

SC Group Sanctions Policy Statement

Standard Chartered, including its subsidiaries and affiliates (the “Group”), is firmly committed to complying with all applicable economic sanctions laws that are legally binding upon the Group and its businesses.

Any breach of sanctions may have a serious impact on our reputation, franchise, regulatory relationships and could impair the Group’s ability to provide products and services to clients. The Group has therefore established a sanctions policy that may be more stringent than what is permitted by law and regulation.

The Group adopts a policy of not entering into any transaction that either directly or indirectly involves or is for the benefit of any Sanctioned Parties, even where this would be legally permitted. For these purposes, **Sanctioned Parties** are defined as:

- (a) parties that any one or more of the United Kingdom (UK), the European Union (EU), the United States (US) or the United Nations (UN) has listed as the target or subject of sanctions; or
- (b) parties which are 50% or more owned (individually or in aggregate) by, or otherwise controlled by, any party described in (a) above; or
- (c) parties which have been internally identified as presenting an unacceptable level of sanctions risk to the Group.

The Group also prohibits and will not facilitate activity with certain governments or parties within certain geographies that are targeted under the sanctions programs of the UK, EU, US, or UN. The Group neither maintains a presence in these sanctioned geographies nor is it the target of these sanctions programs. As these are a direct consequence of international relations, the Group’s sanctions policy and specific prohibitions change from time to time. Current prohibitions include the following:

- (a) **Cuba** – The Group does not undertake any transaction that has any US nexus (e.g. involving USD, US persons, US goods, etc), involving Cuba, any party in Cuba, or the Government of Cuba and its agencies and instrumentalities wherever located; except in very limited circumstances where permitted by an applicable US regulation or Office of Foreign Assets Control (OFAC) licence and approved in strict accordance with the Group’s policy and standards;
- (b) **Iran** – The Group does not undertake any transaction involving Iran, any party in Iran, or the Government of Iran and its agencies and instrumentalities wherever located;
- (c) **North Korea** – The Group does not undertake any transaction involving North Korea, any party in North Korea, or the Government of North Korea and its agencies and instrumentalities wherever located; except in very limited circumstances where permitted by an applicable UK, EU, US, and UN regulation or license and approved in strict accordance with the Group’s policy and standards;
- (d) **Syria** – The Group does not undertake any transaction involving Syria, any party in Syria, or the Government of Syria and its agencies and instrumentalities wherever located; except in very limited circumstances where permitted by an applicable UK, EU, US, and UN regulation or licence and approved in strict accordance with the Group’s policy and standards;
- (e) **Crimea & Sevastopol** – The Group does not undertake any transaction involving Crimea and Sevastopol or any party in Crimea and Sevastopol; except in very limited circumstances

where permitted by an applicable UK, EU, US, and UN regulation or licence and approved in strict accordance with the Group's policy and standards;

- (f) **Russia** – The Group does not undertake any transaction involving:
- i. the Russian military, intelligence services, or related to defence equipment, or any Russian government entity connected with the foregoing.
 - ii. investments that directly and significantly enhances the ability of Russia to construct energy export pipeline projects; the sale, lease, or provision of goods or services to Russia that directly and significantly facilitate the expansion, construction, or modernization of energy export pipelines by Russia; or the sale, supply, transfer or export, directly or indirectly, to Russia or for use in Russia of technologies used in the oil exploration/exploitation in Arctic, deep water or hydraulic shale projects.
 - iii. any entity (including its subsidiaries) targeted by the UK, EU, or US for “Sectoral Sanctions” where the transaction falls within the scope of the specifically prohibited activity. This currently includes:
 - 1. the direct or indirect provision, exportation, or re-exportation of goods and/or services, or technology in support of exploration or production for deepwater, arctic offshore, or shale projects, that have the potential to produce oil;
 - 2. debt or equity issued, made or provided on or after the date upon which the entity subject to Sectoral Sanctions was targeted for the sanction, including the provision of services in support of the foregoing; and
 - 3. letters of credit in which the entity subject to Sectoral Sanctions is the issuing or applicant bank.
 - iv. investments in privatization of Russian state-owned assets.
 - v. the following activities with the Russian Sovereign (i.e. any Russian ministry, agency, or sovereign fund):
 - 1. participation in the primary market for non-ruble denominated bonds issued by the Russian Sovereign; and
 - 2. lending non-ruble denominated funds to the Russian Sovereign.
- (g) **Venezuela** – The Group does not undertake any transaction related to the provision of financing for and any other dealings involving the Venezuelan military or the Venezuelan Government, including its property, or entities owned or controlled by the Venezuelan Government. These prohibitions also extend to all Venezuelan state-owned entities, including Petróleos de Venezuela S.A. and the Central Bank of Venezuela. The Group may, however, consider undertaking transactions that have been permitted by an applicable UK, EU, US, and UN regulation or licence.

The Group may change the prohibitions described here without notice at any time. If you have any queries in relation to the Group's policy position in relation to Sanctions, please contact your Relationship Manager.