



TRADE CONTROLS COMPLIANCE POLICY AND PROCEDURES



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ENLIGHT RENEWABLE
ENERGY LTD.

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01. Policy Statement & Scope

Enlight Renewable Energy (the “Company” or “Enlight”) is committed to complying fully with all applicable laws and regulations and maintaining the highest ethical standards. The Company must comply with certain trade and economic sanctions that prohibit dealings with certain countries, regions, and persons, and export controls that restrict the export, re-export, and transfer of items (collectively, “Trade Controls”). The purpose of this Trade Controls Compliance Policy (the “Policy”) is to facilitate compliance by the Company with all applicable Trade Controls laws and regulations, including, but not limited to, those administered and enforced by the United States, the European Union and its Member States, the United Kingdom, Israel and any other jurisdictions where the Company conducts business.

Enlight has established the following guidelines which apply to all Enlight and Enlight subsidiary employees, officers, and directors (collectively, “Enlight Personnel”) wherever located, as well as any third parties that act for on or behalf of Enlight – including distributors, agents, intermediaries, consultants, contractors, sub-contractors and service providers (collectively, the “Third-Party Representatives”). All Enlight Personnel and Third-Party Representatives must comply with applicable Trade Controls and are prohibited from (1) manipulating any transaction, service arrangement, relationship, or document to circumvent this Policy; or (2) facilitating or advising anyone regarding the circumvention of Trade Controls or this Policy.

This Policy is intended to provide a general description of applicable Trade Controls and how the Company complies with them. This Policy is not intended to address the specific application of these laws to any particular transaction or dealing, and should not be read as a substitute for case-by-case guidance from the General

Counsel. Questions you may have regarding the application of this Policy or Trade Controls with respect to a particular transaction, dealing, or activity should be raised promptly and directly with the General Counsel or a member of the General Counsel's office.



This Policy is not designed to answer every question that may arise, but instead serves as a set of guiding principles for a constantly changing business environment. Questions regarding this policy should be directed to the Enlight's General Counsel.

02. U.S. TRADE CONTROLS

A. Overview

U.S. Trade Controls are principally administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), the U.S. Commerce Department's Bureau of Industry and Security ("BIS") and the U.S. Department of State.

- OFAC administers U.S. trade and economic sanctions that restrict transactions and dealings with certain countries, persons, or entities determined to be engaged in behavior contrary to U.S. national interests.
- BIS administers export controls that restrict the export, re-export, and transfer of U.S.-Controlled Items (defined below).
- The U.S. Department of State can and does impose so-called "secondary sanctions" on entirely non-U.S. entities engaged in activities that may be permissible under local laws, but are viewed by the State Department as contrary to U.S. interests, particularly with respect to certain dealings involving Iran, North Korea and Russia.

U.S. Trade Controls generally apply in two different, but overlapping ways.

- OFAC restrictions apply to the activities of “U.S. Persons,” a term that includes: (i) all U.S. citizens and U.S. lawful permanent residents (so-called “Green Card” holders), regardless of their location; (ii) all U.S. companies, including overseas branches; and (iii) all persons within the United States, regardless of their nationality or duration of their stay in the United States. With respect to Cuba and Iran, these restrictions also apply to foreign persons that are “owned or controlled” by a U.S. Person (i.e., the non-U.S. subsidiaries of a U.S. company).

- BIS restrictions apply to exports, re-exports, and transfers of “U.S.-Controlled Items,” which generally include items manufactured in the United States, items sourced from the United States, or items manufactured abroad with more than a de minimis amount of U.S.-origin content.

Prohibited transactions or dealings can include, but are not limited to, exports, sales, imports, purchases, provision or receipt of services of any kind, financial transactions, investment contracts, performance of contracts, brokering, or facilitating sales to Sanctioned Areas or Sanctioned Persons (see Section II.B).

Trade Controls are fluid and can change quickly in light of current events and foreign policy objectives. To be most current, Employees are encouraged to consult with the Company’s General Counsel whenever transactions or interactions involve the countries, regions, or issues mentioned below.

B. U.S. Sanctions

The trade and economic sanctions programs administered by OFAC include:

- Sanctioned Areas – OFAC maintains country-specific sanctions and economic embargoes that generally prohibit all direct or indirect (through third parties) transactions and business activities involving certain countries/territories and all government and non-government entities and individuals located or resident therein. The United States currently maintains comprehensive trade and economic sanctions against Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the so-called Donetsk People’s Republic and the so-called Luhansk People’s Republic (collectively, the “Sanctioned Areas”). Similarly, although Venezuela is not subject to country-wide sanctions, the Government of Venezuela is the target of U.S. sanctions, and these sanctions restrict U.S. persons from dealing with the Government of Venezuela or with entities or individuals worldwide that are owned or controlled by, or acting for on behalf of, this government.
- Sanctioned Persons – OFAC also maintains list-based sanctions that prohibit or restrict direct or indirect (through third parties) transactions with certain entities and individuals that appear on certain restricted party lists, including (but not limited to) the Specially Designated Nationals and Blocked Persons List (the “SDN List”), the Foreign Sanctions Evaders List, and the Sectoral Sanctions Identifications List (such persons, “Sanctioned Persons”). Prohibitions or restrictions can vary depending on which list-based sanctions apply. Individuals or entities included on the SDN List (each, an “SDN”) are generally off-limits to U.S. Persons. Absent authorization from OFAC, U.S. Persons may not transact or deal with the property of an SDN, and if a U.S. Person comes into possession of property belonging

to an SDN, the U.S. Person is obligated to “block” or “freeze” that property and report it to OFAC. As a practical matter, this means that U.S. Persons generally may not enter into any dealings with SDNs. Moreover, any entity that is 50% or more owned by one or more SDNs is itself considered a sanctioned entity by operation of law, even though it may not appear on the SDN List. In contrast, sectoral sanctions (a type of list-based sanctions which target certain sectors of the Russian economy), prohibit only certain types of transactions involving a designated entity, e.g., the purchase of new debt or equity.

Although an SDN may be located anywhere in the world (including the United States), certain countries have a higher concentration of SDNs than others. Countries with members of the government or government supporters on the SDN List, or that contain a relatively higher number of persons sanctioned under an OFAC program that targets an illicit activity (such as international terrorism, malicious cyber activity, narcotics trafficking, weapons of mass destruction proliferation, and criminal activities) include Afghanistan, Belarus, Bosnia, Burma, Burundi, the Central African Republic, Colombia, the Democratic Republic of the Congo, Iraq, Kosovo, Lebanon, Libya, Macedonia, Mexico, Nicaragua, Pakistan, Russia, Serbia, Somalia, Sudan, South Sudan, Ukraine, the United Arab Emirates, Venezuela, Yemen and Zimbabwe.

Due to multiple factors, including money-laundering threats, the risk of inadvertently supporting state sponsors of terror and/or indirectly assisting a state-system that connives at serious abuses of human rights, Enlight’s policy is not to conduct business with persons located or resident in, operating from, or incorporated under the laws of Sanctioned Areas. Any dealings in or involving Sanctioned Areas and all government and non-government entities and individuals located or resident therein are subject to further

review by Enlight's General Counsel who will also take into account Enlight's commitment to promoting corporate social responsibility).

Further, Enlight's policy prohibits any and all transactions or dealings with Sanctioned Persons, absent the prior compliance clearance of Enlight's General Counsel and confirmation (including, as appropriate, through the use of outside legal counsel specializing in Trade Controls) that the transaction or dealing is permitted under U.S. and other applicable sanctions laws and regulations.

C. U.S. Export Controls

The United States controls the exports, re-exports, and transfers of U.S.-regulated items. Certain items may merit "EAR99" designation under the Export Administration Regulations, 15 C.F.R. Parts 730-774, meaning no specific licensing is generally required for shipment to countries or parties that are not the target of trade or economic sanctions. For other items, however, it is possible that additional steps are necessary to classify and receive proper authorization prior to export. Insofar as you are considering an export from the United States or a re-export or transfer of a U.S.-regulated item, please contact the Company's General Counsel.

Separate and apart from sanctions lists maintained by OFAC, BIS maintains its own lists of restricted persons, including the Denied Persons List and the Entity List. As a general matter, any person (U.S. or non-U.S.) is restricted from exporting or re-exporting a U.S.-Controlled Item to a person on one of these lists.

D. U.S. Antiboycott Restrictions

U.S. antiboycott regulations restrict U.S.-regulated parties from engaging in certain conduct in furtherance of boycotts not endorsed by the U.S. government and require that certain information about a boycott-related request be reported to the U.S. government. The primary target of the U.S. antiboycott laws is the Arab League Boycott of Israel. Boycott requests may also relate to other boycotts, such as those between India and Pakistan, China and Taiwan, Bahrain and Bangladesh, or Turkey and Cyprus. A boycott request may take the form of a questionnaire, an informal written request for information, or a certification requirement. Enlight Personnel must not respond to questionnaires or other requests for information regarding the Company's business activities with or concerning Israel (or any similar request regarding India, Pakistan, or other countries subject to unapproved boycotts). The mere receipt of boycott requests often must be reported. If you receive such a request, you must not respond or take any further action until you have consulted with the Company's General Counsel.

E. Human Rights and Supply Chain Risks

The U.S. government has increasingly relied on regulatory tools including designation on the SDN List and the Entity List to further U.S. policy and national security objectives with respect to Chinese companies determined to be involved in human rights violations and abuses, particularly as related to Muslim minority groups in the Xinjiang Uyghur Autonomous Region ("XUAR") and throughout China. In addition, the U.S. has enacted the Uyghur Forced Labor Prevention Act which creates a rebuttable presumption against imports from the XUAR – effectively prohibiting imports into the U.S. of items "mined, produced, or manufactured wholly or in part" in the XUAR, or produced by

specific entities. The U.S. government has specifically identified renewable energy as an industry known to use forced labor in Xinjiang, and advises businesses to consider this risk when conducting due diligence of counterparties. Enlight Personnel must pay particular attention to where suppliers are based and where raw materials originate in order to ensure compliance with applicable laws.

03. EU/UK TRADE CONTROLS

A. EU/UK Sanctions

Unlike the United States, neither the European Union (“EU”) nor the United Kingdom (“UK”) currently have in place any comprehensive, country-wide sanctions or economic embargoes. UK sanctions apply (i) to any conduct within the territory of the UK (including Northern Ireland) regardless of whether UK persons are involved and (ii) in relation to the conduct of all UK persons wherever they are in the world. UK persons include British nationals, as well as all bodies incorporated or constituted under the law of any part of the UK, meaning that the prohibitions apply to all companies established in any part of the UK as well as branches of UK companies operating overseas. The EU sanctions have a similar scope, applying to EU persons (who include the nationals of EU Member States and entities incorporated under those states’ laws) wherever they may be. Similar to UK sanctions, they apply within the territory of the EU to any person or entity, regardless of whether they are nationals of an EU Member State and to any business done in whole or part in the EU.

Both the EU’s and the UK’s sanctions currently in force consist of targeted sanctions and list-based sanctions.

The most extensive trade sanctions currently apply in relation to Iran, North Korea, Russia, Belarus, Syria, the Crimea region of Ukraine, the so-called Donetsk People’s

Republic, and the so-called Luhansk People's Republic. These contain various specific restrictions, including restrictions on transactions relating to certain industry sectors (such as the oil, gas and financial services sectors), investment in particular countries (such as Russia), and the export of certain goods (in particular military and dual-use goods as well as luxury goods). These restrictions vary by country and must be considered on a case by case basis).

In addition, the EU and the UK implement asset-freeze sanctions. These place broad financial and travel restrictions on a number of persons, entities, and bodies both under country-specific regimes and under regimes aimed at sanctioning wider categories of persons – for instance, global human rights abusers and terrorists.

Like SDNs, persons designated under EU/UK asset-freeze sanctions should be treated as Sanctioned Persons. Similar to the U.S., any entity that is more than 50% owned by a Sanctioned Person (or, in the EU, by one or more Sanctioned Persons) is itself considered a sanctioned entity even though it may not itself appear on the sanctions list¹. Under the UK and EU regimes however, any entity that is controlled (according to the relevant UK and EU guidance) by a Sanctioned Person is also itself treated as a sanctioned entity (on the ground that dealing with it involves indirectly dealing with the Sanctioned Person(s)).

Subject to any exceptions or derogations, or the operation of applicable licenses, it is prohibited to deal with funds or economic resources belonging to, owned, held or controlled by an asset freeze target (or an entity more than 50% owned

¹ According to 2022 EU guidance a 50% ownership will be determined by looking at the aggregated ownership of an entity. Under the UK rules, different Sanctioned Persons' holdings will only be aggregated if one party controls the rights or shares of the other as would be the case under a joint arrangement.

or controlled by an asset freeze target) or make funds or economic resources available, whether directly or indirectly, to or for the benefit of any person designated as an asset freeze target (or an entity more than 50% owned or controlled by an asset freeze target).

Additional information on EU/UK asset-freeze sanctions can be found on the applicable government and informational websites listed in Appendix A.

In the event Enlight Personnel becomes aware of a proposed or completed transaction or dealing relating to countries that are the subject of EU or UK targeted sanctions, the Enlight Personnel must put any pending transaction on hold and contact the Company's General Counsel. The Company's General Counsel will initiate a review to determine whether the transaction or dealing is permissible under the applicable EU or UK sanctions and/or the Company's internal policies.

B. EU/UK Export Controls

The EU and the UK both operate export control regimes. Among other sensitive items, these regimes focus on controlling the export or transfer of military and so-called "dual-use" goods, software or technology (which can be used for either civilian or military functions). Licenses must typically be sought for the export or transfer of such items outside of the UK or outside of the EU (and sometimes within the EU, for especially sensitive goods). Under both the EU and UK regulations, "exporting" and "transferring" can be non-physical, such as through electronic transfer. Please contact the Company's General Counsel if you become aware that your task may involve the export or transfer of any goods, software or technology subject to EU or UK export controls.

04. ISRAELI TRADE CONTROLS

Israeli law provides for generally applicable import and export controls with respect to materials, technologies and equipment related to the company's projects. Enlight implements the instructions of the Ministry of Economy and Industry in Israel on the subject.

The Import-Export Order 2014 restricts the import of goods from countries with which Israel does not have diplomatic relations, or that otherwise discriminate against the import of goods from Israel. However, the Ministry of Economy has issued guidelines that permit the import of goods from many of these countries, or that limits the statutory import restrictions to specific categories of goods. The Ministry of Economy has issued guidelines that permit the import of goods from many countries from which imports would otherwise be prohibited under the Import-Export Order 2014.

The Trading with the Enemy Ordinance of 1939 (the "Ordinance") prohibits any "trading" with an "enemy," as both terms are defined in the Ordinance, or any attempt to do so. "Enemy" is defined in the Ordinance as any state, or its sovereign, that is at war with Israel; any individual resident in enemy territory; any business controlled by an Enemy; any body of persons constituted or incorporated in, or under the laws of, an Enemy state; and any person or body of persons involved in a business operating in an Enemy territory. There is no formal list of enemy states under the Ordinance; however, the Israeli Government has currently informally designated Syria, Lebanon, and Iran as enemy states. Iraq is also informally designated by the Israeli Government as Enemy state; however, it is currently exempted by the Israeli Government on a temporary, year by year basis. Israel has also designated certain Iran-related persons and entities as "enemies." Additionally, the Israel Ministry of Defense maintains a list of terrorist or unlawful organizations.

Any violation of the provision of the Ordinance is a criminal offense, punishable by up to ten years imprisonment and/or a fine. The prohibition is applicable equally both to individuals and companies (including company managers and other officials). Any dealing with a terrorist or unlawful organization is a criminal offense.

The Free Import Order of 1978 may require the receipt of specific permits for imports into Israel from specific companies (e.g., companies organized under countries which do not currently maintain diplomatic relations with Israel).

The Israeli Ministry of Finance is responsible for the implementation of the Trading with the Enemy Ordinance, including designating enemy states.

The Israeli Ministry of Economy and Industry is responsible for overseeing the import matters of certain items, which are those items which have both commercial and military or proliferation applications, and which are set forth in the Export Control Order.

Accurate company records are crucial to our business and are required by law. Enlight Personnel are strictly prohibited from creating false or inaccurate books and records, or from circumventing internal accounting controls.

05. COMPLIANCE POLICIES AND PROCESSES

The Company shall maintain processes and procedures designed to ensure compliance with applicable Trade Controls, including, for example:

- Denied party screening: Enlight shall implement and maintain a risk based process to screen persons and entities with whom the Enlight does business, including customers, suppliers, service providers, banks, and other third parties, to ensure such persons and entities are not Sanctioned Persons. Before engaging in a new relationship

with a counterparty (e.g., a customer, business partner, distributor, supplier, bank, or other third party), Enlight shall, upon a risk based approach policy, screen the counterparty, including against the sanctions and export controls-related lists of Sanctioned Persons as applicable, and maintain a record of such screening for a five-year period.

- **Contractual provisions:** Where possible, Enlight shall introduce provisions in all users service agreements to make clear that Sanctioned Persons are not authorized to use provide the Company's Company with services. Enlight shall also introduce provisions in contracts with customers and other third parties that provide such parties are not Sanctioned Persons and that the sales or services subject to such contracts shall not violate applicable Trade Controls.

- **Risk assessment and policies** Periodically, Enlight shall conduct an assessment of Trade Controls risks, including by conducting a review of any items developed in the United States, to determine whether new policies and/or procedures are required.

- **Written policies:** Enlight shall maintain written policies, as needed, relating to compliance with applicable laws and ethical standards

- **Training:** Enlight will provide training on this Policy and Trade Controls to all Enlight Personnel and, where necessary and appropriate, Third-Party Representatives on a periodic basis.

- **Red flags vigilance:** In all transactions, Enlight Personnel should be vigilant in looking for warning signs that a transaction may need to be reviewed to ensure that it complies with applicable Trade Controls and this Policy. Red flag indications have been identified by the U.S. Government to include the following:

- o the customer is little known to the Company;
 - o the customer is reluctant to provide information about the end-use of the goods or services being provided;
 - o the customer uses only a post office box address; or
 - o the terms for financing the transaction or the price to be paid seem inconsistent with usual commercial standards.
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06. RECORDKEEPING

Recordkeeping is an essential part of Enlight’s compliance with applicable Trade Controls laws. Specifically, U.S. export control laws require that records of covered transactions be maintained for a period of five years from the latter of the date of export, the exhaustion of the export license authorizing the transaction, or the expiration of the export license or authorization.

Enlight shall keep and maintain internal records pertaining to its export transactions and compliance efforts regarding Trade Laws for at least five years or such other period as may be required by applicable law. Records that must be retained include, but are not limited to, books of account, contracts, standing instruction records, letters, email, memoranda or other papers connected with a transaction.

You should consult with the General Counsel if you have any questions regarding whether particular documents are required to be maintained, or whether the retention period for a transaction has expired.

07. POTENTIAL VIOLATIONS

A. Reporting Violations & Non-Retaliation

Enlight Personnel must report any suspected violations of this Policy to a supervisor and/or the General Counsel. Enlight will take no adverse action against Enlight Personnel who report violations of this Policy honestly and in good

faith. Suspected violations will be reviewed and investigated as appropriate, and any employee who misleads or hinders, or who fails to cooperate with, investigators inquiring into potential violations of this Policy will be subject to disciplinary action.

B. Violations of this Policy

Non-compliance with Trade Controls could result in serious consequences, to the Company, Enlight Personnel, Third-Party Representatives, and other individuals involved in violations. Trade Controls are aggressively enforced, particularly by U.S. authorities, and violations could result in substantial exposure, including criminal prosecution, monetary fines, loss of Enlight's export trading privileges, and other penalties. Such penalties, and the adverse publicity and expense that could result even from an accusation of a Trade Controls violation, could seriously damage the business and reputation of our Company.

Failure to be aware of Trade Controls laws will not excuse violations of them. Anyone who knowingly violates, condones or permits noncompliance with this Policy or any Trade Controls will be subject to disciplinary action by Enlight, up to and including termination of employment and/or relationship, as applicable.

C. Updates & Review

Enlight is committed to periodically reviewing and updating this Policy and any related processes and procedures based on an assessment of the effectiveness of this Policy, any changes in applicable Trade Control laws, or when Enlight has changes to its business, including, for example, by entering new markets, sectors, or countries, any which may change the Company's Trade Controls risk profile.

APPENDIX A: TRADE CONTROLS GOVERNMENT AND INFORMATIONAL WEBSITES

U.S. Department of Treasury, Office of Foreign Asset Controls (“OFAC”)

<https://www.treasury.gov/resource-center/sanctions/Pages/default.aspx>

This website contains information on the sanctions regulations administered by OFAC, including both country-based and list-based sanctions programs.

OFAC Sanctioned Persons Lists

<https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>

<https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/Other-OFAC-Sanctions-Lists.aspx>

<https://sanctionssearch.ofac.treas.gov/>

These websites contains information about OFAC lists of sanctioned persons, including the Specially Designated Nationals and Blocked Persons List (“SDN List”). The third website is a search tool that OFAC makes publicly available for searching against the various OFAC lists.

U.S. Department of Commerce, Bureau of Industry and Security

<https://www.bis.doc.gov/>

This website contains information on export control laws and regulations that are administered by the U.S. Department of Commerce.

U.S. Department of Commerce, Office of Antiboycott Compliance

<https://www.bis.doc.gov/index.php/enforcement/oac>

This site contains regulations and information regarding antiboycott measures and antiboycott compliance.

The United Kingdom

<https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets>

This list is maintained by the UK's Office of Financial Sanctions Implementation (OFSI) within His Majesty's Treasury. It contains a readily searchable list of persons subject to the UK's Asset Freeze sanctions.

<https://www.gov.uk/government/publications/the-uk-sanctions-list>

This list is operated by the UK's Foreign, Commonwealth and Development Office. The list includes the asset-freeze targets included in the OFSI list but may also be updated from time to time to include persons subject to sanctions that do not include asset-freeze measures (for instance, travel bans or sanctions relating to ships).

<https://www.gov.uk/government/collections/ofsi-general-licences>

These "general licenses" allow persons to undertake certain activities that would otherwise be prohibited by sanctions regulations – subject to meeting certain requirements.

<https://www.gov.uk/government/publications/financial-sanctions-faqs>

This page gathers multiple pieces of guidance by OFSI regarding the enforcement of UK financial sanctions.

The European Union

<https://data.europa.eu/euodp/en/data/dataset/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions/resource/3a1d5dd6-244e-4118-82d3-db3be0554112>

This link contains the EU's downloadable version of its consolidated list of persons, groups, and entities subject to EU financial sanctions.

<https://www.sanctionsmap.eu/#/main>

For additional reference, Employees may wish to review the distillation of EU sanctions-related material that is made available in map form via EU Sanctions Map.

https://ec.europa.eu/info/business-economy-euro/banking-and-finance/international-relations/restrictive-measures-sanctions_en#introduction

This page gathers multiple resources relevant to the European Commission's role in monitoring the implementation and enforcement of EU sanctions. This includes links to guidance notes issued by the European Commission on various sanctions issues.

<https://www.consilium.europa.eu/en/policies/sanctions/>

This page gathers multiple resources relevant to the Council of the EU's role in developing EU sanctions. This includes links to guidelines and best practices.

https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine_en

This page contains multiple resources and FAQs by the European Commission concerning the EU's sanctions on Russia. Though primarily directed at Russia-related sanctions, many sections contain information with wider applications.