

BUFAB GROUP POLICY

Sanctions and Export Control

BUFAB

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1. Background and purpose

This Sanctions and Export Policy ensures that all international trade and export activities conducted by Bufab comply with relevant national and international regulations concerning sanctions, export controls, and anti-terrorism measures.

The policy is designed to prevent exporting or re-exporting goods, services, or technology to prohibited countries, entities, or individuals. Additionally, it aims to safeguard the company from the legal, financial, and reputational risks associated with violations of these laws.

Bufab is committed to complying with sanctions and export control laws established by governments, including, but not limited to, the United States Department of Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of Commerce, the European Union, and the United Nations, as well as any applicable regional or national laws in countries where we operate.

2. Audience

This policy applies to all Bufab employees, contractors, and affiliates involved in international trade and the export or re-export of goods, services, and technologies. It is also applicable to external business partners, intermediaries, and any third parties acting on behalf of the company in cross-border transactions.

3. Policy statement

Bufab prohibits transactions violating national and international sanctions laws or export control regulations. These include, but are not limited to:

- **Sanctioned Countries and Regions:** Transactions, including the export of goods, services, or technologies to countries or regions subject to comprehensive sanctions (e.g., Iran, North Korea, Crimea, Syria, Cuba) are prohibited unless expressly authorised by the relevant authorities.
- **Sanctioned Parties:** Any Bufab company shall not engage in transactions with entities, organisations, or individuals identified on sanctions lists (e.g., the U.S. Office of Foreign Assets Control's Specially Designated Nationals (SDN) list, EU Consolidated List of Sanctions).
- **Export Control Compliance:** Bufab will ensure compliance with all applicable export control regulations, including U.S. Export Administration Regulations (EAR) and International Traffic in Arms Regulations (ITAR), when exporting or re-exporting sensitive or controlled items, services, and technologies.
- **Due Diligence and Screening:** Before any transaction, all customers, vendors, and other business partners will be screened against relevant sanctions lists to ensure no prohibited parties are involved.
- **Prohibited Activities:** Bufab shall not engage in, support, or facilitate any transactions that may be used for illicit activities, including terrorism, money laundering, or the proliferation of weapons of mass destruction.
- **Export Licensing:** No export, re-export, or transfer of goods or technologies shall be conducted without the proper licensing and authorisation from relevant authorities, where applicable.

This policy is a critical element of the company's commitment to ethical and legal business practices, and violations can result in disciplinary actions, including termination, as well as legal consequences.

4. Roles and responsibilities

The Group Sustainability Director is the owner of this policy and is responsible for overseeing the implementation and enforcement of the sanctions and export policy. This includes ensuring that appropriate screening and due diligence procedures are followed and that Sustainability Coordinators are trained.

The policy shall be reviewed and updated, when necessary, by Bufab's board of directors on an annual basis.

It is the responsibility of the MD of each company to ensure that this policy is carried out to all affected employees or persons acting on behalf of the company. It is also the MD's responsibility to ensure that the policy is implemented effectively and consistently in the company. The MD will also review the policy annually to ensure it complies with updated regulations and laws.

All employees engaged in international transactions must understand and comply with the sanctions and export controls outlined in this policy. Employees are expected to report suspicious or potentially non-compliant activities to the Sustainability Director for investigation.

The CEO is responsible for annually updating the board of directors on the adherence to the policy.

5. Exceptions

This policy does not allow exceptions. Any need for exceptions must be clearly defined and documented. The Bufab Board of Directors shall approve all exceptions.

6. Monitoring and compliance

- **Internal Audits:** Bufab will conduct regular internal audits to ensure compliance with this policy. Audits will assess whether employees adhere to sanctions and export control requirements and whether unauthorised or suspicious activities occur.
- **Training and Education:** Regular training will be provided to employees and relevant stakeholders to ensure they know the latest sanctions and export regulations. This training will be mandatory for all employees involved in international trade, procurement, and related activities.
- **Ongoing Monitoring:** Bufab will continuously monitor for changes to relevant sanctions lists, export control regulations, or government policies. Any changes will be promptly incorporated into internal processes and communicated to affected employees.
- **Reporting Non-Compliance:** Employees must report any suspected violations of this policy to the Sustainability Director. Any such reports will be investigated promptly and thoroughly.
- **Disciplinary Actions:** Violations of this policy may result in disciplinary action, including termination, and potential legal consequences, such as fines or sanctions.

7. Bufab Best Practices

Management review ensures that the Sanctions and Export Control Policy is integrated into all related processes and operations.

8. References to associated documents

Apart from this Sanctions and Export Control Policy, Bufab has several related group-wide policy documents, which can be found at SolutioNet / Our Way of working:

- Bufab Group Code of Conduct
- Bufab Group Sustainable Procurement policy
- Bufab Group Supplier Code of Conduct

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Other associated documents:

- U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) Sanctions List
- U.S. Export Administration Regulations (EAR)
- International Traffic in Arms Regulations (ITAR)
- European Union Sanctions and Export Control Regulations
- United Nations Sanctions



Erik Lundén
CEO Bufab Group



Carina Lööf
Group Sustainability & Sourcing
Director

Sanctions and Export Control

9. Yearly updates

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