



Foreign Trade Control	 NTG  Nordic Transport Group
Policy	Effective from 1 November 2020
Comments	First edition – updated Highly Sanctioned Countries List on 14 March 2021
Approval	Audit Committee
Owner	Head of Group Legal Compliance
Annex	<ul style="list-style-type: none"> • Annex 1 - Highly Sanctioned Countries list
Replaces Standard Operating Procedure No.	N/A
Distribution list	Management of each NTG Group entity and NTG intranet

1. INTRODUCTION

The global nature of the business of NTG and all its subsidiaries (“NTG Group”) means that our transactions and operations are subject to Foreign Trade Controls (“FTC or FTCs”). FTCs are understood as national and international laws regulating:

Business transactions with certain countries, organisations, companies and individuals (‘economic sanctions’); and transfers of certain goods, technologies and software between countries (‘export controls’).

To achieve compliance, it is the responsibility of all NTG Group employees to ensure NTG Group stays in compliance with this Policy on Foreign Trade Control (the “Policy”). NTG Group employees are required to seek advice from the Head of Group Legal Compliance if they have any questions or concerns about compliance with the applicable FTC laws and regulations or this Policy.

2. PURPOSE

NTG Group is expected to comply with all applicable laws and regulations governing international trade restrictions, such as sanctions and export controls, in particular those imposed by the European Union (“EU”) and the United States of America (“US”).

This Policy sets out the measures that NTG Group follows to identify, mitigate and manage FTCs in the jurisdictions it operates in.

3. SCOPE

This Policy is applicable to all activities of all entities in NTG Group including such entities’ respective officers, directors, employees and Third Parties (as defined in section 4).

NTG Group cannot indirectly through Third Parties perform actions which it is not permitted legally to perform itself. This Policy therefore also applies to anyone acting on behalf of NTG Group, including but not limited to NTG Group representatives, consultants, agents, and brokers.

A deviation from this Policy requires the approval of NTG’s Head of Group Legal Compliance.

4. DEFINITIONS

Term	Definition
Arms embargo	Restrictions or prohibition on export of arms, military items, and dual-use items to certain countries.
Dual-Use Item(s)	Items which have an ordinary commercial use, but also have a potential other use allowing the item to be used for military, weapons-related or terror purposes or by security forces.
Economic Sanctions	Sanctions imposed by the EU and the US against a country, government, person or company that limits the possibility for trade.
Employee(s)	Officers, directors, personnel whether fixed term, permanent or probationary, trainees, volunteers, and interns.

Export Item	Export items are goods, services, software, technology, and technical data.
Export/Import	Export/import is the physical transfer of tangible goods as well as electronic transfer of data, software, and technology.
Export Controls	Rules that regulate the export of defined items.
Exporter of record	Customs term for the entity responsible for: (1) ensuring the exported goods comply with local laws and regulations, (2) filing a completed duty entry and associated documents, and (3) paying the assessed export duties and other taxes on those goods.
Foreign Trade Controls (“FTCs”)	Foreign Trade Controls are national laws and international rules regulating business transactions with certain countries, companies and persons, and the transfer of goods and services, software or technology between countries.
Highly Sanctioned Countries	Countries against which the EU and the US impose comprehensive sanctions – see Annex 1 (under continued monitoring of Group Legal and updated when required).
Importer of record	Customs term for the entity responsible for: (1) ensuring the imported goods comply with local laws and regulations, (2) filing a completed duty entry and associated documents, and (3) paying the assessed import duties and other taxes on those goods.
OFAC	Office of Foreign Assets Control of the US Department of Treasury.
Restricted Party/Parties	Organisations, entities, individuals or companies which are listed on a Sanction list.
Re-export	An export item’s subsequent transfer to a third country.
Sanction list(s)	Includes, the list of SDNs maintained by OFAC and individuals or entities designated for EU or United Nations Security Council sanctions or other sanctions imposed by individual states.
SDN	Specially Designated National (‘SDN’) designated by OFAC as Restricted Party.
Third Party	A third party is any individual not employed by the NTG Group, that provides services or engages in business activities, on behalf of the NTG Group or one of its subsidiaries.
US Person(s)	Any entity organised under the laws of the US, including foreign branch offices and subsidiaries of the US entity. Any individual who is a US citizen or permanent resident, wherever located or employed. Any person or entity physically present in the US. US Flagged vessels and non-US-flagged vessels owned/operated by a US company or companies.

5. POLICY

FTCs are complex and govern international trade, covering two principal areas: economic sanctions and export controls.

5.1. Economic sanctions

Economic Sanctions are imposed against specific countries, governments, persons and/or companies (as well as companies owned or controlled by any of the foregoing), whereby business dealings with those countries, governments, persons and/or companies are restricted or prohibited. Economic sanctions also restrict some goods and services from being exported or Re-exported.

5.1.1. EU sanctions

EU sanctions apply within the jurisdiction of the EU, that is:

- within the EU territory;
- to EU nationals, whether or not they are located in the EU;
- companies incorporated under the law of a Member State, including branches, whether or not they are in the EU;
- to any business done in whole or in part within the territory of the EU; or
- on board of aircrafts or vessels under the jurisdiction of a Member State.

NTG Group and its employees are not permitted to have commercial or financial dealings with parties subject to EU sanctions prohibiting such dealings.

5.1.2. US sanctions

The US imposes sanctions on several countries in which US Persons may not do business. The OFAC frequently modifies the list of countries and/or the degree of restrictions in place with respect to any such country. US sanctions are generally broader in scope than the EU sanctions and apply to activities:

- performed within, or undertaken from, the US (activity undertaken by persons of any nationality while in the US);
- involving US Persons wherever located (including but not limited to approval or facilitation by such US Persons);
- involving US Person organised under US law and/or their foreign branches (foreign companies that are owned or controlled by US persons or US companies also are fully subject to US sanctions);
- involving US flagged vessels;
- involving goods, services, software or technology subject to US law (i.e. US-origin items as well as foreign-made items containing more than de minimis amount of controlled US content), even if no US Person is involved in the transaction; and
- involving US currency (even if the sender and the recipient are non-US parties).

NTG Group's US companies and US employees are not permitted to have commercial or financial dealings with parties listed by the US authorities, or that are known to be owned or controlled by a Restricted Party. Other NTG Group companies may have such dealings only with the preapproval from Head of Group Legal Compliance.

5.2. Transacting with Highly Sanctioned Countries

Any new, planned or actual dealing with Highly Sanctioned Countries requires the approval of the Head of Group Legal Compliance.

Reference is made to the Highly Sanctioned Countries list in Annex 1 to this Policy.

5.3. US Persons employed by NTG Group

US sanctions prohibit US Persons from engaging, facilitating, approving or otherwise participating in commercial dealings with a Highly Sanctioned Country or a restricted person or company, including parties based in those countries and their affiliates, even if NTG Group itself may not be prohibited from engaging in the transaction. US Persons who are employees must inform their managers and consult with the Head of Group Legal Compliance if their work may involve a Restricted Party or a Highly Sanctioned Country and immediately withdraw themselves from any discussions or decisions relating to such transactions.

US Persons, who are employees, may only travel to Highly Sanctioned Countries on business with the prior approval of the Head of Group Legal Compliance.

5.4. Sanctions screening

The EU, the US and other regional, unilateral, and multilateral regulations restrict individuals and companies from conducting transactions with Restricted Parties. It is NTG Group's obligation to check if a Third Party with whom NTG Group does business is listed on a Sanction list, and if confirmed, to terminate the relationship. If, pursuant to the relevant Economic Sanction, it is lawful to transact with a Restricted Party subject to certain restrictions, the approval of the Head of Group Legal Compliance is required.

5.5. Export controls

Export Controls cover the actions required to identify items that are subject to Export and Re-export licenses when they are exported from one country to another. Exports do not only take place from NTG Group to a third party but also within NTG Group. For example, when one terminal or Road & Logistics company exports an item to another terminal or Road & Logistics company in another country.

In most cases, NTG Group does not act as Exporter or Importer of record. In the event a NTG Group entity does act as Exporter or Importer of record, i.e. as being an indirect representative (customs) for a customer, it is the responsibility of the exporting or importing NTG Group entity to assure that all required approvals are in place and that the necessary licenses are obtained.

Export controls target physical export and electronic transfers of military and Dual-Use Items.

5.5.1. Export of military and Due-Use Items

Export of military and Dual-Use Items require prior authorization from the authorities of the exporting and/or importing country. In addition to the export control rules, the economic sanctions rules can impose further restrictions on exports of dual use items.

It is the responsibility of the exporting NTG Group entity to assure all required approvals are in place and that the necessary licenses are obtained.

When NTG Group is acting as a freight forwarder, it is the party who is exporting items that must obtain required Export (or Re-export) licenses.

In the event a party who is exporting items requests NTG Group to obtain the required Export (or Re-export) licenses, prior written approval from Head of Group Legal Compliance must be obtained.

6. INTERACTION WITH REGULATORS AND AUTHORITIES

All contacts with regulators and authorities, for example, OFAC, Department of Justice and HM Treasury, in respect of sanctions or export controls must have prior written approval from Head of Group Legal Compliance.

7. REPORTING OBLIGATION AND DISCIPLINARY ACTIONS

NTG Group will not tolerate any dishonest or unlawful achievement of results by any employee, whether directly or via a Third Party. Any violation of this Policy may result in disciplinary action, including termination of employment or contract.

Any violation or suspected violation of the FTC laws and regulations or this Policy must be reported immediately to any of the following:

- NTG Group Legal;
- NTG Whistleblower System; or
- Any member of NTG Group Executive Management.

Failure to report a suspected violation constitutes a violation of the Policy.

8. RESPONSIBILITIES

Task/Department	All departments	Compliance	Management
Third party sanctions screening	S	E	
Approval for arranging Export or Re-export licenses	S	E	I
Transacting with Highly Sanctioned Countries	S	E	I

Transacting with a "Restricted Party"	S	E	I
Engaging with regulators and authorities	S	E	I

E = Department to execute; S = Supporting department (originator of the request); I = Department to be informed

Annex 1 – Highly Sanctioned Countries list

1. THE HIGHLY SANCTIONED COUNTRIES

The Highly Sanctioned Countries are the following:

1. Cuba
2. Iran
3. The territories of Crimea and Sevastopol
4. Syria
5. North Korea
6. Sudan
7. Belarus
8. Afghanistan
9. Russia
10. Venezuela
11. Separatist areas in the Ukraine

2. OTHER SANCTIONED COUNTRIES

The other sanctioned countries are not subject to comprehensive sanctions programs but other restrictions apply such as (i) sanctions listings of persons, organisations or entities, (ii) arms embargo and/or (iii) sectoral sanctions.

Note that the list of restrictions is not exhaustive, and you are encouraged to contact the Head of Group Legal Compliance if you are in doubt or have any questions.

The other sanctioned countries and their restrictive measures are the following.

	Country	Restrictive measures
1.	Armenia	<ul style="list-style-type: none"> • Arms embargo
2.	Azerbaijan	<ul style="list-style-type: none"> • Arms embargo • Risk regarding circumventing sanctions against Russia
3.	Afghanistan	<ul style="list-style-type: none"> • Arms embargo
4.	Belarus	<ul style="list-style-type: none"> • Arms embargo • Restriction on equipment used for internal repression
5.	Central African Republic	<ul style="list-style-type: none"> • Arms embargo
6.	China	<ul style="list-style-type: none"> • Arms embargo
7.	Democratic Republic of Congo	<ul style="list-style-type: none"> • Arms embargo
8.	Egypt	<ul style="list-style-type: none"> • Asset freeze
9.	Eritrea	<ul style="list-style-type: none"> • Arms embargo
10.	Georgia	<ul style="list-style-type: none"> • Risk regarding circumventing sanctions against Russia
11.	Guinea	<ul style="list-style-type: none"> • Arms embargo
12.	Iraq	<ul style="list-style-type: none"> • Arms embargo • Prohibition on Iraqi cultural property
13.	Kazakhstan	<ul style="list-style-type: none"> • Risk regarding circumventing sanctions against Russia

14.	Kyrgyzstan	<ul style="list-style-type: none"> • Risk regarding circumventing sanctions against Russia
15.	Lebanon	<ul style="list-style-type: none"> • Arms embargo
16.	Libya	<ul style="list-style-type: none"> • Arms embargo • Restriction on equipment used for internal repression
17.	Moldova	<ul style="list-style-type: none"> • Risk regarding circumventing sanctions against Russia
18.	Myanmar (Burma)	<ul style="list-style-type: none"> • Arms embargo • Restriction on equipment used for internal repression • Restriction on dual use goods and technology • Restriction on telecommunications monitoring and interception equipment, technology, and software.
19.	Russia	<ul style="list-style-type: none"> • Arms embargo • Restriction on equipment used for internal repression • Restriction on dual use goods and technology for military use • Restriction on financial transactions and services • Restriction on oil and gas exploration
20.	Somalia	<ul style="list-style-type: none"> • Arms embargo • Prohibition on charcoal
21.	South Sudan	<ul style="list-style-type: none"> • Arms embargo
22.	Turkmenistan	<ul style="list-style-type: none"> • Risk regarding circumventing sanctions against Russia
23.	Tajikistan	<ul style="list-style-type: none"> • Risk regarding circumventing sanctions against Russia
24.	Ukraine	<ul style="list-style-type: none"> • Dealings with Crimea, donetsk people's republic and luhansk people's republic are prohibited
25.	Uzbekistan	<ul style="list-style-type: none"> • Risk regarding circumventing sanctions against Russia
26.	Venezuela	<ul style="list-style-type: none"> • Arms embargo • Restriction on equipment used for internal repression • Restriction on monitoring or interception equipment, technology or software
27.	Yemen	<ul style="list-style-type: none"> • Arms embargo
28.	Zimbabwe	<ul style="list-style-type: none"> • Arms embargo • Restriction on equipment used for internal repression

<End of Document>