



Group Sanctions Policy

Adopted by the Board on 10 November 2011
(Amended September 2025)

1. Summary of policy

Dyno Nobel strictly prohibits the making of any payment or engagement in any transaction that is in breach of any law or regulatory requirement relating to the implementation of sanctions against any country, individual or entity, that has been imposed by the United Nations or by any country with or in which Dyno Nobel does business, or which otherwise apply to Dyno Nobel directors, officers and employees (**Sanctions Laws**).

Dyno Nobel faces sanctions risks arising from certain geographic areas in which it operates, and the nature of its business, and has adopted controls responsive to such risks. This document summarises relevant Sanctions Laws, and sets out Dyno Nobel's policy on sanctions and identifies key sanctions controls Dyno Nobel has adopted.

2. Who does this policy apply to?

This policy applies to:

- Dyno Nobel Limited and each of its owned and controlled subsidiaries, partnerships and ventures (collectively, **Dyno Nobel**);
- all directors, officers and employees of Dyno Nobel; and
- the following third parties:
 - **Agents** – being individuals and entities with legal authority to act on Dyno Nobel's behalf;
 - **Intermediaries** – being individuals and entities that otherwise represent Dyno Nobel, including in facilitating sales (for example, Licensed Explosive Companies);
 - **Distributors** - being individuals and entities that sell Dyno Nobel's goods or services on Dyno Nobel's behalf (but, for the avoidance of doubt, Distributors do not include resellers of Dyno Nobel's products who resell those products on their own account); and
 - other suppliers, contractors and third parties that directly or indirectly represent or act on behalf of Dyno Nobel.

The policy applies where these persons or entities engage in any **international trade** on behalf of Dyno Nobel.

All of these persons and entities are expected to comply with this policy and conduct their activities on behalf of Dyno Nobel accordingly. Dyno Nobel's management must positively promote the policy by personal example, by giving clear and unambiguous guidance and assistance on its operation, and by ensuring that it is communicated and understood by all Dyno Nobel employees, directors, officers, and by all suppliers, contractors and other third parties who act for or on behalf of Dyno Nobel.

3. How sanctions Laws work

Sanctions Laws have been enacted by a number of the countries in which Dyno Nobel has operations and/or engages in trading activities.

In general, Sanctions Laws prohibit certain conduct when it occurs in connection with:

- designated countries, for instance, trading in certain goods and services in connection with a sanctioned country, or engaging with certain sectors of a sanctioned country's economy; and/or
- designated individuals or entities, for instance, providing any funds, financial assets or economic resources to a terrorist organisation or to specifically designated individuals or entities.

Some countries treat individuals or entities that own or control sanctioned entities as if they themselves were sanctioned.

Sanctions Laws formerly targeted rogue state behaviour. However, Sanctions Laws are increasingly targeting transnational actors (like international criminal and terrorist organisations) and transnational issues (like corruption, cybercrime and human rights abuses). Consequently, sanctions risk may materialise anywhere in the world.

Sanctions Laws have extraterritorial reach. For example, under Australian Sanctions Laws, any Australian citizen or Australian company may be found liable in Australia for any prohibited activity that occurs in any country outside Australia.

The same or substantially similar principles apply in relation to Sanctions Laws in other countries where Dyno Nobel operates.

This means that Dyno Nobel and/or any of its directors, officers or employees or any third parties acting on behalf of Dyno Nobel may be found liable in the country where the offending conduct occurs or in their home jurisdiction.

Sanctions Laws may also prohibit the facilitation of activity by third parties in connection with a designated country, as well as the structuring of transactions to evade otherwise applicable controls.

Where a breach of a Sanctions Law occurs, this may result in a breach of various other laws that are addressed by Dyno Nobel's Group Anti-Bribery Policy, including anti-money laundering and false and misleading record keeping laws.

4. Prohibition on activity that breaches Sanctions Laws

Dyno Nobel prohibits conduct that is in breach of Sanctions Laws. This includes:

- the providing or receiving any payment, other benefit, good or service, directly or indirectly, to or from any individual or entity that is subject to a Sanctions Law;
- any activity in connection with a designated country, where that activity is prohibited by a Sanctions Law;
- encouraging, permitting or otherwise allowing any person or entity acting on behalf of Dyno Nobel to engage in any conduct that is prohibited by a Sanctions Law; and
- any measures intended to circumvent prohibitions imposed under a Sanctions Law.

5. Application of this policy to third parties

Dyno Nobel engages with third parties in a range of circumstances, particularly in its trading activities and across the activities of its supply chain, including the procurement of goods and services.

Third parties that have actual or apparent authority to represent or act on behalf of Dyno Nobel present significant risks, because Dyno Nobel may be liable under sanctions or other laws for their improper actions. These third parties are collectively referred to as **Business Associates**, and are Agents, Intermediaries and Distributors (as defined in Part 2 above).

Other third parties that do not have actual or apparent authority to act on behalf of Dyno Nobel but are located or will perform activities outside Australia (**Other Third Parties**) (for example, foreign suppliers and customers) may nonetheless present sanctions risks because Dyno Nobel may contravene sanctions laws by engaging with them.

Dyno Nobel prohibits engaging or continuing to engage with a Business Associate or Other Third Party where it is expected or likely that the nature of the engagement may breach Sanctions Laws.

Before a Business Unit engages with a Business Associate or Other Third Party, it must take the following steps. You should contact the Legal Team if you have trouble accessing any of the following websites.

Step 1: The Business Unit must assess if the transaction or Business Associate or Other Third Party in question is connected to any of the countries on the designated country lists at the following websites:

- **Australia:** <https://www.dfat.gov.au/international-relations/security/sanctions/sanctions-regimes>
- **European Union:** <https://sanctionsmap.eu/#/main>
- **United Kingdom:** <https://www.gov.uk/government/collections/financial-sanctions-regime-specific-consolidated-lists-and-releases>
- **USA:** <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information>

Step 2: The Business Unit must assess if the Business Associate or Other Third Party, or individuals or entities that own or control the Business Associate or Other Third Party, are designated on any of the following websites as subject to a Sanctions Law.

- **Australia:** <https://www.dfat.gov.au/international-relations/security/sanctions/consolidated-list>
- **European Union:** https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures_en
- **United Kingdom:** <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets>
- **USA:** <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-list-search-tool>

In conducting these checks, you:

- should look for close hits, as names might be spelt or transliterated in multiple ways;

- may need to investigate or request information as to a Business Associate or Other Third Party's ownership structure;
- may rely on an online third party due diligence tool approved by the Legal Team (e.g., Dow Jones RiskCenter); and
- should contact Legal if you are unable to determine who owns or controls a Business Associate or Other Third Party.

Step 3: If one of the countries listed or a designated individual or entity is or may be involved in the transaction in question, the Business Unit must **immediately inform the Legal Team**, and the Legal Team:

- may require it to conduct further due diligence;
- must determine if it is appropriate for the Business Unit to engage with the Business Associate or Other Third Party; and
- must authorise any contract with the Business Associate or Other Third Party before execution.

Whether or not issues of concern are identified in the course of sanctions checks, if a Business Unit proposes entering into a contract with a Business Associate or Other Third Party that is located or will perform activities outside Australia (excluding customers for which the sanctions checks required by this policy have been conducted), the Business Unit must:

- include terms that seek to mitigate the risks addressed in this policy in the contract, which must reflect Dyno Nobel's Standard Sanctions Terms unless the Legal Team has approved a different approach; and
- provide a copy of this Sanctions Policy to the Business Associate or Other Third Party.

Step 4: A **record must be kept** of the fact that all new Business Associates and Other Third Parties have been screened in accordance with the Sanctions Policy and where applicable a copy of the Sanctions Policy has been provided.

During the course of an ongoing business relationship, Dyno Nobel must **reconfirm on an annual basis, or if there is a material change to relevant Sanctions Laws**, that the Business Associate or Other Third Party and its owners and controllers have not been added to any of the sanctions lists identified at step 2 above.

Dyno Nobel employees that oversee relationships with Business Associates or Other Third Parties must **maintain oversight of their work** (including, where appropriate, receiving progress reports, reviewing invoices and other documentation etc.) to confirm the legitimacy of work conducted.

6. Application of this policy to joint ventures

Dyno Nobel is involved in joint ventures and partnerships in many countries.

Dyno Nobel is committed to the prevention of improper financial or other conduct in any **joint venture that it controls** through its ownership, management or board involvement. Any joint venture that is controlled by Dyno Nobel must comply with this policy.

Dyno Nobel is also committed to working to minimise the possibility of improper conduct in connection with those **joint ventures where it is involved but does not exercise control**. Dyno Nobel will make best efforts to require that any such joint venture complies with the standards set out in this policy.

Dyno Nobel directors, officers or employees that are board members or are otherwise involved in the operations of joint venture partners must pay particular attention to signs of dealings with a sanctioned country, voicing objections where appropriate and reporting evidence of actual or possible conduct in breach of Sanctions Laws to the Legal Team.

Dyno Nobel's joint venture **due diligence investigations and records of those investigations** must include a review of past or known conduct or relationships of the proposed joint venture partner that are prohibited by any Sanctions Laws.

Dyno Nobel must include terms that seek to mitigate the risks addressed by this policy in all **contracts with proposed joint venture partners**, and such contracts must be authorised by the Legal Team before execution. Dyno Nobel's Standard Terms have been developed primarily for use in relation to Business Associates, and may be used as a guide in relation to joint ventures, however the Legal Team may approve alternate terms.

7. Mergers and acquisitions

Dyno Nobel must conduct and keep detailed records of **due diligence investigations** on any proposed merger or acquisition target prior to entering into contractual arrangements with the entity concerned. A due diligence investigation should include a review of past and current conduct for compliance with Sanctions Laws, and consideration of whether existing business relationships of the target company would pose potential compliance issues in the future.

8. Consequences of breaching the Sanctions Laws

Penalties for breaches of the Sanctions Laws may include imprisonment and the payment of significant fines (by Dyno Nobel, its directors, officers and employees), depending on the jurisdiction.

Conscious disregard, deliberate ignorance, and wilful blindness will not avoid liability in relation to any of the matters set out in this policy.

Failure to observe this policy will also lead to disciplinary action by Dyno Nobel, which may include termination of employment.

9. Confidential reporting and investigation

Dyno Nobel recognises the value and importance of its directors, officers or employees reporting identified or suspected instances of improper conduct and strongly supports such disclosures and reports.

All persons should remain alert to any instances of directors, officers, employees, subsidiaries or joint venture partners, agents, suppliers, distributors or other contractors attempting to engage, or engaging in conduct that does not meet the standards of behaviour required under this policy. Reports concerning possible instances of improper practices should be made in accordance with Dyno Nobel's Group Whistleblower Protection Policy.

Dyno Nobel will take all available steps to provide protection to persons who make such reports from any victimisation or detrimental action in reprisal for the making of a report, and subsequent investigations will be conducted in accordance with the principles set out in Dyno Nobel's Group Whistleblower Protection Policy.

10. Training

Employees identified by the Legal Team as being involved in international transactions are expected to undertake live training periodically. Training is a fundamental component of Dyno Nobel's sanctions compliance procedures, and Dyno Nobel expects all directors, officers and employees to comply with their training requirements.

11. Monitoring and review

Dyno Nobel recognises the value and importance of continuous improvement and will review the operation of this policy every 3 years or if there is a material change in its business (for example, due to entry into new regions or completion of material new acquisitions), whichever occurs first.

12. Further advice

A copy of this policy is available on Dyno Nobel's intranet site.

If you do not understand this policy, or if you are uncertain as to whether any aspect of this policy applies to you, please contact a Vice President of your Business Unit or the Legal Team.