

## Anti-Bribery and Corruption Policy

### 1. Policy Summary

Inventus Power has a zero tolerance for bribery or corruption. Fair competition in a global environment requires honest and transparent transactions. Bribes and corruption are the antithesis of transparency and lead to additional costs and possibly less efficient markets. Everyone loses. Because of the global nature of our business, we often interact with foreign and government officials around the world. Our Code of Ethics Policy, the law and this global Anti-Bribery and Corruption Policy (“ABC Policy” or “Policy”) state our expectations and proscribe limits on these interactions, particularly if our interaction may result in providing anything of value to a foreign government official.

### 2. Policy Purpose

This Policy is designed to increase awareness of the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act (UKBA) and other global anti-bribery and corruption laws in order to avoid violations by recognizing concerns in advance. This awareness gives each of us an opportunity to review potential issues and address them appropriately. In the short term, losing business because we refuse to pay bribes may seem to be hurting our business or bottom-line. However, in the long run any violation of anti-bribery and corruption laws can more severely damage our future business, our reputation and may result in civil and criminal penalties.

### 3. Scope of Policy

The principles and obligations in this Policy apply to all employees of Inventus Power globally and its subsidiaries and affiliates, including our officers, directors and agents. This Policy sets minimum compliance standards with respect to interaction with third parties, but where local law, regulations or local internal policies require more stringent controls, then such more stringent controls must be followed.

### 4. Policy Specifics

#### 4.1 Background

Corruption is the misuse or abuse of public or private office for personal gain. A bribe is the offer or payment of anything of value as an inducement or reward, offered in order to gain any commercial, contractual, regulatory or personal advantage through “improper performance”.

We reject corruption of all kinds, including bribery of government officials. We follow the requirements and expectations of all applicable anti-bribery and corruption laws, including the FCPA, the UKBA, and any local laws in every country in which we do business. These laws prohibit bribery of foreign government officials. To be in compliance with the FCPA we must also maintain accurate books and records that properly reflect payments we make. The UKBA and other laws go further and also prohibit commercial bribery where a foreign government official

does not need to be involved.

Although this ABC Policy focuses primarily on compliance with the FCPA and UKBA, most countries have laws and policies addressing bribery and corruption and we need to be aware of and compliant with these as well. Throughout this Policy, collectively we will refer to all of these laws as “ABC Laws”.

For the purposes of this Policy, the term “foreign government official” is broadly defined to include:

- i. Any officer or employee of a foreign government, department, agency or instrumentality;
- ii. Any employee of a state or government owned or controlled business, school, hospital, or other entity;
- iii. Any person acting in an official capacity on behalf of a government entity;
- iv. A public international organization or any department or agency thereof (e.g., the United Nations, World Trade Organization and World Bank);
- v. Any political party or party official;
- vi. Any office holder or candidate for political office; and
- vii. Any employees of state-owned or state-controlled commercial enterprises.

The determination of a foreign government entity or official can be confusing or unclear. Employees of Inventus Power who have any doubt or question are expected to consult Inventus Power’s CFO and/or VP of HR in advance.

## 4.2 Bribery Prohibited

ABC Laws prohibit companies and their employees and representatives from giving, promising, offering, or authorizing payment of anything of value to any foreign government official in order to obtain or keep business or to secure some other improper advantage such as a tax advantage. In essence, these laws prohibit the giving of **anything of value** with the intent to improperly influence a government official’s actions. Prohibited payments include, but are not limited to, those designed to:

- Induce the official to award a contract to Inventus Power;
- Obtain or retain advantageous tax or customs treatment not otherwise available to Inventus Power; or
- Avoid enforcement of laws or regulations otherwise applicable to Inventus Power

While cash bribes are the most commonly recognized, cash is not the only form of bribe prohibited under the ABC Laws or this Policy. Also, the amount of the gift or a successful outcome is not critical. What may be considered a small amount in one country could be substantial in another. The prohibition on bribery applies to the giving of **anything of value**, not only cash. This includes providing employment opportunities, favorable terms, charitable donations, travel, gifts and entertainment. Such payments are barred even if:

- The benefit is for a company or someone other than the bribe giver;
- The advantage or opportunity sought is not with the government;
- The payment does not result in the hoped-for outcome or does not in fact influence the government official’s conduct

- The foreign government official solicited the payment

The UKBA and other ABC Laws may also specifically prohibit the offering or acceptance of corrupt payments and other advantages between private people and entities. Such conduct constitutes commercial bribery, sometimes also referred to as a “kickback.” Such conduct is also prohibited.

### **Facilitation Payments Also Prohibited**

Facilitation, expediting, or other payments (sometimes referred to as “grease” payments) are also prohibited under the UKBA, other laws and this Policy. Facilitation payments are small payments paid to foreign government officials, e.g. customs agents, to expedite or facilitate, routine governmental actions which are non-discretionary, such as obtaining an ordinary license or business permit, processing government papers such as visas, providing police protection, providing phone service, power or water service, or loading or unloading of cargo.

Although there is a narrow exception for facilitating payments under the FCPA, such payments are prohibited under the UKBA and the laws of many other countries. Therefore, in order to ensure compliance with **all** ABC Laws, **Inventus Power prohibits facilitation payments altogether.**

### **4.3 Prior Approval Options**

This ABC Policy requires employees of Inventus Power to **obtain approval from Inventus Power’s CFO and/or VP OF HR before providing anything of value to a “foreign government official.”**

- **Logo branded items**

Routine or logo branded items are manufactured as small and simple gifts culturally accepted by each location that can be given during with government officials (such as providing free Inventus Power logo branded product or business meals provided for an official's visit to an Inventus Power facility) if related to simple items, such as notebooks, pens, pencils, T-shirts, cups, bottles, for example. This cannot cause any sense of commitment or any kind of advantage for Inventus Power.

- **Special Events**

Inventus Power’s CFO and/or VP OF HR must preapprove any event or site visit involving a foreign government official where the official will be receiving a gift or something of value from Inventus Power.

Pre-Approval Procedures:

- 1) Prior to planning or arranging any event such as a facility, branch, plant or site visit, investor group meeting, group event or any event where a foreign government official would potentially be provided anything of value by Inventus Power, prior written approval must be obtained from Inventus Power’s CFO and/or VP OF HR. This includes any meals and entertainment where a foreign government official could be present.

- 2) Any Inventus Power employee must complete a request before promising, authorizing, or paying anything that could be deemed to carry value to the foreign government official or investor in connection with the meeting, site visit, or other event. This includes any expenses related to travel, hotel accommodations or meals associated with the meeting, site visit or other event.
- 3) The approval request must be submitted in writing (email is acceptable) to the CFO and/or VP OF HR at least 10 business days prior to the proposed date of the meeting. This request should specify the nature of the meeting, the names and details of any expected attendees and gifts or entertainment.
- 4) Written approval must be received prior to proceeding and the special event must be conducted in accordance with the preapproval. Any significant deviations require additional approvals.

Although this Policy is intended to provide guidance, anti-bribery matters are not always clear cut and must often be addressed on a case-by-case basis. In all situations where there is a question, employees of Inventus Power should consult the CFO and/or VP OF HR prior to taking action.

#### 4.4 Limited Exceptions

##### Gifts, Meals and Entertainment

Because the laws of each country may be different and the legal landscape regularly changes, it is not always simple for an employee to determine whether providing gifts, meals and entertainment (or other hospitality) would be considered a bribe or corrupt act under ABC Laws.

Under certain circumstances, it may be permissible under such laws to provide modest gifts or a meal or other entertainment to a government official as a token or social kindness. Generally, gifts, meals and entertainment are permissible, provided that:

- There is no expectation that the gift, meal, or entertainment is given in exchange for any return favor or business advantage from the government;
- The gift, meal, or entertainment is infrequent, reasonable, and proportionate in amount under the circumstances; and
- Either the CFO and/or VP OF HR is consulted in advance regarding the acceptability of the items under ABC Laws.

When deciding whether a gift is appropriate, employees also must take into account any past, pending or future business or administrative matters that are within the recipient's realm of influence. The amount, frequency, timing and context surrounding such gifting must be considered in order to assess whether any particular offer could reasonably, objectively be perceived to be a bribe.

Before providing any gift (except branded logo gifts), meal or entertainment to a government official, employees of Inventus Power should **always seek approval from the CFO and/or VP OF HR.**

### **Promoting, Demonstrating or Explaining Products**

In some circumstances, payments made to or on behalf of government officials for “reasonable and bona fide” expenses such as travel or lodging directly related to product demonstrations or tours of Inventus Power facilities may be appropriate and permissible. However, in all cases for employees of Inventus Power, **prior approval from Inventus Power’s CFO and/or VP OF HR must be obtained before providing anything of value to a government official.**

### **Hiring or Engaging Government Officials**

Inventus Power may hire or engage government officials to perform services that have a **legitimate business purpose**, provided that:

- Prior approval is obtained from the CFO and/or VP OF HR;
- The officials are not hired to perform services that conflict with their official duties; and
- There is no expectation that the hiring is in exchange for any return favor or business advantage from the government

No offers of employment by Inventus Power may be extended to any government official without prior approval from Inventus Power’s CFO and/or VP OF HR.

### **Charitable or Political Contributions**

In general, no charitable or political contributions of any kind, including “in kind” contributions may be made on behalf of the Inventus Power without prior approval of Inventus Power’s CFO and/or VP OF HR.

While donation to charitable organizations by employees is encouraged and charitable contributions on behalf of Inventus Power are regarded as good corporate citizenship, those made to organizations in which government officials or their close family play a role, such as trustee, may be troubling under global anti-corruption laws. Similarly, the FCPA and the U.S. authorities have taken the position that a donation made to a charity associated with a foreign government official is considered a benefit for that official. Political parties and candidates are considered government officials. No political contributions can be offered or made on behalf of Inventus Power. Political contributions can include:

- Cash, currency, gift cards or other stored value instruments;
- “In-kind” or non-monetary items (such as loaned or donated office equipment or assets, or volunteer time); and
- Use of Inventus Power resources or assets not directly and immediately for Inventus Power activity (such as: facilities, postage or email)

Employees of Inventus Power may participate in political activities on an individual basis, with their own money and on their own time. However, Inventus Power will not reimburse any personal political contributions.

For additional information and consultation on charitable and political contributions, employees of Inventus Power should contact Inventus Power’s CFO and/or VP OF HR.

## 4.5 Third Parties

ABC Laws prohibit corrupt payments made directly by Inventus Power employees or indirectly through an agent or other intermediary such as a consultant acting for or on behalf of Inventus Power.

- Under the FCPA, it is unlawful to make a payment of anything of value to any person, knowing that all or any portion of the payment will be offered, given, or promised to a government official or any other person for a corrupt purpose. The term “knowing” includes conscious disregard, deliberate ignorance, and willful blindness.
- Under the UKBA, a company can be held criminally liable for bribes paid on its behalf by a third party anywhere in the world – even if the company had **no knowledge** of the bribe.

Accordingly, the most important step Inventus Power can take to protect itself from liability for improper payments made by third parties is to carefully choose its business partners, including agents and consultants and conduct risk related and reasonable due diligence to reduce the risk that unacceptable third parties are engaged by Inventus Power.

The U.S. Justice Department has identified certain circumstances that may suggest reason to know of an illegal payment made by an intermediary. These “red flags” warrant further investigation when selecting or working with a third party. The following are examples of red flags:

- The transaction involves a country or person known for corrupt payments.
- The third party is a relative, close family, or has a personal or professional relationship with a foreign government official or relative of an official;
- Third party consulting agreements that only vaguely describe services;
- The third-party refuses to sign contracts or agreements with anti-bribery or corruption representations;
- The third-party requests success fees, advances or other unusual contract terms or payment arrangements that raise local law issues, such as a payment in cash, payment in another country’s currency, or payment in a third country;
- The third-party request payments in cash or offshore;
- The third party is suggested by a government official, particularly one with discretionary authority over the business at issue;
- The third party is in a different line of business than the engagement; and
- The third party’s commission or fee exceeds fair and reasonable compensation for the work to be performed

In all cases, whether or not any of these red flags are present, consult and seek approval from Inventus Power’s CFO and/or VP OF HR before entering into any arrangement with a third party who will have contact with a government official on behalf of Inventus Power.

Inventus Power will evaluate the third party and obtain contractual protections with a third party who will represent Inventus Power with foreign government officials.

### **Requirement of a Written Agreement**

All third-party relationships that may involve contact with foreign government officials must be reduced to writing. This agreement or contract must include appropriate language regarding compliance with all ABC Laws. Unless you are using preapproved forms, Inventus Power CFO and/or VP OF HR should be involved in drafting and reviewing all third-party agreements.

### **4.6 Recordkeeping and Reporting Requirements**

The FCPA imposes strict accounting requirements on Inventus Power. In particular, the FCPA requires:

- Books and records that, in reasonable detail, reflect the transactions and asset dispositions of Inventus Power; and
- A system of internal accounting controls including periodic audits.

To comply with these requirements, all Inventus Power employees must:

- Follow the Inventus Power's Code of Conduct & Ethics Policy, any Inventus Power record retention policies and Generally Accepted Accounting Principles;
- Accurately record all transactions, even when the transaction might violate U.S. or foreign laws or regulations;
- Never agree to requests for false invoices or for payment of expenses that are unusual, excessive, inadequately described, or otherwise raise questions under these guidelines; and
- Never make any payments to anonymous (i.e., "numbered") accounts that are in the name of neither the payee nor an entity known to be controlled by the payee

### **4.7 Auditing**

Inventus Power's personnel or external representative engaged by Inventus Power may conduct periodic audits to help document and ensure Inventus Power's compliance.

### **4.8 Training**

Inventus Power employees who may interact with any foreign government officials are expected to complete training on the ABC Policy. Training may be on-line or delivered in person. Failure to complete training in no way excuses any employee for violations of this Policy.

### **4.9 Reporting Concerns or Suspected Violations**

If you observe conduct that may violate this ABC Policy, contact Inventus Power CFO and/or VP OF HR or use Ethics Hotline or Ethics Website. Suspected violations will be reviewed and investigated as appropriate and if substantiated may lead to disciplinary action. Reports in some countries may be made anonymously, and, in any event, reports shall be treated as confidential to the extent permitted by law. Inventus Power prohibits retaliation for good faith reports.

**Retaliation for any reports under this ABC Policy may constitute an additional violation of Inventus Power policies.**

## 5. Frequently Asked Questions (FAQs)

**Q:** *I am negotiating for an equipment license in a new and emerging market. The government official in charge of granting the license has indicated that the review and approval could speed up if I hired a “facilitator.” I get the impression that this person may be a relative of the government official. Should I proceed?*

**A:** *Not without further information or approvals. You will need to ensure that the “facilitator” is providing legitimate services at a reasonable fee and that none of the costs would be provided to the government official who recommended him in the form of a kickback or bribe.*

**Q:** *I need to meet with a potential customer about a large Inventus Power contract. I want to make sure that I have done everything I can to win this contract. The client is a huge football fan and mentioned that his dream is to go to the Super Bowl. I want Inventus Power to buy tickets for him and his family and cover his travel costs. Is this OK?*

**A:** *Not without prior approval of the CFO or the VP OF HR. This could be perceived as a bribe. You must only provide entertainment and travel which is directly related to Inventus Power’s business and this does not include elaborate and expensive gifts or entertainment designed to win new business at all costs. This looks even less like a business expense because it includes the potential customer’s family and Inventus Power representatives will not even be present.*

**Q:** *I am having a meeting for a number of customer contacts at the customer’s facility. It will happen at lunchtime and I would like to bring in lunch and give everyone attending an Inventus Power logo ink pen. Can I do this?*

**A:** *Inventus Power logoed products and a reasonable lunch on site should be fine so long as no attendee is a foreign government official. Even in case a foreign government official attends, this may be acceptable since the value of the ink pen is minimal, the lunch is reasonable and for convenience and Inventus Power representatives are present. However, if you have any questions, make sure that you seek preapproval from Inventus Power’s CFO and/or VP OF HR.*

**Q:** *I am working on getting Inventus Power’s products into a hospital in China and I know that the wife of the Chief Administrator is very involved in a children’s charity. I thought it might be a helpful gesture to make a substantial donation to the charity in Inventus Power’s name to put Inventus Power in a good light. It should be alright since the money is going to a charity and not to individuals. Can I do this?*

**A:** *No. You should make no charitable donations in the name of Inventus Power without preapproval of the CFO and/or VP OF HR. This donation could be perceived as a bribe and since it is to a relative of an organization that might be considered “government owned or controlled” in China, this could be characterized as a bribe to a government official and violate the FCPA, UKBA and possibly the laws of China.*