



EII Corruption Prevention Policy

Written by:	Processes and Internal Audit Department	Checked by:	Corruption Prevention Compliance Function
Approved by:	General HR&O Department, General Administration, Finance and Control Department, Communications and Company Image Department	Authorized by:	Board of Directors, Paolo Pandozy
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1.1	03/08/2020	Update	Extension of the EII anti-corruption policy to all Engineering Group companies

All modifications made to the document are tracked in a dedicated section of the [QS01T01 Quality Management System Catalog](#).



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INTRODUCTION

Engineering Ingegneria Informatica S.p.A.¹, already committed to enacting an integrated system of procedures intended to promote the culture of legality and prohibit corruption in all forms, has undertaken a virtuous path, also in observance of the principle of “zero tolerance” of any conduct linked to corruption, expressed both in the Code of Ethics and in the Organization and Management Model, by setting up a specific **Corruption Prevention Management System** compliant with the international standard ISO 37001:2016 (“Anti – Bribery Management System Guideline”), in line with the requirements laid out by the reference standards and following the indications of the CONFORMA Guidelines issued in June 2018.

A specific **Corruption Prevention Policy** (CPP) adopted by the senior management and reviewed on a regular basis constitutes an integral part of the Corruption Prevention Management System.

By adopting this CPP, in continuity with its commitment against unlawful conduct, Engineering intends to identify a reference systematic framework of the ethical/behavioral principles and rules for preventing and combating corruption (active and passive, public and private) by increasing the awareness of internal and external stakeholders about the rules and behaviors to be observed.

¹ Hereinafter also “Engineering” or “Company”.

1 DOCUMENT SCOPE AND SUMMARY

This document, containing the CPP adopted by Engineering, outlines the principles, rules and procedures that all Company personnel and external stakeholders are required to follow in order to ensure the minimum standards of conduct for the prevention of corruption, in compliance with the anti-corruption regulatory framework.

The objectives of this document are:

- to lay out Engineering's commitment to the fight against corruption and compliance with anti-corruption provisions in force;
- to share the corruption prevention objectives that the Company has established for itself;
- to clearly communicate the anti-corruption principles to the parties concerned, both inside and outside the Company;
- to provide the general framework of the Corruption Prevention Management System adopted by the Company;
- to define the principles for identifying and preventing potential episodes of corruption in order to protect the integrity and reputation of the Company;

1.1 SCOPE OF APPLICATION (COMPANIES AND ORGANIZATIONAL UNITS)

This policy applies to all companies within Engineering Group.

1.2 APPLICABLE LEGISLATION

The main Anti-corruption regulations deemed significant by the Company are listed below:

- Italian Legislative Decree no. 231/2001 (hereinafter, also the "Decree") on "Regulations on administrative liability of legal entities, companies and associations, including without legal personality, under article 11 of Italian law no. 300 of September 29, 2000" (in particular, arts. 25 and 25-ter)
- Italian law no. 190/2012 on "Provisions for the prevention and repression of corruption and illegality in the public administration"
- The Bribery Act, which entered into force in Great Britain on July 1, 2011, in implementation of the OECD Convention of December 17, 1997, is a systematic law with a very extensive extra-territorial scope, concerning crimes of corruption
- The Foreign Corrupt Practices Act, introduced in the United States of America in 1977 (modified and supplemented with an amendment in 1998), is the current US anti-corruption regulatory system
- The **tenth principle of the Global Compact**, on the basis of which "businesses undertake to combat corruption in all of its forms, including extortion and bribery".

2 OBJECTIVES OF THE CORRUPTION PREVENTION POLICY

This CPP aims to achieve the following objectives:

- to prevent corruption and ensure the achievement of the highest level of compliance with domestic and international anti-corruption regulatory standards;
- to adopt the Corruption Prevention Management System as a tool for effectively combating corruption by requiring the continuous commitment and leadership of the Top Management and strengthening the control system at every level of the organization;
- to contribute to spreading the culture of prevention by supporting reliability, integrity, honesty, competition and transparency as a foundational element of the Company's activities;
- to develop and fuel awareness of the commitment to prevention and the fight against corruption by all stakeholders;
- to create an integrated system of controls, which is easy to understand and become familiar with, can be implemented and monitored to guarantee the effectiveness and efficiency of the preventive function of the control itself;
- to encourage the reporting of all suspicions of attempted, definite or presumed corruption via dedicated channels and procedures.

3 THE INTEGRATED CORRUPTION PREVENTION MANAGEMENT SYSTEM

The main measures for the prevention of corruption adopted by the Company are listed below, which are joined by the adoption of the Management and Organization Model, the Code of Ethics and the typical activities of the Supervisory Body (pursuant to Italian Legislative Decree 231/2001):

- Adoption, publication and application of the Corruption Prevention Management System;
- Adoption and dissemination of the CPP which defines the commitment to reaching the objectives of combating corruption;
- Commitment of all levels of the organization, starting with the management body and the Top Management;
- Written policies and procedures;
- Strengthening of the internal control system with specific measures to prevent, combat and identify external and internal acts of corruption;
- Creation of the Corruption Prevention Function with the duty of supervising and guaranteeing the implementation and functioning of the corruption prevention management system;
- Implementation of a system for identifying, evaluating, monitoring and managing risks of corruption;
- Extension of the reporting system to cases linked to offenses of corruption;
- Adoption of a specific due diligence procedure intended to analyze and evaluate the nature and extent of the risks of corruption to which the Company may be exposed in running its business (particularly in relations with business partners or in hiring personnel);
- Training, information and communication of the measures deployed by the Company.

3.1 ROLES AND RESPONSIBILITIES

The management body and the entire Top Management of the Company are responsible for creating and disseminating the risk management culture within the organization and ensuring supervision of the required conduct. In this sense, they play an active role in ensuring respect for the standards of conduct described in this CPP, incentivizing proper compliance with procedures and continuous improvement, encouraging the use of procedures for reporting acts of corruption and ensuring that no member of the staff suffers from retaliation for the reports submitted.

In particular, the management body has approved a corruption prevention policy compliant with laws on the prevention of corruption and proportionate to the business objectives pursued by the Company.

It exercises surveillance over the adequacy, implementation and effectiveness of the corruption prevention policy by regularly receiving information concerning the performance of the Management System from the Top Management, which exercises periodic monitoring over the organization's activities.

The Top Management contributed to designing the Corruption Prevention Management System and is responsible for ensuring that it is properly implemented, maintained and reviewed, verifying its effectiveness at combating risks of corruption, even while achieving business objectives.

It was also involved in the process of adapting the organization's procedures to the requirements established in the Management System.

It reviews the system on an annual basis by verifying the performance of the corruption prevention management system (non-compliance, corrective actions, audit results, investigations, reports relating to corruption) and reporting to the Management Body.

The Corruption Prevention Compliance Function was established to report directly to the Chief Executive Officer; the Corruption Prevention Manager has been assigned authorities and sufficient powers to effectively perform the Function to which he or she has been assigned.

The main duties of the Corruption Prevention Manager are:

- supervising the planning and subsequent implementation of the Corruption Prevention Management System and ensuring that the Corruption Prevention Management System is compliant with ISO 37001:2016;
- providing consulting and guiding personnel with respect to the application of the Corruption Prevention Management System adopted by the Company;
- facilitating the spread of the culture of prevention as the main oversight mechanism in the risk management process, in collaboration with the Supervisory Body and the General HRO Department;
- performing periodic reviews and reporting on an annual basis on the performance of the Corruption Prevention Management System to the Board of Directors and the Chief Executive Officer.

In performing their duties, all personnel are responsible for observing this CPP and corruption prevention regulations applicable to the Company, service orders and the corresponding internal procedures. They must be familiar with the potential signs of corruption and any issue or doubt in relation to acts of corruption must be immediately brought to the attention of the Company, including through the specific Whistleblowing channel (see par. 3.5).

3.2 GENERAL PRINCIPLES AND RULES OF CONDUCT

The corruption prevention regulations and the Management System qualify as illegal for Engineering, for its personnel and for its subsidiaries, for business partners with which it collaborates and for anyone who performs activities in favor or on behalf of the Company: offering, promising, requesting, accepting or paying, directly or indirectly, cash or other benefits (including non-financial in nature), in order to obtain or maintain a business deal or ensure an unfair advantage in relation to business activities. Engineering prohibits all forms of corruption.

In line with what is set forth in the Code of Ethics, practices of corruption, illegitimate favors and collusive conduct are deemed unacceptable and are therefore prohibited and penalized. Likewise, solicitation through third parties to obtain personal and business advantages, both financial and professional, is prohibited.

The following are therefore prohibited:

- i) offering, promising, giving, paying, authorizing anyone to give or pay, directly or indirectly, tangible benefits, economic advantages or other benefits to any Public Official or a private party (**active corruption**);
- ii) accepting or authorizing anyone to accept, directly or indirectly, economic advantages or other benefits, requests or solicitations of economic advantages or other benefits from a Public Official or a private party (**passive corruption**);

when they are intended for example but not limited to:

- cause a Public Official or a private party to perform his or her public duties or any associated activity in an unsuitable manner or compensate him or her for having performed it;
- cause someone, by abusing the qualities or powers of a Public Official, to unduly provide or promise (to him or herself or a third party) money or other benefits;
- influence an official act, or an omission thereof, by a Public Official;
- influence any decision taken by a Public Official in violation of an official duty;
- secure or obtain an unfair advantage in relation to business activities;
- violate applicable laws on the matter.

The list above is not exhaustive. Indeed, Engineering prohibits all forms of corruption in favor and with respect to anyone. Although some cases referred to are “typical” of public parties, the above-mentioned conduct may be carried out by all Engineering Group employees, independently or in conjunction with a qualified subject, or also by public servants. Following the principles outlined in the Organization and Management Model pursuant to Italian

Legislative Decree no. 231/2001² or any other anti-corruption law applicable in the country of interest please note that:

- A) anyone who acts in the name or on behalf of an Engineering Group Company is strictly prohibited from carrying out deeds intended to corrupt an Official/Representative of a State Administration or a Public or EU Entity, or a public servant;
- B) a party who, on behalf of an Engineering Group Company, is involved a public tender or in the provision of a supply in favor of a Public Entity, is strictly prohibited from requesting for him or herself or for third parties or inducing anyone to offer, to him or herself or to third parties, money or other benefits, for the commission of an unlawful act;
- C) a party who, on behalf of an Engineering Group Company, is involved in the provision of a service in favor of a Public Entity, is strictly prohibited from unduly giving or promising money or other benefits based on the solicitation of a Public Official or a public servant³.

Respect for the above-mentioned principles is compulsory for the personnel of all Engineering Group Companies, including the subsidiaries, for its business partners and for anyone who performs activities in favor or on behalf of Engineering.

Anyone who receives offers or solicitations from third parties of gifts or benefits which do not fall within normal commercial practices, of any value and/or extent, is required to inform the Corruption Prevention Compliance Function or their manager or the HRO Department.

Engineering Group personnel cannot be dismissed, demoted, suspended, threatened or discriminated in any manner whatsoever in treatment at work for having refused to make an unlawful and/or undue payment or other prohibited service, or for having submitted the report referred to in the previous point.

Engineering Group operates in relations with the Public Administration with respect for the principles and criteria of good performance and impartiality which must guide its actions. Practices of corruption, illegitimate favors, collusive conduct, as well as solicitations through third parties in order to obtain personal and/or business advantages, either economic or professional in nature, are deemed unacceptable and are therefore punished and sanctioned.

In line with specific operating procedures, gifts and sponsorships may be made by formally delegated individuals, within authorized spending limits, and must be adequately documented.

² see Organization and Management Model, par. 2.6.5.1, *Specific principles of conduct*, p. 53.

³ Other benefits include not only non-financial benefits, but any material or moral, financial or non-financial advantage that has value for the Public Official or the public servant (including gifts, hospitality expenses, sponsorships, confidential information, personal discounts or credits or other advantages).

Purchases of goods and services, advisory and professional services, are managed according to specific procedures in place within the Company. Suppliers are registered through the Company's qualification system and selected on the basis of criteria of compliance and in light of principles of equity and transparency.

The Company guarantees due diligence activity on specific suppliers and transactions based on the corruption risk profile (see next paragraph).

The selection, hiring, promotion and bonus system (set up on the basis of the achievement of company objectives) procedures are managed through traceable processes and inspired by ethics and transparency.

3.3 DUE DILIGENCE

Engineering has a due diligence procedure which calls for different degrees of analysis, timing and validation processes depending on the risk profiles associated with the category of activity under evaluation.

3.4 MANAGEMENT OF CONFLICTS OF INTERESTS

All Engineering personnel must avoid situations in which a conflict of interests may arise which could interfere with their capacity to impartially take decisions with full respect for the standards defined by the Code of Ethics, this policy and the principles of legality, integrity, fairness and transparency.

Engineering personnel are required to report any situation that may constitute or result in a conflict of interests between personal and family economic activities and the duties they perform within the Company.

3.5 REPORTING MANAGEMENT SYSTEM

In line with the "Whistleblowing Regulation-Reporting of offenses or irregularities" procedure, Engineering encourages the reporting of all suspected acts of attempted, certain or presumed corruption, as well as any violation, presumed or ascertained, of this Policy and the Corruption Prevention Management System.

3.6 PENALTY SYSTEM

The violation of the regulations for the prevention of corruption and the Corruption Prevention Management System by personnel is subject to disciplinary penalties and/or any other legal action required to protect the interests of the Engineering Group.

The penalty system is defined in compliance with what is laid out by Law and by the applicable

national collective labor agreement in force.

Business partners who violate the Corruption Prevention Management System will be subject to contractual remedies, including the suspension of the performance and up to the termination of the contract, prohibition against engaging in commercial relations with Engineering, and all Group Companies, and demands for compensation for damages, as already established for violations of the Code of Ethics and the Organization and Management Model.

3.7 TRAINING, DISSEMINATION AND COMMUNICATION

The Company establishes and enacts specific training plans for its Personnel concerning the commitment for the prevention of corruption, Corruption Prevention Management System, the CPP, the procedures and other tools for preventing corruption, the applicable anti-corruption regulations and rules relating to the broader prevention of offenses as set forth in Italian Legislative Decree 231/2001.

Furthermore, the Company undertakes to ensure the dissemination of this Policy amongst all stakeholders and to promote respect for it as well as its application and adoption by the Addressees, by:

- publishing it on the company intranet and on its website;
- delivering it to new hires or personnel involved in a change of role;
- disseminating its content in the course of periodic training sessions.