

## **IETA Anti-Bribery and Anti-Corruption Policy**

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IETA's success as an organisation is built upon a strong foundation of integrity. IETA aims to conduct IETA business in accordance with diligent, ethical, and moral standards. IETA also encourages its members to act in accordance with this Policy if they are not subject to their own, equivalent or more stringent corporate Anti-Bribery and Anti-Corruption policies. In combination with other IETA policies, IETA's Anti-Bribery and Anti-Corruption Policy reflects this intent, which guides IETA and all IETA Personnel as we seek to fulfil our mission as the trusted business voice on market-based climate solutions in accordance with the Paris Agreement.

### **ARTICLE 1 INTRODUCTION**

- 1.1 This Policy applies to IETA Executive, staff, contractors, ("**Personnel**") and persons acting directly under the name or auspices of IETA.
- 1.2 Bribery and Corruption continue to be damaging to the societies and communities in which they occur. Bribery and Corruption:
  - 1.2.1 divert money and other resources from those who need them most;
  - 1.2.2 hinder economic and social development;
  - 1.2.3 undermine the rule of law;
  - 1.2.4 weaken trust in public institutions;
  - 1.2.5 challenge democratic principles; and
  - 1.2.6 damage business, not least by increasing the cost of goods and services;
  - 1.2.7 undermine the rule of law, the UN Charter, UNFCCC, and the Paris Agreement.
- 1.3 IETA commits to acting in an honest and ethical manner and taking reasonable steps to ensure that it and its Personnel are free from and free from Bribery or Corruption and encourages its members to also ensure that they are untainted by Bribery or Corruption.
- 1.4 This Policy is informed by the UN Global Compact, which calls on companies to align strategies and operations with universal principles on human rights, labour, environment and anti-Corruption and to take action to advance societal goals.

## ARTICLE 2 INTERPRETATION

### 2.1 Definitions

2.1.1 Capitalised words not defined elsewhere in this Policy have the following meanings:

- (a) **“Anti-Corruption Laws”** means with respect to any person, any law, judgement, order, executive order, decree, ordinance, rule or regulation of any Government Authority related to Bribery or Corruption binding on or affecting such person or its property or operations including but not limited to (i) the Bribery Act (UK), (ii) the Foreign Corrupt Practices Act (USA), (iii) the Criminal Code of Australia, (iv) the Corruption of Foreign Public Officials Act (Canada), (v) the Criminal Code of Canada and (vi) all applicable laws prohibiting Bribery of Government Officials in the countries where IETA operates;
- (b) **“Bribe”** means any payments, gifts or courtesies to a Government Official, a relative or entity related to a Government Official, or other persons with the purpose of influencing any act or decision of the recipient in his or her official capacity; inducing the recipient to do or omit to do any act in violation of his or her lawful duty; inducing the recipient to influence any act or decision of a Government; or securing any improper advantage, in order to secure, gain or retain regulatory approvals, contracts, business advantages or other benefits;
- (c) **“Bribery”** means the offering, promising, giving, accepting or soliciting of a Bribe as an inducement for an action which is illegal or a breach of trust;
- (d) **“Business Partners”** means suppliers, representatives, lobbyists, vendors, clients, agents, distributors, consultants, service providers and customers;
- (e) **“Corruption”** means the abuse of entrusted power for private gains and/or the misuse of power to influence an outcome or to encourage a form of behaviour which may not have occurred otherwise;
- (f) **“Economic Sanctions”** means measures imposed on a country, an organisation, a group of individuals or an individual<sup>1</sup> that prohibit or restrict trade, financial transactions or other economic activity with the target and/or the seizure or freezing of the target’s property. Applicable economic sanctions laws and regulations include the economic sanctions laws and regulations of Canada, the United States, Switzerland, United Kingdom and any applicable law of a country in which IETA operates, and for clarity includes any sanctions or restrictions imposed by the United Nations Security Council;
- (g) **“Government”** means any government (whether central, federal, state, provincial, Indigenous, municipal or other subdivision); (b) any government agency, department, committee or other body; (c) any government owned or controlled entity, company,

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<sup>1</sup> Organisations, groups of individuals and individuals the subject of sanctions are typically referred to in applicable economic sanctions laws and regulations as ‘designated persons’, ‘specifically designated nationals’ and/or other persons, such as ‘foreign nationals’, subject to sanctions. Many countries, including Canada and the United States, as well as the United Nations maintain consolidated, searchable lists of such sanctioned persons and nationals.

enterprise, joint venture, partnership or other instrumentality; (d) any political party; and (e) any public international organisation (including, for example, the United Nations, the World Bank, the International Monetary Fund, etc.);

- (h) **“Government Official”** means any person who is an employee, officer, official, legislator, administrator, holds a judicial position, member, consultant, principal, agent or representative, whether appointed or elected, of any Government, any candidate for any such position or any person or entity acting in an official capacity on behalf of a Government or carrying out the functions of a Government. In addition, for purposes of this Policy, "Government Official" includes the family members and close associates of any Government Official;
- (i) **“IETA Policies”** means this Policy and IETA’s other policies listed in the IETA Code of Business Practice;
- (j) **“Improper Purpose”** means any action or Bribe, with the purpose of influencing or inducing a Government Official or other person to act in breach of a duty of good faith, impartiality or trust;
- (k) **“Members”** means companies, business organisations, and affiliated national and regional trading associations that are members of IETA;
- (l) **“Personnel”** means IETA Executive, staff, and contractors;
- (m) **“Policy”** means the IETA Anti-Bribery and Anti-Corruption Policy.

## **ARTICLE 3 PURPOSE**

- 3.1 The purpose of this Policy is to clearly and transparently set out the commitments and obligations of IETA and its Personnel related to anti-Bribery and anti-Corruption obligations in order to facilitate their compliance with all applicable Anti-Corruption Laws. The Policy provides guidance on identifying potential risks, dealing with challenging situations and reporting any potential or actual violation of this Policy. The Policy also seeks to inform Members and Business Partners of IETA’s values and standards in accordance with this Policy and zero-tolerance of any intentional violations of this Policy.

## **ARTICLE 4 COMMITMENTS**

- 4.1 IETA commits to dealing with Members, Business Partners, Governments and Government Officials with honesty, integrity, transparency and commits to a zero-tolerance of any violation of this Policy by IETA, its Personnel or persons acting directly under the name or auspices of IETA.
- 4.2 IETA commits to taking all commercially reasonable steps to ensure that all IETA Personnel shall be made aware of and comply with the Policy at all times and, particularly in their dealings and interactions with Government Officials or other persons.
- 4.3 IETA commits to taking all commercially reasonable steps to ensure that its Members, Business Partners and any other person that performs services for, or acts under the auspices of IETA are informed of this Policy and are encouraged to act in accordance with this Policy if they are not subject

to their own, mandatory and equivalent or more stringent corporate Anti-Bribery and Anti-Corruption policies.

## ARTICLE 5 POLICY

- 5.1 IETA and IETA Personnel are prohibited from engaging in corrupt practices, including Bribes, in IETA's business and non-business dealings both in the private and government sectors and recognise that such conduct will often constitute a violation of one or more Anti-Corruption Laws. Given the broad prohibitions under Anti-Corruption Laws, IETA Personnel must not directly or indirectly make, offer or promise to make, or authorise any Bribes, kickbacks or other improper payments, benefits or advantages to any person, individual, entity or organisation, including, but not limited to, any Government Official or any employee, official, representative or agency of any Government. IETA does not make contributions to individual political party officials or candidates for political office.
- 5.2 IETA Personnel are prohibited from directly or indirectly authorising, offering, promising or giving any Bribes, improper payments, benefits or advantages, to any:
- 5.2.1 Government;
  - 5.2.2 Government Official;
  - 5.2.3 non-governmental organisation;
  - 5.2.4 private-sector company; or
  - 5.2.5 other person, whether or not a Government Official, for an Improper Purpose.
- 5.3 IETA Personnel are prohibited from directly or indirectly authorising, offering, promising or giving any Bribes, improper payments, benefits or advantages to any other person while knowing, or while he or she or it ought reasonably to have known, that all or any portion of the money or other thing of value that was authorised, offered, promised or given or will be authorised, offered, promised or given to any:
- 5.3.1 Government;
  - 5.3.2 Government Official;
  - 5.3.3 non-governmental organisation;
  - 5.3.4 private-sector company; or
  - 5.3.5 any person, whether or not a Government Official for an Improper Purpose.
- 5.4 This Policy also prohibits "quid pro quo" payments, meaning that the payment is made with the expectation of receiving in return an improper benefit or advantage.
- 5.5 A violation of this Policy can occur even if the Bribe or other corrupt practice fails to achieve the purpose for which it was intended. Under this Policy (and under applicable Anti-Corruption Laws) the fact of an offer or promise of a Bribe will typically be sufficient to constitute a violation, and this Policy applies whether or not IETA funds are used to finance the improper payment or other benefit.

- 5.6 IETA Personnel are also prohibited from soliciting or accepting any Bribe, kickback or other improper payments or benefits from IETA’s vendors or other persons in relation to the IETA’s business and operations.
- 5.7 It is the responsibility of IETA Personnel to be aware of how these situations may violate or lead to a violation of this Policy and Anti-Corruption Laws. Please consult with your manager or other personnel in a superior position for further guidance.
- 5.8 IETA Personnel should consult with their manager or other personnel in a superior position for guidance on giving or accepting gifts or forms of entertainment or hospitality in most circumstances, but they must consult with their manager or other personnel in a superior position prior to providing any gifts or entertainment to any Government Official.
- 5.9 Facilitation payments are prohibited by this Policy and should not be made. Such payments may breach Anti-Corruption Laws. For clarity on whether a payment may be a facilitation payment rather than a legitimate official fee, please consult a manager or other personnel in a superior position. Facilitation payments are typically small, unofficial payments demanded in exchange for providing or “expediting” routine, non-discretionary Government or other services or actions to which one person is legally entitled without having to make such payments.
- 5.10 All charitable contributions and/or sponsorships made by or on behalf of IETA must be approved by the IETA President and CEO and recorded in accordance with the established approval process and guidelines, which include compliance with all applicable laws, this Policy and the IETA Code of Business Practice and supporting policies.
- 5.11 IETA, through its membership application and commercial arrangements, requires its Members and Business Partners, respectively, to participate in IETA business and perform their obligations in accordance with Anti-Corruption Laws and refrain from engaging in any form of Bribery and Corruption. Every entity that wishes to become a Member shall deliver to the Association a membership application, in such form as the Council requires and confirm that it does and will comply with all relevant IETA policies and procedures including, without limitation, those related to avoiding collusion, bribery, corruption, and other prohibited practices.

## **ARTICLE 6 ACCOUNTING AND RECORD KEEPING**

- 6.1 In addition to IETA’s other obligations with respect to its financial statements and reporting, Anti-Corruption Laws require complete, thorough and accurate record keeping. IETA Personnel must record each transaction or payment in the books and records of IETA so that IETA can fulfill these requirements. Any false or misleading statements or entries in IETA’s books and records are violations of not only Anti-Corruption Laws but are also acts of fraud and will not be tolerated.
- 6.2 Examples of improper record-keeping include: making records appear to show a payment to one person when, in fact, the payment was made to someone else; creating a “slush fund”; submitting false or inaccurate expense account reports; and creating records that inaccurately characterize the true nature of a transaction or payment.

## **ARTICLE 7 REPORTING**

- 7.1 If any IETA Personnel are approached by a Government Official, client or supplier representative, or any other person and is asked, directly or indirectly, to make a questionable payment or gift, the occurrence should be promptly and fully reported to a Managing Director or the President and CEO of IETA. IETA Personnel may also report anonymously to the President and CEO.

## **ARTICLE 8 COMPLIANCE**

- 8.1 IETA Personnel are required to certify that they have received a copy of this Policy and have read and understand the Policy. Certain IETA Personnel in areas at higher risk of Corruption and Bribery will periodically receive additional training. All IETA Personnel will be required to train on this Policy every two years and complete a new certification on a biennial basis.
- 8.2 IETA Personnel who violate this Policy or the procedures under this Policy are subject to disciplinary action up to and including dismissal, termination and other legal measures. Third parties—including consultants, agents, and intermediaries—who violate this Policy are subject to the termination of all commercial relationships with IETA. IETA Personnel or third party consultants, agents, intermediaries who suspect this Policy may have been violated must immediately notify their supervisor or IETA contact.
- 8.3 No IETA Personnel, Members and/or Business Partners shall be disciplined or otherwise penalised, formally or informally, for any delay or loss of business or services resulting from their refusal to authorize, pay or accept a Bribe or refuse to otherwise authorize or do something that is a violation of this Policy.
- 8.4 IETA will take reasonable steps to ensure that this Policy and associated procedures are followed, including monitoring and auditing to detect Corruption and Bribery. IETA will also take reasonable steps to evaluate the effectiveness of and compliance with this Policy. Accordingly, this Policy and related procedures will be reviewed annually to ensure the Policy is up to date on all laws, regulations, and internal procedures.

## **ARTICLE 9 ENCOURAGE**

- 9.1 As part of IETA's commitment to a zero-tolerance policy towards Bribery and Corruption, IETA encourage its Members and Business Partners to implement anti-Corruption and anti-Bribery commitments and policies in accordance with the UN Global Compact.