

Sanctions Policy

POMS-P-34 | Revision 1 | Date: 20/01/22

Table of Contents

- 1. Revision History3
- 2. Introduction.....3
- 3. Economic Sanctions and International Trade Controls3
- 4. Purpose.....4
- 5. Compliance.....4
- 6. Applicability4
- 7. The Process5
- 8. Duty to Report a Suspected Sanctions Breach (whether by an employee,
collaboration partner or agent)6
- 9. Consequences of a Sanctions Breach (whether by or involving an employee,
collaboration partner or agent)7
- 10. Responsibilities.....7
- 11. Quick References and Related Policies and Procedures7
- 12. APPENDIX 1 Letter of Acknowledgement8

Sanctions Compliance Policy

1. Revision History

Date	Version	Created by	Description of change
09.07.2019	1.0	Lisa Odegaard	Document released

2. Introduction

This policy on economic sanctions and international trade controls (the "**Policy**"), supplements P&O Maritime's Code of Business Conduct.

As in the Code of Business Conduct, throughout this Policy the terms "we", "**P&O**", "the **Company**", "**Group**", "our" and "us" refer to **P&O Maritime Logistics FZE** and/or any of its subsidiaries, affiliates and entities controlled by P&O on a contractual basis.

The Policy applies to all officers, directors, employees of P&O as well as collaboration and joint venture partners and agents acting on behalf of P&O.

This Policy sets out P&O guidelines and procedures to ensure regulatory compliance and to minimise the risk of economic sanctions and international trade control breaches.

3. Economic Sanctions and International Trade Controls

3.1 What are Economic Sanctions?

Economic Sanctions and International Trade Controls ("Sanctions") are restrictive measures imposed by national governments and multinational bodies against:

- specific countries, governments, or government related institutions; and/or
- private organizations, legal entities or natural persons

(referred to collectively as "**Restricted Parties**" or individually as a "**Restricted Party**").

The most relevant Sanctions are measures adopted, administered or enforced by the United States of America, the United Nations Security Council and the European Union (and each of its member states).

A country or a body may become a Restricted Party as a consequence of:

- violating international laws, which threaten the security of the global community; or
- violating international norms of behavior e.g. human rights violations, annexation of territories belonging to another country etc.

3.1.1 Examples of Sanctions

- importation or exportation bans on certain goods originating from, or transshipped via, Restricted Parties;
- prohibitions on supplying certain services to, or receiving certain services from, Restricted Parties; or
- prohibition from carrying out any activity involving a government, entities or persons from or being in a specific country.

4. Purpose

The purpose of this Policy is to demonstrate compliance with the requirements of the Sanctions Authorities wherever P&O operates and to ensure that no business is undertaken that would breach those Sanctions Authorities' requirements.

5. Compliance

P&O conducts business worldwide and is committed to complying with:

- All applicable Sanctions in all jurisdictions in which it operates (see Code of Business Conduct, pages 3-4); and
- Contractual obligations in contracts with counterparties, including clients and financing institutions, relevant to Sanctions.

P&O shall not conduct business in or with,

- Any country or territory that is the subject of applicable comprehensive Sanctions (for example, Cuba, Iran, North Korea, Syria, and the Crimean region of Russia); and
- Any individuals or entities who are the subject or the target of any Sanctions.

6. Applicability

Each and every employee is responsible for complying with this Policy when:

- discussing or entering into a new business relationship with a customer, supplier or another third party (including freight forwarders, advisors, consultants, financial institutions etc.);
- entering into or carrying out a transaction; or
- making or receiving a financial payment, transfer, or deposit related to a transaction.

Each and every collaboration partner and agent, acting on behalf of P&O, shall provide a written letter of acknowledgement (on company letterhead with a scanned copy sent as an

email attachment) in the format as set out in Appendix 1 to this Policy, to the P&O employee who has engaged in discussions with that collaboration partner or agent, confirming that it shall comply with this Policy. Once the letter of acknowledgement has been received by the P&O employee it shall be uploaded to Legal - Letter of Acknowledgement - All Documents (sharepoint.com).

7. The Process

7.1 Employee's Obligations

Each and every employee shall:

- Never provide to, or receive goods or services from, directly or indirectly, a Restricted Party;
- Be alert to the possibility that unusual or suspicious elements of a transaction could be indicators of a Sanctions breach. Examples include ordering goods without details of any transshipments, or the origin of goods and/or its components Cooperate fully with those responsible for conducting internal checks or reviews or compliance-related investigations within the Group.

7.2 Compliance Verification

7.2.1 Compliance Procedures

Each and every employee shall, prior to engaging in any transaction (such as issuing a purchase order, negotiating a contract or submitting a tender) with a customer, supplier or another third party, carry out a compliance verification in accordance with the following compliance procedures, referred to collectively as "Compliance Procedures" or individually as the "Compliance Procedure":

- Supplier/Third Party Due Diligence Procedure, applicable to transactions with suppliers/third parties Legal - Sanction and AML policies and procedures - All Documents (sharepoint.com); and
- Customer/Partner Due Diligence Procedure, applicable to transactions with clients or collaboration/joint venture partners (defined as "Customers") Legal - Sanction and AML policies and procedures - All Documents (sharepoint.com).

7.2.2 Main Steps of the Compliance Procedures

The Compliance Procedures include the following main steps:

- 1) The employee shall submit a Supplier/Customer Form to the Customer/supplier/third party for completion, together with a copy of this Policy, the Anti-Money Laundering Policy, the P&O Code of Business Conduct and, as well as the template letter of acknowledgement as set out in Appendix 1 (which is only applicable for agents and collaboration/joint venture partners). For a copy of the Supplier/Customer Form please refer to the relevant Compliance Procedure. Please note that certain transactions with suppliers/third parties and Customers

are exempted from a compliance verification. For a list of these types of transactions/entities, please refer to the relevant Compliance Procedure.

- 2) When the completed Supplier/Customer Form and the completed letter of acknowledgement, if applicable, is received from the relevant supplier/third party/Customer, the employee shall submit the completed Supplier/Customer Form to the Procurement/Commercial department for further evaluation and online screening in accordance with the relevant Compliance Procedure.
- 3) If Procurement/Commercial does not identify any Sanctions risk indicator, the employee shall be informed that the transaction may proceed.
- 4) If Procurement/Commercial does identify a Sanctions risk indicator, the following shall apply:
 - The employee shall be informed that further investigation is required;
 - Procurement/Commercial shall send the Supplier/Customer Form and the findings of the online screening results to the Legal Department;
 - The Legal Department shall perform further compliance verifications of the Supplier/Customer/third party by evaluating the relevant Supplier/Customer Form and the findings from the online screening and inform Procurement/Commercial and the employee whether or not the transaction may proceed.

Please refer to the relevant Compliance Procedure for a detailed step-by-step of the compliance verification required.

8. Duty to Report a Suspected Sanctions Breach (whether by an employee, collaboration partner or agent)

Notwithstanding the compliance verification performed as part of the Compliance Procedure(s), as set out in section 7.2, at all times, if an employee suspects that a coworker, agent/collaboration partner acting on behalf of P&O is acting in breach of Sanctions or the P&O Policy, the employee must report it in writing (either by email or in paper format) to the Head of Legal.

- At the following email address: E-mail: compliance@pomaritime.com;
- If the employee is not comfortable with reporting details to the Head of Legal, then the details can be reported to the Ethics Committee via the Ethics Line. The details are as follows:

Telephone: 009714 4404794, or

Email: ethics.poml@pomaritime.com, or

Mail: Letter addressed to—Ethics Committee, Almas Tower PO Box 282800, Dubai, UAE

All reports shall be dealt with in strict confidence. Vigorous and prompt investigations shall be carried out by the Head of Legal into all cases of actual or suspected breaches discovered

or reported, The Head of Legal shall decide whether the activity/transaction may continue or be prohibited. If a suspected breach is unclear, the Head of Legal shall escalate it to the Ethics Committee for further evaluation. P&O may report any known Sanctions breach or suspicious activity to the appropriate authority in a timely manner and will do so when required by applicable law.

P&O will not tolerate any retaliation against any person who in good faith reports potential compliance concerns.

9. Consequences of a Sanctions Breach (whether by or involving an employee, collaboration partner or agent)

Any breach of this Policy or Sanctions may result in disciplinary action, employment or contract termination, or legal action.

The Company may also report suspicions of illegal activity to the applicable authorities, and such authorities may prosecute suspected offenders, who, as a result, could face civil or criminal fines, penalties and/or imprisonment.

10. Responsibilities

- The Chief Executive Officer (“CEO”) is responsible for establishing and maintaining a sound internal control system that supports the achievement of the Group’s policies, aims and objectives. The system of internal controls is designed to respond to and manage i.e. the risks of sanctions breaches.
- The overall responsibility for managing this Policy has been delegated to the Head of Legal.
- Internal Audit is responsible for:
 - Auditing compliance with this Policy at regular intervals; and
 - Assisting the Company’s management in conducting any investigations related to suspicious transactions.
- Ethics Committee (comprising Head of Legal, COO and CHRO) is responsible for:
 - Reviewing any reported breach or suspected breach of Sanctions, as reported by the Head of Legal.

11. Quick References and Related Policies and Procedures

- P&O Code of Business Conduct
- Anti-Fraud Policy
- AML Policy
- Know Your Customer Procedures (Also see Customer Due Diligence Process)
- Third Party Due Diligence Procedures

APPENDIX 1

LETTER OF ACKNOWLEDGEMENT

This Letter of Acknowledgement must be reproduced on the company's official letter head

To: P&O Maritime Logistics FZE

<Date>

Dear Sir(s),

CONFIRMATION OF <company's name> (the "COMPANY") COMPLIANCE WITH THE P&O CODE OF BUSINESS CONDUCT, ANTI-MONEY LAUNDERING POLICY AND SANCTIONS POLICY (the "P&O POLICIES")

We, the Company, refer to our discussions with representatives of P&O Maritime Logistics FZE ("P&O") concerning acting as a <agent/collaboration partner/joint venture partner> to P&O.

We hereby acknowledge that we have received the P&O Policies from P&O by <email/post> and we confirm that we have read, understand and will abide by the P&O Policies at all times.

s.

SIGNED: _____

NAME: _____

DATE: _____

POSITION: _____

Note: *This letter must be signed by the authorized signatory of the company.*