



Foreign Corrupt Practices Act and Anti-Corruption Policy

I. POLICY STATEMENT

As a United States company conducting business around the world, TPI Composites Holdings, LLC, and its divisions, subsidiaries, and/or affiliates (“TPI”) must comply with all applicable United States laws, including the U.S. Foreign Corrupt Practices Act (“FCPA”), and all laws of the foreign jurisdictions in which TPI does business, including similar anti-corruption laws of other nations, such as the UK Bribery Act 2010, the OECD Anti-Bribery Convention, and the UN Convention against Corruption. This Policy also operates alongside, and is not a substitute for, TPI’s obligations under applicable economic sanctions, export control, and anti-money laundering laws, which TPI’s Parties must separately observe.

Nothing in this FCPA and Anti-Corruption Policy (“Policy”) limits the scope or requirements of TPI’s Code of Business Conduct & Ethics (“TPI Code of Conduct”). This Policy simply builds on the Code of Conduct and provides additional guidance to ensure that TPI personnel, and TPI’s agents and business partners, do not knowingly or unknowingly compromise TPI values or violate the FCPA or similar anti-corruption laws.

In addition to reviewing this Policy, TPI may require its directors, officers, associates, representatives, agents, and business partners (“Parties”) to complete FCPA or other anti-corruption training, and all Parties have an obligation to both seek guidance on anti-corruption issues as they arise, and to report suspected or actual FCPA or similar violations promptly.

Failure to comply with the FCPA and other laws may result in civil and/or criminal fines to TPI, as well as significant harm to TPI’s reputation. Such a failure may also result in civil and criminal penalties being imposed against the associates involved. Failure to comply with this Policy may also result in appropriate disciplinary action being taken by TPI, up to and including termination of employment.

This Policy will be reviewed by the Office of the General Counsel on an annual basis or as updates are necessary.

II. THE FCPA

A. Overview

The FCPA contains two components, which are informally known as its “anti-bribery provisions” and its “accounting provisions.” In summary, the “anti-bribery provisions” prohibit TPI Parties around the world from offering, authorizing, promising, directing, or providing anything of value to any foreign official (also referred to as a “non-U.S. government official”) for the purpose of influencing that person to assist TPI in obtaining or retaining business or securing an improper business advantage. Individuals and companies may also be penalized if they order, authorize, or assist someone else to violate the anti-bribery provisions, or if they

conspire to violate those provisions.

In addition to prohibiting improper payments, the FCPA also contains “accounting provisions” that impose additional record-keeping and internal control requirements on public companies. TPI is now organized as a privately held company and is therefore not directly subject to these accounting provisions as a matter of law; however, TPI voluntarily maintains equivalent record-keeping and internal control standards as a matter of Company policy and sound corporate governance. These accounting provisions do not just prohibit improper accounting of improper payments, they even prohibit improper accounting of proper payments. Put differently, even bona fide business expenses, if improperly accounted for in the books and records of TPI, can lead to a violation of the FCPA. TPI is committed to maintaining strong internal controls to ensure that its books and records are accurate.

B. Definitions

Who is a “Foreign Official” under the FCPA?

The term “Foreign Official” includes the following:

- Officers, associates, and other persons working in an official capacity on behalf of a foreign government and government departments, agencies, public organization, and instrumentalities. This includes an entity hired to review and accept bids for government agencies;
- Foreign political parties, any foreign party officials, and any candidate for a foreign office;
- Associates, officers, and directors of state-owned, controlled, or operated enterprises - even if that person is not employed by the government (e.g., a government consultant);
- Representatives of a government agency at any level, including customs, immigration and transportation workers;
- Candidates for political office;
- Members of royal families who may lack “official” authority but who maintain ownership of managerial interest in government enterprises;
- Any third party knowing that some or all of the payment will be paid to a foreign official;
- Representatives of public international organizations (e.g. The United Nations, the World Bank, or the International Monetary Funds; and
- Immediate family members (e.g. parents, children, spouse, and in-laws) of government officials in certain instances.

What is a “Facilitation Payment”?

Under the FCPA, payments of small sums to expedite or secure the performance of certain routine, non-discretionary government functions is sometimes allowed as long as they are properly recorded in appropriate books and records. These payments are known as Facilitation, expediting, or grease payments (“Facilitation Payments”) and may be permissible.

However, in many countries it is illegal under local law to make Facilitation Payments.

Moreover, some anti-corruption multinational conventions do not permit these kinds of payments. Regardless of what may be allowed in limited circumstances under the FCPA, TPI does NOT allow the payment of Facilitation Payments, except in circumstances that involve an imminent threat to the health, safety, or welfare of an associate. If a facilitating payment is made under TPI's health and safety exception, it must be pre-approved by the Office of the General Counsel and accurately recorded in TPI's records to reflect the amount and purpose of the payment. Associates should note that some jurisdictions, including the United Kingdom under the Bribery Act 2010, do not recognize any Facilitation payment exception at all; TPI's narrow health-and-safety exception does not override a stricter local-law prohibition.

Who are "Third Parties"?

The FCPA imposes liabilities on companies for making payments to a third party while knowing that the third party will make corrupt payments in violation of the FCPA. The third parties include, among others, local subsidiaries, parties participating in joint ventures, consultants, contactors, agents, vendors, suppliers, distributors, brokers, and other intermediaries ("Third Parties").

Improper activities of third parties can subject TPI and its associates to criminal investigation and prosecution and can undermine TPI's reputation and brand for ethical behavior. The FCPA prohibits TPI from making payments to foreign officials through intermediaries. Thus, it is unlawful to make a payment to any Third Party with the knowledge ("knowingly") that such payment will go directly or indirectly, in total or in part, to a foreign official.

The FCPA defines the term "knowingly" very broadly. It includes not only actions taken with actual knowledge that payment will be funneled to a foreign official, but also the "head-in-the-sand" approach (i.e., actions that an associate consciously disregarded or deliberately ignored the likelihood that an improper payment would be made). Under this broad standard, associates cannot avoid liability by ignoring "red flags" that a Third Party may be funneling illicit payments to a foreign official.

FCPA Penalties

Under the anti-bribery provisions of the FCPA, any TPI director, officer, associate, representative, agent, business partner, or person acting on behalf of TPI who willfully violates the FCPA may be liable for up to \$26,262 (as periodically adjusted for inflation) in civil fines and up to \$100,000 in criminal fines and may be imprisoned for up to five years. The FCPA prohibits indemnification of such individuals by TPI. TPI may be liable for civil fines up to \$26,262 (as periodically adjusted for inflation) and criminal fines up to \$2 million.

Penalties can also be assessed for willfully violating the record-keeping provision of the FCPA, including up to 20 years in prison and up to \$5 million in fines for individuals and fines up to \$25 million for companies. Civil penalty amounts are adjusted periodically for inflation by U.S. regulators; associates should confirm current figures with the Office of the General Counsel rather than relying solely on the amounts stated in this Policy.

In addition, a FCPA violation could result in other adverse consequences such as suspension or debarment from government contracts, revocation or suspension of export license privileges, shareholder lawsuits, disgorgement, and long-term damage to TPI's or an individual's reputation.

FCPA Provisions and What They Mean

Below are summaries and explanations of some important FCPA provisions to assist with understanding of FCPA requirements. The full text of the FCPA can be found at <https://www.justice.gov/criminal-fraud/foreign-corrupt-practices-act> which contains translations of the FCPA in many languages.

- **The FCPA prohibits payments or the offer of payments.** Actual payment is not required for liability to attach under the FCPA. The mere offer or promise of a payment can lead to a violation of the statute.
- **The FCPA prohibits payment of money or anything of value.** The FCPA extends to payments of anything of value—not just payments of cash. There is no minimum threshold or materiality requirement for corrupt payments.
 - Prohibited payments can take many forms, including the purchase of an official's property or services at inflated prices, entertainment, charitable donations, travel expenses, loans with favorable terms, scholarships, cars or sports equipment, or anything else of value.

The following are examples of bribes or improper payments under the FCPA:

- making payments or giving something of value to a government official in order to receive or renew a license or permit or to obtain an approval that TPI needs to continue business;
 - making payments or giving something of value to a government official that is intended to influence implementation of a law that is beneficial to TPI's business or to influence the repeal of a law that is adverse to TPI's business;
 - making payments or giving something of value to a government official in exchange for overlooking or forgiving a regulatory compliance mistake or violation;
 - making payments or giving something of value to government officials or political parties in connection with transactions or proposed transactions related to TPI's products or services; or
 - authorizing or making payments to government officials intended to influence acts and decisions that would help TPI win a deal or prevent TPI from losing a deal.
- **The FCPA does not require quid pro quo agreement.** U.S. regulators and courts have made clear that an arrangement need not be of a "quid pro quo" nature to be corrupt. Any

attempt to favorably influence foreign officials, even if that simply includes purchasing their good will, may be considered securing an improper advantage and a violation of the FCPA.

- **Associate Exceptions for “Reasonable and Bona Fide Expenses.”** The FCPA permits payments to foreign officials for reasonable and bona fide expenses directly related to a promotion, demonstration, or explanation of TPI’s products and services. However, associates must be extremely careful when making such payments and keep the following rules in mind:
 - Do not extend any invitation for travel to any government official, government associate, or political party, official, or candidate for political office, without the prior approval of the Office of the General Counsel.
 - Any travel or entertainment expenses must be limited solely to those individuals necessary for the furtherance of TPI’s business. Associates cannot pay or promise to pay any travel or entertainment expenses for spouses or guests of invitees.
 - All travel and entertainment expenses must be accurately and adequately documented in the books and records of TPI; there can be no misstatements related to the purpose or value of these expenses.
 - Legitimate gifts, meals, and entertainment are permitted only if they are of nominal value, infrequent, and not offered for an improper purpose.
 - It is every associate’s obligation to ensure that a payment qualifies as a “reasonable and bona fide expense.” It is each associate’s obligation to consult the Office of the General Counsel with questions or concerns.

TPI has detailed guidelines and approval processes for travel, entertainment and gift giving. For details, please refer to TPI’s Global Travel & Entertainment Policy and the Code of Conduct.

- **Record-keeping and internal controls requirements.** The FCPA requires companies to maintain detailed and accurate accounting records and internal controls. All TPI personnel and third-party agents and business partners must keep detailed and accurate records of payments to foreign officials, agents, and business partners. There is no “bad intent” requirement and there is no “materiality” threshold for these requirements. Accordingly, even a small misstatement or false record-keeping can give rise to liability:
 - Associates must not create any false, incomplete, or misleading entries or records.
 - Associates must not maintain any undisclosed or unrecorded corporate funds for miscellaneous expenses.
 - Vague accounting descriptions like “advertising” or “marketing” without further explanation could raise red flags and implicate the record-keeping provisions of the FCPA.
 - Associates may only sign documents, including contracts, that they are authorized to

- sign and that they believe are accurate and truthful.
- Internal accounting controls must be sufficient to provide reasonable assurance that, among other things, transactions have been executed in accordance with management's authorization and recorded in accordance with local and U.S generally accepted accounting principles ("GAAP"), as applicable.
 - **Willful ignorance and similar bad acts by others are not valid defenses.** Willfully ignoring FCPA warning signs to avoid gaining actual knowledge of a violation is not a valid defense. Similarly, arguments that bribes or improper payments are part of the business culture in a particular country or industry or are part of the costs of doing business in a particular country, are not valid defenses.

III. SEEKING GUIDANCE ON ANTI-CORRUPTION ISSUES

TPI's management has appointed TPI's General Counsel to serve as the Compliance Officer responsible for implementing and providing guidance and interpretation on matters related to this Policy, and/or anti-corruption issues in general.

TPI personnel with questions about the FCPA or other anti-corruption laws, or who are uncertain of the requirements of this Policy, are obligated to seek guidance from their supervisor and/or the Office of the General Counsel at compliance@tpicomposites.com.

The Office of the General Counsel also has responsibility for investigating, or overseeing the investigation of, any information or allegations concerning possible violations of anti-corruption laws or other unethical or improper business conduct. The Office of the General Counsel will have authority to retain and consult with outside legal counsel to assist in carrying out his or her duties.

It is understood that TPI personnel will often go to their immediate supervisor to seek guidance on ethics-related issues or report potential violations of this Policy or other rules and regulations. However, there may be situations in which TPI personnel do not wish to raise such issues with their supervisors. Such situations may include instances where the conduct in question involves a supervisor, where the associate has reported the conduct previously and does not believe that the supervisor has dealt with it properly, or where the associate does not feel that the matter can be appropriately discussed with his or her supervisor. In these types of situations, TPI personnel should raise the matter with the Office of the General Counsel, either directly or anonymously.

Note: Each TPI officer, director, or associate has an independent and continuing obligation to ensure compliance with this Policy and all applicable anti-corruption laws. Simply reporting potential issues to a supervisor does not absolve an associate from all responsibility relating to improper conduct.

Foreign Anti-Corruption Laws

Foreign anti-corruption laws often impose additional penalties for conduct that may potentially violate the FCPA. Under no circumstances should an associate make, offer, promise, or authorize any payment or gift in violation of local law, even if the conduct is permitted under the FCPA. Associates should consult with the Office of the General Counsel with any questions regarding the application of local laws.

IV. ASSOCIATE OBLIGATIONS AND CONSEQUENCES

This Policy imposes several obligations on TPI associates. These obligations will be enforced by the standard disciplinary measures available to TPI.

A. Reporting Obligations

Associates must immediately report to the Office of the General Counsel any suspected or actual violation of anti-corruption laws by TPI or any of its officers, directors, or associates, or any other third-party such as agents, business partners, consultants, or others acting on TPI's behalf. Once an associate has made a report, the associate has an obligation to update the report as new information comes into his or her possession.

Under no circumstances shall the reporting of any such information or possible violation serve as a basis for any retaliatory actions to be taken against any associate making the report.

B. Training Obligations

TPI is committed to maintaining a robust anti-corruption compliance program and a business environment that places the highest level of emphasis on compliance and ethical business practices. In furtherance of these goals, TPI will provide trainings and will make information regarding anti-corruption compliance available to all associates on a routine basis. All associates have an obligation to participate in such training programs, review training materials, and keep themselves knowledgeable about anti-corruption compliance. The mere fact that an associate has previously participated in anti-corruption trainings does not excuse participation in future training sessions.

C. Third-Parties and Due Diligence Obligations

All TPI associates have an obligation to ensure that any third-party agents or business partners that TPI has a business relationship with is properly screened during the Supplier Vendor Process to ensure compliance with the FCPA and this Policy. One step to ensure compliance is to conduct due diligence on every agent or partner who conducts business in any foreign jurisdiction before entering into any third-party relationship, contract, or agreement. This due diligence should also confirm, where applicable, that the third-party and its known beneficial owners are not subject to applicable economic sanctions or export control restrictions.

TPI utilizes a third-party screening tool to conduct due diligence with potential business partners from both a compliance and financial perspective.

D. Pre-Approval Required for Contact with Foreign Officials

Associates must receive pre-approval from the Office of the General Counsel prior to engaging or interacting with Foreign Officials as defined in this Policy. To request approval, please

complete the required information in the Form found here: <https://tpicomp.sharepoint.com/sites/FCPAComplianceTeam/Lists/Interactions%20with%20Foreign%20Officials%20List/AllItems.aspx>

D. Associate Disciplinary Action

If an associate violates the FCPA or any provision of this Policy, or fails to cooperate in implementing this Policy, the associate may be subject to disciplinary action, which may include, but not be limited to, suspension, demotion, reduction in pay, reprimand, and termination.

V. REPORTING SUSPECTED VIOLATIONS OF THE FCPA OR THIS POLICY

If conduct is observed that may violate this Policy, please immediately contact the Office of the General Counsel at compliance@tpicomposites.com, use the Ethics Line at tpicomposites.ethicspoint.com, or use any of the toll-free phone numbers found on the TPI website. Suspected violations will be reviewed and investigated promptly. Any such reporting will be treated as confidential to the extent permitted by law.