

Anti-Corruption Policy

Finova Capital Private Limited

Document Information:

Name of document	Anti-Corruption Policy
Date of Initial adoption	March 25, 2019
Date of last amendment	October 27, 2020
Approved By	Board of Directors
Version	1.1

Table of Contents

OBJECTIVE	4
SCOPE & APPLICABILITY	4
DEFINITIONS.....	4
POLICY	9
PROCEDURES, REPORTING AND RECORD-KEEPING.....	9
RELATIONSHIPS WITH THIRD PARTIES	10
DISCIPLINARY PROCEDURES.....	11
COMPLIANCE PROCEDURES AND TRAINING.....	12
REPORTING REQUIREMENTS AND WHISTLEBLOWER PROTECTION.....	12
WAIVER AND AMENDMENT OF THE POLICY.....	12
APPENDIX A.....	13

OBJECTIVE

Finova Capital Private Limited (“**Finova**” or the “**Company**”) is committed to the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices. It is Finova’s policy to conduct all of its business activities with honesty, integrity and the highest possible legal and ethical standards and vigorously enforce its business practice, wherever it operates throughout the world, of not engaging in bribery or corruption and expects all its employees and other persons acting on its behalf to uphold this commitment.

SCOPE & APPLICABILITY

- This Anti-bribery and Anti-Corruption Policy (this “**Policy**”) applies to the Company and all individuals working for all affiliates of Finova at all levels and grades, including but not limited to directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents, representatives or any other person associated with Finova (collectively “**Company Personnel**”).
- In brief, Finova will not tolerate bribery, kickbacks, or corruption of any kind, directly or through third parties, whether or not explicitly prohibited by this Policy or by law. The Company Personnel are not permitted to give or offer anything of value (including gifts, hospitality, or entertainment) to anyone for the purpose of improperly obtaining or retaining a business advantage. Similarly, Company Personnel may not solicit or accept such improper payments.
- This Policy and the internal controls herein have been designed to prevent bribery from occurring, avoid the appearance of wrongdoing and enable Finova to respond promptly and effectively to any inquiries about its conduct. The Company Personnel who violate this Policy may be subject to disciplinary action, up to and including termination.
- The pages that follow provide a general guide to anti-corruption compliance but do not address every potential scenario that may implicate issues bearing on compliance with this Policy. Therefore, any Company Personnel who has/ have any questions concerning the requirements of this Policy should consult with the Compliance Officer (as defined hereinafter below).

DEFINITIONS

- I. ‘**Government Official**’ includes all officers or employees of a government department, agency or instrumentality; permitting agencies; customs officials; candidates for political office; and officials of public international organizations (e.g., the Red Cross). This term also includes officers or employees of government-owned or controlled commercial enterprises such as state-owned or controlled universities, airlines, oil companies, health care facilities or other vendors. Further, the term also includes family members and close associates of such individuals (e.g., it is not permissible to give a lavish gift to the sibling, spouse or child of a government employee if a gift to the individual would be prohibited under this Policy).
- II. ‘**Corrupt Practice**’ is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.

This document is the property of Finova Capital Private Limited. This document should not be quoted or reproduced or circulated in any form or means including electronic, mechanical, photocopying or otherwise. Any unauthorised use of the document or contents of the same is strictly prohibited.

Interpretations

- Corrupt practices are understood as kickbacks and bribery. The conduct in question must involve the use of improper means (such as bribery) to violate or derogate a duty owed by the recipient in order for the payer to obtain an undue advantage or to avoid an obligation. Antitrust, securities and other violations of law that are not of this nature are excluded from the definition of corrupt practices.
- It is acknowledged that companies commonly make contributions for bona fide social development purposes/local charities or provide funding for infrastructure development. These practices are not viewed as Corrupt Practices for purposes of these definitions, so long as they are permitted under local law and fully disclosed in the payer's books and records.
- In the context of conduct between private parties, the offering, giving, receiving or soliciting of corporate hospitality and gifts that are customary by internationally accepted industry standards shall not constitute corrupt practices unless the action violates applicable law in India. All such expenditures must be recorded accurately in the books and records of the Company, in accordance the *"Procedures, Reporting And Record-Keeping"* section below.
- Payment by private sector persons of the reasonable travel and entertainment expenses of public officials that are consistent with existing practice under relevant law and international conventions will not be viewed as Corrupt Practices.

III. **'Fraudulent Practice'** is any action or omission, including a misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.

Interpretations

- An action, omission, or misrepresentation will be regarded as made recklessly if it is made with reckless indifference as to whether it is true or false. Mere inaccuracy in such information, committed through simple negligence, is not enough to constitute a Fraudulent Practice.

(A) Gifts, Meals, Entertainment and Employment

- As a general matter, Finova competes for and earns business through the quality of its personnel, products and services, not with gifts or lavish entertainment. The use of Finova's funds or assets for gifts, gratuities, or other favors to Government Officials or any other individual or entity (in the private or public sector) that has the power to decide or influence the Company's commercial activities is prohibited, unless all of the following circumstances are met.
 - (a) the gift does not involve cash or cash equivalent gifts (e.g., gift cards, store cards or gambling chips);
 - (b) the gift is permitted under both local law and the guidelines of the recipient's employer;
 - (c) the gift is presented openly with complete transparency;
 - (d) the gift is properly recorded in the Company's books and records;
 - (e) the gift is provided as a token of esteem, courtesy or in return for hospitality and should comport with local custom; and

This document is the property of Finova Capital Private Limited. This document should not be quoted or reproduced or circulated in any form or means including electronic, mechanical, photocopying or otherwise. Any unauthorised use of the document or contents of the same is strictly prohibited.

- (f) the item costs less than \$100 USD.

Gifts that do not fall specifically within the above guidelines require advance consultation and approval by the Compliance Officer.

- Note that the provision of gifts, as well as the reporting requirements, in this Policy, apply even if the Company Personnel are not seeking reimbursement for the expenses (i.e. paying these expenses out of your own pocket does not avoid these requirements).
- The Company Personnel must not accept, or permit any member of his or her immediate family to accept, any gifts, gratuities or other favors from any customer, supplier or other person doing or seeking to do business with the Company, other than items of nominal value. Any gifts that are not of nominal value should be returned immediately and reported to your supervisor. If immediate return is not practical, they should be given to the Company for charitable disposition.

(B) Meals, Entertainment, Travel and Lodging

- Common sense and moderation should prevail in business entertainment and the payment of travel and lodging expenses engaged in on behalf of the Company. The Company Personnel should provide business entertainment to or from anyone doing business with the Company only if the entertainment is infrequent, modest and intended to serve legitimate business goals.
- Meals, entertainment, travel and lodging should never be offered as a means of influencing another person's business decision. Each should only be offered if it is appropriate, reasonable for promotional purposes, offered or accepted in the normal course of an existing business relationship, and if the primary subject of discussion or purpose of travel is business. The appropriateness of a particular type of entertainment, travel and lodging of course, depends upon both the reasonableness of the expense and on the type of activity involved. This is determined based on whether or not the expenditure is sensible and proportionate to the nature of the individual involved. Adult entertainment is strictly prohibited.
- Expenses for meals, entertainment, travel and lodging for Government Officials or any other individual or entity (in the private or public sector) that has the power to decide or influence the Company's commercial activities may be incurred without prior approval by the Compliance Officer only if all of the following conditions are met:
 - (a) The expenses are bona fide and related to a legitimate business purpose and the events involved are attended by appropriate Finova's representatives;
 - (b) The cost of the meal, entertainment, travel or lodging is less than \$100 USD per person; and
 - (c) The meal, entertainment, travel or lodging is permitted by the rules of the recipient's employer (if applicable).
- For all such expenses, the reimbursement request must identify total number of all attendees and their names, employer, and titles (if possible). All expense reimbursements must be

This document is the property of Finova Capital Private Limited. This document should not be quoted or reproduced or circulated in any form or means including electronic, mechanical, photocopying or otherwise. Any unauthorised use of the document or contents of the same is strictly prohibited.

supported by receipts, and expenses and approvals must be accurately and completely recorded in the Company's records. In all instances, Personnel must ensure that the recording of the expenditure associated with meals, lodging, travel or entertainment clearly reflects the true purpose of the expenditure.

- Note that the provision of meals, entertainment, travel and lodging as well as the reporting requirements, in this Policy, apply even if Company personnel are not seeking reimbursement for the expenses (i.e. paying these expenses out of your own pocket does not avoid these requirements).
- When possible, meals, entertainment, travel and lodging payments should be made directly by the Company to the provider of the service, and should not be paid directly as a reimbursement. Per diem allowances may not be paid to a Government Official or any other individual (in the private or public sector) that has the power to decide or influence the Company's commercial activities for any reason.

Any meal, entertainment, travel or lodging expense greater than \$100 USD per person, and any expense at all that is incurred for meals, entertainment, travel or lodging unrelated to a legitimate business purpose, must be pre-approved the Compliance Officer.

Please note that in addition to traditional gifts, meals, entertainment and travel that are provided to business relationships where the Company Personnel are not in attendance shall be considered gifts, and subject to the rules and requirements for gifts specified in this Policy.

(C) Employment/Internships

- On occasion, Government Officials or Finova's business partners may request that Finova provide internships or employment to certain individuals. Offering internships or employment to Government Officials or Finova's business partners may be viewed as providing an item of value.
- If a candidate is interviewed for an internship or employment within the ordinary course of filling a position, Compliance Officer must be notified of the candidate's relationship to a Government Official or Finova's business partner. If a candidate related to a Government Official or Finova's business partner is interviewed outside of the ordinary course of filling a position, any internship or employment offer must be pre-approved by the Compliance Officer.

(D) Political Contributions and Charitable Donations

- The Company Personnel may not make political or charitable donations, whether in their own name or in the name of Finova, to obtain or retain business or to gain an improper business advantage.
- Any political or charitable contributions by Finova must be permitted under the law, permissible pursuant to the terms of this Policy, made to a bona fide organization, and in the case of political contributions or charitable contributions connected to any Government Official or government entity made with the prior approval of the Compliance Officer. In certain instances where there is heightened risk of corruption, Compliance Officer may require diligence to be conducted.

This document is the property of Finova Capital Private Limited. This document should not be quoted or reproduced or circulated in any form or means including electronic, mechanical, photocopying or otherwise. Any unauthorised use of the document or contents of the same is strictly prohibited.

- The Compliance Officer must be notified if a Government Official solicits a political or charitable contribution in connection with any government action related to Finova or its affiliates. Individual employees or agents may not make political contributions on behalf of Finova or its affiliates.

IV. 'Coercive Practice' is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

Interpretation

- Coercive Practices are threatened or actual illegal actions such as personal injury or abduction, damage to property, or injury to legally recognizable interests, in order to obtain an undue advantage or to avoid an obligation. It is not intended to cover hard bargaining, the exercise of legal or contractual remedies or litigation.

V. 'Collusive Practice' is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

Interpretation

- Collusive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.

VI. 'Obstructive Practice' is

- Deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making of false statements to investigators, in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice, and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
- An act intended to materially impede the exercise of access to contractually required information in connection with an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice.

Interpretation

- Any action legally or otherwise properly taken by a party to maintain or preserve its regulatory, legal or constitutional rights such as the attorney-client privilege, regardless of whether such action had the effect of impeding an investigation, does not constitute an Obstructive Practice.

VII. 'Sanctionable Practice' refers to one, or a combination of a Corrupt Practice, Fraudulent Practice, Coercive Practice, Collusive Practice or Obstructive Practice as defined above.

Interpretations

- A person should not be liable for Sanctionable Practices taken by unrelated third parties unless the first party participated in the prohibited act in question.

VIII. ‘Compliance Officer’ is the specific employee of Finova Capital Private Limited responsible for the overall development, adherence, record-keeping, reporting and updation of Anti-Bribery and Corruption Policy. The Company Secretary shall act as a Compliance Officer for this purpose.

POLICY

- The Company Personnel must conduct their activities in full compliance with this Policy, the laws of the United States and all applicable anti-corruption laws, including local anti-corruption laws, the UK Bribery Act and the United States Foreign Corrupt Practices Act (“**FCPA**”).
- Under this Policy, the Company Personnel are not permitted to give or offer anything of value, directly or indirectly, to any Government Official or any commercial party for the purpose of improperly obtaining or retaining a business advantage. Please note that “Anything of value” should be broadly interpreted to include cash, gifts to family members, forgiveness of a debt, loans, personal favors, entertainment, meals and travel, political and charitable contributions, business opportunities and medical care, among other items. Simply put, bribes, kickbacks or similar payments are never permitted, whether made to a Government Official or to customers, investors, clients or other private parties. Similarly, the Company Personnel may (If confronted with a request or demand for an improper payment or other violation of this Policy, the request or demand must be immediately rejected and reported to the Compliance Officer. Similarly, if any employee or agent knows or believes that an improper payment has been or will be made, the employee or agent must also report such payment to the Compliance Officer. Finova’s policy is that no adverse employment action will be taken against any personnel in retaliation for, honestly and in good faith, reporting a violation or suspected violation of anti-corruption laws or this Policy.
- All entities and individuals covered by this Policy or persons acting on their behalf should not have committed or engaged in a Sanctionable Practice.

PROCEDURES, REPORTING AND RECORD-KEEPING

- All The Company Personnel are required to report to the Compliance Officer any knowledge or suspicions of the offering, request for, receipt or payment that amounts to a Sanctionable Practice. A failure to do so may amount to gross misconduct.
- The Company Personnel must follow all applicable standards, principles, laws and practices for accounting and financial reporting. In particular, the Company Personnel should ensure that no part of any payment is to be made for any purpose other than that to be fully and accurately described in Finova’s books and records.
- The Company Personnel should use best efforts to ensure that all transactions, dispositions, and payments involving Finova’s funds or assets are properly and accurately recorded in the Finova’s financial records.

- No undisclosed or unrecorded accounts are to be established for any purpose. False or artificial entries are not to be made in Finova's books and records for any reason. Finally, personal funds must not be used to accomplish what is otherwise prohibited by this Policy.
- No Company Personnel will suffer demotion, penalty or any other adverse consequence for refusing to engage in a Sanctionable Practice even if such refusal may result in Company's losing business or failing to win a deal
- Anyone found to be harassing or otherwise discriminating against a Company Personnel who acts properly in refusing to engage in a Sanctionable Practice will be considered to have committed an act of gross misconduct
- The Compliance Officer is primarily responsible for the oversight and enforcement of this Policy. Further, the Compliance Officer will monitor, review and annually report on the effectiveness and adherence to the Policy.

RELATIONSHIPS WITH THIRD PARTIES

- Anti-corruption laws prohibit indirect payments made through a third party, including giving anything of value to a third party while knowing that value will be given to a Government Official for an improper purpose. Therefore, the Company Personnel should avoid situations involving third parties that might lead to a violation of this Policy.
- The Company Personnel who deal with third parties are responsible for taking reasonable precautions to ensure that the third parties conduct business ethically and comply with this Policy. Such precautions may include, for third parties representing Finova before governmental entities, conducting an integrity due diligence review of a third party, inserting appropriate anti-corruption compliance provisions in the third party's written contract, requiring the third party to certify that it has not violated and will not violate this Policy and any applicable anti-corruption laws during the course of its business with the Company, and monitoring the reasonableness and legitimacy of the services provided by and the compensation paid to the third party during the engagement.
- The Company Personnel retaining third parties that will be representing Finova before governmental entities must discuss the engagement with Compliance Officer prior to hiring the third party. Any doubts regarding the scope of appropriate due diligence efforts in this regard should be resolved by contacting Compliance Officer.
- In addition, once a third party is engaged, Company Personnel who deal with third parties must always be aware of potential red flags. Red flags are certain actions or facts which should alert a company that there is a high possibility of improper conduct by a third party. A red flag does not mean that something illegal has happened, but rather that further investigation is necessary. Red flags are highly fact-dependent, but some examples of red flags are:
 - Unusual or excessive payment requests, such as requests for over-invoicing, up-front payments, ill-defined or last-minute payments, success fees, unusual commissions or mid-stream compensation payments;

This document is the property of Finova Capital Private Limited. This document should not be quoted or reproduced or circulated in any form or means including electronic, mechanical, photocopying or otherwise. Any unauthorised use of the document or contents of the same is strictly prohibited.

- Requests for payments to an account in a country other than where the third party is located or is working on behalf of the Company;
- Requests for payment to another third party, to a numbered account, or in cash or other untraceable funds;
- Requests for political or charitable contributions;
- The third party is related to a Government Official or has a close personal or business relationship with a Government Official;
- Any refusal or hesitancy by the third party to disclose its owners, partners or principals;
- The third party uses holding companies or other methods to obscure its ownership, without adequate business justification;
- The third party expresses a desire to keep his representation of the Company or the terms of his retention secret; or
- The third party has little experience in the industry but claims to “know the right people”;

If the Company Personnel have reason to suspect that a third party is engaging in potentially improper conduct, they shall report the case to the Compliance Officer immediately. Finova shall conduct an investigation and stop further payments to the third party if Finova’s suspicions are verified through the investigation.

DISCIPLINARY PROCEDURES

- Following procedure shall be followed by the Company for dealing with bribes/ corruption:
- The Company Personnel who are alleged to have committed an act of corruption / bribery /fraud shall be given a show cause in writing by the HR department or such other officer/s who are so authorized by the management, calling for a written explanation within the specified time duration (minimum of 24 hours and not more than 7 working days, except if the Company Personnel requests for more time, in such a case the time can be extended to another 7 working days) from the time of receipt of the show cause.
- The Company Personnel shall submit his explanation in writing accepting the guilt or refuting the allegations made against him in the charge-sheet within the stipulated time. The management shall consider the explanation submitted by the Company Personnel, and if the explanation is found to be not satisfactory, a domestic enquiry may be conducted. If for any reason, it is not possible to conduct the domestic enquiry, the management may straightaway proceed to take necessary disciplinary actions based on the available materials.
- The Company Personnel shall be given full opportunity to answer the charges and permitted to be defended by a co-employee working in the same unit in which he is detailed to work, excepting employees who are accused of the misconduct or against whom an enquiry is pending. The Company Personnel will be communicated in writing the date, time and the place where the enquiry is to be conducted. No other Company Personnel or outsider shall be permitted to assist, defend or represent the Company Personnel in the domestic enquiry.

This document is the property of Finova Capital Private Limited. This document should not be quoted or reproduced or circulated in any form or means including electronic, mechanical, photocopying or otherwise. Any unauthorised use of the document or contents of the same is strictly prohibited.

- The enquiry officer shall submit his report to the HR Team. If after the enquiry, the Company Personnel is adjudged guilty and punished, he shall be deemed to have been absent from duty during the period of suspension and he shall not be entitled to any wages. However, subsistence allowance paid during the period of suspension shall not be reclaimed.
- If the Company Personnel is held not guilty, the order of suspension shall be withdrawn, if the employee is under suspension and the Company Personnel shall be deemed to have been on duty during the period of suspension and shall be paid wages as if he had not been placed under suspension after deducting the amount of subsistence allowance paid to him for such period.
- In awarding punishment, the management shall take into account the gravity of corruption, previous record of the Company Personnel and any other extenuating or aggravating circumstances that may exist. The disciplinary action shall be communicated in writing to the Company Personnel concerned.

COMPLIANCE PROCEDURES AND TRAINING

- As part of Finova's ongoing commitment to anti-corruption compliance, all Company Personnel must receive and review a copy of this Policy. All such Personnel must then certify in writing that they (1) have reviewed the Policy; (2) agree to abide by the Policy; and (3) agree to report any potential violations of the Policy to the Compliance Officer.
- In addition, the Company will offer periodic anti-corruption compliance training programs to educate employees about the requirements and obligations of anti-corruption laws and this Policy. All employees of the Company must participate in such training and the Compliance Officer must retain attendance records establishing compliance with this requirement.

REPORTING REQUIREMENTS AND WHISTLEBLOWER PROTECTION

- Finova takes its commitment to anti-corruption compliance very seriously and expects all Company Personnel to share that commitment. Finova therefore expects and requires any Company Personnel who have knowledge of, or reason to suspect, any violation of this Policy to contact the Compliance Officer immediately. Reports may be made anonymously. If any Company Personnel fail to report known or suspected violations, then the relevant Company Personnel may be subject to disciplinary action, up to and including termination.
- It is Finova's policy that, if the report of known or suspected violations is made honestly and in good faith, no adverse employment-related action will be taken against any Company Personnel in retaliation for reporting a violation or suspected violation of anti-corruption laws or this Policy.

WAIVER AND AMENDMENT OF THE POLICY

The Company is committed to continuously reviewing and updating the policies and procedures based on the learning. The Compliance will monitor the effectiveness and review the implementation of this Policy, regularly considering its suitability, adequacy and effectiveness. Therefore, this document is

This document is the property of Finova Capital Private Limited. This document should not be quoted or reproduced or circulated in any form or means including electronic, mechanical, photocopying or otherwise. Any unauthorised use of the document or contents of the same is strictly prohibited.

subject to modification. Any amendment or waiver of any provision of this Policy must be approved in writing by the Company's Board of Directors. The Policy will be reviewed and audited from time to time.

APPENDIX A

COMPANY PERSONNEL ANTI-CORRUPTION POLICY CERTIFICATIONS

This is to acknowledge that I have received, read and fully understood the Company's Anti-Corruption Compliance Policy (the "**Policy**"). I agree to comply with all the rules contained therein. I agree to report any potential violations to the Compliance Officer. I will participate in the Company's anti-corruption training on a periodic basis. I understand that failure to comply with the Policy, the FCPA, U.K. Bribery Act and any other applicable anti-corruption laws may result in immediate termination and prosecution, with penalties including fines and/or imprisonment. Should I have any questions regarding the Policy or find any deviations or violations, I will contact the Compliance Officer immediately.

Signature: _____

Name (print): _____

Company: _____

Department: _____

Date: _____

(The signed receipt must be returned to the HR Department and filed in the employee's personnel file.)

Delivery Instructions

- Upon initial roll-out of the Policy, all current employees should complete this form and deliver to Human Resources. Human Resources is thereafter responsible for delivering the completed forms to the Company's Compliance Manager in an envelope labeled "Employee Anti-Corruption Policy Certifications."
- New personnel should complete this form immediately upon hiring and deliver to Human Resources, who will submit the completed questionnaires to the Company's Compliance Manager.

This document is the property of Finova Capital Private Limited. This document should not be quoted or reproduced or circulated in any form or means including electronic, mechanical, photocopying or otherwise. Any unauthorised use of the document or contents of the same is strictly prohibited.