



SANCTIONS RISK

Sanctions risk is constantly evolving and the enforcement risk associated with a breach of sanctions has never been higher.

Commercial organisations should:

- adopt a dynamic approach
- understand the restrictions which are imposed
- map those restrictions against business activities
- make risk-based decisions about commercial activities

Our experts have guided clients through extremely complex sanctions and offered strategic solutions to suit businesses across varied industries.

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Global Risk

Helping you assess, monitor and manage your global sanctions risk exposures.



Due Diligence

Reviewing business frameworks and developing business specific policies and practical procedures to support counterparty and transactional due diligence.



Contracts and Negotiations

Establishing contractual best practices with a distinct sanctions focus.



Crisis Management & Remediation

Manage investigations, reports and communications with regulators upon any sanctions breach.



Training, Audits and Stress Testing

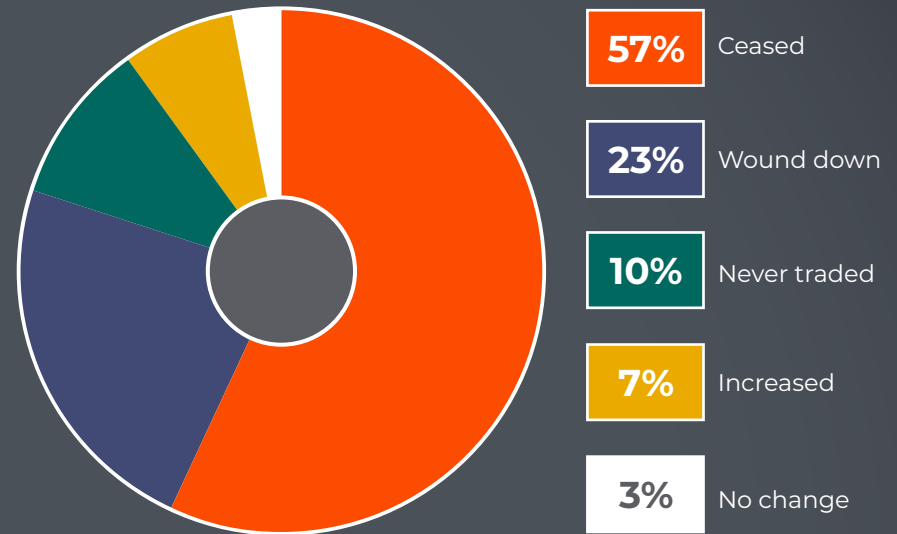
Ensuring risk, legal and compliance teams have the most up to date sanctions knowledge and tools at hand.

Sanctions poll results

Clients are always keen to benchmark their position, and understand how their own attitudes align with those of others.

To help with this, we asked a number of people for their views on a range of topics, including willingness to trade with Russia, likelihood of future sanctions, resourcing challenges, and future enforcement.

You can see the responses over the following pages – please get in touch if you agree (or disagree) as we'd love to hear from you.

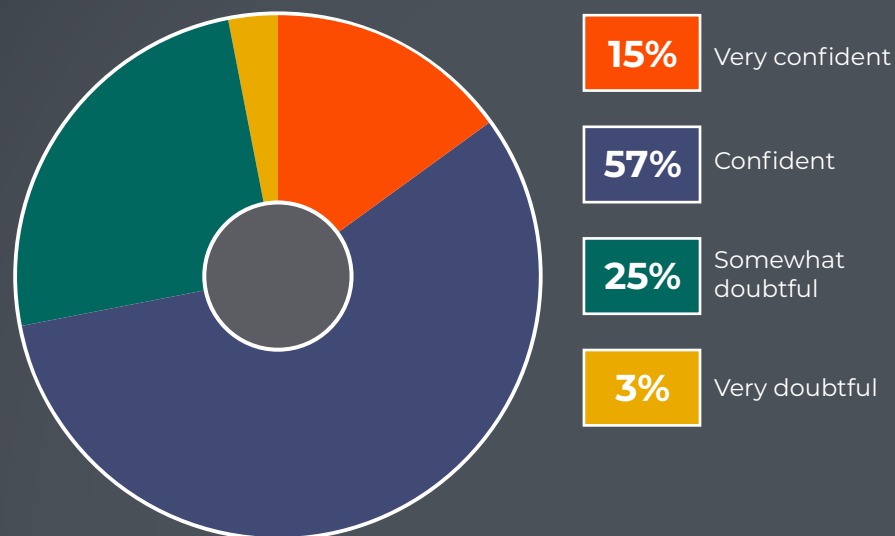


What is your company policy in respect of trading with Russia?

Many businesses have looked at the complexity and rate of change in the sanctions landscape, as well as wider political, reputational and commercial factors, and decided to exit the Russian market.

We support clients to map their existing exposure to sanctioned markets, to identify ways that they can effectively wind-down their exposure to those markets, as well as understanding their contractual obligations.

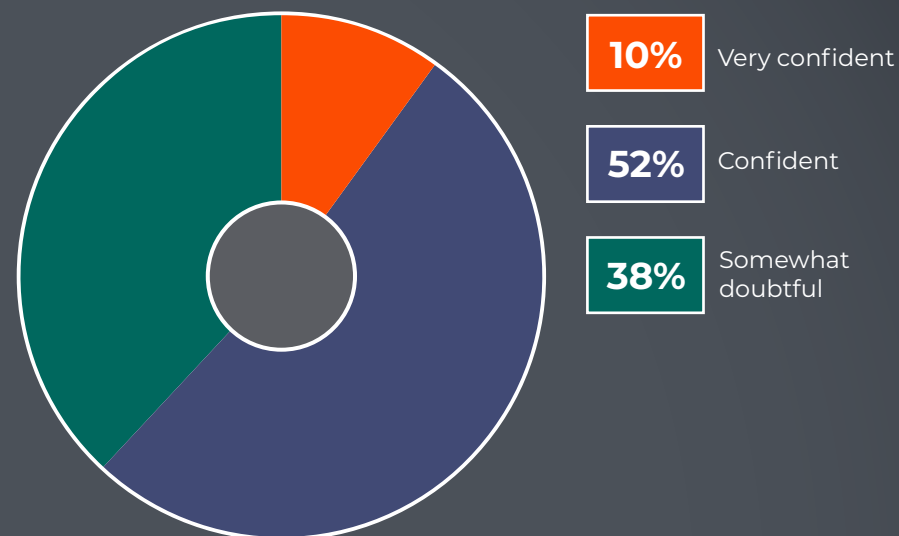
But equally sanctions are intended to be temporary, and we work with clients where other sanctions regimes are becoming progressively less restrictive, to ensure that they can target legitimate activities, while complying with remaining restrictions.



Are you confident that your business has fully identified its exposure to current sanctions risk?

Given the rapid rate of change, as well as the complexity and novelty of the current sanctions measures, it is not surprising that not all of our respondents are fully confident that sanctions risk has been identified.

We help clients to identify sanctions risk and devise effective and proportionate procedures to manage those risks. We help them to keep up to date on the latest developments, providing bespoke training and advice, as well as reviewing policies and procedures to ensure they remain fit for purpose.

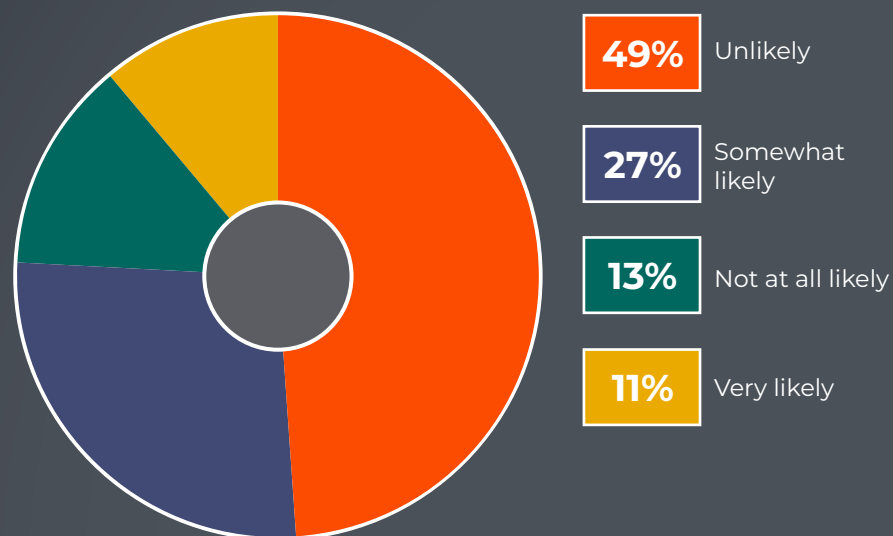


How confident that your business has adequate resources to manage its current sanctions risk exposure?

Confidence to operate in a sanctions sensitive business environment stems from a well-established due diligence process and an alert risk management team.

It can be hugely time-consuming to ensure that staff are knowledgeable and able to manage the risks.

As well as training clients and keeping them up to date, we advise on practical measures to manage the risk, including use of technology, effective engagement of all aspects of the business, and effective processes to put in place.

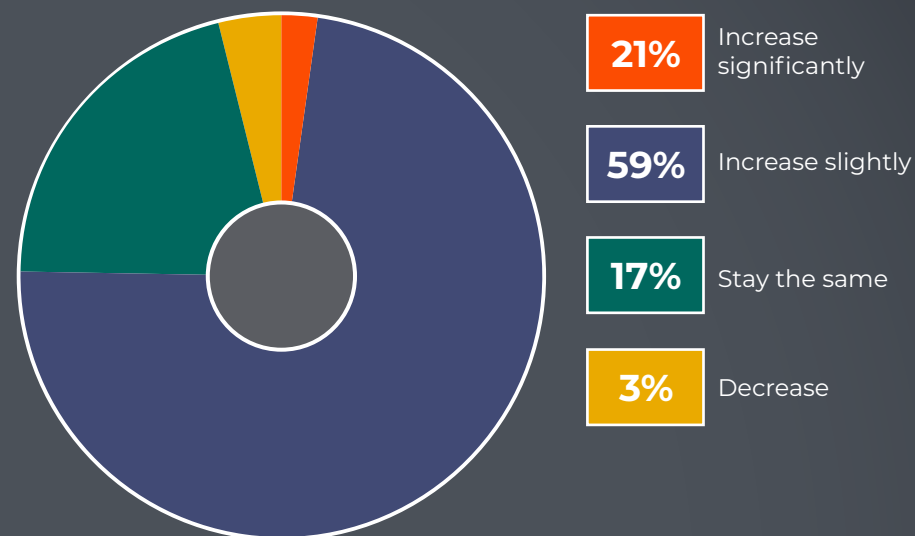


How likely do you think it is that one or more sanctions authorities will impose a full trade embargo against Russia?

Our poll shows a considerable (and entirely understandable) level of uncertainty about what comes next.

Having access to the right experts at these times of unprecedented change is critical. Whatever change does occur, our clients know that we will be up to date, and that we are likely to be considering the effect of any change even before they are.

We also have excellent contacts within regulators, and can canvas their views when matters are in a state of flux, and clients are looking for a view from the authorities.



Over the next 12 months, how do you expect the enforcement of international sanctions to change?

Regulators are under pressure to show that the latest measures are effective. Part of that involves demonstrating that there will be enforcement against those who breach sanctions, and we were not surprised to see that most of our respondents (as well as many of our clients) expect to see an increase in enforcement.

Businesses should prepare now for the increased risk of enforcement in the EU, UK and Switzerland, as well as continuing US enforcement, by understanding their own level of risk. That is likely to involve an audit of historic transactions to identify any breaches, a review of internal policies and procedures to ensure they are effective, training of key individuals to make sure they are up to date, checking that contracts include suitable terms, and external advice as necessary.