

## Sanctions Policy

**April 2021**

### 1. Purpose

1.1 Carlo Laviosa is fully committed to conducting its business in compliance with all laws and trade restrictions imposed by United Nations, United States, European Union and other national and supranational authorities and legislators (the “Sanctions”).

1.2 The Laviosa Code of Ethics provides the foundation for this policy. Carlo Laviosa’s values, honesty and respect for laws guides our business conduct and means that compliance is an integral part of Carlo Laviosa’s future success. All Carlo Laviosa employees have a role to play in safeguarding and building upon Carlo Laviosa’s reputation which is dependent on the ability to behave and act responsibly in accordance with Carlo Laviosa’s values and principles.

1.3 Guided by an interest in protecting our employees and reputation, Carlo Laviosa may go beyond what is required by the Sanctions and decide not to provide services even where it is permitted by law.

### 2. What business must not be conducted?

2.1 The following restrictions apply for undertaking business or transactions: Carlo Laviosa is not to engage in business or transactions involving:

- Any of the following countries:
  - o Cuba
  - o Iran
  - o North Korea
  - o Venezuela
  
- Any entity, individual, bank or vessel on the OFAC SDN list or EU sanctions list.

2.2 Carlo Laviosa prohibits certain business or transactions involving:

- Crimea
- Syria
- Sudan

2.3 Certain humanitarian aid shipments may be undertaken for the listed countries, but such shipments must be submitted to and have the prior written approval of the Laviosa Supervisory Board. Humanitarian shipments through WFP and the Red Cross/Red Crescent will only require prior approval if the payments are being made to or from any of these countries.

2.4 Carlo Laviosa can engage in business and transactions with the countries listed below unless there is a reason to know or suspect that the transaction might be to the benefit of an individual or entity listed on the OFAC SDN List or any similar list.

- Belarus
- Democratic Republic of the Congo
- Iraq
- Lebanon
- Libya
- Myanmar
- Russia\*
- Somalia
- South Sudan
- Yemen
- Zimbabwe

If there is any uncertainty as to the appropriateness of a transaction, both humanitarian and non-humanitarian, you should seek advice from the Carlo Laviosa Compliance Team.

\*Refers to business relating to the three areas of sanctioned activity:

- Arctic offshore oil projects
- Deepwater projects/exploration
- Shale projects/exploration

### **3. Consequences of ignoring sanctions**

3.1 Violation of the Sanctions may impact Carlo Laviosa's reputation and could result in severe criminal and civil penalties being imposed on the Carlo Laviosa entity concerned or Carlo Laviosa as a whole, as well as individual directors and employees.

3.2 It is important to keep in mind that Sanctions imposed by one country (for example, the United States), may have an effect on individuals and companies both inside and outside its borders.

3.3 Banks play a vital role in the enforcement of Sanctions. Any violation may severely damage Carlo Laviosa's banking relationships and ability to transact.

#### **4. What are your responsibilities?**

4.1 Read the Carlo Laviosa Sanctions Guidelines (the "Guidelines") which provide guidance on your responsibilities and the vetting procedures and interrupted payments procedures, which should be followed. It is the responsibility of all Carlo Laviosa employees involved in international transactions to understand this policy and the Guidelines.

4.2 Keep up to date with laws and regulations applicable to the countries in which you operate.

4.3 Think carefully about the potential impact of Sanctions before accepting business.

4.4 Know your customers – who they are, what they do, where they are based and how they will use Carlo Laviosa's services. This is important because you could become involved in a prohibited transaction without realizing it.

4.5 Do not proceed with a transaction or conduct business if you have any doubts on its propriety. We promote an open culture where if you are unsure what this policy means to a particular transaction you should seek advice from your Manager or the Laviosa Supervisory Board.