

CODE OF ETHICS AND CONDUCT

FANDIS S.P.A.

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1. Introduction

Fandis S.p.A. (hereinafter also *Fandis* or the *Company*) states the following activities as its company objects:

- Design, production and assembly of electronic and electromagnetic components and systems, and applied research.
- Design, production and assembly of sunscreens, mosquito nets, other systems for the protection of doors and windows and related components.
- Import, export, trade and distribution of mechanical, electromagnetic, electrical and electronic components in general, including sunscreens, flyscreens and other systems for protecting doors and windows, and related components.
- Selection of electronic and electromechanical product equipment and components and quality control for third parties.
- Provision of commercial, administrative and IT services, including marketing activities, organisation of trade fairs and congresses in the mechanical, electrical and electronic components sector and in the chemical product, gift items and textile sector.
- Provision of software and computer assistance.
- Public relations and advertising.
- Installation, conversion, extension and maintenance of electrical installations (relating to all types of buildings and equipment), electronic installations and surge protection, plumbing, heating and air-conditioning installations, and lifting equipment.
- Design, production and trade of plastic and metal technical articles and products, also with electrical and electronic parts, equipment and moulds for the processing of such materials, and components for generating energy from renewable and non-renewable sources.
- Calibration of technical instrumentation for third parties.
- Wholesale and retail marketing of all the products listed above and acting as an agent for manufacturers and/or traders of all the products listed above.

Fandis executes its activities in the scope of a continuously and rapidly evolving institutional, economic, political, social and cultural framework.

Clearly defining the inspiring values that the Company wants to be respected is deemed essential to successfully deal with the complexity of the circumstances in which the Company operates.

Under no circumstances shall the belief of acting for the advantage of the Company justify conduct in conflict with these principles.

For these reasons, a *Code of Ethics and Conduct* ("*Code*") was drawn up, the observance of which is of fundamental importance for the good and reliable operation of the Company and for protecting its reputation, image and know-how, these being major assets for the Company's success.

Compliance with the Code is required, in particular by: **(i)** the members of the Board of Directors; **(ii)** Executives, **(iii)** Employees of any grade, qualification, level, whether permanent or fixed-term; **(iv)** temporary workers, interns, collaborators with project collaboration contracts; **(v)** members of the Board of Statutory Auditors of the Company (hereinafter also the *Recipients*). Similarly, to the applicable extent, compliance with the Code is required by **(vi)** third parties,



understood as collaborators, commercial or financial partners, consultants, agents in general, with whom the Company has business relations operating for the achievement of the Company's objectives (hereinafter also *Recipients*).

In addition to respecting the general duties of loyalty, fairness, execution of the employment contract in good faith, the Recipients shall refrain from activities in competition with those of the Company, comply with Company rules and procedures and abide by the precepts of the **Code**, compliance with which is also required of Employees pursuant to and for the purposes of Art. 2104 and Art. 2105 of the Italian Civil Code.

All Recipients and Third Parties are required to be aware of the Code and actively contribute towards implementing it, reporting any shortcomings. The Company undertakes to facilitate and promote awareness of the Code among the Recipients and foster their constructive contribution to its contents.

Any behaviour contrary to the letter and spirit of the Code may be sanctioned in accordance with the provisions of § 11 of this document.

The Code is brought to the attention of everyone with whom the Company has business relations.

2. General Principles

2.1. Recipients and Scope of Application of the Code

The Regulations of the Code apply to all Recipients and Third Parties.

The Board of Directors members shall be guided by the principles of the Code when setting business objectives.

The Company is required to comply with the contents of the Code when proposing and implementing projects, actions and investments useful to the company's assets, management and technological values and the return for shareholders, while respecting the social function of the company for its Employees and the community, thus pursuing the goal of sustainability in business activity management.

It is primarily the responsibility of the Directors and the management team to give concrete form to the values and principles contained in the Code, assuming responsibility both inside and outside the Company. In any case, the aforementioned parties are responsible for implementing all the initiatives referred to in § 2.2 below.

It is the responsibility of the specially appointed supervisory bodies to ensure that the principles of this Code are properly applied. In the absence of other appropriate bodies (Supervisory Board), the Board of Statutory Auditors will be directly responsible.

The Recipients must not only duly comply with the law and current legislation but also adapt their actions and conduct to the principles, objectives and commitments of the Code.



All actions, operations and negotiations performed and, in general, the conduct of the Recipients in the performance of their activities shall be inspired by the utmost correctness and integrity in terms of management, completeness and transparency of information, legitimacy in form and substance and clarity and truthfulness in accounting according to current regulations and internal procedures.

All the activities provided in the Company shall be performed with the utmost diligence and professionalism. Each Employee shall make professional contributions appropriate to the assigned responsibilities and shall act to protect the Company's prestige and image.

The relationships between Employees, at all levels, shall be based on criteria and behaviours of fairness, collaboration, loyalty and mutual respect.

To ensure full compliance with the Code, each Employee may contact their supervisor, the compliance and control functions established, or directly the Supervisory Body (SB) if appointed pursuant to Italian Legislative Decree 231/01 and the General Manager of the Company, if appointed.

2.2. Commitments and Obligations under this Code

For fully achieving the purposes of the Code, the Company shall ensure the adoption of all the activities required to:

- Guarantee the maximum dissemination of the Code among the Recipients and Third Parties
- Focus and update the Code to adapt it to the evolution of the reference values and of the regulations relevant for the Code itself
- Provide all the possible instruments of knowledge and clarification for interpreting and implementing the Regulations set forth in the Code
- Provide the necessary tools so that the SB, if appointed, or other committees or designated Recipients can be notified of any breaches of the Code of Ethics
- Follow up on any reports of breaches of the Code or other reference Regulations
- Assess the facts and the consequent application of appropriate sanctions, in the event of ascertained breaches
- Protect from any form of retaliation against anyone who provided information on potential breaches of the Code or the reference Regulations, ensuring that the identity of the reporting parties enjoys the confidentiality prescribed by law (Whistleblower protection)
- Adopt the necessary measures to counter unfounded reports aimed exclusively at damaging or discrediting persons specifically mentioned in the reports
- Take the necessary disciplinary actions to counter breaches of the ethical principles set out in this document.

The Recipients are asked to be aware of the Regulations contained in the Code and the reference Regulations that govern the activity within the scope of their duties (hereinafter the *Regulations*).



In particular, the Employees of the Company shall:

- Refrain from conduct contrary to the Regulations
- If clarifications concerning the application methods of the Regulations are needed, contact their supervisors or directly the Supervisory Board, where appointed, or the General Manager of the Company (where appointed), or the appointed *compliance* or control functions, or the Board of Directors
- Promptly report any potential breach of the Regulations, either directly observed or reported by others, to their supervisors or directly to the Supervisory Board, if appointed, or to the General Manager of the Company (if appointed) or to the Board of Directors
- Report any requests they received to breach the Regulations
- Collaborate with the organisations responsible for verifying potential breaches of the Regulations.

2.3. Additional Obligations for Executives, Managers and Employees with Operational Responsibility

All Employees of the Company entrusted with operational responsibilities shall:

- Set an example for their collaborators in the Company with their behaviour
- Urge Employees and Third Parties to comply with the Code and urge them to report on the correct application of the Code or any shortcomings
- Operate so that Employees understand that compliance with the Regulations is an essential part of the quality of their work
- Carefully select, within their respective competencies, employees and external collaborators to prevent assignments being given to persons who do not give full reliance on their commitment to comply with the Regulations
- Promptly report, as per the last paragraph of § 2.1, their own findings, information provided by Employees and coming from outside about possible cases of breaches of the Regulations
- Take immediate corrective action when required by the situation
- Prevent any type of retaliation and guarantee the necessary confidentiality for Employees who report breaches of the Code (Whistleblower protection)
- Report any abuses in the process of reporting behavioural differences and breaches so that appropriate action can be taken against those who have abused the breach reporting mechanisms.

2.4. Obligations towards Third Parties

In relations with Third Parties, the Company Employees and Directors, within their respective competencies, shall:

- Adequately inform themselves about the commitments and obligations required by the Code
- Make themselves available to foster the correct learning of the information that will be disseminated by the Company about the ethical principles to which it is necessary to conform in the process of discussing and implementing business activities
- Require compliance with the obligations that directly affect their activity



- Take the appropriate internal and, if within their respective competencies, external action in the event of failure by Third Parties to comply with the Regulations.

2.5. Contractual Value of the Code towards Employees

Compliance with the Regulations is an essential part of the contractual obligations of the Employees of the Company pursuant to and for the purposes of Art. of the Italian Civil Code quoted below.

Art. 2104 of the Italian Civil Code -Due diligence of the employee - *"The employees shall use the due diligence needed for the nature of their job and the best interest of the company..*

Furthermore, the employees are expected to follow the instructions of the employer and the employer's collaborators in performing their tasks"

The principles and contents of this Code are specific examples of the obligations of due diligence, loyalty and impartiality which must characterise the work of all Employees and their conduct in general and that the Employees must respect with regards to the Company.

Breaches of the Regulations may constitute a breach of the primary obligations of the employment relationship or a disciplinary offence, with all the consequences envisaged by law and by the Collective Agreement, also concerning the preservation of the employment relationship, and may also entail the obligation to pay compensation for damages, including non-pecuniary damages, arising therefrom.

2.6. Cooperation and Information

It is Company policy to disseminate a corporate culture characterised by sharing the necessary information as an essential element for business development at all levels. All actions shall be in full compliance with the principles of privacy and confidentiality, both general and specific, differentiated according to the various corporate levels.

All Employees are required to cooperate actively in the circulation of information of interest for the best performance of the Company's activities, always in compliance with the principles of privacy and corporate confidentiality, both general and specific, differentiated according to the various corporate levels.

2.7. Audits

It is Company policy to disseminate at all levels a culture characterised by the awareness of one's own responsibilities, at an individual and collective level, and of the existence of audits, also characterised by adopting an audit-oriented mentality.

The audit-oriented attitude must be positive because of the contribution audits make to improving the company's business.

Internal audits are the tools deemed necessary or useful for directing, managing and verifying the Company's activities to ensure compliance with laws and company procedures, protect company



assets, efficiently managing activities and providing accurate and complete accounting and financial data.

The responsibility for implementing an effective internal auditing system is shared at every level of the organisational structure. Consequently, all Company Employees, within the scope of their functions, are responsible for the definition and proper functioning of the auditing system.

Within their respective competencies, the Executives are required to be involved in the company's auditing system and to involve Employees in it.

Each Employee must act as a responsible custodian of the corporate assets (tangible and intangible) that are instrumental to their job. No Employee may misuse Company property or resources or allow others to do so.

To this end, particular attention must be paid to establishing contractual relationships with new third parties (such as suppliers, commercial and financial partners, negotiating partners, consultants, contractors, service providers and third parties in general) to avoid the involvement of the Company in property crimes, including money laundering, receiving stolen goods, reusing money and goods of illegal origin. The same shall apply with specific reference to activities that violate the principles of conduct in fighting terrorism.

In relation to partners and third parties in general, everyone must contribute to disseminating the culture of compliance with specific reference to all areas of applicable law.

Particular attention shall be paid to performing the activities pertaining to the Company's assets and compliance with money-laundering prevention and anti-terrorism regulations, which must be a priority for the entire chain of operators cooperating with the Company and who must be adequately trained and informed, as well as monitored.

In addition to maintaining adequate control systems in place, the Company shall also adopt effective prevention and corrective measure organisation system, without prejudice to the termination of cooperation relations with persons who intentionally or repeatedly breached the aforementioned Regulations.

3. Relationships with Personnel

3.1. Human Resources

Human resources are an indispensable element for the correct and profitable performance of the Company's activities. The dedication and professionalism of employees are key values and conditions for achieving the Company's objectives.

The Company offers opportunities for employment and professional growth to all Employees, ensuring that everyone can enjoy fair treatment based on merit, without any discrimination.



The competent Functions shall:

- Adopt transparent and traceable criteria in selecting and recruiting personnel, based on the candidates' individual skills and cultural and educational background
- Adopt criteria of merit, competence and other strictly professional criteria for any decision concerning an Employee
- Provide for the selection, hiring, training, remuneration and management of Employees without any discrimination
- Create a working environment in which personal characteristics cannot give rise to discrimination.

The Company interprets its entrepreneurial role both in the protection of the workplace, as better in greater detail in § 10.1 below, and of working conditions, and in the protection of the mental and physical integrity of Employees, in respect of their morality, avoiding subjecting them to illicit conditioning or undue discomfort.

The Company expects its Employees, at every level, to cooperate in maintaining a climate of mutual respect for the dignity, honour and reputation of everyone in the company and, therefore, to intervene to prevent insulting or defamatory interpersonal attitudes.

In the context described, the Company opposes any type of discrimination based on any evaluation factor and at the same time opposes any form of exploitation of child labour.

Consequently, the Company undertakes not to employ minors in the performance of its activities and not to entertain relations with external partners who employ them or who do not adopt the same management policy.

The only exception to the above is the case of the direct stipulation of internships or similar contracts with minors, in compliance with the laws in force on the subject and also with contents of an educational nature for the benefit of the minor.

3.2. Harassment in the Workplace

Every Employee is entitled to work in an environment free from any type of discrimination based on race, religion, gender, ethnicity, trade union membership or political affiliation.

The Company requires internal and external working relations to be based on the utmost fairness and that no harassment takes place, including:

- The creation of an intimidating, hostile or isolating working environment towards individuals or groups of Employees
- Unjustified interference with the performance of other people's work
- Obstructing the individual job prospects of others for mere reasons of personal competitiveness.

The Company does not accept or tolerate sexual harassment, meaning:

- The subordination of activities and conduct relating to the Recipient's working life to the performance of acceptance of sexual favours



- Proposals for private interpersonal relations, despite an expressed or reasonably evident dislike, which have the capacity, in relation to the specificity of the situation, to disturb the Recipient's serenity with objective implications on his or her expression at work.

In particular, the Board of Directors and Executives shall show and promote, through their balanced example, polite, correct and responsible behaviour with regard to issues concerning gender matters.

3.3. Agreements with Employees

All agreements with the Company's Employees shall be evidenced appropriately in writing.

4. Behaviour in Business

In managing its business and business relationships, the Company is inspired by the principles of legality, loyalty, fairness, transparency, efficiency and openness to the market.

Therefore, by way of non-limiting example only, corruption, illegitimate favours, collusive behaviour and solicitation, either directly and/or through third parties, of personal and career advantages for oneself or others, are prohibited

Company's Employees and external collaborators, whose actions may be in some manner referable to the Company, shall behave correctly in business dealings of interest to the Company and relations with the Public Administration, regardless of the effects on competitiveness and the importance of the business dealing.

The economic resources, as well as the Company assets, must not be used for illicit, improper or even merely questionable purposes. No benefits of any kind may be obtained through illegitimate financial or other favours.

4.1. Non-Compete Obligation

The Company recognises and respects the right of its Employees to make investments and conduct business or other activities outside of those performed in the interest of the Company, provided that such activities are permitted by law, do not affect their regular work activities and are compatible with their obligations as Employees.

In any case, the Company's Employees shall not conduct any activity that may be in competition with the activities of the Company even only potentially and/or indirectly.

In this regard, reference is made to the provisions of the law:

Art. 2105 Italian Civil Code - Obligation of loyalty - *"The employees shall not be involved in a business on their own or behalf of a third party when it is a competitor of the Company they are employed by or pass information about the organisation and production method of the Company or use the information as to damage the Company.*



4.2. Conflicts of Interest

In any case, all Company Employees must avoid any situation or activity in which a conflict with the interests of the Company may arise or which may interfere with their ability to make impartial decisions in the best interests of the Company and full compliance with the Regulations of the Code.

In particular, all Company Employees are required to avoid conflicts of interest between personal economic activities and the duties they hold within the organisation to which they belong.

All Recipients and third parties shall always disclose their own conditions of correlation with the Company to make known any potential conditions of conflict and allow them to operate by preventing conditions of imbalance and therefore damage to the Company or the contractual partner.

By way of example, the following situations give rise to conflicts of interest:

- Economic and financial interests of the Employee and/or the Employee's family in the activities of suppliers, customers and competitors
- Using one's position in the company or information acquired in one's job in a manner that may create a conflict between personal interests and the Company's interests
- Performance of work activities, of any kind, with customers, suppliers, competitors
- Acceptance of money, favours or benefits from persons or companies that are or intend to enter into business relations with the Company.

4.3. Gifts or other Benefits

The Company opposes and fights any activity and behaviour that may constitute corruption, even improper, in the management of relations with any interlocutor.

Give or offering gifts, payments, material benefits or other utilities of any entity to third parties, public officials, public service officers or private individuals, either directly or indirectly, is forbidden.

Acts of commercial courtesy, such as gifts or hospitality, are permitted when they are of modest value and in any case such as not to compromise the integrity or reputation of either party and cannot be interpreted as aimed at improperly acquiring advantages. This type of expenditure, per the limits set out in the Company's current organisational provisions, must be authorised by the Chief Executive Officer or the General Manager (if present), and adequately documented.

Any Employee who receives gifts, favourable treatment or hospitality not directly attributable to normal courteous relations shall inform, in relevant cases, his/her superior and the Managing Director or the General Manager (if appointed).

In any case, no gifts or gratuities, even in the form of discounts, may be given to public employees unless they are of modest value.



At the same time, the Employees are not allowed to receive gifts or gratuities, from public employees or private parties, unless they are of modest value.

External collaborators (including consultants, representatives, intermediaries, etc.) are asked to comply with the principles contained in the Code.

To this end, each Employee, in relation to their duties, will take care of the following:

- Observe the principles and internal procedures for the selection and management of relations with external collaborators
- Select only qualified and reputable individuals and companies
- Take adequate account of indications from any source regarding the advisability of using certain external collaborators
- Promptly report information or suspicions regarding potential breaches of the Code by external collaborators, as per the last paragraph of § 2.1.

4.4. Relations with Public Institutions, Public Officials and Persons in Charge of a Public Service

The Company's Employees and external collaborators, whose actions may in some way be related to the Company, must behave with the utmost fairness in relations with public institutions and their officials and employees, public officials and public service officers, with whom the Company collaborates in the framework of its activities.

Corrupt practices, incitement to corruption, illegitimate favours, collusive behaviour, solicitation of personal and career advantages for oneself, for the Company or others, either directly and/or through third parties, are strictly prohibited.

Within the scope of its activity, the Company cooperates fully, transparently and effectively with public institutions and their officials and employees, with public officials and public service officers.

In managing its business and business relations, the Company is inspired by the principles of loyalty, fairness and transparency.

Gifts and acts of courtesy and hospitality towards public authorities, public officials and public service officers are permitted when they are of modest value and in any case such as not to compromise the integrity or reputation of either party and cannot be interpreted as aimed at improperly acquiring advantages. In any case, this type of expenditure must be authorised in advance by the General Management and adequately documented.

All recipients of the Code are required to refrain from taking an active part in extortion by a public official or a person in charge of a public service who, abusing their position or power, may unduly induce or compel them to give or promise money or other benefits to themselves or a third party. The recipients involved in the above cases are required to inform the SB, if appointed, or the other designated recipients.



4.5. Relations with Judicial Authorities

Relations with Judicial Authorities are based on maximum cooperation and transparency. The requested declarations, if due, must be made correctly and truthfully.

4.6 Relations with Political Organisations and Trade Unions

The Company does not make contributions, either directly or indirectly in any form, to political parties, movements, committees or trade unions, their representatives and candidates, except, if necessary, within the scope permitted by current regulations, in compliance with the principle of transparency and the procedures of the law in force.

4.7. Relations with Mass Media, Research Companies, Trade Associations and the Like

Information released to the outside world must be truthful and transparent.

The Company must present itself accurately and consistently in its communications with mass media, research companies, trade associations and the like. Relations with organisations and the like are reserved exclusively for the corporate functions and responsibilities delegated to them and within the scope of the specific powers delegated to them and are agreed upon in advance with the Chief Executive Officer or the General Manager if appointed, also in coordination with the Company's Communications Manager.

The Company's Employees, therefore except for those specifically delegated to do so in the preceding paragraph, may not provide information to representatives of the mass media, research companies, trade associations and the like, nor undertake to provide it, without the authorisation of the Managing Director or the General Manager (if appointed).

In no way or form may the Recipients offer payments, gifts or other advantages aimed at influencing the professional activities of functions of organisations, companies or associations referred to in the preceding paragraph or which may reasonably be interpreted as such.

4.8. Relations with Private Negotiating Partners

In managing its business and business relations, the Company is inspired by the principles of loyalty, fairness and transparency.

The Company disapproves of and opposes any conduct aimed at establishing corrupt relationships to obtain undue advantages of any kind and deplors the illegal traffic of influence in any operational context.

The offer or promise of money or any other benefit to Top Management (such as Directors, General Managers, Managers responsible for preparing the Company's financial reports, statutory auditors, liquidators) and to persons connected to them, for them to perform an act not per their official duties, to the advantage or in the interest of the Company, is strictly prohibited.



4.9. Dealings with Customers

The Company pursues its business success by offering high-quality products and services in compliance with all the Regulations protecting fair competition.

The Company recognises that the appreciation of those who request products or services is of primary importance to business success.

To this end, in full compliance with the principles of this Code and therefore within the scope and limits provided for herein, the Company's Employees shall:

- Scrupulously observe all internal Regulations and procedures for the management of relations with customers
- Provide within the limits of contractual provisions, high-quality products and services that meet the customer's reasonable expectations and needs with efficiency and courtesy
- Provide accurate and comprehensive information about products and services so that customers can make informed decisions, within the principles of transparency, but also of corporate confidentiality and privacy
- Comply with truth and clarity in commercial communications with customers always within the principles of transparency, but also of corporate confidentiality and privacy.

4.10. Dealings with suppliers

It is the precise duty of Company Employees to check that suppliers and subcontractors comply with the conditions and maintain the ethical standards required by the Company.

If there are well-founded suspicions about the ethical behaviour and compliance with the aforementioned principles on the part of a supplier or subcontractor, the concerned Executive shall take the appropriate measures to terminate the relative relationship or take steps to ensure that the competent office does so.

To this end, particular attention must be devoted to the establishment and management of contractual relationships with suppliers or a subcontractor to avoid the involvement of the Company in crimes against property, including money laundering, receiving or reusing money and goods of illegal origin, unlawful trading of influence or in cases of corruption or other cases for which the relationship with the supplier may be even only a conduit of facilitation.

4.11. Dealings with Competitors

It is reasserted that in managing its business and business relationships the Company is inspired by the principles of legality, loyalty, fairness, transparency, efficiency and openness to the market.

In particular, the Company pursues its business success through the marketing of quality products and services in compliance with all the Regulations protecting fair competition.

In particular, within the framework of the regulations in force regarding competition, the activities of the Company and the conduct of its Employees and external collaborators, whose actions may



in some manner be referable to the Company, must be inspired by the most complete autonomy and independence with respect to the conduct of the Company's competitors in the market.

4.12. Protection of Industrial and Intellectual Property

The Company acts in complete compliance with industrial and intellectual property rights, legitimately to third parties, as well as with all laws, regulations and conventions, including in the European Community and/or internationally, protecting such rights.

In this regard, all Recipients of this Code must respect the legitimate industrial and intellectual property rights of third parties and abstain from any unauthorised use of such rights.

In particular, the Employees and collaborators, in carrying out their activities, shall refrain from:

- Any conduct that may constitute a usurpation of industrial property rights, alteration or counterfeiting of industrial product trademarks or patents, designs or industrial models, either domestic or foreign, and from importing, marketing or otherwise using or putting into circulation industrial products with counterfeited or altered distinctive signs or made by usurping industrial property rights
- Using in an illicit and/or improper manner, in one's own interest, or the interest of the company or third parties, intellectual works (or parts thereof) protected by the regulations on copyright infringement.

4.13. Fighting Organised Crime

The Company strongly condemns and within its operations fights any form of organised crime, including Mafia-like, with all instruments available to it.

To this end, special care must be taken by Recipients of this Code of Ethics when operating in areas, both in Italy and abroad, that have historically been involved in organised crime, to prevent the risk of criminal infiltration.

The utmost attention will be paid by the Company in verifying the requirements of moral integrity and reliability of commercial partners, such as suppliers, agents, consultants, business partners, as well as the legitimacy of the activities performed by them.

5. Transparency in Accounting

The duty of transparency in accounting records does not concern only the work of Employees in the administrative offices and applies to each Employee, in any Company area in which they operate.

Accounting transparency is based on the truth, accuracy and completeness of the information underlying the relevant accounting records.

Each Employee is required to cooperate to ensure that management facts are correctly and promptly represented in accounts.



Adequate supporting documentation of the activities is kept on file for each operation, so as to allow:

- Easy bookkeeping
- Identification of the various levels of responsibility
- Accurate reconstruction of an operation, also to reduce the likelihood of misinterpretation.

Each record must reflect exactly what is reflected in the supporting documentation. Each Employee must ensure that the documentation is easily traceable and ordered according to logical criteria and in any case based on the procedures established by the Company.

All the Company's Employees shall adopt correct, transparent and collaborative conduct, in compliance with the law and internal regulations, in all activities instrumental to the preparation of the financial statements and other corporate communications required by law, to provide shareholders and third parties with true and correct information on the economic, equity and financial situation of the Company.

The Company's Employees who become aware of omissions, falsifications, negligence in the accounts or in the documentation on which the accounting records are based, are required to report the facts as per the last paragraph of § 2.1.

6. Corporate Computer Systems

The Company considers the use of new information technologies to be of fundamental importance for the performance of its industrial activities and the pursuit of its objectives.

The maintenance of a high level of information security is vital to protect the data used by the Company every day and is essential to ensure the effective development of its policies and strategies.

The progressive diffusion of new technologies exposes the Company to risks of financial and criminal levels, while at the same time creating problems of weakened security and potential damage to its image.

For the latter purpose, the Company has taken steps, with reference in particular to the security measures imposed for the processing of personal data by Italian Legislative Decree 196/2003 (Personal Data Protection Code) as last amended by Legislative Decree 101/2018, as well as by the EU Regulation 2016/679 (GDPR) to give appropriate indications and instructions to all Employees concerned by the aforementioned measures.

6.1 Procedures for the Correct Use of Company Computer Systems

Given that the use of the company's computer and IT resources must always be inspired by the principles of due diligence and correctness, the Employees are required to adopt the additional internal rules of conduct aimed at avoiding damage to the Company, other Employees or third parties, in compliance with the instructions provided by the IT Director and specified in the Company's IT Regulations.



6.2 Company Computer Systems Entrusted to Employees

The personal computer (desktop or laptop) and related hardware, software and/or applications entrusted to the Employee are work tools and therefore:

- These instruments must be stored properly and with care
- These instruments may only be used for professional purposes (obviously in relation to the tasks assigned) and not also, except within the limits of reasonableness, for personal, let alone unlawful, purposes
- The theft, damage or loss of these instruments must be promptly reported to the Company.

7. Internet and E-mail

7.1 Use of Personal Computers

To avoid the serious danger of introducing computer viruses, as well as altering the stability of software applications to Company Employees, in general:

- It is not permitted to install programs or software of any kind on the equipment unless expressly authorised by the IT Director.
- The use of programs and software not officially distributed by the IT Director is not permitted.
- It is not allowed to use software and/or hardware tools designed to intercept, falsify, alter or suppress the content of communications and/or computer documents.
- You may not change the configurations set on your PC without permission from the IT Director.
- It is not allowed to install one's own means of communication (such as modems) on one's own personal computer or in any case on the company's computer equipment.

7.2 Use of Magnetic Media

The company employees are not allowed to download files contained in magnetic/optical and storage media (USB flash drives, external disks, burners, etc.) that are not related to their work.

Employees are not allowed to use magnetic/optical support and storage devices (USB flash drives, external disks, burners, etc.) for the transfer of company data without authorisation from the Function Manager (if present) and the IT Director. In particular, it is forbidden to save special data, personal data and confidential company data without the approval of one's Function Manager (if appointed) and the IT Director.

7.3 Use of the Company Network

Access to the company network is granted exclusively for business purposes.

Network disks are strictly professional information sharing areas and cannot in any way be used, except within reason, for any other purpose.

Therefore, any file that is not work-related may not be saved and/or stored, even for short periods, on these disks.



The Company reserves the right to proceed with the removal of any file or application that it deems to be dangerous for the security of the Company, or acquired or installed in breach of this Code.

7.4 Use of the Internet and Related Internet Browsing Services

It is not allowed to use the Internet for reasons other than those strictly related to the work and it is strictly forbidden to use network services for recreational, illegal, criminal purposes or, in any case, purposes unrelated to work.

Therefore, by way of example, the following are not allowed unless they are related to specific work requirements:

- The exchange or sharing of music files, images or films
- Uploading files to the network
- Participation in forums and blogs
- Use of chat lines.

For reasons of company data security, the Company has set up *web content filtering* systems to prevent connection to potentially dangerous, illegal or criminally relevant sites.

Furthermore, electronic documents which are outrageous, or discriminatory in terms of gender, language, religion, race, ethnic origin, opinion or political or trade union affiliation cannot be stored or used.

7.5 E-mail

The e-mail account assigned to the Employee is a work tool and, as such, its use is allowed only and exclusively for work purposes. The Employees to whom email accounts have been assigned are responsible for their correct use.

Therefore, the Employees shall not:

- Send or save e-mails (either internal or external) which are outrageous, obscene and/or discriminatory in terms of gender, language, religion, race, ethnic origin, opinion or political or trade union affiliation
- Use of the company e-mail address to take part in debates, forums or mail-lists
- Send and/or receive attachments containing films or music (e.g. mp3) not related to work
- Send chain letters.

To protect the Company's assets, the Employees are required to adopt appropriate precautions when using e-mail to exchange messages and documents containing confidential information.

7.6 Monitoring and Control

Since both the Company and the individual Employee are potentially liable to sanctions, including criminal sanctions, in the event of contractual and legal breaches, the Company will verify



compliance with the Regulations and the integrity of the IT system to the extent permitted by law and contractual provisions.

In particular, the controls concerning the respect of the Regulations relating to the use of the company network, of the Internet and the company computer systems shall be performed in compliance with the Italian Legislative Decree 196/2003 as well as the EU Regulation 2016/679 (GDPR) and, in particular, in compliance with the requirements of the Italian Data Protection Authority with Resolution No. 13 of March 1, 2007, as well as the Company's IT Regulations.

Failure to comply with the provisions of this Code may result in disciplinary as well as civil and criminal sanctions.

8 Telephones

The Company's telephone communication equipment, whether landlines or mobile, is to be properly and diligently maintained. The telephones may be used for business purposes only, subject to the limits of reasonableness and specific different agreements in writing between the Employee and the Company.

9 Confidentiality

The Company's activities require the acquisition, storage, processing, communication and dissemination of news, documents and other data about negotiations, financial and commercial transactions, know-how (contracts, deeds, reports, notes, studies, drawings, photographs, software), etc.

The Company undertakes to ensure the correct application and processing of all information used in the performance of its business activities.

Any information and other material obtained by an Employee of the Company in connection with their work is strictly the property of the Company.

Such information relates to current and future activities, including news not yet released, information and announcements, even if soon to be disclosed.

9.1 Information and Training

The Company's Employees called upon to illustrate or provide outside information regarding the Company's objectives, activities, results and points of view by, but not limited to:

- Participation in conferences, congresses and seminars
- Writing articles, essays and publications in general
- Participation in public speaking engagements

are required to obtain the authorisation of the Executive in charge and of the Managing Director or General Manager (if appointed) regarding the texts, the reports prepared and the lines of action to be followed.



9.2 Databases

The Company's databases may contain personal data subject to personal data protection regulations under Italian Legislative Decree 196/2003 as last amended by Italian Legislative Decree 101/2018 and EU Regulation 2016/679 (GDPR), price-sensitive information, data which cannot be disclosed due to contractual arrangements, and data the disclosure of which could damage the Company's interests if disclosed inappropriately or at the wrong time.

Each Employee must ensure the confidentiality required by the circumstances for each piece of information acquired as a result of their work and comply with internal regulations on information management.

The Company agrees to protect the data and information concerning its employees, clients and third parties which are generated or acquired during the course of business relations and will avoid any improper use of such information.

The information, knowledge and data acquired or processed by Employees during their work belong to the Company and may not be used, disclosed or disseminated without specific authorisation from their supervisor, both during the course of their contract of employment and after termination.

Notwithstanding the prohibition to disclose information concerning the organisation and activities of the Company or to use it in such a way to cause prejudice to it, each Employee shall:

- Acquire and process only the data necessary and appropriate for the purposes and in direct connection with their functions
- Acquire and process the data only within specific procedures
- Store the data to prevent unauthorised persons from gaining knowledge of them
- Communicate the data within the framework of pre-established procedures and/or with the explicit authorisation of the superior positions and, in any case, after having ensured that the data can be disclosed in the specific case. In particular, the Employees shall be required to maintain the utmost confidentiality concerning information belonging to the Company for which, in the specific context of their work, they have been admitted to processing
- Ensure that there are no absolute or relative constraints on the possibility of disclosing information concerning Third Parties connected to the Company by a relationship of any nature and, if necessary, obtain their consent
- Associate the data so that any person authorised to have access to them can easily draw as accurate, exhaustive and truthful a picture as possible.

10 Health, Safety and Environment

The Company's activities are managed in full compliance with current legislation on pollution and occupational accidents and diseases.

The operational management is based on criteria of environmental protection and efficiency, pursuing the improvement of health and safety conditions at work.

10.1 Health and Safety

The Company is committed to providing a work environment capable of protecting the health and safety of personnel, considering this obligation as a productive investment and a factor of growth and added value for the Company itself.

The Company is committed to disseminating and consolidating a culture of safety in terms of prevention, developing risk awareness and promoting responsible behaviour by everyone, to whom adequate information and training are guaranteed to ensure full and timely compliance with internal Regulations and procedures, and who are asked to promptly report any shortcomings or failure to comply with the applicable Regulations.

The Company's objective is to protect its human resources, using constant exchanges not only internally but also in relations with third parties involved in the Company's activities, as provided for by the regulations in force, also to constantly improve the management of health and safety at work.

To this end, the Company, through the relevant corporate functions, is attentive to the evolution of the applicable mandatory regulations and of the organisational structure, and proposes actions accordingly:

- Continuous risk and criticality analysis of the processes and resources to be protected
- Reporting accidents, near misses and incidents
- Immediately undertaking the necessary remediation activities
- Providing training and communication activities.

In particular, in the application of occupational health and safety regulations, the Company:

- Undertakes to apply to its own organisational and functional structure the Regulations for the protection of Health and Safety at work to reduce the risks for personnel in terms of accidents and occupational diseases. This objective is considered strategic for the Company, which intends to pursue it to continually improve its operational management in synergy with the primary aim of optimising activities, reducing waste and inefficiencies to improve profitability.
- Manages health and safety measures at work as an intrinsic part of the organisation itself and work planning, with the aim, in this way, of creating added value to its activities through staff qualification and ongoing training.
- Uses its own Risk Assessment Document as a reference tool for its own prevention activities, elaborating safety procedures, operating instructions, personnel training and education programmes based on that established in the document itself, the punctual updating of which is ensured with the assistance and support of qualified resources that are adequate in terms of competence, experience and ability.
- Ensures that the competent organisational units have adequate economic, financial and personnel resources, resorting to external resources in all cases where there are no adequate skills within the Company.

In the context of the prevention mentioned in the previous chapters, the Company opposes the use of alcohol and drugs both as an expression of social conscience and as a protection of working



conditions, being aware of the negative influence of these categories of substances on people's attention and sense of responsibility.

To this end, the Company promotes continuous awareness and control campaigns aimed at protecting the safety and integrity of its own people inside and outside the workplace.

10.2 Environmental Protection

The Company recognises the protection of the environment as a primary value. To this end, it undertakes to ensure the disposal of company waste in compliance with the regulations in force from time to time.

All the Recipients of this Code are asked to cooperate actively for environmental management and the continuous improvement of the environmental protection, in line with the Company's policy.

10.3 Security, Protection and Use of Company Assets

The Company's assets consist of tangible physical assets, such as computers, printers, equipment, cars, real estate, infrastructure and intangible assets, such as software, confidential information, know-how, professional knowledge developed and disseminated to and by Employees.

The security and the protection and preservation of these assets is a fundamental value for the Company.

Each Employee is personally responsible for maintaining this security by complying with the relevant Company directives and preventing fraudulent or improper use of the Company's assets.

The assets may only be used by Employees concerning the Company's activities or for purposes authorised by departmental managers.

11 Disciplinary Proceedings and Sanctions

All Recipients, insofar as they are required to comply with the relative provisions, are also subject to the relative system of sanctions should they conduct themselves in breach of the relative principles.

The sanction system is differentiated concerning the legal and employment position of the author of the misconduct.

Generally speaking, the legislative and contractual regulations on the subject of sanctions and disciplinary procedures for the offences referred to in this Code, which are to be considered an integral part of the Organisational Model, are contained in the document entitled Sanctions System.



In relation to Employees, the breach of the Regulations of the Code will constitute a breach of the primary obligations of the employment relationship and therefore a disciplinary offence, with all the consequences provided for by law and by the Collective Agreement.

Without prejudice to the adoption of a supplementary company disciplinary code, the disciplinary system shall be understood to be organised in compliance with the primary regulations and those referred to in the Collective Agreement, oriented according to principles of proportionality and characterised by the right of defence under Art. 7 of Italian Law 300/70.

The applicable sanctions may be conservative but may also include termination of employment in the most serious cases.

This is without prejudice for compensation for pecuniary and non-pecuniary damage caused by the misconduct.

In the case of subjects who are not Employees but are management or control body managers, the sanction system may, in the most serious cases, provide for the termination of the existing relationship.

Third parties who cooperate with the Company in any capacity whatsoever will also be subject to sanctions in the event of breaches of the principles set out in this Code. They may consist of a warning in the least serious of cases and take on the utmost seriousness and relevance with the termination of the contractual relationship for more serious cases.

Again in these cases, this is without prejudice for compensation for pecuniary or non-pecuniary damage caused by the improper conduct.

Borgo Ticino, 12 January 2021