

# **Fiat Group Business Ethics and Anti-corruption Guidelines**

## **Foreword**

Fiat Group is a global industrial group with activities and business interests in many countries around the world and conducts its activities in full respect of the principles of fairness, transparency and integrity in the marketplace and in compliance with all applicable laws. In particular, Fiat Group is an active participant in the fight against all forms of corruption, applying relevant national and international laws and voluntarily adopting general principles of business conduct. These principles are to be observed not only by all employees, but also by our agents, suppliers and others with whom we do business to ensure the highest standards of business integrity which Fiat Group is committed to spreading both inside and outside the Group, including through establishment of appropriate supervisory roles.

## **General Principles of Business Conduct**

The following principles are heavily influenced by: the principal anti-corruption laws and regulations currently in effect; guidelines and rules promulgated by recognized non-governmental organizations such as Rules of Conduct for the prevention of extortion and bribery adopted by the International Chamber of Commerce (ICC), Business Principles for Countering Bribery adopted by Transparency International and the Principles for Countering Bribery adopted by the World Economic Forum Partnering Against Corruption (PACI); as well as the 2005 UN Convention against Corruption (UNCAC) and the guidelines from the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

## **Payment and benefits intended to obtain illegal advantage**

Payments or loans of corporate, subsidiary or personal funds or transfers of anything else of value to a domestic or to a foreign government official, political or military officials or representatives of international organizations for the purpose of obtaining, retaining or directing business to Fiat Group or affiliates or other persons are prohibited. The Fiat Group undertakes to ensure that no employee is penalised as a result of refusal to make payments or offer goods or benefits to obtain an illicit advantage. As part of its commitment to maintaining internal controls over financial reporting, all Fiat Group companies are required to ensure that they maintain accurate books and records and financial information.

## **Agents, consultants, advisors and other intermediaries**

Each Fiat Group Company is required to adopt all necessary measures to ensure that:

- a) all remuneration paid to agents, consultants, advisors and others with whom we do business is appropriate to the nature of their mandate;
- b) agents, consultants, advisors and others with whom we do business do not use any portion of such remuneration to make payments which conflict with the principles contained in this document;

- c) agreements with agents, consultants, advisors and others with whom we do business include an express clause which addresses the consequences of violation of anti-corruption laws;
- d) agreements with agents, consultants, advisors and others with whom we do business are established in writing and indicate the services to be provided and fees to be paid for such services; and
- e) sufficient background checks and other appropriate due diligence procedures have been performed with respect to agents, consultants and advisors under consideration.

### **Joint Venture and Outsourcing Agreements**

Each Company is to ensure that joint venture and outsourcing agreements include clauses stating the consequences of violation of anti-corruption laws and that such clauses are expressly accepted by the contractual counterparties. Each company is to ensure that sufficient due diligence procedures have been conducted designed to determine whether potential joint venture and strategic alliance partners have policies and procedures in place consistent with the Fiat Group Business Ethics and Anti-Corruption Guidelines.

### **Gifts and benefits in kind**

It is absolutely forbidden to give gifts and benefits in kind beyond normal commercial practice or custom, or which in any event is intended to obtain favourable treatment in the conduct of any business activity, to the following:

- a) local or foreign public officials,
- b) directors, managers or employees of a local or foreign company, or
- c) their families, friends or acquaintances,

such as to influence their independence of judgement or induce them to grant advantages to oneself or the company. Permitted gifts must be legally permissible, be of a modest value and adequately documented (and approved, if required, by the appropriate level within the applicable Company).

### **Payments to political parties**

Payments, gifts, loans or services provided by Fiat Group to any political parties or political committee or a candidate for, or a holder of a political office are permitted only if in compliance with applicable law. All contributions must, however, be approved in advance at the appropriate level within the Company.

### **Charity and Sponsorship**

Fiat Group allows donations to charity and sponsorship in the form of money, goods or services. However, such contributions must be exclusively for initiatives of a charitable or cultural nature or which promote the Group's brand image. Donations may not be linked, even indirectly, to the personal interests of individuals holding a public office. In selecting charity or sponsor opportunities, employees are required to verify whether any conflicts of interest with the spirit of the charity or image promotion exist and must immediately inform their supervisor of such conflicts. All proposed donations and sponsorships must be reviewed and approved by the appropriate Group or Sector level.

**Customs laws**

Export control and customs laws regulate where and how Fiat Group may transport and sell goods, technology or exchange information. In some cases, these laws may prohibit doing business with certain countries, people, or companies, or impose requirements for licenses before goods or technology may be exported or exchanged. Customs laws require accurate documentation and proper reporting and valuation of goods. International trade laws are complex and change frequently. The penalties for noncompliance can be severe and could include personal liability. Fiat Group companies are committed to complying with all such export control and customs laws in the jurisdictions where it does business.