

Anti-Bribery and Corruption Policy

TELIT COMMUNICATIONS LIMITED AND ITS AFFILIATES

("Telit")

**To contact the Designated Officers referred to in this Policy, you can send an e-mail to:
tell@telit.com**

1. POLICY STATEMENT

- 1.1. It is our policy to conduct all of our business in an honest and ethical manner. Telit's board of directors (the "**Board**") is committed to the promotion of good practice in bribery prevention as a reflection of its core values of integrity, corporate responsibility and transparency. Telit is committed in ensuring that the Group meets its legal obligations and prevents, detects, minimises and eliminates all form of corrupt practices. Telit will take reasonable and appropriate measures to ensure that its businesses do not participate in corrupt activities for its advantage or benefit. We take a ZERO-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.
- 1.2. Telit will constantly uphold all laws relating to anti-bribery and corruption in all the jurisdictions in which we operate. We are bound by the laws of the UK, including the Bribery Act 2010, regarding our conduct both at home and abroad.
- 1.3. Bribery or corruption of any kind in any jurisdiction, regardless of local custom or practice, is strictly prohibited. No worker (as defined below in paragraph 2) shall offer, promise, give any payment, advantage or anything of value, to any person, in order to improperly influence or induce that person to act in any way or to secure any form of advantage for Telit, including obtaining or retaining business, obtaining or retaining an improper advantage in the conduct of business, or directing business to any person or entity.
- 1.4. Telit recognize that bribery and corruption are punishable by up to ten years of imprisonment and a fine. If our company is discovered to have taken part in corrupt activities, we may be subjected to an unlimited fine, be excluded from tendering for public contracts, and face serious damage to our reputation. It is with this in mind that we commit to preventing bribery and corruption in our business, and take our legal responsibilities seriously

2. PURPOSE AND DEFINITIONS

- 2.1. The purpose of this policy is to:
 - 2.1.1. set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
 - 2.1.2. provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

- 2.2. This policy applies to all Telit companies world-wide, across all of Telit's operations at national and international level.
- 2.3. This policy applies to all individuals working at all levels and grades, wherever located in the world, including without limitation all senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our affiliates or their employees, wherever located (collectively referred to as "**workers**" in this policy). The policy is non-exhaustive and is subject to review to further include additional obligations that the workers of Telit are expected to adhere to in the performance of their duties.
- 2.4. In this policy:
- 2.4.1. "**Associated person**" can be any person who performs services on behalf of Telit, including: workers, agents, affiliate companies and third party service providers, as well as potentially including joint venture or consortia partners.
- 2.4.2. "**Public Officials**" include officers and employees of the following, or any person acting in an official capacity for or on behalf of any of the following, regardless of seniority: (1) Any local, regional, national, or other governmental entity, department or agency (e.g., municipal authorities, local tax authorities, and police force, etc.); (2) Any judicial body; (3) Any legislative body (e.g., congress, parliament, city council, etc.); (4) Government-owned or -controlled entities, including both commercial and non-commercial organizations (e.g., government-owned companies, government-owned schools and hospitals); (5) Public international organizations (e.g., the United Nations or World Trade Organization); and (6) Labor unions. "Public Officials" also include members of a royal family, local kingships, tribal leadership, chieftaincy, political parties or officials thereof, and candidates for public office, and any private person acting in an official capacity for or on behalf of any of the persons or entities listed above. "**Foreign Public Official**" means any Public Official where the body or entity described above is of a country or territory outside the United Kingdom or where the public function is exercised for or on behalf of a country or territory outside the United Kingdom.
- 2.4.3. "**Third party**" means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

3. WHAT IS BRIBERY?

- A bribe is an inducement or reward offered, promised, provided (or received), granted or requested, directly or indirectly, to act "improperly" in order to gain any commercial, contractual, regulatory or personal advantage. For examples of bribery, see Annex B.

The offence of bribing a Foreign Public Official has been committed as soon as the offer or the requesting / acceptance is made. This is because it is made to gain a business advantage for us. Telit may also be found to have committed an offence.

All workers must not engage in any form of bribery, whether it be directly, passively (as described above), or through a third party (such as an agent or distributor). Workers must not bribe a Foreign Public Official anywhere in the world. They must not accept bribes in any degree and if they are uncertain about whether something is a bribe or a gift or act of hospitality, they must seek further advice from Telit's legal team.

Appropriate checks will be made before engaging with suppliers or other third parties of any kind to reduce the risk of our business partners breaching our antibribery rules.

4. WHAT IS CORRUPTION?

- Corruption is the abuse of entrusted power for personal gain. Conflict of interest may arise in situations where personal interest either interfere, has the potential to interference, or is perceived to interfere with (a) objectivity in performing professional obligations and duties; (b) exercising of judgement in the discharge of duties and responsibilities as well as in decision making. For examples of corruption, see Annex B.

5. RISK ASSESSMENT AND DUE DILIGENCE

5.1. Risk Assessment

Telit undertakes to assess the nature and extent of the risks relating to bribery to which it is exposed, being aware that risks are potentially present internally and externally.

Since many serious global bribery and corruption offences have been found to involve some degree of inaccurate record-keeping, we must ensure that we maintain accurate books, records and financial reporting within all Telit business units and for significant business partners working on our behalf.

5.2. Third-Party Management -

Any and all payments made to third parties, including commissions, compensation, reimbursements, must be customary and reasonable in relation to the services provided and accurately documented in the Company's books and records. These payments must not be made in cash without prior written approval from Company Legal Counsel; or to bank accounts that are not in the third party's name, unless otherwise approved in advance and in writing by Telit's General Counsel.

5.3. Due Diligence

5.3.1. Telit is committed to investigating and being fully informed about the individuals and organisations with whom it has business dealings and the markets in which it operates.

- 5.3.2. All engagements with Third Parties may not be engaged until they have undergone a due diligence review in accordance with the procedures below. The purpose of this process is to ensure that Third Parties share Telit's values, that the Third Parties has the intent and means to conduct business in an ethical fashion and keep proper records of all expenditures incurred on behalf of Telit, that the Third Parties are qualified and capable, and that the value paid for the engagement is consistent with fair market value. It is also important that employees consider the structure and payment terms of such engagements to ensure that they did not incentive improper payments or other unethical or illegal behaviour.
- 5.3.3. As a reminder, before engaging any Third Party, you must first create a Third-Party profile:
- 5.3.3.1. **STEP 1:** Request information from and provide information to the Third Party. The Worker responsible for the engagement should request that the Due Diligence Questionnaire (the "Questionnaire") shall be completed and a copy of Telit's Anti-Corruption Policy be provided to the Third Party. Unless otherwise exempted in writing by Telit's Legal team, each Third Party must complete and submit the Questionnaire.
- 5.3.3.2. **STEP 2:** Telit's legal team will review the Questionnaire, along with any other information deemed necessary to evaluate specific corruption risks. Telit's legal team must approve the Third Party Questionnaire before an engagement is confirmed. In some cases, Telit's legal team may require additional due diligence to be carried out (see paragraph 5.5), and/or remediation actions by the Third Party to address any red flag identified, such as providing training.
- 5.3.3.3. **STEP 3:** Periodic Certification/Monitoring. Periodically, each Third Party will be required to certify in writing their continued compliance with Telit's ABC Policy. The Third Party will continue to be monitored on an ongoing basis to identify any new risk factor. The Questionnaire should be re-completed by the Third Party, and any further due diligence updated by Telit's legal team, at least every three years, with more regular reviews (to be determined by Telit's legal team) if any red flags have been identified or Telit's legal team considers the Third Party presents a higher corruption risk. **STEP 4:** Retain records of the diligence. The completed Due Diligence Questionnaire with approvals, together with any other material generated during due diligence, shall be maintained for a minimum of five years following the termination of Telit's relationship with the Third Party. In addition, all business relationships and transactions shall be properly documented and recorded and have the express approval of the requisite manager.
- 5.3.4. Any and all Workers that will interact with government officials, Third Parties or entities on behalf of the Company must complete the Company's online ABC training before begin working on the Company's behalf.

- 5.3.5. Third Party should not be engaged before sufficient background investigations have been performed to enable reasonable assurances to be drawn as to the integrity of the Third Party.
- 5.3.6. In evaluating potential Third Parties, you must be conscious of any “red flags” that may be present or arise. A “red flag” is a fact or circumstance that signifies a heightened compliance risk. A list of illustrative red flags can be found in ANNEX A. If you notice any red flags during the course of the relationship with the third party, you must raise this with Telit’s legal team. Any raised red flags must be addressed to the satisfaction of Telit’s legal team prior to entering the relationship with the third party or continuing the relationship, and any remediation measure put in place should be documented in the due diligence file at Telit’s Computer system.
- 5.3.7. It is the responsibility of the Worker who requests the engagement of the Third Party to check whether a red flag exists, and, if so, to refer the matter promptly to Telit’s Legal team. Ignoring an existing red flag, or avoiding knowledge about suspicious facts, can give rise to liabilities under Anti-Corruption Laws.
- 5.3.8. Once a third-party agent or consultant has been retained by the Company, the third party’s activities and expenses must be monitored by the relevant Company worker to ensure continued compliance with the applicable anti-corruption laws and Company’s policies.
- 5.3.9. The existence of one or more red flags does not necessarily preclude the retention of the Third Party, but an additional investigation will be required by Telit’s legal team to resolve all red flags.
- 5.4. Compliance Clause
 - 5.4.1. Where appropriate, anti-bribery commitments will be written into contracts with third parties. In addition, all agreements with third parties that interact with government entities or officials must be memorialized in writing and include appropriate Anti-Bribery language. Telit’s legal team shall determine the appropriate contractual language.
- 5.5. The extent of due diligence into business relationships will vary according to the risk. Where appropriate, before entering into any new or renewed business relationship, additional steps might be taken following completion of the due diligence Questionnaire include, but are not limited to:
 - 5.5.1. making inquiries about the risk of bribery in a particular country or location in which Telit is seeking a business relationship, the types of bribery most commonly encountered and any information about the preventive actions which are most effective;
 - 5.5.2. investigating the bribery risks that a particular business opportunity raises, for example, establishing whether the project is to be undertaken at market prices and has a defined legitimate objective and specification;

- 5.5.3. establishing whether individuals or other organization (s) involved in key decisions, such as intermediaries, consortium or joint venture partners, contractors or suppliers have a reputation for bribery and whether anyone associated with them is being investigated or prosecuted, or has been convicted or debarred, for bribery or related offences. This may include considering the risks associated with politically exposed persons where the proposed business relationship involves, or is linked to, a prominent public office holder; and
- 5.5.4. checking that potential partners' internal anti-corruption measures are consistent with the terms of this policy, and where necessary, encouraging the adoption of such measures; and
- 5.5.5. ensuring that Telit is able to exit from any business relationship if bribery occurs or is reasonably thought to have occurred.

6. GIFTS AND HOSPITALITY

- 6.1. This policy does not prohibit normal and appropriate gestures and hospitality and goodwill (given and received) to or from third parties. However, gifts, hospitality and donations will be bribes if they are given or received with the intention of influencing business decisions.
- 6.2. The giving or receipt of gifts is not prohibited, if the following requirements are met:
 - 6.2.1. it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
 - 6.2.2. It is not made with the suggestion that a return favour is expected;
 - 6.2.3. it complies with local law;
 - 6.2.4. it is given in Telit's name;
 - 6.2.5. it is not cash or cash equivalent;
 - 6.2.6. It is appropriate for the circumstances;
 - 6.2.7. It is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift;
 - 6.2.8. it is given openly, not secretly;
 - 6.2.9. It is not selectively given to a key, influential person, clearly with the intention of directly influencing them;
 - 6.2.10. It is not above a certain excessive value, as pre-determined by the company's General Counsel (usually in excess of US\$100);

- 6.2.11. gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the General Counsel;
- 6.3. The following procedures should be adopted in relation to hospitality and business gifts:
 - 6.3.1. All offers of business gifts and hospitality must be reported to Telit legal team and approved by Telit's legal team in accordance with the limits set out in annex C.
 - 6.3.2. A record of all business gifts made and received (regardless of the value) and the reason for the gift should be retained by Telit's legal team at log compliance file at Telit's Computer system.
 - 6.3.3. All hospitality must be proportionate and reasonable.
 - 6.3.4. Records should be maintained of all hospitality provided and accepted, including cost and reason for providing or accepting the hospitality.
 - 6.3.5. Quid pro quo arrangements are expressly prohibited.
 - 6.3.6. Cash gifts are expressly prohibited.
 - 6.3.7. The provision or acceptance of entertainment of a sexual nature is expressly prohibited.
 - 6.3.8. Acceptable hospitality and entertaining may include modest meals with people with whom we do business (such as providing a modest lunch after a meeting) or the occasional provision of or attendance at sporting or cultural events, provided that the intention is to build business relationships rather than to receive or confer an advantage.
 - 6.3.9. The provision of small promotional gifts, such as diaries, pens or similar, will generally be regarded as acceptable.
 - 6.3.10. Workers reviewing expense claims should be alert to the provision of hospitality/ business gifts that may be construed as a bribe.
 - 6.3.11. All concerns should be reported.
- 6.4. Where it is inappropriate to decline the offer of a gift (i.e. when meeting with an individual of a certain religion/culture who may take offence), the gift may be accepted so long as it is declared to the Company's General Counsel, who will assess the circumstances.
- 6.5. We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

- 6.6. As good practice, gifts given and received should always be disclosed to Telit's General Counsel. Gifts from suppliers should always be disclosed.
- 6.7. The intention behind a gift being given/received should always be considered. If there is any uncertainty, the advice of the General Counsel should be sought.
- 6.8. In providing hospitality, to the extent possible, all such expenses should be paid directly to the vendor of the services.
- 6.9. Prior written approval by Telit's General Counsel is required before providing any gift to a Public Official. Prior written approval by Telit's General Counsel is also required before providing gifts above the limits set out below to commercial counterparties or their representatives. Be mindful that certain Public Officials are employees of state-owned commercial enterprises and should be treated as so, rather than as representatives of commercial counterparties.

Meals and Entertainment

- 6.10. The purpose of a business meal or entertainment provided by Telit is to facilitate business communications or foster better business relations. For this reason, in general, this Policy favours meals and entertainment over gifts as a means to promote business relationships, to the extent the meals and entertainment provided comply with this Policy. Accordingly, at least one Telit representative should be present at any business meal or entertainment provided by the Company.
- 6.11. However, if no Telit representative attends an entertainment event, the ticket to the event should be considered a gift and should be given in accordance with the guidance above.
- 6.12. Unless otherwise approved by the Telit's legal team, prior written approval by Telit's General Counsel is required before providing any meal or entertainment to a Public Official. Prior written approval by Telit's General Counsel is also required before providing any meal or entertainment above the limits set out below to a commercial counterparty or its representatives. If it is impossible to provide a precise value, you should provide an estimated value to Telit's General Counsel, and should use your best effort to ensure that the actual value of the meals and/or entertainment will not exceed the estimated value. Any significant departure from the estimated value can be a breach of this Policy.

Travel Expenses

- 6.13. Prior written approval by Telit's General Counsel is required before providing any travel expense, including transportation and accommodation, to a Public Official or a commercial counterparty (or any of its representatives).
- 6.14. In addition to the restrictions set forth above, Telit may only pay for travel or related expenses for a Public Official or commercial counterparty (or its representatives) if:
 - 6.14.1. the travel is for a legitimate business purpose (such as the promotion, demonstration or explanation of the Company's goods or services);

- 6.14.2. the cost is reasonable given the recipient's seniority;
- 6.14.3. no friends and family members of the recipient are traveling at the Company's expense; and
- 6.14.4. no stopovers are planned that are not directly connected to the business purpose of the travel unless the stopover is at the expense of the Public Official or commercial counterparty (or its representatives) and results in no additional cost to Telit.
- 6.14.5. Per diem expenses (defined as fixed payments to an individual intended to cover expenses incurred on a particular day, regardless of the nature and extent of expenses actually incurred that day) are prohibited unless required by applicable laws or agreed in advance and in writing with the recipient's organization.
- 6.14.6. A table setting out the limits and thresholds applicable to gifts, meals, entertainment and travel expenses is attached as annex C.

7. FACILITATION PAYMENTS AND KICKBACKS

- 7.1. We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. We recognise that facilitation payments are a form of bribery that involves expediting or facilitating the performance of a Public Official for a routine governmental action. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official, also known as "greasing payments".
- 7.2. Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the General Counsel.

8. DONATIONS/ POLITICAL CONTRIBUTIONS

- 8.1. We do not make contributions to political parties. We only make donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of Telit's General Counsel.
- 8.2. It is never permissible to provide a donation to improperly influence a government official, or in exchange for any improper favour or benefit. It may, however, be permissible to make donations, community investment or sponsorship directly to a government agency (rather than to an individual government official) as part of a charitable effort ("Government-Related Donations"). Prior approval of Telit's General Counsel is required before making such a donation.
- 8.3. If a Public Official has promised any benefit or issued any threat in connection with a donation or sponsorship request, then the request must be denied.
- 8.4. Any donation made by the Company or with the Company's fund (regardless of whether it is a Government-Related Donation) must:

- 8.4.1. Not be made as part of an exchange of improper advantage with anyone, even if the recipient is a bona fide charity;
 - 8.4.2. Not be made in cash or in checks payable to cash or bearer;
 - 8.4.3. Not be paid to a private account or individual, or to a for-profit organization (including any circumstance under which there is a strong indication that a donation will be redirected to such a recipient);
 - 8.4.4. Not amount to a political contribution; and
 - 8.4.5. Be transparent regarding the identity of the recipient, the amount, and the purpose for which it is intended.
- 8.5. Telit's Legal team may request audited financial statements or confirmation from the recipient that the funds donated by Telit have been utilized appropriately.
 - 8.6. All donations (including in-kind donations such as free beer) must be accurately recorded in the Company's books and records.

Procedures for Government-Related Donations:

- 8.7. **STEP 1: Written Request.** To initiate a review of a Government-Related Donation, a request must be made through the by the Telit's Workers who's in charge of the donation. Documents such as a written request from the relevant Public Official or government entity should be provided.
- 8.8. **STEP 2: Review and Approval.** Telit's Legal team will review the written request, and, at its discretion, may request additional information. Telit's Legal team must approve the request before the Company may agree to provide the donation.
- 8.9. Telit's Legal team may, on a case by case basis, require other safeguards, such as written agreements with the donation recipients.

9. CHARITABLE CONTRIBUTIONS

- 9.1. We accept (and indeed encourages) the act of donating to charities – whether through services, knowledge, time, or direct financial contributions (cash or otherwise) – and agrees to disclose all charitable contributions it makes.
- 9.2. Workers must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery
- 9.3. We will ensure that all charitable donations made are legal and ethical under local laws and practices, and that charitable contributions are not offered/made without the approval of the General Counsel.

10. YOUR RESPONSIBILITIES

- 10.1. You must ensure that you read, understand and comply with this policy, and with any training or other anti-bribery and corruption information you are given.
- 10.2. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for or on behalf of Telit. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify the Designated Officers as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. Further "red flags" that may indicate bribery or corruption are set out in Annex A.

- 10.3. Compliance with this policy will be rigorously enforced. Any worker who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with other workers or other third parties if they breach this policy.

11. HOW TO RAISE A CONCERN

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. No workers will be penalised for refusing to pay or accept a bribe even if such refusal results in the loss of business. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, send an e-mail to the Designated Officers at: tell@telit.com.

. The Designated Officers are:

- Telit's General Counsel; and
- The Chairman of the board.

We will familiarise all workers with its whistleblowing procedures so workers can vocalize their concerns swiftly and confidentially.

12. WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

You must tell your General Counsel as soon as possible if you are offered a bribe by anyone, if you are asked to make one, if you suspect that you may be bribed or asked to make a bribe in the near future, or if you have reason to believe that you are a victim of another corrupt activity.

13. RECORD-KEEPING

- 13.1. We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 13.2. You must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.

- 13.3. You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.
- 13.4. A record will be made of every instance in which gifts or hospitality are given or received.
- 13.5. All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.
- 13.6. All transactions must:
 - 13.6.1. Have a direct business purpose;
 - 13.6.2. Be executed in accordance with management's authorization;
 - 13.6.3. Be recorded in a manner that permits the preparation of financial statements in accordance with applicable international accounting standards;
 - 13.6.4. Be in compliance with the applicable tax legislation; and
 - 13.6.5. Maintain accountability of assets.
- 13.7. All supporting documentation should be kept in line with the applicable record retention requirements.
- 13.8. No undisclosed or unrecorded fund or asset may be established or maintained for any purpose.
- 13.9. No Worker shall participate in falsifying any accounting or other business record, and all Workers must respond fully and truthfully to any questions from the Company's internal or external auditors or the auditors of any regulatory authority.

14. SAFE HARBOR

- 14.1. If you refuse to accept or offer a bribe or you report a concern relating to potential act(s) of bribery or corruption, we understand that you may feel worried about potential repercussions. We will support anyone who raises concerns in good faith under this policy, even if investigation finds that they were mistaken.
- 14.2. We will ensure that no one suffers any detrimental treatment as a result of refusing to accept or offer a bribe or other corrupt activities or because they reported a concern relating to potential act(s) of bribery or corruption.
- 14.3. Detrimental treatment refers to dismissal, disciplinary action, treats, or unfavourable treatment in relation to the concern the individual raised.

- 14.4. If you have reason to believe you've been subjected to unjust treatment as a result of a concern or refusal to accept a bribe, you should inform your direct manager or the General Counsel immediately.

15. TRAINING AND COMMUNICATION

- 15.1. Training on this policy forms part of the on-boarding process for all new workers. All existing workers will receive regular, relevant training on how to implement and adhere to this policy, subject to the relevancy such training has to the worker's role at Telit, and will be asked, from time to time, to formally accept that they will comply with this policy.
- 15.2. Our ZERO-tolerance approach to bribery and corruption is made available to all suppliers, contractors, business partners, any third parties at the outset of business relations and intermediaries on Telit's Website: (Telit.com ABC Policy).
- 15.3. We will provide relevant anti-bribery and corruption training to workers etc. where we feel their knowledge of how to comply with the Bribery Act needs to be enhanced
- 15.4. A record of all training sessions shall be kept on file at Telit for the required period of time in accordance with internal policy.

16. WHO IS RESPONSIBLE FOR THE POLICY?

- 16.1. The Board has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.
- 16.2. The General Counsel who reports to the Board has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels is responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.
- 16.3. All workers must be sensitive to potential abuses and careful to avoid situations involving third parties which might lead to a violation of this policy. All workers are responsible for the success of this policy and should ensure they use it to disclose any suspected wrongdoing. See paragraph 9 above for details on making a report.

17. MONITORING AND REVIEW

- 17.1. The Designated Officers will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. The Designated Officers shall be empowered to conduct internal audit and verification activities related to this policy and may use internal or external resources for this purpose. It is the duty of all Workers to cooperate with and never interfere with or obstruct such audit activities or Company investigations.
- 17.2. Any need for improvements will be applied as soon as possible. Workers are encouraged to offer their feedback on this policy if they have any suggestions for how it may be improved. Feedback of this nature should be addressed to the Designated Officers.

- 17.3. In case of a red flag event, the General Counsel together with Telit's CFO may decide either to: terminate the relationship, conduct an additional investigation or continue the relationship. All such decisions shall be in writing.
- 17.4. This policy does not form part of any worker's contract of employment, and it may be amended at any time so to improve its effectiveness at combatting bribery and corruption.

ANNEX A

1. Potential risk scenarios: "red flags"

The following is a list of possible red flags that may arise during the course of you working for Telit and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only. These and other "red flags" may appear during the due diligence that is to be conducted before a relationship with a Third Party can be established or may appear during the course of the relationship. The presence of a "red flag" does not mean that the relationship cannot go forward, but does require caution, and, in consultation with Telit's Legal team, calls for appropriate investigation and resolution before proceeding. Following up on a "red flag" is particularly important because judgments as to whether one had knowledge of an improper payment invariably will be made after the fact, with the benefit of hindsight.

If you encounter any of these red flags, you must report them promptly to Telit's General Counsel by sending an e-mail to: **tell@telit.com**.

- 1.1.1. The third party operates from a country with a general reputation for bribery and corruption or an investment of Telit funds is to be made in such a country. Transparency International's Corruption Perception Index is a good resource for evaluating a country's general reputation for bribery and corruption. It is a composite index that gathers opinions of business persons and country analysts regarding the degree to which corruption is perceived to exist among a country's officials and politicians. The current version of the index can be located on the Internet at: http://www.transparency.org/policy_research/surveys_indices/cpi
- 1.1.2. The third party has failed to make full and accurate disclosures during the due diligence process;
- 1.1.3. The third party is merely a shell company incorporated in an offshore jurisdiction;
- 1.1.4. you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- 1.1.5. you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials or has a reputation for making deals that no one else can;
- 1.1.6. a third party is assisted by undisclosed "sub-agents" or "subcontractors," or appears to lack the qualifications or resources needed to perform the services offered or appears to be in a different line of business than that for which it has been engaged
- 1.1.7. a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- 1.1.8. a third party requests payment in cash or by an unusual method of payment and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;

- 1.1.9. a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- 1.1.10. The third party's payment is not determined by objective criteria relating to the service being provided – for example, they ask for a flat fee or lump sum commission;
- 1.1.11. a third party requests an unexpected additional fee or commission to “facilitate” a service;
- 1.1.12. a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- 1.1.13. a third party requests that a payment is made to "overlook" potential legal violations;
- 1.1.14. a third party requests that you provide employment or some other advantage to a friend or relative;
- 1.1.15. a third party is himself/herself a former Public Official;
- 1.1.16. a third party has a family member or relative who is a relevant Public Official;
- 1.1.17. a third party makes large or frequent political contributions.
- 1.1.18. The third party was recommended by a Public Official;
- 1.1.19. a third party has a reputation to be a “miracle worker” in obtaining fast government approvals;
- 1.1.20. a third party has poor financial stability or credit.
- 1.1.21. a third party promises all licenses and permits shall be handled by a specialized subcontractor
- 1.1.22. you receive an invoice from a third party that appears to be non-standard or customised;
- 1.1.23. a third party provides an invoice to reflect a higher amount than the actual price of the goods or services supplied;
- 1.1.24. a third party insists on the use of side letters or refuses to put terms agreed in writing;
- 1.1.25. you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- 1.1.26. a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
- 1.1.27. you are offered an unusually generous gift or offered lavish hospitality by a third party.

ANNEX B

2.

Examples of Bribery

Offering a bribe

You offer a potential client tickets to a major sporting event, but only if they agree to do business with Telit.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. Telit may also be found to have committed an offence because the offer has been made to obtain business for Telit. It may also be an offence for the potential client to accept your offer.

Receiving a bribe

A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in Telit to ensure that Telit continues to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

Bribing a foreign official

You arrange for Telit to pay an additional payment to a foreign official to speed up an administrative process.

3.

Examples of Corruption

Disclosing private, confidential or proprietary information to outside parties without implied or expressed consent.

Giving a contract for training to a company owned by your spouse without going through the proper procurement procedures.

Accepting or seeking anything of material value from contractors, vendors, or persons providing services or materials.

ANNEX C

Limits and thresholds applicable to gifts, meals, entertainment, and travel expenses

Commercial counterparties (or their Representative)			
Benefits Offered	Limits	No Pre-Approval required	Pre-Approval required (Telit's legal team)
Gifts	100 USD per gift AND No more than two gifts for the same person within 12-months period	Gifts valued no more than 100 USD within the frequency limit	Any gift or a value or frequency above the limit
Meals/Entertainment	200 USD per guest AND No more than two occasions for the same person within 12-months period AND No spouse or guest sponsored by the Company (unless the spouse or guest is invited for being a Representative or Commercial counterparty himself or herself)	Meals and/or Entertainment valued no more than 200 USD per guest within the frequency limit	Any meal or entertainment of a value or frequency above the limits
Travel Expenses	None	Prior written approval always required	Prior written approval always required

Public Officials			
Benefits Offered	Limits	No Pre-Approval required	Pre-Approval required (Telit's legal team)
Gifts	100 USD per gift AND No more than two gifts for the same person within 12-months period	Prior approval by Telit's legal team always required	Prior approval by Telit's legal team always required
Meals/Entertainment	100 USD per gift AND No more than two gifts for the same person within 12-months period AND No spouse or guest sponsored by the Company	Prior approval by Telit's legal team always required	Prior approval by Telit's legal team always required
Travel Expenses	None	Prior written approval always required	Prior written approval always required