

Sanctions Policy

1. Definition

Financial sanctions¹ are restrictive measures of a financial nature implemented by international organizations or by (individual) countries, which are applicable to jurisdictions, persons, or entities for the purpose of combatting terrorism and maintaining or restoring international peace and security.

This Sanctions Policy summarizes restrictive measures imposed by the following sanctions authorities: The Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, and any other agency of the U.S. government, the United Nations, the European Union, the Norwegian state or Her Majesty's Treasury (UK). Sanctions means any sanctions administered by these organizations.

2. Enforceability

The enforcing of the sanctions decreed constitutes an obligation for Heimstaden as issuer.

2.1 Heimstaden as issuer represents, warrants, and undertakes to the dealers and each of them as follows:

- a) That neither Heimstaden, nor any of our subsidiaries nor, to the knowledge of Heimstaden, any director, officer, agent, employee or affiliate of Heimstaden or any of our subsidiaries are currently the subject of any sanctions, conducting business with any person, entity or country which is the subject of any sanctions or operating in a country which is the subjects of any sanctions.

2.2 Heimstaden as issuer does not have or does not intend to have any business operations or other dealings:

- a) in a sanctioned country,
- b) with any Specially Designated National (SDN) on OFAC's SDN list or with a designated person targeted by asset freeze sanctions imposed by the United Nations, EU, the Norwegian State or HTM (UK); and
- c) involving commodities or services of a sanctioned country origin or shipped to, through, or from a sanctioned country owned or registered vessels of aircraft, or finance or subsidize any of the foregoing exceeding 5 per cent aggregated in comparison to Heimstaden's total assets or revenues.

¹Sanctions are instruments of a diplomatic or economic nature whose purpose is to modify actions or policies, such as violations of international law or of human rights, or policies that do not respect the rule of law or democratic principles.

Heimstaden

3. General Operating Principles

Heimstaden maintains the Sanctions policy in order to meet our obligations towards our business partners.

The Sanctions policy, our Code of Conduct for Employees, Code of Conduct for Business partners and Whistleblowing function form the basis for Heimstaden's governance and procedures designed to prevent sanction violations, by Heimstaden, our subsidiaries and by persons associated with Heimstaden and our subsidiaries.

Employees shall report about any breach or suspect of potential breach of any applicable sanctions' obligations or sanctions laws and regulations promptly after they become aware about any such breach or potential breach.

June 5, 2020

Patrik Hall
CEO