

Anti-corruption

The image shows the word 'ebi' in a stylized, cursive font. The letters are outlined in a light blue color. The 'e' is a simple loop, the 'b' has a tall stem, and the 'i' has a small dot above it. The entire logo is centered on the page.

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In general, **CORRUPTION** means the conduct of a subject who acts against his duties and obligations in exchange of any pecuniary benefit or other advantages and courtesies, which are not due to him.

EBI undertakes to create value for all its stakeholders.

Our anti-corruption and anti-bribery approach also includes the collaborative relationship with all **PARTIES INVOLVED**.

EBI's stakeholders will have at their disposal a copy of this Procedure in Italian language, through the website and/or directly handed over.

All parties involved are asked to translate this procedure in their local language and to disseminate it to all stakeholders that will have to be aware and know this procedure.

ANTI-CORRUPTION CODE

I. TARGET

One of the key factors of the Entity is its ability to perform its business with loyalty, fairness, transparency, honesty and integrity, in compliance with Laws and regulations in force, similar mandatory requirements, international standards and national and international guidelines that apply to the Entity.

This Anti-corruption Procedure was adopted to supply a systematic reference framework of rules and procedures on anti-corruption and anti-bribery issues, that the Entity has developed and implemented over time.

In general, the Anti-corruption Laws qualify as illegal any promise, offer, payment or acceptance, either direct or indirect of remuneration in cash or other benefits and courtesies by the Entity's Personnel, Business Partners and by anyone acting in favour or on behalf of the Entity, in the purpose of obtaining or maintaining a business or guarantee an unfair advantage in relation to corporate activities.

II. SCOPE OF THE APPLICATION

This procedure applies to the Entity and its Subsidiaries, within its management and co-ordination activity performed by the Entity itself.

Moreover, the Entity will use its influence, as may be reasonably expected, to see that its Business Partners fulfil the standards envisaged herein, by adopting an maintaining an adequate internal control system, consistently with requirements envisaged by Anti-corruption Laws.

III. REFERENCE

Internal:

- Code of Ethics of the Entity;
- Code of Conduct
- Antitrust Code
- each single regulatory instrument which updates and/or supplements the above-mentioned references;
- the regulatory documents in force that govern the issues related to the object hereof and that are applied to the extent they are not in contrast herewith and they are consistent with the current corporate organisational structure;
- with reference to Subsidiaries, the application/supplementary documents that are possibly issued and related to regulations issued by the Entity.

External:

- The Italian Criminal Code;
- Legislative Decree no. 231 of 2001;
- other anti-corruption and anti-bribery public and commercial laws that are currently in force at global level, as well as anti-corruption international treaties, such as the Organisation for Economic Co-operation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials during international economic transactions and the United Nations Convention against Corruption.

IV. DEFINITIONS

To the purpose hereof, the following definitions shall apply:

Business Partner: any third party, not being an employee, who receives or supplies products and/or services from/to the Entity or acts on behalf of the Entity or is likely to have a Significant Contact herewith in the performance of his duties on behalf of the Entity (e.g. Joint Ventures, Intermediaries, Consultants, Agents, Franchisees, etc.)

Consultant: a natural person or independent company who works on behalf of the Entity providing expert knowledge, to support the Entity's management in its decision-making process.

Relevant Contact: any direct or indirect contact related to:

- any relation with an entity or officer with a legislative, executive, administrative, judiciary power or performing other public functions, or any political party or international public organisation;
- any enquiry, inspection, control, evaluation, licence, authorisation, record of the public administration, or similar administrative, regulatory or executive action;
- any potential or current contract with an administration or other transactions, or activities, involving an administrative organism or a company owned or controlled by an administration, as well as a political party or an international public organisation;
- any entertainment or training expenses, as well as reimbursement or gifts in favour of a Public Officer or an individual;
- any other negotiation, agreement or meeting with an administrative organism or an international public organisation or a Public Officer, except for meetings that do not involve any support to any position, if these meetings are with a Public Officer, acting in a ministerial, administrative or legal role, and with the only purpose to ask an interpretation or an opinion on the application of rules, the explanation of procedures for submitting documents to the attention of the administration, or other legal aspects of a private transaction, or similar activities;
- any contact with private subjects vested with decision-making powers or individuals subjected to the management or the supervision of one of the top managers within a company or a consortium, and which might involve the offer, receipt or promise of money or other benefits, for themselves or others, in order to act or omit acts against their obligations related to the tasks of the above-mentioned individuals, to the detriment of the company they belong to.

Subsidiary: any entity that is directly or indirectly controlled (based on the international Accounting Principles IAS 27 "Consolidated and Separate Financial Statements" as amended and supplemented) by the Entity or any subsidiary, in Italy or abroad, as required.

Due Diligence: as regards measures against corruption, this is the careful preliminary assessment of any relevant aspect regarding the compliance of the Partners' characteristics with the anti-corruption requirements, as defined by the Entity with reference to the current procedure.

Facilitation Payment: unofficial payments made in favour of a Public Officer to speed up, facilitate or ensure the performance of a routine activity or activities envisaged within the duties of a Public Officer.

Family member: the spouse of the Public Officer; grand parents, parents, brothers and sisters, sons and daughters, grand-children, uncles and aunts and first cousins of the Public Officer and of his/her spouse, their spouses and, in any other subject who shares the same household with the person; the spouse of the Individual; grand parents, parents, brothers and sisters, sons and daughters, grand-children, uncles and aunts and first cousins of the Individual and of his/her spouse, their spouses and, in any other subject who shares the same household with the person.

Supplier: the economic operator (natural person, legal person or group of entities) who is potentially able to meet a specific procurement requirement for assets, work and services, consistently with the definitions set out by Procurement rules and reference regulations within the Entity.

Contract Holder: the person in charge of the correct execution of the agreement and the related technical-operating and economic checks of works, services and supplies.

Moreover, the Contract Holder represents, within the Entity and with respect to third parties, the reference contact for the agreements signed.

Intermediary: an individual or independent company that the Entity is willing to hire in order: (I) to promote the Entity's commercial interests in relation to one single transaction / project; (II) to foster the entry and/or execution of agreements with third parties; and/or (iii) to help to get in contact with/introduce the Entity to one or more third parties in the aim of procuring/producing or carrying out a business.

Anti-Corruption Laws: the Italian Criminal Code, the Law no. 190 of 6 November 2012 and the Legislative Decree no. 231 of 2001 and the other provisions applicable, the FCPA the UK Bribery Act, the other laws on public and commercial matters against bribery, in force all over the world, as well as the anti-corruption international treaties, such as the Organisation for Economic Co-operation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials during international economic transactions and the United Nations Convention against Corruption.

Personnel at Risk: each person in charge of the Unit of the project, within the Entity, who:

- a) is likely to have a Significant Contact with a Public Officer and/or a private subject, during his work activity;
- b) supervises employees or Business Partners that are likely to have such Significant Contact;
- c) is entitled to enter a contract with third parties on behalf of the Entity or has a significant influence on the decision-making process in relation to the assignment of these contracts;
- d) is involved in issues related to internal control or other activities governed by Anti-corruption Laws;
- e) all of the Entity's employees, defined as at risk by a person in charge of the Business Unit or person in charge of a project or an individual included in one of the above-mentioned categories.

The organization: the directors, managers, members of corporate bodies, members of the management, employees and collaborators of the parties involved.

Public Officer:

- a) anybody who exercises a public legislative, judicial or administrative function;
- b) anybody who acts as officer in the interest or on behalf of (I) a public administration, at national, regional or local level, (II) an agency, office or organ of the European Union or of a public administration, either Italian or foreign, national, regional or local, (III) an owned company, either subsidiary or investee of an Italian or foreign public administration, (IV) an international public organisation, such as the European Bank for Reconstruction and Development, the International Bank for Reconstruction and Development, the International Monetary Fund, the World Bank, the United Nations or the World Trade Organisation, or (V) a political party, a member of a political party or a candidate to a political office, in Italy or abroad;
- c) any person in charge of a public service, i.e. those who, at any title whatsoever, perform a public service, wherever public service means an activity that is governed in the same forms as the public function, but is characterised by the lack of powers that are typical thereof. The carrying-out of simple tasks and the supply of purely material services are excluded.

Red Flags: risk reference indexes to the purpose of Anti-corruption Regulatory Instruments.

The Entity's Anti-Corruption Regulations: the procedures and operating instructions (i.e.

Regulations) or contractual instruments that, within the processes pertaining to the Entity, are also aimed at averting risks related to corruption and bribery, in relation to crimes of corruption and bribery included herein and crimes concerning the following issues:

1. Management of relations with the Public Administration;
2. Claims and notices, also anonymous;
3. Donations and entertainment expenses to third parties;
4. Joint Venture agreements;
5. Brokerage agreements;
6. Contract provisions related to the company's administrative responsibilities for administrative offences resulting from a crime;
7. Anti-corruption provisions included in internal regulations governing acquisitions, disposals and rentals of real estate properties;
8. Management of purchase and sale transactions and leases of companies and/or Business Units;
9. Appointment of external lawyers;
10. Acquisition of consultancy services by external advisors, as well as of third party services and professional services;
11. Sponsorship contracts;
12. Anti-corruption provisions included in internal regulations governing the hiring of personnel;

13. Travels and services outside headquarters area;
14. Anti-corruption provisions included in internal accounting regulations;
15. Anti-corruption provisions included in internal regulations governing the selection of Business Partners;
16. Illegal behaviour of suppliers;
17. Illegal behaviour of employees;
18. Any other procedure, operating instruction or contract instrument, applying provisions aimed at averting any risk related to bribery and included in this Anti-Corruption Procedure.

Joint-Venture: contracts aimed at the establishment of joint ventures, consortia, temporary business combinations (ATI), associations, collaboration agreements or other entities with or without legal personality, in which the Entity holds an interest.

V. REFERENCE PRINCIPLES

5.1. Introduction

5.1.1. Anti-Corruption Laws

Almost all Countries have adopted anti-corruption laws for Public Officers and bribery of Public Officers abroad is a crime in many countries.

Moreover, many Countries, like Italy, have adopted laws that prohibit corruption between private individuals.

By reason of the fact that EBI has its registered office in Italy, the Entity and its Personnel are subjected to the Italian law, specifically the Legislative Decree no. 231 of 2001.

Moreover, the Entity and its Personnel might be subjected to laws of other Countries, including those endorsing International Conventions that prohibit bribery and corruption of Public Officers and between single individuals, such as:

- the Organisation for Economic Co-operation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials during international economic transactions;
- the United Nations Convention against Corruption;
- the Foreign Corrupt Practices Act (FCPA) issued in the United States;
- the UK Bribery Act, issued in the United Kingdom, as amended and supplemented.

Anti-Corruption Laws envisage the following:

- payments, either direct or indirect, including payments made to those who are aware that such payment will be shared with a Public Officer or a single individual, as well as offers or promises of payment or other benefit for bribery purposes to Public Officers or individuals.

According to Anti-Corruption Laws, the Entity and/or its Personnel might be deemed as responsible for any offer or payment made by anyone who acts on behalf of the company, in relation to the company's business, if the Entity and/or its Personnel is aware or should reasonably be aware of the fact that such offer or payment is illegally made;

- the companies are asked to keep accounts, registers and books that, with reasonable detail, accurately and fairly reflect any transactions, expenses (even if not "significant" under the accounting viewpoint), acquisition and disposal of assets;
- inaccuracy in reporting payments with no bribery purpose is a breach of the law.

Misstatements might lead to fiscal and legal liabilities.

5.1.2.

Consequences to the breach of Anti-corruption Laws

Single individuals and corporations that violate Anti-Corruption Laws are subject to fines, while individuals may be sentenced to prison terms or suffer other penalties.

Other consequences, envisaged by law, might result from these breaches, such as the prohibition against negotiating with the Public Administration, the forfeiture of the profit of the crime or claims for damages.

Still more important is the fact that the Company's reputation might be severely damaged.

Moreover, it should be noted that, in order to maximise the efficacy of fines, the companies are usually prevented from holding their personnel harmless with respect to Anti-Corruption Laws.

5.1.3 Legal Support

The content of applicable Laws and Anti-Corruption Laws might

change at any moment. It is however important to evaluate the necessity to obtain an updated legal opinion before undertaking any commitment on behalf of the Entity.

To this purpose, the issues related to:

- the content of Anti-Corruption Laws, the Code of Ethics or any issue treated in this Anti-Corruption Procedure or its application to specific situations, and/or;
- any provisions on internal controls included in the Anti-Corruption Laws or any other issue treated herein, or its application to specific situations, should be addressed to the Entity's General Management - Owner.

5.2 Statement of the Policy

Consistently with its own Code of Ethics, the Entity prohibits corruption and bribery without any exception whatsoever, with respect to any public or private subject.

In detail, the Entity prohibits the following:

- offering, promising, giving, paying or authorising anyone to give or pay, directly or indirectly, a pecuniary benefit or other courtesy to a Public Officer or private subject (Active Bribery)
- accepting, or authorising someone to accept, directly or indirectly, financial or other benefits or the requests or entreaties for monetary or other benefits from anybody (Passive Bribery), when the intention is:
 - to induce a Public Officer or private subject to perform improperly any function of a public nature or any activity connected with a business or to reward them for the improper performance of such a function or activity;
 - to influence any official act (or failure to act) by a Public Officer or any decision in breach of any official duty;
 - to influence or compensate a Public Officer of private subject for any action performed in the fulfilment of his/her office;
 - to obtain or secure an improper advantage in the conduct of business; or
 - in any case, to breach applicable laws.

Prohibited conduct includes pecuniary or other benefits offered to or received by the Entity's Personnel (Direct Bribery) or by anyone acting on behalf of the Entity (Indirect Bribery) in connection with the corporate business.

This prohibition is not limited to cash payments, and includes, for the purpose of corruption or bribery:

- gifts;
- entertainment expenses, meals and travels;
- in-kind considerations, such as sponsorships;
- trade business, posts or investment opportunities;
- reserved information that might be used to trade securities and commodities;
- personal discounts or loans;
- facilitation Payment;
- assistance or support to family members;
- other benefits or courtesies.

The Entity prohibits all forms of bribery and corruption, including, but not limited to, the bribes described above.

Moreover, the subject who has relations or carries out deals with external public or private counterparties, shall not, solely and freely:

- (I) enter agreements with the above-mentioned parties;
- (II) have access to financial resources;
- (III) sign consultancy agreements, as well as professional service or brokerage agreements;
- (IV) grant courtesies (gifts, benefits, etc.);
- (V) hire personnel.

Anybody who is subject to this Anti-Corruption Procedure will be deemed as "aware" that the payment or other benefit in favour of a Public Officer or a private subject or his/her family member or any designees if he/she has acted with conscious disregard to warning signs or grounds for suspicion ("Red Flags") or with material negligence, e.g. failure to conduct the appropriate level of due diligence according to circumstances.

Compliance with Anti-Corruption Laws and this Anti-Corruption Procedure is mandatory for the Entity's Personnel and Business Partners.

Therefore:

- 1) All of the Entity's deals with, or related to, or involving, a Public Officer must be conducted in compliance with this Anti-Corruption Procedure and all related Anti-Corruption Regulations;
- 2) All of the Entity's relations with, or related to private parties shall be performed in compliance with this Anti-Corruption Procedure and all related Anti-Corruption Regulations;
- 3) The Entity's Personnel is responsible for the compliance with this Anti-Corruption Procedure and Anti-Corruption Regulations.

In particular, Department or Project managers are responsible, inter alia, for supervising the compliance of their staff therewith and for adopting measures to prevent, detect and report possible breaches;

- 4) No questionable or illegal practice (including Facilitation Payments) can ever be justified or tolerated because it is deemed "customary" in the business sector or in the Countries where the Entity operates.

No service should be imposed or accepted if it can be performed only by jeopardising the Entity's ethical standards;

- 5) Financial resources obtained within the company's business shall be managed in compliance with the special corporate rules and in any case so as to aver any possible generation of illegal or improper financial funds;

- 6) The Entity's Personnel who violate this Procedure and/or Anti-Corruption Laws will be subject to disciplinary measures, up to and including termination of employment, and to any other legal action required to protect the Company's interest.

Business Partners breaching this Procedure and/or Anti-Corruption Laws will be subject to contractual remedies, including suspension of contract execution up to termination thereof, debarment from doing business with the Entity and claims for damages;

- 7) The Entity's Personnel will be subject to dismissal, demotion, suspension, threat, harassment or discrimination for refusing to make a prohibited payment, even if such refusal results in a loss of business or other adverse consequence for the Company's business.

5.3 Facilitation Payment

Facilitation Payments are expressly prohibited.

It is not acceptable for the Entity's Personnel, or any of the Entity's subsidiaries or Business Partners, to make these types of payment in any circumstance whatsoever.

5.4 Gifts, expenses and hospitality - offered and received
 Gifts, payments or any other courtesies can be either made or received when this is within the context of commercial courtesy, are of low value and do not compromise the integrity and/or reputation of either party, and cannot be construed by an impartial observer as being aimed at creating a debt of gratitude or obtaining improper advantages.

Gifts, payments or any other courtesies, either made or received, must be reasonable and in good faith, in all circumstances.

In any case, all gifts, pecuniary benefits and or other courtesies, either made or received, must be in accordance with the Entity's internal rules, and must be recorded and supported by appropriate evidence.

Any gift, financial advantage or other courtesy must have all the following characteristics.

It must:

- a) not be a payment in cash;
- b) be provided in connection with a bona fide and legitimate business purpose;
- c) not be motivated by the desire to exert improper influence or by expectations of reciprocal favours;
- d) be reasonable according to circumstances;
- e) be of good taste and compliant with widely-accepted standards of professional courtesy;
- f) comply with local laws and regulations applicable to Public Officers and private subjects.

5.4.1 Gifts, pecuniary benefits or other courtesies, either offered or received by the Entity's Personnel.

As stated in the section above, any gift, pecuniary benefit or other courtesy, either offered or received by the Entity's Personnel, shall be objectively reasonable and in good faith.

Anyone who receives offers of gifts, pecuniary benefits or any other courtesy, including hospitality, which cannot be deemed as commercial courtesy of low value, shall reject them and immediately

inform:

(I) the direct supervisor or the Business Partner's primary contact and/or (II) the General Manager - Owner of the Entity.
In the event the value of the courtesy or gift received exceeds the preset thresholds, special notice shall be sent to the General Manager - Owner of the Entity who will perform the appropriate checks.

5.4.2 Gifts, pecuniary benefits or other courtesies granted to third parties

As stated in Section 5.4 hereabove, any gift, pecuniary benefit or other courtesy, provided by the Entity to a Public Officer or private subject, shall be, from an objective viewpoint, reasonable and in good faith.

A gift, pecuniary benefit or other courtesy shall be deemed as reasonable and in good faith when it is directly connected with:

- (I) promotion or presentation of products or services;
 - (II) the attendance to training seminars or workshops;
 - (III) the development and maintenance of amicable business relations.
- Gifts, pecuniary benefits or other courtesies that are reasonable and in good faith must be approved based on provisions set out by the Entity's Anti-Corruption regulatory instruments setting guidelines concerning gifts, other courtesies and entertainment expenses to third parties.

These expenses shall be recorded accurately and in a transparent manner under the company's financial disclosures. They must be sufficiently detailed and supported by reference documents to define the name and the office of each single beneficiary as well as the purpose of the payment or of any other courtesy.

Any gift, hospitality or other courtesy granted to a family member or designee of a Business Partner or Public Officer or private subject that was proposed upon request of a Business Partner or Public Officer or as a result of the recipient's relationship to a Business Partner or Public Officer, must be treated as a courtesy to that Business Partner or Public Officer and is therefore subject to the restrictions provided for by this Anti-Corruption Procedure and the related Anti-Corruption Regulations.

5.5 Political Contributions

Political contributions may constitute corruption offences and therefore present a risk of consequent liability.

The risks arising from political contributions are that they may be used by a company as an improper means for bribery to retain or obtain a business advantage such as to win a tender, obtain a permit or licence, or amend legislation to render it more favourable to the business.

By reason of these risks, the Entity does not permit any direct or indirect contributions, of any type whatsoever, to political parties, movements, committees, organisations and trade unions, nor to their representatives and candidates, except for contributions specifically specified as compulsory by applicable laws and regulations.

If any doubt arises on the compulsory nature of the contribution, reference shall be made to the Entity's General Manager - Owner.

When compulsory, the payment of the aforesaid contributions must in any case comply with the following minimum standards:

- a) all contributions shall be approved by the Entity's General Management;
- b) all contributions shall be made only in favour of beneficiaries that are well-known, reliable and with an excellent reputation for honesty;
- c) the beneficiary must provide for evidence to be an officially certified entity based on applicable regulations;
- d) an adequate due diligence shall be performed on the beneficiary, to be submitted to the Entity's General Management for approval;
- e) a legal opinion on the legitimacy and mandatory nature of the contribution shall be sent to the Entity's General Manager, pursuant to applicable laws;
- f) in line with law provisions and the Entity's internal rules, payments to the beneficiary must be made exclusively to the bank current account registered in its name; it is not permitted to make payments to numbered accounts or in cash, or to a party other than the beneficiary or in a country other than the beneficiary's one;
- g) contributions must be recorded in the company's books and records in a fair and transparent manner;
- h) the beneficiary shall undertake to provide for a proper and transparent record of the contributions received in its own books and records;

- i) the original copy of documents related to the approval of the contribution and verification of compliance with provisions set out by the regulatory framework shall be kept for at least ten years.

5.6 Charity contributions/donations

Sponsorships to charity organisations, entities and administrative bodies have the risk that funds or valuable assets be intended for personal use or intended for a Public Officer or a private subject. Pursuant to Anti-Corruption Laws, even if a Public Officer or a private subject does not receive a pecuniary benefit, a charity contribution, otherwise legal, made to obtain the maintenance of a business or to ensure an illegal advantage might be considered as an illegal payment pursuant to Anti-Corruption Laws.

All sponsorships shall be approved, pursuant to Anti-Corruption Laws. Any Anti-Corruption Regulation on charity contributions or donations must be compliant with the following minimum standards:

- a) all contributions shall be in accordance with the approved budget;
- b) contributions must be made only in favour of entities that are not newly established and are well-known, trustworthy and with an excellent reputation as regards honesty and fair commercial practice;
- c) the beneficiary entity must provide evidence that it has all certificates and meets all requirements to act in compliance with applicable laws;
- d) regulatory measures must be adopted to govern the approval process of contributions and that, for the purpose of approval, envisage an adequate description of the nature and purpose of each single contribution, a due diligence review of the beneficiary entity and the verification of the legitimacy of the initiative in relation to applicable laws;
- e) pursuant to regulatory provisions and Group internal regulations on this issue, payments to the beneficiary entity must be made solely on the bank current account recorded in the beneficiary's name. It is not permitted to make payments to numbered accounts or in cash, or to a party other than the beneficiary or in a country other than the beneficiary's one;
- f) contributions must be recorded in a fair and transparent way on the company's books and records;
- g) the beneficiary shall undertake to provide for a proper and transparent record of the contributions received in its own books and records;
- h) the original copy of documents related to the approval of the contribution and verification of compliance with provisions set out by the relevant regulatory instrument shall be kept for at least ten years.

5.7 Sponsorship activities

Sponsorship activities may also raise anti-corruption issues.

All sponsorship activities must be approved.

Any Anti-Corruption Regulation on sponsorship activities must be compliant with the following minimum standards:

- a) all sponsorship activities shall be in accordance with the approved budget;
- b) partners under sponsorship agreements shall only be entities or individuals who are well-known and trustworthy;
- c) in the case of companies, a sponsorship agreement partner must show evidence that it has all the necessary certifications and meets all the requirements to act in compliance with applicable laws;
- d) regulatory measures must be adopted to govern the approval process of sponsorships and that, for the purpose of approval, envisage an adequate description of the nature and purpose of each single initiative, a due diligence review of the possible partner of the sponsorship agreement and the verification of the legitimacy of the initiative in relation to applicable laws;
- e) the sponsorship agreement must be in writing and must contain:
 - (I) a declaration from the counterparty that the amount paid by the Entity will be used solely as payment for the counterparty's services and that these sums will never be received by a Public Officer or a private subject for corruption purposes or transferred, either directly or indirectly, to members of the corporate bodies, directors or employees of the Entity;
 - (II) a declaration from the counterparty that, upon signature of the agreement and during the execution thereof, neither the counterparty, nor, in case of a company, the company itself or its owners, directors or employees are, or might become Public Officers;

- (III) the currency and the amount paid pursuant to the sponsorship agreement;
- (IV) the billing terms (or payment methods) and the payment conditions, taking into account that, in line with Law provisions, with the Entity's internal regulations and with the Code of Ethics, such payments can be made solely to the counterparty, in the country of the counterparty's incorporation, exclusively to the bank current account recorded in the counterparty's name, as indicated in the agreement, and never to numbered accounts or in cash;
- (V) an undertaking by the counterparty to comply with the applicable laws, the Anti-Corruption Laws and the anti-corruption provisions of the sponsorship agreement and to record, in a fair and transparent way, the amount received in its own books and records;
- (VI) the contractual provision relating to "Corporate Liability" that the Entity and its Subsidiaries are required to include in contracts entered by them;
- (VII) the Company's right to terminate the agreement and to interrupt payments and receive compensation for damages in the event that the counterparty breaches the obligations, representations and warranties referred to as above or violates Anti-Corruption Laws or the anti-corruption commitments envisaged in the sponsorship agreement;
- (VIII) the Entity's right to carry out controls on the counterparty, in the event the Company itself has a reasonable doubt that the counterparty may have violated the provisions of the relevant regulation and/or of the agreement;
- f) in line with regulatory provisions and relevant Group regulations, the amount paid according to the sponsorship agreement must be properly and transparently recorded in the Entity's books and records;
- g) the Entity shall ensure that payments be made only as envisaged in the sponsorship agreement, subject to verification that the service has been actually rendered;
- h) the original documentation related to the approval of the contribution and verification of compliance with the relevant procedure shall be kept for at least ten years.

5.8 Suppliers

In view of averting that, in special circumstances, the Entity may be held liable for corrupt activities on the part of contractors and their sub-contractors performing services in favour or on behalf of the Entity, suppliers are bound to comply with ethical standards and qualification requirements established by the Entity. Suppliers shall not perform corrupt activities with reference to any subject with whom they happen to operate, either a Public Officer or a private subject.

In particular, any conduct or behaviour, contrary to due diligence, loyalty and professionalism principles, is prohibited if aimed at obtaining an amount of cash or other illegal, or in any case undue courtesy from a Public Officer or private subject, in exchange of services receives or rendered.

The process concerning procurement and related activities is regulated by the Procurement rules, which set out roles and responsibilities of the main players involved in the procurement process and define general rules for key activities related to procurement, such as vendor management, procurement reporting and control and document management.

The Procurement rules are set out in accordance with the Anti-Corruption Procedure, with particular reference, inter alia, to the vendor selection and qualification and updating process related to vendors, the awarding of contracts, post-award contract management, feedback management of suppliers, standard contract protection clauses, including undertakings of compliance with Anti-Corruption Laws and verification that vendors meet ethical requirements.

Moreover, when a supplier is a Business Partner, the covenants as per the following paragraph shall also apply.

5.9 Business Partner

5.9.1 Requirements for contracts with Business Partners

The Entity expects all of its Business Partners to comply with all applicable laws, including Anti-Corruption Laws, in connection with the Entity's business.

In view of averting that, in special circumstances, the Entity may be held liable for corrupt activities on the part of Business Partners, the latter must comply with Anti-Corruption Laws and ethical standards

set out by the Entity.

In particular, the Entity's Personnel must comply with provisions set out in this Anti-Corruption Procedure and in other relevant regulations relating to the selection, retention and employment of Business Partners, as described hereunder.

Business Partners must sign written contracts before performing any activity in favour of or on behalf of the Entity, and must only be paid according to contractual terms.

All written agreements entered with Business Partners must envisage reasonable and appropriate considerations and compliance terms.

The Entity requires contracts with Covered Business Partners to include provisions which require, among other things:

- a) to comply with Anti-Corruption Laws and with this procedure and, for Business Partners at high risk, as well as Intermediaries and Joint Ventures, to have in place, and maintain, throughout the term of the agreement, their own regulations to ensure compliance with Anti-Corruption Laws and this Procedure;
- b) in the event of sub-contracts:
 - to obtain the Entity's authorisation concerning any sub-contracts (including sub-agents, sub-representatives, sub-advisors, and similar subjects), pursuant to internal rules;
 - to ensure that any sub-contractor performing services in connection with the contract does so only on the basis of a written contract, in which the sub-contractor undertakes to accept terms equivalent to those that are binding for Business Partners;
- c) to promptly report to the Entity on any request or claim relating to any undue payment in cash or other benefit received by the Business Partner in relation to the execution of the contract;
- d) to permit the Entity to carry out audits on Business Partners in the event there is a reasonable doubt of a breach by the Business Partner of contractual terms related to Anti-Corruption compliance;
- e) the Entity's right to terminate or suspend the execution thereof and to receive payment of damages in the event of a breach of the obligations, representations and warranties referred to above and/or a violation of Anti-Corruption Laws.

If the Business Partner is:

- a Joint Venture partner, provisions in Section 5.9.2 shall apply;
- an Intermediary, provisions in Section 5.9.3 shall apply;
- an Advisor, provisions in Section 5.9.4 shall apply.

In relation to other Business Partners, upon a detailed written request of the Business Unit involved, the Entity's General Management will consider and, if appropriate, advise the Business Unit as to which exceptions may be authorised in respect of the provisions covering due diligence and the approval process of Business Partners.

5.9.2 Joint Ventures

In order to avert that, in special circumstances, the Entity might be held liable for corrupt activities on the part of its Joint Venture partners, the Entity shall adopt appropriate measures to ensure that Joint Ventures, in which it is not the controlling partner, implement adequate internal control rules.

Before the Entity establishes a new Joint Venture, compliance shall be provided with provisions envisaged in both the Entity's Anti-Corruption Regulations, governing the due diligence and the approval procedure of Joint Ventures, and the related implementation rules.

All Joint Venture agreements must be negotiated, entered into and managed in compliance with both the Entity's Anti-Corruption Regulations, governing Joint Venture agreements on the prevention of illegal activities, and the related implementation rules issued by Subsidiaries.

Any Anti-Corruption Regulation on Joint Ventures must be compliant with the following minimum standards:

- a) Joint Venture partners must be only entities or individuals that are well-known, trustworthy and with an excellent reputation as regards honesty and fair commercial practice;
- b) a regulation governing the approval process must be implemented, must provide for a documented and appropriate level of due diligence on each partner in the Joint Venture and must regulate the contractual covenants on the transactions the Joint Venture;
- c) in cases where the Entity does not control the Joint Venture, its representatives, acting within the Joint Venture, shall do their best endeavours to ensure that the Joint Venture operates in compliance

with the principles described in this Anti-Corruption Procedure;

d) when negotiating the Joint Venture agreement, the Entity's Personnel shall make their best efforts to include the following provisions:

(I) the commitment by the leader of the Joint Venture to adopt, and a commitment by each partner to ensure the Joint Venture adopts, an effective and appropriate internal control system and a Compliance Programme for the prevention of bribery and money-laundering;

(II) the commitment by the leader of the Joint Venture to act, and a commitment by each partner to ensure the Joint Venture acts, in accordance with Anti-Corruption Laws, the internal control system and the Compliance Programme;

(III) the commitment by each partner to the effect that, in all activities directly or indirectly related to the Joint Venture, the partners and the Joint Venture shall never pay bribes to Public Officers or to private subjects or their family members or to directors or members of the corporate bodies or to employees of the counterparty with which the Joint Venture intends to operate;

(IV) the Entity's right to carry out an audit on the Joint Venture, or on the leader of the Joint Venture, in the event there is a reasonable doubt that the Joint Venture, or the leader of the Joint Venture (in activities directly or indirectly related to the Joint Venture), may have violated the Anti-Corruption Laws or may have paid bribes to Public Officers or to private subjects or their family members or to directors or members of Corporate bodies or to employees of the counterparty with which the Joint Venture intends to operate;

(V) the Entity's right to terminate the Joint Venture and to receive compensation for damages in the event of a breach of the anti-corruption obligations of the Joint Venture agreement or in the event of violations of the Anti-Corruption Laws or of the relevant procedure in the Joint Venture;

e) the activities of each Joint Venture and each partner in the Joint Venture must be constantly monitored.
The Entity's representative in the Joint Venture must promptly inform the Entity's General Manager with regard to any news concerning an investigation or ascertained violation of Anti-Corruption Laws by the leader of the Joint Venture, Joint Venture partners, members of their corporate bodies or their representatives in the Joint Venture; and

f) the original copy of documents related to the selection and approval of the partners, the Joint Venture agreement and the verification of compliance with this Anti-Corruption Procedure must be kept for at least ten years.
The person in charge of the due diligence process and/or the legal representative of the Entity within the Joint Venture, in the event he/she becomes aware of a change in the assessment elements previously acquired, shall notify the Entity's General Management accordingly, in order to consider the opportunity to update the due diligence process based on the faculty, possibly granted by the agreement being executed in relation to the establishment of the Joint Venture.

5.9.3 Intermediaries

Brokerage Agreements may raise anti-corruption issues and must be negotiated, entered into and managed in compliance with the Entity's Anti-Corruption Regulations on Brokerage Agreements and the related implementation rules issued by Subsidiaries.

Any Anti-Corruption Regulation on brokerage agreements must be compliant with the following minimum standards:

a) the Intermediary shall have an outstanding reputation for honesty and correct business practices as well as a high ethical standing and, when the Intermediary is a company, it must not be recently incorporated;

b) an internal regulation governing the selection of Intermediaries must be adopted and provide for an appropriate level of due diligence on the potential Intermediary, also through research and the request for information and documents suited to the preliminary evaluation of expected requirements;

c) the selection of the Intermediary and the signing of Brokerage Agreements must be approved in compliance with the approval procedure and, in any case, prior assessment of information and data obtained based on specific criteria such as honesty, integrity, professionalism, financial references, etc.;

d) the Brokerage Agreement must be in writing and must also contain:

(I) the description of the service rendered by the Intermediary;

(II) the commitment of the Intermediary to always comply with Anti-Corruption Laws and this Procedure and to adopt and maintain, for the entire duration of the Brokerage Agreement, regulations aimed at ensuring compliance;

(III) the undertaking to promptly report to the Entity on any request or claim for any undue payments in cash or other advantage, of any kind whatsoever, that is received by the Intermediary in relation to the performance of the brokerage agreement;

(IV) the commitment that the Intermediary will ensure that any individual associated with the Intermediary, and who is rendering services according to the Brokerage Agreement, is acting only on the basis of a written contract, which binds the parties to terms that are equivalent to those envisaged for the Intermediary;

(V) the currency and amount of the consideration, which must be consistent with the subject matter of the agreement, the expertise of the Intermediary and the Country where the services are rendered;

(VI) the statement and undertaking of the Intermediary that the consideration payable pursuant to the Brokerage Agreement shall be used solely as payment for professional services and that no part thereof shall be given to Public Officers or private individuals or to any of his/her family members for corrupt purposes, or to the counterparty with which the Entity wishes to conclude the deal, through brokerage services, in breach of applicable laws;

(VII) the prohibition for the Intermediary to transfer, either directly or indirectly, its consideration to directors, managers, members of the corporate bodies, or the Entity's employees or to any of their family members;

(VIII) the billing terms (or methods for payment) and payment terms, taking into account that:

- such payments shall not be made to a party other than the Intermediary or in a country other than the country of one of the parties or where the agreement will be executed;

- when the services to be provided by the Intermediary are aimed at the signing of an agreement through which the Entity will obtain a profit or, in all other cases, at the signing of an agreement to which the Intermediary's service refers, payment shall be subject to collection by the Entity;

- payments shall be made directly and exclusively to an account in the Intermediary's name and never to numbered accounts or in cash;

(IX) the commitment of the Intermediary to notify the Contract Holder on any changes occurring in its shareholding structure and/or in respect of the information provided to the Entity during the selection phase and/or in respect of anything that could affect the ability of the Intermediary to perform activities pursuant to the contractual commitments undertaken;

(X) the Entity's right to terminate the contract in the event of a change in the shareholding structure of the Intermediary;

(XI) a covenant providing for the non-transferability of the agreement;

(XII) the declaration and obligation of the Intermediary to the effect that, upon subscription of the agreement, and for its entire duration, neither he/she nor his/her family members, nor, when the Intermediary is a company, its owners, directors, employees, nor the company itself, are or will be Public Officers;

(XIII) the Entity's right to terminate the agreement, suspend payment or receive compensation for damages in the event of a breach of the above-mentioned obligations, statements and warranties and/or a violation of Anti-Corruption Laws or of the anti-corruption commitments outlined in the Brokerage Agreement;

e) the services rendered by the Intermediary based on the agreement must be continuously and appropriately monitored by the Contract Holder, in order to assure that the Intermediary acts at all times in compliance with Anti-Corruption Laws, this Anti-Corruption Procedure and the Brokerage Agreement;

f) the amount paid according to the Brokerage Agreement must be recorded properly and transparently in the Entity's books and records;

g) payments are made exclusively provided that the service has been rendered and/or terms and conditions envisaged in the agreement and concerning payment of the fees have been met; and

h) the original copy of documents related to the selection and approval

of the Intermediaries and the Brokerage Agreement and the verification of compliance with this Anti-Corruption Procedure must be kept for at least ten years.

If the person in charge of the due diligence process and/or the Agreement Holder is informed on a change occurred in the evaluation elements previously acquired, he shall notify the Entity's General Management accordingly in order to permit the Management to consider the possible updating of the due diligence process based on the faculty thereof granted according to the agreement in place with the Intermediary.

5.9.4 Consultants

The Entity requires that all its Consultants comply with applicable laws, including Anti-Corruption Laws.

In order to avert that, in special circumstances, the Entity (and/or any of the subjects acting in its favour) might be held liable for corrupt activities on the part of its Consultants, the latter shall comply with Anti-Corruption Laws and ethical standards. Moreover, the Entity imposes special requirements to be adopted in connection with Consultants.

Specifically, the agreements with Consultants must be negotiated, signed and managed in compliance with any regulation concerning the Entity's use of consultancy services.

Any Anti-Corruption Regulation on Consultants must be compliant with the following minimum standards:

- a) the Consultant must have an outstanding reputation for honesty integrity, professionalism, and correct business practices;
- b) a selection process providing for an appropriate level of due diligence on the potential Consultant must be implemented.

The due diligence must include at least the following:

- (I) the Consultant's identity;
- (II) the description of the type of service rendered;
- (III) a statement indicating whether the Consultant has connections with Public Officers;
- (IV) a statement indicating whether the Consultant has been subjected to any allegations, investigations and/or convictions related to bribes or corruption or other illegal activities.
- c) the selection of the Consultant and the signing of the related agreement must be approved based on provisions envisaged by the related regulations;
- d) the Consultancy Agreement must be in writing and must also contain:
 - (I) the declaration of the Consultant to the effect that the payment received is solely in relation to the performance of the services described in the agreement and that it will never be used for corruption purposes;
 - (II) the billing terms (or methods of payment) and payment conditions, taking into account that (1) such payments may be made only in favour of the Consultant and in the Consultant's country of incorporation, only to the account in the Consultant's name as indicated in the agreement and never to numbered accounts or in cash; and (2) early payment of the fee (before the complete execution of the contractual terms) may only be allowed in specific cases (properly explained and stated in the agreement) and, in any case, this payment can only be a portion of the entire amount;
 - (III) the commitment of the Consultant to comply with the applicable laws, in particular Anti-Corruption Laws, and this Anti-Corruption Procedure, and to record the amount received in its books and records in a fair and transparent way and, based on the Consultant's level of risk, to implement and maintain, throughout the term of the agreement, its own regulations to ensure compliance;
 - (IV) the undertaking to promptly report to the Entity on any request or claim for any undue payment in cash or other advantage, of any kind whatsoever, that is received by the Consultant in relation to the performance of the brokerage agreement;
 - (V) the Entity's right to carry out an audit on the Consultant, in the event there is a reasonable doubt that the Consultant may have breached the above-mentioned obligations, statements and warranties and/or violated Anti-Corruption Laws;
 - (VI) the Entity's right to terminate the agreement, suspend payment or receive compensation for damages in the event of a breach of the above-mentioned obligations, statements and warranties and/or a

violation of Anti-Corruption Laws.

5.9.5 Preliminary Evaluation on Deviations

Upon written and detailed request of the Entity's Business Unit involved, any deviation, for specific cases, from the terms set out in this Section 5.9, must be subject to preliminary evaluation by the Entity's General Management.

5.10 Selection and recruitment of Personnel

Before appointing any new member of the Board of Directors or hiring, transferring or granting a job promotion to any employee (I) who is likely to have a Significant Contact with a Public Officer during his/her work activity, (II) who supervises employees or Business Partners that are likely to have such Significant Contact; or (III) who will be involved in issues related to internal control or other activities governed by Anti-corruption Laws, the Entity shall be informed on the relevant personal experiences of the subject insofar it is permitted by the applicable law, in compliance with anti-corruption provisions on the selection and recruitment included in related regulations within the Organisation.

Any Anti-Corruption Regulation on the recruitment of personnel must at least comply with objective criteria, make checks on references, and include, in the applications for the post, suited questions, as permitted by applicable laws, concerning (a) any possible previous criminal record or criminal proceedings and (b) any civil or administrative sanctions or pending investigations concerning any non-ethical or illegal actions carried out by the candidate, in compliance with and as permitted by applicable laws and (c) any personal relation with Public Officers, Business Partners, Consultants, Suppliers or Intermediaries. In the event of any doubt arising or the above issues being detected, the Entity's General Management shall be informed accordingly in view of appropriate further assessments.

5.11 Acquisitions and disposals

The Entity has regulations governing acquisitions and disposals. Special care should be given to provisions set out in the Entity's Anti-Corruption Regulations governing the authorisation and control of purchase/sale transactions.

An important aspect of any proposed acquisition or disposal is the due diligence (including compliance with Anti-Corruption Laws), which can be external (as regards acquisitions), or internal (as regards disposals). Whenever an acquisition is made by the Entity, a plan to implement this Anti-Corruption Procedure must be part of the post-acquisition integration plan.

Moreover, the internal or external legal advisors, working on an acquisition, must notify the Entity's General Management on any new anti-corruption risk identified or when a pre-existing anti-corruption risk has increased as a result of the acquisition, so that this Anti-Corruption Procedure and related processes, internal regulations and models may be revised appropriately to protect the Entity from the new risk.

5.12 Accounting Policies

Applicable laws, financial reporting and tax laws and regulations all require that the Entity keep accurate and complete accounting records of each business transaction.

The Entity's records must be consistent with applicable accounting standards, and must reflect the facts of each transaction in a comprehensive and transparent way.

All costs and charges, revenues and proceeds, profits, payments and budget commitments must be included in financial disclosures in a timely, complete and accurate manner and must come with adequate support documents issued in compliance with any applicable law and the relevant provisions of the internal control system.

All book entries and related disclosure documentation must be at the disposal of the external auditor for the appropriate checks.

5.13 Bookkeeping and Internal Controls

It is the Entity's policy that all payments and transactions performed by the Entity must be accurately recorded, insofar as the relevant corporate books, records and accounts accurately and fairly reflect the Entity's transactions and assets.

This principle applies to all transactions and expenses, whether they are significant or not under the accounting viewpoint.

It is also the Entity's policy to establish and maintain internal

accounting controls that are sufficient to provide reasonable assurance that:

- a) transactions are carried out only upon general or specific authorisation from the management;
- b) transactions are recorded as necessary in order to:
 - (I) allow for the preparation of financial statements consistent with generally accepted accounting principles or any other criteria applicable to such statements; and
 - (II) maintain accounts for all corporate assets;
- a) permit the access to assets only upon general or specific authorisation from the management;
- d) compare the value of the assets recognised in the books with the existing assets at reasonable intervals and appropriate action is taken with respect to any deviation found.

The internal control system related to economic disclosures envisages specific checks, as described hereunder, at various organizational levels, with different implementation modes.

The specific controls are carried out during the normal corporate operations in order to avert, identify and correct mistakes and frauds. Typically, these controls include: the controls on accounts, the issue of authorisations, reconciliation between internal and external information, consistency controls, etc.

Taking account of relations of the above controls with transactions, specific checks are deemed as process controls.

5.14 Training of Personnel

The Entity's Personnel shall be informed on the applicable Anti-Corruption Laws and the importance of compliance with those laws and with this Procedure, so that they can clearly understand and be aware of the different crimes, risks, the relevant personal and corporate responsibilities and the actions to be implemented in order to fight bribery and the possible penalties in the event of breach of this Procedure and Anti-Corruption Laws (both of the individuals concerned and the Entity).

Specifically, all Personnel at Risk shall attend a mandatory anti-corruption training programme.

To this purpose:

- (I) Personnel at Risk will receive copy of this Anti-Corruption Procedure and will be trained on this Procedure and the related Anti-Corruption Laws within ninety (90) days from recruitment or from being given new responsibilities or, if not possible for good reason, as soon as it is reasonably possible;
- (II) Personnel at Risk shall undergo a periodical update training:
 - each Employee at Risk will be responsible for keeping themselves updated;
 - each chief of Department or project is responsible for ensuring that all Personnel at Risk under his/her supervision complete periodic training on Anti-Corruption;
- (III) the function in charge of training of Personnel (hereinafter Training Function) is responsible for the planning and supplying of training.

This function is also responsible to identify and notify the Entity's General Management on the individuals that must be trained and the type of training to be performed;

(IV) the Training Function collects the subscriptions to training courses, as well as names and offices of those who attend the courses.

It is also responsible for storing all records in relation to applicable labour, privacy and other laws;

(V) in defining the implementation of the anti-corruption training programme, the Training Function operates in agreement with the Entity's General Management to define training contents.

The training programme shall provide the necessary knowledge of Anti-Corruption Laws and instructions to recognise "Red Flags" and avoid ethically questionable actions.

The programme will assist the participants through the presentation of practical questions and scenarios that may occur in the course of Company operations.

5.15 Reporting System

5.15.1 Reporting System of Requests

The Entity's Personnel or the Business Partner must promptly report to their direct superior on any direct or indirect request made by a Public Officer or private individual for any payment (including Facilitation Payments), for gifts, travels, meals and entertainment expenses, employment, investment opportunities, personal discounts or other personal benefits, other than reasonable expenses made in good faith, to the benefit a Public Officer or private individual or family member or any person designated by him/her.

The direct supervisor will be responsible for advising the Entity's Personnel or the Business Partner involved on the proper course of action, which shall be in compliance with Anti-Corruption Laws and this Procedure.

To this purpose, the direct superior shall contact the Entity's General Management.

5.15.2 Whistle Blowing System

Any alleged or known breach of Anti-Corruption Laws or this Procedure shall be promptly reported in one or more of the following ways:

- to the employee's direct superior;
- to the pertaining Supervisory Board;
- to the Entity's General Management;
- through the special channels indicated in the Code of Conduct

(Whistle Blowing Policy).

Any disciplinary measure will be in compliance with Anti-Corruption Laws and this Procedure.

5.16 Disciplinary Measures and Contractual Remedies

The Entity shall use its best endeavours to avert any possible behaviour in breach of Anti-Corruption Laws and/or this Anti-Corruption Procedure, as well as to interrupt and sanction any contrary conduct of the Entity's Personnel.

The Entity will take suitable disciplinary measures against Group Personnel (i) whose actions are discovered to violate Anti-Corruption Laws or this Procedure, pursuant to provisions set out by the reference National Labour Contract or other applicable national laws (ii) who do not take part in or complete training; and/or (iii) who unreasonably omit to note or report any violations or who threaten or carry out retaliations against others who report such violations.

The Entity will adopt appropriate measures, including, but not limited to the termination of the contract and claim for damages against Business Partners whose actions violate Anti-Corruption Laws or this Procedure.

The agreements signed by the Entity with Business Partners will include special provisions aimed at ensuring the compliance of Business Partners with Anti-Corruption Laws and provisions herein and to permit the Entity to adopt adequate remedies, according to provisions set out in the Anti-Corruption Regulation concerning standard contractual covenants on the Company's administrative liability resulting from criminal offences.

5.17 Monitoring and improvements

The Entity's General Management (I) monitors the adoption of this Anti-Corruption Procedure and the application of the Anti-Corruption Regulations as well as principles and issues included herein, (II) promotes the updating of the List of Anti-Corruption Regulations, by formulating an appropriate proposal to competent functions and (III) supervises the training of the Entity's Personnel.

Moreover, the Entity's General Management fosters the review and possible updating of this Anti-Corruption Procedure:

- (a) upon occurrence of new provisions related to Anti-Corruption Laws;
- (b) upon significant changes in the Company's organizational structure or Business Units;
- (c) upon significant breaches of this Anti-Corruption Procedure and of Anti-Corruption Regulations in view of preventing bribery-related risks and/or when checks are carried out on the effectiveness of the system or on the occasion of publicly available experiences in the sector;
- (d) in any case, at least on an annual basis.