

Response from Gunvor Group

dated 27 October 2023

Gunvor Group, including its Swiss and UAE based entities, operates in strict compliance with all applicable sanctions laws and regulations of the United Nations, the United States, the United Kingdom, the European Union, and Switzerland.

Gunvor SA (Switzerland) has not transacted any Russian-origin refined petroleum products since 5 February 2023. Any claims or allegations to the contrary are false.

While activities performed by Gunvor's Dubai entity, Gunvor Energy Trading DMCC, are compliant with all sanctions laws in the U.S., Switzerland, and Europe, and could therefore be legally performed by Gunvor SA in Switzerland, Gunvor Energy Trading DMCC was established specifically to respect contractual obligations with Gunvor's banks to segregate from other trading activities the handling and financing of any potential Russia-related deals, which are in any case only performed in line with the price cap and other applicable reporting requirements and regulations.

Gunvor's sanctions compliance is driven by a rigid Russian sanctions policy and a continuous reliance on leading service providers from the G7 member states. Specifically, Gunvor's sanctions compliance measures in relation to the Russian oil price cap include:

- Contractual sanctions clauses, destination restriction clauses, and origin restriction clauses
- Requirements to provide reliable certificates of origin (e.g., for Kazakhstan origin goods exported from Russia)
- Obligation to provide price cap compliance attestations, price information, or relevant certifications and assurances
- Independent verification by a leading external service providers of the EU CN codes of the Russian goods to determine applicable price cap tier
- Reporting of the price cap compliant transactions to the relevant authorities of price cap coalition member states
- Assessment of the transactions with leading law firms and where necessary directly with relevant regulators

Gunvor has reinforced its compliance commitment by hiring a team of sanctions experts as full-time staff members of the legal team, dedicated solely to ensure respect with all applicable sanctions, including without limitation, U.S., EU, UK, Switzerland, Singapore, and Canada. Gunvor further maintains an open dialogue with relevant governments, including the U.S., UK, and EU, to ensure alignment with the intention and understanding of the evolving nature of these frameworks. Gunvor does not comment on specific discussions we have with governments; however, we note that our dialogue includes voluntary, detailed presentations of Gunvor's compliance framework.

On other specific matters:

- Gunvor SA and Gunvor Energy Trading have not been transacting with Surgutneftegas for Russian origin refined petroleum products since 5 February 2023. Any claims or allegations to the contrary are false.
- As stated, neither Gunvor SA nor Gunvor Energy Trading purchased any oil products ex-Primorsk in August.

- Between February and today, Gunvor Energy Trading has only purchased one single cargo of diesel, well below price cap, in June. Any claims or allegations to the contrary are false.

To adhere to sanctions is to undertake transactions in a legal manner—not necessarily to stop trade altogether, which would achieve the opposite of their stated purpose. Russian oil is intended to be on the markets in a compliant manner specifically to keep oil prices down in order to limit revenues to the Russian government. Stopping Russian oil to reach the market or forcing its transactions among opaque and environmentally dubious actors only creates risk, volatility, and higher prices for everyone, including consumers in Switzerland, Europe, and the U.S. This is why Gunvor adheres strictly to the rules and intentions of the sanctions, and we do so in a transparent manner. Should governments ever decide to outright ban Russian oil trading, then we are similarly prepared to comply with that as well.