

# ANTI-CORRUPTION POLICY



## **Message of the CEO**

*As a Group that operates around the world, GVS is continuously challenged by criminal hazards. For this reason, it is fundamental to be totally committed in observing high ethical, quality and social standards in all our business dealings.*

*GVS' activities are based on honesty, integrity, respect and compliance with all applicable laws, including those laws which prohibit corruption.*

*The purpose of the GVS Anti-Corruption policy (the "Policy") is to establish controls to ensure compliance with applicable anti-bribery and anti-corruption laws and regulations and to ensure that the Company's business is conducted in an honest, ethical and responsible manner.*

*Any breach of anti-corruption laws, apart from being against our ethic, could in fact, result in a loss of our licence to operate, exclusion from public tenders, severe sanctions and reputational damages, making us unable to provide our products to our Clients.*

*We take a zero-tolerance approach to bribery and corruption. Put simply, we do not offer or accept bribes in any form and do not tolerate any form of bribery or corruption in connection with any of our business operations, whether directly by us or through any of our intermediaries anywhere in the world.*

*Each GVS' executive and manager, and all personnel with direct or indirect contact with governmental officials or third parties, is required to be fully familiar with this Policy and to adhere strictly to the practices it describes. You are also required to advise the employees under your supervision of these requirements and to monitor their compliance.*

*Integrity and trust, our core values, provide the foundation for our Company policies and your continued commitment to our high ethical standards is expected and very much appreciated.*

**Massimo Scagliarini**

**Chief Executive Officer**

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## 1. Glossary and definitions

<b>Bribery</b>	<p>The offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal or a breach of trust.</p> <p>A bribe is a corrupt inducement or reward offered, promised or provided in order to gain an improper commercial, contractual, regulatory or personal advantage.</p> <p>Bribes may involve commercial practices or social activities such as, by way of indication, gifts, entertainment and hospitality expenses, donations, sponsorships, below market rates loan terms, offering family members of a government official employment, as well as any other benefit or consideration capable of unduly influencing a commercial or institutional counterparty in order to derive an undue advantage.</p>
<b>Facilitation payments</b>	<p>Payments in favour of Public Officials aimed at expediting, supporting or securing the realization of a routine activity and non-discretionary (e.g. issuance of permits, licenses or other official documents, preparation of government documents, such as visas or other work orders and deployment of security forces to provide security).</p>
<b>Gift and gratuities</b>	<p>Anything of value or benefit provided to a third party as a commercial courtesy, without a charge.</p>
<b>Public official / public institution representatives</b>	<p>Whoever has been elected or appointed to exercise a legislative, judiciary or administrative function. Whoever acts - on an official basis - on behalf of:</p> <ul style="list-style-type: none"> <li>- a national, regional or local Public Administration,</li> <li>- an agency, office or body of the European Union or of a (national or foreign, regional or local) Public Administration,</li> <li>- an enterprise controlled or participated by a (national or foreign) Public Administration,</li> <li>- a public international organization, such as the European Bank for the Reconstruction and Development, the International Bank for the Reconstruction and Development, the International Monetary Fund, the Global Bank, the United Nations or the World Trade Organization or</li> <li>- a political party, a member of a political party or a candidate for a (national or foreign) political office;</li> <li>- members of royal families in certain countries; or</li> <li>- holders of honorary titles or functions, such as consul generals.</li> </ul> <p>Any person in charge of a public service and, as a consequence, anyone who performs a public service, where public service means any activity which - even if ruled by the same provisions applicable to public functions - does not imply the use of those powers pertaining a public function.</p>
<b>Third parties</b>	<p>Any individual or organisation you come into contact with during the course of business, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, intermediaries, etc.</p>

## 2. Scope of application of the Policy

This policy applies to all GVS Group controlled companies, irrespective for territory, location or legislation and is part of the GVS Global Compliance Program.

The Policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, intermediaries, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to “GVS People”).

GVS Legal Department oversees the Policy. Globally, the Legal Department will support the Local Compliance Managers in their enforcement of this Policy, with the formalization of appropriate rules, controls and updates.

### **3. *Commitment to Zero Tolerance***

This Policy provides various explanations and tools to help GVS People to adhere to our zero-tolerance approach to bribery and corruption. However, no policy can anticipate every possible situation that may occur. You are encouraged to discuss any questions about facts and circumstances with your Line Manager (the responsible of your department) or with GVS Legal Department.

GVS complies at all times with all applicable anti-bribery and anti-corruption laws, such as the U.S. Foreign Corrupt Practice Act ("FCPA"), U.K. Bribery Act ("UKBA"), as well as other anti-bribery and anti-corruption laws of countries where GVS operates, including the European Union and the member states of the Organization for Economic Cooperation and Development (collectively, the "ABC Laws").

In the event a country has laws even more restrictive than these laws, the more restrictive law will apply.

Consistent with the ABC Laws and our Code of Ethics, GVS has zero tolerance for any form of bribery or corruption, including all facilitation payments.

GVS People are prohibited from giving or offering bribes, kickbacks, or similar payment or consideration of any kind, whether at home or abroad, to any person or entity (including but not limited to any customers or potential customers, government official, political party, candidate for political office or any intermediaries, such as agents, attorneys or consultants) in order to:

- influence official acts or decisions of that person or entity;
- obtain or retain business or a business advantage for, or direct business to, the Company; and/ or secure any improper advantage.

Similarly, GVS does not accept and does not condone the acceptance or receipt of bribes from anyone. GVS People are prohibited from accepting or receiving bribes, kickbacks, or similar payment or consideration of any kind, whether at home or abroad, from any person or entity which is intended to, or which may be perceived as being intended to:

- influence one's official acts or decisions;
- obtain or retain business or a business advantage for, or direct business to, the offer or of the bribe and/or any entity that he/she represents; and/ or
- secure any improper advantage for the offer or of the bribe and/or any entity that he/she represents.

Anti-corruption Laws also apply to the people who have taken action in furtherance of the same. For example, Anti-corruption Laws could apply to anyone who:

- approves or authorises the payment;
- creates or accepts false invoices;
- relays instructions to pay or accept a bribe or kickback;
- covers up an illegal payment;
- knowingly cooperates in the payment of a bribe; or
- suspects an illegal payment or kickback but turns a “blind eye” to it.

### **4. *General principles of behaviour***

In view of all the above and for the purposes of compliance with this Policy, GVS adopts and respects the following general principles of behaviour:

- **Rules:** Mandatory compliance with Policies and Procedures
- **Segregation of duties:** Activities should be organized to require oversight and accountability by more than one person;
- **Exercise of Powers:** Group Delegations of Authority should be respected in all transactions;
- **Traceability and archiving:** all company activities and related controls must be adequately traced, accurate and the documentation correctly archived;
- **Know your Business Partner principle:** GVS People involved in operations designed to maintain or establish a relationship with any business associates or counterparties must obtain relevant information on them.

## 5. *Areas and activities potentially exposed to Bribery and Corruption Risk*

The following are the areas and activities potentially exposed to the risk of bribery and corruption:

- a) Relationships with Public Officials
- b) Relationships with Third Parties
- c) Managing Donations, Sponsorships, Entertainment Expenses, Gifts and Gratuities

### a) **Relationships with Public Officials**

GVS People are prohibited from giving, promising, offering, or authorizing payment of anything of value to any government official to obtain or retain business, to secure some other improper advantage, or to improperly influence a Public Official's actions. Additionally, all associates must also avoid the appearance of improper interactions with government officials.

GVS' prohibition on bribery applies to all improper payments regardless of size or purpose, including prohibiting Facilitation Payments.

It's impossible to identify everything that could be considered a bribe. It is important that you remain vigilant and apply a questioning attitude toward whether something given or provided to a third party could be a bribe. The Legal Department is available to provide guidance in any situation

#### **INTERNAL CONTROLS AND PRINCIPLES**

In order to implement the Policy the following internal controls and principles must be implemented:

- Only authorized GVS officers and managers may engage in activities related to the business that involve interaction with Public Officials and shall operate according to established procedures, ensuring accountability and correct recording of related documentation.
- Whenever possible and applicable, contact with Public Officials shall be undertaken, in the main phases of the negotiation or proceedings, by at least two employees of GVS.
- The remuneration of vendors and service providers, such as agents, external collaborators, consultants, real estate and customs brokers, agents or intermediaries and any third party acting on behalf or in the interests of the Group and interact with Public Officials must clearly reflect services actually rendered and must be compensated at the fair market value.
- The selection and hiring process is governed by specific corporate instruments which, inter alia, provide that candidates declare if they have had the qualification of public official or they have any personal relationships with public administration officers.
- Whenever a Public Official or a Public Institution requests from GVS Group information which could lead to investigations, the Group General Counsel must be promptly informed.

## **b) Relationships with Third Parties**

Employees must not engage in any form of bribery, either directly or through any suppliers, professionals, consultants, agents and intermediaries. GVS prohibits employees from offering or providing corrupt payments and other advantages to or accepting the same from private persons and entities. Payments involving commercial bribery (i.e. between two commercial companies) are often called “kickbacks” and are strictly prohibited.

### ***INTERNAL CONTROLS AND PRINCIPLES***

In order to implement the Policy the following internal controls and principles must be implemented:

- The Segregation of Duties principle shall be implemented in all phases of the procurement process. Whenever a task or activity cannot be structured to require two or more approvals, such as when there is a limited local organizational structure, a compensating controls must be implemented.
- An adequate/proportionate due diligence of professionals (external accountants) and suppliers shall be conducted to identify possible counterparty risks. GVS companies should enter into business relationships only with suppliers that have a respectable reputation, which are engaged exclusively in lawful activities, inspired by ethical principles comparable to those of the Group.
- All relationships, including related economic terms and conditions (e.g. over commissions, bonuses) shall be formalized in writing and approved by an employee with the appropriate delegation of authority.
- Any supplier that have business relationship with the Group is required to sign specific contractual clauses affirming acceptance of and compliance with GVS Anti-Corruption Policy and the other provisions contained in the Code of Ethics, establishing this latter mandatory standards relating to: Labour and Human Rights, Health and Safety, Environment, Safety and Quality of goods and services and Business Ethics.
- Controls for goods and services acquired by GVS Group should be done by supply-chain function within the Group and include documentation and recording, reporting documentation on services provided to the Company.
- All payments shall be made in accordance with agreement/contract provisions and upon receipt of proper invoices, verified and correctly approved according to the delegation of authority and appropriately recorded.
- Cash payments to suppliers above 100 € are prohibited, under 100 €, in aggregate, are allowed with appropriate documentation.
- The performance of suppliers shall be monitored internally and any issues or anomalies shall be promptly reported and reviewed.
- Corporate instruments provide that candidates/employees declare if they have any personal relationships with suppliers of GVS or any other conflict of interest.

## **c) Managing donations, sponsorships, political contributions, charitable contribution, expenses, gifts and gratuities**

Donations, sponsorships, entertainment expenses, gifts and gratuities done with a specific intent to influence a particular third parties’ act are prohibited.

- GVS will only enter into relationships with counter parties that have a respectable reputation, are engaged exclusively in lawful activities, inspired by ethical principles comparable to those of the Group.
- GVS does not finance political associations or labour unions.

#### ***SPONSORSHIPS, DONATIONS AND CHARITABLE CONTRIBUTIONS***

- All sponsorships shall be formalized in written form verified by GVS Legal Department and approved by GVS CEO, correctly recorded and the related supporting documentation shall be complete, correct and appropriately filled.
- All payments shall only be made as stated in the agreement/contract and correctly recorded.
- It is never permissible to provide a donation to improperly influence a Public Official, or as an exchange for any improper favour or benefit.
- Charitable support and donations are acceptable (and indeed are encouraged), whether of in-kind services, knowledge, time, or direct financial contributions. However, employees must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery.
- GVS will only make charitable donations that are legal and ethical under local laws and practices. No donation may be offered or made without the prior approval of GVS CEO.
- All charitable contributions should be accounted for in the company's books and records.

#### ***GIFTS AND HOSPITALITIES***

We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable, and would not put the reputation of the GVS Group at risk. The intention behind the gift should always be considered.

- Employees must not offer or give any gift or hospitality which could be regarded as illegal or improper.
- Neither gifts nor hospitality should be given when there is any suggestion or expectation that this will result in some favour or special treatment by the recipient.
- The giving of cash or gift card as a gift or hospitality is strictly prohibited.
- Any gifts provided shall be recorded in an accountable manner, specifying the recipient, amounts, any pertinent details around the occasion, and must specify the business purpose.
- Employees shall not accept any gift or hospitality from our business partners except if they have a small value, are appropriate to the situation and if they are unable to compromise the integrity or the reputation of GVS.

## **6. *Record-keeping***

All GVS Group companies must establish and maintain internal accounting controls and books and records in sufficient detail to allow for the control and accounting, including the business reasons, for making payments to third parties.

All expenses for hospitality or gifts, accepted or offered, must be disclosed and recorded in writing, and subject to managerial or internal audit review.

The Company's Directors and Managers must ensure all expense and claims relating to hospitality, gifts or



expenses incurred to Third Parties are submitted and approved in accordance with this Policy and each must explicitly record the reason for the expenditure.

All accounts, invoices, memoranda and other documents and records relating to dealings with Third Parties should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

All records required to be maintained under this Policy shall be retained for a minimum of five years, and certain records, shall be maintained for longer periods as may be mandated under local laws.

## **7. Whistleblowing system**

Any employee or affiliate of GVS Group is required to report any knowledge of potential misconduct which might lead to anti-corruption breaches, and the Company has set up multiple channels to make such reporting as easy as possible. Should anyone have a reasonable belief that there may be some activity or risk of violating the law, this Policy or the Group principles, he / she should promptly report the issue through the available whistleblowing system.

GVS encourages employees to communicate any concerns about wrongdoing and malpractices to the Local Compliance Managers first or directly to the GVS Legal Department. We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place.

Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. GVS Group will not tolerate any retaliation against anyone making a good faith report of suspected wrongdoing or a breach of the law or this Policy. Retaliation against a good faith reporter will be grounds for discipline, up to and including termination of employment and referral to law enforcement as may be appropriate.

To this end, GVS has adopted a Whistleblowing Policy, available on the website (section Governance – Policies&Procedures) and established the following reporting channels:

Main channel, recommended as it ensures full monitoring of the progress of handling of the report:

- IT platform: available in several languages, accessible at <https://report.whistleb.com/gvs>;

Secondary channels:

- voice messaging box, available in the IT platform, as described in the Whistleblowing Policy;
- ordinary mail: GVS S.p.A., Via Roma 50, 40069 Zola Predosa, to the attention of "Internal Audit Function".

The reports are managed by a team composed of the Heads of the Legal, HR, and Internal Audit corporate functions. GVS is committed to ensuring the confidentiality of the whistleblower's identity, of any person connected to them and of the information reported.

For further information, please consult the Whistleblowing Policy.

## **8. Audit and review**

The Company's Managing Directors will monitor the effectiveness and review the implementation of this Policy, regularly considering its suitability, adequacy and effectiveness.

Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

All employees are responsible for the success of this policy and should actively implement the Policy in a manner most likely to protect the company from wrongdoing or risks of non-compliance with laws and regulations.

## **9.        *Communication and Training***

GVS requires that certain personnel, depending on their job scope, to take and pass the Company's anti-corruption training courses, which will be rolled out by the Company from time to time. The courses may be conducted on-line or in-person and will be administered by the Company's Human Resources Department.

Failure to do so without justification will be viewed very seriously by GVS and could result in disciplinary measures according to the applicable employment contract.

## **10.      *Disciplinary Measures***

Any employee who breaches this policy will face disciplinary actions, which could even result in dismissal for gross misconduct. GVS reserve the right to terminate the contractual relationship with other workers or with third parties, vendors, if there is evidence that they have breached their obligations under this Policy.

## **11.      *Help Desk***

For any questions or requests, the GVS Legal Department is at your disposal at the following address.

[arealegal@gvs.com](mailto:arealegal@gvs.com)

*Legal Department GVS SPA  
Via Roma 50  
40069 Zola Predosa (BO) Italy*