



Policy on  
**Measures  
to combat  
corruption,  
bribery and trading  
in influence**

GARRIGUES

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## **1. Purpose**

Garrigues is committed to strict compliance with the law and to ethical conduct in the provision of its services, as well as to transparency in all its areas of activity.

Therefore, Garrigues firmly rejects any conduct that is reproachable or questionable from either a legal or ethical standpoint. In particular, among other types of conduct, the firm eschews any form of corruption, bribery or trading in influence and defends the need to safeguard fair competition in the market and to ensure that public services operate with the highest level of objectivity and impartiality.

Accordingly, in upholding the values, principles and guidelines enshrined in the Garrigues Code of Ethics, it was seen fit to publish this Policy in order to establish particular specific measures aimed at preventing and, where applicable, identifying and reacting to any type of corruption, bribery or trading in influence. These measures make up the ethical conduct model that must inspire and guide the actions of all members of Garrigues at all times, aimed at encouraging them all to act ethically, responsibly and with integrity.

It is essential that all Garrigues members (understood to include partners, employees, senior lawyers - counsels and similar - and interns of all companies and entities belonging to the Garrigues Group) observe this Policy, as well as all of the firm's internal regulations and the applicable Spanish and international rules and regulations on this subject.

## 2. **Definitions**

For the purposes of this Policy and pursuant to the related regulations, the following terms have the meanings specified for them:

**(a) Corruption:** a distinction must be made between active or passive corruption. Active corruption means the promising, offering or granting of a benefit or advantage of any type, made to a recipient of professional services, in breach of the obligations inherent to any offer of this type. Passive corruption involves the receipt, solicitation or acceptance of a benefit or advantage of any type, from a third party, to favor that party over others, in breach of the obligations inherent to the position of purchaser of products or services.

**(b) Bribery:** for the purposes of this Policy, bribery means the offering or bestowing of an undue reward or any other type of compensation to any authority, public official or person participating in public duties, whether for the purpose of that official or person performing an act in breach of, or falling within, their duties, or as a reward for action taken, irrespective of whether the public official took action by act or omission (in the latter case, by not performing or by delaying a requisite duty) or whether the initiative came from the public official.

**(c) Trading in influence:** means the practice of using a preexisting personal relationship in order to make a suggestion, convince, invite or instigate for the purpose of securing a decision by a public official or public authority that could directly or indirectly generate an economic gain for someone.

For the purposes of this Policy, trading in influence also means the offering to third parties of any types of real or presumed influence that a person might hold within a government or authority, or with a public official or other person participating in public duties, in order to secure an advantageous activity or decision that falls outside the principles of impartiality and objectivity that must prevail when discharging public duties.

**(d) Undue reward:** gift, favor or compensation of any type.

**(e) Advantage:** a broad term that includes gifts of money as well as other non-monetary hospitality items, such as free vacations, event tickets and products.

**(f) Authority:** a person that either alone or as a member of any corporation, court or collective body, is in command or exercises their own jurisdiction. In all cases and without limitation, authorities include members of the lower and upper houses of the Spanish Parliament, of the legislative assemblies of the autonomous community governments and of the European Parliament, as well as mayors, local council members, senior judges, judges and officials from the Public Prosecutor's Office.

**(g) Public official:** any person that, through immediate application of a law or by election or appointment by a competent authority, participates in public duties. The term also includes public officials from other countries and officials from international organizations.

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**(h) Government:** means central government, the various autonomous community governments and local governments; public-sector agencies; government business enterprises (*entidades públicas empresariales*); regulatory bodies; government controlled companies and agencies, etc.

**(i) Recipient of professional services:** means executives, directors, employees or other individuals connected with a business enterprise or a company, or association, foundation or organization that engages the professional services of Garrigues.

### 3. **Strict prohibitions**

The members of Garrigues may not carry out any actions that are contrary to the law or to the provisions of this Policy or of the firm's other internal regulations. In particular, they are expressly and strictly prohibited from:

**(a)** Promising, offering or granting any type of benefit or advantage to executives, directors, employees or other individuals connected with a business enterprise or a company, association, foundation or organization, for the purpose of those individuals favoring the Firm over others, in breach of their obligations in the purchase or sale of products or in the engagement of services.

**(b)** Receiving, soliciting or accepting a benefit or advantage of any type in order to favor the granting party, or the party expected to provide the benefit or advantage, over others, in breach of their obligations in the purchase or sale of products or in the engagement of services.

**(c)** Offering or bestowing an undue reward or any other type of compensation on any authority, Spanish or foreign public official or person participating in public duties to encourage that individual to perform an act in breach of or falling within the duties of their position, or to refrain from or delay performing any act that they should have carried out or that is done by reason of their position or role.

**(d)** Bestowing an undue reward or any other type of compensation in response to solicitation by any authority, Spanish or foreign public official or person participating in public duties.

**(e)** Influencing a public official or authority by taking advantage of any situation derived from a personal relationship with that individual or with another public official or public authority, in order to secure a decision that could directly or indirectly generate an economic gain for themselves or for a third party.

**(f)** Soliciting undue rewards, gifts or any other type of compensation, or accepting the offering or promising of such in exchange for trading in influence.

**(g)** Attempting to corrupt foreign public officials or officials from international organizations by offering, promising or granting any benefit (monetary or otherwise) or fulfilling their requests in order to secure or retain a contract or other undue benefit when conducting international business.

## **4. Guidelines for conduct in relationships with stakeholders**

This section sets out the rules and guidelines for conduct applicable to and required of Garrigues members in their relationships with three stakeholder groups identified by the firm: (1) government;(2) clients; and (3) suppliers.

### **4.1. Government**

All relationships with government must take place under principles of cooperation, good faith and transparency, with full observance of the applicable legislation in each case.

In particular and without prejudice to the provisions of Internal Policy IP-10 on contracts for services with public authorities, which is mandatory for all Garrigues members, the following criteria and guidelines for conduct must be observed in their relationships with government:

**(a)** In their relationships with public officials and public authorities, Garrigues personnel must:

- Comply strictly with the law and act lawfully, impeccably, transparently, ethically and honorably, with professional integrity and institutional respect.
- Cooperate fully with government wherever necessary.
- Avoid any conduct that could be misinterpreted as an attempt to unlawfully obtain any undue benefit or item in return, and strive at all times to protect the firm's image and reputation.
- Inform their immediate supervisor or the senior partner, without delay, of any irregularity detected in the conduct of any public official or public authority.

**(b)** The firm will take additional measures to monitor those engagements deemed more sensitive, including the following:

- The decision whether or not to accept an engagement involving government will fall to a partner at the firm, after reporting, in every case and sufficiently in advance, to the partner in charge of the office or department concerned, and it must be verified whether the required administrative procedure was observed for engaging the services of Garrigues. If the appropriate procedure was not observed, the engagement cannot be accepted.
- The transaction and economic value involved, as well as any other information of interest, must be identified in detail.
- Suitable supporting documentation must be kept on the process, in order to ensure transparency in relationships with government.

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- Any step taken to collect fees from government, or to make a charge against government funds, must be expressly approved by the partner in charge of the office or department involved, after verification that any and all applicable legal and administrative requirements have been duly fulfilled.

For the purposes of the preceding section, the following must be treated as more sensitive transactions:

- Contracts for services with public authorities.
- Participation in public tenders in Spain or other countries.
- Participation in procedures to obtain subsidies, government assistance or any other type of instrument, with Spanish, EU or other international institutions.
- Participation in procedures to obtain administrative licenses or permits granted by the government.
- Relationships with public employees holding independent decision-making powers that may result in significant direct economic advantages for the firm.

**(c)** All Garrigues members are prohibited from unduly influencing any public official or public authority, from inducing them to breach their duties of impartiality or to breach any law whatsoever, and from proposing extending any favor whatsoever to any political party.

**(d)** Prior authorization must be requested from the director of the office or department (for Madrid office) in order to propose any public official or public authority (including, among others, judges, senior judges, officials from the Public Prosecutor's Office, etc.) as speaker at training sessions organized by the firm. The compensation received for participating as speaker must be reasonable and proportionate in all cases, and must be authorized beforehand by the director of the office or department (for Madrid office), who must consult with the senior partner.

**(e)** The firm does not make political donations. Only charitable donations that are legal and ethical in conformity with the legislation and local practices are permitted. Any such donations have to be approved in every case in a decision by the executive chairman.

## 4.2. Clients

In their relationships with clients, Garrigues members must:

**(a)** Always safeguard their independence, so that their professional conduct is not influenced by economic, family and social ties with clients.

**(b)** Avoid conduct such as preferential treatment of or owing personal favors to clients.

## 4.3. Suppliers

The following rules and guidelines for conduct apply in relationships with suppliers:

**(a)** Suppliers must be assessed, selected and engaged in a way that ensures transparency, equal treatment and the application of objective and properly-weighted criteria, with the aim of selecting those suppliers whose products or services offer the best conditions for the firm.

**(b)** Garrigues must assess suppliers' expertise, reputation, independence, organizational skills and capabilities for suitably and timely performing the contractual obligations and tasks assigned.

**(c)** Products must be purchased and services engaged through fully independent decision-making processes and without taking into account any personal, family or economic ties that might call into question the criteria applied in the selection process.

## 5. Gifts, marketing and promotional items and tokens of hospitality or courtesy

Article 21 of the Garrigues Code of Ethics establishes the criteria and guidelines for conduct applying in the firm in connection with potential "gifts and invitations". Moreover, Internal Policy IP-17, on professional expenses: travel, trips and others, sets out an exhaustive list of the cases in which such expenses may be incurred and the limits on their amounts.

Without prejudice to those criteria, this Policy establishes a specific set of rules applicable to relationships between Garrigues members and: (i) clients, suppliers, competitors, personnel from other companies, and political parties; as well as (ii) Spanish, European and other international public officials and public authorities. These rules are as follows:

**(a)** As a general rule, Garrigues employees and professionals may not directly or indirectly offer, grant, solicit or accept gifts or rewards, favors, invitations, advantages or compensation in the performance of their professional activity.

**(b)** An exception to the above rule is made for gifts and courtesies in the following circumstances:

- Where they have a negligible or symbolic economic value. This applies to gifts or courtesies not exceeding €100, either separately or in aggregate over a period of one year.
- Where they are proportionate and reasonable and are tokens of courtesy or small marketing items that are usual practice, socially acceptable, ethical and responsible.

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- Where they are given to promote the firm's image or for legitimate commercial interests, with no conditions attached.
- Where they do not harm Garrigues' image or reputation.
- Invitations considered to be ordinary or habitual in accordance with social customs, since they fall within sensible and reasonable limits, are also permitted.
- Where they are not prohibited by law or any generally accepted commercial practices.

**(c)** It is expressly prohibited to offer, grant, solicit or accept cash or assets readily convertible into cash.

**(d)** Any undue reward or gift contrary to this Policy must be returned immediately and, where this is not reasonably possible, must be reported to the immediate superior or the senior partner.

**(e)** In the event of doubt, the directors of the office or department (for Madrid office) should be consulted beforehand, who must follow uniform criteria in accordance with what has been indicated by the senior partner.

## 6. Record of versions

Version	Date	Summary of changes made
1 <sup>st</sup> Edition		
2 <sup>nd</sup> Edition	December 2013	Standardization of the format of internal regulations
3 <sup>rd</sup> Edition	March 2020	Express reference to the applicable procedure for proposing any public official or public authority as speaker at training sessions organized by the firm and clarification of the procedure to be followed in the event of any queries regarding gifts or marketing items