

ANTI-CORRUPTION GUIDELINES



Approved by the Board of Directors of Ghella S.p.A. on December 14, 2023

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1. INTRODUCTION

MISSION To create excellence sustainably and innovatively

VISION To leave a better world to future generations

In line with the principles expressed in its Code of Ethics, Ghella S.p.A. with all its subsidiaries (hereinafter referred as “Ghella”) is committed to guaranteeing the integrity, transparency and ethical behaviours in all its activities.

Ghella refuses involvement with individuals or organisations that carry on unlawful activities or activities financed by unlawful capital. Furthermore, in accordance with the ethical principles related to the prevention of corruption outlined in its Code of Ethics, Ghella prohibits any actions carried out towards or by a third party aiming at promoting or favouring its own interests, securing a benefit or affecting impartiality and independent judgment.

Ghella takes all precautionary measures needed to prevent corruption and behaviours that might put the company at risk of corruption-related crimes, and it will not tolerate any attempts to offer or accept inducements in order to obtain direct or indirect benefits for the company.

Ghella is aware of the importance and value of preserving its long-standing reputation in the construction industry, which requires not only a shared sense of compliance and ethical behaviour among its workforce and partners but also a set of rules, principles and controls aimed at ensuring its business is conducted with integrity, transparency and compliance with laws and internationally recognised ethical principles. Therefore, using the best international standards, Ghella has adopted a number of anti-corruption guidelines applicable worldwide, given the global nature of its activities.

This approach puts Ghella in the best position to fight corruption.

2. PURPOSE OF THE ANTI-CORRUPTION GUIDELINES

The purpose of the Anti-corruption Guidelines is to state Ghella's zero tolerance for corruption with a commitment to condemn and prevent any form of corruption and bribery, in accordance with Ghella's Code of Ethics and with the anti-corruption procedures that Ghella has implemented locally.

It also offers Ghella's workforce, contractors and partners a set of guidelines (principles, controls, etc.) for identifying and preventing potential corruption and bribery events. The correct application of these guidelines and of the related procedures will ensure all activities are conducted in a fair and transparent way.

3. RANGE OF APPLICATION

This document, which has been approved by the Board of Directors of Ghella, is intended for the personnel of Ghella and of all its direct and indirect subsidiaries, whether senior or non-senior, and must be applied together with the requirements and legal provisions in force locally.

For detailed guidance on the *general standards of conduct*, these guidelines must be applied together with the latest version of Ghella's Code of Ethics.

These guidelines are also aimed at external stakeholders to inform them about the principles followed by Ghella to fight corruption and bribery practices in its operations.

Ghella and all of its direct and indirect subsidiaries in all geographical locations will adopt this document, without exceptions, from the date issued.

In those cases where specific local regulations require a foreign subsidiary to adopt its own anti-corruption code, this must comply with the present guidelines, which must constitute the basis of the local code.

These guidelines are also published on the Ghella website and are therefore accessible to all employees, business partners and other stakeholders.

4. REFERENCES

Anti-corruption *compliance* has become a top priority for responsible companies, with international media reporting cases of breaches on a daily basis.

At the same time, global players like Ghella need to keep up to date with changes in legislation on the topic, both in their domestic markets and abroad.

In line with this trend, the number of countries worldwide that have established sophisticated anti-corruption laws has been steadily increasing in recent years. Many countries have now implemented laws to fight international corruption, as well as corruption of foreign public officials by entities in their jurisdiction, and corruption among private parties.

Given the global nature of the issue, enforcement agencies of different countries are increasingly cooperating in their fight against corruption.

4.1. BEST PRACTICES AND ANTI-CORRUPTION LAWS

As Ghella operates internationally, its employees are subject to the laws of different countries, including anti-corruption laws in the public and private sector.

For this purpose, Ghella undertakes to align its activities with the best practices established by international private bodies (ICC - International Chamber of Commerce, Transparency International, PACI - Partnering against Corruption Initiative and United Nations Global Compact, UNI ISO 37001), for example:

- The OECD Convention on Combating Bribery of Foreign Officials in International Business 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 UK and subsequent amendments.

Where local legislation in the countries where Ghella operates is more restrictive than what is contained in this document, the relevant Ghella subsidiary will adopt the most restrictive legislation.

In particular, since Ghella's registered office is located in Italy, its employees are subject to Italian law, including the provisions of Italian Legislative Decree 231/2001. This decree describes administrative liability of entities for crimes regarding, for example, domestic or international corruption, committed in Italy or abroad, by company administrators, employees or collaborators, in the interest or to the benefit of the company.

Furthermore, in addition to the principles enshrined in these guidelines, Ghella has adopted a Management System for the Prevention of Corruption in accordance with the ISO 37001:2016 standard.

4.2. BREACH OF ANTI-CORRUPTION LAWS

Breaches of anti-corruption laws can result in fines for the company or for the person involved, which could, on the basis of mandatory regulations, result in imprisonment.

Other legal consequences that may also derive from bribery violations include debarment from contracting with public administrations, and/or confiscation of profit or damage claims. In addition to this, and most importantly, the consequences of such events can have serious reputational impacts.

4.3. DEFINITIONS OF CORRUPTION

In line with its Code of Ethics, Ghella prohibits bribery in all its forms, without exception.

Therefore, prohibition is not limited to cash payments, but includes anything of value used with the intent to corrupt, such as charitable donations, loans, travel expenses, facilitation payments, gifts, sponsorships, meals, entertainment, job placements, reciprocal favours and any other benefits or advantages.

In particular, Ghella prohibits:

- Active Corruption: offering, promising, giving, paying or authorising anyone to give or pay, directly or indirectly, material, financial or other advantage to a public official or private party.
- Passive Corruption: accepting or authorising anyone to accept, directly or indirectly, a request or solicitation from a public official or private party of a financial or other advantage.

5. ROLES AND RESPONSIBILITIES

Ghella's Management Board is responsible for ensuring compliance with these guidelines.

Managers and executives shall also serve as role models in implementing and observing these guidelines, by resolutely addressing corrupt conduct in their respective areas, ensuring that the workforce is familiar with these guidelines and with the Code of Ethics, and strictly observing the provisions therein.

Given Ghella's international activity, with regard to foreign countries, the Senior Management, through the Compliance and Sustainability Unit, is responsible, among other aspects, for:

- revising this document whenever changes are made to the international ones, which are indicated here as best practices. These include also changes to regulations, statutes, treaties, rules and widely accepted ethical principles;
- monitoring business developments that, from time to time, may require the updating of this document;
- supporting and assisting area compliance managers of Ghella and of its affiliates in adopting and communicating the requirements of this document;
- coordinating the due diligence process and the collection of information relating to the commitments made herein;
- providing assistance and specific policies on anti-corruption to area compliance managers;
- collecting the periodic results of the checks performed by the area compliance managers on global policies.

Area compliance managers are responsible for supporting the Compliance and Sustainability unit, handling cases brought to their attention under relevant local laws. In particular, they must:

- investigate cases brought to their attention, respecting confidentiality;
- assess the legal implications of the case;
- advise on any actions to be taken;
- if necessary, seek external legal advice.

Regarding Ghella S.p.A and in particular for the Italian sphere certified in accordance with ISO 37001:2016, any changes to this document, necessary as a result of changes in national laws, are defined by Senior Management with the support of the Corruption Prevention Conformity function.

All revisions to this document shall be subject to approval by the Board of Directors of Ghella.

5.1. TRANSPARENCY AND THE PRINCIPLE OF SEGREGATION OF ROLES

In order to protect Ghella and its workforce, all business decisions, including inter alia benefits of any kind, as well as the establishment of business relationships and critical activities, are based on the principle of transparency and the four-eyes principle.

The Four Eyes principle refers to mutual responsibility and is a control mechanism that serves as personal protection as well as protection of other colleagues. If the Four Eyes principle cannot be applied in exceptional cases, all other available anti-corruption measures must be taken and documented clearly, consistently and understandably.

6. GHELLA GLOBAL ANTI-CORRUPTION GUIDELINES

6.1. KEY ANTI-CORRUPTION PRINCIPLES

6.1.1. Dealing with public authorities and private entities

In line with Ghella's Code of Ethics, the company promotes the establishment of transparent relations with Institutions as well as civil society organisations in all countries where it operates.

Relations with public administrations and with national and International Institutions, include but are not limited to, relations with the following subjects:

- public officers or persons in charge of public services, operating on behalf of central and local public administrations, institutions, international public organisations and/or those of any foreign state;
- the judiciary;
- public supervisory authorities and other independent authorities;
- private partners operating with public service licences (concessionaires);
- social security institutions;
- organisations involved in the collection of taxes;
- Entities responsible for safety and accident prevention and similar and any other entity belonging to public administration.

As dealings with public officials or with any person associated with public officials represent areas of risk where breaches may occur with reputational consequences for Ghella, any activities performed in such contexts (e.g. undertaking commitments, handling transactions, etc.) are assigned to specifically authorised entities.

Furthermore, such activities must be carried out in a transparent, rigorous and coherent way, especially when performing activities such as, inter alia:

- awarding of contracts in a competitive environment, management of contracts or the negotiation of extensions, variants, complains;
- obtaining authorisations, permissions, licences, concessions or other approvals for which the public administration is responsible;
- arbitration or legal disputes with public administrations and with private parties;
- inspections led by public authorities;
- requests for management and use of financing, however described, of public origin (national, European or international).

With reference to relations with independent, supervisory and control authorities, Ghella requires the recipients of this document to ensure maximum cooperation including satisfying any requests made during inspections.

The same applies when dealing with private entities, such as companies, foundations, associations or any person associated with, that might be engaged in activities whose execution or non-execution can cause advantages / can represent an interest for Ghella companies.

In order to comply with the relevant regulations and avoid compliance risks, the recipients of this document and of the Code of Ethics must abide to the following principles and minimum standards:

- carry out activities in compliance with all relevant laws and regulations, as well as Ghella 's internal guidelines on such matters;
- any relation with public officials / relevant private entities must be based on transparency, traceability and strictly reserved only to those with the necessary authority to do so;
- when dealing with executives, officers, employees of the public administration, those responsible for public service, or their family members, as well as with relevant third parties, it is prohibited to:
 - offer, promise (directly, indirectly or through intermediaries) money, gifts or remuneration, in any form, to exert unlawful pressure, also if induced;
 - promise assets, services, performances or favours (also if induced), for the purpose of inducing them to carry out an official act contrary to the official duties of the public administration (considering as such also the purpose of favouring or damaging a party in civil, criminal or administrative proceedings, bringing a direct or indirect advantage to the company);

- circumvent the above provisions through the use of various forms of assistance and contributions which, in the form of commissions, consultancies, advertising, etc., reach purposes similar to those prohibited by the organisation.

Anyone who receives explicit or implicit requests for benefits, of any kind, from subjects of the public administration/relevant private subjects, as defined above, is invited to immediately suspend relations and to immediately inform their direct superior;

- Furthermore, recipients of these guidelines are required to:
 - implement specific procedures for processes that involve contacts with the public administration, ensuring, in particular, the segregation of roles and the traceability of the process;
 - identify the subjects authorized to engage with the public administration and provide them a specific training.

6.1.2. Facilitation and extortion payments

Ghella prohibits any types of so-called facilitation and extortion payments, in Italy and abroad, related to a public official (or a person performing a public service) or to a relevant private entity (hereinafter referred as “third party”).

In particular, the following definitions apply:

- Facilitation payments: any unofficial payment / payoff given directly or indirectly to a third party, in order to hasten, facilitate or simply guarantee the performance of a routine action or, otherwise a lawful and proper activity falling within the scope of duties of such parties;
- Extortion payments: any payment made by Ghella employees to third parties, under threat, violence or force.

Ghella will not tolerate actions of its employees or affiliates that offer, promise, solicit, request, grant or accept *facilitation payments* from or to third parties or where such actions result in them becoming guilty of *extortion payments*

6.1.3. Gifts

Ghella, where permitted by the applicable laws, allows the offer of gifts (presents or other benefits that have an economic value, hereinafter referred to as "gifts") aimed exclusively at promoting its image. However these must not be interpreted as a means of obtaining favourable treatment in the performance of any activity related to Ghella. Gifts must not exceed normal commercial and courtesy practices and in any case must not exceed the

amount defined by specific local procedures. No offer of gifts must be made in breach of the regulations adopted by the Bodies to which the recipients belong.

Ghella does not allow the giving or accepting of sums of money or gifts to/from third parties in order to obtain direct or indirect personal benefits. Gifts are acceptable when they fall within the context of acts of courtesy and for special occasions.

In order to comply with relevant regulations and avoid compliance risks, the recipients of this document and of the Code of Ethics (where applicable) must abide to the following principles and minimum standards:

Gifts must:

- not be a cash payment or a cash equivalent;
- not be given or received when they could be considered by an impartial observer as aimed at creating an obligation or undue influence on the other party;
- be of modest value and in any event not exceed predetermined thresholds (stated in the relevant company's documentation);
- be in compliance with laws and regulations of local countries of both giver and recipient, as well as with relevant company's internal regulation (procedures);
- be registered, otherwise not offered or accepted secretly;
- be, in all circumstances, provided in good faith and reasonably related to business purposes.

In order to avoid any actions in conflict with the provisions of the law or the integrity of Ghella, the above-mentioned operations and related management of financial resources shall be carried out only by the duly authorized organisational corporate units, in compliance with the laws and the principles set out in the Code of Ethics and in strict observance of the approval cycles outlined in the procedures adopted by Ghella.

Ghella personnel will refrain from accepting presents or gifts that exceed a modest value or in any case the normal courtesy practices, as well as from accepting, for themselves or for others, offers of benefits or utilities in excess of normal business relationships and in any case aimed at or capable of compromising independence of judgement and operational correctness. Ghella personnel who receive gifts or benefits that do not fall within the permitted types must inform their direct manager for the necessary evaluations.

All expenses related to gifts must be duly recorded in the appropriate registers established in accordance with Ghella's internal regulations.

6.1.4. Business Hospitality and PR Events

Business Hospitality refers to expenses related to trips, accommodations, meals or any other benefits or similar expenses provided directly to third parties by Ghella.

In order to comply with the relevant regulations and avoid compliance risks, the recipients of this document and of the Code of Ethics must abide to the following principles and minimum standards, in line with specific internal procedures namely:

- business hospitality and PR events must be clearly and directly connected to a legitimate business purpose;
- hospitality that is intended to be offered to third parties must be explicit and communicated in writing (for example by letter of invitation) and must consist of the direct offer of the service and not of a reimbursement of expenses;
- expenses related to PR events must fall within criteria of reasonableness and good faith, in line with specific maximum ceilings; ancillary expenses cannot be offered or provided, unless they have been previously approved in writing by the business process manager;
- a specific authorisation process must be followed, and all records and documentation requirements must be fulfilled.

6.1.5. Political contributions

Political contributions can be seen as a potential means for corruption practices since they might be used as bribery to maintain or seek advantages (awarding of contracts, grant of permissions and licenses, etc.).

For this reason Ghella does not make direct or indirect contributions to political or trade union parties, movements, committees and organisations. Neither does it do so to their representatives and candidates.

The company refrains from taking actions that may directly or indirectly represent forms of undue pressure against politically exposed persons, trade unions or political organisations.

6.1.6. Sponsorship and charitable contributions

Charitable contributions may be part of Ghella's commitment to support local communities in the areas in which it operates, aimed at acting as a responsible member of society.

Ghella may accept requests for contributions, within the limit of proposals originating from bodies or associations, intended for cultural, charitable, social and humanitarian initiatives. Furthermore, Ghella can support through sponsorship events to respond to local needs of the communities in which it conducts business.

It is crucial to underline that in no case shall Ghella, or any other of its subsidiaries, use the above-mentioned contributions as a means of disguising bribery and corruption practices or for any unlawful purpose. In fact, every sponsorship, charity or donation granted by Ghella must be provided in good faith, and not aimed at improperly gaining any business advantage.

Such contributions shall be authorised only by duly designated corporate functions in charge of managing such relationships, as established in the specific procedures.

Moreover, the competent functions shall carefully evaluate each proposal and select the ones to support, avoiding the risk of funds / assets being diverted for the personal use or benefit of a Public Official or a relevant private entity.

The recipients of this document and the Code of Ethics, in order to adhere to the relevant regulations and to avoid the risks of non-compliance, must comply with the following minimum principles and standards in relation to requests for contributions, which:

- must be performed within the limits established by the approved budget;
- must be aimed at known and reliable subjects, in possession of an excellent reputation;
- must follow the approval process governed by the internal regulations, which must include a description of the nature and purpose of the contribution, and must perform due diligence of the recipient when the same is required by the regulation, as well as a check on the legitimacy of the contribution pursuant to the internal regulation and applicable laws.

Furthermore, it is necessary to ensure that all money payments are made on the beneficiaries' accounts, and it is absolutely forbidden to make payments in the following ways:

- to numbered accounts;
- in cash;
- to subjects other than the beneficiary;
- in a country other than the beneficiary entity's country.

All payments must be duly recorded in the organisation's books and records. Beneficiaries must commit to do the same on their own books and records.

When supporting specific initiatives and projects, the Company has to ensure that sponsor initiatives must always be aligned with company plans negotiations and carried out, taking all the necessary measures needed to ensure transparency, correctness and traceability.

With reference to sponsorship contracts, Ghella requires the underlying contract to be in a written format. As stated in the Code of Ethics, in every business transaction, all counterparts shall be informed of the existence and of the contents of the code's provisions and are obliged to respect them.

Ghella's competent functions will ensure as far as possible that, in contracts with third parties, clauses are provided that aim to commit the counterparty to compliance with the Code of Ethics and with the company's internal procedures and make provisions for specific actions if the counterparty does not comply with these measures.

In particular, when drafting the above-mentioned contracts, Ghella shall include appropriate clauses such as its right to terminate the contract and to interrupt payments in case the counterparty breaches any obligation, declaration and warranty referred to above or violates applicable laws or anti-corruption commitments outlined in the contract (without prejudice to any other rights at law that Ghella may have).

Alternatively, when the Third Party's policies or pre-drafted documents (or online agreements) do not allow for the inclusion of such clauses, Ghella's competent functions may require the undersigning of a recipient declarations in which the beneficiary:

- undertakes not to pay such sums to public officials / private entity for corruption purposes as well as not to ever transfer, directly or indirectly, such amounts to Ghella personnel;
- states that, when signing the contract and during its implementation, it is not holding a public official role (neither do its employees, in case of a company);
- acknowledges that it is aware of and has received a copy of Ghella's anti-corruption guidelines
- commits to comply with applicable laws and to Ghella's anti-corruption guidelines;
- commits to keep records in a correct and transparent way.

In addition, the sponsorship contract must indicate the currency and amount paid, as well as the methods and conditions of payment (which, as previously indicated, must be made exclusively to the recipient's account, in the country where the recipient has their registered office).

The original documentation related to the approval of the spend and the compliance controls applied as well as the related regulation must be stored in accordance with local applicable laws.

6.1.7. Relations with third parties

Ghella's success relies, among other factors, on the company's ability to seek and maintain good business relations with third parties (i.e., Joint Ventures, consortium partners, agents, advisors, contractors, suppliers / vendors, intermediaries, service providers, consultants and any other third-party performing tasks for or on behalf of the company as well as its clients).

Being aware of the potential risks associated to the numerous relationships with third parties that Ghella entertains, the company encourages third parties to adopt principles, procedures and practices similar to its own. This is because, under many laws and regulations, the company might be considered liable for bribery and corruption committed by some third-party performing services for or on behalf of Ghella or its sub-contractors.

Additionally, the company forbids its organisational units / business areas and employees to enter into agreements related to services as lobbying, facilitating client relationships, relationship management, or any other service that could, potentially, influence decision makers considering any bid for work.

All third parties shall comply with relevant laws and regulations, including any local law and laws that have extraterritorial applicability. In addition, third parties are required to confirm that they have read and understood Ghella's anti-corruption guidelines, together with any other relevant internal documentation (local procedures and guidelines), published on the relevant websites (or, in any case, notified through official communication channels).

It is the responsibility of Ghella / its employees entering into an engagement with a prospective third party to check its integrity, its suitability for the job and its compliance to transparency standards.

When drafting a contract with third parties, Ghella shall include appropriate clauses related to anti-bribery and anti-corruption matters, ensuring the right to suspend / terminate the agreement whenever the third party is known / is suspected to be involved in such practices.

Amounts paid by Ghella shall exclusively represent a fair compensation for legitimate goods / services and must not be used as bribes and / or channelled for corruption purposes.

When selecting third parties, Ghella is required to pick the best option, by assessing the quality of products / services provided against the requested cost (best value for money principle). In addition, third parties are also selected based on:

- demonstrated implementation of suitable corporate quality systems, if so required;
- availability of appropriate means and organisational structures;
- demonstrated compliance with laws on employment, also with respect to child labour, environmental legislation and the implementation of appropriate health and safety systems for corporate workers, if so required.

Ghella shall conduct adequate research and background checks by carrying out specific enquiries before selecting and engaging with any third party. This is in order to verify whether they present reputational risks, especially with reference to bribery and corruption matters.

Despite such verifications will vary based on the nature of the contract / relationship, these will generally assess the following aspects (where applicable):

- The counterparty is reputable, well known and reliable, competent and qualified to perform the work for which it has been selected or to maintain the business relationship for which it has been selected;
- The compensation sought is in line with industry standards and is reasonable and commensurate with the objectives of the contract;
- The underlying deal is compliant with applicable laws and regulations;
- There is no conflict of interest that could, potentially, make the deal improper;
- Any cases (even suspected) of improper behaviour concerning the third party is inspected and appropriately addressed before any deals are made;
- The third party understands and adheres to the principles outlined in this document (and in other relevant local documentation).

Ghella engages in agreements only with reputable third parties who demonstrate full compliance with the applicable laws and competency to fulfil their obligations. Therefore, it is important to closely monitor third parties:

- Over whom Ghella exercises (or will exercise) a degree of ownership or control;
- who interact with public officials on behalf of Ghella;
- who operate in high corruption risk markets (for this refer to the CPI¹ score index).

6.1.7.1. Focus: consultants and service professionals

When selecting a consultant or service professional, Ghella must ensure the decision is made considering the counterparty's professionalism, transparency, honesty, cost-effectiveness and reputation.

In particular, it is required to demonstrate, with supporting documentation, that the consultant / professional meets pre-determined criteria (integrity, reputation, trustworthiness, technical and organisational characteristics, required skills, etc.).

When selecting consultants and service professionals, the third party has to be chosen from a pool of candidates with similar characteristics, unless the engagement necessarily requires the choice of a specific consultant / professional.

¹ Corruption Perceptions Index: <https://www.transparency.org/>

In such cases, an adequate explanation for the exception is required and certain criteria have to be met.

In any case, as with any standard contracts, it is necessary to state what services are required by contract and what deliverables are associated to the agreed upon fees.

6.1.7.2. Focus: supplier / vendor

Ghella is aware of the risk of being held liable for actions of its counterparties, especially in relation to corruption events.

For this reason, Ghella requires its suppliers to comply with its Code of Ethics and with the principles outlined in these guidelines, as well as with its internal procedures and documentation.

All the activities related to the procurement process including, among others, i) supplier / vendor selection, ii) qualification process, iii) contract awarding, iv) post-award contract management and v) contract standard protection clauses, have to comply with relevant laws and regulations, as well as with the provisions outlined by Ghella's procurement procedures and guidelines, which clearly identify roles and responsibilities related to such activities, in compliance with the anti-corruption and ethics principles described in this document.

6.1.7.3. Focus: partners – special purpose companies, joint ventures and consortia

When entering into collaboration agreements with other companies (partners), under special-purpose companies, Joint Ventures (JV) agreements or any other forms of association allowed by local laws, all related actions must be undertaken in accordance with Ghella's internal management system. In this way, Ghella protects itself from the risk of being held liable for corruption activities carried out by its partners.

In such context, Ghella is committed to ensure the application of the principles outlined in this document, as well as the implementation of suitable internal control policies, also when entering into forms of association in which Ghella's internal management system is not the one applied.

In more detail, whenever Ghella it is not the leading partner, its representatives acting within whatever form of association is put in place must pay specific attention when selecting and assessing partners, as well as take action to ensure these operate in compliance with the principles described in these guidelines (and any other internal document on anti-corruption matters).

In any case, Ghella ensures all activities carried out in association with other partners comply with the following minimum standards:

- Partners shall only be entities who are well-known, reliable and with an outstanding reputation for correct business practices;

- internal rules must be implemented in such a way that a documented and appropriate due diligence process is performed on all partners;
- partnerships must be monitored regularly: Ghella's representative within the association must promptly inform the relevant compliance officer and the compliance function for the prevention of corruption in relation to any investigation or ascertained breach of anti-corruption laws within the association.

All contracts between Ghella and its partners must be negotiated, stipulated and managed in compliance with the relevant internal procedures.

6.1.8. Human resources – recruitment & employment

Human Resources processes are potentially subject to corruption, since offering employment, internships, promotions and trainings carry an intrinsic monetary value and therefore are potentially vulnerable to corruption actions.

Since Ghella's operations are set on fairness and impartiality, Ghella condemns any type of unethical behaviour in the HR field, which could violate the principles of transparency, objectivity, professionalism and equal opportunities.

For this reason, in accordance with Ghella's Code of Ethics, the evaluation of staff to be employed (i.e. the recruiting process) is carried out by matching the candidates' profiles with the business needs of the company and by applying equal opportunities principles.

The information requested in the selection phase of the recruitment process is strictly related to the verification of professional, psychological and attitudinal aspects listed in the role description, with no reference to personal aspects or opinions of the candidate.

Ghella undertakes to avoid any forms of patronage and nepotism, as well as not to establish any work relationship with individuals involved in crimes such as corruption and bribery.

The relevant Human Resource unit of any Ghella company shall ensure that its own recruiting and employment processes are carried out in compliance with the applicable laws and regulations, as well as in line with Ghella's internal policies and procedures.

For any process managed by the Human Resources area (personnel selection, management and evaluation activities) that concerns a person connected to a third party (for example a business partner, customer or any other third party associated with the company) or a Public Official, Ghella must ensure that the following principles are respected:

- that the process is based solely on merit;

- that, if applicable, a competitive process is performed to be duly documented, ensuring that the specific activity has not taken place at the request of the afore-mentioned third party or public official;
- the absence of conflicts of interest (direct or indirect);
- the absence of previous criminal convictions or ongoing criminal proceedings.

6.1.9. Corporate mergers and acquisitions and other extraordinary transactions

Ghella's extraordinary transactions (such as M&A, JVs, disposals, etc.) must provide for a proper verification of the involved counterparties (and their representatives), aimed at obtaining information related to their identity, reliability, reputation and potential pending proceedings / convictions for corruption matters.

Whenever dealing with such transactions, an important aspect to focus on is the underlying due diligence, which can be:

- External: in the case of mergers and acquisitions, both on the potential seller and on the target;
- Internal: relevant in the case of disposals.

In particular, whenever any of the above operations occur, the relevant organisational units/business areas must conduct appropriate assessments aimed at identifying the main risk factors and red flags.

This assessment is also relevant to the potential drafting of anti-corruption information that can be requested by potential counterparties, as well as to the provision of any anti-corruption warranties to be included in the agreements related to such transactions.

In order not to be held liable after the conclusion of the operation (see "successor liability"²), the following actions are necessary:

- Conduct a preliminary assessment and an anti-corruption due diligence process, aimed at gathering reliable information on the counterparty's structure and corruption risks, including a detailed audit on the third party's compliance program (where considered appropriate);
- establish a post-operation transposition plan, so that the counterparty is required to adopt and align with this document and any other corporate documentation in this regard.

² Anti-corruption laws specify that companies can be deemed liable not only for their illegal business, but also for illegal actions undertaken by target companies before a merger is concluded.

6.1.10. Record keeping

Ghella is committed to maintain its longstanding compliance record, including financial reporting and taxation matters. In such context, every transaction, once authorised, verified and deemed consistent, is duly recorded in the relevant accounting system, in accordance with applicable laws and accounting principles.

In line with Ghella's Code of Ethics, each accounting record shall reflect the exact information set out in the supporting documentation and be in line with Ghella's reporting policies and procedures.

More specifically, each amount (inbound and outbound) has to be recorded promptly into the financial information, ensuring correctness and completeness. For this to be feasible, involved individuals have to ensure the traceability of transactions by adequately storing relevant documentation. This allows to:

- ensure accuracy in bookkeeping activities;
- identify the reasons for and the nature of the transaction;
- verify the legitimacy of the process of authorisation and execution of the transaction.

Although financial officers and other individuals working around bookkeeping activities are the main responsible process owners of bookkeeping and thus are responsible for records accuracy, it is important to stress that all employees are expected to cooperate in ensuring that financial and management reports are truthful, accurate, consistent, complete and understandable and that they are drafted in accordance with applicable laws, accounting principles and internal regulations.

7. REPORTS FROM EMPLOYEES: HOW TO REPORT A BREACH

Ghella is committed to promoting transparent and honest communication between its employees and collaborators, with the aim of creating common ground for mutual respect and compliance with the laws and regulations.

Anyone wishing to report a potential breach of the principles contained in this document or a breach of applicable laws must report them using the available channels, as described in Ghella's Whistleblowing procedure.

Ghella ensures that employees who decide to report a breach ("whistleblowers") will not have to deal with any reprisal nor retaliatory action, since Ghella is committed to protect and value such actions, which are duly followed up through investigations and corrective actions.

Furthermore, Ghella ensures that all reports will be treated confidentially to guarantee the safeguard of whistleblowers.

Every report must be investigated by the company. The person responsible for receiving the report must investigate all the circumstances and facts relating to the reported breach and must draw up a written report that will be treated as confidential by the company. The outcome of the investigation must be communicated by written report to the Board of Directors.

8. SANCTIONING SYSTEM

Ghella is committed to implementing all reasonable controls to prevent any conduct that might violate applicable laws or these guidelines, as well as to applying the relative sanctions to its employees where appropriate.

The same applies to trade and financial partners, main suppliers, contractors and operators, which are required by Ghella to act in a manner consistent with the principles of the present guidelines and in compliance with applicable laws.

Violation of the provisions contained in the present document constitutes a disciplinary offence and as such it may be sanctioned in proportion to the seriousness of the infringement or of the accomplished fact.

Ghella will also adopt appropriate disciplinary measures in the event of reports made in bad faith, breaches of the internal procedural system or applicable laws and/or in the event of threats or retaliation against subjects who submit reports.

In case of external contractors, suppliers and all those who cooperate with Ghella (third parties), violation of the present document shall be dealt according to the specific contractual provisions. Such provisions include appropriate measures such as, but not limited to, contract termination and claim for damages against the third party whose actions are found to infringe applicable laws or internal anti-corruption documentation.

9. IMPLEMENTATION AND MONITORING

Ghella commits to ensuring full compliance to laws and regulations and to the best practices described in this document.

For this reason, the company not only monitors the implementation of its Global Anti-corruption Guidelines within its activities, but it actively promotes its underlying principles among affiliates and relevant third parties.

For this purpose, internal processes aimed at implementing and monitoring the activities described in this document are defined in the relevant local procedures. These procedures formally regulate, among others, the criteria to be used to identify the activities to be monitored, the roles and responsibilities, the information flows and the reporting to be prepared.

10. COMMUNICATION AND TRAINING

The present document shall be circulated to internal and external stakeholders through specific communication initiatives.

Ghella guarantees that training initiatives will be performed periodically in order to ensure that the Guidelines are correctly understood by all employees (by way of example, through e-learning training modules).

The main objective of the training initiatives is to provide Ghella's workforce with: i) adequate knowledge of the various crimes, risks, personal and corporate responsibilities, as well as ii) guidelines describing the actions to be taken to combat corruption, and iii) promotion of the methods to be adopted to report any potential breach of these guidelines, the Code of Ethics or applicable laws.

Training is mandatory for all Ghella personnel in line with the Training Plans outlined by each subsidiary or associated company.

11. GLOSSARY

ANTI-CORRUPTION LAWS AND BEST PRACTICES: reference is made to the Italian Criminal Code and to the national laws of other countries, including Italian Legislative Decree no. 231/2001, the Foreign Corrupt Practices Act of the United States, the UK Bribery Act, as well as other public and commercial anti-corruption laws in force around the world, and international anti-corruption treaties such as those of the Economic Cooperation Organisation (ECO) and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the United Nations Convention against Corruption;

CODE OF ETHICS: Code of Ethics and Conduct of Ghella, adopted by all Ghella's subsidiaries / affiliates;

FCPA: the U.S. Foreign Corrupt Practices Act of 1977 and subsequent amendments and integrations;

PRINCIPLE OF ROLE SEGREGATION: 'Principle of role segregation' means that a certain activity (e.g. a decision, transaction, etc.) must be approved by at least two persons;

GHELLA MANAGEMENT SYSTEM: Ghella's set of policies, procedures and guidelines (or any other internal documentation);

ITALIAN LEGISLATIVE DECREE NO. 231/2001: Italian Legislative Decree of 8 June 2001, no. 231, and its subsequent amendments and additions;

ISO 37001: the ISO 37001:2016 standard – Management Systems for the Prevention of Corruption;

PUBLIC OFFICIAL: anyone who holds a public legislative, judicial or administrative role and/or who acts in an official capacity for or on behalf of a national, regional or local public administration, an agency or a department of a public administration. Furthermore, the definition includes the case of a company owned, controlled or invested by a national or foreign public administration, an international public organisation or a political party, a member of a political party or a candidate for a national or foreign political office. Lastly, anyone performing a public service for whatever reason, where public service means an activity that is governed in the same way as a public function, except that the power vested in the latter is absent.

Pursuant to main international anticorruption laws, the representatives of local communities are treated as public officials;

RELEVANT PRIVATE ENTITIES: companies, consortia, foundations, associations and other private entities, involved in activities whose execution or non-execution may generate advantages/may represent an interest for Ghella and its subsidiaries or investees;

SUBSIDIARY: any company directly or indirectly controlled by Ghella, in Italy pursuant to article 2359 of the Italian Civil Code or abroad;

THIRD PARTIES: legal persons and natural persons who represent Ghella and who act on its behalf and in its name with subjects of public and private law. By way of example but not limited to agents, consultants, contractors, partners, suppliers, joint ventures, etc.;

UK BRIBERY ACT: the UK Bribery Act 2010 (and all secondary laws associated with it) and its subsequent amendments and additions.