

COMPLIANCE POLICY

X-NOOR SOLAR ENERGY TRADING HOLDING LIMITED

-United Arab Emirates-

AMENDMENT RECORD

Issue N ^o	Amendment	Approved By	Date
1.00	First Issue	Board of directors	24 January 2024

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CONTENTS

1. INTRODUCTION AND SCOPE.....	3
2. PURPOSE	3
3. INTEGRITY AREAS.....	3
4. PRIVACY	9

1. INTRODUCTION AND SCOPE

X-Noor Solar Energy Trading Holding Limited ('**X-NOOR**' or '**Company**'), a private company based in the Dubai International Financial Center ('**DIFC**'), that intends to set up and own subsidiaries operating in the territories of UAE, Oman and Bahrain (the '**Territories**'). X-NOOR wishes (i) to uphold the highest international standards of business integrity, with a special focus on the values of professionalism, respect and responsibility towards the environment, social diversity and inclusion; and (ii) apply the best corporate governance practices.

This Compliance Policy ('**Policy**') is applicable to all individuals conducting business for or on behalf of the Company or its branch offices or subsidiaries in the Territories, including the Company's shareholders, directors, general managers, representatives, employees, staff, and its branches and subsidiaries and their respective directors, general managers, representatives, employees, and staff (individually a '**Policy Stakeholder**' and collectively the '**Policy Stakeholders**').

2. PURPOSE

This Policy sets forth the minimum essential principles and rules that shall govern all of X-NOOR's business operations and transactions in the Territories. The objective is to establish a healthy and safe workplace to all policy stakeholders and ensure their strict compliance with all the applicable laws and regulations of while operating in the Territories. Policy Stakeholders are required, in their areas of responsibility, at all times to meet the standards set out in this Policy and to fully comply with the applicable anti-corruption, antitrust and money laundering laws and regulations in the Territories, as amended from time to time.

3. INTEGRITY AREAS

3.1. CONFLICTS OF INTERESTS

This Policy outlines and stipulates guidance to identify, disclose, declare, and manage any actual, potential, or perceived conflicts of interest.

Conflicts of interest arise when personal interests, activities, or relationships interfere, or appear to interfere, with an individual's ability to act in the best interest of the Company ('**Conflicts of Interest**'). In this regard, Policy Stakeholders shall never use their position at X-NOOR, or elsewhere, for any potential case of Conflicts of Interest.

Some examples are (non-exhaustive):

- Policy Stakeholders are prohibited from engaging in personal relationships or financial transactions with third parties dealing with the Company if such associations may affect or influence or appear to affect or influence the Policy Stakeholder's ability to perform its work duties, in the pursuit of personal or relatives' benefits.

- Policy Stakeholders must refrain from promoting business arrangements between the Company and third parties in return of any personal gain, unlawful profits, kickbacks, or any other form of personal or financial advantage, either for themselves or for individuals related to them.
- Policy Stakeholders must avoid any side engagements (such as employment) with the Company's competitors, customers, or suppliers.

Having a personal relationship with other employees, candidates, customers, suppliers, regulators, or competitors does not necessarily give rise to a Conflict of Interest, but where it may or does, it should be duly declared to the Company in accordance with the following procedure:

- Conflicts of Interest shall be disclosed in writing to X-NOOR Compliance Committee (compliance@x-noor.com) who is responsible for determining if a conflict of interest exists and for proposing a resolution, taking into account the relevant Board's recommendation for handling the Conflicts of Interest and the implementation of the mitigating measures.

Non-disclosure of Conflicts of Interest may subject the Policy Stakeholder to disciplinary measures, including (but not limited to) warnings, salary deductions, suspension or termination of employment, and other legal measures.

3.2. ANTI-BRIBERY AND ANTI-CORRUPTION

X-NOOR has zero tolerance to any act of bribery or corruption. Policy Stakeholders must comply at all times with all the applicable anti-bribery and anti-corruption laws and regulations (as amended from time to time) in all Territories, where X-NOOR or its subsidiaries conduct business.

To prevent the risks of bribery and corruption, Policy Stakeholders shall conduct their activities in full compliance with this Policy and with all the applicable laws and regulations in the Territories, in particular all relevant local anti-bribery and anti-corruption laws and regulations such as (but not limited to): the UAE Penal Code (Federal Law No. 31/2021), DFSA Rulebook, the UN Convention against Corruption ratified by the UAE pursuant to Federal Decree No. 8/2006, the Arab Convention to Fight Corruption, signed on 21 December 2010 by UAE; and any other local anti-bribery and anti-corruption laws and regulations applicable in the concerned Territory.

A bribe is a gift, financial or other advantage offered or received directly or indirectly, to induce or reward the improper performance of a person's professional duty.

- **Policy Stakeholders must not give, offer, pay, seek, promise, or accept any kind of bribes to/from any public officer or any other third party dealing with the Company.**

A breach of Anti-Bribery laws may subject Policy Stakeholders to disciplinary measures, including (but not limited to) warnings, salary deductions, suspension or termination of employment, and other legal measures such as civil and/or criminal proceedings.

- **Policy Stakeholders shall not seek/give/offer/promise or accept/request/receive anything of value or any commercial or economic advantage, directly or indirectly, to/from Public Officials, or to/from someone with the purpose to influence a business outcome inadequately** for the purpose of improperly obtaining information, influencing their decision-making or obtaining/retaining a business advantage (including a person who directs or works for a private sector enterprise in any capacity).
- **Policy Stakeholders may only be permitted to give/offer/promise or accept/request/receive to/from Public Officials or any other third parties, items of nominal value** (i.e. branded office items) or infrequent meals that are acceptable under the local customs or common business practice, such as 'coffee breaks' or meals of an economic value, in any case, **not exceeding** the threshold of USD 200 per meal and per person per calendar year.

If the aforementioned is not complied with, the Policy Stakeholders must **obtain pre-approval from the X-NOOR Compliance Committee before engaging in such activities.**

Penalties under the Anti-Bribery laws applicable in the Territories tend to penalize the bribe payer, the bribe recipient, any intermediary and any other person who has taken part in conduct criminalized under the anti-bribery legislation. Furthermore, any person who has agreed, incited or knowingly assisted in the commission of the crime may be deemed to be an accomplice and subject to the sanctions as prescribed under the applicable law. Liability can apply to public officials, private individuals and legal entities.

If any Policy Stakeholder is confronted with a request or demand for a bribe or any other type of improper payment, they should immediately reject it and report it to the X-NOOR Compliance Committee (compliance@x-noor.com). Moreover, the Policy Stakeholder must refrain from any activity or behavior that may give rise to the appearance or suspicion of such conduct or the attempt thereof.

3.3. Relationships with third parties shall be taken ethically and professionally.

The Anti-Bribery laws applicable in the Territories prohibit improper payments, that fall within the definition of bribery, to Public Officials, whether by an intermediary, third party or otherwise. Consequently, Policy Stakeholders must take reasonable precautions to ensure that the third parties they deal with conduct business ethically and in compliance with the applicable laws.

Any activity that might lead to improper or facilitation payments, including but not limited to small payments made to accelerate routine government actions, such as granting of any license, permit, or contract, shall also be avoided.

Policy Stakeholders must adopt best practices when conducting risk assessments or due diligence on potential third parties dealing with the Company. The Company will develop third party screening protocols defining the due diligence processes that need to be followed.

3.4. GUIDELINES ON BEST PRACTICES FOR INTERACTING WITH PUBLIC OFFICIALS

Policy Stakeholders shall apply the following non-exhaustive list of **principles and best practices** when they interact with Public Officials on behalf of or for the benefit of X-NOOR:

- Acting at all times with **integrity and honesty**, and in a fair and professional manner, being open, transparent, and accurate about the purpose of said interaction.
- Respecting and **following the rules** set in this Policy and using **good judgement and common sense** when necessary.
- **Denying any offer or request and not promising or giving anything of value to/from Public Officials** for the purpose of improperly obtaining confidential information and/or a business advantage, and/or influencing their decision-making.
- Properly **documenting and recording** all business transactions and financial flows managed by the Policy Stakeholders for the benefit of X-NOOR, if any, with Public Officials.
- **Ensuring all expenditures are recorded accurately.**
- Complying with the **four-eyes-principle**, to the greatest possible extent, where more than one Policy Stakeholder must be in attendance or present in meetings with Public Officials. Knowing how to recognize, manage and, if possible, **avoid situations of conflict of interest**, and in case they occur, submit a full disclosure in writing to X-NOOR Compliance Committee (compliance@x-noor.com).

3.5. ANTI-MONEY LAUNDERING & TERRORIST FINANCING

For the purposes of this Policy, references to “money laundering” also include “counter terrorist financing” (**‘AML and CTF’**):

- **Money laundering** refers to the process of disguising the true source of illegally obtained funds, usually by integrating the funds into otherwise legitimate businesses or transferring the funds through a series of complex financial transactions. Other illegal activities such as **bribery or corruption are often disguised through money laundering**. For example, the UAE Federal Decree Law No. (26) of 2021 provides guidelines on AML and CTF in the UAE, and the Dubai International Financial Center (DIFC) has clear guidelines and a Rulebook for Financial and Non-Financial entities. The Territories including UAE is following FATF Standard international regulations.
- **Terrorist Financing** refers to provision or collection of funds with the intention to use the funds to support terrorist activities, whether or not the funds are obtained illegally.

Policy Stakeholders must comply at all times with the applicable Anti-Money Laundering laws, as amended from time to time. A breach of Anti-Money Laundering laws may subject Policy Stakeholders to disciplinary measures, including (but not limited to) warnings, salary deductions, suspension or termination of employment, and other legal measures such as civil and/or criminal proceedings.

3.6. TRADE SANCTIONS

Trade sanctions are economic, financial, trade or other restrictive measures imposed by individual countries, groups of countries, or multilateral organisations, such as the United Kingdom (UK) government, the United States (U.S.) government, the United Nations (UN) and the European Union (EU), on targeted regimes, countries or regions, governments, entities or individuals (each of these, a '**Sanctions Target**'), in order to achieve a specific foreign policy or national security objectives. These restrictions can take the form of measures imposed directly against the Sanctions Target or restrictions on the ability of other persons to deal with, or on behalf of, the Sanctions Target. Types of sanctions may include: (i) restrictions on providing services and/or maintaining relationships with Sanctions Targets, (ii) asset freeze, or (iii) travel bans.

Certain regulations require X-NOOR's shareholders to establish **risk-based internal controls** (i.e., third party due diligence) to ensure that X-NOOR could identify, assess, monitor, and manage money laundering risks and trade sanctions requirements, in order to avoid regulatory censure and potential prosecution. Moreover, X-NOOR will adhere to applicable laws and any directives, related to trade sanctions, issued by the Board from time to time.

Policy Stakeholders must ensure that:

- X-NOOR does not enter into any sort of business relationship if the individual or entity concerned is a Sanctions Target.
- X-NOOR is implementing a proper third party due diligence process to identify any potential compliance risk (i.e., financial crimes), and evaluate all the third parties from available Sanction lists (e.g., UAE, OFAC, HMT, EU and UN).
- X-NOOR must not do business with any third party in a sanctioned country.
- X-NOOR is conducting business with reputable customers for legitimate business purposes and with legitimate funds.

3.7. ANTITRUST

Antitrust laws seek to promote competition among the players in a market place and ensure an efficient market structure. As such, antitrust and competition laws are designed to support and promote free competition, restrict collusion in particular markets and regulate commerce by prohibiting monopolies, artificial economic restraints, bid-rigging, sensitive information exchange, and price fixing.

X-NOOR and the Policy Stakeholders hold the responsibility to comply with all applicable antitrust or competition laws in the territories to avoid the consequences and the breach of such laws. For example, in the UAE, the Federal Law No. (4) of 2012 prohibit entities from engaging in anti-competitive behaviour and it provides for severe financial penalties, criminal liability, and adverse reputational impact.

Policy Stakeholders should:

- not make any form of arrangements with competitors, such as price fixing, market sharing, monopoly, or bid-rigging.
- never comment on competitors' products or services in an inaccurate or untruthful manner.
- respect the confidential information and intellectual property rights of the Company's competitors and other third parties dealing with the Company.
- only use legitimate means of obtaining competitive information.
- not discuss with competitors, suppliers, customers or contractors associated with the Company any markets targeted for the Company's sales or the terms governing its business operation.

3.8. WORKPLACE DISCRIMINATION AND HARASSMENT

X-NOOR defends equal opportunities, diversity, and human relationships based on respect, tolerance, and fairness. Therefore, Policy Stakeholder must avoid concealing, tolerating, or engaging in any form of:

- **Workplace discrimination** that may prejudice or diminish the personal dignity and/or professional development opportunities of people, or as specifically set out in the applicable law.
- **Workplace harassment** or “**bullying**”, or any other type of **verbal** or written or electronic or **physical violence** that may prejudice or diminish the physical, psychological or moral integrity of people, or as specifically set out in the applicable law.

The prohibition related to workplace discrimination and harassment include gestures, looks, or any other type of behaviour that creates a hostile or offensive environment, such as offensive jokes, slurs, epithets or name calling, physical assaults or threats, intimidation, ridicule or mockery, insults or put-downs, offensive objects, messages, offensive comments or jokes regarding protected characteristics such as race, gender, religion or pictures, and interference with work performance.

All Policy Stakeholders hold the responsibility to comply with all applicable labour and employment laws and this Policy, and consequently an obligation to behave in a manner consistent with creating a positive and healthy work environment.

As set out in this Policy and in the applicable law, if any Policy Stakeholder knows or suspects the occurrence of a workplace discrimination or harassment at/by/for X-NOOR business operations, they are encouraged to raise any concerns wherein such reports are confidential and shall be written to the X-NOOR Compliance Committee (compliance@x-noor.com).

X-NOOR does not tolerate any form of harassment and bullying on any grounds. Any suspicious behaviour or reports of harassment and bullying will be thoroughly investigated, in which the consequences may be criminal or civil proceedings (i.e., imprisonment or fine), and in some cases both; in addition to any disciplinary measures or procedures against the violator.

3.9. REPORTING REQUIREMENTS – X-NOOR COMPLIANCE EMAIL

X-NOOR takes its commitment towards compliance with the aforementioned matters very seriously and expects all Policy Stakeholders to share that commitment. Therefore, all Policy Stakeholders have the responsibility to immediately report any violation, or suspicion thereof, of this Policy or the relevant laws in which such disclosures must be made in writing and in good faith to the X-NOOR compliance e-mail (compliance@x-noor.com).

Even though reports may be made anonymously, X-NOOR encourages all Policy Stakeholders to be transparent to the greatest possible extent and assures that no adverse employment-related actions will be taken if reports of known or suspected violations are made in good faith.

Policy Stakeholders shall communicate any known or suspected conduct against this Policy or the applicable law to X-NOOR Compliance Committee via X-NOOR compliance e-mail: compliance@x-noor.com.

Moreover, in case of regulatory reporting requirements, Policy Stakeholders may address the relevant authority (e.g., Police department hotline, designated whistleblowing hotline in TERRITORIES).

4. PRIVACY

X-NOOR and the Policy Stakeholders shall comply with all applicable data protection laws as applicable in the TERRITORIES.

Policy Stakeholders must ensure the protection and responsible use of all personal data reflected in daily operations and be committed to collecting and using data in a lawful, fair, legitimate and ethical way, and always in compliance with the applicable laws.

The Company developed a data privacy policy (**'X-NOOR Privacy Policy'**) that governs the intragroup processing of personal data as defined in the Federal Data Protection Law No. (45/2021) and the DIFC Data Protection Law No. (5) of 2020 (**'PDPL'**).

Policy Stakeholders must always process personal data in accordance with legitimate business

purposes, obtain consent from data subjects, perform privacy impact assessments, safeguard any personal data transferred to or processed by a third party, inform data subjects about the privacy notice, report any breach or suspected breaches of personal data to privacy@x-noor.com, and comply with the X-NOOR Privacy Policy and the provisions of the PDPL.