

Sanction compliance policy

Jotron



Amendment record

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Table of contents

Amendment record	2
1 Introduction	4
2 Policy Applicability	4
3 Overview of Sanctions and Prohibited Conduct.....	4
3.1 Purpose	4
3.2 Definition of Sanctions and How to Comply.....	4
4 Jotron’s Principles and Measures to Comply with Sanctions, Governance	5
4.1 Key Principles	5
4.2 Measures to Comply with Sanctions and Governance.....	5
4.3 Obligations of Employees and Associated Persons	8

1 Introduction

Jotron is committed to complying with relevant economic and trade Sanctions laws (“Sanctions”) in all jurisdictions in which it operates, through identifying, mitigating, and managing the risks of Sanctions violations.

This Sanctions Compliance Policy (“Policy”) is applicable to Jotron AS, with organisation number 917 713 324, business address is Ringdalskogen 8, 3270 Larvik, Norway and all Jotron subsidiaries.

2 Policy Applicability

This Policy applies to:

- i. all employees and contracted personnel of Jotron (each an “Employee”, collectively “Employees”); and,
- ii. all natural and legal persons (and their respective employees) that perform services for or on behalf of Jotron, including without limitation, suppliers, consultants, contractors, distributors, and agents (including without limitation, sales agents/representatives) (each an “Associated Person”, collectively “Associated Persons”).

As a condition of doing business with Jotron, Jotron will require each Associated Person to accept that this Policy be incorporated into the contract.

This policy is governed by the Sales Directors and owned by the relevant Division Director.

3 Overview of Sanctions and Prohibited Conduct

3.1 Purpose

This Policy sets out Jotron’s approach to identifying and managing Sanctions-related risks, including:

- Definition of Sanctions and how to comply;
- Principles and measures that Jotron follows to comply with Sanctions legislation and to identify, mitigate and manage Sanctions risk in the jurisdictions where it operates; and,
- Obligation of Employees and Associated persons to comply with this Policy.

This Policy applies to all countries and/or jurisdictions in which Jotron operates.

3.2 Definition of Sanctions and How to Comply

Sanctions are laws and regulations enacted by governments to promote foreign policy and other objectives, including:

- limiting the adverse consequences of a situation of international concern (for example, by denying access to military or paramilitary goods, or to goods, technologies or funding that enable international terrorism or the proliferation of weapons of mass destruction);
- seeking to influence other persons or governments to modify their behaviour; and
- penalizing other persons or entities (for example, by blocking or “freezing” their assets, or denying access to international travel or to the international financial system).

Sanctions are intended to deter a range of activities, which may include political or military aggression, providing sanctuary for criminals and terrorists, cyberattacks, developing nuclear or other weapons programs, and abusing human rights.

Sanctions are implemented largely by prohibiting companies and individuals from doing business with persons, entities, countries and governments that are the targets of the Sanctions. Such restrictions can include:

- export and import bans of goods, and prohibitions on the provision of certain specified services to certain countries, territories, designated entities or individuals;

- prohibiting certain commercial activities (such as joint ventures and other investment);
- barring the transfer of funds to and from a sanctioned country;
- targeted financial Sanctions, which include freezing the assets of and prohibiting any dealings with, a government, country, or territory, and designated entities and individuals;
- travel bans; and
- other financial restrictions.

4 Jotron's Principles and Measures to Comply with Sanctions, Governance

4.1 Key Principles

The following key principles govern Jotron's approach to Sanctions and export controls. All other requirements in this document are to be read in the context of these principles. In the event of a conflict between principles and requirements, the principles will prevail.

- Jotron maintains a Sanctions policy to meet obligations under Sanctions regimes of the jurisdictions in which it operates, is registered and/or licensed.
- The Jotron Group (i.e. including all its subsidiaries), as a Norwegian company, follows the Norwegian official policy of sanctions and restrictive measures.
- Norway follows the UN Security Council and sometimes choose to align itself with the Council of EU. In very rare occasions Norway impose its own restrictive measures.
- If business is contracted through a Jotron subsidiary, the official Sanction policy of that particular country must be followed in addition to the Norwegian.

4.2 Measures to Comply with Sanctions and Governance

Before engaging in any commercial relationship or transaction, Jotron ensures that these relationships and transactions comply with applicable Norwegian sanctions laws as well as the official sanction laws of the subsidiary if contracted there. Jotron policy for all sales, regardless of value and whether contracted from HQ or a subsidiary:

- Check if the customer or end user appears on the Norwegian sanction list.
- Check if the customer or end user appears on the official sanction list in the subsidiary country if contracted there.
- If so, study the details of the country's particular restriction to determine if it is applicable to the Jotron products and services.
 - If it is considered that Jotron do not need to apply for export license present the case to Sales Director or Division Director for decision. Document in IFS why it is not applicable to Jotron if that is the case.
- Should Jotron products and services be subject to the sanctions, we must apply for export license prior to anything being shipped (proposals and/or contracts can be issued with "subject to governmental export license"). Should Jotron fail to receive export license the product and services shall not be shipped and Jotron cannot enter into or fulfil the contract.
- Contact the Jotron sales and order & delivery department, who has access to the governmental portal, and will perform the application electronically towards the Norwegian authorities.
- For the subsidiary country, the salesperson shall ensure that the needed local process is performed, and the General Manager of the subsidiary shall approve if one considers a listed sanction country not to be applicable for Jotron. This process comes in addition to the Norwegian export license process described above.

- Governance and responsibility:
 - The salesperson is responsible for following this policy and presenting the case to Sales Director / Division Director for decision.
 - Verification of each case takes place in the Contract Review meeting according to Jotron Management System (JMS) and in the Order & Delivery process for smaller non-project related orders.

The Norwegian Government keeps an updated list of countries with various restrictive measures. This can be found on (English version can be chosen. A sample list is copied in below):

<https://www.regjeringen.no/no/tema/utenrikssaker/Eksportkontroll/sanksjoner-og-tiltak1/sanksjoner-og-tiltak/id2008477/>

Current sanctions and measures (last updated June 2023)

Country/ theme	Link to Lovdata	Subject to embargo
Afghanistan/Taliban:	2013.11.08 nr 1294: (UD) Forskrift om sanksjoner mot Taliban	Yes
Al-Qaida and Isil:	1999.12.22 nr 1374: (UD) Forskrift om sanksjoner mot Isil (Da'esh) og Al-Qaida	
Burma/Myanmar:	2003.07.04 nr 0895: (UD) Forskrift om særlige tiltak mot Burma (Myanmar)	Yes
Burundi:	FOR-2016-02-05-104: (UD) Forskrift om restriktive tiltak i lys av situasjonen i Burundi	
Darfur Province in Sudan:	2006.06.02 nr 0573: (UD) Forskrift om sanksjoner mot visse grupper, militser og personer som opererer i Darfur-provinsen i Sudan	Yes
Republic of Guinea:	2014.02.09 nr 626: (UD) Forskrift om restriktive tiltak mot Republikken Guinea	
Guinea-Bissau:	2015.12.11 nr. 1434: (UD): Forskrift om restriktive tiltak vedrørende situasjonen i Guinea-Bissau	
Belarus:	2006.09.08 nr 1041: (UD) Forskrift om særlige tiltak mot Hviterusland	Yes
Iraq:	1990.08.09 nr 0635: (UD) Forskrift om gjennomføring av De forente nasjoners sikkerhetsråds resolusjoner om sanksjoner mot Irak	Yes
Iran:	2007.02.09 nr 0149: (UD) Forskrift om sanksjoner og tiltak mot Iran	Yes
Yemen:	2015.06.19 nr. 663 (UD) Forskrift om sanksjoner mot visse personer og aktører i Jemen	Yes

Democratic Republic of the Congo:	2003.10.10 nr 1221: (UD) Forskrift om sanksjoner mot ikke-statlige aktører som opererer i Den demokratiske republikken Kongo	Yes
Lebanon:	2006.09.08 nr 1040: (UD) Forskrift om sanksjoner mot ikke-statlige aktører i Libanon	Yes
Libya:	2011.03.11 nr 0265: (UD) Forskrift om sanksjoner og tiltak mot Libya	Yes
Mali:	2020.05.07 nr 0955: (UD) Forskrift om sanksjoner i lys av situasjonen i Mali	
Moldova:	2023.06.21 Forskrift om restriktive tiltak i lys av handlinger som destabiliserer Republikken Moldova	
Nicaragua:	2020.06.23 nr 1283: (UD) Forskrift om restriktive tiltak i lys av situasjonen i Nicaragua	
Nord-Korea:	2006.12.15 nr 1405: (UD) Forskrift om sanksjoner mot Nord-Korea	Yes
Russia:	2014.08.15 nr 1076: (UD) Forskrift om tiltak vedrørende Ukrainas integritet mv.	Yes
The Central African Republic:	2015.09.18 nr. 1061: (UD) Forskrift om sanksjoner og restriktive tiltak vedrørende situasjonen i Den sentralafrikanske republikk	Yes
Somalia:	1992.02.07 nr 0077: (UD) Forskrift om sanksjoner mot Somalia	Yes
Syria:	2011.09.02 nr 0902: (UD) Forskrift om særlige tiltak mot Syria	
South Sudan	2015.11.12: (UD) Forskrift om sanksjoner og restriktive tiltak i lys av situasjonen i Sør-Sudan	Yes
Tunisia:	2015.12-11 nr. 1436: (UD) Forskrift om restriktive tiltak mot visse personer i lys av situasjonen i Tunisia	
Ukraine:	2014.05.09 nr. 612 (UD) Forskrift om restriktive tiltak mot personer som anses ansvarlige for underslag av offentlige midler, samt personer som anses å ha deltatt i menneskerettighetsbrudd i Ukraina	
Venezuela:	2017.12.15.2103 (UD): Forskrift om restriktive tiltak vedrørende situasjonen i Venezuela	Yes
Zimbabwe:	2003.08.15 nr 1050: (UD) Forskrift om særlige tiltak mot Republikken Zimbabwe	Yes

Cyberattacks	Forskrift om restriktive tiltak mot cyberangrep
Human rights violations	Forskrift om restriktive tiltak mot alvorlige menneskerettsbrudd og -overgrep
Chemical weapons	Forskrift om restriktive tiltak mot spredning og bruk av kjemiske våpen

4.3 Obligations of Employees and Associated Persons

Employees and Associated Persons must read and ensure compliance with this Policy.

The relevant Jotron departments dealing with customers, suppliers and other business partners shall screen and perform due diligence on each customer, suppliers and potential business partner/counterparty. If there is any doubt the Accountable Manager must be contacted.

Failure to comply with relevant Sanctions laws would constitute a breach of legal and/or regulatory requirements, expose Jotron to significant reputational damage, legal and regulatory actions, and financial loss.

Jotron has a zero-tolerance approach to intentional violation of this Policy or applicable Sanctions regimes. If an Employee fails to comply with this Policy, then he/she may be subject to disciplinary action.