

ANTI-BRIBERY POLICY



INTRODUCTION

All Companies of the entire ILPEA Group (hereinafter jointly the “Companies”, severally the “Company”) are committed to the prevention, detection and deterrence of fraud, bribery and all other corrupt business practices, in compliance with the ILPEA Group Code of Ethics.

Whoever the Companies may deal with, and wherever the Companies may operate or act, the Companies are to do so lawfully, ethically and with integrity.

As part of this commitment all forms of bribery and corruption are unacceptable and will not be tolerated.

This anti-bribery and anti-corruption policy sets out the Companies’ principles and policies to prevent bribery and corruption wherever they operate throughout the world.

This policy has been written to comply with legislations governing bribery and corruption worldwide.

This document has the endorsement of all Companies’ Boards of Directors

1.PURPOSE OF THE ANTI-BRIBERY ANTI-CORRUPTION POLICY

This policy provides background, guidelines and general procedures to ensure compliance with anti-corruption laws, such as, but not limited to, Italian Law 9 January 2019 n. 3, 25 May 2016 n. 97, the US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act.

This policy includes compliance with all laws, domestic and foreign, prohibiting improper payments, gifts or inducements of any kind to and received from any person, including officials in the private or public sector, customers and suppliers.

This policy applies to both the public and private sectors.

1.1 Definitions

Bribery: Bribery, in broad terms, is the receiving or offering of undue reward anything of value and includes payments to secure a business advantage, financial or otherwise, to which the company is not entitled. Anything of value can be a bribe, including a gift in kind or some other favour such as, but not limited to, an offer of employment to a relative of the person being bribed. It will involve the improper performance by the giver and the receiver of a personal, company or official responsibility.

Corruption: Corruption can include extortion, bribery, facilitation payments or other forms of improper business practice. It has the same attributes as set out under Bribery above. It can be summarized as the misuse of entrusted power or office, whether in the public or private sector, for private gain.

Kickbacks:	Kickbacks arise when suppliers or service providers pay part of their fees to the individuals who give them the contract or some other business advantage.
Facilitation payments:	Facilitation payments are small bribes to officials with a view to speeding up routine governmental (or not) transactions to which the payer is already entitled. Examples include payments to speed up customs clearances and extra fees to officials to secure services.
Recipients:	Employees, consultants, collaborators, in general any person acting on behalf of the Company

2.GROUP POLICY

2.1 Bribery and Kickbacks

The Companies do not take part in acts of corruption, or pay bribes or receive kickbacks either directly or indirectly.

The Companies prohibit Recipients from engaging in acts of corruption and from paying bribes or kickbacks to, or accepting bribes or kickbacks from, public officials and private individuals such as, but not limited to, the personnel of Companies with which the Companies do business.

It does not matter whether the bribe is:

- given or received directly or through a third party (such as someone acting on ILPEA's Group behalf, for example an agent, distributor, supplier, joint venture partner, consultant or other intermediary);
- for the benefit of the Recipient or some other person.

It is the responsibility of all Recipients who are involved in engaging the services of external consultants, suppliers or advisers to ensure at all times that such individuals are made aware of the content of the company's Anti-Bribery and Anti-Corruption policy.

2.2 Facilitation Payments

The Companies and Recipients will not make facilitation payments even if such payments are local practice or custom.

The Companies accept that refusal to make illicit payments may lead to commercial delays, for example, in the processing of government papers and that there may be a commercial cost to the company attributable to this policy.

2.3 Public Official

Although this policy applies to both public and private sectors, dealing with public officials poses a particularly high risk in relation to bribery due to the strict rules and regulations in many countries. Bribing or corrupting a public official is a serious offence which can carry severe penalties and cause significant reputational damage.

Public officials include those in governmental departments but also employees of government owned or controlled commercial enterprises, international organizations, political parties and political candidates. The provision of money or anything else of value, no matter how small, to any public official for the purpose of influencing them in their official capacity is prohibited.

2.4 Gifts, Entertainment and Hospitality

Recipients may not offer to, or accept from, third parties, gifts, hospitality, rewards, benefits or other incentives that could affect either party's impartiality, influence a business decision or lead to the improper performance of an official duty.

Similarly, they may not offer or accept cash donations.

Recipients may offer and accept 'reasonable' and 'proportionate' gifts and entertainment, such as dinner, theatre parties or sporting events.

In determining what is 'reasonable' and 'proportionate', employees should consider the value of the gift or benefit, as well as the frequency with which the same or similar gift or benefit is offered, and in any case, must not exceed the value of 200 €.

In all cases they must ensure that the gift or benefit:

- is being given as an expression of goodwill and not in expectation of a return favor (a gift designed to secure a return favor could be seen as a bribe);
- is commensurate with generally accepted standards for hospitality taking into account the norms for the industry/professional sector in which it is offered;
- is being provided openly and transparently and is of a nature that will not cause the Company embarrassment if publicly reported;
- complies with local laws and regulations, including the Recipients' own rules (bearing in mind that government rules on offering and receiving gifts or benefit are often particularly tight).

In cases of uncertainty, employees must seek advice from their line managers.

If prior approval cannot be realistically obtained before the initial acceptance of a gift or hospitality, the employee must report and seek retrospective approval, or otherwise, at the required level as soon as possible after initial acceptance.

2.5 Personal conflicts of interest

Recipients must avoid situations or transactions in which their personal interests could conflict or might be seen to be in conflict with the interests of the Company.

This includes (but is not limited to):

- acting for personal gain on any client information;
- assigning such information to a third party;
- acting in any way that could be construed as insider trading.

Conflicts of interest can arise if individuals have a personal interest in business dealings involving the Company.

Personal interest can be direct or indirect and does not only refer to personal interests but also to those of family members and friends.

If there is a potential for conflict, the interests of the Company must take priority.

Employees must disclose any personal conflict of interest or perceived conflict to their line manager.

2.6 Charitable donations

As part of its corporate citizenship activities, the Company may support local charities or provide sponsorship, for example, to sporting or cultural events. Any such sponsorship must be transparent and properly documented. The Companies will only provide donations to organizations that serve a legitimate public purpose and which are themselves subject to high standards of transparency and accountability. Appropriate enquiry must be conducted on the proposed recipient charity and a full understanding obtained as to its bona fides.

2.7 Political activities

The Companies have a policy of strict political neutrality.

They do not make donations to any political parties, organizations, or individuals engaged in politics. The Companies will co-operate with governments and other official bodies in the development of policy and legislation that may affect their legitimate business interests, or where it has specialist expertise. Employees are entitled to their own political views and activities, but they may not use Company's premises or equipment to promote those views or associate their views with those of the Company.

2.8 Business relationship

The Companies expect their business partners to approach issues of bribery and corruption in a manner that is consistent with the principles set out in this policy. This requirement applies to agents, subcontractors and joint venture partners. In cases where the Companies are unable to ensure these standards, they will reconsider the business relationship.

Agents, representatives and sub-contractors

In order to maintain the highest standards of integrity, employees must ensure that:

- they are fully briefed on the background and reputation for integrity of agents, representatives and subcontractors before hiring them;
- the engagement process is fully documented; and that final approval of the selection of agents, representatives and subcontractors is made by someone other than the person selecting or managing the Company's relationship with them;
- agents, representatives and subcontractors are fully briefed on the company's Anti-Bribery and Anti-Corruption policy, and have made a formal commitment in writing to abide by it.
- fees and commissions agreed will be appropriate and justifiable remuneration for legitimate services rendered.

Once agreements have been signed, the Companies will continue to monitor their relationships with agents, representatives and subcontractors to ensure that there are no infringements of this Anti-Bribery policy.

Contractual agreements will include appropriate wording making it possible to withdraw from the relationship if agents, representatives or subcontractors fail to abide by this policy.

Joint venture partners

The need for documentation and careful reviews of the Company's partners' integrity records applies equally to the process of setting up and managing joint ventures. The Companies will use their influence to ensure that joint ventures meet high integrity standards. Where the Company has majority control, it will ensure that the joint venture adopts the concepts and approach to bribery and corruption as set out in this policy.

Supplier and contractors

The Companies will ensure that the procurement procedure for appointing suppliers and contractors is open, fair and transparent. The selection of contractors will be based on an evaluation of professional merit, and not on personal recommendations.

The Companies will communicate this Anti-Bribery policy to their suppliers and contractors and expect them to abide by the principles set out in this policy when working on the Companies' behalf. If those principles are breached, the Companies will reserve the right to terminate the contract.

3. TRAINING

The Companies will make this policy available to all employees and it will be published on ILPEA's internet website & intranet.

Regular training will be made available in relation to anti-bribery and anti-corruption measures and the details of the Group's Whistleblowing Procedure will be disseminated throughout all Companies.

4. AUTHORITY & RESPONSIBILITY

For any questions or any doubt on how to act in a given situation, or in case of concern that a corrupt action of some kind is being considered or has been carried out, the question or the concern shall be reported to the Line Manager.

If for some reason it is not possible to speak to the Line manager, the concern shall be reported to the Local Director.

If the above is not possible or if there is no access to relevant management levels within ILPEA, the concern should be reported through the reporting tool at report.ilpea.com as further detailed in the Whistleblowing procedure available on ILPEA's Group website www.ilpea.com and the O.d.V. (Italian "Organismo di Vigilanza" or "Supervisory Body") will take care of the matter.

5. NON-COMPLIANCE

Company

Failure to ensure compliance with this policy could lead to the following (but not limited to) consequences for the Company:

- Criminal or civil liabilities for the Company including unlimited fines and imprisonment;
- Serious reputational damage including media comment;
- Debarment from tendering for public sector contracts;
- The unenforceability of contracts entered into as a result of acts of bribery, fraud or other illegality

Employees

Failure to ensure compliance with this policy could lead to the following consequences for employees:

- Personal criminal liability followed by fines or imprisonment;
- Disciplinary action initiated by the Company, including dismissal;
- Personal reputational damage.

