

Anti-Corruption & Bribery Policy

April 2021

1. Purpose

1.1 This Anti-Corruption and Bribery policy complements the Carlo Laviosa Code of Ethics. The primary aim of the Code of Ethics is to declare and promote the values and rules of conduct to which Carlo Laviosa intends to refer constantly in carrying out its business activities.

1.2 This Code announces the corporate policy and pursues preventive actions aimed at contrasting the types of crimes, comprising those committed indirectly, contemplated by the Law, which might be committed or attempted in the interests of and to the advantage of the Company by individuals operating in “executive” or subordinated pos

1.3 Carlo Laviosa will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which the company operates.

1.4 The purpose of this policy is to:

- set out the responsibilities of all Carlo Laviosa employees in observing and upholding the company’s position on bribery and corruption; and
- provide information and guidance to those working for Carlo Laviosa on how to recognize and deal with bribery and corruption issues.

1.5 In this policy, third party means any individual or organization you come into contact with during the course of your work for Carlo Laviosa, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

1.6 This policy applies to all individuals working at all levels within Carlo Laviosa, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with Carlo Laviosa, or any of Carlo Laviosa subsidiaries or their employees, wherever located (collectively referred to as employees in this policy).

2. Bribery

2.1 A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

3. Gifts and Hospitality

3.1 This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties.

3.2 The giving or receipt of gifts is not prohibited, if the following requirements are met:

- it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favors or benefits.
 - it complies with local law.
 - it is given in Carlo Laviosa's name, not in the employee's name.
 - it does not include cash or a cash equivalent (such as gift certificates or vouchers);
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- ☐ it is appropriate in the circumstances. For example, in some countries it is customary for small gifts to be given at the time of religious holidays.
 - ☐ taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time.
 - ☐ it is given openly, not secretly; and
 - ☐ gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties.

3.3 The practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

4. What is not acceptable

4.1 It is not acceptable for you (or someone on your behalf) to:

- ☐ give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given.
- ☐ give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure.
- ☐ accept payment from a third party that you know, or suspect is offered with the expectation that it will obtain a business advantage for them.
- ☐ accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return.
- ☐ threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- ☐ engage in any activity that might lead to a breach of this policy.

5. Facilitation payments and kickbacks

5.1 Carlo Laviosa does not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official.

5.2 If you are asked to make a payment on Carlo Laviosa's behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with your manager.

5.3 Kickbacks are typically payments made in return for a business favor or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by Carlo Laviosa.

6. Donations

6.1 Carlo Laviosa does not make contributions to political parties. Any charitable donations must be legal and ethical under local laws and practices. No donation may be offered or made without the prior approval of your manager.

7. Your responsibilities

7.1 You must ensure that you read, understand and comply with this policy.

7.2 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for Carlo Laviosa or under Carlo Laviosa's control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.

7.3 You must notify your manager as soon as possible if you believe or suspect that a conflict with this policy has occurred or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with Carlo Laviosa or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in the Schedule.

7.4 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct.

8. Record Keeping

8.1 Carlo Laviosa must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

8.2 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with applicable expenses policy and specifically record the reason for the expenditure.

8.3 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts may be kept "off-book" to facilitate or conceal improper payments.

9. How to raise concern

9.1 You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with your line manager. In the event you consider your line manager will not deal with any issue appropriately, the issue should be reported to the Laviosa Supervisory Body in the first instance by email to OdVL.231@Laviosa.com

10. What to do if you are a victim of bribery or corruption

10.1 It is important that you tell your line manager (or the Laviosa Supervisory Body) as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

11. Protection

- 11.1 Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. Carlo Laviosa aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- 11.2 Carlo Laviosa is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavorable treatment connected with raising a concern.

12. Training and communication

- 12.1 Training on this policy forms part of the induction process for all new employees. All existing employees will receive regular, relevant training on how to implement and adhere to this policy.
- 12.2 Carlo Laviosa's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of Carlo Laviosa's business relationship with them and as appropriate thereafter.

13. Responsibility for the policy

- 13.1 The Laviosa Supervisory Board has overall responsibility for ensuring this policy complies with Carlo Laviosa's legal and ethical obligations, and that all those under Carlo Laviosa's control comply with it.
- 13.2 Management at all levels are responsible for ensuring those reporting to them, are made aware of and understand this policy and are given adequate and regular training on it.

14. Monitoring and review

- 14.1 The Laviosa Supervisory Board will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.
- 14.2 All employees are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.
- 14.3 Employees are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Laviosa Supervisory Board.

15. POTENTIAL RISK SCENARIOS: "RED FLAGS"

The following is a list of possible red flags that may arise during the course of you working for Carlo Laviosa and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for us, you must report them promptly to your line manager:

- ☐ you become aware that a third party engages in, or has been accused of engaging in, improper business practices.



- ☒ you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials.
- ☒ a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us or carrying out a government function or process for us.
- ☒ a third-party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made.
- ☒ a third-party requests that payment is made to a country or geographic location different from where the third party resides or conducts business.
- ☒ a third party requests an unexpected additional fee or commission to "facilitate" a service.
- ☒ a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
- ☒ a third-party requests that a payment is made to "overlook" potential legal violations.
- ☒ a third-party requests that you provide employment or some other advantage to a friend or relative.
- ☒ you receive an invoice from a third party that appears to be non-standard or customized.
- ☒ a third party insists on the use of side letters or refuses to put terms agreed in writing.
- ☒ you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided.
- ☒ a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us.
- ☒ you are offered an unusually generous gift or offered lavish hospitality by a third party.
- ☒ a third party offers to share pricing information for an upcoming tender that the company is involved in.
- ☒ a competitor is offering to discuss price fixing.