

Anti-Bribery Policy of Com First (India) Private Limited

Introduction

Com First (India) Private Limited (hereinafter called **Com First**) is committed to conducting its business ethically and in compliance with all applicable laws and regulations, including the U.S. Foreign Corrupt Practices Act (FCPA) and other laws that prohibit improper payments to obtain a business advantage.

This document describes **Com First's** Policy prohibiting bribery and other improper payments in the conduct of **Com First** business operations and employee responsibilities for ensuring implementation of the Policy. Questions about the Policy or its applicability to particular circumstances should be directed to Director, **Com First** whose contact details are given at the end of this document

Policy Overview

Com First strictly prohibits bribery or other improper payments in any of its business operations. This prohibition applies to all business activities, anywhere in the world, whether they involve government officials or are wholly commercial. A bribe or other improper payment to secure a business advantage is never acceptable and can expose individuals and **Com First** to possible criminal prosecution, reputational harm or other serious consequences.

This Policy applies to everyone at **Com First**, including all officers, employees and agents or other intermediaries acting on **Com First's** behalf. Each officer and employee of **Com First** has a personal responsibility and obligation to conduct **Com First's** business activities ethically and in compliance with the law. Failure to do so may result in disciplinary action, up to and including dismissal.

Improper payments prohibited by this policy include bribes, kickbacks, excessive gifts or entertainment, or any other payment made or offered to obtain an undue business advantage. These payments should not be confused with reasonable and limited expenditures for gifts, business entertainment and other legitimate activities directly related to the conduct of **Com First's** business.

Director, **Com First** has overall responsibility for giving advice on the interpretation and application of this policy, supporting training and education, and responding to reported concerns.

Compliance with U.S. Foreign Corrupt Practices Act

The prohibition on bribery and other improper payments applies to all business activities, but is particularly important when dealing with government officials. The U.S. Foreign Corrupt Practices Act and similar laws in other countries strictly prohibit improper payments to gain a business advantage and impose severe penalties for violations. The following summary is intended to provide personnel engaged in international activities a basic familiarity with applicable rules so that inadvertent violations can be avoided and potential issues recognized in time to be properly addressed.

OVERVIEW OF THE FCPA

The FCPA is a criminal statute that prohibits improper payments to government officials to influence performance of their official duties. It makes it unlawful for any U.S. company and its employees or agents to offer, promise, pay or authorize the payment of “anything of value” to any “foreign official” – a term that is very broadly defined – to help the company obtain or keep business or secure some other “improper business advantage.” This prohibition applies whether the offer or payment is made directly or through another person.

In addition to prohibiting improper payments to foreign officials, the FCPA requires U.S. companies and their controlled affiliates to keep accurate books and records of the transactions in which they engage and to maintain a system of internal controls that, among other things, can prevent “slush funds” and “off-the-books” accounts that might be used to facilitate or conceal questionable foreign payments. FCPA accounting requirements apply to all business activities, not just those involving foreign officials.

The penalties for violating the FCPA are severe. For a company, potential sanctions range from multi-million dollar fines and “disgorgement” of any business profits from an improper payment to loss of export privileges or eligibility to compete for U.S. government contracts. These sanctions are in addition to potential reputational damage and investigation and defence costs, which may arise even without a formal government prosecution. The penalties for individuals can be even more severe, including substantial fines and imprisonment.

COMMON QUESTIONS ABOUT THE FCPA

Business Promotion

Gifts, business entertainment and other legitimate promotional activities involving foreign officials may be permissible under the FCPA in certain limited circumstances. For example, the Act does not prohibit modest gifts at holidays, company logo gifts and routine business meals. To comply with the FCPA, such expenditures must be reasonable in cost, related to a legitimate business promotional activity or performance of an existing contract, and otherwise consistent with Com First business practices and undertaken after prior approval of Director, **Com First**

When does the FCPA bribery prohibition apply?

The FCPA prohibition applies to improper payments made by a “U.S. person” anywhere in the world, whether or not there is any other connection to the United States. The term U.S. person includes both U.S. companies and individuals who are citizens or permanent residents of the United States. Foreign nationals also may be prosecuted for causing, directly or through a third person, any act in the U.S. in furtherance of a corrupt payment.

What does the FCPA prohibit?

The FCPA makes it unlawful to bribe a foreign official to gain an “improper business advantage.” An improper business advantage may involve efforts to obtain or retain business, as in the awarding of a government contract, but also can involve regulatory actions such as licensing or approvals. Examples of prohibited regulatory bribery include paying a foreign official to ignore an applicable

customs requirement or to accelerate a tax refund.

The FCPA bribery prohibition has been interpreted very broadly. A violation can occur even if an improper payment is only offered or promised and not actually made, it is made but fails to achieve the desired result, or the result benefits someone other than the giver (for example, directing business to a third party). Also, it does not matter that the foreign official may have suggested or demanded the bribe, or that a company feels that it is already entitled to the government action. While certain limited exceptions may apply (described below), these should never be relied upon without first seeking expert guidance.

Who is a “foreign official”?

A “foreign official” under the FCPA can be essentially anyone who exercises governmental authority. This includes any officer or employee of a foreign government department or agency, whether in the executive, legislative or judicial branch of government, and whether at the national, state or local level. Officials and employees of government-owned or controlled enterprises also are covered, as are private citizens who act in an official

governmental capacity. The FCPA prohibition also applies to political parties and candidates, and to officials of public international organizations such as the United Nations.

Foreign official status often will be apparent, but not always. In some instances, individuals may not consider themselves officials or be treated as such by their own governments but nevertheless exercise authority that would make them a “foreign official” for purposes of the FCPA. Personnel engaged in international activities are responsible under this Policy for inquiring whether a proposed activity could involve a foreign official or an entity owned or controlled by a foreign government, and should consult with Director, **Com First** when questions about status arise.

What types of payments are prohibited?

The FCPA prohibits offering, promising or giving “anything of value” to a foreign official to gain an improper business advantage. In addition to cash payments, “anything of value” may include:

- Gifts, entertainment or other business promotional activities;
- Covering or reimbursing an official’s expenses;
- Offers of employment or other benefits to a family member or friend of a foreign official;
- Political party and candidate contributions;
- Charitable contributions and sponsorships.

Other less obvious items provided to a foreign official can also violate the FCPA. Examples include in-kind contributions, investment opportunities, stock options or positions in joint ventures, and favourable or steered subcontracts. The prohibition applies whether an item would benefit the official directly or another person, such as a family member, friend or business associate.

Are there any exceptions?

The FCPA does not prohibit reasonable promotional or other business activities, including legitimate charitable contributions or sponsorships. Special care is required, however, when foreign officials may be involved to avoid any appearance that benefits are being offered to improperly influence the performance of official duties.

The FCPA also contains a limited exception for payments expressly authorized under the host country’s written law. This is a very narrow exception, however, requiring prior approval by Director, **Com First**.

Finally, in certain limited circumstances, a payment to a foreign official may qualify under a narrow FCPA exception for “facilitating” payments made to secure “routine government action.” Examples of routine action recognized under the FCPA include:

- Obtaining permits, licenses or other official documents that qualify a person to do business in a foreign country;
- Processing governmental papers such as visas ;
- Providing police protection or mail service;
- Scheduling inspections associated with contract performance or shipment of goods;
- Providing phone, power or water service ;
- Loading or unloading cargo, or protecting perishable products or commodities from deterioration;
- Other similar actions that are ordinarily and commonly performed by an official.

Payments under this exception may only be made to expedite actions to which the company is already entitled and may not involve discretionary action by the foreign official. Facilitation payments may never be used to win or retain business or to influence discretionary decisions regarding compliance with building codes, environmental, health and safety rules or other regulatory requirements. Moreover, even if a payment falls within the FCPA exception it may still violate local law in the host country or counterpart laws in other countries prohibiting foreign bribery that may not exempt facilitation payments.

Because facilitation payments can raise significant legal and business issues, reliance on this narrow exemption from FCPA liability is strongly discouraged and may not be undertaken without prior written approval of Director, **Com First**. Further, all facilitation payments remain subject to FCPA accounting and recordkeeping requirements and must be properly described in company records.

Can Com First be held responsible for improper payments by third parties?

Yes. The FCPA applies whether a bribe is made directly or through an agent, consultant or other intermediary. Under the law, **Com First** and individual officials or employees may be held liable for improper payments by an agent or other intermediary if there is actual knowledge or reason to know that a bribe will be paid. Wilful ignorance – which includes not making reasonable inquiry when there are suspicious circumstances – is not a defence, and it also does not matter whether the intermediary is itself subject to the FCPA. All employees therefore must be alert to potential “red flags” in transactions with third parties.

Facilitation Payments

Except under extreme or emergency circumstances, prior written approval is required for all facilitation payments. If prior approval is not possible because of concerns about safety or safe passage, the payment should be made and then clearly documented and reported to Director, Com First as soon as possible.

Are there special accounting and recordkeeping requirements?

Under the FCPA, **Com First** and its affiliates must keep accurate books and records that reflect transactions and asset dispositions in reasonable detail, supported by a proper system of internal accounting controls. These requirements are implemented through **Com First's** standard accounting rules and procedures, which all personnel are required to follow without exception.

Special care must be exercised when transactions may involve payments to foreign officials. Off-the-books accounts should never be used. Facilitation or other payments to foreign officials should be promptly reported and properly recorded, with respect to purpose, amount and other relevant factors. Requests for false

invoices or payment of expenses that are unusual, excessive or inadequately described must be rejected and promptly reported. Misleading, incomplete or false entries in **Com First's** books and records are never acceptable.

Third Party Checks

Com First has established detailed standards and procedures for the selection, appointment and monitoring of agents, consultants and other third parties. These standards and procedures must be followed in all cases, with particular attention to "red flags" that may indicate possible legal or ethical violations. Due diligence ordinarily will include appropriate reference and background checks, written contract provisions that confirm a business partner's responsibilities, and appropriate monitoring controls.

Do other countries have similar anti-bribery laws?

Yes. Many countries now have laws similar to the U.S. FCPA that prohibit bribery of foreign officials by their citizens and companies, which can include local subsidiaries and affiliates of a foreign-based company. These laws are comparable to the FCPA, but can differ in important respects – such as the treatment of facilitation payments. In addition, virtually all countries have domestic laws that prohibit bribery of their public officials.

Com First requires all employees and agents to comply in all respects with applicable foreign laws and regulations. The laws

that apply to particular international business activities include those of the country in which the activities occur, as well as others that (like the U.S. FCPA) govern the international operations of national companies and citizens. Employees involved in international operations should consult with counsel to ensure that they are aware of, and are complying with, applicable laws.

This Policy applies in all material respects to business conducted with or through an agent, consultant, joint venture or other business partner. Employees who manage, supervise and/or oversee the activities of third parties

Common Red Flags

- Red flags that warrant further investigation when selecting or working with an agent, consultant or other third party vary from case to case. Common examples to watch for include:
- Transactions involving a country or sector known for corrupt payments;
- Background checks that raise questions about a third party's reputation, qualifications or trustworthiness;
- A third party suggested or recommended by a foreign official;
- Family or other relationships that could improperly influence the decision of a customer or government official;
- Compensation arrangements that are disproportionate, non-transparent or otherwise unusual;
- A third party who objects to FCPA representations and warranties or other elements of this policy the decision of a customer or government official;
- Compensation arrangements that are disproportionate, non-transparent or otherwise unusual;
- A third party who objects to FCPA representations and warranties or other elements of this policy.

working with **Com First** are responsible for ensuring that such persons or entities understand and fully comply with this Policy, through appropriate measures. Measures appropriate to a particular relationship or transaction may vary and should be identified pursuant to established guidelines, in consultation with Director, **Com First**.

Personnel working with agents and other third parties should pay particular attention to unusual or suspicious circumstances that may indicate possible legal or ethics concerns, commonly referred to as "red flags." The presence of red flags in a relationship or transaction requires greater scrutiny and implementation of safeguards to prevent and detect improper conduct. Appointment of an agent or other third party ordinarily requires prior approval by an appropriate senior manager, description of the nature and scope of services provided in a written contract, and appropriate contractual safeguards against potential violations of law or **Com First** policy.

Employee Responsibilities

This Policy imposes on all personnel specific responsibilities and obligations that will be enforced through standard disciplinary measures and properly reflected in personnel evaluations.

All officers, employees and agents are responsible for understanding and complying with the Policy, as it relates to their jobs. Every employee has an obligation to:

- Be familiar with applicable aspects of the Policy and communicate them to subordinates;
- Ask questions if the Policy or action required to take in a particular situation is unclear;

- Properly manage and monitor business activities conducted through third-parties;
- Be alert to indications or evidence of possible wrongdoing; and
- Promptly report violations or suspected violations through appropriate channels.

The Company's managers have a particular responsibility to ensure that subordinates, including agents, receive proper training, and to monitor for compliance with the Policy.

Reporting Possible Violations

Any employee who has reason to believe that a violation of this Policy has occurred, or may occur, must promptly report this information to his or her supervisor, the next level of supervision, or Director, **Com First**.

Alternatively, information may be reported in confidence by calling +91 98100-42969. Retaliation in any form against an employee who has, in good faith, reported a violation or possible violation of this Policy is strictly prohibited.

Employees who violate this Policy will be subject to disciplinary action, up to and including dismissal. Violations can also result in prosecution by law enforcement authorities and serious criminal and civil penalties.

When seeking guidance and/or reporting concerns, the following contacts and reporting options are available to you:

Director,
Com First (India) Pvt Ltd,
A2897 Greenfields,
Aravali Hills, Faridabad (Haryana) 121010 India.

Phone +91 98100 42969
email: comfirstindia@gmail.com

The logo for ComFirst, featuring the word "ComFirst" in a bold, sans-serif font. The letter "i" in "First" has a small antenna-like symbol above it.