



ALTHEA

INTEGRATED HEALTHCARE
TECHNOLOGY MANAGEMENT

ALTHEA ITALIA SPA

Company subject to management and coordination by Althea Group S.p.A.

ANTI-CORRUPTION CODE

Policy for the prevention of corruption

Original issue	Current issue	Revision number	Verified by	Approved by	Date of approval
02/2008	05/2018	5	OdV	Board	05/2018

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PREFACE

Althea Italia Spa in the carrying out its business activities, is committed to fight against corruption and to prevent the risk of illegal practices at all work levels and in any geographical area, by disseminating and promoting ethical values and principles, as well as by the implementation of rules of conduct and effective control processes, in line with the requirements set forth by applicable laws and international best practices. In this context, in the meeting where the Ethical Code was adopted, the Council of Administration also approved all its extensions, including any updates in response to changes in the law. This Anti-Corruption Code is one such extension, whose aim is to strengthen preventative controls and to counter the possibility of corruption.

1 - Purpose

Althea Italia Spa is an organisation that operates within the area of management and maintenance of medical devices and of general clinical engineering services. Due to its profile and operations on a global level, specific compliance checks were developed with the aim of preventing the risk of unlawful conduct when carrying out activities which are more susceptible to the risk of corruption, in interacting with public administration and private individuals. To this end the Company Board chose to entrust a leading consulting firm with carrying out a thorough Audit of its core business, so as to identify measures and actions that may raise even higher the ethical principles and standards to which to comply. Such action, taking into account the typology and size of target market as well as the technological and industrial profile of the operations, identified a series of recommendations and suggestions to ensure that new ethical principles and standards be implemented with maximum effectiveness.

In accordance with the Recommendations issued, **Althea Italia Spa** has developed the Anti-Corruption Code, which unifies and integrates the rules for preventing and fighting against corruption and is an integrated and consistent system of principles of integrity and transparency whose purpose is to prevent and fight against the risks of illegal practices in the conduct of its business activities.

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Moreover, a series of procedures and regulations applicable to the prevention of corruption to which the entire organization must comply, have been implemented.

2 - Adoption and implementation

The Anti-Corruption Code is applicable, with immediate effect, to all the recipients indicated hereunder.

Where present, the Governing Bodies of any Entity related to the Group controlled directly by **Althea Italia Spa** shall adopt this Anti-Corruption Code.

Althea Italia Spa, and where present, the subsidiary companies shall endeavour to facilitate the transposition of the provisions of this Anti-Corruption Code by those companies where they have non-controlling equity investments (including the Joint Ventures, Temporary Joint Ventures, Temporary Groupings of Companies howsoever incorporated).

3 - Definitions

For the purpose of this Anti-Corruption Code, the terms listed herein shall be taken to have the following meaning.

Code: the Anti-Corruption Code adopted by **Althea Italia Spa** and extended to apply to the Subsidiary Companies, pursuant to Article 2359 of the Italian Civil Code. This Code should be considered as integral and substantial part of the current Ethical Code.

Reporting Committee: the Committee established after online training, made up of Managers of the organisational units for Law, Corporate Affairs and Compliance, Group Internal Audit, Human Resources and Organisation, Security, Administration, Finance and Control. It is responsible for managing the preliminary investigation and reporting phases of any information received (even anonymously) in accordance with the protocols of the current organisational model pursuant to Legislative Decree 231/2001.

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Corruption: Anyone who provides, promises, receives or gives utilities and/or undue remunerations, directly or indirectly for personal advantage or to the advantage of **Althea Italia Spa** or others, whilst carrying out activities directly or indirectly on behalf or in the interest of **Althea Italia Spa**. **For the purpose of this Code, no distinction is made between "corruption against public administration" and "corruption of individuals".**

Recipients: the members of the Boards of Directors and Statutory Auditors (or the administrative and regulatory bodies), including employees and those who collaborate in any capacity with **Althea Italia Spa** and group companies, and also those who maintain contractual relationships, whether paid or unpaid, with **Althea Italia Spa** or with the group companies.

Althea Italia Spa: the company responsible for the adoption of this Code.

Supplier: the natural or legal person who supplies **Althea Italia Spa** or a Group company with goods or services.

Group Company or Group: **Althea Italia Spa**, and any company that **Althea Italia Spa** has control over, pursuant to section 2359 of the Italian Civil Code, where any exist.

Positions of trade promotion: the agreements aimed at supporting the activities of **Althea Italia Spa** or of a Group company in assessing the market conditions and opportunities in the areas where the Group operates or aimed at assisting **Althea Italia Spa** or a Group Company during the drafting phase of the proposal.

Joint Ventures, Temporary Joint Ventures, Temporary Groupings of Companies: contractual agreement for a stable collaboration pursuant to which **Althea Italia Spa** or a Group Company undertakes to carry out economic activities with a third party (Partner) under joint control.

Anti-Corruption legislation: the provisions of applicable laws of the organisations to which each Group company belongs, in particular with reference to the Italian Legislative Decree 231/2001, to the Bribery Act (2010), the Foreign Corrupt Practices Act (1977), the

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Organisation for Economic Co-operation and Development (OECD) on combating the bribery of foreign public officials in international business transactions (1997), the United Nations Conventions against corruption (Resolution of the General Assembly No.58/4 of 31st October 2003), and the applicable Conventions of the Council of Europe (Civil and Criminal Law Conventions on Corruption - 1999).

Gift: a good of low commercial value, given or received.

Merging and Acquisition (M&A): the operations carried out by **Althea Italia Spa** and by Group companies involving acquisitions, transfers, mergers, spin-offs, transfers of companies or business units, strategic alliances and partnerships.

Co-ordination and Consultation Body for the Prevention of Corruption: the powers are conferred upon the Body by the Supervisory Board pursuant to Legislative Decree 23/01 of **Althea Italia Spa**, who within the first three financial years will ensure the participation of at least three further members: one belonging to the Board of Statutory Auditors, one belonging to the Company's Legal Department and one belonging to the Board of Directors.

Facilitation Payments: any undue payments made, even indirectly, in order to encourage services, even if due, from the Public Administration.

Althea Italia Spa Personnel: the employees of **Althea Italia Spa** of group companies (directors, managers, office employees and workers).

Professional Services: any activity of assistance or consultancy, however the same is called, consisting of intellectual property services, as set forth by section 2230 of the Italian Civil Code, by persons who are registered or otherwise with a professional register.

Commercial Promoters: those who provide services of commercial promotion on behalf of a Group company.

Public Administration: a national, supranational or foreign authority having public functions and authoritative powers, even if the same acts through instruments of private law

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Company Protocols: Guidelines, Directives, Procedures, Policies, Manuals and the Operating Instructions of **Althea Italia Spa** and group companies, where present.

Group companies: the companies directly or indirectly controlled by **Althea Italia Spa** pursuant to Article 2359 of the Italian Civil Code.

4 - Roles and responsibilities

All companies directly controlled by **Althea Italia Spa** in accordance with Article 2359 of the Italian Civil Code shall promptly notify the Co-ordination and Consultation Body for the Prevention of Corruption, that the Code has been duly adopted by its respective subsidiaries, in order to allow the aforementioned Body to appreciate the degree of its implementation within the Group.

The Board of Directors, with the minutes of the Board of Directors, took note of the appointment as Head of the Compliance Function for the Prevention of Corruption in the person of Avv. Mascia Fumini, former member of the Supervisory Board of Althea Italia Spa. As part of her duties, she will have to:

- Supervise the organization and implementation by the organization of the management system for the prevention of corruption;
- Provide advice and guidance to staff on the management system for corruption prevention and corruption issues;
- Ensure that the management system for the prevention of corruption complies with the requirements of ISO 37001: 2016
- Periodically report on the performance of the management system for the prevention of corruption to the governing body and the Top Management and to other functions, in the appropriate manner;

within the scope of its functions, the Board of Directors has granted all the appropriate authorities and independence in order to operate in complete autonomy and without

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constraints, including financial, for the performance of its activities and may have direct and timely access to the governing body and to the Top Management in the event that any problem and/or suspicion needs to be raised in relation to acts of corruption or to the management system for the prevention of corruption.

The monitoring of effective implementation of the Code is delegated by the Co-ordination and Consultation Body for the Prevention of Corruption, to the Supervisory Board, established pursuant to Legislative Decree no. 231 of 2001, who through audit will verify compliance with the Code and will supply reports at least six monthly to the Co-ordination and Consultation Body for the Prevention of Corruption. The Co-ordination and Consultation Body for the Prevention of Corruption shall periodically revise the Code on the basis of what is revealed by the aforementioned auditing activities and shall make recommendations to **Althea Italia Spa**'s Board of Directors regarding any updates or amendments, with particular focus on the development of new emerging best practice and of the regulatory framework, or should any criticalities present themselves. It is made clear that subsequent amendments and additions to the Code are the competence of the Board of Directors of **Althea Italia Spa**, except for those formal amendments and additions that shall be undertaken by the Co-ordination and Consultation Body for the Prevention of Corruption, with the assistance of the organisational units of Law, Corporate Affairs and Compliance and Group Internal Audit.

All company protocols adopted – both currently and in future – by **Althea Italia Spa** in order to prevent the risk of Corruption, will be understood to be integral part of the Code.

The Supervisory Body shall write a report twice yearly, summarising its activities and the progress made on the Action Plans regarding reports of behaviours which may be significant for the purpose of the risk of Corruption - for the bodies and social institutions of **Althea Italia Spa** and of each Group Company. This report will also be brought to the attention of the Co-ordination and Consultation Body for the Prevention of Corruption.

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5 - Legislation and best practice

The Code is inspired by, and should be interpreted on the basis of, principles expressed by the following:

- Anti-Corruption measures in force in the Countries where **Althea Italia Spa** and the Group companies operate; and in any case:
- current regulations in 'domestic' markets, in particular pursuant to Legislative Decree 231/2001, US Foreign Corrupt Practices Act (1997) and UK Bribery Act (2010).
- Council of Europe Conventions on the topic (Civil and Criminal Law Conventions on Corruption - 1999).
- OECD Convention on the fight against corruption of foreign Public Officers in international economic operations (1997) and UN Convention against corruption (2003).
- Self-regulatory norms adopted by trade associations.
- International best practice.
- ISO 37001:2016

For a complete close examination of anti-corruption regulations, reference should be made to the company repository.

6 - General principles of behaviour

For the purpose of respecting this Code, in the three areas most at risk and in the instrumental areas, the following general principles should be observed:

Segregation of responsibilities: the tasks, the operational activities and the control functions should be duly segregated, so that those responsible for the operational activity should always be different from those who authorise and control it.

Signatory powers system: the signatory powers, formally defined, shall be: (i) connected and coherent with the allocated organisational and managerial responsibilities and exercised within defined value limits. (ii) clarity and simplicity: the tasks and responsibilities of all

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individuals involved in company processes, as well as the activities and the relevant controls, shall be clearly defined and shall establish mechanisms of easy implementation.

Impartiality and absence of conflicts of interest: Code Addressees shall operate with professionalism, impartiality and in compliance with the Anti-Corruption legislation. Therefore, they are obliged to avoid any situation from which a conflict of interest may arise, which may impact - even potentially - upon their ability to act in the interest of the company and in accordance with the aforementioned legislation.

Traceability and filing: all activities - and the relevant checks - must be traceable and auditable ex post, wherever possible, even by means of appropriate documentary/information technology media; the documentation produced must be appropriately filed and stored. In particular, only members of the company bodies of the Group and relevant company structures may engage in relations with the Public Administration and Private Parties. No Addressee may interfere improperly, for example by agreeing, offering or receiving, directly or indirectly, benefits of any kind, in excess of normal business practices or courtesy, or in any case with the intention of obtaining undue preference in the conduct of any business activity, even if such practices are considered to be "customary" in the country in which the Group operates, including facilitating payments.

7 – Financing

In the management of financing, the following principles must be complied with:

- Transactions with the institution or financing body must be traceable.
- Documentation relevant to the different phases of application and management of the financing should be complete, accurate and truthful.
- Powers of attorneys issued to sign the financing application and reporting documents forwarded by the financing institute or body must be complied with.
- The execution of the project financed, and compliance of the accounting status with respect to material status of the project should be regularly monitored.
- Proper accounting records should be kept.

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It will occasionally be possible to integrate the list contained in this chapter, on a case-to-case basis.

7.1 - Acquisition and management of orders

The following principles should be complied about the acquisition and management of orders, including public orders:

- Examination of the tender and/or request for offers and start-up of bid preparation activities.
- Identification of persons responsible for preparing the proposed bid, the relevant timeframe and the different authorisation stages.
- Identification of the persons authorized to deal with customers, both when preparing the proposed bid and upon submitting it.
- The persons who prepare the offer and those who check it must be different.
- Approval, according to the corporate functions, of the essential specifications (technical, industrial and commercial) and the economic and financial analysis of the proposed bid, collected into a single document.
- The powers of attorneys issued to sign the bid forwarded to the customer and the relevant contract must be complied with.
- Compliance, right from the bid stage, with principles of transparency and objectivity in identifying and selecting subcontractors, if any.

In the acquisition and management of orders, awarded by the Public Administration through tenders by negotiated procedure without prior publication of the tender, the following principles should be complied with:

- Identification of the persons responsible for evaluating whether the conditions of the tender by negotiated procedure apply.
- Examination of the bid invitation and start-up of bid preparation activities.

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- Identification of the persons responsible for preparing the proposed bid, the relevant time-frame and different approval stages and execution of the contract.
- Identification of the persons who are authorised to deal with the Public Administration, both when preparing the proposed bid and upon submittal.
- The persons who prepare the offer and those who check the same must be different.
- Approval, according to the corporate functions, of the essential specifications (technical, industrial and commercial) and the economic and financial analysis of the proposed bid, collated into a single document.
- Compliance of the powers of attorneys issued to sign the bid sent to the Public Administration.
- Approval, according to the corporate functions, of any changes to the proposed bid once it has been negotiated with the Public Administration.
- Compliance with the powers of attorneys issued to sign the contract.
- Compliance, right from the bid stage, with the principles of transparency and objectivity in identifying and selecting subcontractors, if any.
- Periodic monitoring of the proper execution of contracts.
- Identification of the persons responsible for testing activities, in accordance with the contractual provisions and applicable laws.

7.2 - Procurement of goods and services

Addressees involved in the various processes of procurement of goods and services must act in accordance with the governance system, the company organization and the internal approval processes of the Group Companies for which they work.

As a rule, it must be ensured that staff covering specific duties involving corporate procurement functions should be rotated. Rotation procedures are found in the staff management system and are aimed at guaranteeing maximum transparency of transactions.

The procurement of goods and services must comply with principles of:

- Cost effectiveness, efficacy, promptness and accuracy.

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- Free competition, equal treatment, non-discrimination, transparency.
- Proportionality and advertising.
- Minimizing risks and maximizing value.

The procedures to select suppliers for works contracts or the supply of goods and services are the following:

- Market research on the good or service to be accessed.
- Evaluation of at least three proposals from three different competitors.
- Evaluation of the competitiveness of the already well-established suppliers in comparison with the findings of the market research carried out.

The purchase of goods and services must comply with the following principles:

- Qualification of suppliers.
- Identification of roles, duties and responsibilities of the persons who are responsible for qualifying suppliers.
- The persons who qualify a new supplier, and the persons who carry out analysis and due diligence activities (verification of ethical, financial, technical, workplace health and safety requirements, etc.) prior to qualification, must not be the same.
- The documentation relevant to the qualification process must be fully traceable.
- Periodic monitoring and updating of the qualified suppliers list in order to verify that the qualification requirements still apply.
- Traceability of the assessments and feedback received from those who requested them, with regard to goods or services supplied by qualified suppliers.
- Selection of suppliers.
- Definition, time planning and monitoring and, in compliance with existing powers, approval of the purchasing requirements for goods and services.
- Identification of the criteria (product categories, economic commitment, technical specifications) which necessitate the initiation of tender procedures.

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- Definition, before the tender, of the criteria to evaluate bids.
- Separation of the functions of the person who makes the technical evaluation, the person who evaluates the prices and the person who awards the tender.
- Compliance with existing powers of attorneys as regards signing of the contract with the supplier selected.
- Definition of persons responsible for, and operating procedures relevant to any renewals or extensions of contracts.
- Traceability of the documentation relating to the supplier selection process.
- Management of the contract with the supplier by entrusting negotiations to personnel different from those requesting goods or services.
- Monitoring the progress of supplier activities
- Verifying that there is consistency between the activities carried out by the supplier and the contractual provisions (acceptance of goods or services).

7.3 - M&A Transactions

Any M&A transaction, including any corporate or contractual collaboration under a Joint Venture, must include due diligence of the counterparty in order to verify:

- The identity, reputation, and integrity of the shareholders and directors of the companies involved in the M&A transaction - and in the case of Joint Venture, Temporary Grouping of Companies, Temporary Association of Companies or other form acceptable by law, of the Partner.
- The areas of the company involved in the M&A transaction or Joint Venture, Temporary Grouping of Companies, Temporary Association of Companies or other form acceptable by law, that may be potentially at risk of corruption.
- Whether the companies involved in the M&A transaction or Joint Venture, Temporary Grouping of Companies, Temporary Association of Companies or other form acceptable by law, have an anti-corruption policy.

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- Whether any proceedings, penalties or sentences for breach of the anti-corruption law exist against the company involved in the M&A transaction and, in the case of a Joint Venture, Temporary Grouping of Companies, Temporary Association of Companies or other form acceptable by law, against the Partner, shareholders, directors or the management thereof.

Moreover, following the M&A transaction, any company that has been the subject of an acquisition, merger and conferment must comply with the provisions of the Code. In particular, Joint Ventures, **Althea Italia Spa**, Group Companies and their representatives, will endeavour not only to ensure the provisions of the Code be accepted by the Joint Venture, Temporary Grouping of Companies, Temporary Association of Companies or other form acceptable by law, in order to prevent any conduct that might constitute a breach of the Anti-corruption law, but also to make provision for **Althea Italia Spa**, and the Group Companies to have the authority to carry out specific anti-corruption checks, as part of the activities relevant to the Joint Venture.

8 - Principles of conduct in instrumental areas

The following is a detailed examination of areas that may be conducive to Corruption risks.

8.1. Gifts and business expenses

Any gift and business expense should:

- Be made or received in good faith and in connection with legitimate business purposes.
- Not consist of a cash payment.
- Not intend to exercise undue influence or create any expectation of reciprocity.
- Be reasonable, so as to avoid being interpreted as aiming to obtain preferential treatment.
- Be aimed at beneficiaries whose tasks are related to company operations, and who comply with generally accepted requirements of reputation and trustworthiness.

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- Take into account the beneficiary's profile with regard to custom in professional or institutional relations.
- Be provided for in specific company policies (for example gift catalogue, facilities agreed upon).
- Conform with generally accepted standards of professional courtesy.
- Respect applicable laws and regulations.

8.2 - Sponsorship and contributions to associations and organisations

Any sponsorship of and contribution to an association or organisation must include a prior due diligence report and subsequent control, in order to verify:

- The nature, extent or fame of the event, project or activity.
- The identity, professional conduct and integrity of the recipients of the sponsorship or contribution.
- That the initiative is permitted by law.
- That the event, project or activity that warrant the payment take place according to the expectations of **Althea Italia Spa** or the Group Company that approved the payment.

8.3. Selection and recruitment of Staff

The selection and recruitment of personnel is built upon the principles of fairness and impartiality, in relation to the professionalism and skills of the worker.

As part of the recruitment process, **Althea Italia Spa** ensures that human resources comply with the job profile actually required by company needs, avoiding favouritism and concessions of any kind and making the selection solely based on the candidate's professionalism and ability.

In pursuit of the company objectives, the worker must be aware that any conduct in breach of the Code or the Anti-corruption law will not be tolerated, even if such conduct may in theory appear to favour **Althea Italia Spa** or the Group.

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In particular, **Althea Italia Spa** requires all newly-recruited staff to declare that the same has no conflict of interest with the company, so as to avoid any current or potential conflict of interest.

The selection and recruitment of staff shall comply with the following principles:

- Separation between the person who expresses the need to recruit a member of staff, the person who approves the budget for recruitments and the person who selects and recruits the job candidates.
- Compilation of a short-list of candidates prepared to fill the position.
- Candidates are assessed based on their professionalism, training and aptitude for the tasks for which they are recruited.

In order to guarantee compliance with the policy requirements, **Althea Italia Spa** shall give preference to out-sourced services, both to fulfil advertised positions (through publishing on leading search engines), and to use leading professional Head Hunters, to whom to entrust the entire process of personnel recruitment, after transposition of the policies of this Code.

8.4 - Appointment for professional services

The selection of professionals must comply with the criteria of competition, transparency, competence, cost effectiveness, efficacy, promptness and accuracy.

When selecting a professional it is necessary to:

- Indicate the reasons why it is necessary to appoint the professional, and as a rule select the professional from at least two candidates with potentially suitable characteristics to carry out the activities made subject of the appointment.
- Indicate the reasons why it is necessary to use a specific professional (without launching a selection process), should this be necessary for the activities made subject of the appointment (known as *intuitu personae*)

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- Ascertain that the professional has the necessary integrity and professionalism needed to carry out its duties, and that there are no conditions of incompatibility or any conflict of interest.
- Ascertain that the country where the professional resides or has its registered offices, is not on the list of Countries with a low-tax system, if the country in question is different to that in which the activities are to be carried out.

The professional services should be monitored, possibly through suitable reporting, so as to ascertain their conformity to the terms and conditions of the appointment awarded.

The activities carried out in order to assign duties for professional services should be suitably traceable and documented.

8.5 - Sales Promotions Appointments

The selection process for Sales Promoters must comply with the criteria of competition, transparency, competence, cost-effectiveness and fairness.

When selecting the business Promoter an accurate due diligence should be carried out, in particular to verify:

- That the Sales Promoter has the integrity and professionalism required to carry out the appointment, and that there are no situations of incompatibility and conflict of interests.
- That the Country where the Sales Promoter resides or has its registered offices is not included in the list of countries with a low-tax regime, if the country in question is different from that in which the promotional services are to be carried out.

The services supplied by the Sales Promoter should be monitored, even through reports, in order to ensure that they comply with the terms and conditions of the awarded appointment.

The activities carried out to assign sales promotion appointments must be suitably traceable and documented.

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8.6 - Bookkeeping and audits

As regards bookkeeping (general accounts, financial statements and other corporate communications), **Althea Italia Spa** and the Group Companies have a system of internal controls and carry out a sufficient number of adequate accounting audits in order to offer a reasonable guarantee of the reliability of financial reporting and preparation of the financial statements, in accordance with generally accepted accounting principles and, in any case, in compliance with applicable Italian laws, and the legal system where the Group Companies have their registered offices or a stable operational establishment.

The internal control system accordingly provides specific controls at different organizational levels, with appropriate implementation procedures.

9 - Staff Training and dissemination of the Anti-Corruption Code

The Human Resources and Organization Department of **Althea Italia Spa** promotes awareness of the Code amongst all the employees of the Group, who therefore must comply with the provisions of the same and contribute to its implementation.

The Human Resources Department of **Althea Italia Spa** defines the annual planning of training courses in accordance with the obligations set forth by the Code and manages, with the operational support of the Human Resources department of each Group company, the training of staff as regards the contents of the Code, providing evidence of this to the Coordination and Consultation Body for the Prevention of Corruption.

In this context, communication actions include:

- Publication of the Code on the website and intranet of **Althea Italia Spa** and of each group company.
- Making the Code available for all members of staff and that new members of staff receive a copy at the time of recruitment, signing a declaration that they have received a copy and undertake to become familiar and comply with the provisions of the same.

Training courses are organized as follows:

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- Senior management and staff with functions of representation of the Company: introductory brochures, meetings with first level managers or classroom workshops with those managers of the Group who are most exposed to the risk of Corruption.
- Other personnel: information is given to new employees at the time of recruitment; e-learning training course through the Company's intranet.

Participation in training sessions, as well as the e-learning course, is mandatory; the Human Resources and Organisation department monitors this and ensures, together with the Supervisory Board, that all members of staff benefit from attending the training program.

Any refresher training courses for newly hired employees as part of the process of introducing them to the Company, will be held in the case of significant changes to the Code or supervening regulations relevant to the activities of the Group Companies, if the Coordination and Consultation Body for the Prevention of Corruption does not consider that it is sufficient to simply communicate the changes in the manner described above, due to the complexity of the subject matter.

All Group Companies encourage commercial and financial partners, professionals, sales promoters and any kind of collaborators, customers and suppliers of the company, to be aware of and comply with the Code. To this end, they will be asked to sign a declaration confirming not only that they have received a copy of the Code, but also that they undertake to comply with the principles of the same, and to ensure compliance thereof by their collaborators.

This information is also provided to the aforementioned individuals, through an official communication informing them of the existence of the Code, and asking them to read it on the website of the Group Company.

10 – Reports

Althea Italia Spa acquires and examines reports regarding possible violations of the Code and the Anti-corruption law, even when submitted anonymously.

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In order to protect the person who submits the report, **Althea Italia Spa** ensures full discretion and confidentiality throughout the process of handling such reports, from the time of receipt, during the investigation phase and the conclusive stage. For the submission of reports involving **Althea Italia Spa** these transmission channels have been established:

- it.anticorruzione@althea-group.com

Head of the Compliance Function for the Prevention of Corruption

Via Alexandre Gustave Eiffel, 13 – 00148 Roma;

Sms/WA n. +39 3392059109

- Web site <http://www.althea-group.com/it/>

On 29 December 2017 the Law of 30 November 2017 n. 179 (so-called "whistleblowing") that regulates the forms of protection for those who report any illicit or irregularities in the context of carrying out their work, both in the public and private sectors, has been ratified.

The new legislation has amended the art. 6 of Legislative Decree 231/2001 (introducing articles 2-bis, 2-ter and 2-quater), providing as follows:

- The organization, management and control models must provide for the activation of one or more channels aimed at the transmission of reports of illicit conduct to protect the integrity of the entity and able to guarantee the confidentiality of the identity of the reporting party, in addition to establishing at least one alternative channel that guarantees privacy by computerized methods;
- reports of illicit conduct must be substantiated or based on factual and consistent facts;
- the disciplinary systems of the Organizational Models must provide for sanctions against those who report false information made fraudulent or guilty, as well as sanctions against those who violate the protection measures of the reporting person;

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- the same Models must provide for the prohibition of any form of retaliation or discriminatory measure against whistleblowers in the context of the employment relationship for reasons directly or indirectly related to the report.

The organization promptly proceeded to adopt the procedures deemed most appropriate for the exercise of the aforementioned reports as a sign of a precise willingness and a serious commitment of the summit by adopting a web system available at the link:

➤ <https://www.althea-group.ethicspoint.com>

as a further signaling channel suitable to guarantee the confidentiality of the identity of the signaling party and the traceability of the signaling performed.

11 - Penalties and contractual clauses

Breach of the rules of conduct set forth by the Code warrant that the group companies adopt internal measures, through the application of disciplinary sanctions, and external measures, through their full cooperation with the relevant public authorities. Any such breach will be promptly prosecuted, with appropriate and proportionate disciplinary measures, also taking into account any criminal relevance of the conduct and initiate criminal proceedings if necessary.

Referring to the Law of 30 November 2017 n. 179 (so-called "whistleblowing") pursuant to art. 6, paragraph 2-bis of this Decree, for the recipients of this Model, the organization guarantees, independently of the channels used, the confidentiality of the identity of the reporting and the reported, pending the ascertainment of its possible liability.

The application of the following sanctions can not constitute acts of retaliation or discriminatory, direct or indirect, against the reportant for reasons connected directly or indirectly to the report.

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Directors and Auditors

In the case of violation of the principles of conduct set forth by the Code or the Anti-corruption law, by one or more Directors and/or Auditors of Group Companies, the **Head of the Compliance Function for the Prevention of Corruption** will inform the Board of Directors and the Board of Statutory Auditors concerned, who, according to their respective responsibilities, will adopt one of the following measures, taking into account the seriousness of the infringement, in accordance with the law and/or the By-laws:

- Record the statements in the minutes of the meetings.
- Issue a formal warning.
- Revoke the appointment
- Request that a Shareholders' Meeting be called with the agenda of adopting appropriate measures against the persons responsible for the breach, including filing legal action to ascertain the responsibility of the director with respect to **Althea Italia Spa** or the Group Companies and to obtain compensation for any damage incurred.

Senior Managers

In case of breach of the rules of conduct set forth by the Code or the Anti-corruption law, the most appropriate measures will be adopted against those responsible, in compliance with the National Collective Labour Agreement for the Senior Managers of companies who produce goods and services.

In particular:

- If the breach is serious enough to undermine the relationship of trust, and to make it impossible for the employment relationship to continue, even temporarily, the manager will be dismissed without notice.
- If the breach is minor, but in any case it is serious enough to permanently damage the relationship of trust, the senior manager will be dismissed for just cause, with notice.

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Blue and White Collar Workers and Middle Managers

The conduct of employees in breach of the rules of conduct set forth by the Code or the Anti-corruption law, is in any case considered to be "disciplinary offence".

The applicable penalties are amongst those set forth by the company's disciplinary Regulations, where they exist, in compliance with the procedure set forth by clause 7 of the Workers' Statute and applicable collective agreements - one or both, if applicable.

As regards the above, the Code also makes reference to the disciplinary regulations set forth by the collective agreement.

The abstract categories of breaches describe conduct subject to penalties and indicate the relevant disciplinary measures according to its seriousness.

In particular, in accordance with the provisions set forth by the Collective Bargaining Agreement for Workers in the private metalworking and plant installation industry:

- any employee who does not comply with the rules of the Code and the Anti-corruption law or whose conduct, in carrying out activities in the relevant risk and risk-conducive areas, does not comply with the provisions of the Code or the Anti-corruption law, shall receive a verbal and written warning, a fine or may be suspended from work without pay, depending on the seriousness of the breach, since such conduct is considered as breach of the duties of the employee as set forth by the National Collective Agreement and is detrimental to the discipline and morale of the company.
- any worker who in performing their duties in the risk and risk-conducive areas, is in serious breach of the provisions of the Code or the Anti-corruption law, shall be dismissed with prior notice, as such conduct is considered to be a more serious breach than that identified in the previous point.
- any employee whose conduct in performing their duties in the risk and risk-conducive areas, clearly demonstrates its intention of committing a crime of corruption in breach of the Code or the Anti-corruption law, such that determines the concrete application

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of penalties against **Althea Italia Spa** and the group companies, shall be dismissed without prior notice, in that such conduct is considered as very serious breach that causes serious moral and/or material damages to **Althea Italia Spa** and the Group Companies.

This document is intended as the disciplinary code of the Company for all the purposes set forth by law and is subject to the billposting fees set forth by clause 7 of the Workers' Statute.

Penalties applicable to non-Italian Companies of the Group

As regards foreign Companies of the Group, in case of breach of the provisions of the rules of conduct set forth by the Code and the Anti-corruption law, such companies shall apply the measures set forth by applicable laws against the members of the administrative and auditing bodies and their Personnel.

Employees, auditors, consultants, partners, counterparties and other external parties

Any conduct by persons other than the Personnel of the **Althea Italia Spa** Group in breach of the Code or the Anti-corruption law, will be examined to evaluate whether it is necessary to adopt appropriate measures, such as unilateral termination of the contract, which will be provided by specific contractual clauses.

Final provisions

This Code, containing the corruption prevention policy adopted by Althea Italia Spa, integral part of the ISO 37001 Management System, the Organizational Model and appendix to the Ethical Code, applies, from the time of its approval, to all stakeholders and all the subsidiaries of **Althea Italia Spa**.

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