

Policy

for managing economic sanctions, money laundering, financing of terrorism and corruption

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Background

Vasakronan AB (publ) and its subsidiaries ("Vasakronan") conduct comprehensive operations with some level of risk exposure, in addition to owning property of very significant value. The company must regularly take measures to minimise risk in accordance with the guidelines for risk management established by the Board.

This policy has been adopted in order to regulate how Vasakronan manages risks arising from economic sanctions levied against customers, suppliers or other contracting parties in addition to counteracting money laundering, the financing of terrorism and corruption. The policy has been approved by the CEO and encompasses all Vasakronan employees.



Economic sanctions

All operations at Vasakronan are to be conducted in accordance with applicable laws and regulations on sanctions. This includes sanctions issued by the European Union or any of its member states, (ii) the European Economic Area or any of its member states, (iii) the UN Security Council, (iv) the UK and (v) the US government or any US authorities, including the Office of Foreign Assets Control (collectively "Sanctions").

Vasakronan is not to do business, directly or indirectly, with any party covered by the sanctions described above.

Anyone who deliberately violates prohibitions issued by the government to implement sanctions risks fines or imprisonment.

Every unit is to ensure that agreements entered into on behalf of Vasakronan include relevant provisions regarding sanctions.

Money laundering, financing of terrorism and corruption

Vasakronan is not subject to the obligations in the Act on Measures against Money Laundering and Terrorist Financing (2017:630). Nonetheless, Vasakronan is not to in any way participate in money laundering. Relevant measures are to be taken if Vasakronan becomes aware that a contracting party or other stakeholder is guilty of money laundering, and/or financing terrorism or corruption.

Vasakronan depends on its employees and other individuals associated with the company to ensure that the highest possible standard for ethical behaviour is maintained in all business transactions. Employees and other individuals associated with the company are encouraged to be proactive and vigilant when it comes to preventing, detecting and reporting money laundering.

As a rule, Vasakronan does not directly or indirectly make or receive cash payments. Vasakronan is to be vigilant and act in response to irregular, unusual or unexpected payments and invoices, for example



requests for payments to offshore accounts or “tax havens,” splitting payments into several smaller part payments or payments to banks in third countries without legitimate reasons. Incoming/outgoing payments from/to unknown third parties that are not a third party with an established business relationship, or payments for unknown or vague purposes, are not permitted.

Follow up and control

Risk assessments, including customer and supplier risk classification, must be conducted and relevant measures taken when necessary. All measures and assessments are to be documented.

Vasakronan will investigate alleged or suspected violations of this policy. We all have a responsibility to help detect, prevent and report cases of sanctions or money laundering.

If a violation or suspected violations is reported, we will act as quickly as possible to evaluate the situation and take relevant measures.

The policy is to be reviewed annually.

Allocation of responsibilities

The CEO decides on the overall direction and contents of the policy.

The Chief Legal Officer is responsible for proposing updates to the policy as needed, as well as for ensuring that contract templates include tools for managing sanctions issues.