

**Feilo Sylvania Group
Anti-bribery Policy
- GLOBAL -**

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1. Definitions

- a) **DOA:** Delegation of Authority Approval document as issued by the CFO and the CEO of FS Group.
- b) **FS Group:** Feilo Sylvania Group, i.e. Feilo Malta Limited and Business Units directly or indirectly held by Feilo Malta Limited. Please note that Shanghai Feilo Acoustics Co Ltd (“FACS”), Inesa UK Ltd, the Inesa Group or Feilo Investments Co Ltd will not be regarded to belong to the Feilo Sylvania Group and in this context will be regarded as a third party.
- c) **Global Business Standards:** The FS Group’s business standards also known as the Feilo Sylvania Code of Conduct.
- d) **Team Legal:** Consists of the legal team within FS Group including the General Counsel (GC) of FS Group.

2. Purpose

Feilo Sylvania Group is committed to apply the highest standards of ethical conduct and integrity in its business activities all over the world. Every employee and individual acting on FS Group’s behalf is responsible for maintaining our reputation and for conducting company business honestly and professionally.

The purpose of this policy is to set out the responsibilities in observing and upholding FS Group's position on bribery and corruption and to provide information and guidance to those working for FS Group on how to recognise and deal with bribery and corruption issues.

3. Zero tolerance approach to bribery

Do not give or receive bribes, including “facilitation payments”.

FS Group values its reputation for conducting business with honesty and integrity. It is vital for all FS employees to maintain this reputation as it generates confidence in business by customers, clients, investees and other persons.

FS Group has a zero tolerance approach towards bribery. This commitment comes from the highest levels of management and all FS employees must meet this standard.

3.1 What constitutes a bribe?

A bribe is anything of value that is offered, promised, given or received to influence a decision or to gain an improper or unfair advantage

Bribery may not always be in the form of cash payments and may take many other forms, including:

- Non-arm’s length loans or other transactions
- Phony jobs or “consulting” relationships
- Employment opportunities or internships

- Political/Charitable contributions
- Excessive gifts, travel, and hospitality
- Uncompensated use of company services or facilities
- Facilitation payments (Small payments made to secure or speed up routine actions or otherwise induce public officials or other third parties to perform routine functions they are otherwise obligated to perform, such as issuing permits)

It does not matter whether the bribe is

- Given or received directly or through a third party; or
- For the benefit of the recipient or some other person

it is still considered to be a bribe.

4. Dealing with public officials

A “public official” is any person who is employed by or is acting in an official capacity for a government, a department, agency or instrumentality of a government, or a public international organization. This includes elected or appointed persons who hold legislative, administrative or judicial positions such as politicians, bureaucrats, civil servants, and judges. It also includes persons who perform public functions such as professionals working for public health agencies and agents of public international organizations, such as the UN.

A “public official” may also include employees of government-owned or controlled businesses, including sovereign wealth funds.

There is increased sensitivity and scrutiny of dealings with public officials because this has traditionally been an area where bribery activity is more likely to occur. Be aware of these risks in your dealings and interactions with public officials and consider how your actions may be viewed.

5. Third parties

Joint venture partners, agents, contractors and suppliers are not permitted to pay bribes on FS Group’s behalf.

FS Group may be prosecuted for failing to prevent bribery by a person acting on its behalf. This includes any individual or entity that performs services for or on behalf of FS Group.

Employees should avoid doing business with partners, agents and contractors who do not have a zero tolerance approach to bribery.

This means due diligence should be undertaken on contractors, partners and agents to establish their anti-bribery credentials. This could include informing these persons (and associated companies) of FS Group’s

anti-bribery policy, meeting with them to better assess their business practices, and making commercially reasonable inquiries into their reputation and past conduct.

Questions which might help to assess the situations are:

- Who are they – have I seen documents evidencing that they are who they say they are?
- Who else have they worked with – do they have references?
- Are they well established with a good reputation or are they more obscure so that I need to do more to find out about them?
- Do they operate in a territory where bribery is prevalent?
- Are they happy to sign a contract agreeing to comply with anti bribery procedures? Do they have their own anti-bribery programme?
- Are there inconsistencies between the provider of the services and the person I am paying?
- Are commissions/payments in line with generally accepted market practice?

6. Gifts and Entertainment

The giving or receiving of gifts and entertainment should be proportionate and reasonable for the circumstances.

Giving or receiving gifts or hospitality is often an important part of maintaining and developing business relationships. However, all gifts and hospitality should be for a genuine purpose, reasonable, given in the ordinary course of business and should comply with this Policy.

6.1 Gifts

Gifts given to or received from persons who have a business relationship with FS Group are generally acceptable, if the gift is

- Modest in value (in line with the accepted norms of the affected country)
- Infrequent
- Appropriate to the business relationship
- Is made openly
- Does not create an appearance of impropriety.

The giving or receiving of promotional material is not considered to be a gift.

6.2 Entertainment

Entertainment given to or received from persons who have a business relationship with FS Group are generally acceptable, if the entertainment is

- Reasonable in value (in line with the accepted norms of the affected country)

- Appropriate to the business relationship
- Infrequent
- Does not create an appearance of impropriety
- A representative from the sponsoring organization (the party paying for the entertainment) is present at the event.

6.3 To be avoided

- **No cash payments** should be given or received.
- Entertainment given to **public officials** or their close relatives is **not permitted**.
- Gifts and entertainment (including meals) **that are repetitive**, no matter how small, **may be perceived to be an attempt to create an obligation** to the giver and should be avoided.
- Gifts or entertainment **given close in time to when a decision** impacting FS Group's business **is being made** may be perceived as a bribe in return for a favourable decision and should also be avoided.
- Employees **should not pay for gifts and entertainment** (including meals) **personally to avoid having to report** or seek approval for it.
- Employees **should not give or receive "big-ticket" items**, such as travel, conference fees, costs for road shows, or event sponsorships, **without prior written authorization from their line manager**.

If in doubt as to whether gifts or entertainment proposed to be given or received are proportionate and reasonable for the circumstances, please consult Team Legal via the e-mail address compliancemanager@sylvania-lighting.com

7. Donations

Do not solicit or offer donations to clients, suppliers, vendors, public officials or others in a manner which communicates that a donation is a prerequisite for future business or that the offer of a donation is intended to obtain a business advantage.

7.1 Charitable donations

FS Group encourages employees to contribute personal time and resources to charities and non-profit organizations.

However, unless the solicitation is supported by an FS company, it is prohibited to use FS Group's name or stationery for solicitation of donations. All requests for corporate gifts to charities and other non-profit organizations should be approved in advance by Team Legal and the person(s) line manager.

Donations **must not be made at the request of a public official** as an inducement to or reward for acting improperly.

7.2 Political donations

The Company does not make contributions of any kind to political parties.

8. Record-keeping

Record all our transactions in a complete, accurate and detailed manner so that the purpose and amount of the transaction is clear.

All transactions must be recorded completely, accurately and with sufficient detail so that the purpose and amount of any such payment is clear. No undisclosed or unrecorded funds or assets of the company should be established for any purpose.

False, misleading, or artificial entries should never be made in the books and records of the company for any reason.

8.1 Payments

In order to maintain the transparency of the transactions, all payments have to be

- Made in accordance with the [DOA](#) and the local policies;
- Made via bank transfer through the accounts payable system and be fully accounted for;
- In line with generally accepted rates and business practice for the service in question and should not be unjustifiably excessive or unsupportable; and
- Made in accordance with the terms of the contract with the person or company providing the services

9. Reports of violation

FS Group is committed to ensure that employees can speak up with confidence if they have any concerns or need to ask for help.

If anyone suspects a violation of this Policy, or the violation of the Global Business Standards, he/she might report the suspicion via compliance@sylvania-lighting.com.

The confidentiality of reported violations will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review and subject to applicable law.

No one will experience retribution or retaliation for a complaint made in “good faith”.

10. Anti-Bribery training

All employees whose scope of work requires it must complete an online course which supports and explains this Policy.

The course is obligatory for all employees who are assigned to participate in it. The course has to be repeated on a yearly basis in order to keep the knowledge of FS Group's employees up-to-date.

Reference is made to [PR LAW 003 Procedure of online compliance courses of Feilo Sylvania Group](#).

11. Other provisions

The principles set out in this Policy are aligned with the provisions of the [Global Business Standards](#).

ANNEX A - Reference legal policies, procedures, forms and templates

Documents:

Global Business Standards (Code of Conduct); version 5 November 2018

DOA; version 20180615

Procedures:

[PR LAW 003 Procedure of online compliance courses of Feilo Sylvania Group](#).