

***JV RENCO TERNA***

ANTI  
CORRUPTION  
COMPLIANCE  
PROGRAM

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*Having an ethical conduct  
must be the way in which  
we carry out our business  
every day*

## **Message from Management**

*The JV RENCO TERNA conducts business with loyalty, fairness, transparency, honesty and integrity as well as in compliance with laws, regulations, mandatory requirements, international standards and guidelines, both domestic and foreign. In this context, corruption is a threat to our activity and our employees, and it is contrary to our culture, therefore, it is very important to us to have clear business policies against corruption and to take measures to be always compliant with these policies.*

*In accordance with the "zero tolerance" approach towards bribery and corporate crimes, the JV's Anti-Corruption Compliance Program, which must be fully applied by JV personnel, summarize the commitment of JV to the respect of principles introduced by the anti-corruption laws and by the relevant international Best Practices (L. Decree 231/2001, UK Bribery Act 2010 and Foreign Corrupt Practices Act), in order to prevent and contrast corruption risk.*

*The first step in developing an efficient strategy to fight against corruptive phenomena, is to build in-depth knowledge of the prevention tools. For this reason, an activity to encourage awareness among JV Personnel was implemented, requiring strong commitment and attention to understanding and implementing the compliance control systems of the Anti-Corruption Compliance Program in everyday business dealings.*

*Effective implementation of this compliance system is, therefore, fundamental for JV's entire business and for all JV personnel.*

*We would also like to emphasize that JV's managers must fulfil their commitments by complying with all the applicable anti-corruption laws, JV's Code of Ethics, Anti-Corruption Policy and Anti-Corruption Procedures, to disseminate and transfer JV's values of integrity to everyone they work with and represent to those people, through their conduct, a correct behavioral model.*

*Compliance with Anti-Corruption Compliance Program is therefore a personal obligation for each of us.*

*The Steering Committee*

## 1. INTRODUCTION

The key factors of the reputation of JV RENCO TERNA (hereinafter also "JV") are its ability to conduct business with loyalty, fairness, transparency, honesty and integrity as well as in compliance with laws, regulations, mandatory requirements, international standards and guidelines, both domestic and foreign, that apply to its business.

The anti-corruption laws prohibit the offering, payment or acceptance, directly or indirectly, of money or other benefits, in order to obtain or keep a business or gain an unfair advantage in business activities. This is prohibited for JV and its personnel, for Business Partners and anyone who exercises an activity for or on behalf of JV.

This document is inspired by the principles of conduct defined in JV's Code of Ethics and aims to provide, to all JV's personnel and to all those who operate for or on behalf of the JV, the principles and rules to be followed to ensure minimizing corruption risks.

The Steering Committee of the JV adopted the Anti-Corruption Compliance Program, which includes the Anti-Corruption Policy, Anti-Corruption Procedures and Code of Ethics, in order to promote compliance with the ethical standards and the respect of the national and international rules for the prevention of corruption in all its direct and indirect forms as well as, integrity, transparency and correctness in performing business activities.

An effective **Contract Management** activity is an important component of Anti-Corruption Compliance Program and it shall be part of the management of Relevant Third Parties (see Anti-Corruption procedure for more details).

The Management of JV is engaged first-hand in the respect of the Anti-Corruption Compliance Program, raising awareness and disseminating these Rules and Principles, designed to prevent corrupt acts, in observance of the principle of "zero tolerance" towards corruption.

### **1.1 Objectives**

The Anti-Corruption Compliance Program is adopted with the aim of providing a systematic reference framework of the anti-corruption prescriptive procedures and policies, that JV pursues for preventing behaviors of active and passive corruption, in particular, related to offers or requests of money, benefits, and/or other utilities, or payments executed or received by anyone acting in the name of or on behalf of JV in relation to business activities, in order to minimize the corruption risk. The Anti-Corruption Compliance Program aims at functioning as a guideline in addressing corruption risks that may arise during business activities.

It should also be noted that, if the provisions, prescribed by a local law of one of the countries where JV operates, are more restrictive than those of this Program, the Company is committed to operating in compliance with the local law.

Furthermore, JV promotes the implementation of the Anti-Corruption Compliance Program by its subsidiaries, by the Joint Venture in which JV takes part, and by all Stakeholders.

### **1.2 Scope of application**

JV's Steering Committee has approved the adoption of Anti-Corruption Compliance Program, which includes the Anti-Corruption Policy, Anti-Corruption Procedures and the Code of Ethics, in the resolution of 16<sup>th</sup> June 2016.

The Anti-Corruption Compliance Program is applicable to all JV employees or collaborators involved in field operations and/or in home office activities.

The respect of the Anti-Corruption Policy, Anti-Corruption Procedures and the Code of Ethics is mandatory for all personnel of JV, Partners, Agents and Relevant Third Parties representing the Company.

Moreover, the principles, described in the Anti-Corruption Compliance Program, must be a reference for all JV's subsidiaries and sub-contractors.

## 2. DEFINITIONS OF KEY TERMS

ACTIVE CORRUPTION – deliberate action of anyone who promises or gives, directly or indirectly, a financial benefit or other utilities to a public official or public service officer or to an individual, for himself/herself or for third parties, to make him/her act or refuse to act in accordance with his/her duties or in the exercise of his/her functions in breach of the obligations inherent his/her office or duties of loyalty.

AGENT – individual or legal person who is in charge of promoting the commercial interests of JV or facilitates the execution and/or performance of contracts with third parties on behalf of JV, from which a mandate has been received with or without representation.

ANTI-CORRUPTION LAWS – include Italian Penal Code, Legislative Decree 231/2001 and other applicable measures, the Foreign Corrupt Practices Act (FCPA), the UK Bribery Act and other laws, in force in the world, of public and commercial laws against corruption and international anti-corruption treaties, such as the Convention of the Organization for Economic Cooperation and Development on the fight against corruption of Foreign Public Officials in international business transactions and the United Nations Convention against Corruption.

ANTI-BRIBERY COMPLIANCE UNIT – Unit responsible for providing specialized assistance concerning Anti-corruption matters, related to operating activities directly managed by JV and shall form Anti-Bribery Compliance Officer and Anti-Bribery Compliance Specialist.

BRIBERY - commonly described as involving the promise, offer, acceptance or transfer of an advantage, either directly or indirectly, in order to induce or reward the improper performance of a function or an activity. Bribery may occur in a commercial arrangement (so-called commercial bribery) or involve the misuse of a public office or public power for personal gains in order to obtain, retain or direct business or to secure any other improper advantage in the conduct of business.

CONFLICT OF INTEREST – a situation that occurs when a person, entrusted with a particular decision-making responsibility has personal and/or professional interests in conflict with the impartiality required of this responsibility, which may be affected by the interests in place.

DUE DILIGENCE – verification activity of the counterpart, aimed at assessing risks that the company may accept entering into an agreement with a third party. These evaluation activities can be performed periodically in order to assess possible new risks in the management of the relationship with a third party.

INDIRECT CORRUPTION – act of corruption executed by a third party acting on behalf of another person.

JOINT VENTURE – contracts in which two or more companies, even belonging to different States, agree to collaborate for the realization of a project, sharing risks and taking advantage of their respective skills and aimed at establishing joint ventures, consortiums, temporary associations of companies (TAC), collaboration agreements or other entities with or without legal personality, where JV holds an interest.

PASSIVE CORRUPTION – deliberate action of a public official or public service officer or an individual who, directly or indirectly, demands or receives advantages of any kind, for himself/herself or a third party, or accepts the promise or advantage, to act or refuse to act according to his/her duty or in the exercise of his/her functions in violation of the obligations inherent in his/her office or duties of loyalty.

#### PUBLIC OFFICIAL

- a) anyone who performs public functions in a legislative, judicial or administrative capacity;
- b) anyone acting in an official capacity for or on behalf of (i) a national, regional or local government, (ii) an agency, department or instrumentality of the European Union or of an Italian or a non-Italian national, regional or local government, (iii) an Italian or a non-Italian government-owned or government-controlled or government-participated company, (iv) a

public international organization such as the European Bank for Reconstruction and Development, the International Bank for Reconstruction and Development, the International Monetary Fund, the World Bank, the United Nations or the World Trade Organization, or (v) an Italian or a non-Italian political party, member of a political party official or candidate for political office;

c) anyone in charge of providing a public service, i.e. whoever performs a public service for whatever reason, where public service means an activity that is governed in the same way as a public function, except that the power vested in the latter is absent.

Pursuant to Anti-Corruption Laws and in particular jurisprudence deriving from it, the representatives of local communities are treated as Public Officials.

RELEVANT THIRD PARTY - any individual or entity that acts on behalf of or for JV's interest or is likely to have relevant contact with a Public Official during the course of his/her work for or on behalf of JV (for example Joint Ventures, Agents, Consultants, etc.).

SOCIAL SOLIDARITY – free activity provided to people in a "state of need and disadvantage" inclining to offer social assistance, health care support, social rehabilitation, social rehabilitation and protection of rights.

THIRD PARTIES – individuals or entities (e.g. suppliers, customers, etc.) who perform services for or on behalf of an organization. The conduct of an associated person may be imputed to JV either as a matter of law or regulation or from the standpoint of reputational exposure.

### 3. REFERENCES

#### 3.1 Anti-Corruption Laws

The international legislation on corruption is very extensive. The bribery of Public Officials and private entities is a crime in nearly all countries. Moreover, in some countries, the corruption of Public Officials of other countries is also considered a crime.

Since JV is an international organization it must respect the legislation in the countries where it operates, including the laws of ratification of international conventions, which forbid the bribery of Public Officials and private bribery, for example the following:

- the Organization for Economic Cooperation and Development Convention on Combating Bribery of Foreign Officials in International Business Transactions;
- the United Nations Convention against Corruption;
- the Foreign Corrupt Practices Act (FCPA) issued in USA;
- the UK Bribery Act issued in UK;
- the Decree n. 231/2001 and the Anti-Corruption law n. 190/2012 issued in Italy.

In the past few years, issues relating to bribery have assumed increasing importance internationally, with a progressive aggravation of the penalties associated with the violations of the relevant laws.

The recipients (individuals and legal persons) who violate anti-bribery laws may incur in fines, disqualification or imprisonment, depending on the subjects involved, severely damaging the Company's reputation.

It should also be noted that in order to maximize the effectiveness of sanctions, it is usually forbid for Companies to exclude their employees from personal liabilities, arising from violations of the anti-corruption laws.

### **3.2 Sanctions for violation**

Any employee or collaborator, who is not acting in compliance with this Program, Anti-Corruption policy and Anti-Corruption procedure, or who does not report known or suspected illegal actions, will be subject to disciplinary action commensurate with the seriousness of the violation carried out.

Managers will be subject to disciplinary action, if they are aware of or have reason to suspect that the conduct prohibited by these Program, Anti-Corruption policy and Anti-Corruption procedure is considered by the employees under their supervision, without implementing any action to avoid it, or if they are aware or have reason to suspect that the conduct prohibited by these Program, Anti-Corruption policy and Anti-Corruption procedure have been perpetrated by those employees without having undertaken the necessary and appropriate corrective measures.

Managers are required to actively encourage their teams to observe the Anti-Corruption Policy, Anti-Corruption Procedures and Code of Ethics, without ignoring possible violations.

## **4. ANTI-CORRUPTION FRAMEWORK**

JV has defined a structured compliance process (Anti-Corruption Framework) for the management of the observance of anti-corruption laws. The establishment of a compliance process starts from the Compliance Organization. Nevertheless, the existence of a dedicated Compliance Organization does not exempt any employee from personal responsibility in all compliance areas.

JV and all of its corporate structures are, therefore, committed to ensuring the adherence of their behavior and business conduct to comply with applicable internal and external laws.

However, the Anti-Bribery Compliance Officer is the person in charge of encouraging and ensuring compliance with the laws, rules, internal codes of conduct, minimizing the risk of regulatory non-compliance, and promoting a compliance culture.

#### 4.1 Compliance Organization

JV assigns to the Anti-Bribery Compliance Officer a central role in building relationships with stakeholders based on trust and mutual fairness, as a pre-requisite and basis for the development of long-term relationships, and in order to create sustainable and long-term value.

The Organization adopted by the JV to manage compliance risks consists of:

- Anti-Bribery Compliance Officer: appointed by JV and in charge of guiding, coordinating and monitoring compliance matters globally;
- Anti-Bribery Compliance Specialist: responsible for assisting the Anti-Bribery Compliance Officer in managing compliance risks;
- Country Reference: responsible for support the Anti-Bribery Compliance Officer to disseminate the Anti-Corruption Program and its values in the operating sites.

#### 4.2 Responsibilities of Compliance Organization

The goals of the Anti-Bribery Compliance Officer are to monitor and manage the compliance risks by:

- identifying the continuously changing rules applicable to JV;
- measuring and evaluating the impact thereof on processes and business procedures;
- defining the policies for prevention and control within the scope of responsibility, as defined, from time to time, by the regulators.

In pursuing this objective, the Anti-Bribery Compliance Officer has the responsibility to ensure the protection of JV and its employees against the risk of sanctions, financial loss and reputational damage.

The Anti-Bribery Compliance Officer is responsible for:

- defining processes, methodologies, procedures and tools of the Anti-Corruption Compliance Program;
- ensuring inventory of anti-corruption laws and regulations and related updating;
- planning the activities necessary for the proper functioning of the Anti-Corruption Compliance Program and related reporting;

- identifying, assessing and monitoring the corruption risks with the support of the business functions;
- ensuring periodical updating of JV's corruption risk profile and related internal control system;
- ensuring the adoption, update and application of the Anti-Corruption Compliance Program and related procedures and tools, also by monitoring activities carried out in coordination with the Control Bodies for shared aspects;
- gathering, analyzing and managing the whistleblowing system, initiating the proper actions (i.e. audit, inspection, etc.);
- planning and defining training activities regarding compliance provisions to ensure that all relevant employees are trained on a regular basis;
- supporting the Management in the evaluation of potential corruption issues, initializing the escalation process, in order to protect JV;
- reporting to Top Management and Steering Committee on (i) the status of JV's Anti-Corruption Compliance Program, (ii) relevant compliance issues involving JV, (iii) significant disciplinary actions taken against any personnel for compliance issues;
- reporting to shareholders and contractors about the status of JV's compliance activities, when requested;
- performing audit activities on the adoption and application of the control system, also with the support of control functions.

The Anti-Bribery Compliance Officer is assisted by the Anti-Bribery Compliance Specialist, who supports the former in order to carry out his/her required activities, in particular:

- provide methodological support to business functions in the adoption and application of procedures and tools;
- perform an analysis of the whistleblowing alerts received before communicating these to the Anti-Bribery Compliance Officer;
- assist in planning and performing the risk assessment and monitoring activities as well as preparing the related deliverables;
- prepare the reporting to Top Management, Steering Committee, shareholders and contractors.

While, the Country Reference:

- support the Anti-Bribery Compliance Officer to disseminate the Anti-Corruption Program and its values in the operating sites;
- make available, interfacing with local reference, the documentation requested from the Anti-Bribery Compliance Officer during the monitoring activities and the Audit;
- report any changes introduced by the Country's regulations and/or newly adopted operating practices, which may have an impact on corruption risks.

#### **4.3 Compliance Process**

Compliance is an integrated process that involves the entire organization and requires a full and conscious commitment, at all levels, in order to ensure adherence to applicable laws and regulations.

The compliance process is developed through the following:

- continuous monitoring of internal and external regulations, including advisory activities to the Steering Committee within the defined legal perimeter;
- management of compliance risks (i.e. identification, evaluation, measurement, management and reporting of compliance risks).



**1. Practices and Procedures**

The management and maintenance of an efficient and effective internal control system, adequate to minimize corruption risks, starts from the design and implementation of its procedures and methodology.

Specifically, practices in place and procedures define arrangements to manage the business activity in line with the anti-corruption regulation in order to reduce the probability of corruption crimes being committed by employees, partners, contractors, suppliers of JV or any other party who has a relationship with JV or conducts business in the name of or otherwise on behalf of JV.

The compliance with Company's policies, procedures, and guidelines is regularly assessed in the course of audits and periodic self-assessments. The policies, procedures, and guidelines are enforced by appropriate employee disciplinary mechanisms. Violations are grounds for disciplinary actions, up to and including dismissal.

## **2. Legal Inventory**

This phase consists of monitoring the applicable regulatory framework and its related changes - ensuring its understanding, interpretation and analysis - and assessing the potential impacts on the Company's business activities.

It is important to continuously monitor applicable laws/ regulations, timely identify regulatory changes (i.e. issuance of new legislations or updates of existing rules) that may impact the Company's activities, and update internal regulations in line with new regulatory provisions.

## **3. Risk assessment**

Risk assessment is fundamental in developing a strong Anti-Corruption Compliance Program.

The primary objective of the corruption risk assessment is to better understand the risk exposure so that informed risk management decisions may be taken and to ensure and/or verify that internal procedures are consistent with the need of preventing any violation. The evaluation is carried out according to a methodological "risk based" approach.

The risk assessment activity identifies and evaluates the main corruption risks as well as defines the internal controls needed to prevent the commission of corruption crimes by the Company.

## **4. Training & Communication**

The training activities are aimed at ensuring that training requirements, according to pertinent internal and external legislative provisions, are met and that all employees are aware of applicable regulations governing their area of competence.

Periodic training courses will be held on the present Program and anti-corruption laws, in order to disseminate the principles, commitments and how to implement them.

In order to ensure a proper implementation of JV's Anti-Corruption Compliance Program, both internal and external communication is considered crucial, in particular:

- **internal communication** aims to inform personnel about the importance of countering corruption and ensure transparent and honest behavior;
- **external communication** aims to raise awareness among Business Parties and stakeholders, in general, of JV's commitment towards conducting business in an ethical manner.

### ***5. Monitoring & Testing***

It is the responsibility of every JV employee to continuously monitor the day-to-day activities in order to ensure that these are conducted in full compliance with the principles and values included in the Anti-Corruption Compliance Program and with the highest ethical standards.

The Anti-Bribery Compliance Unit shall monitor the adoption of this Anti-Corruption Compliance Program, also with the support of the control functions of the Unit.

### ***6. Compliance review***

The Anti-Bribery Compliance Unit carry out a review of the Anti-Corruption Compliance Program at least annually, since the compliance review is fundamental to ensure that the Anti-Corruption Compliance Program always remains effective.

The Anti-Bribery Compliance Unit may use the results of the monitoring and testing phases to recommend enhancements to the Anti-Corruption Compliance Program if any gap or weakness is identified.

Furthermore, if a violation is detected, it is important to assess if a revision or procedural enhancement of the Anti-Corruption Compliance Program is required in order to prevent the recurrence of the violation.

### ***7. Reporting***

Providing regular information flows in order it is fundamental to ensure that management and the control functions are fully aware of how to manage compliance risks.

Reporting guarantees the availability of information regarding major risks' management and monitoring at all Company levels, enabling the assessment of the effectiveness and continued suitability of the adopted risk management system.

All JV's personnel have a duty to report promptly any concerns they may have concerning the Anti-Corruption Compliance Program, as well as they must report any misconduct of which they become aware to the appropriate level of management.

## **5. INTERNAL COMPLIANCE CONTROLS**

All business activities, as well as the related specific controls, carried out during the normal course of operations are to be conducted in accordance with the following principles:

- detection and segregation of incompatible activities/processes, to be achieved through the application of both organizational tools, such as the segregation of duties and responsibilities, and access tools to information and data, whose availability should depend on the responsibilities assigned to the personnel;
- adoption and implementation of appropriate internal regulations in order to define the operational methods to perform the relevant processes and activities;
- recognition of qualified individuals in order to carry out specific control and authorization activities and assignment of appropriate powers and responsibilities, in accordance with the assigned tasks;
- traceability of all transactions executed and constant accurate recordkeeping and bookkeeping.

### **5.1 Recordkeeping and bookkeeping**

The principal anti-corruption laws impose obligations regarding recordkeeping to ensure it is designed to deter and detect payments and receipts executed with corrupt aims.

JV prescribes that the bookkeeping must be compliant with applicable accounting principles, completely and transparently reflecting the facts of each transaction. All costs and charges, revenues and receipts, income payments and expenditure commitments should be immediately recorded in a complete and accurate manner and have adequate supporting documentation issued in accordance with all applicable laws and with the relevant provisions of the internal control system.

JV, in accordance with its procedures, prescribes the filing of accounting books and related documentation, making it available to the external auditor in order to justify all receipts, payments and, in general, all transactions, and clearly identify the purpose of such events.

In order to meet these requirements, JV's employees must, with no exception, comply with business accounting requirements. JV's personnel must never accept the request for a false or misleading bill or payment of unusual, excessive or not adequately described expenses, and in any case not adequately documented expenses.

No accounting record or other document related to a transaction must be falsified in any way that would make unclear or falsify the underpinning transaction. No employee must take dispositions that are of inaccurate entries in the accounting books and in JV's documentation. No payment on behalf of JV can be approved or executed if there is an explicit or implicit agreement that part of the payment will be used for a purpose different than the one described in the supporting documentation of the payment. Hidden or unregistered funds and accounts are prohibited. These requirements apply to all transactions regardless of the financial relevance.

Moreover, all employees must fully observe any applicable requirement for the preparation and delivery of expense reports (for example, these must describe the financial purpose related to expenses for meals and entertainment with administrative officials, list all participants, and attach all necessary receipts). In case of any doubts or questions, the Anti-Bribery Compliance Unit should be consulted.

## **5.2 Contract management**

The JV's Anti-Corruption Compliance Program requires a continuous control and monitoring activity related to contract management through the management of Relevant Third Parties process (e.g. Due Diligence; control of the correct performance of the contract; monitoring that the Relevant Third Party always acts in compliance with anti-corruption laws, etc.). Rules and responsibilities of the Contract management activity are defined in the policy and procedures attached to this document.

Moreover, employment and Relevant Third Parties contracts include express contractual obligations, remedies and/or penalties in relation to misconduct (including in the case of Relevant Third Party, a plan to exit from the arrangement, such as a contractual right of termination, in the event that the Relevant Third Party engages in misconduct).

## **6. DETECTING AND REPORTING VIOLATIONS AND DISCIPLINARY MEASURES**

An element of an efficient Anti-Corruption Compliance Program is acting on reported or detected violations by taking appropriate corrective action and disciplinary measures and considering making appropriate public disclosure of the enforcement of the Company's policy. With this in mind, JV designed and implemented its own system to detect, report and investigate violations and to sanction them.

### **6.1 Whistleblowing**

In accordance with JV's Code of Ethics, if anyone is aware of or suspects misconduct, he/she must report it to the appropriate level of management. If he/she is still concerned, after having spoken with management, or feels uncomfortable speaking with them, he/she must (anonymously, if preferred, if permitted by local legislation) contact the Ethics Helpline of JV or sending an e-mail to [antibribery@rencoterna.com](mailto:antibribery@rencoterna.com).

Anyone submitting an alert through the whistleblowing channel will be protected from any harassment, persecution or discriminatory behavior. Moreover, every call, written communication and/or e-mail will be dealt with confidentially unless it is absolutely necessary to share such information in order to address the matter appropriately.

Failure to report known or suspected wrongdoing, in connection with JV's business, of which an associate or agent of JV has knowledge, may, in itself, subject that individual or entity to disciplinary action, including prosecution under the anti-bribery laws of the applicable jurisdiction.

## **6.2 Investigation**

All notifications must be analyzed by the Anti-Bribery Compliance Officer, who may also seek support from the internal control function and Legal Department. Once an allegation is made, the Company puts in place an efficient, reliable, and properly funded process for investigating the allegation and documenting the Company's response, including any disciplinary or remediation measures taken. Moreover, the Company considers the "lessons learned" from any reported violations and the outcome of any investigation resulting in the updating of their internal controls and Anti-Corruption Compliance Program, and it focuses future training on such issues, as deemed appropriate.

## **6.3 Remediation, enforcement and discipline**

JV takes adequate disciplinary actions as prescribed by the Code of Ethics, the collective employment contract and other national standards applicable to JV Personnel:

- a) whose actions are deemed to have violated the Anti-Corruption Laws or the Anti-Corruption Compliance Program;
- b) who fail to participate or complete adequate training, and/or
- c) who unreasonably fail to detect or fail to report such violations or who threaten or retaliate against others who report such violations.

Disciplinary action may include termination of employment.

JV takes appropriate measures, including but not limited to contract termination and claim for damages against Relevant Third Party whose violates the Anti-Corruption Laws or the Anti-Corruption Compliance Program. Contracts stipulated by JV with the Relevant Third Parties include specific clauses to ensure compliance by Relevant Third Parties with the Anti-Corruption Laws and the Anti-Corruption Compliance Program and to allow JV to provide appropriate remedies.

## **6.4 Notification to interested parties**

The Anti-Bribery Compliance Unit communicates any Ethics and Compliance violations which affects all interested parties (e.g. Partner, Client, etc.), within seven days from the date in which the violation has been discovered.

In particular, the Anti-Bribery Compliance Unit sends a note which explains, the suspect misconduct reported, the outcome of investigation and the disciplinary action taken (in case of establish breach).

The communication sent to the interested parties will be duly recorded.

The Anti-Bribery Compliance Unit will remain available to provide any necessary information or clarifications requested by the interested parties.

## **7. COMPLIANCE CONSULTATIONS**

JV supports and promotes continuing information flows (i.e. Compliance consultations) from Company structures on compliance matters.

Compliance consultations will help to ensure that day-to-day activities are performed in compliance with applicable laws and regulations. During the consultations, Anti-Bribery Compliance Unit meets JV's personnel to help identify and address potential areas of non-compliance, answer all questions and identify solutions to meet compliance.

Consultations are categorized under different relevant topic as, for example:

- respecting human rights, equal opportunity & diversity, respect, discrimination & harassment, relating to human resources;
- workplace health and safety, substance free environment (i.e. alcohol and drug abuse), workplace violence, protecting the environment;
- bribery, extortion, fraud, trading in influence, and nepotism;
- facilitation payments;
- gifts, hospitality and entertainment expenses;
- topics relating to the integrity of third parties as the company can be held liable for the corrupt acts of third parties carrying out work on its behalf;
- charitable contributions and sponsorship
- money laundering
- conflicts of interest
- etc...

The Anti-Bribery Compliance Unit ensure the maintenance of a periodic reporting of the Compliance consultations carried out during the year.

## **8. EFFECTIVENESS OF ANTI-CORRUPTION COMPLIANCE PROGRAM**

The JV has put in place an Anti-Corruption Compliance Program Policy and Procedure in order to be effective the Anti-Corruption Compliance Program.

As referred to in paragraph 4.3, the JV has adopted the internal Compliance Program Policy and Procedure to regulate the business activity according to the anti-corruption principles to avoid any corruption events being committed by employees, partners, contractors, suppliers of the JV or any other party who has a relationship with the JV or conducts business in the name of or otherwise on behalf of the JV.

The Anti-Corruption Policy defines the general rules must be followed by the JV's employees during day-to-day activities and the Anti-Corruption Compliance Procedure regulates:

- the management of Relevant Third Parties;
- relations with the Public Administration and Relevant Private Entities;
- gifts, hospitality and entertainment expenses
- no profit initiative and sponsorship

Moreover, JV's Steering Committee decided to reinforce the achieving of anti-corruption objectives, updating the Code of Ethics according to the International and National Anti Bribery and Corruption Laws.

The JV will report in a Monthly Report all the activities formed for the effective application of the Anti-Corruption Compliance Programm.

The reports will give evidence of any measures adopted and the results obtained by them.