

## **XEBEC ADSORPTION INC.**

### **POLICY ON COMPLIANCE WITH SANCTIONS & TRADE EMBARGOES**

Xebec Adsorption Inc. is committed to ensuring that it complies with the laws of all jurisdictions in which it does business, including sanctions laws and regulations. This Policy applies to all employees of Xebec Adsorption Inc. and its subsidiaries (collectively, “**Xebec**”). This policy also applies to all persons who act on Xebec's behalf, including employees, officers, directors, consultants and agents.

You, must comply with all applicable laws and regulations (“**Sanction Laws**”) regarding restrictions on engaging in business with:

- countries and/or political subdivisions of countries that are subject to sanctions (collectively, “**Sanctioned Countries**”); and
- persons, companies or entities, including representatives and agents thereof, that are domiciled in Sanctioned Countries or are listed on national or international sanction lists (collectively, “**Sanctioned Persons**”).

#### **What is a Sanction or Trade Embargo?**

Sanctions and trade embargoes are measures implemented by a government or an international organization such as the United Nations. They are intended to pressure the government of the Sanctioned Country, or the Sanctioned Persons, to change policies or practices alleged to be harmful to international peace and security.

#### **What Do Sanction Laws Prohibit?**

Sanction Laws restrict or prohibit different things, depending on the Sanctioned Country and Sanctioned Person involved. Sanction Laws typically place restrictions and controls on the movement of goods, services or funds. Sanction Laws may, but do not necessarily, restrict or prohibit the:

- Sale or purchase of any goods, services or technical information to or from anyone in a Sanctioned Country;
- Sale or purchase of any goods, services or technical information to or from a Sanctioned Person wherever that person may be located;
- Transfer of funds to or through any Sanctioned Country or Sanctioned Person, as well as receipt of funds from a Sanctioned Person (e.g., a bank); and
- Sale of any goods, services or technical information to a permitted person in a permitted country, if the seller knows that the goods, services or technical information is intended for a Sanctioned Country or to a Sanctioned Person.

## How does a Country or Person become a Sanctioned Country or Sanctioned Person?

Typically, a country, individual or company faces sanctions or embargoes because it is alleged to engage in certain types of illegal activity, such as terrorism, human rights violations, unlawful exports, nuclear proliferation, and other criminal actions. The key operating jurisdictions of Xebec (i.e., Canada, the United States and the European Union) prepare and publish lists of Sanctioned Countries and Sanctioned Persons.

### Policy

Xebec will not enter into business transactions with or involving any Sanctioned Country or Sanctioned Person. If you become aware of an existing or possible business transaction with or involving any Sanctioned Country or Sanctioned Person, promptly contact your manager, the Legal Services Department at [legal@xebecinc.com](mailto:legal@xebecinc.com) or the Xebec [Ethicline](#).

### Sanctioned Countries

Please note that Xebec's policy is to comply globally with the Sanctions Laws of the United States and Canada in all of its global operations. In addition, the European Union and most of the countries in which Xebec operates also have restrictions on trading with Sanctioned Countries and Sanctioned Persons. Sanction Laws can change frequently. To ensure that you have the latest information, please consult the following websites and, if necessary, check with your manager or the Legal Services Department for further advice.

**Canada:** [https://www.international.gc.ca/world-monde/international\\_relations-relations\\_internationales/sanctions/types.aspx?lang=eng](https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/types.aspx?lang=eng)

**United States:** <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information>

**European Union:** [https://eeas.europa.eu/headquarters/headquarters-homepage/423/european-union-sanctions\\_en](https://eeas.europa.eu/headquarters/headquarters-homepage/423/european-union-sanctions_en)

### Violations

Xebec has no tolerance for compliance violations. Any violation will be treated as a serious matter and will be sanctioned with disciplinary action up to and including termination of employment for cause. If you are aware of or suspect that anyone is in violation of Xebec's Code of Conduct or this policy, you should report your concern by informing (i) your manager, (ii) the Human Resources, (iii) the Legal Services Department or (iv) the Xebec [Ethicline](#).

Xebec will protect employees from being penalized, discharged, demoted, suspended or discriminated against for reporting in good faith any violation of the Code of Conduct or this policy.

### FOR FURTHER INFORMATION

For further information or advice, please contact the Legal Services Department.