



**CIE** Automotive

Anti-Corruption and Fraud  
Policy

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	<b>ANTICORRUPTION AND FRAUD POLICY</b>	Code:	CIE CO CP PO 04
		Review:	03
		Page:	2 of 9

## Contents

1. Introduction.....	3
2. Commitment.....	3
3. Objectives of the policy .....	3
4. Scope of application .....	3
5. Fight against corruption and bribery.....	4
6. Gift, invitation and hospitality policy .....	4
6.1 General behavioural guidelines.....	4
6.2 Prohibited practices.....	4
7. Attendance fees and travel expenses .....	5
7.1 General behavioural guidelines.....	5
7.2 Prohibited practices.....	5
8. Other special expenses.....	5
8.1 Charitable contributions, sponsorships, patronage and the like.....	5
8.2 Political contributions.....	6
8.3 Facilitation payments .....	6
9. Conflicts of interest .....	6
10. Accounting records.....	6
10.1 General behavioural guidelines.....	6
10.2 Prohibited practices .....	7
11. Relations with civil servants and public authorities.....	7
11.1 General behavioural guidelines.....	7
11.2 Prohibited practices .....	7
12. Businesses that are business partners and third parties that may act on behalf of CIE Automotive, S.A.....	8
13. Responsibilities.....	8
14. Queries and communication .....	8
15. Breach of the policy.....	9
16. Supervision .....	9

<b>Issued and reviewed:</b> Corporate Social Responsibility Committee	<b>Approved:</b> Board of Directors	<b>Date:</b> October 2019
--	--	------------------------------

	<b>ANTICORRUPTION AND FRAUD POLICY</b>	Code:	CIE CO CP PO 04
		Review:	03
		Page:	3 of 9

## 1. Introduction

Corruption is a complex social, political and economic phenomenon that affects all countries. Corruption erodes democratic institutions, decreases the rate of economic development and contributes to governmental instability.

This Anti-Corruption and Fraud Policy (the "**Policy**") was prepared in accordance with the main regulatory references and best practices in the field of anti-corruption and fraud. As a result of the exhaustive regulations that currently exist, the following, among other provisions, were taken into account: the *UN Convention against Corruption* and its *Anti-Corruption Ethics and Compliance Programme for Businesses*, the *Convention on Combating Bribery of Foreign Public Officials in International Business Transactions* of the Organisation for Economic Cooperation and Development (OECD), the *Foreign Corrupt Practices Act (FCPA)* of the United States, the *Bribery Act* of the United Kingdom, the Spanish Criminal Code (*Código Penal*), as well as other international regulations.

## 2. Commitment

At CIE Automotive, S.A. ("**CIE Automotive, S.A.**" or the "**Group**", interchangeably) we are committed to fighting corruption through the establishment of principles to guide the behaviour of everyone who forms part of the Group.

Therefore, CIE Automotive, S.A. has adhered to the 10 principles contained in the United Nations Global Compact (<https://www.unglobalcompact.org/>), a voluntary compact by which companies agree to align their strategies and operations with ten universally accepted principles in four subject areas: human rights, employment standards, the environment and anti-corruption.

Specifically, and in accordance with the tenth principal, CIE Automotive, S.A., has a zero-tolerance policy with regard to behaviour that is likely to be considered an act of corruption and bribery, both in the public and private sphere. Consequently, CIE Automotive, S.A. **is committed to fighting corruption in all its forms, including extortion and bribery**, and to developing specific policies in relation to this matter.

## 3. Objectives of the policy

The purpose of the Policy is to define the rules of conduct in relation to anti-corruption and consistent with the principles and behavioural guidelines assumed by CIE Automotive, S.A. in its Professional Code of Conduct (the "**Code of Conduct**").

Within the framework of this Policy all directors, executives, employees and workers of all the companies that compose the Group ("**the people**") must behave with integrity and transparency in business relationships, avoiding and condemning behaviour that is likely to be considered an act of corruption or bribery, both in the public and private sectors.

## 4. Scope of application

Compliance with this policy is mandatory for all directors, executives, employees and workers of all the companies that compose the Group ("**the people**"), without exception. Additionally, all third parties that collaborate, participate, act as intermediaries or act for and on behalf of CIE

<b>Issued and reviewed:</b> Corporate Social Responsibility Committee	<b>Approved:</b> Board of Directors	<b>Date:</b> October 2019
--	--	------------------------------

	<b>ANTICORRUPTION AND FRAUD POLICY</b>	Code:	CIE CO CP PO 04
		Review:	03
		Page:	4 of 9

Automotive, S.A. in transactions and negotiations must observe the guidelines and principles contained in this policy.

## 5. Fight against corruption and bribery

Following the general principle of zero-tolerance of any form of corruption, CIE Automotive, S.A. does not allow the acceptance of gifts, favours or assistance from third parties, either in cash or in-kind, or any other object of value, unless they have a symbolic value and they are not given for the purpose of influencing the objectivity that must govern its actions.

## 6. Gift, invitation and hospitality policy

### 6.1 General behavioural guidelines

Within the commercial and business relationships maintained with third parties (related companies, suppliers, customers and or collaborators) circumstances may arise that justify giving gifts or extending business or entertainment invitations.

In accordance with the Code of Conduct, gifts or services may not be provided under advantageous conditions, either to personnel of private entities or civil servants beyond customary courtesies and provided that the aforementioned gift or service is not conditional upon obtaining a return.

Any gift or invitation of this nature that is offered and accepted by the people who forms part of CIE Automotive, S.A. must be for **lawful purposes**, in accordance with the following conditions:

- The intention or purpose sought with the gift or invitation must be in keeping with **normal standards of courtesy and customary business practices** and, under no circumstances, may it entail the expectation of a consideration or unjustified business advantage.
- They must be **appropriate and proportional**. A gift or invitation will be considered appropriate and proportional when it is socially acceptable and that the possibility that it become publicly known does not entail the risk of any social reproach.
- They must always **follow the laws and regulations in force at any given time**, both with regard to the country where the gift or invitation is given and where they are received.
- The **related expenses** must be duly **accounted for** in accordance with their nature and enabling their traceability, **registered, documented and subject to review**.

### 6.2 Prohibited practices

Outside the limits described above, the following are considered prohibited practices:

- The delivery or promise of gifts and invitations the economic value of which exceeds standard customs and practices or the purpose of which is consideration for an unjustified or unlawful advantage or benefit.
- The delivery or promise of money in cash or, where applicable, cash equivalents (for example, cheques or gift cards).
- The acceptance of gifts, invitations and money the purpose of which is fostering business relationships on behalf of CIE Automotive, S.A.

<b>Issued and reviewed:</b> Corporate Social Responsibility Committee	<b>Approved:</b> Board of Directors	<b>Date:</b> October 2019
--	--	------------------------------

	<b>ANTICORRUPTION AND FRAUD POLICY</b>	Code:	CIE CO CP PO 04
		Review:	03
		Page:	5 of 9

## 7. Attendance fees and travel expenses

### 7.1 General behavioural guidelines

During the course of our professional activity, expenses for meals and possible business travel are customary.

Any expense of this nature may only be justified for essentially work-related reasons, in accordance with the specific circumstances of each case. However, at CIE Automotive, S.A., we must always follow the criteria of austerity and proportionality that guides the behaviour of the Group.

Expenses arising from meals and business travel will be governed by the expense procedure in force at CIE Automotive, S.A.

### 7.2 Prohibited practices

Any type of offer, promise, payment or authorisation of meals and or invitations that exceeds the limits established in the travel expense procedure defined by CIE Automotive, S.A. is prohibited.

Likewise, expenses for meals and/or invitations that are not duly justified, or the justification for which is not in keeping with essentially work-related reasons will not be approved.

## 8. Other special expenses

### 8.1 Charitable contributions, sponsorships, patronage and the like

In terms of preventing fraudulent and corrupt practices, employees must follow the following behavioural guidelines:

- Contributions on behalf of CIE Automotive, S.A. to charitable organisations, sponsorships and patronage must be fully transparent that requires that their formalisation must be documented and they must be expressly recognised in the financial statements of CIE Automotive, S.A. Likewise, the contribution must be formally approved by the competent person or body within the Group.
- Patronage and sponsorship may not be related to any type of behaviour by the beneficiary thereof nor acts that may be interpreted as acts promoting a certain political group or party.
- Before a foundation or organisation may be funded, an analysis must be conducted to confirm that it has no relationship with any civil servant, public authority or political party. Likewise, the honourability and solvency of the entity funded must be verified and, in particular, whether it has a transparent and reliable management system that ensures that the donation will be used appropriately and for the purposes envisaged.

<b>Issued and reviewed:</b> Corporate Social Responsibility Committee	<b>Approved:</b> Board of Directors	<b>Date:</b> October 2019
--	--	------------------------------

	<b>ANTICORRUPTION AND FRAUD POLICY</b>	Code:	CIE CO CP PO 04
		Review:	03
		Page:	6 of 9

## 8.2 Political contributions

CIE Automotive, S.A. is not associated with any type of political option and prohibits any type of contribution to political parties and to their representatives or candidates for and on behalf of the Company that has or may have political implications.

Those who wish to participate in political or public activities must do so exclusively on a personal level and outside of business hours.

## 8.3 Facilitation payments

As a general rule, facilitation payments to civil servants and public authorities are prohibited. However, given that in certain jurisdictions facilitation payments may be considered lawful based on the specific country where we are located and, exceptionally, in cases in which there are circumstances that threaten the health, safety or well-being of employees, the payment will not be considered non-compliance with this policy. However, whether such payments may be made must first be consulted with the Corporate Social Responsibility Committee.

## 9. Conflicts of interest

A conflict of interest will be considered to exist in the following cases:

- Situations in which employees have shares, stakeholding or interests in customer or supplier companies that maintain contractual or business relationships with CIE Automotive, S.A.
- Situations in which employees are related, due to consanguinity or affinity, to people who hold positions in customer or supplier companies who maintain contractual or business relationships with CIE Automotive, S.A.
- External and remunerated activities carried out by employees at entities that conflict with the corporate interests of CIE Automotive, S.A.
- Situations of hierarchical dependence or any other circumstances in which employees are in a position to directly or indirectly influence other employees.
- Any other situations in which employees may be involved in a business operation or transaction that puts their personal interests before those of the Company or when the aforementioned personal interests influence, or may influence, unduly, the business relationship.

If employees observe a conflict of interest, both real and potential, they must immediately report it in accordance with that established in the internal procedures of CIE Automotive, S.A.

## 10. Accounting records

### 10.1 General behavioural guidelines

Transparency is a fundamental principle within the corporate strategy of CIE Automotive, S.A. Thus the Group will maintain an appropriate internal accounting control system that includes reliable reporting and recognition of all transactions carried out for and on behalf of CIE Automotive, S.A.

<b>Issued and reviewed:</b> Corporate Social Responsibility Committee	<b>Approved:</b> Board of Directors	<b>Date:</b> October 2019
--	--	------------------------------

	<b>ANTICORRUPTION AND FRAUD POLICY</b>	Code:	CIE CO CP PO 04
		Review:	03
		Page:	7 of 9

The accounting books and records of CIE Automotive, S.A. must be specific and detailed, and reporting false or misleading transactional statements are strictly prohibited.

In this regard, it must maintain specific, appropriate and reasonably detailed documentation to provide coverage for all transactions carried out, safeguarding them in accordance with the internal policies on information management.

## 10.2 Prohibited practices

In any event, and without prejudice to any prevailing circumstances, the following practices are strictly prohibited:

- Establishing off-the-book accounts.
- Executing transactions for the purpose of not recognising them in the books or not properly recognising them.
- Recognising non-existent expenses.
- Improperly recognising the nature of expenses in the accounting books
- Using false documents.
- Deliberately destroying accounting documents before the legal period has elapsed.

## 11. Relations with civil servants and public authorities

### 11.1 General behavioural guidelines

Relations with civil servants and public authorities must be based on the **principles of transparency, integrity, objectivity, impartiality and legality.**

In any event, in our dealings with civil servants and public authorities, we must observe the following general guidelines:

- Comply with the values, principles and rules of conduct contained in the Code of Conduct of CIE Automotive, S.A.
- Refrain from acting or dealing with civil servants or public authorities in the event of a **conflict of interest.**
- Supervise and verify the **accuracy and integrity of the information** furnished to the public authorities.
- The person assigned to the storing and safekeeping all the documentation exchanged with the public sector must do so properly.

### 11.2 Prohibited practices

In their relationships with civil servants, public authorities or with a related third-party, any person who forms part of CIE Automotive, S.A. is strictly prohibited from:

- Offering or promising a gift, remuneration, favour or service to a civil servant or public authority or consenting to their request for any of the foregoing, to influence or to ensure they take any type of decision to benefit CIE Automotive, S.A.
- The aforementioned prohibition also applies to cases in which the gift is only in consideration of the office and goes beyond courteous practices in relation to the practices and customs specific to the scope of activity of CIE Automotive, S.A.

<b>Issued and reviewed:</b> Corporate Social Responsibility Committee	<b>Approved:</b> Board of Directors	<b>Date:</b> October 2019
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	<b>ANTICORRUPTION AND FRAUD POLICY</b>	Code:	CIE CO CP PO 04
		Review:	03
		Page:	8 of 9

## 12. Businesses that are business partners and third parties that may act on behalf of CIE Automotive, S.A.

The daily operations of CIE Automotive, S.A. include commercial and business relationships with third parties, whether partners, customers, suppliers, contractors, subcontractors, agents, collaborators, etc.

The corresponding due diligence procedures must be applied to any third parties that act, or may act, or intervene for and on behalf of CIE Automotive, S.A. based on the prevailing circumstances, thus minimising any potential risks arising from improper or unlawful actions by them.

In any event, the aforementioned due diligence procedures must be applied in the case of agents, customers, business partners and any other third party with which a letter of intent to carry out a project or any other type of business endeavour is formalised.

Consequently, CIE Automotive, S.A. will require all third parties and business partners with which it establishes business relationships to adhere to this policy.

If there is evidence that a third party is likely to pose a risk of violating the principles contained in this Policy, as well as the laws applicable to anti-corruption matters, CIE Automotive S.A. will refrain from contracting or carrying out any business with them.

## 13. Responsibilities

In accordance with our management model, the anti-corruption principles included in all activities and the parties responsible for compliance therewith are:

- **Corporate Social Responsibility Committee:** Its functions include promoting the Code of Conduct in the Group, which strictly prohibits any behaviour by the people who compose CIE Automotive, S.A. that may be considered related to corruption or bribery, submit it and its subsequent modifications to the Board for its approval and promote any matter relevant to fostering awareness of and compliance with the Code of Conduct.
- **Internal Audit Department:** The Internal Audit Committee is responsible for monitoring the proper functioning of the mechanisms necessary to prevent and detect corruption. If there is evidence, the business procedure in force that did not prevent the aforementioned corruption is reviewed and improvements thereto are sought.

## 14. Queries and communication

All persons subject to this policy are required to report or submit queries — through the mechanisms implemented for such purposes — related to any acts or events that may entail breaches or violations of which they are aware or have suspicions, as well as the questions that may arise.

To that end, CIE Automotive, S.A. has a whistle-blowing channel for the purpose of receiving notifications related to irregular behaviour or activities that allows everyone who forms part of CIE Automotive, S.A. to send, confidentially, any query regarding these or other matters related to the guidelines of the Code of Conduct, as well as any violations or breaches thereof and any practices or behaviour that are unlawful and likely to generate criminal liability for legal entities.

<b>Issued and reviewed:</b> Corporate Social Responsibility Committee	<b>Approved:</b> Board of Directors	<b>Date:</b> October 2019
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	<b>ANTICORRUPTION AND FRAUD POLICY</b>	Code:	CIE CO CP PO 04
		Review:	03
		Page:	9 of 9

The whistle-blowing channel has its own regulations and protocol for analysing the complaints received, as well as for communicating them to the Corporate Social Responsibility Committee.

### **15. Breach of the policy**

Breach of the principles contained in this Policy will entail the implementation of the appropriate measures, in accordance with employment law in force. Compliance with that established herein is the responsibility of each and every one of us.

### **16. Supervision**

Supervision of the corrective measures for the reports received is reflected in the Annual Internal Audit Plan that is approved by the Audit and Compliance Committee and that is shared with the Corporate Social Responsibility Committee.

The Company's fight against corruption covers the entire value chain and complies with the corresponding GRI indicators.

<b>Issued and reviewed:</b> Corporate Social Responsibility Committee	<b>Approved:</b> Board of Directors	<b>Date:</b> October 2019
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