



# ANTI-CORRUPTION CODE

**Update no. 01 approved by the Board of Directors on 13.09.2023**

## **1. Purpose**

The Anti-Corruption Code standardises and integrates the rules for preventing and combating corruption, representing an organic and coherent system for the principles of integrity and transparency aimed at preventing and combating the risks of unlawful practices in the conduct of company business and activities.

## **2. Adoption and implementation**

The Anti-Corruption Code applies with immediate effect to all Addressees, as identified below.

The Company's Board of Directors adopts the Anti-Corruption Code at its first meeting and ensures its timely adoption and dissemination.

## **3. Definitions**

For the purposes of this Anti-Bribery Code, the terms listed therein shall have the meaning specified below.

**Code:** The Anti-Corruption Code adopted by CY4GATE.

**Reporting Committee:** Composed of the Heads of the Group Human Resources, Legal & Shared Services, Group Accounting, Finance, Controlling and Procurement organisational units in charge of managing the preliminary investigation and reporting phase of the reports received.

**Control, Risk and Sustainability Committee:** Intra-Board Committee with the task of supporting the Board's assessments and decisions relating to the Internal Control and Risk Management System and the approval of periodic financial and non-financial reports. Additionally, this Committee examines and evaluates the annual reports issued by the Supervisory Board, as well as the timely disclosures made by the same, after informing the Chair of the Board of Directors and the Chief Executive Officer of any facts of particular materiality or significance ascertained in the performance of the duties assigned to it.

**Bribery:** Anyone who, in directly or indirectly carrying out activities on behalf of or in the interest of the Company, promises, directly or indirectly receives from or gives undue benefits and/or compensation to third parties for a personal advantage.

**Addressees:** Members of the Board of Directors and the Board of Statutory Auditors as well as employees and associates in any capacity.

**Supplier:** The natural or legal person who supplies the Company.

**Anti-Corruption Legislation:** The relevant laws with particular reference to Legislative Decree no. 231/2001, the *Bribery Act* (2010), the *Foreign Corrupt Practices Act* (1977), the Organisation for Economic Co-operation and Development (OECD) Anti-Bribery Convention focused on foreign Public Officials in international

business transactions (1997), the relevant Council of Europe Conventions (*Civil and Criminal Law Conventions on Corruption*, 1999) and the 2003 United Nations Convention against Corruption (the Merida Convention, General Assembly Resolution no. 58/4 of 31st October 2003).

**Coordination and Consultation Body for the Prevention of Corruption:** The body composed of the Chair *pro tempore* and the Chairs of the Board of Statutory Auditors and Supervisory Board pursuant to Legislative Decree no. 231/01.

**Facilitation Payments:** Undue payments made, even indirectly, for the purpose of facilitating a certain action by the Public Administration, even if required.

**Professional Services:** Any assistance or consultancy activity, however named, consisting of intellectual work within the meaning of Article 2230 of the Italian Civil Code.

**Sales Promoter:** A person who performs services covered by Sales Promoter Appointments.

**Public Administration:** The national, supranational or foreign body endowed with public functions and authoritative powers, which also acts through private law instruments.

**Anti-Corruption Regulatory Tools:** Company protocols that, in addition to this Anti-Corruption Code, set out specific rules and controls on preventing and combating corruption. These include,

by way of example, the Code of Ethics and Company procedures.

**Entertainment Expenses:** Costs incurred for the purchase of goods and services for promotional or public relations purposes.

**Undue Advantages:** Benefits not due in relation to the rapport that constitutes its basis, object or cause.

#### **4. Roles and responsibilities**

Monitoring of the actual application of the Code – and thus compliance with its provisions – is verified by means of audits.

The Coordination and Consultation Body for the Prevention of Corruption will periodically review the Code, recommending to the Board of Directors any updates or amendments with particular regard to the evolution of emerging Best Practices and legislation of reference, or in the event of any critical issues being identified.

Subsequent amendments and additions to the Code are thus the responsibility of the Board of Directors, with the exception of formal amendments and additions that will be made by the Coordination and Consultation Body for the Prevention of Corruption availing of the Group Human Resources, Legal & Shared Services, Group and Accounting, Finance, Controlling and Procurement organisational units.

The Coordination and Consultation Body for the Prevention of Corruption will annually report on its activities to the Board of

Directors, the Board of Statutory Auditors and the Supervisory Board pursuant to Legislative Decree 231/01.

Every six months, the Reporting Committee drafts a report summarising the activities carried out and the progress of the Action Plans of the reports concerning conduct relevant to the bribery risk.

Further oversight is ensured by the Control, Risk and Sustainability Committee, which expresses opinions on specific aspects relating to the identification of the main corporate risks, including risks pertaining to the internal corruption prevention system, and supports the Board of Directors' assessments and decisions on the management of risks arising from prejudicial facts of which they have become aware.

## **5. Regulatory References**

The Code is inspired by and must be interpreted on the basis of the principles expressed by:

- The anti-corruption regulations in force in the countries where the Company operates;
- The legislation in force, in particular Legislative Decree 231/2001;
- The Italian Criminal Code and Civil Code;
- The relevant Council of Europe Conventions (*Civil and Criminal Law Conventions on Corruption, 1999*);
- The OECD Anti-Bribery Convention focused on foreign Public

Officials in international business transactions (1997) and the UN Convention Against Corruption (2003);

- Law no. 146 dated 16th March 2006 (ratifying and implementing the United Nations Convention and Protocols Against Transnational Organised Crime, adopted by the General Assembly on 15th November 2000 and 31st May 2001);
- International Guidance, Best Practices and Standards (ISO 37001) on preventing and combating corruption.

## **6. Objectives**

The members of the Board of Directors and the Board of Statutory Auditors, together with the employees and associates, undertake to pursue the objectives of:

- Preventing corruption;
- Ensuring compliance with all applicable anti-corruption regulations;
- Ensuring the implementation and enforcement of the requirements of the anti-corruption system, as well as the continuous improvement thereof.

It is expressly forbidden for any Addressee to resort to forms of bribery in the performance of any and all activities carried out in the name of or on behalf of the Company.

Also in order to enable the achievement of the aforementioned

objectives, this Code establishes specific principles of conduct and controls that must be observed with reference to the main areas of risk.

## 7. General principles of conduct

All Addressees must comply with the Anti-Corruption Regulations as well as the provisions of this Code and the Anti-Corruption Statutory Instruments.

Furthermore, in order to comply with this Code, the following general principles must be observed in the main risk areas and instrumental areas:

- **Segregation of responsibilities** – tasks, operational activities and control functions must be adequately segregated;
- **Signatory power system** – formally defined, signature powers must be connected and consistent with the organisational and management responsibilities assigned and exercised within defined value limits;
- **Clarity and simplicity** – the tasks and responsibilities of all those involved in the business processes, along with the activities and relative controls, must be clearly defined;
- **Impartiality and absence of conflicts of interest** – the Addressees of the Code must operate professionally, impartially and in



compliance with anti-corruption legislation, thus being obliged to avoid any and all situations from which a conflict of interest may arise;

- **Traceability and archiving** – all activities must be traced and verifiable *ex post*, where possible, also through the use of appropriate documentary and IT support, with all documentation having to be archived.

**With reference to the Company's activities, the areas where the risk of corruption is highest are as follows.**

**a. Financing**

The principles to be observed in managing funding are:

- Traceability of relations with the financing body or entity;
- Respect for proxies;
- Monitoring the smooth implementation of the project;
- Correct accounting records.

**b. Order acquisition and management**

In the acquisition and management of contracts, including public contracts, the principles to be observed are:

- Analysis of the call for tenders and/or the request for tender and start of activities for elaboration the tender proposal;
- Identification of the persons responsible for the preparation of the bid proposal, the relevant timelines and the various stages of authorisation;
- Segregation between those who prepare the bid proposal and those who verify it;
- Compliance with existing proxies in connection with the signing of the offer to be transmitted to the client and any relative contract.

In the acquisition and management of contracts awarded by the Public Administration through a negotiated procedure without prior publication of a call for tenders, the following principles must be observed:

- Identification of the persons responsible for assessing the existence of the preconditions for the negotiated procedure;
- Analysis of the request for tender and initiation of activities for elaborating the tender proposal;
- Identification of the persons responsible for the preparation of the bid proposal, the relevant timelines and the various stages of authorisation and the possible execution of the contract;
- Segregation between those who prepare the bid proposal and those who verify it;
- Compliance with existing proxies in relation to the signing of the

offer proposal to be transmitted to the Public Administration.

**c. Procurement of goods and services**

Addressees involved in the various processes related to the procurement of goods and services must act in compliance with the governance system, as well as with the internal authorisation processes.

The procedures for selecting suppliers to be used for the award of work contracts or supply contracts for goods and services are a tender with publication of a notice or invitation to tender.

Private negotiations may only be used in specific cases.

The below principles must be observed in the procurement of goods and services.

**Qualification of suppliers**

- Identification of the roles, tasks and responsibilities of the persons responsible for supplier qualification;
- Traceability of documentation pertaining to the qualification process;
- Monitoring and periodically updating of the supplier register.

**Selection of suppliers**

- Definition of criteria for the evaluation of tenders as a preparatory

activity to the tender;

- Segregation of functions between those who perform the technical evaluation, those who perform the economic evaluation and those who are responsible for awarding the tender;
- Compliance with existing proxies in connection with signing the contract with the selected supplier;
- Traceability of documentation pertaining to the supplier selection process.

**d. Gifts and entertainment expenses**

Any gifts and entertainment expenses must:

- Be given or received in good faith;
- Not consist of a cash payment;
- Not be motivated by the purpose of exerting undue influence;
- Be addressed to beneficiaries who perform roles inherent to the company's activities and who meet generally-recognised requirements of reputation and honour;
- Be provided for by specific company provisions.

**e. Personnel selection and recruitment**

Personnel selection and recruitment processes are inspired by the principles of fairness and impartiality, respecting the professionalism and skills of the worker.

In the pursuit of the company's objectives, the worker must operate in the knowledge that conduct in conflict with the Code or with the Anti-Corruption Regulations in general will not be tolerated.

The following principles must be observed in personnel selection and recruitment activities:

- Definition of a shortlist to fill the position;
- Comparative assessment of candidates on the basis of the criteria of professionalism, preparation and aptitude in relation to the tasks for which recruitment is being made;
- Conducting pre-employment checks.

**f. Appointments for professional services**

The process of selecting the professional to be appointed must be in accordance with the criteria of competition, transparency, competence, cost-effectiveness, efficacy, timeliness and fairness.

The services rendered by the professional must be monitored, including by means of appropriate reporting, in order to verify their compliance with the terms and conditions of the appointment.

**g. Commercial promotion assignments**

The process of selecting the Sales Promoter must comply with the

criteria of competition, transparency, competence, cost-effectiveness and fairness.

The services rendered by the Sales Promoter must be monitored in order to verify their compliance with the terms and conditions of the appointment, also by means of appropriate reporting.

The activities performed for the purpose of the awarding of sales promotion mandates must be adequately tracked and traceable.

#### **h. Keeping and controlling accounting records**

In relation to the keeping of accounting records (general ledger, financial statements and other corporate communications), the company has engaged the auditing firm KPMG, which is required to perform adequate and sufficient accounting controls in order to provide reasonable assurance as to the reliability of the financial reporting and the preparation of the financial statements in accordance with generally-accepted accounting principles.

#### **8. Staff training and dissemination of the Anti-Corruption Code**

The Human Resources organisational unit promotes knowledge of the Code to all Personnel, who are thus required to observe the contents and contribute to its implementation.

The Code is to be made available to all personnel and distributed to

new recruits at the time of their induction, with a signature certifying the receipt and commitment to knowledge of and compliance with its provisions.

Awareness-raising and training take place on a regular basis and at planned intervals. Participation in the training sessions is mandatory, with the Human Resources defining the modalities, responsibilities and timeframes for the provision of training activities and monitoring that the training course is undertaken by all personnel, in particular by new recruits.

During the training sessions, operational risks and possible concrete situations in which corrupt practices may occur are exemplified, also with reference to the specific tasks performed by the different categories of staff and the specific risks associated with those categories.

## **9. Reports**

The Company encourages all employees, third parties, suppliers, other associates and anyone who becomes aware of facts contrary to the Code, the Anti-Corruption Regulation Tools and the applicable Anti-Corruption Regulation to report possible violations, without fear of possible retaliation, discrimination or penalisation.

The following transmission channels are foreseen for alerts:

- Reporting via a web platform

The whistleblower may go to the Integrity Line web page, which can be reached via a link from the company's website or at [CY4GATE Group | Home \(integrityline.com\)](https://www.integrityline.com), submit a message (in Italian or English) and receive a unique identification number for the report. The system deposits a copy of the message in a digital space accessible by the company's legal department and the members of the Supervisory Board, who will handle the message in accordance with the company's reporting instrument.

The reporting party also has the option to record a voice message, upload documents or take a photo to support the report.

- Reporting in verbal, written or paper form

Whistleblowers can submit the communication, drawn up in paper form according to the principles contained in the internal procedure, in the dedicated box located at the company's headquarters and marked "Internal Reporting".

In the context of the Model 231, reports are to be addressed to the Supervisory Board via:

- Verbal communication to the Supervisory Board;
- Email to [OdV231@cy4gate.com](mailto:OdV231@cy4gate.com), also available in the company directory;
- Regular mail to Via Coponia 8 - 00131 Rome, Italy.



## **10. Sanctions and contractual clauses**

Violations of the principles of conduct set out in the Code result in the Company taking action both internally through the application of disciplinary sanctions and externally through the utmost cooperation with the competent public authorities. Such violations shall be promptly and immediately prosecuted through appropriate and proportionate disciplinary measures, also taking into account the possible criminal relevance of such conduct and the initiation of criminal proceedings in this respect.

### **Directors and Statutory Auditors**

In the event of a breach of the principles of conduct set out in the Code or of the Anti-Corruption Regulations by one or more Directors and/or Statutory Auditors, the Coordination and Consultation Body for the Prevention of Corruption shall inform the Board of Directors and the Board of Statutory Auditors concerned who, according to their respective competences, shall proceed to take one of the following initiatives, taking into account the seriousness of the breach and in accordance with the law and/or the Articles of Association:

- Statements in the Minutes of the meetings;
- Formal notice;
- Removal from office.

## **Executives and Key Managers**

In the event of violations of the principles of conduct set out in the Code or of the Anti-Corruption Regulations, the most appropriate measures shall be adopted against those responsible, in accordance with the provisions of the law and of the applicable collective bargaining agreement.

In particular:

- 1) Where the breach is so serious as to damage the relationship of trust, not permitting the continuation – even provisional – of the employment relationship, the Manager is liable to be dismissed without notice;
- 2) If the breach is minor but still serious enough to irreparably damage the bond of trust, the Manager will incur justified dismissal with notice.

## **Employees**

Conduct by employees in breach of the principles of conduct set out in the Code or in the Anti-Corruption Regulations is in any case a disciplinary offence.

The sanctions that can be imposed are amongst those set out in the

company disciplinary regulations, in compliance with the procedure laid down in Article 7 of the Workers' Statute and the applicable collective legislation source.

In particular:

- Any worker who violates the Code or the Anti-Corruption Regulation or who, in the performance of activities in the relevant risk areas and in instrumental fields, adopts conduct that does not comply with the provisions of the Code or the Anti-Corruption Regulation, incurs the measures of a verbal warning, written warning, fine or suspension from work and pay, depending on the seriousness of the violation;
- Any employee who, in the performance of activities in at-risk and instrumental areas, commits a significant breach of the provisions of the Code or of the Anti-Corruption Regulations shall be liable to dismissal with notice, due to such conduct being more serious than that identified in the previous point;
- Any worker who, in the performance of activities in at-risk and instrumental areas, adopts conduct unequivocally aimed at committing the offence of bribery in breach of the Code or of Anti-Corruption Regulations, such as to result in the concrete application of sanctions against the Company, shall be liable to dismissal without notice, given that such conduct constitutes a very serious breach causing serious moral and/or material damage to the

Company.

**Associates, auditors, consultants and other external parties**

Any conduct by persons other than personnel in breach of the Code or the Anti-Corruption Regulations shall be examined in order to assess the adoption of measures, such as unilateral termination of the contract, to be established in specific contractual clauses.

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