



Sanctions Policy

Statement:

Sanctions compliance in Solstad means that Solstad will comply, and take reasonable steps to ensure compliance, with any applicable economic sanctions and restrictive measures (together "sanctions") as well as import and export regulations ("trade controls").

Purpose and Objectives:

Solstad will ensure that it does not conduct business:

- In countries or territories subject to comprehensive and country-wide sanctions (including e.g. restricted countries pursuant to Solstad's Geographical Risk List) or with counterparties that are located or established under the laws of such countries or territories.
- With counterparties designated on any sanctions lists if dealing with such counterparties would be a violation of sanctions.
- In any other way which could result in Solstad violating sanctions.

The purpose of this Sanctions Policy is to establish guidelines and instructions to ensure continues compliance with sanctions and trade controls and describes Solstad's expectations and requirements in this respect.

This Sanctions Policy applies globally to all employees, suppliers, customers, clients, contractors and other counterparties / business relationships.

Sanctions and Trade Controls:

Sanctions come in many forms. They can be comprehensive and country-wide, e.g. prohibitions on virtually all activities and transactions related to a country/region (trade embargo); or selective and targeted, e.g. prohibitions/restrictions on certain activities or transactions related to specific industry sectors or with specifically named individuals, entities, groups or vessels identified on any sanctions lists, using different measures to block / freeze access to assets or restrict trade.

The term trade controls refers to the laws and regulations that apply to the import and export of certain goods or technology to/from a country or territory. Trade controls are normally general in scope, and not limited to countries subject to sanctions.

Sanctions Authority means countries, international organizations or institutions imposing sanctions including, but not limited to:

- United Nations (UN).
- European Union (EU).
- Member States of the EU.
- Member States of the European Economic Area including Norway.
- United Kingdom (UK).
- United States of America (US).
- Singapore.
- Any authority acting on behalf of the foregoing in connection with sanctions, as well as any other Sanctions Authority relevant for Solstad's business operations.

Measures to ensure compliance:

Solstad will maintain effective measures to ensure continues compliance with, and awareness of, sanctions and trade controls, i.a.:

- Implement and enforce a zero tolerance culture towards breach of sanctions and trade controls.
- Regularly perform risk assessments to identify potential risks related to sanctions or trade control violations in Solstad's

business and implement mitigating measures to reduce the risk.

- Implement and maintain an updated sanctions compliance system (routines, guidelines, requirements) in Solstad Integrated Management System (SIMS).
- Perform appropriate measures to identify potential counterparties that might be targeted by sanctions, including i.a. internal and external screening, prequalification of suppliers, Know Your Customer/Client (KYC) Processes/Due Diligence and impose our Sanctions Policy on our counterparties/business relationships, taking a risk based approach.
- When and as necessary, include sanctions clauses in contracts, general terms and conditions towards suppliers and other third parties, as well as in employment contracts and general job descriptions.
- Perform regular training and awareness related to sanctions and trade controls.
- Implement red flag handling (conduct further investigation into whether a particular transaction or counterparty may present a potential sanctions risk).

As a Solstad employee:

- You shall read and comply with this Sanctions Policy, understand and identify any "red flags" that may arise in your activities and to escalate potential compliance concerns related to sanctions.
- You shall be aware that sanction compliance is both regulated by law and contractual requirements and that non-compliance can have severe consequences.
- You shall not have any business relations or dealings with any party, or otherwise conduct any transaction, which may be contrary to sanctions imposed by any relevant Sanctions Authority.
- You shall report any suspicious activities, transactions and/or business relationships which you suspect may violate sanctions imposed by Sanctions Authorities.

It is crucial that Solstad and our employees remain compliant with any relevant sanctions and trade controls. Non-compliance may result in severe civil and criminal penalties for Solstad, as well as for the persons involved in the relevant transaction.

No references