



## Group Framework Policies

ASTON MARTIN LAGONDA GLOBAL HOLDINGS PLC

# ANTI-BRIBERY, CORRUPTION AND FRAUD POLICY

POLICY TITLE:	ANTI-BRIBERY, CORRUPTION AND FRAUD POLICY
EFFECTIVE DATE:	19 July 2023
LAST REVIEWED:	July 2023
POLICY OWNER	Head of Compliance
EC POLICY SPONSOR	VP & General Counsel

## 1. INTRODUCTION

Aston Martin Lagonda Global Holdings plc, together with its affiliates and subsidiaries (“**the Company**”), is committed to doing business the right way, and in full compliance with applicable laws.

It is the Company’s policy to conduct all business in an honest and ethical manner. The Company expects all employees – and anyone carrying out work on behalf of the Company – to not only comply with the law but also to always maintain the highest standards of ethical business conduct and personal behaviour.

The Company is committed to ensuring that all its business activities are conducted in compliance with laws against bribery, corruption and fraud in the countries within which it operates. A zero-tolerance approach is taken to bribery, corruption and fraud.

This Anti-Bribery, Corruption and Fraud Policy (“**Policy**”) details the fundamental responsibilities of all employees and others who work for or with the Company relating to such compliance.

## 2. PURPOSE AND SCOPE

The purpose of this Policy is to:

- Set out the Company's position, and the responsibilities of those working for the Company, in observing and upholding our position on bribery, corruption and fraud; and
- Provide information and guidance to those working for the Company on how to recognise and deal with bribery, fraud and corruption issues.

## 3. WHO NEEDS TO COMPLY WITH THIS POLICY?

This Policy applies to all officers and employees of the Company (whether permanent or fixed term) based in any country and extends to consultants, contractors, agency staff, casual workers, volunteers or any other person working for the Company, or any of its subsidiaries, wherever located ("**Staff**").

The Company also requires suppliers, external consultants, business partners, agents, licensees and any other person associated with the Company to comply with these standards.

## 4. GENERAL PRINCIPLES

The Company will uphold all laws relevant to countering bribery, corruption and fraud in all the jurisdictions in which it operates. We are bound by and must observe the terms of the UK Bribery Act 2010, regardless of our business location or where we conduct business.

### **What is Corruption?**

Corruption is the abuse of entrusted power or position for gain. It is a broad term that encompasses bribery but would also include fraud, money laundering, embezzlement, insider trading, extortion and theft, amongst other things. Corrupt behaviour is not confined to the public sector; it can also occur in the private sector.

There is no one piece of anti-corruption legislation, and laws differ across the world. Laws against money laundering, fraud, theft and other corrupt behaviour may be applied to detect, deter and recover the proceeds of corruption. In addition, Individuals who breach these laws could be subject to fines and imprisonment.

The Company will not engage in, support or tolerate corrupt practices. Staff must be alert to any 'red flags' which indicate a risk of corruption. Any concerns must be discussed with the Office of General Counsel.

### **What is bribery?**

Bribery is offering, giving or accepting any financial or other advantage or benefit in order to encourage the recipient (or someone else) to carry out their duties improperly, or to reward them for doing so. It also occurs when the recipient of the advantage would be acting improperly simply by accepting the advantage.

An "advantage" would include money, gifts, loans (of money or other assets), paying fees, providing services or discounts, hospitality, the award of a contract or anything else of value. The

advantage can be a personal or business advantage.

A person would be carrying out their duties improperly where they act illegally, unethically or contrary to expectations of good faith or impartiality, or where they abuse a position of trust. This can be in relation to business or professional activities, acts in the course of employment or other activities by or on behalf of an organization, as well as public functions.

For example, if a supplier bidding for work with the Company offered a Company employee a sum of money or free holiday, in expectation of that employee would ensure that that supplier was awarded the contract with the Company, that would amount to bribery. The supplier would be guilty of giving a bribe and, if the money or holiday were accepted, the employee would also be guilty of receiving a bribe. The Company may also be guilty of the offence of failure to prevent bribery.

Examples and guidance can be found in the Anti-Bribery & Corruption Guidance note issued by the Office of General Counsel.

It is a criminal offence to offer, promise, give, request or accept a bribe. Individuals who breach the terms of the Bribery Act 2010 may be punished by up to ten years' imprisonment. If the Company is found to have taken part in bribery or failed to prevent bribery, it could face an unlimited fine, be excluded from tendering for public contracts and face significant brand or reputational damage. Even the appearance of a breach of any anti-bribery or anti-corruption laws could do severe damage to the Company's reputation.

Staff must conduct appropriate checks on third parties and be alert to 'red flags' that indicate when bribery is a potential risk. Any concerns must be discussed with the Office of General Counsel.

### **What is Fraud?**

Fraud is any activity that relies on deception in order to achieve an unfair or unlawful gain, or to deprive someone of a legal right. Fraud becomes a crime when it is a knowing misrepresentation of the truth or concealment of a material fact to induce another person to act to his or her detriment.

Fraud might be carried out by a third party against the Company; it might be committed by someone internally against the Company; or the Company could itself be involved in fraud through the actions of its employees or representatives. Fraud often also has links to other criminal activities, such as money laundering, counterfeiting or cyber-crime.

Fraud is not limited to financial fraud (such as mis-stating the Company's financial position, or someone pretending to be our supplier and falsely directing our payments to their own bank account). Fraud can also be committed where someone dishonestly fails to disclose information they are under a legal duty to disclose; or for knowingly making a false representation.

Acts of fraud are a criminal offence under several pieces of legislation, including the Fraud Act 2006. Individuals within companies can be prosecuted for committing, encouraging or assisting fraud, and subject to fines and imprisonment for doing so. A new offence is also expected to come into effect in the UK under which the Company will be liable for failure to prevent fraud, i.e. where a specified fraud offence is committed by an employee or agent, for the Company's benefit, and the Company does not have reasonable fraud prevention procedures in place.

We must therefore be vigilant in this area and take our legal responsibilities very seriously. The Company and its Staff must ensure not only that we put measures in place to guard against fraud, but also to ensure that any information provided to third parties (such as customers around vehicle performance; to investors around the Company's financial position and plans or sustainability performance) are accurate.

Committing or participating in an act of bribery, corruption or fraud is treated by the Company as an act of gross misconduct and any Staff member who is found to have offered, given requested or accepted a bribe, engaged in corrupt activity or committed fraud in the course of his or her duties will be subject to disciplinary action up to and including dismissal, or, in the case of anyone not directly employed by the Company to termination of contractual arrangements.

## 5. PROCEDURE

### Corporate hospitality and gifts

Giving and receiving corporate hospitality, such as customer, dealer or supplier entertainment or the giving or receiving of gifts might be construed as bribery, particularly when dealing with public officials or in cases where contracts, or other benefits, are being awarded.

Staff must not:

- (i) Give, promise or offer a gift or hospitality with the expectation or intent that a business advantage will be received, or to reward a business advantage already given.
- (ii) Accept a gift or hospitality from a third party where it is known or suspected that it is given in the expectation that it will confer a business advantage for them or anyone else, or that it will influence the Company's behaviour. For example, a gift given during in any tender process, or intended to encourage the Company not to tender the business.

Gifts and hospitality may only be offered, given or accepted in so far as permitted by and in accordance with the Company's **Gifts & Hospitality Policy**.

### Promotion of products

Occasions such as vehicle launch events, racing programmes and product placements may induce personnel or third parties to give or to receive valuable benefits, promotional goods or opportunities. These occasions can offer a valuable way to promote the Company and its products, but they must always have a commercial rationale and purpose, and any benefits or opportunities given or received must be reflective of and proportionate to their underlying purpose. This also applies to any relationships with parties who are paid or receive benefits in order to promote the Company brand.

Staff must ensure that:

- (i) Any promotional activities have a commercial purpose, that the arrangements are appropriately documented and that any fees or benefits paid or received reflect that commercial purpose and are proportionate to the benefits given / received in return.
- (ii) Where any activities could fall within the definition of a gift or hospitality because they are not reflective of the benefits being received in return, the Gifts & Hospitality Policy

must be followed. This means that gifts and hospitality must not be excessive and must not raise the perception that they are an inducement to act improperly or reward someone for doing so.

- (iii) If in doubt, they seek guidance from the Office of the General Counsel.

### **Donations and Sponsorship**

The Company does not make contributions to political parties or participate in any party-political activity. Use of company funds for political activities or objectives is not permitted.

Employees must not offer or use Company funds or assets to fund political activities or objectives. Any engagement with political parties or representative should be managed through the Government Affairs team.

We may make charitable donations or sponsor third parties provided that they are legal and ethical under local laws and practices and comply with our Gifts & Hospitality Policy. Donations and sponsorship can be seen as a gift and in some circumstances may amount to a hidden bribe. For example, an offer to sponsor the local boys' football team where the son of the MD of one of our key suppliers plays, at a time when we are trying to persuade the supplier to offer additional volumes of supply to the Company in a period of high-demand, might be seen as bribery.

The Company's sponsorship and donations strategy will be determined by the Executive Committee annually.

Employees must gain approval from the Government Affairs team to use Company funds or assets to make a donation or to sponsor a third party outside the agreed Company strategy. Any such donations must always be made to an organisation and not to an individual.

### **Interactions with public officials**

Interactions with public officials may occur, for example, in relation to importation permits and licences, customs, visa applications and in our dealings with bodies certifying or checking compliance with vehicle legislation.

Under the UK Bribery Act it is a specific criminal offence to bribe a foreign public official, i.e. to offer or give a financial or other advantage to a foreign public official with the intention of influencing their actions (even if they do not act in the way you had hoped). Many jurisdictions also expressly prohibit the exchange of gifts or hospitality with public officials.

Staff must ensure that:

- (i) All interactions with public officials on behalf of the Company are conducted in accordance with standard procedures, fully meeting legal requirements and with integrity.
- (ii) Any third party instructed to act on the Company's behalf in liaising with government or other public officials has been properly vetted in accordance with the Company's due diligence procedures, and has been informed of the Company's expectations as to behaviour and integrity.
- (iii) All invoices or other requests for payment for services relating to the above (in particular any unusual requests or requests for advance payment) are scrutinised and referred to the Office of General Counsel where there is any doubt about the legality

- or validity of the payment.
- (iv) Any gifts or hospitality offered to public officials complies with our Gifts & Hospitality Policy and local law.

### **Facilitation payments and kickbacks**

The Company does not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments tend to be low level payments which officials (or others) expect to be paid in order to secure or expedite the performance of their normal services (for example, allowing goods to cross a border). These payments are not the official fees for a service but a payment to an individual in return for them doing something or doing it quicker than normal. The making of such payments, regardless of size, is unlawful under the terms of the Bribery Act 2010.

Staff must not make, receive or authorise facility payments. The only permitted exception would be where refusal to make a payment would result in an immediate danger to life or limb. If this occurs, it must be reported as soon as possible to the Office of the General Counsel.

Staff must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the Company.

If Staff are asked to make a payment on the Company's behalf, they should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. Staff should always ask for a receipt which details the reason for the payment. If Staff have any suspicions, concerns or queries regarding a payment, they should raise these with the Office of the General Counsel.

### **High risk jurisdictions**

We operate in some countries where the risk of corruption and bribery is considered to be high. The Transparency International Corruption Perceptions Index ranks countries according to the perception of corruption risk. A number of growing markets for the luxury vehicle sector are ranked as at high risk of corruption (equating to low scores in the Index). Any business dealings with parties in these countries require additional scrutiny.

Employees working in such areas or engaging with third parties in such areas must ensure that appropriate due diligence is carried out on business partners and operations before engaging with them or operating in that country. Guidance should be sought from the Office of General Counsel.

### **Reliance on third parties**

The Company relies on agents, business partners and dealers in order to transport, sell, import and export vehicles and parts. Some of these persons may be 'associated persons' under the Bribery Act 2010, for whose actions the Company could be held responsible. For example, if an agent bribes another person, or public official, with the intention of gaining or retaining a business advantage for it or for Aston Martin in the course of its work for Aston Martin, the Company could be held responsible for that bribery.

Employees must ensure that appropriate due diligence is carried out prior to engaging with new business partners in order to evaluate and address risks associated with anti-bribery and corruption. A risk assessment must be conducted for any party appointed as agent for the Company or any other party performing services on behalf of the company (i.e. representing the

Company). Where the risk is considered to be medium or high, the Office of General Counsel must be consulted and a risk mitigation plan put in place. This may include, for example, on-going or ad hoc monitoring or enhanced oversight, training requirements, auditing.

Employees must not permit or encourage, or ignore, actions by associated persons that amount to bribery.

### **Risk Assessments and Registers**

Assessments of bribery, corruption and fraud risks will be carried out periodically by the Office of General Counsel, the Financial Controls team and the Internal Audit & Risk Management team. Staff are expected to cooperate and support those risk assessment exercises. Systems, controls and procedures will be put in place to manage such risks. Risk registers will be maintained.

## **6. RESPONSIBILITIES**

The Board has overall responsibility and oversight for ensuring that this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The Executive Committee of the Company has day-to-day responsibility and oversight for this Policy. The Company VP & General Counsel is responsible for the interpretation and content of this Policy. The Office of General Counsel will ensure that suitable training is available for Staff.

Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this Policy and that those persons to whom it is relevant for their role undertake training regarding the terms of the policy. Each area of the business is responsible for ensuring compliance with, and implementation of, this Policy.

All Staff are required to comply with this Policy and are personally responsible for doing so. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All Staff are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

Staff in external facing roles should communicate the Company's zero-tolerance approach to bribery and corruption to all suppliers, contractors, agents and business partners at the outset of our business relationship with them and as appropriate thereafter.

Relevant Staff will be required to undertake mandatory training in relation to the risks and issues covered by this Policy. Staff must ensure that they complete this training as required. Any Staff member who requires training but has not received it or wants to clarify whether training is required, should contact the Office of the General Counsel.

Staff must notify their manager or the Office of the General Counsel as soon as possible if they believe or suspect that a breach of this Policy has occurred or may occur in the future. If preferred, they may report the issue to any other manager, or use the Company's Confidential Reporting line.

Failure to observe the terms of this Policy may result in a Staff member's conduct being subject to review. In the most serious cases, such review may potentially lead to the termination of their employment / engagement and/or result in personal criminal or civil liability.

## **Record keeping**

The Company must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties or for other transactions. Staff should ensure that such records are kept in an accurate, complete and timely manner.

Staff must declare and keep a written record of all hospitality or gifts accepted or offered in accordance with the Gifts and Hospitality Policy. All expense claims relating to hospitality, gifts or expenses incurred on behalf of third parties must be submitted in accordance with the Travel and Expenses policy, specifically recording the reason for the expenditure and the details of the third parties involved.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as customers, suppliers and business contacts, must be prepared and maintained with strict accuracy and completeness, in accordance with Company procedures and using Company systems. No accounts must be kept "off-book" to facilitate or conceal improper payments.

## **What to do if you are a victim of bribery or corruption**

It is important that Staff inform the Office of the General Counsel as soon as possible if they are offered a bribe, are asked to make one, suspect that this may happen in the future, or believe that they are a victim of another form of unlawful activity.

The Company is committed to ensuring that 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.

## **7. REVIEW**

This Policy may be amended by time to time. The Policy Owner, with approval of the Policy Sponsor may make minor changes to the Policy. All material changes require the approval of the Company's Executive Committee or Board.

The Office of the General Counsel will monitor and review the implementation of this Policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible.

**Approved by the Executive Committee on 19 July 2023**