

FIA INSTITUTE ANTI BRIBERY AND CORRUPTION POLICY

1. POLICY STATEMENT

1.1 As indicated in Article 8 of the Internal Regulations of the FIA Institute (the "Institute"), we take a zero tolerance approach to bribery and corruption and will uphold all applicable laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. We welcome the international community's efforts to stamp out bribery and corruption and support the implementation of the United Nations Anti-Corruption Convention and the Group of Twenty Anti-Corruption Action Plan. As a global organisation we remain committed to abiding by the applicable anti-bribery laws of all the jurisdictions in which we operate, including the provisions of the French Criminal Code, the US Foreign Corrupt Practices Act (the "FCPA") and the UK Bribery Act 2010 (the "UKBA") (collectively, the "Anti-Bribery and Anti-Corruption Laws"). We undertake due diligence on our partners, grant recipients, and associates and take reasonable steps to ensure that they apply all applicable anti-bribery and anti-corruption laws.

1.2 The purpose of this policy is to:

- (a) set out our responsibilities in observing and upholding our policy on bribery and corruption;
- (b) provide information and guidance to our members, employees, partners, grant recipients and their associates on how to recognise and deal with bribery and corruption issues; and
- (c) establish standards of conduct for our members, employees, partners, grant recipients and their associates so as to ensure that all applicable Anti-Bribery and Anti-Corruption Laws are not violated.

1.3 Bribery and corruption harm legitimate business activities and are serious criminal offences. For example, under the UKBA, bribery and corruption are punishable for individuals by up to ten years' imprisonment. Organisations that have committed an offence punishable under the UKBA (which is applicable also to non-UK based organisations that carry on a business in the UK) could face an unlimited fine, be excluded from tendering for public contracts, and suffer damage to their reputation. We therefore take our legal responsibilities very seriously.

1.4 The Institute considers a breach of this Policy to be a serious violation which may result in disciplinary measures, including the dismissal of employees or the termination of its business relationship with any third party.

2. WHO IS COVERED BY THE POLICY?

2.1 This policy applies directly to our members and to all individuals working within the Institute as directors, officers, employees, and to all subcontractors, assignees, consultants, agents or other persons who may represent the Institute from time to time. The policy is provided to our other partners, grant recipients and associates, who will be required to take reasonable steps to ensure that, in carrying out activities

supported by the Institute, they and their directors, officers, employees, and associates comply with all applicable Anti-Bribery and Anti-Corruption Laws. In this policy, "third party" means any individual or organisation you come into contact with during the course of your role.

- 2.2 The Secretary General is responsible for ensuring that third parties who carry out activities supported by the Institute understand the requirements of this policy.

3. WHAT IS BRIBERY AND CORRUPTION?

- 3.1 A bribe is an inducement or reward offered, promised, given or authorized, directly, or indirectly, to improperly influence anyone, or to reward anyone for the improper performance of any function or activity, in order to secure or gain any commercial, contractual, regulatory or personal advantage.
- 3.2 Corruption is the misuse of public office or power for private gain or the misuse of private power in relation to business outside the realm of government.
- 3.3 Acts of bribery or corruption are intended to influence an individual in the performance of their work to act dishonestly and/or improperly. The person being bribed is usually someone who can obtain, retain or direct business for example during a tender or contracting process or it may be through the handling of administrative tasks or customs matters.
- 3.4 A bribe can take many forms, for example, a direct or indirect promise or offer of something of value, the offer or receipt of a kickback, fee, reward or other advantage, the giving of aid, donations or voting designed to exert improper influence.
- 3.5 Those engaged in bribery and corruption can include an employee, officer or director, any person acting on behalf of the Institute i.e. our agents, individuals or organisations who authorise someone else to carry out these acts, Government or public officials whether foreign or domestic.

4. GIFTS AND HOSPITALITY

- 4.1 This policy does not prohibit gifts, entertainment, hospitality or other promotional expenditures (given and received) to or from third parties which are proportionate, transparent, reasonable and for bona fide purposes related to the aims and objectives of the Institute.
- 4.2 The giving or receipt of gifts is not prohibited if all of the following requirements are met:
- (a) the gift complies with laws of the recipient's country or any other applicable local laws and regulations;
 - (b) the gift 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
 - (c) the gift is given in our name, not in your name;
 - (d) the gift does not exceed the amount of €250 in value;

- (e) the gift cannot be viewed as lavish or excessive under local standards and customs, and is provided only as a courtesy, or token of esteem;
- (f) the gift does not include cash or a cash equivalent (such as gift certificates, checks or vouchers);
- (g) the gift is appropriate in the circumstances. For example, it is given as a ceremonial gift on a festival or at another special time (e.g. Christmas);
- (h) the gift is of an appropriate type and value and given at an appropriate time, taking into account the reason for the gift;
- (i) the gift is given openly, not secretly; and
- (j) the gift is not offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Audit, Finance and Governance Committee.

4.3 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.

4.4 Gifts with a value of more than €250 per event, per person (or of comparable value)¹ should not be given or offered (to or from a single source on a single occasion) unless they have the written approval of a member of the Audit, Finance and Governance, Committee.

4.5 All gifts and hospitality with a value of more than €250 per event, per person (or of comparable value in a different country) accepted or offered by any employee should be entered on the register of gifts.

4.6 Any approval required by the above policies relating to a member of the Audit, Finance and Governance Committee must be provided by a member of the Institute's Executive Committee.

5. **WHAT IS NOT ACCEPTABLE?**

5.1 It is not acceptable for you (or someone on your behalf) to:

- (a) give, promise to give, offer or authorise the giving of anything of value, including payments, gifts or hospitality to anyone with the expectation or hope that this will influence the decision-making of the recipient, or that a business advantage will be received, or to reward a business advantage already given; or
- (b) give, promise to give, offer, or authorise the giving of anything of value, including payments, gifts or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure; or

¹ In deciding whether a gift is of comparable value, the relevant person should consider not only the exchange rate, but all surrounding circumstances including, but not limited to, the average income in the location where the recipient of the gift is based.

- (c) solicit, accept or attempt to accept, directly or indirectly, a payment from a third party that you know or suspect is offered with an expectation that the Institute's decision making will be influenced in any way and that will result in a business advantage for the person making or offering the payment; or
- (d) solicit, accept or attempt to accept, directly or indirectly, a gift or hospitality from a third party that you know or suspect is offered or provided with an expectation that the Institute's decision making will be influenced in any way and that will result in a business advantage for the person giving the gift or hospitality; or
- (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (f) engage in any activity that might lead to a breach of this policy.

6. FACILITATION PAYMENTS

- 6.1 We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments to government officials made to secure or expedite a routine, non-discretionary governmental action (e.g. processing a visa, customs invoice or other governmental paper). They are prohibited and not commonly paid in the UK, but are common in some other jurisdictions.
- 6.2 If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the Audit, Finance and Governance Committee.
- 6.3 Payments made as a result of extortion or duress involving an imminent threat of death or serious injury generally do not amount to bribes. If such a payment is extorted or forced under duress then the payment may be made provided that the Audit, Finance and Governance Committee is promptly informed, the payment is appropriately recorded in the Institute's financial records as a "facilitating payment", and supporting records regarding the reason for and circumstances surrounding the payment are documented in a written report.
- 6.4 Kickbacks are typically payments made in return for a business favour or advantage. All our partners, grant recipients and associates must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

7. YOUR RESPONSIBILITIES

- 7.1 You must ensure that you read, understand and comply with this policy. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Institute or under our control. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 7.2 You must notify your line manager as soon as possible if you believe or suspect that a conflict with this policy or any applicable Anti-Bribery and Anti-Corruption Laws by either an employee or a third party has occurred, or may occur in the future. For

example, if a partner, grant recipient, associate or potential partner offers you something to gain an advantage with us, or indicates to you that a gift or payment is required to secure their co-operation with Institute supported activities.

- 7.3 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We also reserve our right to terminate our contractual relationship with our partners, grant recipients, and associates if they breach this policy.

8. **RECORD-KEEPING**

- 8.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

- 8.2 You must declare and keep a written record of all hospitality or gifts with a value of more than €250 per event, per person (or of comparable value in a different country) accepted or offered on the gifts register, which will be subject to managerial review.

- 8.3 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.

- 8.4 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.

9. **HOW TO RAISE A CONCERN**

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with the Audit, Finance and Governance Committee through its Chairman or Executive Officer. Concerns should be reported as a protected disclosure to the Audit, Finance and Governance Committee and statutory protection of whistle blowers may be afforded under local law.

10. **PROTECTION**

- 10.1 Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. It is the Institute's policy that employees will not suffer retaliation or harassment for reporting in good faith any compliance concerns. 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.

- 10.2 We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform immediately your line manager, the Secretary General or a member of the Institute's Audit, Finance and Governance Committee.

11. TRAINING AND COMMUNICATION

- 11.1 All relevant Institute employees will receive periodic training as required on how to adhere to this policy and on applicable Anti-Bribery and Anti-Corruption Laws.
- 11.2 Employees required to undergo training on this policy shall also be required to complete a periodic certification that they (i) have completed and understood the required training, (ii) have complied with this policy in the past, and (iii) agree to comply with this policy in the future.
- 11.3 To the extent possible and practical, such training will also be made available to other persons subject to this policy, including but not limited to, members of the Executive Committee of the Institute, consultants and other relevant persons acting as an agent for the Institute.
- 11.4 Our zero-tolerance approach to bribery and corruption will be communicated to all partners, grant recipients, associates, suppliers, and contractors at the outset of our relationship with them and as appropriate thereafter.

12. WHO IS RESPONSIBLE FOR THE POLICY?

- 12.1 The Executive Committee of the Institute has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.
- 12.2 The Audit, Finance and Governance Committee 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 are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

13. RISK ASSESSMENT, MONITORING, AND REVIEW

- 13.1 As part of its annual risk assessment process the Executive Committee of the Institute will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. The Audit, Finance and Governance Committee will carry out regular audits of our control systems and procedures to provide assurance that they are effective in countering bribery and corruption.
- 13.2 All employees are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.
- 13.3 This policy does not form part of any employee's contract of employment and it may be amended at any time.

Adopted by the Executive Committee of the Institute

08 July 2015