

Anti-Corruption Code of Conduct

PURPOSE AND AIMS

The purpose of this document referred to as the “Anti-Corruption Code of Conduct” (hereinafter, the “Code”), is to promote and reinforce the commitment of SCM Group (hereinafter, “SCM” or the “Company”) to the principle of zero tolerance for corruption. The Code establishes behavioural rules, shared by SCM Group, to be followed when conducting business involving the Company all over the world in various ways, in order to guarantee compliance with the main rules in force surrounding corruption prevention (including Law 190/2012, Legislative Decree 231/01). This Code aims to operatively reinforce, extend and set out the concept already expressed in SCM’s Code of Ethics, in which all forms of corruption are firmly rejected.

SCOPE

ADOPTION AND IMPLEMENTATION

The Anti-Corruption Policy, an integral part of its Ethics Commitment, was adopted by SCM Group spa’s Board of Directors with a resolution passed on 19 December 2024 and is valid for all the subsidiary and parent companies.

WHO IT IS FOR

Everyone at SCM Group and everyone who, directly or indirectly, establishes relations with SCM Group, either permanently or only temporarily, such as collaborators, consultants and anyone working in the name and on behalf of SCM Group companies are expected to behave in line with the principles and rules set out in this Anti-Corruption Code.

COMMUNICATION AND TRAINING

The anti-corruption policy is made available through the following channels:

- website in the “Code of Ethics” section;
- SCM Group’s intranet (Interacta).

SCM Group is committed to guaranteeing the correct and efficient spread of the principles, promoting awareness of them through communication programmes and specific training.

REPORTING INCIDENTS

Employees and collaborators who suspect or become aware of violations of the Anti-Corruption Policy are required to report it to the Internal Audit Manager, to the Supervisory body (odv@scmgroup.com) or, even anonymously, through the dedicated IT platform (MyGovernance - the internal Whistleblowing channel).

SANCTIONS

Compliance with the rules included in this Anti-Corruption Code must be considered an essential part of contractual obligations for those people for whom the Code is intended.

For employees, the violation of the principles and content of the Code represents a non-fulfilment of the working relationship's primary obligations or a disciplinary offence.

For all others, in the event of a violation of the principles and content of the Policy, contractual solutions will be imposed in accordance with the law.

OBLIGATIONS OF THOSE PEOPLE FOR WHOM THE CODE IS INTENDED

People for whom it is intended must familiarise themselves with the rules in the Anti-Corruption Code.

Furthermore, they are obliged to:

- diligently comply with the rules and principles of the document, refraining from behaviour that goes against it;
- contact your own managers or the Internal Audit Manager if clarification is needed on how to interpret and implement the rules;
- promptly report any information picked up regarding possible violations of this document and any request received to violate the document itself via the channels indicated in this document;
- fully cooperate to ascertain possible violations.

DEFINITIONS

The definitions of key terms used in this Code are given below:

- Corruption: behaviour that involves offering, promising or gifting benefits to lead someone to commit an act contrary to their duties in order to obtain a service or advantage for SCM; or consists of requesting, demanding or accepting any kind of benefit involving payment to commit or omit an action that is contrary to duties for the awarding of a contract by SCM.

- Facilitation Payments: unofficial payments made to a Public Official, for the purpose of speeding up, favouring or guaranteeing the completion of a routine activity or one which is part of their duties by Public Officials.

- Public Officials: officials from any department or local, national or international agency; officials from any international public organisation (e.g.: UN, International Patent Office, European Investment Bank, European Commission, Customs Agency, Tax Office, Municipal Council, etc.); political parties and leaders of parties; candidates for public office; managers and employees of state-owned companies or with state shareholding; anyone acting on behalf of any of the above-mentioned officials; anyone holding legislative, administrative or judicial positions.

- Third Parties: includes clients, suppliers, agents, dealers, sales partners and entrepreneurs (Joint Venture), consultants (both freelance and corporate) and other subjects (natural persons and legal persons and organisations) working in the name of or on behalf of SCM.

IDENTIFICATION OF THE MAIN RISK ACTIVITIES

RELATIONS WITH THE PUBLIC ADMINISTRATION

In line with what is set out in the Code of Ethics, directors, employees and collaborators of SCM Group who, during their work interact with the Public Administration must act with integrity and abstain from any form of commission or omission behaviour that might be viewed as even just an attempt at corruption. They must keep documentary proof of payments to and from Public Officials (e.g.: entertainment expenses, etc.). Any direct or indirect request from a Public Official aimed at obtaining payments, gifts, holidays, personal preferential treatment or other benefits for themselves or their relatives, must be reported immediately to the Internal Audit Manager.

FACILITATION PAYMENTS

Facilitation Payments are strictly forbidden as they are a form of corruption or bribery. Any kind of payment or donation of benefits to a Public Official in order to speed up, favour or guarantee the completion of an activity as part of their duties in SCM's favour is regarded as unlawful conduct. In some countries, it is standard practice for Public Officials to ask for Facilitation Payments. Whatever the case, SCM forbids Facilitation Payments anywhere in the world and, irrespective of local customs, will consider such behaviour a violation of this Code. Should anyone be asked to make an "informal" payment as a "Facilitation Payment" on behalf of SCM in countries where such practices are common and widespread, it is essential that the person being asked does not make any such payment and immediately informs their superior or direct manager and the Internal Audit Manager.

FUNDING POLITICAL PARTIES

In order to avoid the risk that direct funding to political parties or their representatives is used as an improper means for obtaining or maintaining an advantage, applying pressure or undue influence, the Company does not allow donations to political parties or their representatives.

PARTNERSHIP RELATIONSHIPS

SCM invests in strategic collaborations with its partners which favour maximising the value and sharing of know-how, technology and processes for the purpose of generating synergies and value for both sides. These relationships must be established with parties having a strong reputation and proven experience, and be managed in compliance with the regulations in force, as well as the principles of SCM Group's Ethics Commitment.

MANAGEMENT OF FUNDING

When managing public or bank funding, the following principles must be complied with:

- traceability of the relationships with the funding body or party;
- completeness, precision and truthfulness of the documentation regarding the different stages of the application for and management of the funding;
- compliance with existing proxies in relation to the signing of an application for funding and documentation concerning financial reporting to be sent to the funding body or party;
- monitoring correct implementation of the project funded and checking that transfers of sums recorded match material progress;
- correct recording of accounting data.

GIFTS, SPONSORSHIP AND DONATIONS

In line with the Code of Ethics, gifts can be given or received as long as they fall within the concept of reasonable acts of courtesy, with a value of no more than €50 and are such that they do not compromise the integrity and/or reputation of one of the parties and cannot be considered by an impartial observer as being for economic gain. SCM supports numerous sponsorship activities and donations in favour of legal persons, private and public organisations and associations with a view to supporting projects or the pursuit of the institutional aims of the beneficiary. In reference to sponsorships and donations, it is essential to follow the approval procedure set out in the specific operating procedure.

RELATIONSHIPS WITH THIRD PARTIES

SCM requires relationships established with third parties as part of Business activities to be covered by the principle of traceability, integrity, transparency and honesty contained in the Code of Conduct and always compliant with the legislative requirements in the Anti-Corruption Rules in force. As part of any collaboration with third parties, it is essential to carry out sufficient due diligence concerning their credentials and to identify potential risks of corruption. SCM could be liable for the unlawful conduct of a Third Party in the name of and on behalf of the Company. Should any doubts arise over the legitimacy of a potential Third Party, before entering into any kind of agreement with them, it is essential to share your reservations with your Direct Superior in order to ensure adequate due diligence. As part of a collaboration with Third Parties, those people for whom this Code is intended must pay special attention to certain indicators of potential violations of the Anti-Corruption Rules (“Corruption Indicators”).

CORRUPTION INDICATORS

All SCM employees and collaborators should pay the utmost attention to certain indicators of potential violation of the Anti-Corruption Rules in dealings with Third Parties. Below is a non-exhaustive list of the so called “Corruption Indicators”:

- Excessively high payments in cash.
- Bypassing internal procedures governing the selection of suppliers.
- Failure to comply with corporate procedures and/or guidelines.
- Avoiding independent checks on a purchase process and on the evaluation of suppliers.
- Pressure applied for payments to be made urgently or before the due date.
- Payments made via a Third Party who lives in another country.
- inexplicable or insufficiently justifiable favouritism towards certain suppliers.
- Direct encounters with public or private figures in order to receive favours in a tender and the awarding of contracts.
- Taking unplanned or unusual decisions on the acceptance of project assignments or contracts.
- Abusing the decision-making process or delegated powers in certain cases.
- Accepting contracts of no advantage to the Company with regard both to the terms and duration.
- Agreements on the issuing of inflated invoices compared to the agreed contractual terms, without any valid explanation.

INDIVIDUALS INVOLVED IN THE PREVENTION OF CORRUPTION BOARD OF DIRECTORS

- Approves SCM Group's Anti-Corruption Code;
- guarantees that the organisation's strategy and Anti-Corruption Policies are always aligned, through continuous monitoring and communication, of which a suitable record is kept;
- requests and reviews the information on the content and functioning of the organisation's anti-corruption management system, at set intervals;
- exercises a reasonable supervision of the implementation by Top management of the organisation's anti-corruption management system, including use of the Internal Audit department.

MANAGING DIRECTOR

- Guarantees that the Internal Audit department's resources needed for effective operation of the anti-corruption system are appropriately distributed and assigned;
- ensures that the anti-corruption management system, including the Policy and aims is established, implemented, maintained and reviewed in order to appropriately deal with the risks of corruption within the organisation;
- communicates the Anti-Corruption Policy internally and externally.

TOP MANAGEMENT

- Guarantees the integration of the anti-corruption management system's requirements into the organisation's processes;
- Assigns a budget for donations and sponsorship linked to the business to improve control
- guarantees the distribution of resources adequate and appropriate for effective operation of the anti-corruption management system;
- promotes a suitable anti-corruption culture within the organisation through communication and training;
- encourages the use of procedures for reporting suspected or actual acts of corruption;
- guarantees that no member of staff suffers retaliation, discrimination or disciplinary action for reporting facts in good faith, or based on a reasonable belief that the organisation's Anti-Corruption Policy has been violated.

INTERNAL AUDIT

The Internal Audit, based on the approved Audit Plan, runs checks to ascertain if the management system for the prevention of corruption complies with the organisation's requirements and is implemented effectively. The Internal Audit Manager may recommend improvements to this Code based on emerging best practice or if gaps or critical aspects are identified and will report to the Board of Directors on the performance of the anti-corruption system.