

Landell Mills Sanctions Policy

April 2020



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1. What are sanctions and embargoes?

Sanctions and embargoes are political trade tools, mainly put in place by the United Nations (UN) the European Union (EU), the United States, as well as the Organisation for Security and Cooperation in Europe. Their principal purpose is usually to change the behaviour of the target country's regimes, individuals or groups within that country.

2. Types of sanctions and embargoes

When a sanction or embargo is set, Ireland and the UK follow international procedure to put them into place in Irish and UK law.

The UN Security Council imposes sanctions through Security Council Resolutions. The EU acts on these by adopting a Common Position and, where appropriate, an EU regulation directly applicable to member states is introduced.

The most frequently applied measures are:

- Embargoes on exporting or supplying arms and associated technical assistance, training and financing.
- A ban on exporting equipment that might be used for internal repression.
- Financial sanctions on individuals in government, government bodies and associated companies, or terrorist groups and individuals associated with those groups.
- Travel bans on named individuals.
- Bans on imports of raw materials or goods from the sanctions target.

Other measures may be applied according to individual circumstances.

All sanctions and embargo regimes are targeted. A 'targeted' restriction is focused on individual people or organisations. In some cases, a comprehensive restriction is put in place against a particular country's regime. Sanctions can also be targeted at a particular industry, such as banning the supply of petroleum and related products.

3. Putting sanctions and embargoes into practice

In Ireland, the Department of Jobs, Enterprise and Innovation is responsible for trade sanctions and the Central Bank of Ireland is responsible for the administration, supervision, and enforcement of relevant aspects of financial sanctions in Ireland.

In the UK, the Foreign & Commonwealth Office (FCO) has overall responsibility for the UK's policy on sanctions and embargoes.

Arms embargoes

These embargoes are generally imposed by the UN or EU on 'arms and related material' (such as military ammunition, weapons and goods).

Import licensing

Some sanctions contain import bans.

Financial sanctions

Financial sanctions measures are the most likely to affect Landell Mills and can vary from the comprehensive – prohibiting the transfer of funds to a sanctioned country and freezing the assets of a government, the corporate entities and residents of the target country – to targeted asset freezes on individuals/entities.

Financial sanctions may apply to individuals, entities and governments, who may be resident in the Ireland, UK or abroad. Certain financial sanctions may also prohibit providing or performing other financial services, such as insurance, to designated individuals or governments.

The penalties in Irish law for a breach of EU Financial Sanctions are contained in a statutory instrument signed by the Minister for Finance.

It is a criminal offence in the UK to breach a financial sanction, without an appropriate licence or authorisation from HM Treasury.

4. Complying with financial sanctions and useful websites

Financial sanctions in force in Ireland or the UK may apply to individuals, entities and governments, who may be resident in the Ireland, UK or abroad.

Consolidated lists of asset freeze targets designated by the UN, EU, and UK under legislation relating to current financial sanctions regimes is available here. www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets. For Ireland, access is via <https://www.sanctionsmap.eu/#/main>.

HM Treasury also has a "Frequently Asked Questions" reference that you may find useful. www.gov.uk/government/publications/financial-sanctions-faqs. The Central Bank of Ireland has similar www.centralbank.ie/docs/default-source/regulation/international-financial-sanctions/financial-sanctions-faqs.pdf?sfvrsn=2

The United States Treasury Department may also implement sanctions against individuals, entities or regimes that may apply to projects with which Landell Mills is involved.

Financial partners, e.g. banks and insurers, used by Landell Mills may have their own sanctions lists. These are often broader than the legal sanctions that are in force. You should discuss with the Finance Director before committing to or attempting to make a payment in the countries covered by financial partner policies.

HSBC is particularly concerned with transactions that concern Cuba, Iran, North Korea, Syria and the Crimea region (October 2019). Full details can be found at: <https://www.hsbc.com/our-approach/risk-and-responsibility/financial-crime-risk/financial-crime-risk-policies>

ING is particularly concerned with transactions that concern Cuba, Iran, North Korea, Syria and Sudan (April 2020) and we should avoid committing to or attempting to make a payment using ING in these countries until further notice. Full details can be found at: <https://www.ing.com/About-us/Compliance/Financial-Economic-Crime-Statement.htm>

Indirect payment to an individual or other entity where sanctions apply is also not normally permitted, e.g.: payment to a third party not resident in the target country in the knowledge of the ultimate destination for the payment.

Landell Mills monitors compliance with the Sanctions Policy on a monthly basis in management meeting reviews of divisional “pipelines” of future work to ensure that the Company neither conducts nor plans any work in prohibited countries nor transacts with any individual or organisations on any sanction list. Employees are required to acknowledge and accept the Sanctions Policy and any updates, and confirm their compliance annually.

5. Further information

In the first instance, enquiries relating to asset freezing or other financial sanctions should be addressed to the Finance Director. Enquiries can also be submitted to:

- Central Bank of Ireland by email to sanctions@centralbank.ie or by post to the Financial Sanctions Unit, Anti-Money Laundering Division, Central Bank of Ireland. PO Box 559, Dublin 1.
- UK HM Treasury either by email to ofsi@hmtreasury.gov.uk or by post to Office of Financial Sanction Implementation, HM Treasury, 1 Horse Guards Road, London SW1A 2HQ.