

**MODEL OF ORGANISATION,  
MANAGEMENT AND CONTROL  
Former Legislative Decree n° 231/2001**

**CODE OF ETHICS**

INSTITUTIONAL ELEMENT OF THE ORGANISATION, MANAGEMENT AND CONTROL MODEL

**PANARO'S PLASTICS  
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## **FOREWORD**

This Code of Ethics expresses the values and principles of the Company's deontology we acknowledge as our own. We are convinced a company is valued, besides the quality of their products and the services they can offer, also by the capability to produce goods in respect of the ethical principles expressed.

Moreover, this Code of Ethics stands for an essential element of the pattern of organisation, management and control, our Company adopts in compliance with the Legislative Decrees number 231/2001 and 81/2008. It refers to them fully both as to the expression and communication of values and the application of fundamental behavioural rules.

## **OUR VIEW**

Panaro's Plastics (Panaro is the name of the river) is an International Company, a Leader in Products and Exports. We are well known all over the World for the quality of our products and the wide knowledge we have in processing moulds after sixty (60) years of experience. Our premises are in Italy and our Company was established in 1962. We started with a small laboratory of fishing boxes, and along the years we evolved and expanded our range of products up to the study, design and development of a line of airtight suitcases of high innovative technical value with "MAX" as a brand. Their usage is to carry and protect professional equipment. Panaro's Plastics is today a strong well-structured Company: We design, develop and produce hundreds of innovative solutions for the hardware market, for packaging, horse riding, the fishing industry and thermoforming. Our workforce is made up of over ninety employees (90). We are not afraid of our competitors in this market, and we exhibit our products at all main fairs in the World. Our activity has developed over a period of 60 years and we have reached and acquired such an expertise and experience that we are now a point of reference and certitude for all our Customers. Our aim is to keep to the excellence we distinguish ourselves for the high levels of Ethics in managing our Company. This leads to the high quality of products our Partners can rely on, to the Environment, Social and Governance sustainability of the production processes.

## OUR TARGET

We have been developing solutions to transport, organise and protect the equipment of our clients for 60 years. Since our foundation, we have always had the same target: supply more and more innovative products with particular care for the quality of productive processes in full respect of the most important protocols and industrial certifications. We have always been very careful about the environment impact by investing continuously in technologies, echo-friendly systems and procedures, to minimize the impact of production.

The goal of Panaro's Plastics Ltd., in full continuity of our view, requires all staff, at every level of our Organisation, to point out and research on a daily basis innovative solutions for the Quality and Reliability of our products, for the Environment, and for the Social and Governance sustainability of the productive processes. To such aim the Management makes available all the necessary and possible technological competences and solutions.

All the production and assembly processes are automated to guarantee the maximum reliability, resilience and qualitative steadiness. Actually, Panaro's Plastics Ltd. has been a Company with an *ISO-9001 Certified Quality System* for over 20 years. Therefore, we are projected towards a constant improvement of the products and solutions we provide every day to our customers all over the world.

We believe in the employees' commitment by investing in training courses aimed to increase skills and satisfaction. For our products, we use fully recyclable materials. We avail ourselves of hybrid installations for moulding with a low environment impact. We have an inner design and development site for the continuous improvement of products and processes.

## **Chapter 1 – GENERAL PRINCIPLES**

### ***Art. 1 – Recipients***

The provisions contained in the Code of Ethics are applied by all subjects (employees, collaborators, consultants, suppliers and partners) who – according to the principles of safe and sound management and in respect of the regional, national and EU laws; abiding also to the policies, programs, regulations and internal procedures – contribute to our Company's Target.

### ***Art. 2 – Compulsion***

All recipients, without exception, will perform their own tasks, according to their own responsibilities, in compliance with the principles set out in this Code of Ethics.

In no way can the conviction to act to the advantage or in the interest of the Company justify the adoption of behaviours that are in contrast with this Code of Ethics or the procedures provided for in its model.

Our Company pledges to adopt the most appropriate tools to spread the Code of Ethics, so that all recipients and third parties will conform to it.

All Addressees must know the contents of the Code of Ethics, understand its meaning, and make sure they will ask for any clarifications regarding the same.

### ***Art. 3 – Advertising***

The Code is shared within the Company through the handing over of a copy to the subjects as per Article 1.

A copy of this Code of Ethics is posted on the Company bulletin board and advertised on The Internet with a dedicated website.

The Personnel Department carries out for all employees an appropriate training and awareness-raising programme for the problems inherent to the Code itself.

The Code will be made known to the subjects outside the Company by means of a specific document or by advertising it on the website.

## Chapter II – REFERENCE PRINCIPLES

### *Art. 4 – Company's Ethical Principles*

Not only is the observance of the Law, of the Regulations, of the Statutory Provisions, of the self-discipline codes, the Ethic Integrity and the Correctness a constant commitment, but it is a must too for all recipients. The entire Company organisation is based on this.

### *Art. 5 – Transparency*

The business conduct and the Company activities must respect the principle of transparency. All working activities of the Company must be carried out with correctness, transparency, maximum clarity, truthfulness, as well as formal and substantial legitimacy.

### *Art. 6 – Honesty*

The working activities and business of the Company must be performed with honesty. The Company's staff are to behave correctly and honestly, both when they carry out their tasks and with other employees. Illicit and unlawful purposes must be avoided. No conflict of interests to one's own advantage or in favour of third parties are to be risen. A dishonest behaviour in the interest or to the advantage of the Company is not justified whatsoever.

The staff of the Company will establish relationships with their customers based on honesty and professional correctness. It is absolutely forbidden to supply products that are different from those agreed upon for origin, provenance, quality or quantity.

### *Art. 7 – Impartiality and Mutual Respect*

Not only when each of our individuals performs an activity does our Company commit itself to abide by the principles of impartiality and correctness, but also when we relate to other companies and their representatives. We perform all our activities in mutual respect of every person involved.

### *Art. 8 – Fairness and Equality*

Our Company is inspired by the promotion and protection of Human Rights. Therefore, we reject any form of discrimination of age, sex, health conditions, nationality, political opinions and religious beliefs towards our parties and us.

We do not tolerate any employee's racist or xenophobic behaviour to the damage of workers or our Company's co-operators. The Management pledges to intervene after any report, prior to verification of the truthfulness of the same, with disciplinary sanctions against any worker who should be responsible of a racist or xenophobic behaviour.

***Art. 9 – Entrepreneurship***

In order to supply solutions and services with a correct ratio between quality and cost, as well as in order to increase the Company's patrimony assets, managerial and technological values, our goals, the promotion and making of projects and investments are to be based on efficiency and economic criteria.

***Art. 10 – Traceability***

We adequately monitor all activities to allow the verification of the development, authorisation and decision processes. Our Company makes sure that its own personnel will fulfil their duties with the necessary diligence.

***Art. 11 – Quality of Products and Services.***

While the ethical principles remain, Our Company states the importance of pursuing the total satisfaction of customers as to the products and services supplied.

In order to reach this goal, we achieve and maintain high quality standards on the market. Moreover, we constantly committing ourselves to innovate processes and products. Our clients' satisfaction is always monitored.

***Art. 12 – Expertise***

We promote and protect the value of Human Resources to the aim of maximise satisfaction and accrue expertise. We take care of professional formation that we constantly update and increase. We appreciate the "Know-How" and the "Know How to Make Do" as initiatives for development and maintenance of leadership in each sector.

***Art. 13 – Protection of People***

In compliance with the Law Rules and the Protection in terms of a person's physical and moral integrity, we guarantee our staff decent working conditions in healthy and safe work places.

***Art. 14 – Protection of the Environment***

We are sensible to the protection of the environment and we divulge it. All our activities are eco-friendly in conformity with the present European and National Rules and Regulations.



### ***Art. 15 – Controls and Supervision***

For inner controls, we mean all the necessary and useful instruments to verify and perform all our Company's activities to the aim of ensuring all the Law Rules and Regulations and Company's procedures are complied with. We protect our Company's assets, and we are efficient in managing our social activities. We provide true, correct and reliable information about our patrimonial, financial and economic situation. We also point out and prevent the risks our Company may incur. We promote within our premises, at all levels, a culture featuring the awareness of the checks and controls we carry out.

According to their competence, the employees must:

- Help carry out the checks and controls.
- Take conscious care of the Company's assets, both material and immaterial, for the development of the activities. They must make sure they use them properly.

With reference to the provisions, rules, principles and prohibitions to the aim of preventing the risks of crimes as per the Legislative Decree n° 231/2001, the Supervisors must observe and update the model of organisation, management and control of this Code of Ethics. They must divulge the ethical principles and values of the Company and suggest improvements to what the Model and the Code of Ethics foresees. The Supervisors must clarify possible doubts of interpretation and application, observe, and update this Code for every other provision, rule or regulation and prohibition, that are not strictly finalised to prevent the risks of the crimes mentioned by the Legislative Decree n ° 231/2001.

Furthermore, they are in charge to receive the possible reports of infringement of this Code, yet with reference to the provisions, rules and regulations, principles and prohibitions finalised to prevent the risks of crimes recalled in the Legislative Decree 231/2001. The Supervision Committee, or Committee of Supervisors, will moreover forward the possible infringements of the Code to the President of the Board of Statutory Auditors, if established, according to the modalities foreseen by the Model of Organisation, Management and Control.

## **Chapter III – BEHAVIOURAL RULES**

### ***Art. 16 – Health and Safety of Workers***

Our Company pledges to spread and consolidate a culture of safety by developing the awareness of risks and by promoting responsible behaviours by all employees and co-operators. Moreover, we operate to preserve, above all with preventive actions, the health and safety of workers in respect of the rules and regulations concerning safety at work as per the legislative Decree n° 81/2008 and its subsequent modifications.

In order to guarantee maximum safety and the quality of our services, we carry out a steady monitoring of the installations wherever they are, and wherever they function, beyond the Law obligations and the protection of the imminent risks. Our Company's staff and collaborators make sure they are fully available for the people in charge, i.e. for anybody who carries out inspections and checks on behalf of the responsible institutions.

Should a Company's employee find out irregularities as to the above, he/she will have to inform immediately the person responsible for the service of prevention and protection of the risks and the Manager of Personnel.

To the end of safeguarding the Company's patrimony and of granting the work continuity, we enforce control systems to check the access to the structures and information areas.

### ***Art. 17 – General Equipment***

Each employee and co-operator is required to safeguard the Company's patrimony by guarding with utmost diligence the facilities and assets (movable and immovable property) as well as the equipment.

The documents, the work instruments, the installations, all the facilities and every other asset, be it either material or immaterial - that are the Company's property – are used exclusively for the Company's goals with the modalities imposed by us. They cannot be used by any staff for personal aims, nor can they be transferred or made available to third parties.

Furthermore, the Company's patrimony includes the technologies in use and the strategies and the designs for the development of the products. It also includes the entrepreneurial programs, the customers' lists, and the personal information of the staff, the marketing and sales data, the telephone directories, the organigrams, the costs of the products, the price policies, the account and financial data, and every other information concerning our activity, our clients and our employees.

### ***Art. 18 – IT and Telematics' Resources***

We expect each employee and co-operator to safeguard the IT and telematics' patrimony and keep our Company's technological resources and informatics supports.

In particular, each employee and collaborator must:

- keep scrupulously to what is foreseen by the present Regulation and by the Company's safety policies, also to the end not to compromise the functionality and protection of the informatics systems;
- not send threatening and insulting e-mails or that are in any way not conforming to the working activity, or that should damage our Company's image;
- guard and not reveal to unauthorised third parties one's own personal password and access code to the Company's data banks;
- neither reproduce for personal use the Company's software, nor use for private goals the instruments in use;
- not record the Company's software elaborators if not authorised by the person responsible for the computer system. Nobody can record the informatics files with a contents that is not strictly linked to the working activity, or if they are illegal;
- not surf on web sites whose contents is not strictly connected with the working activity;
- neither use the Company's communication systems (e-mails, intranet etc...etc...) in order to negotiate the purchase or sale of assets and services not part of the working activity, nor in order to consult or spread indecent material that is offensive or damaging for the Company or third parties;

Each employee and co-operator is responsible for the protection of the assets and technological resources they have been assigned, and they must promptly inform their own direct superiors of any potential event damaging such assets and resources.

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### ***Art. 19 – Protection of the copyright***

We prohibit the abusive diffusion of a protected intellectual work or part of it, the reproduction on media that are not marked SIAE (Italian Society of Authors and Publishers), the transfer on another support, and the distribution of data if they violate the exclusive right of execution and authorisation of its author.

The abusive duplication and reproduction of an intellectual work meant for the TV and cinematographic circuit is forbidden too. No sale or rent of records, tapes or analogue supports is allowed in this respect. We also prohibit the abusive duplication and reproduction of any other support containing phonograms or video-grams of music, cinematographic or similar audio-visual works, or containing sequences of images in motion.

Moreover, we do not allow the abusive reproduction, forecast or diffusion of scientific works, teaching and multimedia material, or parts thereof, even if they are included in collective or composite works or data banks.

### ***Art. 20 – Prohibition of Detention of Pornographic Material (art. 3, 10 I.n. 146 /2006 with reference to article 25 quinquies, Legislative Decree 231/2001)***

It is absolutely forbidden to withhold pornographic material within the Company's premises, the warehouses and its surroundings, or any other place that pertains the same. No virtual images conceived by using pictures of minors of 18 are allowed. For virtual images, we mean pictures realised with techniques of graphic elaboration that are not fully or partly associated with real situations. This is when the quality of their representation appears as real situations when it is not so.

### ***Art. 21 – Management of Money, Assets or other Utilities***

You cannot replace or transfer money, goods or other utilities, derived from a crime; or anyway perform related operations that would hinder the identification of their criminal origin. Moreover, such money, goods or utilities, cannot be used for economic activities.

### ***Art. 22 – Counterfeiting of Banknotes, Coins, Credit Cards, Duty Stamps and Watermark Paper (art. 3, 10 I.n. 146/2006 with reference to article 25 bis of the Legislative Decree 231/2001)***

It is forbidden to counterfeit, put in circulation (through buying and selling) banknotes, coins, credit cards, duty stamps and watermark paper in the interest or to the advantage of the Company. Whoever should receive for payment false or stolen banknotes, coins or credit cards in exchange for relations with our Company, must inform his/her superior and someone belonging to the Supervision Committee, so that they may take action for the appropriate criminal reports.

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### *Art. 23 – Association Crimes*

Three people or more cannot associate in Italy or abroad to the aim of committing one or more crimes, including mafia ones or those targeted to smuggle foreign tobacco, or to the aim of illicit drug or psychotropic drug trafficking, or to favour clandestine immigration.

It is absolutely forbidden for the recipients to put in place, co-operate for, or cause to exist, behaviours that lead to such offenses as they are envisaged in Art. 24 of the Legislative Decree n° 231/2001. Although some actions may not be real offenses, they cannot be accomplished if they are included in such Decree. By virtue of these absolute and mandatory prohibitions, all those who operate in the name and/or on behalf of the Company must pay particular attention to the following activities:

- management of financial flows;
- activities implying relationships with people involved in such proceedings that they have to appear before the Judicial Authority, or when they are undergoing investigations by that same Authority (including investigations carried out by the Bodies of the International Criminal Court);
- activities involving the entry and/or stay of foreigners - especially as far as foreign labour is concerned – in the territory of the Italian State or any other State where they are not citizens;
- activities implying the employment or foreign labour.

In a particular way, it is absolutely forbidden for all those who operate in the name and/or on behalf of the Company to:

- promote, establish, direct, organise, finance, or take part in activities prohibited by the provisions of the law in force;
- induce people called to make declarations before the Judicial Authority not to make such declarations or to make false statements;
- help anyone – even if they have not committed a crime – evade the investigations of the Authority (including investigations carried out by the Bodies of the International Criminal Court) or escape the searches made by it;
- accomplish facts that lead to the illegal entry of foreigners into the Italian State or any other State of which they are not citizens, or when they do not have a permit of stay;
- avail themselves, even through a third party, of work labour supplied by illegal immigrants or subjects with a false identity, or when their documents are counterfeited or have been obtained with mischief;
- favour the stay of foreigners in the Italian State, or any other State, when this is forbidden by law;
- favour vote exchange.

### ***Art. 24 – Corporate Structure***

The Company ensures the Members are not in conflict with the corporate interests by pursuing personal or third parties' interests that are not related or are in contrast with the corporate purpose. No partial behaviour or operation in contrast or antithetical with the Company's aims is allowed. The Company involves all the associates in the adoption of the relevant social decisions. We take into account and guarantee the interests of the minority too. We give all Members timely and exhaustive information and we guarantee transparency and accessibility to data and documentations.

### ***Art. 25 – Administration Body and Delegates***

The administration body performs its functions with professionalism, autonomy, independence and responsibility towards the Company, the Members, the Corporate Creditors and Third Parties. The Directors must not prevent or hinder the exercise of the activities of control by the people in charge. The Managers are required to avoid situations in which conflicts of interest may arise, and to refrain from taking personal advantage from opportunities related to the performance of their own activities. In this regard, therefore, the administrators must respect the obligations envisaged by Art. 2391, 1<sup>st</sup> paragraph, of the Civil Code. An administrator who in a given transaction has, on his/her behalf or on behalf of a third party, an interest in conflict with that of the Company, must give notice of it to the other administrators and to the Board of Statutory Auditors by specifying its nature, terms, origin and scope. If this is a delegate, he/she must also refrain from carrying out the transaction and must pass it onto the Collegiate Body.

The co-operators of the Company must avoid situations that may create real or potential conflicts of interest between personal and corporate activities. Transparency, trust and integrity are therefore values that are by all means to be respected. Besides, no employee of the Company can obtain personal advantages in relation to the activity carried out on behalf of the Company. There where situations of conflict may arise, the communication between a collaborator and his/her superior in the hierarchy is fundamental to the end of overcoming the problem.

Each Manager, within the scope of his/her own competences, is required to take part in the Company's Control System and to make it easy. The employees must so be aware of it. All Managers have the duty to avoid carrying out any side activity that may be in contrast with the Company's interests. This means they cannot pursue their own interests or the interests of third parties if these are in conflict with, or prejudicial of, the Company's ones, even if just potentially.

### ***Art. 26 – Account Auditor***

Our Company has a registered Account Auditor who checks the accounts in compliance with Art. 2409 *ter* (third) and subsequent modifications of the Civil Code. The auditor must have free access to the necessary data, documentations and information in order to be able to carry out his/her task.

## **Chapter IV – PRINCIPLES CONCERNING THE MANAGEMENT OF THE COMPANY**

### ***Art. 27 – Company's continuity***

The company implements an administrative, accounting and financial management aimed at ensuring the Company's continuity in the interest of the employees, the recipients, the third parties; more in general continuity for all those who show some interest in us.

### ***Art. 28 – Accounting records***

The company accounting system guarantees the recording of all transactions, be they either economic or financial. They have to conform to the principles, the criteria and the modalities for keeping the accounts according to the present Law.

Each accounting operation must therefore be supported by a suitable documentation certifying the relevant activity carried out in order to allow:

- the easy registration of the accounts
- the identification of the origin and drawing out of the documents
- the accounting and mathematical reconstruction of the operations.

Our Company requires that all the applicable regulations concerning the evaluation and draft of the budget be respected.

In a particular way, the employees in charge of the elaboration of the account balances must check and promote all the accounting operations prodromal to their production, so that mistakes are minimised.

What's more, as Panaro's Plastics Ltd conforms to the values of honesty and transparency, whoever is involved in any respect with the drawing of the corporate documents, both administrative ones and those related to the accounts, is required to produce just real and true facts. By no means must they keep silent or alter information concerning the patrimonial, economic and financial situation. This applies to employment too.

Anyone knowing about omissions, falsifications or negligence of the accounts or documents, as mentioned above, must give immediate notice of them to the Supervision Committee following the modalities foreseen in the Model.

## **Chapter V – RELATIONS WITH THE PUBLIC ADMINISTRATION**

### ***Art. 29 – General principles***

It is forbidden to give, offer or promise money or other benefits, such as services, performances or favours that can reasonably be interpreted as exceeding the usual courtesy practices. This would mean exerting unlawful pressure on public officers, people in charge of public services, managers, officials, or employees of the Public Administration. The same applies to public service concessionaires or their relatives or cohabitants, both Italian and foreign. You cannot induce them to act in compliance or against their official duties to the advantage or in the interest of the Company.

During the relations with the Public Administration, or with the concessionaires of a public service, third parties will not represent our Company if conflicts of interest arise.

### ***Art. 30 – Public funding***

In the event that the company benefits from loans of whatsoever nature provided by national and/or EU public entities, we will monitor and oppose every artifice or deception such as false declarations and omissions. This applies if one of its operators tries to obtain unjustly, no matter by what means, finances, subsidies or provisions paid by the Public Administration to go round their restricted use. Our Company will benefit from these attributions with reporting constraints.

### ***Art 31 – Relations with the Judicial Authority***

Our Company co-operates actively with the Judicial Authorities, the police, and any other public official as far as inspections, checks, investigations and judicial proceedings are concerned.

The Members of the Company can in no way promise to these authorities gifts, money or favours, nor can they give advantages to them or those in charge of carrying out the aforementioned inspections, checks and investigations, in order to undermine their objectivity of judgement in the interest of the Company.

It is prohibited to exert any pressure on a person called to make statements before a judicial authority in order to induce him/her not to render them, or to make false ones. You cannot help someone who has committed a criminal offence evade the authorities investigations or escape searches.

## **Chapter VI – RELATIONS WITH THE EMPLOYEES**

### ***Art. 32 – General principles***

Every employee and collaborator must act loyally and in good faith by respecting the obligations signed in their work contract. They must grant an active and intense co-operation according to the Company's directives. They have to know and observe the deontological rules and regulations contained in this Code of Ethics. We expect from them good conduct, respect and mutual collaboration.

All actions, transactions, negotiations and any other work activity performed, are to be based following the principles of honesty, correctness, integrity, transparency, legitimacy, clarity and mutual respect.

All employees must be open to checks and controls in conformity with current rules and regulations as well as the inner procedures. All activities have to be performed with professional skill and everyone must give their adequate contribution according to their own assignments. The Administrators can only accept the office when they think they can commit themselves to carrying out their duties with devotion. These ones must be done bearing in mind the number of offices as administrators or statutory auditors they hold in other Companies. Our staff must know and put into force what the Company foresees regarding the protection of the environment, the work hygiene and safety, and the protection of privacy regardless of the function they have and/or their level of responsibility.

### ***Art. 33 – Selection and Recruitment of Personnel***

Our Company undertakes to develop the attitudes and skills of its personnel as they carry out their tasks, so that its staff capabilities and legitimate aspirations are improved and fulfilled to the utmost in the scope of the Company's targets. This is also the reason why we commit ourselves to guaranteeing all our employees the same work opportunities according to one's own skills and professional qualifications without discrimination and/or favouritisms.

Furthermore, in our Company Human Resources are at their best. We standardize the decision-making processes following the criteria of the search for maximum efficiency and achievement of the objectives.

To this aim, the Company's Human Resources are selected following the criterion of "who deserves what" according to efficacy and efficiency in conformity with the Law, abiding by The Collective Bargaining and its relevant ethical principles.

### ***Art. 34 – Provisions on illegal immigration***

In compliance with the law provisions as per subject 1, our Company undertakes not to have any work relation with people who do not have the work permit. Secondly, we do not perform any activity that may favour the illicit entry in Italy of illegal immigrants. We particularly inhibit any conduct aimed at introducing illegal family members apart from family reunification, as it is explicitly foreseen in ex Art. 29 of the Legislative Decree 286/1983.

### ***Art. 35 – Abuse of substances***

Our employees and collaborators cannot be exempted from observing what is provided in this Code of Ethics. They will carry out their official duties professionally, in accordance with the obligations undersigned in the contract stipulated with the Company. While performing their activity they are committed to having a conduct conforming to the principles of discipline, dignity and morality. They will avoid every situation leading to conflicts.

The infringement of these provisions constitutes anyhow a breach of the obligations deriving from the relations set out with the company and, therefore, a disciplinary offence subject to sanctions.

All actions, operations and trading, and more in general the way all working activities are carried out, must abide by the principles of honesty, correctness, integrity, transparency, legitimacy, clarity and mutual respect. Was it only for a small amount or nature, our employees cannot receive money or gifts from suppliers or third parties.



As to this, we make sure that the recipients of this Code of Ethics are well informed of our policy. Actually, we demand that all along internal and external work relationships there be no harassment of any nature against employees, suppliers, customers or visitors.

For harassment, we mean any form of intimidation or menace, or anyway any verbal offence or bad behaviour, which may hinder the peaceful procedure of all functions. This includes any authoritarian abuse by a superior to someone in a lower position.

We do not want the occurrence during internal and external work relationships of sex, nationality, political, personal or social discriminations of any kind against employees, suppliers or third parties. Any form of sexual harassment or violence referred to personal or cultural diversity is prohibited.

We consider as such, by way of example, and not exhaustively, the following behaviours:

- Relevant decisions concerning the working life made after accepting sexual favours, or following discriminations due to personal or cultural diversities, or based on different political or trade union views.
- Induce one's own collaborators to sexual favour through the influence of one's own role.
- Interfere unjustly with someone else's job.
- Suggest interpersonal private relationships despite they are reasonably and obviously not appreciated.
- Make a hint to physical or mental disabilities or to forms of cultural, religious, political diversities, or to different sexual orientations.

Whoever claims, for whatsoever reason, to have been harassed or discriminated while performing his/her own activity for our Company, can report the fact to the Committee of Supervisors. We do not allow any retaliation towards anyone complaining or reporting such regrettable facts.

Our Company promotes and valorises a system of professional, ethical and moral training, as well as a continuous updating.

#### ***Art. 36 – Abuse of substances***

We prohibit the abuse of alcohol during the working hours and before performing any activity. The intake of narcotics, hallucinogens, or similar substances is forbidden. We also do not permit the use of any other substance that may prevent the regular activity performance. Alcoholic drinks and narcotics are anyway not encouraged even outside the working hours regardless. However, if someone is chronically addicted to any substance and this causes a negative impact on his/her job, no matter if employee or collaborator, he/she will be precluded from work.

#### ***Art. 37 – Smoking***

Our Company imposes the respect of no smoking working areas according to the rules and regulations enforced by the Law. More generally, it is anyway forbidden to smoke if by doing so you jeopardise the safety of people and the healthiness of the environment.

## Chapter IV – OUTWARD RELATIONSHIPS

### *Art. 38 – Relations with Customers*

The Company achieves its business success on national and foreign markets through the offer of products of quality and by paying constant attention to the specific requirements of each single customer.

Our commercial policies are finalised to ensure the quality of goods and to promote the whole satisfaction of our clients' requirements.

All the recipients of this Code of Ethics must therefore:

- Keep to the inner procedures in order to master the relationships with customers.
- Supply, with courtesy and efficiency, and within the limits of the contract provisions, quality products capable of satisfying the reasonable requirements of the clients.
- Provide accurate, correct and truthful information about the products, so that customers can make good decisions.

Outside the normal commercial promotion activity, it is absolutely forbidden to attempt to improve or influence in any way, directly or indirectly, the outcome of the negotiations.

### *Art. 39 – Relationships with suppliers*

The principles applied to the relationships with customers must characterise the commercial relations our Company has with the suppliers, with whom our dealings are based on correctness and transparency.

In a particular way, the selection criteria for the assignment of the orders are subordinated to objective and transparent evaluations of their professionalism and entrepreneurial structure. In this respect, particularly relevant are quality, price, the way the service is carried out, and the delivery terms.

We guarantee the adherence to the a.m. principles by adopting and keeping to the internal procedures regarding purchases and suppliers' selection. These are made aware that they must perform their activity following standards of conduct coherent with those provided by this Code of Ethics.

Our Company adopts suitable comparative evaluation criteria to identify the best contractor in terms of cost-effectiveness and quality of the goods and services supplied. The process of acquiring possible new suppliers is based on economics, reliability, and transparency criteria.

The remuneration to be paid to a supplier must be commensurate exclusively with the service pointed out in the contract. The pertaining payments will anyhow not be made to parties other than the contractual counterparty, nor can they be made in a third country different from that mentioned in the contract.

When we choose third parties in order to execute all kinds of deals, including those carried out with consultants and professionals, we keep in mind the specific skills, the ability to supply a service with the required qualitative level and within the expected terms. We also consider the economic commitment of a service lender and the possible guarantees they can offer.

No sums or goods in kind of whatsoever amount or value, even indirectly in the form of donations or other benefits, can be accepted if they are provided in the interest of suppliers themselves.

Any employee who should receive explicit or implicit claims for benefits must stop the business relationship with the applicant at once. He/she must report the fact to the Committee of Supervisors.

***Art. 40 – Relations with Consultants and external Resources***

For the relations with consultants and external resources our Company standardises its own conduct in accordance with the ethical principles contained in this Code of Ethics.

All the employees must inform the external parties of the contents of this Code. The obligations provided in this Code of Ethics must be met as far as their activity is concerned, and they must be told to do so. In case of non-fulfilment of any external party to the Code obligations, the employees have to report that to the Committee of Supervisors.

***Art. 41 – Business Partners and competitors***

Our Company establishes its relationships with its business partners and competitors based on the prompt respect of Laws and market rules and regulations, also abiding by the inspiring principles of loyal competition. Every form of potentially illicit or collusive agreement or behaviour is fought against.

We respect privacy when we collect information about our competitors, and we avoid all forms of pressure on competing employees, former employees, clients and suppliers.

Every operator of our Company must refrain from giving competitors information about the product pricing policy, the corporate market interest, the products under development, sales and marketing plans, key costs such as research and development ones and the working cost, and more in general all kinds of information that may cut or undermine our Company's competitive advantages.

***Art. 42 – Minors' protection***

We undertake not to entertain business relationships with Italian or foreign customers and suppliers who do not respect the national and international rules and regulations as far as minors' protection is concerned. The same applies for the exploitation of child labour.

**Chapter VIII – FINAL RULES*****Art. 43 – Efficiency of the Code of Ethics***

Compliance with the rules of this Code of Ethics must be considered an essential part of the contractual obligations of the employees of our Company, pursuant to and by effect of Art. 2104 of the Civil Code.

The infringement of the ethical rules constitutes a serious breach of the primary obligations of the work relations. This would imply all the legal consequences even as far as the job preservation is concerned, including compensation for the damage caused.

The violation of the rules and regulations can lead to the impositions of the sanctions foreseen in the relevant special part of the Model.

***Art. 44 – Referral***

The contents of this Code of Ethics is co-ordinated by the provisions contained in the Statutes of the Civil Code and the Criminal Code. We refer to the criminal offences applicable to the Company's activity, as well as to the National Collective Bargaining Agreement and that of Managers', besides any other specific and regulatory Act of Law in force.