



Anti-Corruption Code

Approved by the Board of Directors
on 12/27/2021

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Glossary

Business Partner - any third party, not an employee, who receives from the company or provides the company with products or services, who acts on behalf of the company, who has significant contact in the performance of his/her work on behalf of the company (e.g. joint ventures, intermediaries, consultants, distributors, agents, brokers, etc.)

Active corruption – deliberate action by anyone who promises or gives, directly or indirectly, an economic advantage or other benefit to a public official or person in charge of a public service or a private person, for themselves or for third parties, for them to act or refuse to act in accordance with their duties or in the exercise of their functions in violation of the obligations inherent in their office or their duty of loyalty.

Direct corruption – act of corruption carried out directly by one person in respect of another.

Indirect corruption – act of corruption carried out by a third party acting on behalf of another person.

Passive corruption – deliberate action by a public official or person in charge of a public service or by a private individual who, directly or indirectly, requests or receives advantages of any kind, for himself or for third parties, or accepts promises or advantages, to act or refuse to act in accordance with their duties or in the exercise of their functions by violating the obligations inherent in their office or their duty of loyalty.

Extortion payment - payments made by members of staff who are forced to provide money through violence or a threat to health, safety, security or freedom.

Facilitation payments - unofficial payments made in exchange for services that the payer is legally entitled to obtain without making such payment.

Public Service Officer - article 358 of the Italian Criminal Code defines as a “public service officer” “anyone who, for whatever reason, provides a public service”, this being “any activity governed in the same way as a public function but lacking the powers typically associated with the latter and excluding simple tasks of a material nature and their performance”.

The following are examples of a public service officer:

- holders of public concessions
- waste recovery workers in public landfills

Public Official - a “public official” is understood to be “anyone performing a legislative, judicial or administrative public function”, specifying that “a public function is one that is governed by public law and by authoritative acts and characterized by the formation and manifestation of the public will and its implementation by means of authoritative and certification powers”. The following are examples of public officials:

- public works supervisors
- members of a tender committee
- sole party responsible for the procedure in the context of a tender
- public administration officials
- mayor of a municipality
- city councilors
- local councilors

Red Flags – any circumstance or event that may signal, in respect of a potential risk situation, a violation of anti-corruption legislation or of this Anti-Corruption Code.

Anti-Corruption Unit – anti-corruption monitoring unit.

1. Introduction

1.1. Purpose of the document

One of the key factors in the reputation of GranitiFiandre S.p.A. is the ability to conduct business with loyalty, fairness, transparency, honesty and integrity, as well as in compliance with the laws and regulations that apply to the company's business.

This Anti-Corruption Code is adopted in order to provide a systematic framework of the organizational and regulatory tools on the subject of anti-corruption, which GranitiFiandre S.p.A. has implemented over time and it represents a “preventive system protocol” of Model 231 adopted by the Company as well as an important addition to the Company's Code of Ethics.

This document is inspired by the ISO 37001 standard.

The anti-corruption regulations qualify as illegal, for GranitiFiandre SpA, for the personnel of GranitiFiandre SpA, for the relevant business partners and for anyone exercising an activity for or on behalf of GranitiFiandre SpA, any actual or attempted offer, payment and acceptance, whether directly or mediated, of money or other benefits for the purpose of obtaining or maintaining a business deal or securing an advantage in relation to the company's activity.

The Anti-Corruption Code is inspired by the principles of conduct set out in the Code of Ethics of GranitiFiandre S.p.A. and aims to provide all the staff of GranitiFiandre S.p.A. and all those who work for or on behalf of the company, the principles and rules to which they must adhere in order to ensure compliance with anti-corruption legislation.

This Anti-Corruption Code, in compliance with the provisions of Law no. 190/2012 and the ISO 37001 standard, is intended to pursue three main objectives:

- reduce the opportunities for corruption to arise;
- improve the ability to detect cases of corruption;
- create an unfavorable environment for corruption.

1.2. Scope

This Anti-Corruption Code was developed at the request of the Management of GranitiFiandre S.p.A. and was approved by the Board of Directors.

Its adoption and implementation are mandatory for GranitiFiandre S.p.A.

Furthermore, GranitiFiandre S.p.A. will actively encourage the relevant Business Partners to comply with the standards set forth in this Anti-Corruption Code, adopting and maintaining an adequate control system in line with the requirements established by anti-corruption regulations and, in general, will promote the use in respect of these subjects of the tools referred to in Legislative Decree no. 231/01.

This Anti-Corruption Code shall come into force for GranitiFiandre S.p.A. on the date of its approval by the Board of Directors.

2. References

2.1. Corruption

“...offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of the position held, in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties...”

This is the definition of corruption contained in the ISO 37001 standard, on which this Anti-Corruption Code is based.

Therefore a broader concept than that contained in the Italian criminal code, with a view to maximizing prevention of the phenomenon, particularly in order to comply with the provisions of Law no. 190/2012, which outlines a concept of corruption that includes not only the entire range of crimes against public administration governed by Section II, Chapter I, of the Italian Criminal Code, but also all those situations in which, regardless of the criminal relevance, an administrative malfunction arises from the assigned functions being used for private purposes (known as “maladministration”).

2.2. Anti-corruption legislation

In recent years, there has been a notable proliferation of laws, both national and international, aimed at preventing corruption.

Many countries have laws that punish corruption in the public sector, nationally, but also internationally.

Many countries also have laws that punish corruption in the private sector and even incitement to corruption, whether public or private.

In general, anti-corruption legislation:

- prohibits payments made either directly or indirectly - including any payment made to anyone in the knowledge that the payment will be shared with a Public Official/Public Service Officer or with a private individual - as well as offers or promises of payment or other utilities for corruption purposes;

- requires companies to equip themselves and keep books, records and accounting records which, with reasonable detail, accurately and correctly reflect the company's business (operations, expenses, however negligible, purchases, sales, etc.)

It is important to note that, pursuant to anti-corruption legislation, GranitiFiandre S.p.A. and/or the staff of GranitiFiandre S.p.A. can be held responsible for offers or payments made by anyone acting on behalf of the company, if GranitiFiandre S.p.A. and/or the staff of GranitiFiandre S.p.A. are or should reasonably have been aware that such offer or payment was being made improperly.

3. Subjects

3.1. Board of Directors

The Board of Directors approves this Anti-Corruption Code.

The fight against corruption is one of the priorities of the Board of Directors which, to this end, assigns all the resources needed for the corruption prevention systems to operate.

3.2. The Management

The Management of GranitiFiandre S.p.A. is responsible for creating and disseminating a corruption prevention culture within the organization, as well as ensuring supervision of the conduct required.

In this respect, the Management plays an active role and assumes specific responsibilities for enforcing the standards of conduct described in this Anti-Corruption Code.

3.3. The Anti-Corruption Unit

In order to ensure the effectiveness of the Anti-Corruption Code, the Board of Directors of GranitiFiandre S.p.A. has established an anti-corruption supervision unit.

This unit – which is also part of the Supervisory Body pursuant to Legislative Decree no. 231/2001 – is equipped with adequate resources and assigned to a person who has solid expertise in the matter.

The Anti-Corruption Unit provides specialist anti-corruption assistance to the functions of GranitiFiandre S.p.A.

4. Anti-corruption policy

4.1. The “*Prevention as a strategy*” principle

GranitiFiandre S.p.A. does not tolerate any act of corruption.

GranitiFiandre S.p.A. staff, relevant business partners and anyone exercising an activity for or on behalf of GranitiFiandre S.p.A., must not be involved in any acts of corruption, neither directly nor indirectly.

In accordance with the Code of Ethics and Model 231 protocols, GranitiFiandre S.p.A. forbids corruption, whether active or passive, direct or indirect, without exception.

In particular:

- it is forbidden to offer, promise, give, pay, authorize someone to give or pay, encourage someone to give, pay or receive, directly or indirectly, material benefits, financial and/or non-financial advantages, or other benefits to a Public Official/Public Service Officer, or to a Private Person (active corruption);
- it is forbidden to accept, authorize someone to accept, or encourage someone to accept, directly or indirectly, financial and/or non-financial advantages or other benefits from a Public Official/Public Service Officer or from a Private Person (passive corruption);

The ban includes any offer or receipt by staff of GranitiFiandre S.p.A., or by anyone acting on behalf of the company, of a financial/non-financial advantage or other utility in relation to the business activity.

The ban is not limited to cash payments, as corrupt conduct can also consist of:

- gifts;
- contributions in kind, sponsorships and donations;
- entertainment expenses;
- jobs, commercial activities, investment opportunities;
- consultancy assignments;
- awarding of orders to “recommended” suppliers;
- personal discounts or credits;
- third-party entertainment expenses, meals and transport, hospitality;
- facilitation payments;

- other benefits or utilities.

4.2. Anti-corruption policy

Compliance with anti-corruption legislation is mandatory for all GranitiFiandre S.p.A. personnel, for all those who work for or on behalf of GranitiFiandre S.p.A., for relevant Business partners.

Accordingly:

- no questionable or illegal practice may be justified or tolerated based on the fact that it is customary in the sector or in the territory in which GranitiFiandre S.p.A operates;
- no performance must be imposed or accepted if it can only be achieved by compromising the ethical standards of GranitiFiandre S.p.A .;
- staff who violate this Anti-Corruption Code or anti-corruption legislation will be subject to disciplinary measures and any other legal action necessary to protect the interests of GranitiFiandre S.p.A .;
- Business Partners who violate this Anti-Corruption Code or anti-corruption legislation will be subject to contractual remedies and claims for damages.
- GranitiFiandre S.p.A. staff will not be fired, demoted, suspended, threatened, harassed, discriminated against in any way, for refusing to make a forbidden payment, even if such refusal has given rise to a loss of business having other detrimental consequences for the business;
- GranitiFiandre S.p.A. encourages and allows staff, in line with the reporting procedure pursuant to Model 231, to report in good faith or on the basis of a reasonable belief, any attempted, presumed and actual acts of corruption or any violation of this Anti-Corruption Code.

5. Corruption risk

5.1. Due diligence

Due diligence is the tool used to perform an appropriate risk assessment, which will be carried out by the Anti-Corruption Unit where necessary.

It is a tool to be applied in respect of all relations with public bodies and, with reference to the private sphere - without prejudice to the bans on corruptive behavior that violates company policy - only to relations with suppliers and customers who engage in a volume of business that is significant for the company. This significance threshold will be defined by the Anti-Corruption Unit.

The purpose of the due diligence is to identify the risk associated with the specific transaction, project, activity, business partner, staff member, etc., with a view to achieving an information framework that allows the company to take decisions - where possible in advance - in compliance with this Anti-Corruption Code and anti-corruption legislation, in relation to the aforementioned activities that the company is willing to carry out.

Whenever, pursuant to this Anti-Corruption Code, due diligence is required, the following tools must be taken into consideration:

- preventive protocols pursuant to Model 231 according to the specific activity that is highlighted;
- Red Flag indicators referred to in this Anti-Corruption Code.

5.2. The Red Flags system

Red Flags refers to the risks of corruption that can arise in some situations.

Reports of any anomalies received from third parties or employees, even anonymously, are also fundamental Red Flags.

Red Flag situations must be promptly reported to the Anti-Corruption Unit and the Supervisory Body, which have specific investigative powers.

6. Public contracts

6.1. Foreword

In the context of public contracts, the main corruption risks generally arise:

- when the contractor is being selected by the contracting authority;
- during contract performance.

In the former (selection procedures), there is corruption where normal selection procedures are not followed, emergency procedures are abused, existing situations are illegally extended, or there are conflicts of interest.

In the latter (performance of the work), corruption serves to avoid checks on what is actually followed, obtain undue payments, or undue contractual changes, or reach extra-contractual agreements.

6.2. Red Flag indicators in the context of public contracts

With specific reference to the public contracts sector, particularly on the basis of the indications provided by ANAC, the following corruption indicators have been identified, which must be considered as alarm signals resulting in the activation of the necessary investigation channels.

In particular:

- existence of contractual relationships with the contracting authority that have continued for some time and without interruption (repeated assignment of the order to the company by a specific authority);
- use of an apparently anomalous contractor selection procedure, in light of the tender starting price;
- any element of the tender notice that suggests preferential treatment;
- reduced working times for the awarding procedure;
- terms granted to competitors that do not comply with regulatory requirements;
- acceptance of offers after the tender deadline, or reopening of the terms;
- sole participant in the tender procedure;
- inclusion in the contract of elements not included in the tender notice, with resulting substantial changes to the subject/value of the tender;

The information and data relating to public contracts must be recorded and stored in such a way as to allow easy identification of any Red Flags.

6.3. Protocols for preventing corruption in the context of public contracts

In accordance with its Model 231/01, GranitiFiandre S.p.A. has adopted specific protocols relating to areas where there is a “risk of illegality”, such as participation in tender procedures.

All staff are required to comply with these protocols, which are an important bulwark aimed at fighting corruption within the organization.

This Anti-Corruption Code must be implemented with a view to ensuring close integration with the provisions of Model 231/01.

7. Relations with Public Officials/Public Service Officers

Beyond those that pertain to public contracts, potential interactions with public bodies or representatives mainly concern the following categories of relationships:

- obtaining administrative decisions that are the responsibility of public authorities: these activities can generate corruption risks in the performance of processes relevant to GranitiFiandre SpA, such as obtaining documents/completing formalities that are the responsibility of public authorities (e.g. licenses, permits and other authorizations required for the conduct of business), the management of health or safety and environmental inspections, etc .;
- fulfillment of non-contractual obligations towards public authorities: the fulfillment of these obligations, including the implementation of regulatory requirements, the performance of specific checks, the presentation of declarations, etc .;
- disputes with the public authorities.

All dealings with representatives of public authorities must comply with the provisions of the Code of Ethics and the Model 231/01 and the following minimum standards:

- relations with Public Officials/Public Service Officers must be conducted with integrity and transparency, ensuring the traceability of actions undertaken, and are reserved exclusively for the competent functions;
- favors, collusive conduct, solicitation, direct and/or through third parties, with a view to obtain advantages for GranitiFiandre S.p.A., for oneself or for others, are forbidden;
- when a negotiation, request or any relationship with Public Officials/Public Service Officers is underway, GranitiFiandre S.p.A. must not seek to improperly influence the decisions of the counterparty, including those of public officials negotiating or making decisions on behalf of the public authorities;
- paying or offering money or gifts or any benefit to Public Officials/Public Service Officers or subjects connected to them, whether directly or indirectly, to compensate them for taking action for which they are responsible is always forbidden.

8. Active commercial relationships with private counterparties

With reference to the private sector, the risks associated with the active side of the relationship mainly concern relationships with customers (or potential customers) as contracting entities: the process of awarding a contract, its management and any other phase, such as the approval of changes and the management of any disputes.

The company's personnel are also required to comply with the following minimum provisions in commercial relationships of a private nature:

- relations with the representatives of private customers or potential customers must be conducted with integrity and transparency, ensuring the traceability of actions undertaken, and are reserved exclusively for the competent functions;
- favors, collusive conduct, solicitation, direct and/or through third parties, with a view to obtain advantages for GranitiFiandre S.p.A., for oneself or for others, are forbidden;
- paying or offering money or gifts or any benefit to the representatives of private customers or potential customers or subjects connected to them, whether directly or indirectly, to compensate them for taking action for which they are responsible is always forbidden.
- correct filing of correspondence relating to relations with private client or potential clients must be ensured.

8.1. Protocols for preventing corruption in the context of relations with private counterparties

In accordance with its Model 231/01, GranitiFiandre S.p.A. has adopted specific protocols relating to areas where there is a “risk of illegality” in the context of commercial relations with entities that are not public authorities.

All staff are required to comply with these protocols, which are an important bulwark aimed at fighting corruption within the organization.

This Anti-Corruption Code must be implemented with a view to ensuring close integration with the provisions of Model 231/01.

9. Suppliers

9.1. Active corruption

GranitiFiandre S.p.A. could be held responsible for corruption committed, in its own interest and/or to its own advantage, by third parties, such as suppliers providing services for or on behalf of the company, as well as consultants involved in planning tenders.

GranitiFiandre S.p.A. suppliers must therefore comply with the ethical standards and qualification requirements established by the company.

9.2. Passive corruption

Relations with suppliers may also be relevant as regards to passive corruption, which is also forbidden and severely punished within GranitiFiandre S.p.A.

Employees of GranitiFiandre S.p.A. must not request, allow themselves to be promised or accept any compensation from suppliers - unless it is of modest value -, neither for themselves nor for others, if the supplier expects a certain behavior as a reward.

This also applies if such behavior has no impact on the supplier's business decisions.

In particular, the employees of GranitiFiandre S.p.A. must not request, allow themselves to be promised or accept any compensation from suppliers as payment for the assignment of tasks or performing other actions useful to suppliers.

10. Relevant business partners

This category includes subjects who carry out activities on behalf or in the interest of GranitiFiandre S.p.A. in the context of public contracts, or significant business in the private sphere, or seem likely to have significant contacts with Public Officials/Public Service Officers.

10.1. Sub-contractors

Contracts with sub-contractors employed in the context of public contracts may raise anti-corruption issues and must be negotiated, stipulated, and managed in compliance with the provisions of this Anti-Corruption Code and the Model 231/01.

In particular, the following minimum standards must be respected:

- the sub-contractor must have an excellent reputation in terms of honesty and integrity and high ethical standards and, subject to adequate verification of its technical/professional skills, should not normally be a newly incorporated company;
- the contract must be drawn up in writing and must contain, among other things:
 - a clear description of the subject and the agreed fees, which must be commensurate with the subject and be in line with market conditions;
 - the terms, methods and conditions of payment
 - an undertaking by the sub-contractor to comply with anti-corruption legislation, the code of ethics of GranitiFiandre S.p.A. and this Anti-Corruption Code;
 - a commitment promptly to report to GranitiFiandre S.p.A. any request or question relating to undue payments of money or other benefits received in connection with the performance of the contract;
 - a statement by the sub-contractor that it has no interests involving representatives of the contracting authority placing the order;
 - a commitment by the sub-contractor to inform GranitiFiandre S.p.A. of any change in its ownership structure and/or in relation to the information provided during the selection phase and/or in relation to any aspect that may have an impact on its ability to carry out the activity in full compliance with the commitments given under the contract;
 - the clause on the administrative liability of legal persons pursuant to Legislative Decree no. 231/01;
- the services rendered by the sub-contractor must be continuously and adequately monitored by the contract manager;

- the amount paid in accordance with the contract must be recorded correctly and transparently in the company books;
- payments are made exclusively on condition that the service has been rendered and/or the conditions set out in the contract relating to the payment of the consideration have been met;
- the original documentation relating to the selection of the counterpart, the management of the relationship, the contract, the checks carried out must be duly filed and kept.

10.2. Agents, Consultants, Brokers

GranitiFiandre S.p.A. may avail itself of the support of Agents, Consultants and Brokers in carrying out its business activities.

GranitiFiandre S.p.A. requires that said people comply with applicable laws, including anti-corruption legislation.

Contracts with these people must be negotiated, stipulated, managed in compliance with the provisions of this Anti-Corruption Code and the Model 231/01.

In particular, the following minimum standards must be respected:

- Agents, Consultants and Brokers must have an excellent reputation for honesty and integrity;
- the contract must be drawn up in writing and must also contain:
 - a statement containing a detailed, clear and precise description of the service to be provided;
 - a provision that the payment received is only the consideration for the services defined in the contract and that such sums will never be used for corrupt purposes;
 - the invoicing terms (or payment methods) and payment conditions, bearing in mind that, in accordance with the Code of Ethics and Model 231 of GranitiFiandre S.p.A. : (i) such payments may only be made to the consultant and into the account held by the consultant as stated in the contract and never into encrypted or cash accounts; (ii) advance payment of the consideration (prior to fulfillment of the contractual conditions) is only permitted in specific cases (appropriately justified and established in the contract) and, in any case, only for part of the total amount;
 - a commitment promptly to report to GranitiFiandre S.p.A. any request or question relating to any undue payment of money or other benefits received in connection with the performance of the contract;

- the clause on the administrative liability of legal persons pursuant to Legislative Decree no. 231;
- the right of GranitiFiandre S.p.A. to suspend payment, terminate the contract and obtain compensation for damages in the event of a breach of the obligations or the aforesaid guarantees and/or a breach of anti-corruption legislation.

10.3. Red Flag indicators regarding relevant Business Partners

Examples of potential signs of corruption to which the Personnel of GranitiFiandre S.p.A. must be alert are:

- the subject has previously been involved in corruption events;
- the contract has a particularly high consideration, disproportionate to the activity that the counterparty is required to perform;
- the subject has little knowledge of the sector in which it is required to perform the activity;
- the subject operates behind intermediary companies or front men;
- the subject does not appear to have the necessary resources - e.g. in terms of business organization - to fulfill the undertakings given;
- the subject has family relationships with representatives of the client;
- in the context of its business, the subject makes frequent use of gifts and sponsorships;
- the subject refuses to sign the contractual provisions regarding anti-corruption and compliance with Legislative Decree no. 231/01;
- the subject requests non-conventional means or methods of payment;
- the need to use the subject is not clear;
- the subject requests additional funds for unclear purposes.

11. Occupational process

11.1. General principles

In relation to all personnel involved in activities at risk of corruption, Graniti Fiandre S.p.A. implements procedures to ensure that:

- upon the establishment of an employment relationship, the staff member receives adequate information on anti-corruption matters;
- staff are not subjected to retaliation, discrimination or disciplinary action for:
 - refusing to participate in, or rejecting any activity which is reasonably assumed to present a corruption risk for the company;
 - having raised concerns or made reports in good faith, or on the basis of a reasonable belief, about a corrupt act or a violation of the Model 231 or this Anti-Corruption Code.

11.2. Awareness and training

GranitiFiandre S.p.A. staff involved in activities at risk of corruption must be informed about anti-corruption legislation, and the importance of complying with these laws and this Anti-Corruption Code, so that they understand and are aware of the various crimes, risks, personal and administrative responsibilities for the company and the actions to be taken to fight corruption and any sanctions applicable in the event of any violation of this Anti-Corruption Code and anti-corruption legislation.

Participation in mandatory training constitutes proper fulfillment of the contractual work obligation.

11.3. Disciplinary measures

GranitiFiandre S.p.A. will take appropriate disciplinary measures in accordance with the provisions of the Model 231 “disciplinary system” and the collective labor agreement or other applicable regulations in relation to staff: (i) whose actions are found to violate anti-corruption legislation or this Anti-Corruption Code; (ii) who do not participate or complete adequate training; (iii) who unreasonably fail to detect or report any violations or who threaten or retaliate against others who report any violations.

12. General tools for fighting corruption

12.1. Facilitation payments

Facilitation payments are unofficial payments made in exchange for services that the payer is legally entitled to obtain without making such payment.

Normally these are relatively small payments made in order to ensure or speed up a routine or necessary procedure, such as the issuance of a visa, a residence permit, an authorization, or the installation of a telephone line.

Facilitation payments are expressly forbidden under the GranitiFiandre S.p.A. Code of Ethics.

12.2. Extortion payments

Extortion payment is made when a member of staff is forced to provide money through violence or a threat to health, safety, security or freedom.

An Extortion payment requested by a Public Official/Public Service Officer must be promptly identified and duly documented.

In particular, the staff of GranitiFiandre S.p.A. involved must send their supervisor and the Anti-Corruption Unit a detailed report stating the date, place, beneficiary, amount paid and a description of the objective circumstances of violence or serious and imminent threat under which the payment was made.

12.3. Gifts, donations, non-profit initiatives, social projects

Donations, non-profit initiatives and projects of a social nature present the risk that funds or assets of value are diverted for the personal use or benefit of a Public Official/Public Service Officer or a private individual.

These initiatives must therefore be carried out in compliance with anti-corruption legislation, as well as the provisions of Model 231 and the Code of Ethics of GranitiFiandre S.p.A.

12.4. Sponsorships

Sponsorship activities can also raise anti-corruption issues.

All sponsorship activities must be approved to ensure they comply with anti-corruption legislation, in accordance with the Model 231 and the Code of Ethics of GranitiFiandre S.p.A..

12.5. Entertainment expenses

Entertainment expenses refers to the costs incurred to purchase goods or services for people, entities or companies that are external to GranitiFiandre S.p.A., justified by commercial activities or intended to promote the corporate brand. Site visits, off-site meetings and related expenses (for example, transportation, accommodation, meals and additional expenses) incurred for government officials or the employees or directors of a customer, business partner and/or supplier can create corruption risks.

Only reasonable entertainment expenses that are incurred in good faith and fulfill the following criteria are allowed:

- they do not require anything to be done in return;
- they are made for legitimate business purposes and are not primarily intended to visit tourist attractions or allow the recipients of the expense to make visits for personal reasons;
- they are not motivated by a desire to exercise improper influence or by an expectation of reciprocity;
- they comply with generally accepted standards of professional courtesy;
- they comply with company procedures, Anti-Corruption Laws and applicable regulations.

All entertainment expenses must be approved to ensure they comply with anti-corruption legislation, in accordance with the Model 231 and the Code of Ethics of GranitiFiandre S.p.A..

12.6. Red Flag indicators regarding gifts, sponsorships, donations, etc.

Examples of potential signs of corruption to which the Personnel of GranitiFiandre S.p.A. must be alert are:

- the request comes from a client or a Public Official/Public Service Officer;
- they are made out in proximity to a public tender;
- they are repeated over time without interruption;
- they are of a significant amount and apparently not justified or proportionate in the case of sponsorships;
- they are made to entities that appear not to be operational.

13. Accounting records

Anti-corruption legislation imposes specific accounting duties, designed, among other reasons, to discourage and disclose payments and collections made for corrupt purposes.

GranitiFiandre S.p.A. has established that accounting must comply with the applicable accounting principles, providing a complete and transparent record of the facts underlying each operation. All costs and charges, receipts and collections, income, payments and spending commitments must therefore be promptly entered in the financial information, in a complete and accurate manner, and have adequate supporting documents, issued in compliance with all the applicable laws and the related provisions of the internal control system.

GranitiFiandre S.p.A. Staff must, without exception, comply with the legal, regulatory and procedural provisions on corporate accounting.

GranitiFiandre S.p.A. Staff must never consent to requests for an invoice for an unrendered or misleading service or for the payment of unusual, excessive, inadequately described, insufficiently documented expenses, and must in any case ask for support under these policies and procedures or related company guidelines on financial statements and the keeping of accounts.

No accounting records or other documents related to a transaction must be falsified in any way that would make the true nature of the transaction unclear or forged.

No payment in the name of GranitiFiandre S.p.A. must be approved or made if there is an express or implied agreement that a portion of the payment will be used for a purpose other than that described in the documentation supporting the payment. Hidden or unrecorded funds and accounts are prohibited.

These requirements apply to all transactions, regardless of financial significance.

14. Communication

14.1. Distribution of the Anti-Corruption Code and Anti-Corruption Policy

This Anti-Corruption Code is made available to all personnel and business partners at the company's offices, or published on the website, it is communicated directly to relevant personnel and business partners.

15. Whistleblowing system

15.1. Corruptive requests

GranitiFiandre S.p.A. Staff must immediately notify their direct supervisor, the Anti-Corruption Unit and the Supervisory Body pursuant to Legislative Decree no. 231/01 of any direct or indirect request by a Public Official/Public Service Officer or a private person for payments (including facilitation payments and extortion payments), gifts, travel, meals and hospitality treatments or entertainment expenses, employment, investment opportunities, personal discounts or other personal benefits in favor of the Public Official/Public Service Officer or private person or person related to them, which are not reasonable expenses and of modest value.

The same requests must be immediately communicated by the relevant Business Partner to the contract manager, who will then notify the direct supervisor, the Anti-Corruption Unit and the Supervisory Body.

15.2. Whistleblowing system

In accordance with the provisions of Legislative Decree no. 231/2001, GranitiFiandre S.p.A. has implemented a specific whistleblowing system, guaranteeing the confidentiality of the whistleblower.

Reports can be made via:

- the whistleblowing platform: <https://whistleblowing.granitifiandre.com/> ;
- by email to the dedicated mailbox: organismo.vigilanza@granitifiandre.it

15.3. Violations of the Anti-Corruption Code and Anti-Corruption Policy

Any violation of anti-corruption legislation or this Anti-Corruption Code must be reported immediately in one or more of the following ways:

- to the Supervisory Body, in accordance with the whistleblowing procedure provided for in the Model 231/01, even on a confidential or anonymous basis;
- to the Anti-corruption Unit.

GranitiFiandre S.p.A. Staff will not be fired, demoted, suspended, threatened, harassed or

discriminated in any way for having lawfully submitted a report in good faith relating to compliance with anti-corruption legislation and this Anti-Corruption Code.

Any failure by an employee to report an unlawful action of which they have become aware will, in itself, expose the employee to possible disciplinary action.

Any violation of this Anti-Corruption Code and, more generally, of anti-corruption legislation, will be punished according to the Model 231 Disciplinary System.

16. Monitoring and improvements

16.1. Audit

In accordance with its annual audit program, the GranitiFiandre S.p.A. Supervisory Body pursuant to Legislative Decree no. 231/01 will independently examine and evaluate the internal control system, in order to verify that the provisions of Model 231/01 and this Code are respected.

The Anti-Corruption Unit will monitor the adoption of this Anti-Corruption Code and oversee training of the Staff.

The Anti-Corruption Unit must regularly review this Anti-Corruption Code to ensure that it remains effective at the highest level.

Furthermore, the Supervisory Body will recommend improvements based on emerging “best practices” or if gaps or critical issues are identified.

In the event that a violation, gap or criticality is identified, the Group Management will assess whether any revisions of this Anti-Corruption Code or improvements to the other internal organizational tools might help prevent any repetition of the violation.

The Anti-Corruption Unit will submit an annual report on its monitoring activity to the Supervisory Body, the Board of Statutory Auditors and the Board of Directors.