

POLICY ON CONFLICTS OF INTEREST PREVENTION

November 23, 2023

I. INTRODUCTION

The purpose of this Policy on conflict of interest prevention ("PCIP") is to ensure that "Power Gold ENP" UAB (the "Company") creates and implements a fair, equitable and healthy business environment and working place meant to achieve, amongst others, the following:

- to protect the standards of conduct, reputation and integrity of the Company;
- to foster the performance and the decision-making process of the Company;
- to protect the interests of the Company and build trust among its employees, customers, business partners and the government official;
- to guide the Company's employees and business partners to identify potential clashes between their interests and the Company interests and report them accordingly;
- raise the awareness among the Company's employees of compliance with the duty to disclose potential conflicts of interest.

Under this PCIP, a conflict of interest represents any situation where the Covered Subjects have private interests that collide with the interests of the Company that determine the former to act bias when carrying out their official powers, duties, functions and attributions with whom they were entrusted by the Company, or their integrity, independence and impartiality required under that position is impaired in any way.

A conflict of interest situation may be actual (when it occurred and exists) and potential (a situation that may turn into an actual conflict of interest).

For the purpose of this PCIP a government official represents "(i) any official, employee, agent or representative of, or any Person acting in an official capacity for or on behalf of, any Governmental Entity, (ii) any political party, political party official or candidate for political office, (iii) any official, employee, agent or representative of, or any Person acting in an official capacity for or on behalf of, a company, business, enterprise or other entity owned, in whole or in part, or controlled by any Governmental Entity or (iv) any official, employee, agent or representative of, or any Person acting in an official capacity for or on behalf of, a public international organization."¹

¹ See Law insider at <https://www.lawinsider.com/dictionary/government-official>.

II. APPLICABILITY

This PCIP applies to the Company and its affiliates employees, the Board of Directors, the leadership, the shareholders, as well as to secondees, interns, proxies, etc. (hereinafter referred to as the "**Covered Subjects**"). The Covered Subjects include also the family members of the same such as spouses, partners, siblings and other family related persons that could trigger conflict of interest situations.

The Covered Subjects agree to adhere to the principles laid down in this PCIP and are aware that any breach of such principles may trigger fines and reputational damage to the Company, on one hand, and disciplinary sanctions for such subjects, on the other hand. Furthermore, the Company may consider, at its sole discretion, that certain breaches of these principles represent violations of the applicable laws and report them accordingly. Any breaches of the anti-money laundering and combating financing terrorism legislation will be reported by default by the Company's Money Laundering Reporting Officer in accordance with the POLICY FOR ANTI-MONEY LAUNDERING, COMBATING FINANCING TERRORIST AND SANCTION MEASURES.

Whenever contractually feasible, the Company will seek to determine its contractual counterparties to adhere and implement this PCIP as well.

For the proper implementation and achievement of this PCIP goals, the Company advises and requires the Covered Subject to comply with the applicable laws, follow the principles set forth herein, attend the dedicated training sessions and perform their tasks in fairness and ethically.

III. GUIDELINES AND PRINCIPLES

Transparency – the Company encourages and implements transparency throughout its decision-making process across the group and in relation to Covered Subjects. Any activities, engagements, contractual and lucrative relationships between the Company and the Covered Subjects will be conducted at arm's length, in accordance with the market best practices and fully transparent.

Disclosure - conflicts of Interest may routinely occur and may be materialized in different shapes; such situations of conflict of interest are not per se harmful if they are properly addressed. Accordingly, it is important that the Covered Subject disclose these situations and seek advice to mitigate the conflicts of interests risks in accordance with the applicable laws, this PCIP and the market practice.

Prevention – the Company and the Covered Subjects are required to employ a risk prevention-based approach meant to address with diligence and due care all the situations where Covered Subjects private interests may collide with the Company principles, interests and ethical guidelines.

Ethics and integrity – the Company shall ensure that all its decisions concerning any dealings and trading engagements with the Covered Subjects will not be affected by bias approaches stemming from the private interests of the latter.

Managing conflicts of Interest - the conflicts of interest at the level of the Company and its affiliates will be dealt with by the Board of Directors in accordance with the applicable laws, this PCIP and the market best practice.

Compliance – all Covered Subjects have a duty of compliance with this PCIP.

IV. GIFTS, ENTERTAINMENT, CONFIDENTIAL INFORMATION

The Company consider that offering or accepting gifts, entertainment in all its shapes, meals or sponsorship irrespective of their size to/from business partners or competitors, including government officials, by the Covered Subjects represents by default a potential situation of conflicts of interests and might come at variance with the applicable laws.

Accordingly, the Covered Subjects are advised to disclose to the Board of Directors by e-mail all gifts, meals, entertainments, sponsorships and other benefits they have been promised or offered. Through benefits one may understand preferential treatment, personal advantages (discounts, preferential prices or conditions to/from the Company business partners or competitors, etc.) that are not generally accessible.

Gifts may be accepted by the Covered Subjects provided that the same has a value of maximum EUR 50 and represent a mere act of appreciation or courtesy. For the avoidance of any doubt, all gifts and their nominal value must be always disclosed as outlined above.

The Covered Subjects may accept invitations to seminars, conferences, receptions, dinners, workshops, etc., provided that these are rather reasonable and under no circumstances extravagant, ostentatious or lavish. Frequent invitations as well as those which are in contradiction with your duties, responsibilities and obligations under this PCIP must be avoided. All the invitations received by the Covered Subjects must be disclosed as outlined above.

The confidential information belonging to the Company or entrusted to the same by business partners and Covered Subjects shall be treated with due confidentiality and protection. Covered Subjects are urged to avoid any potential conflict of Interest stemming from the improper use of the said confidential information such as, amongst others:

- to gain personal advantages;
- to offer preferential treatment to business partners or competitors;
- to obtain influence over a Company decision that collides with its private interests.

V. HANDLING CONFLICT OF INTERESTS

The Covered Subjects must disclose their private interests that may collide with the Company interests before accepting any position thereof or entering into any contractual relationship with the Company. These disclosures will be sent by e-mail to the Board of Directors, whilst the Board of Directors similar situations will be kept in a register available for inspection. Any material changes concerning the status

of the situations giving rise to conflict of interest shall also be disclosed in the same manner. The Covered Subjects may be required to give periodically updates on these situations too (these updates are triggered by changes in their scope of work, positions, duties or their personal life, etc.).

The Company Board of Directors shall be in charge with the measures aimed at mitigating any actual and potential conflict of interest situations which any of the Covered Subjects may face. These may include any of the following or any other measures that the Board of Directors may deem appropriate:

- transparency and disclosure regarding the private interests that may collide with the Company interests;
- periodic conflict of interest checks;
- limiting the participation of the Covered Subjects in discussions or decisions where their private interests may collide with the Company interests;
- protect the Company confidential information or resources by forbidding the Covered Subjects to enter in certain activities or engaging in certain trading relationships;
- abstaining or removing those Covered Subjects that might find themselves in a conflict of interest situation during a decision making process.

Once disclosed, the conflict of interest will be assessed by the Board of Directors which may act as follows:

- consult with the relevant Covered Subject to decide on the appropriate course or action and applicable measure;
- decide if the situation represents a conflict of interest situation or not;
- if there is a conflict of interest situation the Board of Directors will decide the way it has to be managed including the mitigating measures;
- if the situation is not considered a conflict of interest then the Board of Director decides to close the matter;
- in any case, a matter cannot not considered closed or solved until the final decision of the Board of Directors is not issued.

Contact information for disclosure: contact@powergold.tech