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Wood Mackenzie Global Sanctions Policy



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1. Background, Policy Statement, and Purpose

Wood Mackenzie is committed to upholding the highest standards of legal and ethical conduct across all its global operations. Sanctions laws and regulations play a critical role in promoting international peace, security, the prevention of terrorism, the protection of human rights, and conflict resolution. These laws and regulations impose restrictions on transactions with certain individuals, entities, or countries deemed to pose risks to global stability. Violations of Sanctions can lead to severe legal, financial, and reputational consequences, including fines, penalties, asset seizures, imprisonment, loss of business licences or permits, and exclusion from key markets.

This Global Sanctions Policy (“this Policy” or “the Policy”) outlines Wood Mackenzie’s commitment to full compliance with applicable Sanctions, including export control laws and regulations imposed by the United Nations (“UN”), the European Union (“EU”), the United Kingdom (“UK”), the United States (“US”), and other relevant jurisdictions. The Policy aims to prevent Wood Mackenzie from engaging in any activities that could threaten its legal standing, business operations, and reputation.

Wood Mackenzie recognizes the significant consequences resulting from violations and is dedicated to preventing actions that undermine these regulations. We maintain a zero-tolerance policy toward activities that contravene Sanctions laws and regulations.

The key objectives of this Policy are to:

- Protect Wood Mackenzie from the legal and financial risks associated with Sanctions violations.
- Provide clear and actionable guidelines for identifying, managing, and mitigating Sanctions-related risks across all business activities.
- Prevent any engagement with sanctioned individuals, entities, countries, or territories.
- Establish comprehensive due diligence, screening, and monitoring processes for customers, partners, and other third parties to ensure compliance with Sanctions.
- Promote a culture of compliance and accountability, ensuring that all Wood Mackenzie Staff are fully aware of their responsibilities in safeguarding the Company against Sanctions violations.

Wood Mackenzie firmly believes that adhering to the applicable Sanctions and export control laws and regulations is essential for fostering transparent, fair, and competitive business practices, which are vital for maintaining trust with customers, partners, and other stakeholders.

2. Scope

This Policy applies to Wood Mackenzie Ltd and all of its affiliates and subsidiaries (each affiliate and subsidiary is hereinafter called a “Group Company” and Wood Mackenzie Ltd. and the Group Companies are hereinafter collectively called “Wood Mackenzie” or “Company”).

3. Audience

All Wood Mackenzie directors, officers, employees, contractors including Associated Persons acting on behalf of Wood Mackenzie (hereinafter collectively called “Staff”), regardless of physical location of the office or territories in which the office is operating.

4. Definitions

- **Associated Person:** An Associated Person is any third-party agent, broker, contractor/subcontractor, consultant, associate, intermediary, introducer, distributor or any other third party that performs work involving interactions with external third parties on behalf of Wood Mackenzie.
- **Counterparty:** “Counterparty” refers to any individual or entity from whom Wood Mackenzie receives funds or economic resources. This includes, but is not limited to, individuals, vendors, customers, contractors, subcontractors, agents, intermediaries, banks or financial institutions, parties involved in mergers and acquisitions, or any other person or entity with whom Wood Mackenzie does or may conduct business.

- **Designated Persons:** Individuals or entities that have been identified on Sanctions Lists and are subject to Sanctions restrictions.
- **Restricted Countries:** Countries or territories that are subject to comprehensive Sanctions, prohibiting most forms of trade and transactions. This category includes embargoed countries, as well as those under targeted sanctions or other restrictions related to economic, human rights, or security concerns.
- **Sanctions:** Sanctions are restrictions imposed by national and international bodies in pursuit of objectives such as preventing terrorism, conflict resolution and protecting civilians from harm. They can take numerous forms including financial, non-financial and trade Sanctions. Sanctions include, but are not limited to, the Sanctions laws and regulations of the UN, the UK, the EU, the US, Australia, and Canada.
- **Sanctions Lists:** Official lists published by governmental or international bodies that identify individuals, groups, entities, and countries subject to Sanctions. Examples include the US Office of Foreign Assets Control (“OFAC”) Sanctions List, UN Sanctions List, The UK Office of Financial Sanctions Implementation (“OFSI”) Sanctions List, and the EU Consolidated List.
- **Sanctions Compliance Programme:** Refers to Wood Mackenzie's set of procedures and controls designed to ensure compliance with global sanctions laws, including the screening and monitoring of customers, vendors, and other relevant business parties, along with regular training and risk assessments to prevent violations.

5. Prohibited Activities

Wood Mackenzie and its Staff must not engage in any of the following activities:

- Conducting business with or providing services to individuals, entities, territories, or governments listed on applicable Sanctions Lists.
- Exporting, importing, or facilitating transactions involving goods, services, or technology to or from sanctioned countries or individuals.
- Facilitating financial transactions or payments to or from Designated Persons or Restricted Countries.
- Participating in any business relationships, joint ventures, partnerships or otherwise with entities or individuals subject to Sanctions.
- Attempting to obscure the nature of a transaction to avoid Sanctions detection or facilitating indirect dealings with sanctioned parties.
- Attending conferences and events hosted by entities or individuals subject to Sanctions.
- Engaging in formal meetings or discussions with individuals or entities that are on applicable Sanctions Lists while attending industry events.

6. Risks of Violating Sanctions

Violations of Sanctions laws and regulations can expose Wood Mackenzie to a wide range of serious risks, including but not limited to:

- **Legal Ramifications and Risks:** Breaches of Sanctions laws and regulations may result in both civil and criminal liabilities, including fines, imprisonment, and exposure to civil lawsuits from affected parties. Regulatory bodies, such as the US Office of Foreign Assets Control (OFAC) and the Office of Financial Sanctions Implementation (OFSI), have the authority to prosecute entities and individuals involved in Sanctions violations, which can lead to costly settlements or protracted legal disputes.
- **Monetary Fines:** Significant monetary fines may be imposed on organisations found to be in violation of Sanctions regulations. These fines can vary in size but may reach millions or even billions of dollars depending on the nature and severity of the violation.
- **Asset Freezes and Seizures:** Governments may impose measures to freeze or seize assets of entities or individuals who have violated Sanctions, leading to severe financial losses and operational disruptions.

- **Loss of Market Access:** Companies violating Sanctions may face restrictions from conducting business in certain markets or with key partners, particularly in jurisdictions enforcing the Sanctions. This could result in reduced access to international financial systems and markets.
- **Reputational and Business Risks:** Violating Sanctions can severely damage our Company's reputation, eroding trust with customers, partners, and stakeholders, which may result in lost business opportunities, strained relationships, and exclusion from future partnerships. Furthermore, our business partners, including customers, may inquire about our policies and relationships with third parties in certain countries to meet their own compliance obligations. Transparent and accurate responses are essential, as they can affect our business relationships and influence customer selection.
- **Increased Regulatory Scrutiny:** Sanctions violations may result in heightened scrutiny by regulatory agencies, including audits, investigations, and increased compliance obligations. This can lead to prolonged legal entanglements and additional penalties.
- **Operational Disruptions:** Violating Sanctions can disrupt supply chains, financial transactions, and business relationships, causing delays and inefficiencies that negatively impact the Company's overall operations.
- **Loss of Business Licences or Permits:** Sanctions violations may lead to revocation or suspension of our Company's legal authorisation to operate in a specific industry or jurisdiction. This consequence can be imposed by regulatory authorities as part of enforcement actions for non-compliance.

It is critical that all Wood Mackenzie Staff adhere strictly to Sanctions laws and regulations to avoid these risks. Any breach of Sanctions not only undermines the Company's integrity but could also lead to significant legal, financial, and reputational consequences.

7. Compliance Controls and Procedures

Sanctions laws and regulations frequently change, affecting the scope and definitions of Sanctions-related designations, such as Designated Persons and Restricted Countries. Official Sanctions Lists are updated regularly, and there is no single source for identifying sanctioned entities or individuals. Moreover, the applicability of Sanctions may vary depending on the facts and circumstances. Therefore, it is imperative that Staff consult the Enterprise Risk Management & Compliance (ERM&C) Department. for guidance whenever necessary.

Wood Mackenzie maintains an effective Sanctions Compliance Programme, designed to identify and mitigate risks related to Sanctions, comprising of the following:

- **Screening of Third Parties:** Screening of all customers, vendors, and business partners against relevant Sanctions and other official watchlists prior to entering into any business relationships. Additionally, screening of all individuals and entities intending to participate in events hosted by Wood Mackenzie to ensure that no individuals or companies subject to Sanctions are invited.
- **Ongoing Monitoring of Counterparties:** Ongoing monitoring of high-risk customers, vendors, and business partners to ensure they are not added to any official Sanctions Lists during the course of business.
- **Enhanced Due Diligence:** Conducting enhanced due diligence procedures for transactions or business relationships that are deemed high-risk to assess potential Sanctions risks.
- **Contractual Provisions:** Inclusion of Sanctions clauses in all contracts with third parties to ensure compliance with relevant Sanctions laws and regulations. These clauses serve to protect our organisation by clearly outlining the obligations of both parties to adhere to applicable Sanctions, thereby mitigating potential risks.
- **Sanctions Lists Monitoring:** Tracking of Sanctions Lists to ensure timely identification of any changes that may impact Wood Mackenzie's business relationships, allowing for proactive risk management and compliance with relevant regulations.

8. Roles and Responsibilities

- **Wood Mackenzie's General Counsel** oversees this Policy's implementation and ensures alignment with global regulatory requirements.

- **Wood Mackenzie's Global Head of Compliance** or their designee is responsible for:
 - Overall management, review, and enforcement of Wood Mackenzie's Sanctions Compliance Programme.
 - Implementation of this Policy and enacting the necessary processes to ensure adherence to this Policy.
- **Wood Mackenzie's ERM&C Department** is responsible for:
 - Assisting Wood Mackenzie's General Counsel and Global Head of Compliance in fulfilling their duties outlined in this Policy.
 - Facilitating the day-to-day execution of Wood Mackenzie's Sanctions Compliance Programme, including screening, due diligence, and investigations.
 - Implementing appropriate controls when onboarding new customers, vendors, or Associated Persons.
 - Monitoring Sanctions regulations and updating business stakeholders and the Sanctions Compliance Programme in the event of any material change.
 - Determining and approving applicable regional controls where necessary.
 - Providing compliance advice and guidance on request, including on resolution of issues and red flag reviews.
 - Conducting risk assessments as required in high-risk regions.
 - Monitoring of key processes and internal controls.
 - Updating and revising this Policy, annually or as required.
- **Wood Mackenzie's Staff** are responsible for:
 - Complying with this Policy, and all applicable Sanctions laws and regulations and reporting all actual or suspected violations to Wood Mackenzie's ERM&C Department as soon as possible if they know or suspect that this Policy was breached or may be breached in the future.
 - Annually reading and completing an acknowledgment of receipt and understanding of this Policy.
 - Completing all required training related to Sanctions provided by Wood Mackenzie.

9. Training

Wood Mackenzie identifies training and development needs and implements targeted training programs, including those focused on Sanctions compliance. Training needs are regularly reviewed and updated in response to changes in the global landscape in which Wood Mackenzie operates.

10. Non-Compliance

Violations of this Policy may result in disciplinary actions, including termination of employment or contract, and potential legal consequences. Wood Mackenzie will investigate any potential violations of this Policy. Any disciplinary action will be commensurate with the violation and consistent with local requirements, which may include immediate dismissal. Retaliation against any Staff for complying with this Policy or making a whistleblower complaint is strictly prohibited.

11. Updates and Reviews

This Policy will be reviewed annually or as needed to reflect changes in applicable laws, regulations, or business activities, in accordance with Wood Mackenzie's policy approval process. Any significant changes must be approved by Wood Mackenzie's Global Executive team.

12. Communication

This Policy will be communicated to all Wood Mackenzie Staff. Wood Mackenzie is committed to ensuring that all stakeholders are aware of and understand their responsibilities under this Policy. The ERM&C Department publishes this Policy on Wood Mackenzie's intranet and in personnel handbooks where applicable. Additionally, the ERM&C Department communicates any material changes to this Policy to all Staff.

For further information and guidance on our Company's stance on sanctions, sanctions-related best practices, and the most up-to-date list of comprehensively sanctioned countries, please visit Wood Mackenzie's internal [Wood Mackenzie's Stance on Sanctions](#) page.

13. Reporting Concerns and Escalation Procedures

Wood Mackenzie's Staff have a responsibility to prevent, detect, and report all instances of suspected or actual Sanctions violations immediately to their direct line manager and the ERM&C Department. Any potential Sanctions issues will be escalated to senior management and, if necessary, reported to relevant regulatory authorities.

Wood Mackenzie's Staff can also report concerns anonymously, where permitted, 24 hours a day, 7 days a week, 365 days a year using the Wood Mackenzie Speak Up Program by submitting:

- A web-based report via <https://speakup.woodmac.com>
- A telephone report using one of the global speak up hotline phone numbers available [by country](#).

Reports of suspected violations will be treated confidentially, and Staff members making such reports in good faith will be protected from retaliation.

Policy Governance

Policy Owner:	Louise Onikoyi, General Counsel, SVP Head of Legal and Compliance
Applicable:	All Wood Mackenzie Staff
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