

# Customs Policy

## 1. Objective

1.1 HES is committed to carrying out its business in relation to customs in an ethical and legal manner. The Code of Conduct sets out the importance of the rules and basic principles directed at ensuring that all HES Personnel conducts all HES' customs activities in full compliance with applicable customs rules and legislation. This Policy provides further guidance on this topic.

Term	Definition
<b>HES</b>	HES International and all wholly-owned or controlled direct and indirect subsidiaries of HES International, as well as joint ventures in which HES holds a majority interest.
<b>HES Personnel</b>	Any board of directors member, officer, employee, or independent contractor of HES and its group companies and majority joint ventures.
<b>Policy</b>	This Customs Policy
<b>Public Official</b>	<p>Individual, regardless of rank or title, who is employed or appointed by or otherwise represents a public authority (political or non-political) or who otherwise discharges a public service mission. A public authority:</p> <ul style="list-style-type: none"> <li>• is understood to be a national, state or local government office or agency, embassy, defence/military unit, state-owned enterprise, including any governmental (e.g. EU, UN, NATO, OECD) or quasi-governmental (e.g. WTO, IMF) organisation; and</li> <li>• includes, for the avoidance of doubt, anyone who holds a judicial position of any kind, members of a royal family, any elected representative of any kind, employees of local authorities and government departments, employees of companies wholly owned by or controlled</li> </ul>

	by a public body or otherwise any person holding public authority or who discharges a public service mission.
<b>Third Party</b>	Any (prospective or potential) individual not employed by HES and/or any entity not owned or controlled by HES, that provides services or goods to HES or on behalf of HES or engages in business activities with HES or HES Personnel.

1.2 Other related and/or applicable policies:

- Code of Conduct
- Gifts and Hospitality Policy
- Sanctions and Export Controls Policy
- Third Party Engagements Policy
- Anti-Bribery and Corruption Policy.

1.3 Annexes:

- Annex 1: Standard Contract Clause

## 2. Applicability and governance

2.1 This Policy applies to HES and all wholly-owned or controlled direct and indirect subsidiaries of HES and must be read on top of customs procedures applicable to local HES businesses. Specifically, this Policy applies to every employee, director or officer of these entities. Third Parties, agents, representatives, consultants or other contract staff that are working for or on behalf of these entities should also adhere to these guidelines. In any country or region where the requirements of applicable law(s), directives or practices establish a higher standard, HES must meet those standards. Individual businesses may supplement these procedures with any additional requirements they wish to put in place.

2.2 HES will ensure that this Policy, or a policy with equivalent standards is applicable to joint ventures in which HES holds a minority interest.

2.3 It should be read and understood by all HES Personnel, but in particular those that are exposed to risks relating to customs, in particular bribery and corruption.

2.4 The Chief Compliance Officer, with support of the local compliance officer, is responsible for the development and implementation of this Policy. The Chief Compliance Officer is the ultimate owner of these guidelines and carries ultimate responsibility for them.

2.5 Terminal management must allocate sufficient resources to ensure adequate procedures and ditto customs handling practices are implemented and adhered to. The proper customs handling – and proper execution of contractual customs handling obligations – will always be the responsibility of the management of the particular HES business in concerns.

## 3. Customs

### HES' Policy

- 3.1 HES must be compliant with all customs regulations at all times and HES aims to mitigate customs risks. Therefore, HES must adhere, on top of the local customs procedures, adhere to the below specific policies contact with Public Officials, engaging Third Parties and the retention of information in relation to customs.

### Public Officials

- 3.2 Interaction with Public Officials, in particular those of customs authorities, must always be undertaken in accordance with all applicable laws and regulations. To be sure, the Anti-Bribery and Corruption Policy applies to all interaction with Public Officials.

### Third Parties

- 3.3 HES must conduct proper due diligence on the transactions and related Third Parties it engages before conducting business. This minimizes the risk of being involved in any customs related risks.
- 3.4 Engagements with Third Parties require a written agreement. The agreement shall include a customs clause, or shall ensure that the VOTOB general terms and conditions apply, to ensure an adequate level of protection against customs risks caused by Third Parties. Please refer to the Standard Contract Clause (Annex 1). Where any Third Party seeks to negotiate these clauses, or any compliance clause, in a contract, you should seek assistance from the Chief Compliance Officer, who must approve any deviation from the required customs and/or compliance clauses.
- 3.5 Please refer to the Third Party Engagements Policy for more information on HES' policy and on-boarding procedure.

## 4. Seeking advice or reporting concerns

- 4.1 HES encourages you to seek advice via your local compliance officer and/or by contacting the Chief Compliance Officer directly ([mh@hesinternational.eu](mailto:mh@hesinternational.eu)).
- 4.2 If you become aware of any (possible) violation of applicable customs regulations you must report this to your local compliance officer or the Chief Compliance Officer immediately. The local compliance officer and the Chief Compliance Officer will together review the report and depending on the situation will provide guidance (i.e. instruction or approval). You must always follow your local compliance officer's instructions.

- 4.3 Please refer to the Whistleblower Policy for further guidance and an explanation on (i) how you can report a concern and (ii) the procedures applicable to any report that is made.
- 4.4 While it is your duty to report a violation when you become aware of it, early reporting gives HES the opportunity to detect a potential risk early and thereby hopefully mitigate possible harmful consequences. You must therefore report any suspected violation of anti-money laundering and terrorist financing rules and/or this Policy as soon as possible.
- 4.5 HES does not tolerate any retaliation against any person making a report in good faith. Any form of such retaliation will be seen as a violation of this Policy and the Code of Conduct.

## **5. Books and records**

- 5.1 All records of HES should be accurate and complete and any transaction must be able to be substantiated and justified.
- 5.2 All accounts, invoices and other records involving transactions must be recorded accurately, completely and timely, and must be maintained.
- 5.3 Under no circumstances should a person prepare an account “off- book”.
- 5.4 The local compliance officer and Chief Compliance Officer will maintain an accurate and complete record of all reported incidents and the action taken in respect of these.

## **6. Audit and risk assessment**

- 6.1 To develop a strong compliance program and effective internal controls, HES will perform a regular risk assessment and audit by sample checks, and depending on the results a full audit of the compliance with this Policy.

# 7. Update history

7.1 This Policy will be reviewed and, if necessary, updated regularly by the Chief Compliance Officer and, in addition, may be reviewed and, if necessary, updated from time to time to take account of, for example, changes to legislation, regulatory developments or organizational changes.

Version	Revised By	Description	Revision Date