

## Sanctions policy

### **INTRODUCTION:**

Who does this apply to? The global nature of our business and because Sanctions apply across borders, this means the transactions or activities we engage in may be subject to Sanctions or other Restrictive Measures imposed by multiple governmental authorities. This includes those of the Republic of Latvia, the European Union (EU) and/or the United States (US), amongst others. Government authorities impose Restrictive Measures for a variety of national security and foreign policy reasons, either unilaterally, based on United Nations (UN) Security Council resolutions, or other multilateral policy initiatives. Failure to address the risk of violations of these measures may undermine our reputation and lead to investigations, fines and/or other penalties for the company and/or individuals. This Sanction Policy sets out Chardell International AS's approach to ensuring that we fully comply with all Sanctions, Export Controls and Trade Embargoes applicable to our business activities and that we appropriately manage associated risks.

### **WHO DOES THIS APPLY TO:**

This policy applies to all employees, directors and officers, as well as contractors under Chardell International AS's direct supervision, working for a Chardell International AS office or industrial asset directly or indirectly controlled or operated by Chardell International AS worldwide. We assert our influence over joint ventures we don't control or operate to encourage them to act in a manner consistent with the intent of this policy.

### **WHAT IS OUR COMMITMENT:**

We are committed to complying with all Sanctions imposed by the EU, the Republic of Latvia, the UN and US, even if these Sanctions do not apply to the relevant Chardell International AS entity or activity because of its place of incorporation or where it carries out its business activities. We are also committed to complying with any other Sanctions and Restrictive Measures, applicable to our business activities. We do not participate in transactions or engage in conduct designed or intended to evade or facilitate a breach of applicable Sanctions or other Restrictive Measures. We do not conduct business in, or involve any, Embargoed Territory, or Sanctions Targets, directly or indirectly. We do not engage in any sanctionable activity that could result in the designation of Chardell International AS as a Sanctions Target. We only allow deviations from these general requirements in exceptional circumstances with prior approval from Chardell International AS's management and, under all circumstances, these transactions must be compliant with applicable laws. To manage our Sanctions risk exposure and ensure compliance, we implement controls and processes including screening and due diligence on our counterparties and vessels involved in transactions into which we enter. We use a risk-based approach to determine whether they are a Sanctions Target. We also implement controls in respect of our payments, using a risk-based approach to ensure that they are consistent with the requirements of this policy.

We require employees to be alert to Sanctions risk and to report any Sanctions issues identified to Compliance. We are transparent with Chardell International AS's banks and counterparties in relation to our business.

***SANCTIONING AUTHORITY:***

Any supranational organization or any governmental authority of the US, UN, EU, Latvia or any other applicable jurisdiction that imposes Sanctions.

***TRADE EMBARGOES:***

Laws, regulations and compulsory measures enacted by any Sanctioning Authority on Embargoed Goods and Services.

***BLOCKING SANCTIONS:***

Sanctions that freeze or block assets, funds and/ or economic resources of a Sanctions Target and that prohibit making available assets, funds and/or economic resources to such Sanctions Targets, directly or indirectly.

***SANCTIONS:***

Laws, regulations or compulsory measures enacted by any Sanctioning Authority that comprise Blocking Sanctions, comprehensive and Sectoral Sanctions, and including general transaction prohibitions to prohibit or restrict doing business with or involving certain individuals, groups, entities, vessels, regimes, countries or territories. These laws, regulations and compulsory measures may directly or indirectly restrict transactions involving goods, services, payments and capital transfers, or the movement of persons. They may also include other prohibitions, as well as licensing and reporting obligations.

***CONSEQUENCES:***

Our policies support our Values and Code of Conduct and reflect what is important to us. We take breaches of our policies seriously. Depending on the severity of the breach, consequences may range from a warning to termination of employment or and commercial contracts.

Riga, 02.01.2025

CEO of the Management Board

Frederik L. Simonsen

Chairperson of the Supervisory Board

Lars L. Simonsen