

# NOVABASE

## PREVENTION PLAN FOR THE RISKS OF CORRUPTION AND RELATED OFFENCES

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“Among other priority goals, the XXII Constitutional Government has incorporated the fight against corruption and fraud into its program, conscious that these phenomena undermine people’s confidence in its institutions, weaken the economy with higher red tape costs, debilitate government finances, erode the foundations of the welfare state and intensify inequalities.

Fighting corruption is essential to strengthen the quality of democracy and fully achieve a rule-of-law state by ensuring true equal opportunities, promoting greater social justice, encouraging economic growth, strengthening public finance and enhancing people’s confidence in democratic institutions.”<sup>1</sup>

In this regard, the Council of Ministers Resolution no. 37/2021 of 6 April passed the **2021-2024 National Anti-Corruption Strategy**, which calls all sectors, including the private corporate sector, to be part of a joint anti-corruption effort primarily focused on the prevention of corruptive phenomena.

According to the strategy, companies must take on a central role in promoting and defending ethical relationships between the public and private sectors, as well as business relationships within the private sector, a place where the phenomenon of corruption also occurs.

Regulatory compliance programs at companies have been cited as a means of greater engagement of the private sector in fighting corruption, particularly when aimed at preventing and suppressing practices against company standards, against the company or through the company. With this purpose in mind, such programs can be an effective tool in preventing, detecting and repressing administrative and criminal offences and, more specifically, in preventing, detecting and repressing the phenomenon of corruption. As such, there are several recommendations throughout this strategy pointing to a future obligation to adopt and implement compliance programs at large and medium-sized enterprises, together with consequences for companies failing to do so.

Moreover, the recently revised Public Procurement Code imposes the mandatory submission, for qualification purposes, of a prevention plan for corruption and related offences for large-sized enterprises when the amount of the contract in question determines its prior scrutiny by the Audit Court.

Although a single definition of corruption does not exist on an international scale, the consensus is that corrupt conduct entails the abuse of a public office or power, to the benefit of a third party, against the payment of a monetary amount or other type of advantage.

The Criminal Code, the Administrative Procedure Code, the Public Procurement Code, the Criminal Regime for Corruption in International Trade and the Private Sector, the General Labour Law in Public Jobs and other instruments in force in the Portuguese legal system include crimes, offences, impediments and situations for which – since they are capable, in theory, of generating conflicts of interest – abstention is recommended for certain individuals.

Corruption and related offences, including those arising from conflicts of interest, constitute potential risks in countless professions and businesses, and are not outlying to companies from the private sector.

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<sup>1</sup> In Summary of the Council of Ministers Resolution no. 37/2021 of 6 April.

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Fully aware of these risks, albeit potential, in this plan we seek to identify them in the specific ecosystem to which Novabase belongs and to address them, thereby ensuring that our corporate culture is rooted in the fundamental values of the rule of law, trustworthiness, confidence and ethics.

## 1. Novabase

Novabase began in 1989 as a software house, a company specialized in developing customized solutions. During the second half of the 1990s, Novabase positioned itself as a systems integrator, broadening the scope of its products and services through a network of specialized companies.

Over its more than 30 year history, Novabase has become the leading Portuguese company in information technologies. It has been listed on Euronext Lisbon since 2000, making it subject to requirements involving transparency and periodic mandatory reporting.

Currently, following the recent disposal of some of the companies specializing in the areas of Infrastructures, Voice Communications, Energy, Government and Transport, it is primarily involved in the industries of Financial Services (including Government) and Telecommunications, both domestically and internationally, in regions as diverse as Europe, the Middle East and Africa.

## 2. Ethics

In carrying out its duties and exercising its powers, the conduct of Novabase and its management, legal representatives and employees is bound to strict compliance with the law and high ethical principles, in particular:

### 2.1. The Rule of Law

We act in compliance with the law in the various regions where we operate. We constantly seek to understand in-depth, and implement, the various legal instruments applicable to our business, together with their legal amendments.

### 2.2. Competence and Responsibility

We act in a competent, responsible, dedicated and critical manner, and are committed to the professional enhancement of all of our employees.

### 2.3. Integrity

We are governed by personal honesty and integrity of character.

### 2.4. Equality

At Novabase, we believe in equal opportunities and mutual respect regardless of ethnicity, gender, religion, beliefs, social background or sexual orientation. These differences tend to enhance the quality

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of decision-making processes through multiple perspectives, greater intellectual and cultural richness and a better representation of reality and of those involved.

We do not favour or disfavour any employees according to their ancestry, gender, race, language, political, ideological or religious beliefs, economic status or social standing.

In this regard, Novabase has adopted a Gender Equality and Diversity Plan, which can be consulted at <https://www.novabase.pt/FileContent/4168e9ca-705f-4635-9150-28cb28a7bdbc/7633-5/plano-para-a-igualdade-de-genero-e-diversidade-setembro-2021>

## 3. Governance

Novabase has been a publicly-traded company on Euronext Lisbon since July 2000. It operates according to a governance model whose suitability and performance are assessed regularly by the Board of Directors to help to optimize its performance in closer alignment with the interests of all stakeholders – all those interested in Novabase’s corporate activities, namely shareholders, investors, customers, suppliers, other business partners and employees.

In view of the growing challenges of internationalization and competitiveness revolving around Novabase’s business, the corporate governance system in place at the company needed to be brought up to date by simplifying and streamlining company bodies and procedures, so as to tailor existing solutions to the company’s size and specific circumstances.

Therefore, beginning in 2015, Novabase adopted a reinforced Latin corporate governance model comprised of a Board of Directors, an Audit Board and a Statutory Auditor (ROC). In this model, a substantially more agile day-to-day management structure was implemented, with the Board of Directors being able to delegate the day-to-day running of the company to one or more directors (managing directors) or to an Executive Committee.

Thus Novabase presents/will present the following Governance Structure:

### 3.1. General Meeting of Shareholders

The General Meeting of Shareholders has decision-making power in matters specifically attributed by law or the articles of association, and in issues not under the jurisdiction of other corporate bodies, namely matters submitted by the Board of Directors related to Novabase’s management.

### 3.2. Board of Directors

The Board of Directors has as its duties and powers, in general, to exercise the broadest powers in the pursuit of social affairs, within the limits of the Law, the articles of association and the resolutions of the General Meeting of Shareholders.

Namely, the Board of Directors is responsible for ensuring disclosure of suitable financial information that truthfully reflects the Group’s situation at any given moment, in compliance with the norms issued by the applicable regulatory entities at any given time.

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## 3.3. Audit Board

The Audit Board has as its duties and powers scrutinizing Novabase's management and ensuring compliance with the law and memorandum of association.

In performing its duties, Novabase's Audit Board is namely responsible for overseeing the auditing of the company's accounts and accounting documents, and overseeing the effectiveness of the risk management system, the internal control system and the internal auditing system, as well as for taking the decisions deemed necessary regarding any irregular practices reported by shareholders, Novabase's employees or others, to the department created specifically for this purpose.

## 3.4. Statutory Auditor

The Statutory Auditor ("ROC") acts as an external independent auditor.

The ROC essentially has a social function to perform, bearing in mind that Novabase's economic reality must be reflected in the financial statements, which must provide a faithful view of this reality, to be conveyed to creditors, suppliers, customers and shareholders.

The ROC's activity is legally bound to the duty of complying with technical standards, notices and resolutions approved or recognized by the Portuguese Statutory Auditors' Association and international technical standards, such as the International Accounting Standards ("IAS") and the International Financial Reporting Standards ("IFRS"), when these are mandatory, in accordance with accounting principles.

## 3.5. Remuneration Committee

The Remuneration Committee is elected by the General Meeting of Shareholders. Its mission is to determine the remuneration of the Company's managing board members.

It contributes to the transparency of the process of establishing remuneration, assuming a separation of management duties from the role of determining remuneration, thereby helping to properly resolve potential conflicts of interest.

To ensure that its duties are performed impartially, members of the Remuneration Committee may not be members of Novabase's Board of Directors, or have a spouse or relative in these circumstances, or other relationships with members of this body that may affect their impartiality.

Members of the Remuneration Committee must have extensive knowledge and experience in issues involving management and remuneration policy, so as to have the necessary expertise to properly and effectively perform their duties.

## 3.6. Executive Committee or Managing Directors

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With a view to implementing a substantially more agile day-to-day management structure, the Board of Directors is allowed to delegate the day-to-day management of the company to one or more directors (managing directors) or to an Executive Committee.

The Executive Committee or managing directors are responsible for the day-to-day management of the Company, acting in strict accordance with the mandate and powers specifically entrusted to them by the Board of Directors, to which they are accountable and report regularly.

## 4. Management instruments

In conducting its business and exercising its powers, Novabase is supported by the following managing bodies and instruments:

### 4.1. System for reporting irregularities

In compliance with recommendations regarding the governance of listed companies, and in view of fostering a culture of responsibility and compliance, Novabase has adopted a system for reporting irregularities (known as “SPI”) that may occur within its Group.

Any report of irregularities made through SPI is directed to the Audit Board, which will appoint a person in charge of SPI to manage the reports received.

The person in charge of SPI must act independently and autonomously (notwithstanding the responsibility towards the Audit Board for proper compliance with his/her duties) and is subject to confidentiality duties.

According to the implemented system, employees and other Novabase’s stakeholders have access to a direct and confidential channel for reporting to the Audit Board any practice that appears to be improper or allegedly irregular in any way, whatever it may be, having occurred within the Novabase Group, regardless of any blame that may be attributed, and which may impact the financial statements or the information sent to the Portuguese Securities Market Commission (“CMVM”), or that may cause serious damage to Novabase or its stakeholders (employees, customers, partners and shareholders).

The purportedly irregularity must be reported in a secure and confidential manner to the person in charge of SPI in two different manners:

to the private e-mail address:

[NB.whistle@gmail.com](mailto:NB.whistle@gmail.com)

by posted letter to the person in charge of SPI, marked “Confidential”, to the address: Av. D. João II, nº 34, Parque das Nações, 1998-031 Lisbon.

Before the final forwarding of the reports, the person responsible for SPI takes account of the reports for statistical purposes and maintains a record of the reports that exclusively covers the following aspects:

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(i) notification receipt date;

(ii) essential nature of the facts reported, while redacting all information identifying any individual persons;

(iii) investigation completion date.

Once the investigation has been concluded, reports with an underlying probability of an irregular practice are forwarded by the Audit Board to the Board of Directors so that it can take appropriate measures.

Novabase ensures that no employee will be subject to retaliation, discrimination or disciplinary action for reporting, in good faith or based on reasonable conviction, an actual or suspected irregular practice.

## 4.2. Code of Conduct

Novabase is aware of, and acts according to, the principles and values of domestic and international legislation on Human and Social Rights. We foster a culture of responsibility, respect and loyalty. We are upstanding, and respect what others have built, and what belongs to them. We do not take what is not ours, and are open to cooperation, acting with rigour and loyalty.

We follow the law, regardless of the location where we are working, supported by specialized entities. We disregard ambiguous stances, we are upstanding, we do not get entangled in conflicts of interest, and we neither accept nor offer any kind of bribery.

In this regard, our actions are guided by a Code of Conduct, which has been in effect since 2011, approved internally and published at the corporate website. Its main purpose is to guide the conduct of our stakeholders through values cultivated by the Group, not only in their relationships with Customers, but also between themselves; one example is the internal rule of refusing any third-party gifts whose economic value exceeds reasonable limits under social custom.

Novabase's Code of Conduct is available for consultation at <https://www.novabase.pt/FileContent/eed52f9f-86fb-4456-8a10-eee36c6fc93f/5320-0-23400/code-of-conduct>

## 4.3. Annual Report and Accounts

Novabase's Annual Report and Accounts is published on an annual basis, despite the announcement of results on a half-yearly basis. In addition, to enhance transparency and market and stakeholder relations, Novabase has chosen to provide a quarterly Trading Update.

The Annual Report and Accounts is essentially comprised of two parts:

– A report on the Novabase Group's business and performance, together with their contextual setting;

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– The Novabase Group's consolidated accounts presented using specific accounting schedules, namely the Balance Sheet, the Income Statement and the Cash Flow Statement.

The main goal of the Annual Report and Accounts is to provide stakeholders with all information needed to properly evaluate the Company's performance, while also being an opportunity to explain to stakeholders the year's strategic priorities vis-à-vis the economic and regulatory framework, describe the activities of business areas and analyse their effect from an economic and financial standpoint.

For this reason, it is an important means of controlling business done, amounts received and operational risks assumed, while also controlling the accounts of the Group's companies by geographic area and/or market segment.

## 4.4. Risk management policy

Novabase works in the information technology and digitalization market. This sector is characterized by the dynamics of constant transformation, innovation and agility. As such, quick decision-making and execution become a critical success factor. Thus, the risk management policy is of vital importance in running and developing a business which has historically presented a higher risk appetite profile.

Novabase's goal is to follow the sector's best international practices. For us, the risk policy is a cornerstone for guiding strategies and determining measures to be taken in extreme cases. The risk management system should be a tool for leveraging a more rigorous analysis of business risks and for supporting the decision-making process.

Novabase has a model in force which is – safeguarding the company's worth and for the benefit of transparency in its corporate governance – based on detecting and anticipating potential risks and risk factors, so as to manage them in a timely manner, via the delegation of responsibilities and appropriate internal communication channels, in line with the Company's strategic goals for assuming risks as defined under this system.

This system's efficiency is due to the instituted internal procedure, which reinforces the communication channels between the Group's various departments and decision-making bodies, thereby allowing communication and information on various system components, together with an analysis of potential internal control problems and the detection of potential risks in real time.

Novabase also has an Internal Auditing team responsible for conducting monitoring actions and improving internal control procedures essentially associated with the Group's central service areas, always in accordance with the strategic goals laid out in the integrated risk management model.

## 4.5. Internal control and procedures

Novabase is organized internally by business areas and companies, whose respective units are structured according to the following functions:

- Service/Support Functions;
- Business functions.

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The support functions play a critical role in internal control and in guaranteeing compliance with internally defined rules and formalities, together with compliance with legal requirements applicable to Novabase in its respective area of business. Among the various support functions, the following are noteworthy due to their important role in this regard:

- Finance Department;
- Legal Department;
- Corporate Development Department;
- Information Systems Department; and
- Human Resources Department.

Some examples of their responsibilities include:

#### 4.5.1.1. Finance Department:

- Internal and external audits;
- Treasury control; and
- Consolidation of results.

#### 4.5.1.2. Legal Department:

- Drafting of general contractual terms and conditions for submitting proposals;
- Drafting, negotiation and validation of contractual agreements;
- Legal review and approval; and
- Training for business areas on topics with legal/contractual impacts.

#### 4.5.1.3. Corporate Development Department:

- Internal and external audits; and
- Quality, Environmental and Occupational Health and Safety certifications.

#### 4.5.1.4. Information Systems Department:

- Control of the SAP system, for controlling access to information systems and confidential information, and for expense and payment control;
- Drafting and monitoring of internal policies (Information Security Manual, disaster recovery, backup policy, etc.); and
- Equipment control.

#### 4.5.1.5. Human Resources Department:

- Selection and recruitment of people and background checks;
- Onboarding of employees and dissemination of Novabase values (including diffusion of the Code of Conduct and of the Gender Equality and Diversity Plan); and
- Dissemination and control of signing liability and non-disclosure agreement for new employees.

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## 5. Prevention Plan for Corruption and Related Offences

While drafting this Plan, we have considered the measures included in the 2021-2024 National Anti-Corruption Strategy, Studies, Reports and Recommendations published in this regard, as well as the domestic and international best industry practices, including the Requirements and Recommendations of Portuguese Standards ISO 31000 (Risk Management) and ISO 37001 (Anti-Corruption Management Systems).

### 5.1. Scope, Purposes and Methodology

#### 5.1.1.1. Scope

This Plan covers all areas and segments of Novabase's business and their respective employees, suppliers of goods and service providers.

#### 5.1.1.2. Purposes

While drafting this Plan, we set the following purposes:

- Identifying risks of corruption and related offences or conflicts of interest in relation to each process or area;
- Determining specific measures to be implemented in order to prevent their occurrence; and
- Determining those in charge of supervising and monitoring this Plan.

#### 5.1.1.3. Methodology

We began by seeking to define the concept of risk, and mapping the processes and/or areas at Novabase which, in our view, fall within the notion of risk.

We identified the entities in charge of these processes and/or areas.

Finally, we identified internal risk prevention and control measures, and determined methods for monitoring and periodically assessing measures implemented or to be implemented.

### 5.2. Risk and risk management

#### 5.2.1.1. Risk and risk management

“Risk is defined as an event, situation or future circumstance with a likelihood of occurring and a potential positive or negative consequence in the pursuit of an organizational unit’s purposes.”<sup>2</sup>

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<sup>2</sup> Management Risk Prevention Plan of the General-Directorate of the Audit Court, page 12.

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“Risk management is the process through which organizations methodically analyse the risks inherent to their respective activities, with the purpose of achieving a sustained advantage in each individual activity and in the set of all activities.”<sup>3</sup>

Therefore, to achieve effective risk management, we have the following assumptions:

- recognition of the risk(s);
- notification of the risk(s) identified;
- acceptance that such risk(s) may occur;
- categorization of that/those risk(s); and
- a plan and a process of continuous monitoring.

The mere likelihood of the future occurrence of an event of corruption or related offence (including potential conflicts of interest) constitutes a hazardous (abstract) situation or a situation of risk which dictates that the potential events be identified and that the respective risk be managed by the organization, so as to prevent and deter it. This method is a prerequisite for implementing suitable and trust-building procedures.

## 5.2.1.2. Corruption, related offences and conflicts of interest

In addition to others, we can identify the following determining factors in situations of corruption or related offences:

- A conducive environment;
- The quality of management and probity of managers/decision-makers;
- The suitability of the internal control system;
- The ethics and conduct of the Organization and its stakeholders;
- Employee’s motivation;
- Legislation and internal standards of conduct.

The main legal resources for qualifying situations of corruption, related offences and conflicts of interest are listed below:

- Criminal Code, passed by Decree Law no. 48/95 of 15<sup>th</sup> March;
- Administrative Procedure Code, passed by Decree Law no. 4/2015 of 7<sup>th</sup> January;
- General Public Labour Law, passed by Law no. 35/2014 of 20<sup>th</sup> June; and
- Criminal Regime for Corruption in International Trade and the Private Sector, passed by Law no. 20/2008 of 21<sup>st</sup> April.

All of the above legal provisions share the fundamental principle that there should be no advantages, or promises of advantages, for performing or not performing a given (legal or illegal) behaviour.

In Annex I to this Plan, we offer a list, for our own internal reference, of the main situations of corruption, related offences and conflicts of interest established under Portuguese law.

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<sup>3</sup> Risk Management Standard, FERMA - Federation of European Risk Management Associations.

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## 5.3. Processes, areas and responsibilities

The intentions of those involved in private business entail a risk potential which must be catalogued and prevented. Evidently the risk potential cannot allow us to determine that a given situation will occur, but merely how it can occur; nevertheless, this risk should still be considered and prevented in abstract.

In view of Novabase's functions and internal organization, we have identified and characterized potential situations involving the risk of corruption and related offences by areas and processes, categorizing these risks on a scale (low, moderate and high risk) according to the likelihood of their occurrence and respective impact.

There are several factors which can lead to a higher or lower degree of risk on a given area or activity, including:

- The probity of those involved;
- The legitimacy and legality of the act or actions;
- The ethical commitment; and
- The quality and effectiveness of the internal control system.

While identifying the areas and processes capable of generating risks, the risks have been contemplated in abstract vis-à-vis their impact and likelihood of occurrence:

	Impact	Likelihood
Low	Does not result in financial losses, nor do the offences cause relevant damages to Novabase's image and ability to operate	Arises from a process that will only result from exceptional circumstances
Moderate	May result in financial losses, and disturbs Novabase's regular functioning	Associated with a sporadic process expected to occur over the course of the year
High	May result in major financial losses, harming Novabase's credibility	Arises from a current and frequent organizational process

In Annex II, in view of Novabase's internal organization, we identify the areas and processes capable of generating risks, while also listing the risk situations and the respective area in charge.

## 5.4. Internal risk control and prevention measures

The internal risk control and prevention measures shown in Annex II have been delimited according to key processes and underlying risk situations, while also specifying the internal areas or departments in charge of their implementation, oversight and/or monitoring.

## 5.5. System for Reporting Irregularities

According to the implemented system ("SPI"), employees and other Novabase stakeholders have access to a direct and confidential channel for reporting to the Audit Board any irregularity, including any situation that entails, or appears to entail, an act of corruption or a related offence, whatever it may

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be, having occurred within the Novabase Group, which may have administrative or criminal consequences or cause serious reputational damage to Novabase or its stakeholders.

Novabase will ensure that no employee will be subject to retaliation, discrimination or disciplinary action for reporting, in good faith or based on reasonable conviction, an actual or suspected breach of Novabase's anti-corruption policy, or for having refused to be involved in any act of corruption or a related offence, even when such refusal may result in business losses (unless the employee in question participated in the breach).

## 5.6. Monitoring and annual evaluation

The Legal Department is in charge of supervising and monitoring the fulfilment of this Plan.

Under the supervision of the Board of Directors, the Legal Department shall draw up an annual execution report for this Plan at the end of each calendar year.

This annual execution report must be sent to the attention of the Board of Directors.

## **6. Annexes**

This Plan includes the following Annexes:

### 6.1. Annex I: List of Offences

### 6.2. Annex II: Risks and Prevention Measures

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## Annex I

### List of Offences

Offence	Legal Standard	Type
<b>Corruption</b>		
Undue advantage	Article 372 of the Criminal Code	An officer who, in the performance of his/her duties or because of them, by himself/herself or through another person, with his/her consent or ratification, requests or accepts, for himself/herself or for a third party, a benefit of economic nature or not, without such being due.
		A person who, by himself/herself or through another person, with his/her consent or ratification, gives or promises to an officer, or to a third party indicated or known by that officer, a benefit of economic nature or not, without such being due, in the performance of his/her duties or because of them.
Passive Corruption	Article 373 of the Criminal Code	An officer who, by himself/herself or through another person, with his/her consent or ratification, requests or accepts, for himself/herself or for a third party, a benefit of economic nature or not, or its promise, for any act or omission in opposition to the duties of his/her position, or otherwise when the benefit is not due.
Passive Corruption in the Private Sector	Article 8 of the Criminal Regime for Corruption in International Trade and the Private Sector	A private-sector worker who, by himself/herself or with his/her consent or ratification, through another person, requests or accepts, for himself/herself or for a third party, without such being due, a benefit of economic nature or not, or its promise, for any act or omission in breach of his/her functional duties.
Active Corruption	Article 374 of the Criminal Code	A person who, by himself/herself or through another person, with his/her consent or ratification, gives or promises to an officer, or to a third party indicated or known by that officer, a benefit of economic nature or not, or its promise, for any act or omission in opposition to the duties of his/her position.
Active Corruption with Damage to International Trade	Article 7 of the Criminal Regime for Corruption in International Trade and the Private sector	A person who by himself/herself or, with his/her consent or ratification, through another person, gives or promises to a national or foreign officer, to an officer from an international organization, to the holder of a domestic or foreign political position, or to a third party with knowledge of them, a benefit of economic nature or not, without such being due, to obtain or uphold a business deal, contract or other undue advantage in international trade.
Active Corruption in the Private Sector	Article 9 of the Criminal Regime for Corruption in International Trade and the Private Sector	A person who by himself/herself or, with his/her consent or ratification, through another person, gives or promises to the person referred to in article 8, or to a third party with knowledge of that person, a benefit of economic nature or not, without such being due, in pursuit of the purpose referred to therein.
<b>Related Offences</b>		

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Embezzlement	Article 375 of the Criminal Code	An officer who illegitimately appropriates, in his/her own benefit or to the benefit of another person, money or any movable, immovable or animal property, public or private, which has been handed to him/her, is in his/her possession or is accessible to him/her by virtue of his/her duties.
Embezzlement of use	Article 376 of the Criminal Code	An officer who uses or allows another person to use, for purposes beyond those intended, immovable property, vehicles or other movable or animal property of appreciable value, public or private, which has been handed to him/her, is in his/her possession or is accessible to him/her by virtue of his/her duties or, unless so justified by special reasons of public interest, allocates public money to a public use differing from its legal allocation.
Economic participation in business	Article 377 of the Criminal Code	An officer who: <ul style="list-style-type: none"> <li>- with the intent to obtain, for himself/herself or for a third party, unlawful economic participation, harms in a legal business the economic interests which, partially or in whole, are, by virtue of his/her duty, of his/her responsibility to manage, supervise, defend or execute;</li> <li>- by any way receives for himself/herself or for a third party, an economic benefit as a result of a legal/civil act in respect of interests that he/she had, by virtue of his/her duties, at the time of the act, partially or in whole, the disposal, management or supervision of; or</li> <li>- by any way receives, for himself/herself or for a third party, an economic benefit as a result of a collection, receipt, liquidation or payment that, by virtue of his/her duties, he/she is, partially or in whole, in charge of ordering or doing, provided that there is no loss to the National Treasury or to the interests which are entrusted to him/her.</li> </ul>
Graft	Article 378 of the Criminal Code	An officer who, in the performance of his/her duties or the exercising of de facto powers arising therefrom, by himself/herself or through another person, with his/her consent or ratification, receives for himself/herself, for the State or for a third party, by misleading means or by taking advantage of the error of a victim, an economic benefit which is not due, or higher than the amount due, namely a contribution, tax, fee, penalty or fine.
Refusal to cooperate	Article 381 of the Criminal Code	An officer who, having received a legal request from a competent authority to provide due cooperation to the administration of justice or to any public service, refuses to grant it, or without a legitimate reason does not grant it.
Abuse of power	Article 382 of the Criminal Code	An officer who abuses powers or breaches obligations inherent to his/her duties, with the intent to obtain, for himself/herself or for a third party, an unlawful benefit or cause harm to another person.
Bribery	Article 363 of the Criminal Code	A person who persuades or tries to persuade another person, through a gift or promise of a benefit of economic nature or not, to provide false deposition or statements in judicial proceedings, or to provide false testimony, expertise, interpretation or translation, without such acts being committed.
Denial of justice and prevarication	Article 369 of the Criminal Code	An officer who, within the scope of a procedural inquiry or judicial, administrative or disciplinary proceeding, consciously and against the law, promotes or not, leads, decides or not, or commits an act in the performance of the powers arising from the position that he/she holds.

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Influence peddling	Article 335 of the Criminal Code	<p>A person who, by himself/herself or through another person, with his/her consent or ratification, requests or accepts, for himself/herself or for a third party, a benefit of economic nature or not, or its promise, to abuse of his/her influence, actual or supposed, before any public entity.</p> <p>A person who, by himself/herself or through another person, with his/her consent or ratification, gives or promises a benefit, of economic nature or not, to the persons referred to in the above paragraph for the purposes of obtaining any unlawful favourable decision.</p>
Breach of secrecy	Article 383 of the Criminal Code	An officer who, without being duly authorized, discloses a secret of which he/she became aware or which was entrusted to him/her in the performance of his/her duties, or whose knowledge has been facilitated by virtue of the position that he/she holds, with the intent to obtain, for himself/herself or for a third party, a benefit, or when knowingly causing harm to the public interest or to third parties.
Breach of secrecy	Article 385 of the Criminal Code	An officer who illegitimately, with the intent to prevent or interrupt a public service, abandons his/her duties or neglects their fulfilment.
Usurpation of duties	Article 385 of the Criminal Code	<p>A person who:</p> <ul style="list-style-type: none"> <li>- without being authorized to do so, performs duties or carries out acts pertaining to an officer or to a public security force, claiming, expressly or tacitly, such capacity;</li> <li>- exercises a profession or carries out acts pertaining to a profession for which the law requires a title or fulfilment of certain conditions, claiming, expressly or tacitly, to possess such title or to fulfil such conditions, when he/she does not have or fulfil them; or</li> <li>- continues in the performance of public duties, after being officially notified of his/her dismissal or suspension of duties.</li> </ul>
<b>Conflicts of Interest</b>		
Cases of impediment	Article 69 of the Administrative Procedure Code	<p>Members of Public Administration bodies, their respective agents and any other entities which, regardless of their nature, exercise public powers may not intervene in administrative proceedings or public or private acts or contracts of Public Administration, under the following circumstances:</p> <ul style="list-style-type: none"> <li>a) When they have interest in it, for themselves, as representatives or as business managers of another person;</li> <li>b) When, for themselves or as representatives or business managers of another person, their spouse or person with whom they live under analogous conditions, any relative or any first degree next of kin up to and including the second degree of collateral affinity, or any person with whom they live in a common household or with whom they have a relationship of adoption, guardianship or civil custody, has interest in it;</li> <li>c) When, for themselves or as representatives or business managers of another person, they have interest in a question similar to the one to be decided, or when the situation applies to a person described in the previous sub-paragraph;</li> <li>d) When they have intervened in the proceedings as an expert or legal representative, or have given an opinion on the question to be decided;</li> <li>e) When their spouse or person with whom they live under analogous conditions, a relative or first degree next of kin up to and including the second degree of collateral affinity, or any person with</li> </ul>

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		<p>whom they live in a common household or with whom they have a relationship of adoption, guardianship or civil custody, has intervened in the proceedings as an expert or legal representative;</p> <p>f) When involving an appeal to a decision rendered by them, or with their intervention, or rendered by any of the persons referred to in sub-paragraph b) or with their intervention.</p>
Exemption and suspicion	Article 73 of the Administrative Procedure Code	<p>Members of Public Administration bodies, their respective agents and any other entities which, regardless of their nature, exercise public powers may not interfere in proceedings or public or private acts or contracts of Public Administration under circumstances in which the impartiality of their conduct or decision can be reasonably and seriously called into question, namely:</p> <p>a) When, for themselves or as a representative or business manager of another person, a relative or first degree next of kin up to and including the third degree of collateral affinity, or a person in the custody or guardianship of that person, their spouse or person with whom they live under analogous conditions, has an interest in it;</p> <p>b) When the member of the body or agent, their spouse or person with whom they live under analogous conditions, or any relative or first degree next of kin, is a creditor or debtor of a natural or legal person with a direct interest in the proceedings, act or contract;</p> <p>c) When the receiving of gifts has occurred, before or after the commencement of the proceedings, by the member of the body or agent, their spouse or person with whom they live under analogous conditions, or a relative or first degree next of kin;</p> <p>d) When there exists serious hostility or great intimacy between the member of the body or agent, their spouse or person with whom they live under analogous conditions, and the person with a direct interest in the proceedings, act or contract;</p> <p>e) When proceedings are pending in court in which the member of the body or agent, their spouse or person with whom they live under analogous conditions, their first degree next of kin or person with whom they live in a common household is one party, and the interested party, their spouse or person with whom they live under analogous conditions, their first degree next of kin or person with whom they live in a common household is another party.</p>
Combination with private activities or duties	Article 22 of the General Labour Law in Public Jobs	<p>The exercising of public duties cannot be combined with private activities or duties, performed on an autonomous or subordinate work basis, with or without remuneration, which oppose, are similar to or conflict with the public duties.</p> <p>Private activities which, having identical scope to that of the public duties performed, are carried out on a permanent or regular basis and target the same recipients, are considered to be opposing, similar to or conflicting with public duties.</p> <p>In carrying out authorized private activities or duties, Public Administration workers may not perform any acts contrary to, or conflicting with, the interests of the department to which they belong.</p>
		<p>Workers may not provide to third parties, by themselves or through another person, on an autonomous or subordinate work basis, services involving the analysis, preparation or financing of projects, applications or claims which must be submitted for their assessment or decision, or to that of bodies or services under their direct influence.</p>

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<p>Specific prohibitions</p>	<p>Article 24 of the General Labour Law in Public Jobs</p>	<p>Workers may not personally and unduly benefit from acts or take part in contracts in which organic units or bodies under their direct influence are involved in their formation process.</p> <p>The following bodies and services shall be considered as being under the direct influence of the worker:</p> <ul style="list-style-type: none"> <li>a) Those subject to the worker's power of direction, oversight or authority;</li> <li>b) Those exercising powers delegated or sub-delegated by the worker;</li> <li>c) Those constituted by the worker, or where the worker has intervened as a representative of the public employer in relation to its incumbent, for the specific purpose of intervening in the proceedings in question;</li> <li>d) Those comprised, partially or in whole, of employees appointed by the worker;</li> <li>e) Those whose incumbent or constituent employees have benefited, within less than one year, from any monetary advantage, or have received mention in relation to the assessment of their performance, in whose proceedings the worker has intervened;</li> <li>f) Those who collaborate with the worker, in hierarchical parity, within the scope of the same body or service.</li> </ul> <p>For the purposes of the above prohibitions, the following shall be considered equivalent to the worker:</p> <ul style="list-style-type: none"> <li>a) The worker's spouse (not legally separated), ancestors and descendants to any degree, kin up to and including the second degree of collateral affinity or person living with the worker in a <i>de facto</i> union;</li> <li>b) A company in which the worker owns, directly or indirectly, individually or jointly with the persons referred to in the above subparagraph, a stake of at least 10%.</li> </ul>
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## Annex II

### Risks and Prevention Measures

Situations of risk	Impact	Likelihood	Prevention measures	Implementation deadline	Area in charge
Conflicts of interests, corruption and related offences, in general	Moderate	Moderate	Novabase Group Code of Conduct	Implemented	Legal Department
			Hold training on the Code of Conduct	Q2 2022	Legal Department and Human Resources Departments
			System for Reporting Irregularities	Implemented	Audit Board
<b>Formation and execution of public contracts</b>					
Conflicts of interest in public procurement	Moderate	Moderate	Signing of statement of absence of conflicts of interest	Q2 2022	Legal Department and Human Resources Department
Corruption and related offences in public procurement	Moderate	Moderate	Hold training on the Public Procurement Code, addressing specific issues on corruption and related offences	Implemented / ongoing	Legal Department
<b>Recruitment</b>					
Excessive discretion in selection factors/criteria	Low	Low	Gender Equality and Diversity Plan – aspect of equal access to employment: recruitment and selection	Implemented	Human Resources Department
Failures in the employees' vetting process	Low	Low	Strengthening the background check process, including (when justified)	Implemented / ongoing	Human Resources Department

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			checking references and criminal history		
<b>Technology Infrastructures</b>					
Information and operations disaster recovery procedures	High	Low	Disaster Recovery Plan	Implemented	Information Systems Department
			Business Continuity Plan		
			Business Continuity Policy		
			Business Continuity Goals		
			Backup Policy		
<b>Systems Administration</b>					
Management of computer access, particularly to guarantee the confidentiality of passwords and access to systems with information of a restricted nature	High	Low	Information Security Manual - Policy User Access Audit Identity Management Manual	Implemented	Information Systems Department
<b>Communications</b>					
Vulnerability of websites to hacking which compromises their availability or the confidentiality/integrity of information	High	Moderate	Analysis supported by the BitSight – Cyber Security Rate tool	Implemented	Information Systems Department
		High	Rapid 7 - InsightIDR	Q4 2022	Information Systems Department
<b>User Support</b>					

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Management of material assets, namely computer equipment	Moderate	Moderate	Privacy & Information Security - Training and Awareness Program	Implemented	Information Systems Department
			Operational exercises (PenTests and Phishing Tests)		
			Equipment Management – Laptop Computers		
			Mobile Phone Loan-for-use Agreement		

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