



Policy regarding Trade Sanctions, Embargoes and Export Controls

Responsible for policy: CEO

Adopted by the Board of Storskogen Group AB (publ)

Note: This is a summarized version of Storskogen's Trade Sanctions, Embargoes, and Export Controls Policy for external publication. For questions, please contact us at code@storskogen.com.

Table of Contents

1.	Target group and scope	3
2.	Introduction to trade sanctions, embargoes, and export controls	3
3.	Roles and responsibilities.....	3
4.	Background	3
5.	What needs to be done in order to be compliant?	3
6.	Mitigating sanctions-related risks	4
7.	Export Controls	4
7.1.	Military goods.....	4
7.2.	Dual-use items	4
7.3.	U.S. re-export rules.....	5
8.	Reporting	5
9.	Training	5
10.	Audit.....	5
11.	Consequences for employees.....	5
12.	Contact information and assistance	5

1. Target group and scope

This policy applies to Storskogen Group AB (publ) (“Storskogen”), its subsidiaries (each a “Relevant Entity” and all together the “Group”), as well as employees, managers, executive officers, and members of the board of directors (collectively referred to as “employees”) of the Relevant Entity.

2. Introduction to trade sanctions, embargoes, and export controls

The terms trade sanctions and embargoes refer to laws and regulations imposed by countries, usually to promote foreign affairs, national security, or human rights objectives. Sanctions and embargoes restrict dealings with targeted individuals, entities, and governments. Such restrictions may include general prohibitions on all dealings with the government of a targeted country and individuals or entities located, resident, or organized in that country. The restrictions could also target specifically listed persons and entities and/or specific business or financial sectors in a certain country.

In addition, the EU and its member states, the U.S., and many other countries regulate and control the export or transfer of certain sensitive products, software, and technology. Generally, such export controls depend on what the product, service or technology is used for; where it is going; who the end-user is; and what the end-use may be.

It is the policy of the Group to comply with trade sanctions laws and regulations adopted by the UN, the U.S., the UK, and the EU as well as other applicable local laws and regulations in this regard. Being compliant and following applicable rules and regulations concerning sanctions, embargoes, and export controls is important to Storskogen and the Group.

3. Roles and responsibilities

Each Relevant Entity’s CEO is responsible for the general oversight and implementation of this policy in their business. Storskogen’s CEO is responsible for the overall oversight and implementation of compliance programs in the Group. Storskogen’s responsible for regulatory compliance is responsible for the framework outlined in this policy.

4. Background

The requirements contained in this policy are based on external requirements as well as a performed high-level risk assessment of all business units in the Group regarding their exposure to countries and sectors associated with increased trade sanctions and export control related risks. The identified risks have been considered in the development of this policy.

5. What needs to be done in order to be compliant?

Good knowledge of one’s customers, suppliers, end-customers and other business partners is key when it comes to compliance with sanctions. The involved employees in the Relevant Entity are therefore expected to have such knowledge, always.

Involved employees of the Relevant Entity must understand what sanctions, embargoes and export control risks that are presented by conducting operations in various countries or dealing with individuals and entities in those countries. This includes being able to identify what countries are involved in proposed operations or transactions in order to be able to assess to what extent such operations or transactions involve sanctions-related risks.

The measures that need to be taken by each Relevant Entity depend on the nature of its business operations and the countries and individuals it is exposed to in the course of its business. This includes performing the required compliance activities for new counterparties as well as in cases where there is reason to believe that there are changes in relation to existing counterparties which may trigger a change in assessment.

Required compliance activities include establishing location and ownership of the trade partner, performing know-your-customer activities and, if necessary, perform screening against sanctions lists. Depending on the trade partner, the extent of the required compliance activities varies.

6. Mitigating sanctions-related risks

To mitigate sanctions-related risks, employees should seek guarantees from counterparties and include relevant clauses in contracts. Specific terms should be added to standard agreements when applicable.

7. Export Controls

Apart from trade sanctions, many jurisdictions have export control rules that limit the right to export certain products (including software), material, and technology from that country. These regulations mainly place restrictions on the export of military goods and dual-use items (i.e., items that have both a civilian and military application), but in some cases apply more broadly.

Being compliant with the export controls requirements is important to Storskogen and the Group.

7.1. Military goods

Weapons and other defence-related items, usually referred to as military goods, are especially sensitive and strictly regulated. No Relevant Entity may participate in projects or sales relating to military goods without explicit written approval from Storskogen's person responsible for regulatory compliance.

7.2. Dual-use items

Many countries control trade in "dual-use" items. These are specifically listed goods, technology or software that have both ordinary commercial (civil) applications as well as potentially having military applications.

It should be noted that items that have dual-use application may be controlled even if they are not listed in the relevant regulation.

To ensure compliance with all applicable export controls, an export or transfer of controlled dual-use items is only allowed when the intended destination, end-user and end-use of the product, service or technology is known to the Relevant Entity, and (ii) the Relevant Entity can prove that it has all relevant export authorizations in place.

7.3. U.S. re-export rules

Products manufactured in the U.S. (of U.S. origin) are always subject to these laws; re-exports may require a U.S. export license. Moreover, goods produced outside the U.S., but which contain more than a certain de minimis value of U.S. origin content, are subject to export restrictions in the EAR. Such products may not be re-exported without a U.S. export license.

8. Reporting

Employees must report suspected violations of trade sanctions or export controls to their line manager or through Storskogen's whistleblower function: <https://report.whistleb.com/storskogen>.

9. Training

Both Storskogen and the Relevant Entity shall ensure that adequate training is provided for employees and that such training is consistent with the Relevant Entity's risk profile and adjusted to the relevant employees' assignments and responsibilities.

10. Audit

The auditor is, where applicable and relevant, responsible for conducting objective, comprehensive audits of Storskogen and its compliance program on a periodic basis in light of the Group's specific areas of operations, geographic locations, and legal obligations.

11. Consequences for employees

Employees who violate trade sanctions may be subject to disciplinary action, up to and including termination of employment. No employee who, after consultation with appropriate personnel at the Relevant Entity, refrains from entering into a transaction because of concerns regarding trade sanctions will be adversely affected as a result.

12. Contact information and assistance

For assistance, contact the sanctions compliance officer in the Relevant Entity or Storskogen's person responsible for regulatory compliance.