




**TEAMSYSTEM S.P.A.**  
**ANTI-BRIBERY**  
**CONDUCT CODE**

*[BOARD OF DIRECTORS RESOLUTION OF 04/14/2015 AS AMENDED ON 03/16/2017]*

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## 1. Foreword

TeamSystem S.p.A. (hereinafter also TeamSystem or the Company) is a leader in Italy in the development of management software/ERP and in training services aimed at professionals and small-medium businesses.

TeamSystem's development strategy focuses on an earnest and careful investment policy, aimed at refining and continuously growing its offering, both in terms of products and quality of its services, with a high degree of attention to its customers' needs, to research and development of technologically evolved and constantly updated solutions, based on the varying reference legal framework.

One of the key factors to the Company's reputation is the ability to carry out its business with loyalty, correctness, transparency, honesty and integrity, in full compliance with the laws, regulations and reference guidelines concerning corporate social responsibility.

TeamSystem complies with and promotes policies that are consistent with existing laws and with legality principles for combating corruption and for transparency in business relations (hereinafter Anti-Bribery Regulations), both at national and international level. The Anti-Bribery Regulations qualify as unlawful – for TeamSystem's employees, for its Business Partners for any other person carrying out activities in favour of or on behalf of the Company – the promise, the offering, the payment or acceptance, either directly or indirectly, of money or other advantages, for the purposes of obtaining or keeping a business deal and ensuring an unfair advantage through the conduct of public or private sector counterparties, that is in violation of professional and/or of official duties.

In particular, for the purposes of preventing the conducts prohibited under the Anti-Bribery Regulations, the Company has decided to adopt a specific Anti-Bribery Conduct Code (hereinafter also the "Code"), which fits into a broader regulatory compliance programme the Company intends to develop and maintain over time.

This Code aims at providing all employees with rules to be followed to ensure compliance with the Anti-Bribery Regulations.

## 2. Scope

This Code shall apply to all employees of the Company, to its suppliers, to its distributors, to its commercial agents, to its customers and, in general, to all those persons with whom TeamSystem makes contact with in the course of its business.

## 3. Definitions

<b>Business Partner</b>	Any third parties that TeamSystem cooperates with to develop commercial initiatives (including, but not limited to, its distributors and commercial agents).
<b>Consultant</b>	Any natural person or independent legal entity that works on behalf of TeamSystem to provide an expert opinion or intellectual services, used by the Company to support management decisions.
<b>Legislative Decree 231</b>	The Italian Legislative Decree of 8 June 2001, No. 231, as amended and supplemented.
<b>Facilitation Payments</b>	Unofficial payments made in favour of a Public Official,

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	aimed at speeding up, facilitating or ensuring a routine activity or an envisaged activity that falls within the Public Official's duties.	
<b>Supplier</b>	It is the economic entity (natural person, legal entity or consortia) potentially in a position such as to meet a certain procurement need of the Company in terms of goods, works and services.	
<b>Anti-Bribery Regulations</b>	UK Bribery Act, FCPA, as well as other public and commercial laws against bribery currently in force in the Countries in which the reference Group operates, and international anti-bribery treaties, such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the United Nations' Convention against bribery.	
<b>Public Official</b>	a) Whoever exerts a legislative, judicial or administrative public office; b) whoever acts in an official capacity in favour of or on behalf of (i) a national, regional or local public authority, (ii) a European Union agency, office or body or an Italian or foreign, national, regional or local public authority, (iii) a business owned, controlled or affiliated with an Italian or foreign public authority, (iv) an international public organisation, such as the European Bank for Reconstruction and Development, the International Bank for Reconstruction and Development, the International Monetary Fund, the World Bank, the United Nations or the World Trade Organisation, or (v) a political party, a member of a political party or a candidate for a political office, whether Italian or foreign; c) any official in charge of a public service, <i>i.e.</i> those persons that, for any reason, perform public services, where public services means an activity that is regulated in the same manner as government services, but marked by the lack of powers that are typical of the latter. Simple and merely material tasks are excluded.	
<b>Corruption Indicator</b>	Reference indexes for bribery-related risks.	
<b>UK Bribery Act</b>	The United Kingdom Bribery Act 2010 (and all ancillary legislation associated thereto) as amended and supplemented.	
<b>FCPA</b>	The U.S. Foreign Corrupt Practices Act of 1977, as amended, 15 U.S.C. §§ 78dd-1, et seq.	

#### 4. References

Because TeamSystem's registered office is located in Italy, the Company and its employees are governed by Italian law and, in particular, by the provisions of Legislative Decree 231/2001. Moreover, considering TeamSystem's international ownership structure and governance, the Company is indirectly subject to, together with its employees, to compliance with the regulations of the Countries in which the reference Group operates, including those that ratify international conventions, which prohibit bribery of Public Officials or private individuals, including for instance:

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- the OECD Convention of 17 December 1997, on combating bribery of foreign Public Officials in international business transactions, implemented in Italy since 15 December 2000;
- the United Nations Conventions against bribery, adopted by the General Assembly on 31 October 2003, entered into force internationally on 14 December 2005 and implemented in Italy via Law No. 116/2009;
- the UK Bribery Act issued in the United Kingdom in 2010;
- the U.S. FCPA of 1977.

Briefly, the Anti-Bribery Regulations:

- prevent payments made both directly and indirectly – including payments made to a third party with the awareness that such monies will then be shared with a Public Official or a private individual – as well as offerings or promises of payments or other advantages to Public Officials or to private individuals for bribery purposes;
- require companies to adopt and keep books, ledgers and accounting entries that, with reasonable detail, accurately and correctly reflect the transactions, expenses (albeit not “significant” from an accounting standpoint), acquisitions and assignments of movable goods.

In recent years, issues pertaining bribery have progressively assumed an increasing international relevance, with sanctions associated to violations of the main regulations growing progressively harsher. The entities (natural persons, legal entities and *de facto* organisations), which violate the Anti-Bribery Regulations, may be subject to financial penalties, bans and incarceration based on the entities involved, thus grievously damaging the company’s reputation.

## 5. General anti-bribery principles

TeamSystem prohibits any form of bribery vis-à-vis anyone.

In addition, in compliance with the general standards for activity segregation monitoring, the subject keeping contacts or leading negotiations with external public or private counterparties shall not independently and freely:

- enter into contracts with the above-mentioned counterparties;
- access financial resources;
- execute consultancy and professional services agreements;
- grant advantages (gifts, gratuities, benefits, etc.);
- hire staff.

A person subject to this Code shall be deemed “aware” that the payment or other advantages will benefit a Public Official or a private individual or his/her Relatives or persons specified by the latter, when the former has acted by wilfully ignoring any warning signs or suspicions (“Corruption Indicator”)<sup>1</sup> *i.e.* if he/she has acted with gross negligence, for instance by omitting to adopt an adequate level of due diligence according to the circumstances.

The Company prohibits to:

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<sup>1</sup> Please see Exhibit A for a list of corruption indicators.

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- offer, promise, give, pay, authorise anyone to give or pay, directly or indirectly, an economic advantage or other advantage to a Public Official or to a private individual (active corruption);
- accept a request from, or solicitation from, or authorise anyone to accept or solicit, directly or indirectly, an economic advantage or other advantage from anyone (passive corruption);

when the intent is to:

- persuade a Public Official or a private individual to perform in an improper manner any function having public nature, or however depending on good faith in carrying out one's responsibilities, entrusted to the former in a fiduciary manner within a professional relationship, also on behalf of private third parties, or to carry out any activity associated with a business by compensating the former for doing so;
- influence an official act (or omission thereof) by a Public Official or any decision violating an official duty, also by private individuals;
- influence or compensate a Public Official or a private individual for an official act;
- obtain, ensure or keep a business or an unfair advantage in relation to business activities; or
- however, violate applicable laws.

Prohibited conduct includes the offer to, or receipt from, Company employees (direct corruption) or anyone acting on behalf of TeamSystem (indirect corruption) of an economic advantage or any other advantage in relation to the business activities carried out within the context of one's job and professional activities.

## 5.1 Public Authorities

Relationships with Public Authorities may create potential risk situations, since TeamSystem may be held liable for instances of corruption perpetrated or attempted vis-à-vis Public Officials, who may request improper benefits to act in such a way that does not comply with their duties or in violation with the obligations of their office.

Any possible interactions with Agencies or representatives of Public Authorities may concern, including but not limited to, the following types of relationships:

- checks and/or audits by the Public Authorities: managing aspects such as inspections, verifications, checks, inquiries, etc. in which TeamSystem's representatives are in charge of managing the relevant requests, may represent a risk for the Company;
- disputes against the Public Authorities: litigation against Agencies belonging to Public Authorities and litigation against private individuals may originate potential corruption risk situations in dealing with Judicial Authorities.

## 5.2 Third parties

TeamSystem requires that relationships with third parties – suppliers, customers, consultants and other natural persons, legal entities (even belonging to the TeamSystem

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Group) and *de facto* organisations – maintained over the course of business, are informed by criteria of maximum correctness, transparency and traceability of information, as well as by compliance with the Anti-Bribery Regulations and with all other applicable laws.

### 5.2.1 Suppliers

Also in order to avoid that, in certain circumstances, the Company be held liable for corruption activities perpetrated by suppliers providing services in favour of or on behalf of TeamSystem (including companies belonging to the TeamSystem Group) and by their sub-contractors, all suppliers of the Company are required to comply with the ethical standards and eligibility requirements set out in this Code.

Suppliers shall abstain from implementing any corruptive conducts with reference to any entity they should operate with, whether a Public Official or private individual. In particular, any conduct or behaviour that is in contrast with the duties of diligence, loyalty and professionalism, and is aimed at offering to or obtaining from a Public Official or a private individual an amount of money or any other unlawful advantage or, however, undue for the services actually received or rendered, shall be prohibited.

All activities pertaining the procurement process shall be regulated by internal Procurement policies, which, in compliance with anti-bribery principles under this Anti-Bribery Conduct Code, define the roles and responsibilities of the main players involved and define the general rules for activities such as the selection of suppliers, the definition and update of the eligibility status of such suppliers, the award of procurement contracts, the addition of standard protection contractual provisions, including undertakings to comply with Anti-Bribery Regulations and the audit of suppliers' ethical requirements.

### 5.2.2 Consultants and commercial agents

In carrying out its business activities, TeamSystem may rely on the assistance of external consultants and commercial agents, or of other companies belonging to the TeamSystem Group.

Given the possibility to maintain relationship with public officials and/or private individuals, in carrying out the tasks thus entrusted, the Company provides that such persons and entities shall also comply with the provisions of this Code and with international and national regulations.

Moreover, the Company stresses the importance to adequately evaluate consultants and commercial agents, mostly in terms of reliability and honourableness, in order to determine the reasonable possibility that any one of them might engage in activities prohibited by this Code or by the Anti-Bribery Regulations.

### 5.2.3 Business Partners

TeamSystem, if necessary, cooperates with legal entities in order to develop commercial initiatives and/or opportunities, including companies belonging to the TeamSystem Group for the so-called cross-selling activities (the so-called Business Partners).

The Company performs adequate assessments to gauge the reputation and reliability of its potential third party partners and to be in a position to assess the risks that may arise from any activities that are not in line with internal policies and/or with the ethical principles set out by TeamSystem.

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In order to prevent that, in certain circumstances, TeamSystem be held liable for instances of corruption perpetrated by the Business Partners, the latter are required to comply with the standards set out in the Code and with the provisions of the Anti-Bribery Regulations.

TeamSystem undertakes to circulate such principles within the Group and to support and promote adequate compliance programmes for TeamSystem's and for the Group companies' protection.

### **5.3 Facilitation Payments**

Facilitation Payments are expressly prohibited.

It shall not be acceptable, for TeamSystem employees, to use such payment methods in any circumstance.

However, if such an "informal" payment is requested as a "Facilitation Payment" on behalf of TeamSystem, in countries where such practices are widespread and customary, it is essential that the addressee of such request promptly informs its immediate supervisor or its manager, as well as the Company's CFO.

### **5.4 Sponsoring Activities**

TeamSystem is mindful of any conflict of interest, whether of a personal and/or corporate nature, pertaining any sponsoring activity, which could represent a risk to the Company, in case they should be established as instances of corruption.

Sponsoring activities, in order to take place, must fall within the sphere of initiatives having the exclusive aim to institutionally promote TeamSystem's brand, create visibility and a positive reputation for it.

Partners with which the Company intends to enter into sponsoring agreements must be subject to a prior assessment as to the organisation's reliability and reputation.

All sponsoring activities, in order to prevent them from being considered as a dissimulated form of awarding advantages to third parties for the Company's benefit, must be stipulated in writing, by defining, in particular, the nature and purposes of the initiative, as well as the relevant consideration (which shall be reasonable and actual compared to the services rendered).

The beneficiary entity shall undertake to comply with the provisions of this Code and with the existing Anti-Bribery Regulations, thus accepting that the agreement may be terminated in case of violation thereof.

### **5.5 Gratuities and other advantages**

Gratuities, economic advantages or other benefits may be given or received if they fall within the definition of acts of common business courtesy and are not liable to compromise the integrity and/or the reputation of one of the parties, and not liable to be construed as aimed at creating a gratitude obligation or to acquire advantages improperly. Gratuities must be aimed at improving and promoting the Company's image and at maintaining commercial and/or institutional relationships. TeamSystem prohibits giving or accepting, directly or indirectly, any gratuities aimed at obtaining an improper advantage, whether a personal or business one, or that might even be construed as such.

Acts of business courtesy are allowed only if compliant with existing corporate policies.

Gifts and/or gratuities must not be given if that entails violating the bribery prohibition set out in this Code and in the relevant reference regulations.

The only types of gratuities allowed, as forms of business courtesy, shall be:



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- modest in value, or rather commensurate to the circumstances and the nature of the addressee;
- given in good faith and according to decency;
- consistent with normally accepted business courtesy standards (e.g. Christmas gifts) or having promotional/demonstration purposes;
- not made or paid in cash;
- in compliance with the Anti-Bribery Regulations, local laws and applicable regulations.

## 5.6 Entertainment and hospitality expenses

Even visits at the office, meetings out of the office and other transactions pertaining business activities, which could concern the payment or reimbursement by the Company of travel expenses and incidentals (for instance, transportation, lodging, meals and incidentals) incurred for administrative officials or employees of a commercial partner/counterparty, may generate a corruption risk.

Entertainment and hospitality expenses means the costs incurred for the purchase of goods or services in favour of persons, entities or third party companies vis-à-vis TeamSystem, justified by business activities or aimed at promoting the corporate brand. Their distinctive feature is the absence of a consideration thereto.

All entertainment expenses must be accounted for accurately and transparently with sufficient detail in the Company's accounting ledgers, and must be supported by adequate documents to identify the names of beneficiaries as well as the purpose of the payment.

## 5.7 Political contributions

Political contributions may represent a corruption risk, since they could be used as an improper means to obtain or maintain an advantage, such as, for instance, obtaining a permit or license or the allocation of further benefits for the Company's business activity, directly or indirectly by way of TeamSystem Group companies.

In order to avert these risks, TeamSystem prohibits any manner, whether direct or indirect, of lobbying and/or undue pressure on political representatives, by establishing not to disburse any direct or indirect contributions to political parties, movements, committees and political organisations and trade unions, nor to any of their representatives.

## 5.8 Charitable donations

Donations to charitable institutions, organisations and administrative agencies are aimed at implementing initiatives that are not strictly business-related, but rather aimed at improving the Company's image. These activities may present the risk that funds or valuables are misappropriated for a Public Official's or private individual's personal use or advantage.

Even if a Public Official or a private individual do not receive an economical advantage therefrom, an otherwise lawful charitable donation made in exchange for a business activity, or however to ensure an unlawful advantage, may still be considered an unlawful payment in accordance with the Anti-Bribery Regulations.

All charitable contributions must be approved for the purposes of compliance with Anti-Bribery Regulations and in accordance with internal corporate policies.

## 6. Staff Selection and Hiring

Before appointing any new members of the Board of Directors or prior to hiring, transferring

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or promoting any new employees who are liable to have significant dealings with Public Officials with regard to their position, who supervise employees or Business Partners that are liable to have such contacts, or who will be involved in inspections or in other activities governed by the Anti-Bribery Regulations, TeamSystem must gather information on the relevant personal experiences of such persons, insofar as allowed by applicable laws, in compliance with anti-bribery provisions regarding selection and hiring stated in the reference legal framework adopted by the Company.

Internal policies on staff search, selection and hiring must provide for compliance with objective criteria and for checks on staff references, and the inclusion in job applications of adequate questions, insofar as allowed by existing laws, concerning: (a) any possible criminal record or prior charges against the candidate; (b) any possible civil or administrative sanctions or on-going investigation referring to any unethical or unlawful activities by the candidate, in compliance with and insofar as allowed by applicable laws, and (c) any personal relationships with Public Officials, Business Partners, Consultants, Suppliers or Commercial Agents.

In order to guarantee that the process of staff selection, hiring and management complies with the principles of professionalism, transparency and correctness, in accordance with the provisions of Laws and applicable regulations, TeamSystem ensures that all such activities comply with corporate policies and with the principles set out in this Code.

Hiring must take place based on actual needs, proven by all authorisations required under internal policies. The selection process must envisage several assessment steps, involving different persons.

## **7. Staff Training**

TeamSystem's staff must be informed and trained on the applicable Anti-Bribery Regulations and on the importance of complying with such laws and with this Code, in such a way that it understands clearly and is aware of the various offences, risks and personal and administrative liabilities for the company and of the actions to be taken to combat corruption, as well as of any sanctions in case of violation of the Code and of the Anti-Bribery Regulations (both by any individuals involved and by TeamSystem as a legal entity). In particular, all employees are required to take part in a mandatory anti-bribery training programme.

To this end, employees shall receive a copy of the Anti-Bribery Conduct Code and shall attend a training session on the Code and on the relevant Anti-Bribery Regulations, both in case of new hires and in case new responsibilities are allocated.

The training programme shall provide the necessary knowledge of the Anti-Bribery Regulations and the instructions to recognise the "Corruption Indicators" in order to prevent and avoid any questionable actions from an ethical and legal standpoint.

## **8. Accounting procedures**

The applicable rules, laws and regulations on financial reporting and tax regulations require that TeamSystem keeps detailed and complete accounting entries for each business transaction. The Company's accounting entries must comply with the applicable accounting standards and must reflect accurately and transparently the facts underlying each transaction.

All costs and charges, revenues and collections, payments and expenditure commitments must timely be included in financial information, in a complete and accurate manner, and have adequate supporting documents, issued in compliance with all applicable laws and with the relevant provisions of internal audit systems. All accounting entries and the relevant supporting documents must be made available to the external auditors for their auditing activities.

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In accordance with the above provisions, it is TeamSystem's policy that all of the Company's payments and transactions must be accurately entered into the relevant books and accounting ledgers for the Company in question, in such a way that TeamSystem's books, ledgers and accounting reflect in a correct and detailed manner such transactions and the availability of goods with reasonable detail. Such principle shall apply to all transactions and expenses, whether they are significant or not from an accounting standpoint. In addition, as set out under internal policies, the accounting criteria and the financial statements items to be used for booking business transactions are specifically set out; all transactions must be entered into the accounting ledgers in a truthful and correct manner.

## 9. Mergers and acquisitions

In the event that TeamSystem proceeds to merge with or to acquire other companies, it runs the risk to take over liabilities concerning violations of anti-bribery laws perpetrated by the merged or acquired company. This may entail significant damage to TeamSystem's reputation, as well as possible sanctions, should such violations emerge at a later stage. Therefore it is essential to incorporate into the acquisition agreement adequate anti-bribery provisions, as well as, before closing the transaction, to take into account any other available options to avoid taking over such liabilities.

## 10. Monitoring

TeamSystem's Board of Directors, in the exercise of its management and supervisory duties, identifies within the corporate organisation and/or with the support of even external independent bodies, a monitoring system that is appropriate to ensure and guarantee monitoring over the actual application of the provisions in this Code and, in general, of the Company's regulatory compliance programme.

The subjects in charge of such monitoring activities shall report to the Board of Directors any time they deem it appropriate concerning the activities performed, and as regards circumstances and facts significant to their office or any possible urgent criticalities of this Code that have emerged during monitoring activities.

## 11. Reporting

TeamSystem's employees are required to report any possible violation, either alleged or proven, of this Code and/or of the internal and/or external policies, of the ethical principles of any Anti-Bribery Regulation, by the Company, by a co-worker, by a consultant or by any third parties, including the requests or offers of undue payments received by the latter.


The failure to report an alleged or proven unlawful action by an employee, which the latter has become aware of, shall *per se* subject the employee to possible disciplinary actions.

The Company ensures that no employee may suffer unfavourable consequences for refusing to adopt a conduct violating this Code, even if that should imply TeamSystem's loss of business activities or if it should negatively impact its plans.

## 12. Sanctions

TeamSystem shall make every reasonable effort to prevent any conducts violating the Anti-Bribery Regulations and/or this Code, and to discontinue and sanction any contrary conducts perpetrated by the Company's personnel.

TeamSystem shall also adopt disciplinary measures in accordance with the provisions of the relevant National Collective Bargaining Agreement (CCNL) or with other national regulations applicable vis-à-vis its employees (i) whose actions are found to violate the Anti-Bribery

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Regulations or the Anti-Bribery Conduct Code, (ii) who do not attend or complete an adequate training, and/or (iii) who unreasonably omit to signal or report such violations or threaten or action retaliation against others reporting any such violations.

TeamSystem shall adopt appropriate measures, including but not limited to, the termination of the contract and a claim for damages vis-à-vis the suppliers and the Business Partners in case of actions perpetrated in violation of the Anti-Bribery Regulations or of this Code. The contracts entered into by TeamSystem shall include specific provisions to ensure compliance with the Anti-Bribery Regulations and with this Code and to allow the Company to implement adequate remedies.

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## EXHIBIT A CORRUPTION INDICATORS

TeamSystem's employees must remain vigilant as to possible indicators that third parties are engaging in unethical or corrupt conducts. The Employees shall always be particularly cognisant of the following "Corruption Indicators"<sup>2</sup> regarding bribery and corruption:

1. Abnormal cash payments.
2. Pressure exerted for payments to be made urgently or ahead of schedule.
3. Payments being made through a Third Party country - for example, goods or services supplied to country "A" but payment being made, usually to a shell company, in country "B".
4. An abnormally high commission percentage being paid to a particular agent. This may be split into two accounts for the same agent, often in different jurisdictions.
5. Private meetings with public contractors or companies hoping to tender for contracts.
6. Making unexpected or illogical decisions accepting projects or contracts.
7. Hiring of an individual who does not have the expected level of knowledge or expertise consistent with that position.
8. Abuse of the decision process or delegated powers in specific cases.
9. Agreeing to contracts that are not favourable to the Company either because of the terms or time period involved.
10. Unexplained or not adequately motivated preference for certain contractors during tendering period.
11. Avoidance of independent checks on the procurement process and on suppliers assessments.
12. Bypassing normal internal tendering or procurement procedures.
13. Invoices being approved in excess of contractually stipulated terms without reasonable cause.
14. Company procedures or guidelines not being followed.

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<sup>2</sup> Source: Serious Fraud Office (SFO)