

# ANTI-CORRUPTION POLICY BURGO GROUP

Document approved by the  
Board of Directors' Meeting  
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## **1. INTRODUCTION**

### **1.1. Whereas**

Since the entry into force of Italian Law 190 of 6 November 2012, the Italian anti-corruption legislative system appears to be composed of a series of regulatory instruments, either of a preventive or punitive nature, based on legal provisions and/or documents with legal force, as well as on regulatory documents and soft law and soft governance instruments.

In fact, as is the case with other complex problems, corruption requires a wide-ranging approach, which the best case law defines as systemic (legislative or regulatory), which is not limited solely to instruments directly aimed at combating and preventing it, but rather at creating a widespread culture opposed to corrupt behaviour or purely exploitative behaviour.

And the best tool in this regard can only be through example: let it be clear that this is not a moral example but a behavioural example that has become naturalised in everyday activity.

In order to be able to make the example accessible and intelligible (and to create the habitus and habitat described by Plato's Allegory of the Cave), Burgo Group believes that linearity and transparency of decision-making processes, i.e. the strategy of full disclosure, is the main means of reducing the risk of corruption, since it enables action to be taken on the guarantee of clarity, purity and limpidity of action.

The pursuit of an anti-corruption culture together with an active fight against real corruption must, therefore, be seen as one of the main strategic objectives of companies in the countries where they operate.

Burgo Group S.p.A., as an Italian legal entity, is subject to national legislation, as well as to the provisions of Italian Legislative Decree 231/2001, which regulates the administrative liability of companies and entities for a series of predicate offences, including, specifically, corruption offences.

The Group's growth and the protection of corporate value, together with its vocation as an international Group dedicated to creating value for its stakeholders, make it advisable, in addition to the governance and policy instruments already formalised, to adopt an instrument defining the principles and policies to be adopted in the performance of corporate operations, so that they are carried out in full compliance with international Conventions and the main international regulations aimed at preventing and repressing bribery of Public Officials and corruption between private individuals.

In confirmation of its commitment as a socially responsible company that complies with all applicable national and international laws and regulations regarding anti-corruption, inter alia, and as a further demonstration of its adherence to the values set out above, the Board of Directors' Meeting of Burgo Group S.p.A. has decided to adopt, in addition to and as a complement to the Group's Code of Ethics, this document entitled "Anti-corruption Policy" (hereinafter also referred to as the "Policy") in order to minimise the risk of conduct that may be attributable to corrupt practices.

This document is part of the company's ESG system and reiterates the integration of anti-corruption and transparency into BURGO GROUP's sustainability and ESG programmes. The road to corporate sustainability, in fact, passes through transparency, ethics and commitment to the fight against corruption, demonstrating how these values are intrinsically linked to the concept of sustainability itself.

## **1.2. Scope of Application/Recipients**

This Policy applies to the Corporate Bodies, including the members of the Supervisory Board, Employees, Proxies and Collaborators with whom Burgo Group S.p.A. establishes relations or business relations that, for any reason and regardless of the type of contractual relationship, operate in the name of and on behalf of Group Companies (hereinafter also referred to as "Recipients").

Moreover, the Policy represents an integration of the Organisation Model adopted pursuant to Italian regulations on the "liability of entities for administrative offences resulting from offences" contained in Italian Legislative Decree 231/2001, and constitutes a tool for counteracting corruptive phenomena in compliance with the regulations or best practices of the countries in which Group companies are present.

This Policy has been examined and approved by the Board of Directors' Meeting of Burgo Group S.p.A. on [●]. In the approval resolution, the Board of Burgo Group S.p.A. also established that compliance with and adoption of the Policy is mandatory for all Subsidiaries, which must implement it with the same governance procedures as the parent company (or the corresponding body/role if the subsidiary's governance does not provide for such a body).

Furthermore, in order to achieve the objectives set out in the Preambles, the Board of Directors of Burgo Group S.p.A. has recommended promoting and verifying the adoption of and compliance with the standards defined in this Policy by Group companies or entities (consortia, joint ventures, etc.), or alternatively the adoption of its own guidelines, which in any case guarantee compliance with the highest ethical principles.

As from the date of adoption of this Policy, the commitment to comply with the Anti-corruption Regulations and the reference principles contained therein by third parties operating in favour of or on behalf of Group Companies shall be envisaged in specific contractual clauses to be accepted by the third party.

Furthermore, the Board has defined the obligation for persons with supervisory and coordinating responsibilities to supervise compliance with the Policy by their collaborators and to take the measures deemed most appropriate, also depending on the context, to prevent, identify and report potential violations.

Lastly, in view of the Burgo Group's presence in numerous and diverse countries, both directly and indirectly, the Board of Directors' Meeting has resolved that, should the provisions envisaged by local regulations be more restrictive than this Policy, the parties must operate in compliance with them.

## 2. REFERENCES

### 2.1. Internal and external regulatory references

Anti-corruption legislation at a supranational level is numerous and differs depending on the country of reference and the sensitivity (more or less present) to corrupt phenomena.

It certainly cannot be denied that corrupt behaviour changes its definition and content according to the specific culture of each country (i.e. supranational region).

Although it is not possible here to summarise the various applicable regulations in which the Burgo Group operates, it is considered appropriate to recall the documents and legislation (hereinafter referred to as "Anti-corruption Laws"), including those ratifying international conventions, such as, purely by way of example and not limited to:

- The Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of 1997 (whose implementing rules have been fully effective in Italy since 2001);
- the United Nations Convention against Corruption, adopted by the General Assembly on 31 October 2003 and ratified in Italy by Italian Law 116 of 2009;
- the Spanish "Organisational Law" no. 5 of 22 June 2010;
- the UK "Bribery Act", enacted in the United Kingdom in July 2011;
- the Italian Criminal Code, with particular reference to articles 317 et seq.;
- the Italian Civil Code, with particular reference to art. 2635 (Corruption between individuals) and art. 2635 bis (Incitement to Corruption between individuals);
- Italian Legislative Decree 231-2001 – Regulation of the administrative liability of legal persons, companies and associations without legal status;
- Italian Legislative Decree 38-2017 - Implementation of Framework Decision 2003-568-GAI, on the fight against corruption in the private sector;
- Italian Law 146-2006 - Ratification and implementation of the UN Convention and Protocols against Transnational Organised Crime;
- Italian Law 69-2015 - Provisions on offences against the public administration, Mafia-type associations and forgery in financial statements;
- Italian Law 3-2019 - Measures to counter offences against the Public Administration, as well as on the limitation period for offences and on the transparency of political parties and movements;
- Italian Law 300-2000 - Ratification and implementation of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the Convention on Combating Bribery Involving Officials of European Communities or Member States of the European Union;
- Italian Law 110-2012 - Ratification and implementation of the Criminal Convention on Corruption - US Foreign Corrupt Practices Act (FCPA) – of 19 December 1977.

The following must be added to these standards:

- Burgo Group Code of Ethics;
- Organisation, Management and Control Model of Burgo Group S.p.A. ex Italian Legislative Decree 231/2001;
- Procedure no. PGS 076 Management of relations with the Public Administration
- "Whistleblowing" policy;
- Procedure no. PGS 080 "Reports of offences and irregularities - Whistleblower"
- Procedure no. PGS 077 "Consultancy Management"
- Procedure no. PSG 078 "Selections and recruitment";
- Procedure no. PGS 016 "Procurement Process"
- Procedure no. PGS 021 "Issue and management of tender or work contracts"
- Procedure no. 029 "Contract management with temporary and mobile worksites - TITLE IV"
- Procedure no. PGS 020 "Qualification / control of contracting companies and self-employed workers"
- Procedure no. PGS 026 "Procurement of waste management services"
- Procedure no. PGS 066 "Gifts, entertainment expenses, sponsorships, donations"
- Procedure no. PGS 079 "Travel and reimbursement of expenses to employees"
- "Personnel travel procedure" policy;
- Procedure no. PGS 020 "Qualification and evaluation of suppliers";
- Procedure no. PGS 021 "Contract drafting"
- Procedure no. PGS 077 "Consultancy Management"

## **2.2. Roles and responsibilities**

As a general rule, and with a view to disseminating the culture of anti-corruption, it must be stated that all the Recipients of this Policy are responsible, each to the extent of their competence, for compliance with it. Furthermore, persons with supervisory and coordinating responsibilities are responsible for supervising compliance with the Policy by their collaborators and for taking measures to prevent, identify and report potential violations. All Recipients are required to read, understand and fully comply with this Policy.

However, the BOD considered it necessary to identify a specific function to be entrusted with the task of monitoring and implementing the adequacy and dissemination of this Policy: the Corporate Function.

In particular, the Corporate Function has the responsibility to:

- supervise the adoption of the control system for the prevention of corruption, including by the Subsidiaries;
- provide advice and guidance to Recipients on the content of the Policy;

- monitor that this Policy complies with local Anti-corruption best practices and regulations;
- report to the senior management of the organisation on any significant deficiencies in relation to the adoption, dissemination and adequacy of the management system for the prevention of corruption, in order to enable the necessary initiatives to be taken.

Burgo is committed to continuously improving the adequacy and effectiveness of the Anti-Corruption Policy. Any changes to this Policy are subject to the approval of the Board of Directors, which provides timely information to its Subsidiaries (for the measures within their competence) as well as to all Recipients.

The Group Code of Ethics and this Policy are also brought to the attention of all those who have contractual relations with the Group Companies and are available to all stakeholders on the Group's institutional website at <http://www.burgo.com>.

### **2.3. Conflicts of interest**

In order to avoid corruptive events, Burgo considers it essential to define the requirements for identifying and managing any real or potential conflicts of interest and also to set out the principles of conduct to which each employee must adhere in the context of their duties, in particular in managing relations with third parties.

A conflict of interest shall mean, for the purposes of this Procedure, any situation in which the personal interest or activity of an individual interferes, or even appears to interfere, with the interests of the Company and/or the Group.

A conflict situation arises when an employee takes an action or is subject to interests that interfere with their ability to perform their duties impartially and effectively. Any situation that may constitute or give rise to a conflict of interest must be promptly reported in the manner set out below, so that its existence and seriousness may be assessed by the superior or the organisational unit in charge and the correct operational handling initiated.

By way of example but not limited to, the following situations give rise to conflicts of interest:

- economic and financial interests of the employee and/or the spouse, their relatives and relatives up to the 2nd degree, de facto cohabitants and those who fall within their emotional sphere, in the activities of suppliers, customers and competitors;
- use of their position in the company or the information acquired in their work in such a way as to create a conflict between their personal interests and corporate interests;
- relationships between employees linked by hierarchical relationships (spouse, relatives and relatives up to the 2nd degree, de facto cohabitants and those who fall within their emotional sphere);
- carrying out work activities, of any type, on the premises of customers, suppliers, competitors;
- acceptance of money, favours or benefits from persons or companies that are or intend to enter into business relations with Burgo or Group Companies.

#### **2.4. Whistleblowing and reporting**

All Recipients are required to report attempted, alleged or actual acts of corruption of which they become aware and any other violation of the Anti-Corruption Policy. For this purpose, dedicated communication channels are established through the Whistleblowing system or directly to the SB. In the management of reports, the utmost confidentiality of the Whistleblower is guaranteed, without prejudice to legal obligations. Furthermore, Burgo will not carry out retaliatory actions (disciplinary penalties, demotion, suspension, dismissal or interruption of collaboration relations), nor will it discriminate in any way against the author of the report who has carried out in good faith actions aimed at reporting events or situations in contrast with the Anti-Corruption Policy. The Supervisory Body together with the company management, where not the subject of the report, will evaluate the reports received and may call, if it deems it appropriate, both the Whistleblower to obtain more information, and the alleged perpetrator of the violation, also giving rise to all investigations necessary to ascertain the validity of the report.

#### **2.5. Disciplinary System**

Compliance with the Anti-Corruption Policy is an integral part of the contractual obligations of employees, collaborators and, more generally, of all Recipients. any violations render applicable measures by the Company, adapted in relation to the seriousness and within the limits of the current regulatory framework. With regard to employees, non-compliance may result in disciplinary proceedings and penalties up to and including termination of employment and, for directors and auditors of the Company, suspension or revocation of office. Non-compliance by external parties may result in the termination of the contract, assignment or in general of the relationship with the Company, as well as - where the conditions exist - compensation for damages.



### 3. GENERAL PRINCIPLES

#### 3.1. General principles

In line with the provisions of the Group's Code of Ethics and without prejudice to strict compliance with the Organisational Model 231, the Burgo Group is prohibited from any corrupt behaviour, incitement to corruption or in any other way conducive to the achievement of corrupt agreements, in particular:

- (i) offering, promising, granting, giving, authorising, soliciting, inducing, instigating - directly or indirectly - money, things of value or other Utility to a Public Official or a Private Person (and/or the entity that such person represents) and (ii) accepting the promise or receiving - directly or indirectly - money, things of value or other Utility from a Public Official or a Private Person (and/or the entity that such person represents), if the aforementioned conduct is likely to be interpreted as aimed at unduly influencing the relations between Burgo or a Group Company and the Public Official or Private Person (and/or the entity that such person represents) regardless of the aim of pursuing, even exclusively, the interest or advantage of Burgo or of the Burgo Group company;
- exploiting, claiming existing or alleged relations with a Public Official in order to unduly give, promise or cause to be given or promised, to oneself or to others, money, Things of Value or other Utility (i) as a price for the mediation to such person or (ii) as a price for the remuneration of such person for the exercise of his functions or powers, regardless of the purpose of pursuing, even exclusively, the interest or advantage of Burgo or Burgo Group companies;
- influence an official act (or omission) by a Public Official or any decision in breach of an official duty;
- induce any private counterparty to omit or perform an act in breach of the obligations inherent to its office or obligations of loyalty, or reward it for the performance of the same;
- offer or receive, by Burgo personnel (direct corruption) or by anyone acting on behalf of the company (indirect corruption), an economic advantage or other benefit in relation to business activities, also in relation to conduct of mere incitement that is not reflected in the finalisation of the corrupt act;
- use funds or personal means in order to circumvent the application of this Policy;
- obtain or secure an improper advantage in relation to business activities;
- assistance or support to family members;
- other advantages or other benefits; if aimed at a corrupt act;
- breach of applicable laws.

No practice qualifying as corrupt or unlawful influence may be justified or tolerated even if it is customary in the business sector or country in which the activity is carried out.

No services may be requested or accepted if they can only be performed by compromising the values and principles of the Code of Ethics and Conduct or by violating applicable regulations and procedures.

It is forbidden to pay or offer, directly or indirectly, contributions, advantages or other benefits to

political parties or movements and/or foundations, associations, committees, entities linked to them, as well as to workers' trade unions, their representatives, exponents or candidates, subject to compliance with the applicable legislation.

“Facilitation Payments”, i.e. the awarding of supply contracts, professional appointments, employment or investment opportunities on more favourable commercial terms than the Group's normal practice, are also not permitted.

Gifts, entertainment expenses (including meals, travel or other entertainment) may be made only if of a modest value and within the limits of normal courtesy practices, and in any case in full compliance with the internal procedures envisaged.

No recipient of this Policy may be discriminated against, or subjected to any form of retaliation, for refusing to carry out a corrupt act, incitement to bribery or in any other way conducive to reaching corrupt agreements, even if such refusal resulted in the loss of business or other detrimental consequence to the business. On the contrary, each Recipient must operate with professionalism, impartiality and transparency, immediately reporting any situation that may generate a conflict of interest or a risk, even hypothetical, of corruption.

To support and control the above, the Burgo Group adopts procedures and checks so that each transaction is tracked and reasonably supported by accounting documents in compliance with applicable accounting standards. In particular, all payments and expenses relating to transactions falling within the scope of this Policy must be fully and accurately recorded in the appropriate accounting records by each company of the Burgo Group.

Furthermore, it is the responsibility of each Burgo Group company to establish and carry out adequate controls to provide reasonable guarantees so that:

- the transactions are effective and carried out only with the authorisation of the Management;
- the transactions are recorded in order to clearly reflect the nature and purpose of the same and allow the preparation of the financial statements in compliance with the relevant accounting standards;
- the value of the assets included in the financial statements is checked against the inventories with reasonable periodicity and appropriate measures are taken with regard to the differences found.

The Burgo Group undertakes to manage tax matters with a prudent and responsible approach, favouring transparency, collaboration and trust in order to improve relations with institutions, in compliance with the relevant company policies.

Therefore, all the procedures existing in the Group's control system envisage:

- formalised separation of the roles in the different phases of the process with signing powers consistent with the company power of attorney system;
- traceability of the individual phases of the process (supporting documentation, level of formalisation and methods/timing of filing) to allow the reconstruction of the responsibilities, reasons for the choices and information sources;
- the authorisation escalation method for the activities managed in derogation from the standard procedural requirements;
- adequacy of the internal rules to ensure that the set of company rules is consistent with

the operations carried out and the level of organisational complexity and such as to guarantee the controls necessary to prevent the commission of bribery offences;

Furthermore, the training of personnel through specific plans regarding the anti-corruption measures adopted by the Group with particular reference to those operating in the sensitive areas listed below constitutes an essential supervision.

## 4. SPECIFIC RULES

This section defines the main rules to be followed in certain "sensitive" areas that, in theory, can favour acts of Corruption and rules that the personnel of the Burgo Group and anyone acting on behalf of the Group must comply with.

### 4.1. Gifts, bonuses, hospitality, entertainment expenses

The Burgo Group does not permit giving or receiving gifts, presents, acts of hospitality, the payment of entertainment expenses and the disbursement of donations, contributions and sponsorships that result in forms of corruption, even if only in the form of an attempt. These acts and transactions may be, from a commercial viewpoint, lawful, appropriate and suitable instruments for establishing and maintaining solid business relationships. However, such acts can be critical - if they are capable of influencing or conditioning a business decision, creating obligations of recognition - or even illegal if they can favour acts of corruption. The purpose of this Policy is not to prohibit such acts and activities, to the extent that they are legitimate and i.e. carried out in good faith, to a reasonable extent and for the sole purpose of creating or maintaining profitable business relationships, but only those acts aimed at obtaining or granting an undue advantage (ref. definition of Corruption). Below are the specific rules of conduct envisaged by the Burgo Group in the process of managing and receiving gifts, presents, acts of hospitality, payment of entertainment expenses and disbursement of donations, contributions and sponsorships by its employees (and their families) or in their favour. These acts and transactions are not permitted if:

- they are not part of normal business practices;
- they are made in cash or equivalent means;
- they are not in line with Anti-Corruption regulations, local laws and applicable regulations;
- their value is excessive compared to the type and extent of the business relationship that links Burgo (or one of its subsidiaries) to its counterparty, or in any case exceeds the value established by the local policies of the Group company concerned (if any);
- they may compromise the independent judgement in the conduct of business, the operational integrity and reputation of the employee or collaborator, or may otherwise influence their actions;
- they can reasonably be interpreted by an impartial observer as acts aimed at acquiring undue advantages.

In general, it is part of normal business practices (and they are as such, lawful under this Policy) to receive gifts and benefits bearing the logo of the Company that offers them and that are of modest value.

Entertainment expenses are defined as expenses for the provision of goods and services free of charge for promotional or public relations purposes, the incurring of which is reasonable in relation to the objective of generating, even potentially, economic benefits for the company, or is consistent with business practices in the sector (Italian Ministerial Decree 19 November 2008).

The Group Companies authorise the payment of business travel and accommodation expenses, only if the following requirements are met:

- there is a precise and legitimate business purpose;

- the expenses are appropriate and reasonable, also in light of the guest's qualification or role;
- participation in business activities by the beneficiary is mandatory or necessary;
- the expenses are exclusively linked to the individual carrying out the activity (i.e. friends, family or other third parties cannot receive cash payments or other benefits from the Group Companies);
- the trip does not include deviations from the normal work schedule.

Any gift, gratuity, act of hospitality, payment of entertainment expenses and disbursement of donations, contributions and sponsorships must be traced in writing, approved in compliance with the power of attorney system adopted by the Burgo Group, must be in line with Procedure PGS 066 and booked correctly and transparently in the accounting records.

The relevant payments must be made as established in the relevant contract and duly recorded. All entertainment expenses, to be reimbursed, must be approved on the basis of the authorisation system adopted by the Company, must be duly recorded and the related supporting documentation must be complete, correct and properly reported. In order to identify possible "counterparty risks", a prior assessment of the intended beneficiaries should be conducted.

In the event that Group personnel receive offers of gifts, economic advantages or other benefits - including hospitality - that cannot be considered as acts of commercial courtesy of modest value, they must refuse them and report them in the manner envisaged by paragraph 2.3.

Please refer to the relevant internal procedures for the economic limits and types of gifts and entertainment expenses and the relevant procedures for their implementation and reporting.

#### **4.2. Donations e sponsorship**

Sponsorship activities take the form of contributions in favour of an activity or event whose purpose is to promote both the Burgo Group's image and its business activities. These initiatives may concern, by way of example but not limited to, social, environmental, sport, entertainment, art and culture issues. In order to avoid that they may be considered a disguised form of conferral of a benefit to a third party to obtain an advantage for the Group, they must comply with the following principles:

- they must be carried out in compliance with the approved budget and be authorised in compliance with the proxies and powers of attorney assigned within the Group;
- partners in sponsorship contracts must be known and trusted entities or individuals with a preference for non-profit associations;
- the process of approving sponsorships must be carried out in compliance with Procedure PGS 066 and for the purposes of such approval there must be an adequate description of the nature and purpose of the individual initiative, an analysis of the potential partner in the sponsorship contract and verification of the legitimacy of the initiative in compliance with applicable laws, and the return on image for the Group;
- a verification of potential conflicts of interest in relation to the initiative to be sponsored must be carried out;
- the sponsorship contract must be in writing and must contain a commitment by the counterparty to use the agreed amount exclusively for the purpose of the initiative; an

adequate description of the nature and purpose of the individual initiative, the consideration, terms and conditions of payment; a clause requiring the counterparty to comply with the Anti-Corruption Laws and applicable regulations; the right of the Group Company to terminate the contract, stop payments and receive compensation for damages in the event of breach by the counterparty of the above obligations and representations, or in the event of breach of the Anti-Corruption Laws or the anti-corruption commitments envisaged in the contract; the right of the Group Company to carry out checks on the counterparty, if it has a reasonable suspicion that the counterparty may have breached the provisions of the applicable laws and/or in the contract.

- the amount paid in compliance with the sponsorship contract must be recorded in the books and records correctly and transparently;
- payments must be made exclusively with tracked means of payment;
- it must be verified that the third party has complied with the performance of the activity and that the sponsored activity and the sponsoring arrangements have actually been performed in compliance with the sponsorship contract;
- the documentation relating to each sponsorship carried out must be archived, ensuring its traceability over time.

The Burgo Group is also committed to promoting and contributing to the development of the local communities in which it operates.

This also includes initiatives and donations to public and private entities, including non-profit organisations, in favour of local communities as well as organising and sponsoring initiatives and events and financing specific social development projects, also in cooperation with third parties.

#### **4.3. Political Contributions**

Political contributions may constitute a bribery offence because they could be used as an improper means to maintain or obtain a business advantage, such as winning a contract, obtaining a permit or licence.

In relation to these risks, in line with the provisions of the adopted Code of Ethics, the Group refrains from any direct or indirect pressure, through its managers, employees or collaborators, on political or trade union representatives and does not make contributions of any kind, directly or indirectly, to political parties, movements, committees and political and trade union organisations, or to their representatives or candidates, either in Italy or abroad, with the exception of contributions due on the basis of specific regulations.

#### **4.4. Relations with representatives of the public administration**

Burgo does not tolerate and condemns any type of action aimed at influencing the conduct of Public Officials. The Group prohibits any form of payment (or promise of payment), direct or indirect, to Public Officials (e.g. employees of a public or publicly controlled body, international organisations, political parties, party officials, candidates for public office) for the purpose of obtaining undue advantages for the Recipients (or their family members) or the Group Company of which they are employees or collaborators.

By way of example but not limited to, donations or promises intended to:

- obtain licenses and authorisations or accelerate administrative procedures;

- influence the outcome of public administration activities, such as audits and inspections, or avoid them or induce people not to report irregularities;
- obtaining undue or larger public contributions.

All relations with Public Officials must be managed by duly authorised Group personnel, who must operate in compliance with the defined procedures, guaranteeing traceability and proper archiving of the relevant documentation.

#### **4.5. Facilitation payments**

The Burgo Group prohibits so-called "facilitation payments", i.e. payments, benefits or other utilities in favour of Public Officials, persons in charge of a public service and/or officials of the Public Administration aimed at facilitating and/or speeding up the taking of decisions and the performance of activities proper to the office held by them. Such payments are only intended to influence the timing of the actions of public officials, not their outcome, and are prohibited regardless of whether they are permitted by the local laws of some countries.

#### **4.6. Relations with suppliers, professionals and consultants**

The Burgo Group may be held indirectly liable for acts of Corruption committed by third parties with which it has business relations.

It is an essential requirement to conduct business with the Group, that such parties act in compliance with applicable laws and regulations, as well as in compliance with this Policy.

The Group requires its suppliers and consultants to undertake to behave in a manner consistent with the values and principles outlined in the Code of Ethics, the Supplier Code of Conduct and this Policy, urging them to provide transparent and timely information on any non-compliance and on the relevant corrective measures adopted or to be adopted. For the purposes of the above, suppliers, professionals and consultants who have commercial and business relations with the Group sign specific contractual clauses governing the observance and acceptance of the Code of Ethics, the Organisation and Management Model pursuant to Italian Legislative Decree 231/01 and this Policy and which envisage, in the event of non-compliance and failure by third parties to plan and implement the necessary corrective actions, Burgo's right to interrupt and/or terminate the contractual relationship immediately and without notice.

Moreover, in the context of their relations with their suppliers, professionals and consultants, the Recipients of this policy have a duty to refrain from:

- offering, promising, giving or paying (or authorising someone to do so), directly or indirectly, sums of money or any other benefit in favour of suppliers, professionals and consultants with whom the Group cooperates in order to or obtain favourable conditions for the Group or personal benefits and advantages and/or to obtain, provide or disclose confidential information, thereby unduly favouring the Group (ref. Definition of "Bribery");
- requesting, soliciting, inciting, accepting or receiving (or authorising someone to do so), directly or indirectly, sums of money or any other benefits and/or gifts and/or gratuities (also on festive occasions) from Group suppliers, professionals and consultants in order to establish or maintain a contractual and business relationship with Burgo;
- using money, gifts or other benefits received as a means to create illicit funds for the purpose of Bribery;



- conduct unlawful activities of a corrupt nature through third parties, in particular through suppliers, professionals and external consultants acting on behalf of the Group.

Before executing contracts for the purchase of goods and services, in compliance with procedure no. PGS 020, Burgo carries out an evaluation process of suppliers, professionals and consultants in order to identify possible “counterparty risks” or to assess their honourableness and reliability.

The choice of supplier must also be made in compliance with the procedures in place, in compliance with the applicable laws and in constant compliance with the criteria of transparency, competitiveness and efficiency; furthermore, participants meeting the necessary requirements must be given equal opportunities to participate in the selection.

In fact, the Group intends to establish business relations only with third parties that enjoy a high commercial reputation, conduct only lawful activities and are inspired by ethical principles in line with those of the Group. The Group Companies may adopt specific procedures to carry out such checks.

For the purpose of the selection, the competent Group function, in compliance with the existing Procedures, also by means of appropriate documentation, must certify that suppliers/collaborators have the means, including financial means, organisational structures, technical capacities and experience, quality systems and resources adequate to the needs and image of the Company and the Group, as well as comply with labour regulations, including those concerning child labour and occupational health and safety.

Any suspected breach of anti-corruption provisions by a third party must be notified immediately as envisaged in section 2.3. of this Policy.

It is in any case appropriate, in order to guard against corruption risks, for Group companies to verify, where deemed relevant, the possible presence of the counterparty on national and international anti-money laundering and anti-terrorist financing blacklists.

All contractual relationships established with suppliers, professionals and consultants, including the relevant economic terms and conditions, must be formalised in writing and signed by persons with adequate powers of representation on the basis of the system of proxies adopted by the Company.

The traceability of the receipt and acceptance of goods and services purchased from suppliers, professionals and consultants is ensured by the functions involved in the procurement processes. It is necessary to monitor the performance and conduct of suppliers, reporting and investigating any anomalies.

All payments shall be made in compliance with the agreed contractual provisions and upon receipt of the relevant invoices, properly approved on the basis of the approval system adopted by the Company and properly recorded.

#### **4.7. Relations with third parties**

In addition to what is expressly envisaged in the previous paragraph 4.6., the possibilities of corruption are frequent in the context of relations with third parties (agents, business partners), in particular if they act in the interest of or on behalf of the company or have relations with public officials.

Relations with third parties during the performance of business activities must be based on criteria of maximum correctness, transparency and traceability, as well as ensuring compliance with Anti-Corruption Laws and all other applicable regulations.



This obligation must be explicitly accepted when executing contracts, which provide for a specific clause to be borne by the other party. This clause includes the right of the Group Companies to stop payments and receive compensation for damages in the event of a breach. The selection of such third parties and external collaborators as well as the execution of the relevant contracts are characterised by transparency, certainty and the written form. The selection must take place on the basis of the same criteria envisaged in the previous paragraph.

#### **4.8. Extraordinary transactions**

In the event of extraordinary transactions (e.g. acquisitions, mergers, spin offs, sale of shareholdings, transactions on the share capital of the Company or its subsidiaries, corporate reorganisations, etc.), the Group Managers involved, possibly supported by external consultants, are required to:

- identify the main risk factors related to compliance with anti-corruption laws that arise in the context of the extraordinary transaction;
- request from the counterparty or preparing at the counterparty's request information in compliance with anti-corruption regulations;
- define the anti-corruption clauses to be included in the agreement relating to the extraordinary transaction. In contractual relations with consultants who assist the Group in the context of extraordinary transactions, the rules and principles defined in this Policy, section "Specific Rules", shall also apply, if and insofar as they are compatible.

Moreover, in the case of such extraordinary transactions, a due diligence must be performed on the target company in order to have a true and complete representation of its status, to ascertain its commercial and professional reliability, and to identify the main risk factors, including those of corruption. The entire process is developed by ensuring compliance with the principles of transparency, traceability in the relevant phases, fairness and timeliness, in line with corporate policies, environmental, health and safety guidelines, the indications provided on the subject in the Organisation, Management and Control Models, and with the rules of conduct referred to in the Group's Code of Ethics.

#### **4.9. Human Resources Management**

The Burgo Group recognises the central role of human resources in the achievement of company activities and, consequently, adopts recruitment procedures and methods based on respect for human values, autonomy and responsibility of Personnel. Group companies also regulate the personnel recruitment process in order to ensure that operations are carried out in compliance with the principles of professionalism, transparency and fairness and with applicable laws and regulations.

From the earliest stages of the selection process, the Burgo Group is committed to building fair and transparent working relationships based on knowledge and sharing of possible professional and career paths.

The selection process and the development and growth of the working relationship is managed on the basis of the following principles:

- the need for recruitment must be proven by specific planning or contingent needs authorised by persons with the relevant authority;

- candidates must be assessed by several separate persons and the outcomes of the entire assessment process must be properly tracked;
- there must be checks of congruence between the proposed qualification and the position to be filled;
- the recruitment process must be traceable and the relevant decisions must be formalised and accompanied by comprehensive and timely documentation;
- selection, evaluation and recruitment processes should not be managed by solely a single corporate contact person and should in any case be guided by the HR management;
- There must be checks on candidates' references and previous professional experience, including, at the selection stage, questions concerning any personal or financial relationships with representatives of the institutions, which must be assessed internally where they exist;
- all employment relationships must be formalised in writing and signed by persons with adequate power of attorney;
- compliance with the laws of the country in which the recruitment takes place (e.g. on compulsory recruitment, presence and validity of residence permits, etc.) must be guaranteed;
- Decisions on selection and recruitment processes, career advancement and awarding of bonuses must be based on objective and impartial factors, such as evaluation of performance and technical-professional skills;
- bonuses, performance objectives, benefits and other incentive components of remuneration must always be authorised in compliance with the system of proxies and applicable policies;
- the types of reimbursable expenses and their maximum amounts are defined in policies and procedures to be observed by all employees;
- claims for reimbursement of expenses must be formally authorised in compliance with the authorisation system adopted by the Company;

In light of the above, it is strictly forbidden for Recipients to:

- offer, promise or accept a request for money or other benefits in the form of recruitment, career advancement, recognition of bonuses, incentives and MBO awards as forms of Corruption (including towards Public Officials) in order to obtain undue advantages for Burgo;
- use the reimbursement of expenses and entertainment expenses as a means to create illicit funds for the purpose of Bribery.

All employees of the Group Companies are informed and trained, at the time of recruitment and through refresher courses, in order to understand the responsibilities and risks to which they may be exposed in the performance of their duties. New employees are given a copy of the Anti-Corruption Policy (in addition to the copy of the Organisation Model ex Italian Legislative Decree 231/2001 and the Group Code of Ethics) and sign a declaration of commitment to comply with the principles contained therein.

In order to disseminate adequate knowledge of the contents of this Policy and of the importance of compliance with the same and with the Anti- Corruption Laws, compulsory training programmes are envisaged for all their employees, with a different degree of depth established in relation to the qualification of the recipients and the different level of their involvement in sensitive activities.

Within the first six months from the date of recruitment and whenever deemed necessary (for example, following significant changes in the contents), a training course on this Policy must be provided, in order to disseminate the principles, commitments and implementation methods thereof.

The training activity is managed and defined by Human Resources.

#### **4.10. Management of financial resources**

The Burgo Group requires that the management of financial resources comply with the principles of transparency, verifiability, traceability and pertinence to company activities.

Group companies, with regard to both inflows and outflows, must, inter alia, comply with the following principles:

- make payments within the limits of an authorised budget on the basis of internally defined powers;
- use only authorised operators who certify that they are equipped with manual and computerised and/or telematic devices to prevent unlawful corrupt practices and money laundering;
- implement appropriate tools for income and expenditure planning as well as periodic reports to verify the consistency between what was planned and what was achieved;
- carry out verifications on the counterparties to which payments are directed to ensure that the name of the supplier/customer and the name of the account to which payment is to be sent/accepted fully correspond;
- ensure that financial transactions are always authorised by persons with adequate powers and support each financial transaction with adequate supporting documentation;
- ensure that the warehouse maintains the defined stock level and provide for periodic checks on the stock itself in order to make its operations traceable and reconstructible.

This Policy also prohibits:

- executing transactions with unregistered counterparties or on the basis of incompletely recorded information (e.g. in the absence of identification data);
- collecting payments for which adequate supporting documentation is missing (e.g. no sales invoice);
- accepting payments from unidentifiable persons (name/corporate name, address and account number);
- adopting abnormal payment methods with respect to the nature of the transactions or splitting payments in a manner different from what was contractually agreed;
- executing payments in countries other than the one in which the supplier has established its registered office or operational and commercial branch;

- making payments to third parties that are not adequately justified in the context of the contractual relationship established with them;
- using cash in excess of what is permitted by applicable laws or other bearer financial instruments as well as current accounts or savings books under anonymous or false names.

## **5. FINAL NOTE**

### **SPREADING THE MESSAGE**

Be an example for colleagues in carrying out daily activities. Helping the Group to spread a solid anti-corruption culture, ensuring that each person is aware of situations potentially exposed to corruption risks, so that any problems can be addressed effectively and in a timely manner.

### **REPORT**

Submit a report where it is suspected that someone is engaging in unlawful or unethical conduct. It is the right thing to do, for you, for the Group, for everyone.

### **ASK FOR ADVICE**

This Policy, as well as local operating procedures, does not govern all situations that may occur in professional life. For this reason, in case of doubt about the conduct to be adopted, it is advisable to comply with the values of the Burgo Group and act in compliance with them. To receive advice, contact the HSE or Legal Corporate departments at the headquarters (Burgo Group S.p.A.).