



SANCTIONS COMPLIANCE POLICY

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CONTENTS

- 1. Introduction**
- 2. Sanctions Laws**
- 3. Export Controls**
- 4. Company Procedure for Compliance with Trade Control Laws**
- 5. Policy Violations**
- 6. Policy Ownership and Review**

From the President / CEO:

SATS Ltd. ("**SATS**") is committed to full compliance with all applicable laws, regulations, and orders ("**Laws**"), including (1) economic and trade sanctions Laws ("**Sanctions Laws**"), and (2) export control Laws ("**Export Controls**"). This includes, as applicable to SATS' business, the Sanctions Laws and Export Controls of Singapore, the United Nations, the United States, the European Union, the United Kingdom, and any other jurisdiction in which we operate.

This Sanctions Compliance Policy (the "**Policy**") is designed to help SATS directors, officers, employees, and third parties acting on SATS' behalf understand their responsibilities under applicable Sanctions Laws and Export Controls, and to avoid any violations or actions that may potentially circumvent Sanction Laws or contravene the spirit of such Laws. These are the minimum standards by which SATS and its subsidiaries must comply. As such, it is SATS' policy to **prohibit** and **restrict** the following dealings and activities:

- Dealings involving persons or entities that are designated on restricted party lists and official sanctions lists under Sanctions Laws, or entities owned 50% or greater or otherwise controlled by such persons and entities;
- Dealings with countries or territories subject to comprehensive Sanctions Laws, or with persons residing in or operating from such countries or territories, whether directly or in directly;
- Specified dealings with other countries subject to Sanctions Laws;
- Transactions prohibited by Sanctions Laws that may potentially impact our reputation; and
- Dealings with restricted persons, entities, or countries without the required licenses under Export Controls.

Compliance with Sanctions Laws and Export Controls is important for SATS' operations and reputation, and for you. Violations could result in fines and prison sentences for individuals, significant monetary penalties and operational sanctions for SATS, and reputational damage.

I encourage you to contact SATS' Ethics & Compliance team or the Chief Legal Officer with questions about the Policy or how its provisions apply to you.

Thank you for your efforts in supporting SATS' commitment to compliance.

Sincerely,

Kerry Mok

President and CEO

3 April 2024



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1. Introduction

1.1 SATS Ltd. and SATS Group (collectively, the “**Company**”) and its management are committed to conducting all aspects of the Company’s business in keeping with the highest legal and ethical standards and expect all employees and other persons acting for or on their behalf to uphold this commitment. In connection with this commitment, the Company has adopted this Policy, which addresses requirements under applicable laws, regulations, and orders (“**Laws**”), including (1) economic and trade sanctions Laws (“**Sanctions Laws**”), and (2) export control Laws (“**Export Controls**”). This Policy applies to all SATS Personnel¹ and should be read in connection with other Company policies and procedures.

For the purposes of this Policy, “**SATS Group**” shall mean SATS Ltd and entities in which SATS Ltd directly or indirectly holds:

- (i) more than 50% shareholding; or
- (ii) 20% to 50% shareholding and where SATS Ltd. has management control or operational control.

1.2 The Company takes seriously its obligation to comply fully with all applicable requirements under Sanctions Laws and Export Controls. The following should be noted:

1.2.1 Penalties for violations of such Laws can be significant for both the Company and individual SATS Personnel, and may include the potential loss of export privileges, civil and criminal penalties, loss of business and damage to the Company’s reputation.

1.2.2 SATS Personnel are expected and required to become familiar with this Policy and related compliance procedures and seek advice if there is any doubt about the lawfulness of a particular transaction.

1.2.3 Any transaction that might give rise to a violation of applicable Sanctions Laws, Export Controls or this Policy is expected to be reported promptly to SATS’ Ethics

¹ “SATS Personnel” includes all directors, officers or employees of SATS Group.

& Compliance Team and the Chief Legal Officer.

1.2.4 Failure to report such potential violations is a violation of Company policy and may result in disciplinary action, up to and including termination of employment.

1.3 For advice or questions about this Policy, SATS Personnel should contact the Ethics & Compliance team at SATS_EC@sats.com.sg and the Chief Legal Officer at ian_chye@sats.com.sg.

2. Sanctions Laws

2.1 *Overview*

2.1.1 Singapore, the United States, and other jurisdictions administer Sanctions Laws, which govern dealings with certain countries, sectors, entities, and individuals. These Laws address national security and foreign policy objectives, such as prevention of weapons proliferation, combating terrorism, and promoting human rights. Sanctions Laws restrict dealings with certain countries, regions, entities, and individuals, and can take the form of asset freezes and trade restrictions.

2.2 *Types of Sanctions*

2.2.1 Sanctions Laws promulgate the following types of restrictions:

- (i) **Comprehensive sanctions (also known as “embargoes”)** restrict most or all trade with a targeted country, including exports, imports, investment, and dealings with such country’s government.
- (ii) **Sectoral sanctions** restrict trade within targeted sectors of a country’s economy, or specific entities in that sector. Currently, the main focus of secondary sanctions is Russia. Pursuant to these sanctions, governmental authorities have imposed measures restricting certain exports, imports and provision of services as well as asset freezes, in order to inhibit support for Russia’s defense industrial base and counter Russia’s war effort. Targeted sectors include defense, energy, financial services, architecture, engineering, construction, manufacturing, transportation, metals and mining, quantum computing, accounting, trust and corporate formation, management consulting, aerospace, marine, and electronics and specified entities within such sectors.
- (iii) **List-based sanctions** restrict dealings with specified entities or individuals affiliated with sanctioned governments or involved in illicit activity (e.g., support for terrorism, human rights abuses, corruption, cyber hacking, transnational crime, etc.), as well as entities owned or controlled by such persons. A sanctions regulator such as the Office of Foreign Assets Control (“OFAC”) in the U.S. maintains a Specially Designated Nationals and Blocked Persons List that contains a list of entities subject to trade sanctions. In the European Union, the

European External Action Service maintains a Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions for a similar purpose.

2.3 Key Principles

- 2.3.1 To comply with the various types of sanctions described above, the Company shall not engage in any transactions:
- (i) With countries or territories subject to comprehensive sanctions (currently consisting of **Cuba, Iran, North Korea, Syria, and the following regions of Ukraine: Crimea, Donetsk, Kherson, Luhansk, and Zaporizhzhia**) or entities organized in such countries or territories.
 - (ii) With **Venezuela**, or entities organized in Venezuela, unless the Chief Legal Officer has provided approval.
 - (iii) With countries subject to sectoral sanctions (currently consisting of **Russia, Belarus, and Burma (Myanmar)**), or entities organized in such countries, unless the Chief Legal Officer has provided approval.
 - (iv) With **individuals or entities** designated on any **sanctions list** maintained by the United States, or, as applicable to the transaction, Singapore, the European Union, or the United Kingdom, or any entity **owned 50% or greater or controlled** by such sanctioned parties.
 - (v) The above lists of countries and territories are subject to change. Any changes will be communicated by SATS E&C from time to time.
- 2.3.2 Furthermore, to the extent that an air waybill indicates the involvement of a Russian or Belarusian carrier, (a) no EU, or UK person may be involved in handling the cargo, and (b) you must bring this to the attention of the SATS Ethics and Compliance Team (SATS_EC@sats.com.sg), with a copy to the Chief Legal Officer for compliance review before proceeding.

2.4 Facilitation

- 2.4.1 It is a principle of Sanctions Laws that persons subject to the Sanctions Laws of a particular jurisdiction (e.g., U.S. persons under U.S. Sanctions Laws) may not approve or enable business by persons in a different jurisdiction that would be prohibited for the first-mentioned person making, approving or enabling the business. Accordingly, this Policy prohibits such “facilitation” of restricted business.
- 2.4.2 “U.S. persons” generally means a US citizen or permanent resident; an entity organized in the US (including foreign branches); and any person in the U.S. (which generally includes US branches of foreign entities, as well as any individuals who are physically in the US). Some (but not all) sanctions programs

also apply to non-U.S. subsidiaries of U.S. persons.

2.4.3 For example, U.S. persons may not refer any prohibited or sanctioned business to non-U.S. persons, or advise, assist, support, or participate in any manner in such business, even indirectly.

2.4.4 Note that SATS Personnel can be subject to this prohibition on “facilitation” even when temporarily travelling in another jurisdiction—e.g., a UK-based employee visiting Singapore may not “facilitate” business outside the UK that would be prohibited under UK sanctions laws.

2.5 Penalties for violations

2.5.1 Penalties for violations of Sanctions Laws can be severe. For example, violations of U.S. sanctions are punishable by:

- (i) Civil penalties of up to the greater of US\$368,000 per violation (annually adjusted for inflation) or twice the value of the transaction; and
- (ii) Criminal penalties (for “willful”) violations of up to US\$1 million per violation and/or 20 years’ imprisonment.

3. Export Controls

3.1 Export Controls apply to the movement of goods, software, and technology, and the provision of certain services.

3.1.1 **U.S. Export Controls** are particularly noteworthy, given their worldwide application in comparison to other countries’ Export Controls.

3.1.2 The main risk for the Company under U.S. Export Controls relates to **services** for:

- (i) Aircraft subject to the U.S. Export Administration Regulations (“**EAR**”) that previously have been unlawfully exported (e.g., flown to Russia without a U.S. export license); and
- (ii) Airlines subject to “denial orders” prohibiting the use of all equipment subject to the EAR to service the airline.

3.1.3 The restrictions regarding such aircraft and airlines apply to all persons worldwide, and not just U.S. persons.

3.1.4 See Section 3.3 below for a description of items (including aircraft and equipment) that are subject to the EAR.

3.1.5 **NOTE:** *It is the Company’s policy that it will comply with Export Controls*

applicable to its business.

3.2 Key Principles

- 3.2.1 Governmental authorities restrict the export of certain items based on the sensitivity of the item, the destination of the export, and the end-use and end-user of the item.
- 3.2.2 Generally, the Company does not engage in export activity restricted under Export Controls, although the Company's customers may do so. To address this, the Company seeks to contractually require its customers to abide by Export Controls.
- 3.2.3 However, as discussed below (see paragraph 3.4), there are restrictions relating to the servicing of certain aircraft that could be applicable to the Company's operations under certain circumstances.

3.3 Items Subject to U.S. Export Controls

- 3.3.1 The following goods, software, and technology are subject to U.S. Export Controls:
 - (i) Items located in the United States;
 - (ii) U.S.-origin items, wherever located;
 - (iii) Non-U.S. items that incorporate more than a "de minimis" amount of "controlled" U.S. content; and
 - (iv) Non-U.S. items that are the "direct product" of certain U.S. technology or software
- 3.3.2 **NOTE:** U.S. Export Controls apply to ***all individuals or entities worldwide*** that engage in transactions involving items subject to the EAR. Accordingly, the Company is subject to these controls and must adhere to these restrictions, regardless of location.

3.4 Restrictions on Servicing Unlawfully Exported Aircraft

- 3.4.1 U.S. Export Controls prohibit all persons worldwide from providing any services in relation to an item subject to U.S. Export Controls where the person knows that the item previously has been exported unlawfully.
 - (i) This applies to services provided to ***aircraft that have been unlawfully exported***, such as Boeing aircraft that were flown to Russia without U.S. export authorization.
 - (ii) In order to help the public identify such aircraft, the Bureau of Industry and

Security (“**BIS**”), a division of the U.S Department of Commerce, has published on its website a list of aircraft (by tail number) that it has determined to be subject to the prohibition. This list is subject to change from time to time. The most recently published version of the list is available at: <https://www.bis.doc.gov/index.php/documents/about-bis/newsroom/press-releases/3207-2023-01-06-bis-list-of-commercial-and-private-aircraft-potential-ear-violations/file>.

- 3.4.2 **NOTE:** *It is critical to review this list when providing services to an aircraft operated by a Russian or Belarusian carrier. SATS Personnel are prohibited from carrying out any activity in the course of their work that relates to an aircraft that is on the BIS list.*

3.5 Restrictions on Dealings Involving Airlines Subject to a Denial Order

- 3.5.1 BIS has imposed “denial orders” on certain airlines engaged in activities deemed to be contrary to U.S Export Controls. Where an airline is subject to a denial order, it is designated on the BIS “Denied Persons List”, and typically there is a prohibition on:

- (i) Facilitating the airline’s ownership, possession, or control of an item subject to U.S Export Controls;
- (ii) Servicing items subject to U.S Export Controls that are owned, possessed or controlled by the airline subject to the denial order;
- (iii) Using items subject to U.S Export Controls to service items owned, possessed or controlled by the airline.

- 3.5.2 Typically, the presence of such parties in a transaction will be detected through the Company’s **Sanctions Third Party Procedure**.

- 3.5.3 **NOTE:**

- (i) If you are aware that a carrier organized in one of the countries or territories identified in Section 2.3 above will be the carrier of cargo in relation to a transaction, you must contact the Chief Legal Officer, as often such carriers are designated on the Denied Persons List.
- (ii) As the restrictions regarding parties on the Denied Persons List are complex, you must contact the SATS Ethics and Compliance Team (SATS_EC@sats.com.sg), with a copy to the Chief Legal Officer before engaging in relation to any transaction with such a party.

3.6 Penalties

- 3.6.1 As with U.S. Sanctions Laws, penalties for violations of U.S. Export Controls can be severe. Specifically, violations are punishable by:

- (i) Civil penalties of up to the greater of US\$365,000 per violation (annually adjusted for inflation) or twice the value of the transaction;
- (ii) Criminal penalties (for “willful”) violations of up to US\$1 million per violation and/or 20 years’ imprisonment; and
- (iii) Designation on the Denied Persons List, essentially cutting off the violator from all transactions subject to the EAR.

4. **Company Procedure for Compliance with Trade Control Laws**

4.1 ***Restricted Party Screening Procedures***

- 4.1.1 Singapore, the U.S, the EU, the UK, and other relevant authorities administer several restricted party lists under Sanctions Laws and Export Controls.
- 4.1.2 Pursuant to the Sanctions Third Party Procedure², the Company will perform due diligence on all potential customers, suppliers, vendors, agents, and other business partners (“**Third Parties**”) prior to engagement of or sales to such persons.
- 4.1.3 Each business unit and entity involved or proposing to transact will be responsible for ensuring that appropriate diligence is conducted, including screening, and for raising any questions or Sanctions-related red flags as set out in the Sanctions Third Party Procedure to the SATS Ethics and Compliance Team (SATS_EC@sats.com.sg).
- 4.1.4 The Company should not enter into a commitment with a Third Party until such time as that Third Party has been screened and cleared pursuant to the Sanctions Third Party Procedure³.
- 4.1.5 **NOTE:** *If a country or party subject to restrictions under Sanctions Laws or Export Controls may be involved in a potential transaction or other agreement, **do not proceed** and report the situation to the SATS Ethics and Compliance Team (SATS_EC@sats.com.sg) immediately.*

4.2 ***Compliance Language in Contracts***

- 4.2.1 To the greatest extent practicable and in accordance with the SATS Contract

² The procedure can be found at <https://mysats.sats.com.sg/groupservices/EthicsCompliance/Pages/Home.aspx>

Management Guidelines, WFS Commercial Playbook or any other language as may be advised by the Legal team⁴ from time to time and as applicable in the circumstance, the Company will seek to incorporate into contracts with Third Parties terms by which the Third Party agrees to comply with applicable Sanctions and Export Controls and avoid engaging in activities that will cause the Company to violate applicable Sanctions and Export Controls. Please consult the SATS Ethics and Compliance Team (SATS_EC@sats.com.sg), with a copy to the Chief Legal Officer regarding such contractual terms.

4.3 Operating Procedures

4.3.1 The Company maintains an Operating Procedure designed to detect, track and, as appropriate, prevent the handling of cargo under air waybills bearing the prefix of sanctioned carriers and carriers based in certain sanctioned countries. The Operating Procedure establishes certain automated functions within the Company's cargo handling systems. Employees working in roles impacted by the Operating Procedure will receive a copy of the procedure and related training. SATS Ethics and Compliance Team (SATS_EC@sats.com.sg) is responsible for oversight of the Operating Procedure.

4.4 Recusal Procedures

4.4.1 There are certain circumstances in which certain Company employees, officers, or directors (particularly U.S., EU, or UK persons) may need to be recused from certain Company business that could pose a compliance risk based on the Sanctions Laws specifically applicable to that person. Under those circumstances, the Company's Recusal Procedure governs what steps to take in order to ensure that the relevant person is recused compliantly and effectively. SATS Ethics and Compliance Team (SATS_EC@sats.com.sg) is responsible for oversight of the Recusal Procedure.

4.5 Reporting Requirements

4.5.1 The Company expects and requires any SATS Personnel who know, or have reason to suspect, that a violation of Sanctions Laws, Export Controls, this Policy may have occurred, is occurring, or may occur, to promptly report the matter.

4.5.2 A SATS Personnel who is aware or who suspects that another SATS Personnel or a third party is engaging in conduct in breach of this Policy must:

- (i) report the matter to the Head of their Business Unit;
- (ii) report the matter to Ethics & Compliance by email to

⁴ This could include external legal counsel retained to advise on a specific matter or transaction

SATS_EC@sats.com.sg; or

(iii) for:

(a) SATS Employees, report the matter through any of the whistle-blowing channels at <https://www.sats.com.sg/about-sats/contact-us/whistle-blowing>; and

(b) WFS Employees, report the matter in accordance with the WFS Whistle-Blowing Policy.

4.5.3 SATS Personnel do not need to provide any identifying information about themselves when making a report but are encouraged to provide sufficient information about the suspected violation to enable the Company to investigate the matter.

4.5.4 The Company will not tolerate any retaliation against SATS Personnel who in good faith report a suspected violation of Trade Control Laws or this Policy.

4.6 Recordkeeping Requirements

4.6.1 The Company will preserve all significant documentation relating to the Company's transactions for at least **five years** as per the practice under U.S. Sanctions Laws and Export Controls. The Company will also maintain documentation evidencing counterparty screenings conducted under this Policy, any steps taken to "clear" potential hits, and, where applicable, any steps taken to terminate contracts with counterparties that appear on any applicable restricted party list, for at least five years from the date of the relevant screening.

4.7 Training

4.7.1 The Company will provide regular training on applicable Sanctions Laws and Export Controls to educate SATS Personnel about the requirements and obligations of such laws and this Policy. The HC Department shall retain attendance records for at least five years after a training.

5. Policy Violations

5.1 SATS Personnel are required to comply with all the requirements under this Policy, as applicable.

5.2 Any non-compliance with this Policy may result in disciplinary action taken against such SATS Personnel, including but not limited to termination of employment or termination of engagement, as applicable.

- 5.3 A non-compliance by SATS of the Sanctions Laws and Export Controls may result in civil and criminal penalties for SATS⁵, including civil penalties, civil proceedings and/or criminal penalties or personal liabilities for officers of SATS.

6. ***Policy Ownership and Review***

- 6.1 This Policy is owned by Ethics & Compliance.
- 6.2 Ethics & Compliance may make such amendments to the Policy as may be required from time to time, and to ensure conformance to changes to applicable laws and regulations.
- 6.3 Any deviations or exemptions under this Policy must be approved by the Chief Legal Officer.
- 4.9.4 If you have any questions regarding the application or interpretation of this Policy, please contact the Ethics and Compliance Team at (SATS_EC@sats.com.sg) or the Chief Legal Officer.

⁵ See paragraphs 2.5 and 3.6 of this Policy

Approved by SGMM on 3 April 2024

Document Control

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1.0	Catherine Thomas	3 April 2024	Catherine Thomas