



**SUBJECT: U.S. Export and Economic Sanctions Policy**

**Effective Date: 05/13/2014**

**SCOPE: ALL EMPLOYEES**

**Revision Date: 09/20/2024**

## **PURPOSE**

This policy statement summarizes the applicable provisions of the U.S. Export Controls and Economic Sanctions, including but not limited to those implemented by the Department of Commerce, through its Export Administration Regulations (EAR), and those of the Treasury Department, issued through its Office of Foreign Assets Control (OFAC), and sets forth the procedures to be followed by directors, officers, employees, agents and representatives of DNOW Inc. ("DNow") and its subsidiaries and affiliates, including its foreign subsidiaries (collectively referred to as the "Companies").

## **APPLICABILITY**

This policy statement applies to the Company officers, directors, employees, agents, distributors, and representatives worldwide.

## **RESPONSIBILITY**

The senior management of DNow, with the advice of the compliance department, shall have ultimate responsibility for the implementation of this policy statement. Company corporate and entity officers and managers (hereinafter collectively "Management") are, within their respective segments of the Company, responsible for taking all appropriate steps to ensure compliance with this policy statement, and to detect and prevent violations of applicable economic sanctions and export controls.

Management officials are responsible for disseminating this policy statement to all Company personnel who report to them.

## **POLICIES**

DNow policy prohibits doing business with companies or individuals located in Cuba\*, the Crimea Region, Iran\*, Russia, the Darfur Region of Sudan, Syria, or North Korea.

\*Because of the difficulty of determining what goods are of U.S. origin or contain U.S. content and because of the risks associated with accidentally violating U.S. law, DNow's Canadian, European, and Mexican entities have decided that they will not do business with Cuba or Iran. As a result of these actions, no DNow company can do business with Cuba or Iran.

## **MANDATORY COMPLIANCE**

Management is committed to strict compliance with all economic sanctions & export controls as they apply to the Company and its operations. It shall be a condition of employment that all employees become familiar with and comply with this policy.

The Company, and its officers and employees shall strictly comply in all respects with the economic sanctions & export controls to the full extent that they are applicable. An overview of



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economic sanctions & export controls requirements is set forth in more detail in the Export Compliance Manual

Economic sanctions requirements apply to:

- All activities by DNOW, its subsidiaries and affiliates, including overseas branches, wherever those activities are undertaken; and,
- All activities by Company officers and employees wherever those activities are undertaken.

If any Company officer or employee is in doubt about an issue regarding compliance with economic sanctions, he or she shall contact DNOW's compliance department at [Corporate.Compliance@dnow.com](mailto:Corporate.Compliance@dnow.com).

### **PENALTIES FOR NONCOMPLIANCE**

Violations of economic sanctions & export controls can result in criminal prosecution, administrative enforcement actions and severe penalties, both for the Company and for the individual(s) who are involved, including imprisonment and fines.

Any failure to comply with any applicable economic sanctions requirement or any requirement of DNOW's Economic Sanctions Compliance Program represents grounds for disciplinary action by the Company, up to and including termination.

### **COMPLIANCE PROCEDURES**

To the extent that economic sanctions & export controls apply to the activities of an entity, the Management of that entity shall ensure that there are appropriate procedures to detect and prevent violations of economic sanctions & export controls requirements. Such procedures shall, among other things, require screening of transactions for:

- Any involvement (e.g. ownership of a customer) of countries and governments that are the subject of economic sanctions and export controls.
- The various US government lists provided through DNOW's third party screening tool.

### **EXPORT AND ECONOMIC SANCTIONS CONTROLS COMPLIANCE EDUCATION AND TRAINING**

The compliance department will keep Management and other relevant employees educated with respect to economic sanctions and export controls compliance by:

- Maintaining information regarding economic sanctions and export controls on the Company intranet; and,
- Providing training to Management and employees on an as needed basis.



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### **RECORDKEEPING**

The Company shall maintain full and accurate records of all transactions that are subject to economic sanctions requirements. All such transactions must be authorized by regulation or by license issued by the U.S. Government. Such records must be retained for at least five years from the date of the transaction. Management is responsible for implementing this policy and coordinating it with DNow's compliance department.

### **REPORTING VIOLATIONS**

If you suspect or believe that a violation of this policy has occurred, you should report it to the confidential DNow Risk Mitigation Hotline.