

**TO: COUNTERPARTIES**

# **Anti-Money Laundering Policy for counterparties**

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This policy applies any person acting for or on behalf of Infinity Power Holdings B.V. (**Infinity Power**) and its affiliates (all together the **IPH Group**) and any arrangement between a member of the IPH Group and a third party.

In this document **third party** means any individual or organisation we deal with, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, joint venture partners, consortium members, co-shareholders, contractors, subcontractors, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

## 1. Policy statement

- 1.1 It is our policy to conduct all of our business in an honest and ethical manner, in compliance with applicable laws.
- 1.2 We are committed to ensuring that, in the conduct of our business, the IPH Group is not used in connection with money laundering or terrorist financing. We will not knowingly conduct business with entities or individuals we believe to be engaged in illegal conduct or which may have a negative impact on our reputation or regulatory relationships.
- 1.3 Money laundering and terrorist financing are criminal offences in many of the jurisdictions in which the IPH Group operates. The IPH Group has zero tolerance for any acts by those to whom this policy applies that knowingly facilitate or assist money laundering or terrorist financing by any person in connection with or through the IPH Group's business.
- 1.4 We will uphold all laws relevant to countering money laundering and terrorist financing in all the jurisdictions in which we operate. In order to ensure compliance with applicable laws, we require all employees (including persons engaged on a temporary, part-time or consultancy basis) and each of the IPH Group subsidiaries, irrespective of their domicile, to comply with the requirements of the applicable legislation in their jurisdiction. However, where the local law is less stringent than in the UK, the requirements of the legislation applicable in the UK and this policy shall become the relevant standard. The requirements of this policy are therefore based on the legal and regulatory framework applicable in the UK to prevent money laundering and terrorist financing.
- 1.5 The requirements of this policy are therefore based on the legal and regulatory framework applicable in the UK to prevent money laundering and terrorist financing.
- 1.6 We expect any third party acting for us or on our behalf to comply with this policy. Any breach of this policy may give rise to a termination right of any contract we have with you.

## 2. What are money laundering and terrorist financing?

- 2.1 **Money laundering** is the process by which criminals attempt to hide and disguise the origin and ownership of the proceeds of criminal conduct, so that they appear to have originated from a legitimate source – for example, by disguising the sources, changing the form, or

moving the funds to a place where they are less likely to attract attention.

2.2 The process of money laundering generally involves three stages:

- (a) Placement – placing illicit funds into the financial system by converting those funds into some other financial instrument or medium;
- (b) Layering – separating illicit funds from their source by involving those funds in a series of seemingly legitimate transactions; and
- (c) Integration – involving illicit funds in a series of transactions intended to make it appear that the funds have been derived from a legitimate source.

2.3 AML laws typically prohibit any involvement in money laundering, such as:

- concealing, disguising, converting, handling or transferring criminal property;
- removing criminal property from a country;
- entering into, or becoming concerned with, an arrangement which facilitates the acquisition, retention, use or control of criminal property; and/or
- acquiring, using and/or possessing criminal property.

2.4 Money laundering takes many forms and can include:

- trying to turn money raised through criminal activity into ‘clean’ money;
- handling the benefit of crimes such as theft, fraud, drug trafficking and tax evasion;
- handling stolen goods;
- proceeds of the sale of stolen goods;
- being directly involved with any criminal or terrorist property, or entering into arrangements to facilitate the laundering of criminal or terrorist property; and/or
- criminals investing the proceeds of their crimes in financial products.

2.5 Any funds or other assets that are derived, directly or indirectly, from criminal activities of any kind (including bribery, fraud, modern slavery, human trafficking, environmental offences or theft) may be treated as being criminal property (also known as the proceeds of crime) and, consequently, the carrying out of any of a wide range of activities connected to such funds or assets (including handling and/or transferring them) could constitute money laundering.

2.6 **Terrorist financing** is the process of facilitating, raising, possessing or using funds for terrorist purposes. Funds from legitimate sources (e.g. charitable donations) may be layered in multiple transactions to conceal their intended destination or purpose. The following financing activities are typical:

- extortion and kidnapping, often linked to protection rackets;
- cross-border smuggling of goods which can be sold for profit;
- drug trafficking or the imposition of levies on drug suppliers and dealers;
- fraudulent activity including counterfeiting and identity fraud;

- robbery and theft;
  - charities and fundraising events;
  - legitimate donations from ethnic communities and wealthy donors; and
  - legitimate businesses, which may have been established with the proceeds of crime.
- 2.7 While money laundering and terrorist financing have many similarities, terrorist financing can be carried out using legitimate funds (including charitable donations) and it is not easy to identify the stage at which legitimate funds become terrorist property.
- 2.8 As terrorism is sometimes financed through apparently charitable or philanthropic entities, all donations, including matched funding, to charitable or philanthropic causes must meet the requirements of the ABAC Policy order to mitigate this risk.

### 3. What do we expect from third parties?

- 3.1 Any third party working for or on behalf of Infinity Power, any of our project companies and any other entity in the IPH Group are responsible for preventing, detecting and reporting any instances of money laundering and terrorist financing that is in any way linked to our business.
- 3.2 You are required to avoid any activity that might lead to, or suggest, a breach of this policy. In particular, you are **prohibited** from:
- (a) making or becoming involved in any payment, or transferring anything of value, that you know or suspect, or have reasonable grounds for suspecting, is derived from criminal activity;
  - (b) engaging in any activity that you know or suspect, or have reasonable grounds for suspecting, may involve money laundering. This can include (but is not limited to) false invoicing practices, bribery, corruption, assisting others in concealing the sources of money derived from criminal activity, or assisting others in creating the impression that illegally derived money or other assets were legitimately obtained; and
  - (c) engaging in any activity that they know or suspect or have reasonable grounds for suspecting may involve knowingly providing funds to a terrorist or a terrorist organisation.
- 3.3 You must ensure that you have adequate procedures in place in your organisation to ensure that no money laundering or terrorist financing takes place when you are carrying out activities for or on Infinity Power's behalf, or in which Infinity Power may be implicated.
- 3.4 If you know or suspect that money laundering or terrorism financing may have occurred in your business, or may be about to occur, you must notify the IPH Group Chief Legal Officer as soon as possible, who can be contacted via [compliance@weareinfinitypower.com](mailto:compliance@weareinfinitypower.com).