policy, to understand and identify any red flags that may arise in your business activities and to escalate potential compliance concerns related to sanctions to the NWNS senior management. You should not take any actions prior to receiving advice and/or instructions.

## NON-COMPLIANCE

Any NWNS employee or contractor, who violates this Policy may be subject to appropriate disciplinary action, independently from potential other penalties resulting from their behavior.

Internal Audit shall conduct regular checks on local businesses to ensure compliance with Sanctions Laws.

## UPDATES, REVIEW AND OWNERSHIP

This Policy may be updated from time, and the updated version of the Policy will be immediately made available to the public via [www.nwns.org/legal-notices](http://www.nwns.org/legal-notices)