



LG\_R&C\_02\_Version 1.0

## **Anti-Corruption Guidelines**

**Approved by the Acea S.p.A. Board of Directors on 8 March 2023**

**aceea**

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# I Introduction

## I.1 Purpose and field of application

The Acea Group is an international multiutility that operates in several business sectors<sup>1</sup>. Taking into consideration its size and operations, over time the Acea Group has developed and implemented specific compliance measures designed to prevent the risks of illicit behaviour in the performance of its activities and in particular in those most exposed to the risk of corruption<sup>2</sup>. The Guidelines standardise and supplement these compliance measures spread within the Group Regulatory System<sup>3</sup> presenting a coherent system of rules and principles aimed at preventing and countering the risks of illicit practices.

The present document applies to Acea S.p.A. and to the direct and indirect subsidiaries of Acea S.p.A. (hereinafter also “Group Companies”). The document applies also to the suppliers, partners, business partners and more generally all those who act in the name of and on behalf of Acea or of the Group Companies or with which the same come into contact during their activity (the so-called “Addressees”).

In particular, the Guidelines govern the roles and responsibilities of the subjects involved and the control activities relating to anti-corruption and in particular:

- the **anti-corruption framework** of the Acea Group (that is the main pillars through which the Group prevents and counters corruption);
- the **principles of conduct to be observed in the sensitive areas potentially most exposed** to the risk of corruption<sup>4</sup> and some **applicable controls**;
- the need for **information and reporting flows** related to the implementation and monitoring of the anti-corruption framework described in the present Guidelines.

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<sup>1</sup> For further information on the context of the Acea Group please see the information present on the Group’s website [www.gruppo.aceea.it](http://www.gruppo.aceea.it), in the general part of the Organisation, Management and Control Model of Acea S.p.A. and in the Sustainability Report published on the aforesaid website.

<sup>2</sup> Understood as active and passive corruption, and “committed by/or perpetrated against” the Public Administration and/or private entities-subjects.

<sup>3</sup> In the Code of Ethics, in the respective Organisation, Management and Control Models adopted pursuant to Italian Legislative Decree no. 231/2001, in the Guidelines and relevant procedures etc.

<sup>4</sup> Identified on the basis of the best practices and the type of activities carried out by the Acea Group. Also in line with the standard ISO 37001:2016 (“Anti-bribery Management Systems”) and with the principles present in the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 adopted by Acea S.p.A. (hereinafter also the “Model” or “231 Model”).

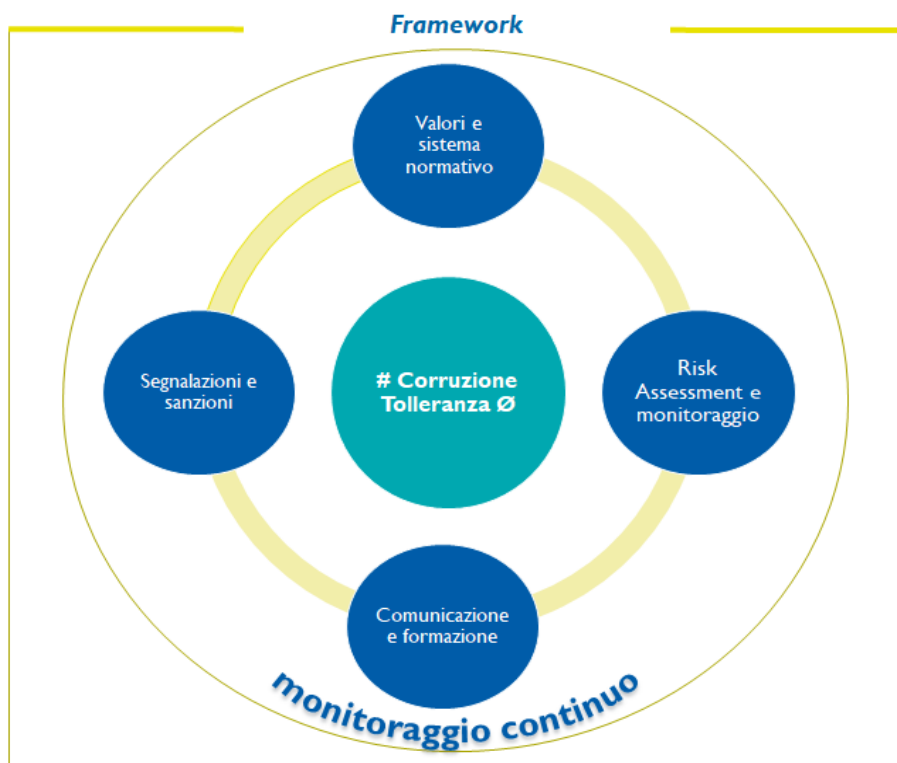
## 2 The Anti-Corruption Manager

In order to monitor and coordinate the activities connected with the framework adopted by the Acea Group for the purposes of managing and preventing the risk of corruption (pursuant to the next paragraph), in every Group Company an "Anti-Corruption Manager" (or "ACM") is appointed; he or she guarantees, for the respective Company, the compliance measures for preventing corruption.

The single responsibilities of the ACM are identified in the rest of this document and summarised in para. 7 "Main roles and responsibilities".

## 3 Anti-Corruption Framework

The framework adopted by the Acea Group for the purposes of managing and preventing the risk of corruption is briefly presented below, while, in the following pages, the detailed elements of the same are described.



Valori e sistema normativo	Values and regulatory system
Risk Assessment e monitoraggio	Risk Assessment and monitoring
Comunicazione e formazione	Communication and training
Segnalazioni e sanzioni	Reports and sanctions

#corruzione tolleranza 0	#corruption tolerance 0
Monitoraggio continuo	Continual monitoring

### 3.1 Values and Regulatory System

#### 3.1.1 The Group's commitments and values

##### #Corruption Tolerance Ø

The Acea Group (and specifically, Executives and Management who work daily to serve as virtuous examples for the personnel of the Group and the context in which it operates):

- is committed to preventing and fighting illicit behaviour by all people who, for whatever reason, act in the name of and on behalf of the Group and to its benefit;
- rejects corruption in all its forms and prohibits all actions that could facilitate or promote corruption;
- is committed to constantly implementing sustainable business that combines results and performance with compliance with rules and values, to make the Group ethically virtuous based on the supposition that “illicit” profit is not acceptable.

##### Speak Up culture

- The Group promotes the speak up culture, that is it spreads a corporate culture that encourages the raising/reporting of any doubts; any act of corruption, whether attempted, certain or assumed; any breach, even suspected: i) of the present Guidelines, ii) of the Code of Ethics, iii) of the 231 Model<sup>5</sup>; iv) in general of the principles of conduct defined by the same. To this end the Group has made available alternative reporting channels (detailed in the rest of this document) in order to facilitate the reception of doubts and/or reports.

#### 3.1.2 The Control System and the Internal Regulatory System

The Group has provided itself with a detailed system of rules, checks (exercised also through the system of powers) and organisational safeguards, intended to prevent active and passive crimes of corruption, both public and private. In the context of this system the following are of a fundamental nature for preventing corruption:

<sup>5</sup> If adopted by the Group Companies, or of any respective anti-corruption Compliance Program adopted.

- the Code of Ethics;
- the present Guidelines;
- the respective (anti-corruption) Compliance Programs and/or Organisation, Management and Control Models (if adopted by the Group Companies);
- the single procedures of reference and/or further regulatory instruments of the areas exposed to the risk of corruption in which the control principles/standards outlined in the aforementioned documents are implemented.

In particular, through the documents of the internal regulatory system of reference indicated above, and the measures identified in them, Acea has identified a set of activities, ethical/behavioural principles and prevention rules to fight corruption, while also considering regulatory principles, best practices and national and international agreements which apply to the various countries in which it operates<sup>6</sup>.

In order to implement the principles of the present Guidelines, the Group companies prepare specific procedures, on the basis of the organisational and governance instruments (e.g. System of powers) of the Company.

In addition, the Group guarantees a structured system of prior verification, assignment and monitoring of the powers conferred observing the following principles:

- clear and transparent communication/indication of the powers attributed and continual monitoring of the same in order to avoid situations of concentration of powers and/or incompatibility and/or absence of segregation in order to mitigate potential corruption risks (e.g. by providing for spending thresholds; exercising limits; prior checks that the powers are conferred on a person different from the one who performs operationally the activities underlying the exercising of the power itself etc.);
- formalisation, traceability and logging of the powers attributed and of the actions performed in exercising the powers assigned;
- consistency of the powers assigned with the organisational and management responsibilities defined and the corporate regulatory system;
- observance of the forms of disclosure necessary for the purposes of effectiveness against third parties (within the legal limits);
- exercising of the powers performed in conformity with what has been assigned, the legal provisions, the provisions of the Code of Ethics, the present Guidelines, the 231 Model and in general the Internal Regulatory System<sup>7</sup>.

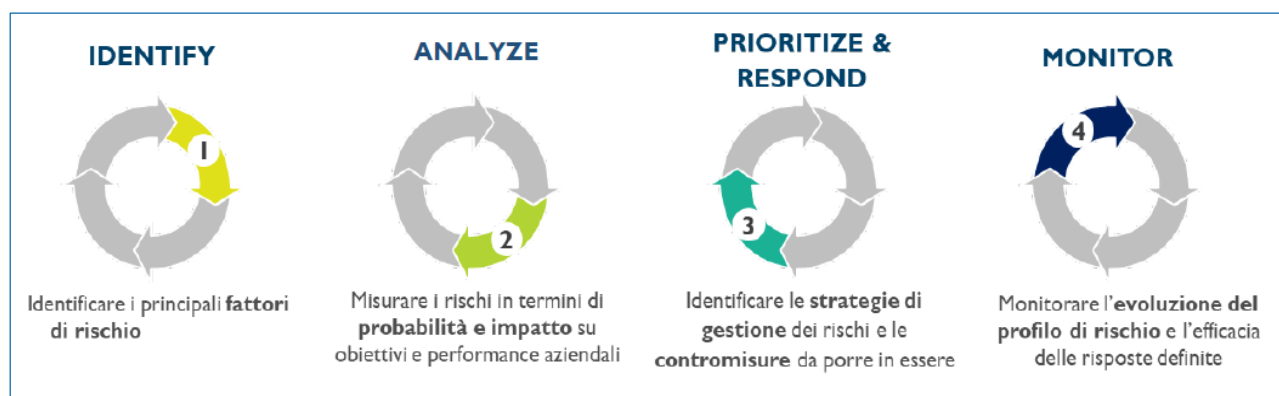
<sup>6</sup> Activity guaranteed also through participation in national/international working groups (e.g. Transparency International) and continuous monitoring of related developments.

<sup>7</sup> Cf. on this point, for example, Acea's "Conferment/Revocation of Powers of Attorney" Procedure.

## 3.2 Risk Assessment and Monitoring

### 3.2.1 Risk Assessment

The Group Companies must carry out periodically<sup>8</sup> the identification, assessment and monitoring of their risks and the overall exposure to the risk of corruption, assessing also the level of mitigation guaranteed by the existing controls and providing for the necessary actions aimed at improving the anti-corruption framework and more generally at strengthening their Internal Control and Risk Management System (ICRMS), observing the ordinary management cycle of the same:



Identificare i <b>principali fattori di rischio</b>	Identify the main <b>risk factors</b>
Misurare i rischi in termini di <b>probabilità e impatto</b> su obiettivi e performance aziendali	Measure risks in terms of <b>probability and impact</b> on company objectives and performance
Identificare le <b>strategie di gestione</b> dei rischi e le <b>contromisure</b> da porre in essere	Identify risk <b>management strategies</b> and <b>countermeasures</b> to be implemented
Monitorare l' <b>evoluzione del profilo di rischio</b> e l'efficacia delle risposte definite	Monitor <b>risk profile evolution</b> and the effectiveness of the responses defined

The above activities are overseen/managed by the Anti-Corruption Manager of reference, with the support of the units/departments involved in the processes underlying the areas exposed to the risk of corruption and coordination with other key stakeholders (e.g. Auditing Structures/Bodies) in order to ensure correct performance of the aforesaid activities.

## 3.3 Communication and Training

The ACEA Group, conscious of the importance of internal and external diffusion of its values and rules for preventing corruption, is active and promotes these values and rules, in keeping with the corporate

<sup>8</sup> The assessment of the risk of corruption must be subject to review at least annually and/or in any case promptly in the case of a significant change in the related structure or activity.



procedures, through various activities, including communication/information/training campaigns on anti-corruption themes addressed to the Group's personnel and to the Stakeholders.

The above activities are overseen/managed by the Human Resources Function and by the Communication Function of the Holding and, in agreement with the above Functions, by the relevant structures of the respective companies, with the support of the related Anti-Corruption Manager, on the basis of the corporate guidelines and procedures defined (e.g. training and communication plan).

### 3.4 Reports and sanctions

#### 3.4.1 Reporting mechanisms

The present Guidelines are part of a wider internal regulatory system which has, at its summit, the corporate Code of Ethics, the document that lays out the provisions for conduction of the business according to the highest ethical standards and observing the applicable laws and regulations and is integrated with the mechanisms for reporting potential breaches indicated in the Code and in the other documents of the internal regulatory system corpus (e.g. Whistleblowing Procedure; Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001).

Specifically, the addressees of the Guidelines must raise promptly any doubts, and report immediately:

- any act of corruption, whether attempted, certain or assumed;
- any breach, even suspected: i) of the present Guidelines; ii) of the Code of Ethics; iii) of the 231 Model (if adopted); iv) in general of the principles of conduct defined by the Group.

The Group recognises the key role that implementation of a structured system of reporting mechanisms has in preventing and fighting corruption and to this end makes available several reporting channels illustrated in detail on the corporate website (for further details click on the following links: 1) [reports for breaches of the Code of Ethics](#); 2) [reports for irregularities connected with the 231 Model](#)) and guarantees that no whistleblower who has made a report in good faith (or based on a reasonable and confidential belief) will suffer retaliation or be discriminated against with effects on their working conditions, due to the report or for having refused to participate in illicit conduct (even if this refusal created or may create conditions detrimental to the Group's business)<sup>9</sup>.

The system for reporting potential breaches<sup>10</sup>, which ensures the highest degree of confidentiality and secrecy in handling the communications received (protecting the whistleblower and the reported party), is the

<sup>9</sup> At the same time, the Group may apply sanctions if a report is made in bad faith, fraudulently or negligently.

<sup>10</sup> Of the Code of Ethics, the 231 Model and the present Guidelines.

**Whistleblowing IT platform** accessible by everyone (Employees, Third Parties, etc.) on the Corporate Website (available at the following [link](#)).

The platform is structured so as to encourage the reporting of possible breaches through a direct and confidential communication method, that also allows for sending reports, also anonymously, from any point of access to the internet and with any device. The platform also guarantees interaction with a confidential method for asking questions or making requests for clarification.

### **3.4.2 Management of breaches**

Breaches of the rules of conduct provided for in the present Guidelines will be pursued – observing the procedures, methods and timing provided for in the applicable legal and/or contractual rules - promptly and immediately, through the application of sanction measures, considering, for each case, the objective seriousness of the breach, the degree of blame, any reiteration of the same conduct, and the intentionality of the said conduct, without prejudice to the recognition at the moment of application of the principle of proportionality for employees.

Violations carried out by Third Parties, and any entities involved by the latter in the execution of the contract, shall give the relevant Acea Group company the right not to establish the relationship with the counterparty and/or to terminate by right and with immediate effect the respective contract, without prejudice to compensation for any damages suffered and to be suffered by the Company.

## **4 Main Areas at Risk**

### **4.1 The main sensitive areas**

The present Guidelines are defined from a risk-based perspective. In line with the applicable best practices, the Group has defined and implemented a risk assessment process aimed at identifying, assessing, measuring and monitoring the risks of corruption in the context of its activities and on the basis of these, defining and updating the related control measures put in place to mitigate these risks. It is the responsibility of the Group Companies to update and maintain the risk assessment.

With reference to the types of activity performed by the ACEA Group and to the assessment of the inherent risks<sup>11</sup> and to the best practices of reference the following main sensitive macro-areas have been identified:

<sup>11</sup> Using, as macro-parameter of reference, the risk assessment of the holding.

- Purchases of goods, work, services, professional appointments and advice;
- Selection, recruitment and management of personnel;
- Management of donations;
- Management of sponsorships and contributions to associations / entities of the P.A.;
- Management of gifts, hospitality and entertainment expenses;
- Merger & Acquisition operations;
- Facilitating payments;
- Relationships with the Public Administration;
- Participation in tender procedures.

*The single responsibilities connected with the practical application of the principles set forth in the rest of this paragraph, are outlined in the respective Guidelines, Procedures and/or further regulatory instruments of reference.*

## **4.2 Purchases of goods, work, services, professional appointments and advice<sup>12</sup>**

The purchasing process must be performed observing the Governance System, in line with the internal procedures and the organisational system and based on the following principles/elements<sup>13</sup>:

- existence of an effective need to purchase (documented and justified);
- choice of the suppliers on the basis of specific qualification criteria and selection according to principles of legitimacy, fairness, transparency, traceability, equality of treatment and rotation on the basis of objective criteria linked to the competitiveness and quality of the products and services offered;
- recourse to direct awards exclusively in the cases provided for in the internal procedures and adequately justified;
- verification of the possession of the requisites of “ethical-reputational and professional reliability” required by the Group, through supplier qualification activities conducted according to the applicable legislation and the performance of “Background Search<sup>14</sup>” activities and/or further methods governed by the applicable legislation of reference (e.g. Procurement Code for Italy). These checks must include also an analysis of any incompatibilities and conflicts of interest related to the potential counterparty. In the context of purchases of a private nature, advisory activities, professional services/appointments (including agency, intermediation, deal broking-management relations), are activities which by their nature may, more than others: i) entail the possibility of representing Acea

<sup>12</sup> Including appointments of agents, intermediaries, deal brokers-managers.

<sup>13</sup> For anything not expressly indicated in this paragraph, please see what is already indicated in the Code of Ethics.

<sup>14</sup> Cf. specific paragraph mentioned in the rest of the document.

with third parties; ii) have more uncertainty in terms of qualification, quantification and verification of performance; iii) be used instrumentally for corrupt conduct (e.g. fake advice/services/over-invoicing etc.);

- formalisation of the contract before the effective performance of the service and observing the standards of reference including specific “ethics clauses”<sup>15</sup> (with details of the services required, the criteria of accrual of the consideration and any refunds of expenses);
- monitoring of observance of the contractual conditions with particular reference to: i) service provided and correspondence of what has been received with what was agreed; ii) congruity of the amount paid with respect to the service received; iii) conduct maintained by the counterparty during performance of the relationship (for example with reference to corrupt conduct and/or conduct aimed at influencing the decisions and independence of the Group’s personnel), also through the request for information and data from the counterparty and on-site checks at the supplier, observing what has been stipulated in the contractual agreements; the accounting and payment of the services received occur with the times and methods provided for in the contracts and corporate procedures;
- observance of the system of powers/proxies (authorisation procedure), of the organisational principles of segregation between incompatible tasks and responsibilities and in general of the procedures of reference.

Without prejudice to the above principles/elements, with reference to professional appointments/advice/agency contracts/intermediaries/deal brokers-managers, where it is necessary to provide for a “success fee”<sup>16</sup>, it is specified that:

- the appointments should, as far as possible, include also a fixed base;
- the “success fee” (and in general the fee) must be: i) proportional to the importance and difficulty of the service required/serviced covered by the contract (in terms of nature and duration of the appointment) and opportunely detailed; 2) in line with the applicable legislation and practices of reference of the geographical area/territory, the market of reference and the Company’s specific business (always observing the principles of the present document); 3) adequate for the “level of emoluments” generally paid for the performance of services in analogous transactions; 4) disbursed only after the success of the operation and within a congruous term with respect to the expiry of the appointment.

<sup>15</sup> Which must include also specific “anti-corruption compliance” commitments by the counterparty.

<sup>16</sup> By “Success Fee”, for the purposes of the present guidelines, is meant generically a commission paid on completion of an activity/transaction/appointment, which, by way of example but not exhaustively, can be identified as a percentage with respect to the value of the contract operation, final agreement reached, etc.

### 4.3 Selection, recruitment and management of personnel

The processes of selection, recruitment and management of personnel are based on principles of correctness, transparency and impartiality, and respect for human rights, adopting all the opportune measures to ensure that the resources correspond to the profiles effectively necessary for the corporate needs and favouritisms, nepotisms and forms of patronage are avoided, basing the choice on criteria of professionalism and competence.

In particular, the minimum principles and requirements that must be observed in the stage of searching for and subsequent recruitment of collaborators are:

- effective need to recruit a new resource;
- traceability of the search process;
- performance of interviews and of the selection procedure observing the principles on which the Company is based<sup>17</sup>, and the existing authorisation processes and procedures;
- checks on the ethical-reputational reliability of the potential candidates (and of any intermediaries to be used in the selection process<sup>18</sup>, e.g Head Hunters) and on the absence of situations that the Group could consider relevant for the purposes of continuing the selection procedure (such as situations of conflicts of interest, family relationships and/or situations capable of exposing Acea to situations of “influences” by third parties, criminal convictions, non-possession of the ethical requisites required by the Group);
- traceability of the assessments following interviews;
- formalisation of the relationship.

The personnel are managed in line with the principles of correctness, fairness and transparency in relation to all collaborators.

The assignment of benefits is traced and connected with objective and transparent criteria governed in the further documents of the group’s regulatory corpus. The economic treatment, bonuses and career advancements will be connected to the achievement of specific documented, communicated and objectively-assessable targets.

<sup>17</sup> For anything not expressly indicated herein, please see what is already indicated in the Code of Ethics.

<sup>18</sup> For which please see also the principles presented under the sensitive area “Acquisitions of goods and services” and the procedures of reference.

## 4.4 Sponsorships and donations

Sponsorships and donations must be managed observing the procedures and the current authorisation procedure on the basis of observance of the following principles/elements:

- regarding exclusively charitable activities of high value involving non-profit associations with regular articles of association and deeds of incorporation as provided for in the Code of Ethics;
- in keeping with the budget approved and adequately justified;
- verification of the profile of the recipient involved in the initiative (background search <sup>19</sup> aimed at analysing the reputational and adequacy profile of the potential sponsee or beneficiary and of any intermediaries/promoters of the initiative);
- reasonableness and proportionality with respect to the purposes to be achieved, the expected benefits and the commitment that the donor Company intends to assume;
- adequate formalisation of the sponsorship agreements and of the disbursements (observing the standards in use including specific “ethics clauses” <sup>20</sup>);
- adequate verification and traceability (in terms of concrete checks on the performance of the initiative itself and/or effective use of the contribution made and logging of the feedback acquired);
- compatibility and consistency with the Guidelines on the subject of sponsorships and donations defined in the period of reference.

The Group does not contribute in any way (direct or indirect) to the financing of political and trade union parties, movements, committees or organisations, even if they have the legal nature of association or foundation instrumental to the same, or of their representatives and candidates<sup>21</sup>.

## 4.5 Management of gifts, hospitality/entertainment expenses

Gifts and hospitality/entertainment expenses (offered and received) are permitted as a common practice of professional and commercial courtesy, without prejudice to the prohibition on offering or accepting sums of money or equivalent benefits (such as fuel vouchers, restaurant tickets, gift vouchers etc.).

To this end, the gifts and hospitality/entertainment expenses (offered and received):

<sup>19</sup> Which must include a check on potential conflicts of interest.

<sup>20</sup> Which must include also specific “anti-corruption compliance” commitments by the counterparty.

<sup>21</sup> For everything not expressly presented herein please see the criteria of conduct governed in the Code of Ethics.

- must be reasonable, of modest value and in any case such that they cannot be interpreted as aimed at influencing the independence of judgement of the recipient<sup>22</sup>, obtaining favourable treatment or inducing to ensure any advantage for the Company. In the case of any doubts (e.g. if the type or value of the gift is in line with the principles of the present Guidelines) the ACM<sup>23</sup> of the Company of reference must first be contacted; he or she may involve also any further key stakeholders (e.g. Human Resources Function);
- cannot be given/received by third parties other than the primary recipient (e.g. family members etc.);
- cannot be of a “personal” nature and must in any case be given taking into account the recipient’s profile (with regard to the customs in institutional or professional relationships in keeping with the local cultures, without prejudice to observance of the principles set forth in the present paragraph). In particular, hospitality/entertainment expenses (e.g. transport, meals, overnight stays, further forms of hospitality) must be in keeping with the Group’s business activity and limited to normal business relationships;
- must always be documented adequately and enable their traceability and reconstruction after the event<sup>24</sup>;
- must not be solicited in any way;
- must be authorised in advance in accordance with the corporate procedures of reference observing the ordinary cycle provided for.

With reference to gifts it is also specified that:

- by modest value is meant a sum  $\leq 150$  € understood also as cumulative threshold of several gifts received by/given to the same recipient in a calendar year <sup>25</sup>;
- must be sent/received exclusively from/at the company's offices (or the recipients' workplaces).

## 4.6 Merger & Acquisition operations

Merger & Acquisition operations must always be accompanied by a prior assessment of the “counterparties” involved in the operation (e.g. target company; any partners in Joint Ventures etc.). The assessments include, among other things, also a check:

<sup>22</sup> This includes that they must not be given/received during particular stages of the relationship (e.g. during a commercial negotiation stage, during a dispute or while awaiting discretionary government decisions) since they could be more easily perceived as aimed at influencing the recipient third-party.

<sup>23</sup> The ACM of Acea S.p.A. operates with the support of the Risk, Governance & Compliance Unit.

<sup>24</sup> Guaranteeing first of all the identification (also ex post) of the beneficiary.

<sup>25</sup> The limit defined of 150€ is to be understood as “minimum requirement” so this value may be adjusted, downwards, on the basis of the local laws, uses and customs.

- on the legal/reputational situation of the counterparties (with particular attention to convictions/involvements in proceedings for corruption and/or crimes that in any case affect professional morality<sup>26</sup>);
- on the presence of potential conflicts of interest.

The details of the principles and the activities are presented in the “*Merger & Acquisition Process Guidelines*” to which you are referred.

In addition, if the M&A operation is successful, the counterparties involved in the operation must commit themselves to adopting the present Guidelines in the context of the formalities following the acquisition.

#### 4.7 “Facilitating” payments

The Acea Group prohibits explicitly, both in Italy and abroad, so-called “*facilitating payments*”, that is any type of payment or giving of other benefits in favour of Public Officials, managers of public services and/or functionaries of the Public Administrations or private individuals aimed at facilitating, accelerating and/or ensuring the performance of a legal and legitimate activity in the context of the duties of these persons. These payments are forbidden irrespective of the fact that they are permitted by the local laws of some countries. If in the performance of their activities the Group’s personnel, with violence or under threat and in order to protect themselves from harm, are forced by third parties to make “*extorted payments*” it is always necessary: i) to report this event (if appropriate, on the basis of the specific circumstances) to the competent authorities; ii) to communicate promptly the events that have happened via e-mail to their hierarchical superior, sending a copy to the Ethics Officer, who will involve further key internal stakeholders for the assessments of the case (e.g. Legal Affairs Function/Legal Oversight/ACM of reference etc.); iii) document the facts and record the payment made.

#### 4.8 Relationships with the Public Administration

Relationships with the Public Administration, understood in all its possible articulations, must be based on observing the following principles:

- loyalty, correctness, transparency, honesty, integrity, collaboration and traceability;
- observance of current laws and regulations (including legislation/regulations of the sector);
- observance of the principles and obligations indicated in the Code of Ethics and in the present Guidelines;

<sup>26</sup> Such as, by way of example but not exhaustively: financial offences, receiving, money-laundering, self-laundering, criminal conspiracy, breach of anti-Mafia legislation etc.



- observance of the operating methods defined in the corporate regulatory documentation adopted (including the use of legal and transparent channels of accreditation/communication with the PA);
- prohibition of engaging in behaviours that may compromise the Group's integrity and reputation (e.g. undue, direct or indirect requests / solicitations<sup>27</sup>, in order to obtain an advantage for Acea);
- observance of the current system of authorisations and powers. In particular, the assumption of commitments and the management of relations with representatives of the PA and/or entities of public importance must be reserved exclusively for corporate figures/functions responsible and authorised for this;
- involvement at the same time of at least two corporate figures in the case of contact with the PA in particular stages/activities (e.g. negotiations, inspections, checks, issue/renewal of conventions/concessions/authorisations, etc.).

#### 4.9 Participation in tender procedures

The activity of participation in tender procedures (public or private) must be performed observing the legislative prescriptions, procedures and current authorisation process. Specifically the activity must be based on observing the following principles<sup>28</sup>:

- the relationships with the contracting body and the participants in the tender procedure must always be based on correctness and are reserved for the corporate figures/roles responsible/authorised for this. favours, collusive conduct, solicitations, either direct and/or through third parties, aimed at influencing improperly the decisions of the contracting body or of the other participants, in order to obtain in the tendering process advantages for the Acea Group, for oneself or for others, are prohibited;
- all parties that operate in the process of participation in tender procedures must: i) ensure the confidentiality required by the circumstances for each item of news/information obtained owing to their working function; ii) operate so as to guarantee the maximum transparency in the performance of their activities and to ensure complete and truthful information; iii) ensure, each for their responsibility and also through the information systems used, the traceability of the data and information ensuring, also, the conservation and saving of the documentation produced, either on paper or electronic, in order to facilitate the later reconstruction of all stages of the process;
- the personnel involved in the activity must report promptly the existence of any situations of conflict of interest with respect to the activity they are called upon to perform;

<sup>27</sup> E.g. making use of the mediation of third parties (effective or claimed).

<sup>28</sup> The principles of the paragraph "Relationships with the Public Administration", if applicable, are understood as also referred to herein.

- the bid to be transmitted must be signed observing the powers of attorney in being, guaranteeing the segregation of responsibilities between the activities of the negotiation stage and that of signing the agreement (specifically the person who signs the agreement must be different from the one who has conducted the negotiations; alternatively, the negotiation must be carried out by at least two representatives of the company);
- in the case of participation in tender procedures together with third parties (e.g. joint ventures, temporary groups etc.), the ethical-reputational reliability of the potential partner, among other things, must be verified in advance<sup>29</sup>.

## 5 Control Activities

### 5.1 Due diligence/Background searches

The Acea Group assesses, each time, the nature and the scope of the risks of corruption in relation to the counterparties, the single operations, activities, projects and persons involved.

To this end each Group Company implements, according to reasonable criteria appropriate to the context/operation/third party of reference, methods aimed at verifying the ethical-reputational reliability of the third party before establishing the relationship and while it continues (periodically), on the basis of specific red flags<sup>30</sup> and for the purpose of identifying the level of risk associated with the counterparty. These verification activities may be performed with the aid of questionnaires/self-declarations and/or the use of specific IT platforms, observing the detailed regulatory instruments adopted (which can identify also the conditions preventing the establishment and/or continuation of the relationship with the third party). In addition:

- the related contracts provide for adequate “anti-corruption compliance” commitments by the counterparty, including the obligation to observe the regulatory macro-instruments adopted by the Group to prevent corruption (Code of Ethics, Anti-Corruption Guidelines, 231 Model of reference etc.) and (according to reasonable criteria appropriate to the context/operation/third party of reference) specific clauses aimed at guaranteeing that it is possible to check that the services are rendered observing the rules defined by the Acea Group;

<sup>29</sup> Please see, as far as applicable, the checks referred to in paragraph 4.6 “Merger & Acquisition operations”.

<sup>30</sup> Identified in the procedures of reference.

- mechanisms are in place aimed at checking the services rendered, the counterparty's conduct (also in terms of checking observance of the anti-corruption principles expected by the Group) and the effective consideration to be paid.

## 5.2 Conflicts of Interest

“Conflict of interests” has always been reported also at the international level as the greatest source of the risk of corruption, which can be classified in some cases as a real and proper “*degeneration of a conflict of interests*”<sup>31</sup>. Managing correctly and promptly situations (also potential) of conflicts of interest, means also taking into account an important factor prior to corruption: when this does not happen, the integrity of organisations and of the individuals operating in them can be seriously prejudiced, in both the public and the private sectors.

The ACEA Group, conscious of these risks, expressly prohibits engaging in conduct such as to facilitate any situation of conflict of interest.

Therefore, the management, employees, collaborators, holders of positions in the interest of the Company and the third parties who have/want to establish relations with the Group, are required to avoid and report, through specific declarations and with the methods provided for in the internal regulations, situations in which conflicts of interest can become manifest and to abstain from taking personal advantage of deals that they have become aware of during the performance of their duties<sup>32</sup>.

The presence of a potential conflict must immediately be communicated to the Manager of reference (in the context of the Department/Function involved), who, together with the ACM of reference, will assess the conflict itself (guaranteeing the traceability of the assessments made and related actions adopted and the monitoring of the conflict over time). The ACM of reference involves the key internal stakeholders (e.g. Ethics Officer, Human Resources Function, Corporate Affairs Function, etc.).

<sup>31</sup> While conflict of interest is a situation of risk in which the secondary interest (economic, family, personal etc., of the employee or of the third parties that operate with the Group) tends to interfere with the Group's primary interest, in corruption the situation of risk is transformed into an “abuse of power”, which has seen the secondary interest prevail over the primary one (for further information we can mention by way of example but not exhaustively the “Speech of the President of ANAC in the House\_ June 2019”, “Document of the Asian Development Bank and the OECD \_ 2008, p. XIV”).

<sup>32</sup> As regards the rules on potential conflicts involving “related-party transactions” please see directly what is provided for in the “Procedure for Related-Party Transactions” (available also on the corporate website at the following [link](#)).

### 5.3 Cash flows and accounting records

The methods of managing financial resources are defined, also using the procedures adopted, in line with the principles of accuracy and precision.

In general, the principles that must be observed in managing cash flows are the following:

- tracing of cash flows, to the extent needed to identify the decision-making process of the payment;
- storage of the accounting documentation related to the payment;
- compliance with the internal segregation of duties and with the delegated powers and powers of attorney conferred;
- observance of the authorised budget limits;
- prohibition of operations with counterparties not recorded or on the basis of information recorded incompletely;
- prohibition on accepting sums collected from unidentifiable parties (name/company name, address and current account number);
- prohibition on adopting anomalous methods of payment with respect to the nature of the operations or splitting the payments in a different way from what is contractually agreed;
- stringent limits on the use of cash.

The Holding and each Group Company, also through the internal procedures, guarantees the compliance of the book-keeping with the accounting standards of reference.

The principles on which the accounting is based are:

- truthfulness and transparency;
- observance of all the national, regulatory and procedural rules on the subject of accounting;
- accuracy and timeliness of accounts.

In any case, it must be ensured that:

- all the operations are verifiable and legitimate;
- an internal control system is established in relation to the financial information for the purpose of ensuring, with reasonable certainty, that situations of inexact accounting records, caused by errors or fraud, do not occur.

## 6 Main roles and responsibilities

### CEO:

- validates the updates of the present Guidelines.

### BoD of the Holding:

- approves the present Guidelines and their subsequent amendments and/or additions.

### BoD / Sole Directors of the Group Companies:

- adopt the present Guidelines issued by the Holding and any subsequent updates of them in the respective decision-making bodies (with any additions considered opportune).

### Addressees:

- guarantee observance of the principles set forth in the present Guidelines in performing their respective activities.

### Ethics Officer:

- manages the Group's whistleblowing system, receives and examines the reports also with the support of the Internal Audit Function involving, on the basis of the type of report, the other key stakeholders (e.g Oversight Committee, ACM etc.).

### Acea SpA Human Resources Function;

- checks the adequacy of what is indicated in the present Guidelines with the principles and provisions of the internal regulatory system and the corporate organisational system;
- communicates to the Group Companies the issue of the present Guidelines and the subsequent updates.

### Human Resources Units of the respective companies:

- oversee/manage (also with the support of the respective ACM) the training plan for preventing corruption and guarantee the related flows to the Holding.

### Communication Function:

- oversees/manages (also with the support of the respective ACM) the group's communication/information activities and campaigns on anti-corruption issues.

### Anti-Corruption Manager of Acea S.p.A.:

- oversees/manages the risk assessment and continual monitoring activities for preventing corruption (coordinating with the Functions/Units of reference and control Structures/Bodies for correct performance of the aforesaid activities);
- prepares the guidelines for planning the training and communication activities to be implemented in collaboration with the competent structures and monitors their effective performance;
- provides advice and guidance to personnel on the subject of anti-corruption (e.g. supporting: i) the internal functions/structures in the case of any operational doubts connected with the principles/elements indicated in the present document<sup>33</sup>; ii) the various managers in assessing the risks connected with conflicts of interest, involving also the other internal key stakeholders etc.);
- guarantees the monitoring of the legislative and jurisprudential evolution on the subject of anti-corruption coordinating also with the Legal Affairs Function;
- defines and updates the Group's anti-corruption framework, supporting the ACMs of the Group companies for the definition of the activities connected with the framework;
- ensures/monitors the implementation of the present Guidelines by the Company and manages the process of their updating;
- coordinates and monitors the development and implementation of adequate information flows and specific reporting to the top management and the control Functions/Bodies on the application of the present Guidelines (including the implementation and updating status of the related anti-corruption framework) by Acea S.p.A. and the Group Companies.

### *Anti-Corruption Manager of the Group Companies:*

- oversees/manages the risk assessment and continual monitoring activities for preventing corruption (coordinating with the Functions/Units of reference and control Structures/Bodies for correct performance of the aforesaid activities);
- prepares the guidelines for planning the training and communication activities of the Company of reference to be implemented in collaboration with the competent structures (coordinating, as far as possible, with the ACM of Acea S.p.A. and the initiatives launched by the holding) and monitors their effective performance;
- provides advice and guidance to personnel on the subject of anti-corruption (e.g. supporting: i) the internal functions/structures in the case of any operational doubts connected with the principles/elements indicated in the present document<sup>34</sup>; ii) the various managers in assessing the risks connected with conflicts of interest, involving also the other internal key stakeholders etc.);

<sup>33</sup> Possibly coordinating also with the ACM of the Holding.

<sup>34</sup> Possibly coordinating also with the ACM of the Holding.

- guarantees the monitoring of the legislative and jurisprudential evolution on the subject of anti-corruption coordinating also with the internal legal function, and, possibly, with the ACM of the Holding;
- ensures the implementation of the present Guidelines by the respective Company, guaranteeing on this subject adequate information flows and specific reporting to the internal Control and Administration Bodies/Structures and to the ACM of the Holding.

## 7 Definitions, abbreviations and acronyms

**CEO:** Chief Executive Officer of Acea S.p.A.

**Background Searches/Due diligence:** assessment of the third parties, aimed at verifying the ethical-professional-reputational reliability of the same (also for anti-corruption purposes). Through Background Searches the nature and amount of the risk of corruption is assessed, in order to support decisions in relation to specific transactions, projects, activities, business partners and personnel.

**Best Practices/Guidelines:** Best practices and Guidelines prepared by national or international organisations (such as, by way of example but not exhaustively: OCSE, B20, Transparency International, Partnering Against Corruption Initiative, International Chamber of Commerce etc.).

**CRC:** Acea S.p.A. Control and Risks Committee.

**BoD:** Board of Directors of Acea S.p.A. and/or of the respective Group Companies.

**Addressees:** the members of the Boards of Directors and of the Boards of Statutory Auditors (or other Administrative or Control/Oversight Bodies) of the Acea Group Companies and all the employees of the Acea Group, suppliers, partners, business partners and more generally all those who act in the name of and on behalf of Acea or of the Group Companies or with which the same come into contact during their activity.

**Ethics Officer:** Collegial body within the Group that manages the whistleblowing system, appointed by the Chief Executive Officer of Acea S.p.A., who identifies also the coordinator.

**Person Responsible for a Public Service:** anyone, who for whatever reason, provides a public service, understood as an “*activity governed in the same manner as the public function, but involving a lack of the powers typical of the latter, with the exclusion of the execution of simple tasks and the provision of merely material work*”<sup>35</sup>.”

**231 Model:** Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001

<sup>35</sup> Definition taken from art. 358 of the Italian Criminal Code

of the Company.

**Anti-Corruption Legislation:** that is by way of example but not exhaustively:

- I. the national laws of reference in the countries in which the Group operates
  - with reference to Italy we can mention: Italian Legislative Decree no. 231 of 8 June 2001, containing “Rules on the administrative liability of legal entities, companies and associations also without legal personality in accordance with article 11 of Italian Law no. 300 of 29 September 2000”; Italian Law 190/2012 containing “Provisions for preventing and repressing corruption and illegality in the public administration”; the Italian Criminal Code (Second Book - cases of corruption or assimilable to them<sup>36</sup>); the Italian Civil Code (Fifth Book, Title XI and cases of corruption provided for therein<sup>37</sup>);
  - with reference to EU or non-EU countries in which the group operates we can mention:
    - for Peru the crimes referred to in the Criminal Code, Law no. 30424/16 as amended which governs the administrative liability of legal persons and Legislative Decree no. 1385/18 which sanctions corruption in the private sector;
    - for Honduras the crimes referred to in the Criminal Code, Law no. 36/07 which supplements the Code of Ethical Conduct for public employees; Law no. 26/10 on the definitive confiscation of ownership of goods of illicit origin; Law no. 36/13 on efficient and transparent contracts using electronic means; Special Law no. 144/14 against money-laundering; Law no. 137/16 on the financing, transparency and control of political parties and candidates;
    - for the Dominican Republic the crimes referred to in the Criminal Code; Law no. 448/06 on corruption in trade and in investments.
  - We can also mention as parameters of reference/which can constitute international regulatory best practices: the “Foreign Corrupt Practices Act” (FCPA) issued in the United States in 1977; the “UK Bribery Act” issued by the United Kingdom in 2010.
- II. the international Conventions of reference (e.g. “Convention on Combating Bribery of Foreign Public Officials in International Business Transactions” signed in Paris on 17 December 1997; “Council of Europe – Criminal Law Convention on Corruption” which was opened in Strasbourg in 1999 and came into force in 2002; “United Nations Convention against Corruption”, adopted by the General Assembly on 31 October 2003 which came into force at the international level on 14 December 2005).

**Public Official:** anyone who exercises “a public legislative, judicial or administrative function”, emphasising that “public function” is understood as “the administrative function governed by public law regulations and authorisation

<sup>36</sup> Art. 317 and following.

<sup>37</sup> E.g. Corruption and Instigation to corruption between private parties.



*acts, involving the formation and manifestation of the desire of the Public Administration or the execution of the same through authorisation or certification powers”<sup>38</sup>.*

**ACM:** Anti-Corruption Manager appointed by the Group Company of reference.

**Stakeholder:** anyone who can be influenced and/or influence the Group’s operating and business processes (e.g. shareholders, collaborators, employees, customers, suppliers, public administrations, local communities, etc.).

## 8 Internal and External References

### 8.1 Internal References

- Code of Ethics;
- Guidelines for the Internal Control and Risk Management System of the ACEA Group;
- Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 of the Company;
- Acea Group Management and Control Model pursuant to Law 262/05;
- Privacy Governance Guidelines;
- Regulations of the Financial Reporting Manager under the terms of Italian Law 262/2005;
- Regulations for the internal management and external communication of documents and inside information;
- Antitrust and consumer protection regulation compliance manual;
- Antitrust Compliance and Consumer Protection Guidelines;
- “Whistleblowing” Procedure;
- Further ACEA regulatory instruments of reference on the basis of the subject of the procedure;
- Procedures in force at the Group Companies that govern matters related to the subject of this regulation and that are applied where not in conflict with the latter and in line with the current company organisational structure.

<sup>38</sup> Definition taken from art. 357 of the Italian Criminal Code

## 8.2 External References

### Quality

- UNI EN ISO 9001:2015 – Quality management systems – Requirements
- UNI EN ISO 9000:2015 – Quality management systems – Fundamentals and vocabulary
- UNI EN ISO 9004:2018 – Quality management – Quality of an organisation – Guidance to achieve sustained success

### Corruption Prevention – ISO Standard

- UNI ISO 37001:2016 - Anti-bribery management systems - Requirements with guidance for use

### Compliance

- Italian Legislative Decree 231/2001 “Rules for the administrative liability of legal entities, companies and associations also without legal personality” as amended
- Italian Law 287/1990 “Rules to protect competition on the market” as amended, and community legislation of reference
- Italian Law 179/2017 “Provisions for the protection of whistleblowers on crimes or irregularities that they have become aware of in the context of a public or private work relationship” as amended
- Italian Law No. 262/2005 “Provisions for the protection of savings and regulation of financial markets”, as amended
- Italian Legislative Decree 50/2016 “Public Contracts Code”
- Regulation EU 2016/679 (GDPR)
- Personal Data Protection Code (Italian Legislative Decree 196/03 as amended under the terms of Italian Legislative Decree 101/2018) and applicable measures of the Personal Data Protection Authority