



**CODE OF ETHICS  
(or CODE OF CONDUCT)**

## SECTION I – GENERAL RULES

### **Adoption**

FERCAM S.p.A. hereby adopts this Code of Ethics, or Code of Conduct, as an integral part of the Organisational, Management and Supervisory Models provided for by Legislative Decree no. 231 of 8 June 2001.

The Code shall take effect from the date of its publication in the Company.

### **Purpose**

The principles and rules of the Code of Ethics represent the guiding values of FERCAM S.p.A., and must inspire all conduct of the Company and its directors, managers, employees, collaborators, customers and suppliers.

Any behaviour that is contrary to or inconsistent with the Code of Ethics does not belong to the culture of FERCAM S.p.A. and must be avoided, reported, recalled and, if necessary, punished.

### **Recipients**

FERCAM requires compliance with the principles and rules of conduct contained in the Code of Ethics from all parties with whom it has a working or commercial relationship.

In particular, the Code binds the directors and:

- managers;
- employees;
- collaborators;

more generally referred to as “workers”.

In addition, these persons are required to sign and accept the Code as a condition for entering into new business relations with FERCAM:

- professionals;
- suppliers;
- professional clients.

more generally referred to as “commercial partners”. Consumers, public administrations and those operating under a legal monopoly shall not be considered as commercial partner.

All companies belonging to the FERCAM Group are required to fully adhere to the Code. The potential adoption of their own codes of ethics by other members of the Group shall be coordinated to ensure homogeneity, in accordance with best practice criteria.

From the time of their first appointment after the Code comes into force, directors of companies controlled by FERCAM S.p.A., wherever they have their registered office, are also required to sign and accept the Code, under penalty of renouncing their appointment.

## Guiding values

FERCAM S.p.A. bases its conduct on the following principles:

1. **Legality.** FERCAM promotes and expects an attitude of continuous attention towards compliance with the authoritative standards of the countries in which the Group is active, to proper understanding, dissemination, interpretation and application, and to sincere cooperation with the public authorities. In particular, it refrains from carrying out any illegal business activities and imposes the same prohibition, under penalty of termination of any relationship, on all its commercial partners
2. **Honesty.** Beyond its legal obligations, FERCAM generally promotes and expects honest behaviour and good faith in its relations with workers, in relations between workers, in commercial relations during the pre-contractual phase, during the contractual phase and in non-contractual matters. Honesty and transparency are always promoted and expected with regard to consumer clients.
3. **Health and safety safeguards.** FERCAM considers the protection of workers' health and safety to be of primary importance and absolutely essential. The Group promotes and expects scrupulous compliance with the relevant legal provisions and gives indications of conduct based on attentiveness and prudence. The Group is regular in the payment of social security and insurance contributions for its workers and requires the same attention from its commercial partners
4. **Promoting human capital.** FERCAM values its staff by striving to make the working environment healthy, welcoming and pleasant. It promotes and expects the respect of regulations protecting workers and the correct use of legal contractual forms for work services. It enhances, as far as possible, the skills and propensity of the personnel available. It is committed to establishing, within the company, a climate based on commitment, collaboration, courtesy and mutual respect in interpersonal relationships.
5. **Environmental safeguards.** FERCAM is committed to constantly reducing the environmental impact of its activities, through organisational improvement and the use of new technologies. It gives priority to those of its trading partners that share a commitment to protecting the environment. It takes appropriate measures to prevent environmental damage and reduce its effects.
6. **Responsible profit.** More generally, in pursuing its profit objectives, FERCAM assumes a responsibility towards the territories in which it operates and, as far as possible, binds its partners to the same responsibility and attention.

## Violating conduct

Anyone who, as a director, worker or business partner of FERCAM S.p.A. or a director of a company controlled by FERCAM S.p.A., becomes aware of a violation of the Code by

those who are obliged to comply with it, must promptly report it to the Supervisory Body of FERCAM S.p.A.<sup>1</sup>.

The recipients of a procedure, a contractual clause, a practice or a directive or order that are in clear conflict with the Code of Ethics are obliged not to comply with the procedure, clause, practice, directive or order received, and report the fact promptly to the Supervisory Body, without incurring any liability on their part.

The recipients of a procedure, a contractual clause, a practice or directive or order that may be in conflict with the Code of Ethics are required to comply with the procedure, clause, practice, directive or order given, if mandatory, and at the same time promptly report the fact to the Supervisory Body.

### **Supervisory Body**

The Supervisory Body of FERCAM S.p.A. monitors compliance with the Code of Ethics by obliged parties. It is obliged to receive reports and to take action in accordance with the provisions of the Regulations.

The Supervisory Body can be contacted by e-mail at [odv@fercam.com](mailto:odv@fercam.com), or by sending a letter in a sealed envelope to FERCAM S.p.A., via M. Curie 2 - 39100 Bolzano with the words "RISERVATA ORGANISMO DI VIGILANZA" underlined. Reports must always clearly indicate the sender and be signed or, if sent by e-mail, use the company's personal mailbox or a certified mailbox.

The Supervisory Body notifies the judicial authority of any reports containing injury and/or calumny.

### **Publicity**

The Code of Ethics is made available on paper, in the company's electronic environment, and published on the company's website, in an easily accessible location. Anyone may request and receive a copy at any time.

FERCAM circulates and highlights the existence of the Code of Ethics as widely as possible, through marketing and communication campaigns. FERCAM's commercial partners are therefore in a position to be aware of the existence of the document and its complete availability. Written or electronic communications addressed to clients by the FERCAM sales network or to suppliers by purchasers systematically highlight the existence of the Code of Ethics and the electronic link to the relative document.

All written contracts with business partners that are stipulated after the entry of the Code of Ethics into force contain an attached full text of the document, which the partner undersigns for complete and unconditional acceptance. Alternatively, the partner may

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<sup>1</sup> In accordance with the Regulations of the Supervisory Body of FERCAM S.p.A., the maximum confidentiality of reports received by letter or e-mail is guaranteed. The e-mail address and the register of reports are not accessible by the Group's directors, managers and employees, and are managed by the members of the Supervisory Board under obligation of confidentiality. The members of the Supervisory Body carry out their functions independently and without any obligation of subordination.

adhere to the Code of Ethics declaring, within the contract, to have seen and accepted its contents in full; in any case, the contract must indicate the web address at which the full text of the document can always be found.

Where a commercial relationship is not governed by a written contract, the provisions of the Code of Ethics are valid as General Contract Conditions pursuant to Article 1341 of the Italian Civil Code.

## SECTION II – RELATIONS WITH CLIENTS AND SUPPLIERS, RELATIONS WITH THE MARKET

### **General principles in relations with clients and suppliers**

FERCAM's objective is to maintain fair, long-lasting commercial relations with mutual economic advantage and reduced litigation. For this purpose, contracts, whether concluded verbally or in writing, must have clearly defined content, correspond to what was discussed in negotiations, and be correctly understood by the parties.

The company gives priority in the selection of suppliers as well as for the awarding of contracts, regarding the protection of occupational health, to suppliers who comply with the criteria of Sustainable Public Procurement and/or who have sound management practices in place according to ISO 26000:2010.

### **Pre-qualification of commercial partners**

FERCAM selects its commercial partners on the basis of adherence to the principles and rules of conduct set out in the Code of Ethics. Where the interlocutors operate in a competitive market, they consider adherence to the Code of Ethics to be an essential prerequisite for entertaining commercial relations.

When called upon to identify a commercial partner that acts on the company's behalf or that, in any case, deals with their clients (subcontractor, driver, freight agent, sales agent, warehouse management contractor, etc.), it must adopt selection procedures that take into account:

- a) any breaches of contract or of the Code of Ethics found in the performance of previous duties, and the relative seriousness;
- b) the presence of final convictions passed against the company or its directors for offences against state property, corruption or extortion, violations of health and safety regulations, criminal conspiracy or similar offences.

The selection procedures may provide for the assignment of lower risk assignments on a "trial" basis and/or the assignment of reliability classes (internal ratings) to commercial partners, on the basis of which assignments with different risk levels are assigned.

With regard to commercial partners working on the Group's behalf or dealing with its clients, checks aimed at pre-qualification shall be carried out with greater rigour and severity.

### **Pre-contractual phase**

FERCAM S.p.A. manages pre-contractual negotiations in compliance with the principles of good faith, loyalty, transparency and confidentiality.

By way of example, the following conduct is considered contrary to good faith, loyalty, transparency and confidentiality:

- starting negotiations with aims other than those declared or understood by the interlocutor;

- using confidential information of the interlocutor acquired during negotiations for purposes unrelated to the deal;
- voluntarily communicating false information to the interlocutor, even if not decisive for the conclusion of the deal;
- withholding any information from the other party that could lead to the other party's refusal to take part in the deal;
- misleading the other party to believe that non-existent circumstances exist, even if they are not decisive for the conclusion of the deal;
- drafting ambiguous contractual clauses with the aim of misleading the interlocutor;
- presenting or suggesting credentials that do not exist during negotiations, or declaring or communicating untrue qualifications.

The individuals in charge of negotiations shall act solely in the interest of FERCAM. In the event of a conflict between personal interests and the interests of FERCAM, they must promptly notify their superior or the person who appointed them, who may revoke their mandate and replace the person in charge, or give binding instructions. Under no circumstances may any personal gain not inherent in the subject of the contract be accepted, offered or requested during negotiations. The following are subject to business usage, in view of the circumstances (working breakfast, gifts of modest value, and the like).

### **Contractual payments**

The contractual payments for goods, services and works shall be reasonable and shall not deviate significantly from the market value, taking into account the circumstances.

Donations or other charitable acts are permitted only in favour of associations and bodies with the exclusive purpose of charity and/or social promotion. Gifts and complimentary items are allowed, provided they are of modest value, according to commercial practices.

### **Management of the contract or relationship**

FERCAM carries out its contractual obligations diligently. It in turn gives responsibility to economic operators acting on its behalf exercising the same diligence. It selects them, taking into account the quality of their work previously carried out.

In the event of incorrect performance of obligations, the Company shall actively limit the effects of the damage and reimburse the amounts due by law, if necessary by actuating the third parties responsible and/or the existing insurance coverage.

Payments to and from FERCAM shall not be made in cash, if possible. In any case, they must always be traceable and documentable with receipt, bank statement, receipt or the like.

FERCAM manages contractual relations of any nature according to loyalty and good faith. It is committed to the prevention of disputes and the amicable resolution of any disputes that may arise. It protects its rights in the light of general interest and the risk of excessive litigation.

## **Management of professional consultations**

FERCAM uses the assistance of intellectual professionals and consultants only in the event that it does not have adequate internal resources for legal reasons or for organizational or competence reasons. It contractually determines the content of the assignment and, where possible, the relative consideration or the criteria on the basis of which it is to be calculated. It always assesses the congruity of the fee requested with the quality of the service.

The professionals and consultants appointed by FERCAM shall operate with the utmost transparency towards the Company. They plan their activities with internal contacts and report promptly and/or periodically on their performance.

## **Responsibility to the market**

FERCAM recognizes the role of the free market as a field of competition and comparison between economic operators who respect and share the rules. In the pursuit of entrepreneurial interests, it refrains from unfair conduct towards its competitors; it refrains from unlawful initiatives that are contrary to the free market (such as cartels, trusts, or the like). It has no business dealings with individuals who have been convicted of serious or repeated conduct of unfair competition, as they are known.

The following initiatives are considered, by way of example, as unfair conduct:

- taking a large number of managers and/or employees away from a competitor in a relatively short period of time (diversion of staff);
- use of trademarks, signs or slogans belonging to other market operators or liable to cause confusion among recipients, to the detriment of a competitor;
- unlawful use of trademarks or patents belonging to a competitor;
- dissemination or communication of false information likely to discredit a competitor.

FERCAM recognizes the importance of the protection of intellectual property as a foundation for the development of the company. It commits to abstaining from any harmful conduct or abuse of works, patents, trademarks that it does not have, as they are protected by law. It promotes its works, patents and trademarks by protecting them appropriately and by defending them against abuse by third parties. It expects its business partners to use the FERCAM trademark carefully and respectfully, if authorised.

## SECTION III – RELATIONS WITH PUBLIC ADMINISTRATION, JUDICIAL AUTHORITIES AND PUBLIC SUPERVISORY AUTHORITIES

### **Commercial relations with public administration**

In its commercial relations with national or foreign public administrations (during service contracts or similar), FERCAM shall comply with the provisions of Chapter II above regarding relations with clients, suppliers and professionals with special care and attention. In any case, it acts in the utmost respect of the legal procedures established for awarding and managing contracts.

When dealing personally with public officials or public service employees of a national or foreign public administration, FERCAM, when it is a client, shall comply with the following rules with the utmost care:

- a) use of such entities shall be made only where there is verified evidence of professional ability not otherwise available on the market, and reasons shall be given for this;
- b) the contract is stipulated in writing, has a defined object, a predetermined duration, and the compensation is identified or determinable according to precise and defined criteria;
- c) the contract contains a cancellation clause, without any charge to FERCAM, in the event of opposition by the administration concerned;
- d) the contract is signed at least 30 days before the beginning of the service;
- e) at least 20 days before the start of the service, FERCAM shall inform the administration concerned of the existence of the contract, its purpose, duration and consideration;
- f) compensation shall be determined on the basis of recognised professional price charts or, where they do not exist or are not available, by an amount not exceeding the market value of the supply;
- g) a thorough inspection shall be made of the actual quality of the service provided and of its compliance with the terms of the contract.

When FERCAM procures goods or services or other provisions from public officials or public service employees of a national or foreign public administration, the contractual precautions listed above are not required, but it is necessary to pay particular attention to the fairness of the compensation, which cannot be significantly lower than the list price or the average price charged to that specific type of customer. It is subject to the good faith of the commercial operator that ignores the qualification of the client.

### **Administrative relations with public administration and regulatory authorities**

FERCAM maintains relations based on fairness and transparency with both public administration and public supervisory authorities. It punctually verifies the correctness and truthfulness of the declarations made and the documents presented.

Any offer of money or other benefits to public officials, public service employees or public administration officials by directors, managers, employees, collaborators of FERCAM or by those acting, even without representation, on behalf of FERCAM when they operate in the working environment or in any case in the interest of FERCAM, is prohibited.

Any request or claim for money or other benefits from public officials, public service employees or officials of a public administration made to directors, managers, employees or collaborators of FERCAM or to those acting, even without representation, on behalf of FERCAM, must be promptly reported to the Supervisory Body for appropriate measures.

### **Relations with the judicial authority**

All obligations of conduct towards public administration shall apply in relations with the judicial authorities (including investigating magistrates and law enforcement agencies).

In addition, it is forbidden to:

- a) encourage or coerce any person to make, in the interest of FERCAM, false representations to the judicial authorities or to withhold known information;
- b) entering into professional, or advisory or other commercial contracts where a magistrate or official of a judicial authority is a provider or service provider.

Any director, manager, employee or collaborator of FERCAM who is called upon to make statements in criminal proceedings (as a witness or as a person informed of the facts), if the statements concern the Company or in any case facts or events occurring during working hours, is required to inform the Supervisory Body so that it can verify that there is no pressure on them.

The independent administrative authorities to whose supervision FERCAM is subject, such as, for example, the Antitrust Authority, the Privacy Authority, etc., are considered equivalent to judicial authorities.

## SECTION IV – RELATIONS WITH WORKERS

FERCAM acknowledges the role of the human resources at its disposal as the company's primary asset and main source of income. It considers the correct and careful management of its personnel to be an activity of paramount importance as it is the main factor in the company's success.

FERCAM is committed to scrupulously respecting its legal obligations towards workers, whether they concern the protection of their health and safety, pay and social security, or the exercise of trade union rights, non-discrimination and the protection of personal dignity.

In addition to its legal obligations, FERCAM is committed to enhancing the value of workers in their professional and personal spheres. It rewards merit and fosters expertise. Whenever possible and relevant to the work sphere, it promotes the improvement of knowledge and skills through targeted training programmes. It promotes, also through cultural, recreational or recreational initiatives in the working and non-working areas, the creation of a climate of courtesy, collaboration and esteem among workers, and the development of their integrity.

At the same time, FERCAM requires commitment, competence, professionalism, courtesy and punctuality from its workers. It also asks, in accordance with the obligation of loyalty to which they are bound:

- a) adherence to the guiding principles of the Company, contained in this Code, and to its rules of conduct;
- b) compliance with company hierarchies, all procedures, rules and practices, including those that are not in writing, as they are obligatory, and with instructions received from their superiors;
- c) correctness and good faith, manner and respect in interpersonal relations with colleagues, customers and suppliers.

In particular, workers are forbidden from accepting or claiming compensation or other benefits in relation to the performance of their work, with the exception of gifts of modest value which are customary in the commercial environment.

Newly hired personnel are obliged, as a condition for hiring, to understand, accept and sign this Code of Ethics.

## SECTION V – RELATIONS WITH SHAREHOLDERS AND COMPANIES IN THE GROUP

### **Relations with shareholders**

FERCAM bases its relations with its shareholders and bondholders on the principles of respect for transparency and correctness. It guarantees its shareholders and bondholders access to the information necessary for them to exercise their rights correctly and consciously.

When issuing bonds or increasing its capital, FERCAM shall provide the parties to whom it makes the offer, in a complete and truthful manner, with all the information necessary for a correct evaluation.

In the presence of a widespread shareholder base, FERCAM shall issue specific regulations regulating the right of minority shareholders to access company information and data, guaranteeing compliance with the principles of transparency and fairness set out above.

Shareholders and other stakeholders who have access to data and information relating to the company are required to use it only for the purposes of exercising their rights and prerogatives, and to refrain from any improper dissemination or use of the data.

### **Relations with companies of the Group and companies of shared-ownership**

FERCAM participates in the management of companies in which it holds shares or quotas, exercising its rights as a shareholder in the interest of those companies. When it holds control of the companies, it exercises the functions of coordination refraining from conduct which, by generating an advantage for itself, may damage the assets of the subsidiary, without prejudice to the principle of compensatory advantage (art. 2497 of the Italian Civil Code).

In managing commercial relations between the various companies of the Group, FERCAM regulates relations with appropriate contractual support. The fees to be paid and, more generally, the terms of the contract are always in line with market values.

## SECTION VI – RELATIONS WITH CIVIL SOCIETY

FERCAM promotes a free and democratic civil society, based on respect for the human individual and the family, and for the social and natural environment. It strongly condemns all forms of slavery, discrimination and the abusive use of violence or threats.

In its relations with the market, FERCAM refuses to operate with commercial partners that are responsible for slavery, human trafficking, the smuggling of undocumented immigrants, the use of undocumented labour, the use of child labour or that participate, even indirectly, in terrorist initiatives or the subversion of democracy. It also refuses to work with commercial partners involved with criminal organizations (especially mafia-type ones) or who have been responsible for serious corruption against public officials. Finally, it refuses to work with trading partners that are responsible for serious pollution of the air, soil, water, the environment or similar.

When FERCAM operates in non-democratic countries, or where European standards for safeguarding the freedom and dignity of the human individual are not guaranteed, it refuses to work with commercial partners who use slaves, child labour (as defined by UN Conventions on the subject) or who participate, even indirectly, in terrorist initiatives.

FERCAM's objective is to set up procedures for the selection of commercial tenders which, on the whole, also take into account guarantees of compliance in terms of legality, human dignity and environmental protection on the part of the partner to be selected.

## SECTION VII – OBLIGATIONS OF COMMERCIAL PARTNERS

FERCAM's commercial partners are also bound to respect the values set out in Section I - GENERAL RULES of this Code of Ethics.

In their relations with FERCAM and the market, FERCAM's commercial partners are committed to sharing, adopting and complying with the rules of conduct set out in Section II - RELATIONS WITH CLIENTS AND SUPPLIERS, RELATIONS WITH THE MARKET, in the Pre-contractual phase, Management of the contract or relationship, Management of professional consultations and Responsibility to the market sections.

In the exercise of their business activities, FERCAM's commercial partners shall comply with the prohibitions set out in Section VI - RELATIONS WITH CIVIL SOCIETY as set out above, regarding the protection of human dignity, respect for the environment, and respect for the law and the market.

The obligations set out in this SECTION are non-negotiable and in no way derogable, and constitute the minimum condition for an economic entity to have commercial relations with FERCAM. If a FERCAM commercial partner, while complying with the obligations set out in this SECTION, makes use, even indirectly, of commercial partners that do not comply with them, it shall also be liable directly to FERCAM for any such non-compliance.

The following are considered serious violations of the obligations set forth in this SECTION (the list is an example):

1. engaging in illegal business activities;
2. criminal association ( in particular mafia-type organisations);
3. the adoption of unfair competitive behaviour towards FERCAM;
4. slavery, the use of child labour or participation, even indirectly, in terrorist initiative.

## SECTION VIII – SANCTIONS

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## **1. FUNCTION OF THE SANCTION SYSTEM**

Art. 6 paragraph 2, point (e) and Article 7, paragraph 4, letter b) of the Legislative Decree 231/2001 indicates, as a condition for the effective implementation of the Model of organisation, management and control, the introduction of a disciplinary system suitable for sanctioning failure to comply with the measures indicated in the Model itself.

The sanctions provided for by the disciplinary system shall be applied to any violation of the provisions contained in the Model, of the management and supervisory obligations, regardless of the implementation and outcome of any criminal proceedings initiated by the Judicial Authority, in the event that the conduct to be reprimanded constitutes a type of crime relevant under the Legislative Decree. 231/01.

The purpose of the sanctions provided for herein is, in fact, to repress any violation of the provisions of the Model and its elements dictated for the purposes of preventing criminal offences, promoting in company personnel and all those who collaborate with the Company to be aware of the Company's firm intention to pursue any violation of the rules laid down to ensure the proper performance of assigned tasks or duties.

The violation of the obligations contained in this Model, even if aimed at pursuing an alleged corporate interest, constitutes a breach of contract and is a disciplinary offence.

## **2. VIOLATIONS**

The sanction system is applied when one or more of the following violations occur:

- failure to comply with the provisions of the Model, the Code of Ethics and the company procedures referred to as being an integral part of the Model and to which the Model refers;
- failure to comply with and/or violation of the provisions relating to signatory powers and, in general, to the system of delegation of powers, as described in the Corporate Governance document, with the exception of cases of necessity and urgency, of which the people responsible for the powers must be promptly informed;
- the lack of or false evidence of the activity carried out, in relation to the methods of documentation, conservation and supervision of Sensitive Areas and Activities (as identified in the Special Part of the Model);
- violation and/or circumvention of the supervisory system implemented by removing, destroying and/or altering the documentation required by the procedures in force or by preventing the persons in charge and the Supervisory Body from inspecting or accessing the information requested and the documentation;

- lack of supervision by superiors over their subordinates regarding the correct and effective application of the provisions of the Model, the Code of Ethics and the company procedures of reference in Sensitive Areas and Activities;
- failure to comply with the obligation to inform the Supervisory Body and/or the direct hierarchical superior of any violations of the Model committed by other employees or recipients of the Models of which there is direct and certain evidence;
- lack of communication, training and retraining of internal and external personnel working in Sensitive Areas and Activities.

### **3. SANCTIONS**

#### **3.1. MEASURES AGAINST DIRECTORS**

The Company assesses with extreme rigour the violations of this Model committed by those who hold top positions in the Company. The formation and consolidation of a corporate ethic sensitive to the values of correctness and transparency presupposes, above all, that these values are adopted and respected by those who guide company choices, so as to constitute an example and stimulus for all those who, at any level, work for the Company.

Notwithstanding the provisions of art. 2392 and later articles of the Italian Civil Code, depending on the seriousness of the offence and on a compliant decision of the Board of Directors (with the abstention of the person concerned), after consulting the Board of Statutory Auditors, protective measures may be applied, within the scope of those provided for by current legislation, including the revocation of the delegation and/or mandate conferred on the person. In the most serious cases, the Board of Directors, having heard the opinion of the Board of Statutory Auditors, may propose to the Shareholders' Meeting that the appointment be revoked.

Independently of the application of the measure, the Company has the right to bring actions for liability and/or compensation. In cases in which the majority of the directors are involved for serious violations of the Model, the Board of Statutory Auditors will convene the shareholders' meeting for the adoption of the appropriate protective measures.

In the case of violations committed by a person referred to in this paragraph, who is also an employee of the Company, the sanctions established by the Board of Directors will be applied, without prejudice, in any case, to the applicability of the various disciplinary actions exercisable on the basis of the employment relationship with the Company and in compliance with the procedures of law and/or contract, as applicable.

### **3.2. MEASURES AGAINST STATUTORY AUDITORS**

In the event of failure to comply with the Organisational Model by one or more members of the Board of Statutory Auditors, the Supervisory Body shall immediately inform (or the other members of the Supervisory Body shall inform, in the event that the Board of Statutory Auditors should also exercise the functions of the Supervisory Body) the entire Board of Statutory Auditors and/or the Board of Directors, who shall proceed to the verifications deemed necessary and to take the appropriate initiatives and measures in accordance with current legislation.

Irrespective of the application of sanctions, the Company has the right to initiate claims for liability and/or compensation.

### **3.3. MEASURES AGAINST MANAGERS**

The managerial relationship is characterized by an eminently fiduciary nature. Compliance by the Company's managers with the provisions of the Model and the related implementation of procedures constitutes an essential element of the executive working relationship.

Personnel belonging to the category of Managers who are responsible for the violation of the provisions of the Model, including the principles of the Code of Ethics, will therefore be subject to the most appropriate measures in accordance with the law and the applicable National Collective Labor Contract, including termination of the employment relationship when the violation committed and ascertained is such as to damage and compromise the bond of trust underlying the employment relationship.

The power of attorney granted to the manager may also be revoked.

The Supervisory Board must necessarily be involved in disciplinary procedures involving personnel belonging to the category of Managers, through appropriate disclosure.

### **3.4. DISCIPLINARY SANCTIONS AGAINST EMPLOYEES**

Non-compliance with and/or violation of the rules of conduct and procedures imposed by the Model and the Code of Ethics by the Company's employees constitutes a breach of the obligations arising from the employment relationship pursuant to art. 2104 of the Italian Civil Code, as well as a disciplinary offence.

The adoption of conduct by a Company employee that can be qualified, on the basis of what is indicated in the previous paragraph, as a disciplinary offence, also constitutes a violation of the obligation of workers to carry out with the utmost diligence, in compliance with the Company's directives, the tasks and duties entrusted to them, as provided for by the current National Collective Labour Agreement.

The Company shall adequately inform all personnel - also with the traditional diffusion on the company notice board pursuant to art.7 L. 300/70 - of the adoption of the system of sanctions referred to in this Model.

The type and extent of the sanctions for violation of the Model shall be adopted in accordance with the principles of progressive and proportional measures, commensurate with the following general principles:

- the wilfulness of the misconduct, degree of negligence, recklessness or inexperience displayed, also taking into account the foreseeability of the event;
- the importance of the obligations infringed;
- responsibilities related to the employee's position in the company;
- significance of the damage or degree of danger caused to the Company, clients or third parties;
- any aggravating or mitigating circumstances with regard, in particular, to the conduct of the employee towards the Company, other employees and clients, as well as to previous disciplinary measures within the two-year period provided for by law;
- participation in the infringement by several employees in agreement with each other.

With reference to the penalties that may be imposed, it should be noted that they will be applied in compliance with the provisions of the company disciplinary system and the procedures laid down in the National Collective Labour Contract and in the collective company regulations applicable to the employment relationship. In particular, for non-managerial employees, the sanctions provided for by the National Collective Labour Agreement will be applied, proportionate according to the seriousness of the violation, in:

- verbal warning
- written warning
- a fine not exceeding three hours' pay
- suspension from work and from pay for a maximum of three days
- dismissal with notice
- dismissal without notice.

In order to clarify in advance the criteria of correlation between the behaviour of workers and the disciplinary measures adopted, it is expected that:

- in the performance of activities in at-risk areas, workers will incur conservative disciplinary measures if they violate internal procedures or behave in a manner that does not comply with the provisions of the Code of Ethics or adopts a conduct that does not comply with Art. 2104 of the Italian Civil Code - Employee diligence - "The employee must use the diligence required by the nature of the work involved, in the interest of the undertaking and of the higher interest of national production. They must also comply with the provisions for the execution and discipline of the work provided by the entrepreneur and collaborators to whom they are hierarchically

accountable" provisions of the Model, since such conduct must be seen as a failure to execute orders given by the Company, both in writing and verbally;

- the worker will incur disciplinary measures to resolve the problem if they:
  - adopt, in performing tasks in at-risk areas, a conduct that does not comply with the provisions of the Model and the Code of Ethics and is unequivocally aimed at committing an offence covered by the Legislative Decree. 231/01, in view of the fact that such conduct is a serious disciplinary offence, such as to undermine the Company's trust in its employees;
  - adopt, in performing tasks in at-risk areas, a conduct that is clearly in violation of the provisions of the Model and the Code of Ethics, such as to determine the concrete application by the company of the measures provided for by the Legislative Decree. 231/01, since such conduct must be considered an act that causes the Company serious damage, such as not to allow the continuation of the relationship even on a temporary basis.

With regard to the investigation of these violations, disciplinary proceedings and the application of sanctions, the powers already granted, within the limits of their responsibility, to the corporate bodies remain unchanged.

The disciplinary system will be constantly monitored by the Supervisory Body and the Personnel Department.

### **3.5. MEASURES AGAINST SUPPLIERS AND COMMERCIAL PARTNERS**

Where possible, a necessary condition for concluding any type of contract with the Company, and in particular supply contracts, is the commitment by third parties to comply with the Code of Ethics in relation to the services covered by the contract. These contracts must include, where possible, termination clauses or rights of withdrawal in favour of the Company, without any penalty for the Company, in the event of the perpetration of predicate offences or conduct aimed at committing them, or in the event of violation of the rules of the Company's Code of Ethics.

In any case, the perpetration of predicate offences or conduct in violation of the Code of Ethics will be considered just cause for the termination of the contract pursuant to art. 1453 and subsequent amendments of the Italian Civil Code.

The Company reserves the right to take action in all appropriate judicial forums to claim damages if such conduct results in damages of any kind to the Company, as in the case of a judicial application of the measures, including only precautionary measures, provided for by the Legislative Decree. 231/01.

### **3.6. MEASURES AGAINST COLLABORATORS, CONSULTANTS, SELF-EMPLOYED WORKERS**

Where possible, the Company shall insert specific clauses in the letters of appointment or in the contractual and collaboration agreements with its collaborators who are not employed, which entitle it to unilaterally withdraw from said relations in the event that said subjects engage in conduct that is in contrast with the principles of the Code of Ethics and such as to entail the risk of committing the offences covered by the Legislative Decree. 231/01.

This shall be without prejudice towards any claim of compensation for further damages, if such conduct results in concrete damage to the Company, including damages resulting from the application of measures provided for by the Legislative Decree 231/01 by a competent judge.

### **4. COMPENSATION FOR DAMAGES**

The Company hereby reaffirms that the violation of the obligations contained in this Model, even if aimed at the pursuit of an alleged corporate interest, constitutes a breach of contract and a disciplinary offence. The Company does not intend to pursue any advantage deriving from an illegal deed and, therefore, in the event that a crime is committed, the Company hereby expresses its willingness to return this advantage.

If the offence is proven to have been committed by one of the recipients of the Model, whether employees of the Company, Directors, Statutory Auditors, consultants or partners, in addition to the sanctions provided for by this sanctioning system, the Company reserves the right to claim compensation for any damage caused to it.