

C O D I C E **ETICO**

CODE OF CONDUCT



**BONDIOLI
& PAVESI**



CODE OF CONDUCT



NOTES: This document is the English version of Italian document; some enclosures were not translated because they refer to internal documents.

INTRODUCTION

At present companies take on more and more responsibilities, and not only as for the economic effects of their business. In fact, they play more extensive and wide roles.

While efficiently complying with more and more requirements, companies should prove their awareness that their production cycles and consequent final products include interests which do not only affect the consumer, but the citizen mainly.

These are interests that aim at protecting the environment, health, safety and security, jobs, futures, and the wealth of the entire community as well as the social relationship system. The protection of these interests is implemented through environmental commitment, social commitment and good corporate conduct. These moral obligations are expressed in this document and are the basis of the “Sustainability Policy” of the Bondioli & Pavesi Group.

Within such a frame, excellence is always looked for and promoted when supplying products and services through a constant and punctual stimulation of the design, research, production and sale processes, in the respect of any employee, customer, supplier and the environment where the factory is located.

Therefore, the company decided to enforce the present Code of Conduct drafted as a real Declaration of Relationships that the company develops with its Stakeholders (shareholders, customers, employees, suppliers).

Within the scope of the Code of Conduct, the terms of the 24/2023 (so-called Whistleblowing Decree) are also implemented. This Legislative Decree relates to the reporting of violations of the law acquired in the workplace and the protection of people who report such violations.

The Code of Conduct defines values the company strongly believes in and which it would like to be committed to, it puts forward the principles of conduct they depend on, according to the relationships with its Stakeholders. Such a tool is functional to the increase of everybody's consistency inside the company as to get the confidence of the relative interlocutors.

The present Code of Conduct, integral to the contract commitments which any Company consulting signs, is destined to the following operating units:

- **Finsuge S.p.A** – service company in Suzzara (MN), Via XXIII Aprile, 35/A
- **Bondioli & Pavesi S.p.A.** – production units in Suzzara (MN), via XXIII Aprile, 35/A, via dell'Artigianato 5/B (CGH), via della Pace 1 (COMS);

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- **Bondioli & Pavesi Sales & Logistics S.p.A.** - production units in Suzzara (MN), via XXIII Aprile, 35/A and via dell 'Artigianato 3/B (Terminal), production units in Pieve di Cento (Bo), via Zallone, 20.
- **Dinoil S.p.A.** – production units in Montecchio Maggiore (VI), via C. Colombo 5 and Via S. Caboto 40/42.
- **Fira S.p.A.** – company in Dosso di Terre del Reno (FE), Strada Statale 374/B
- **HP Hydraulic S.p.A.** – production units in Pieve di Cento (BO), Via del Fosso 12 and Via Zallone 20 and in Castello d'Argile (BO), Via del Vasaio 1 and Via Calzolari 4
- **Tecnomek S.p.A.** – company in Lestans di Sequals (PN), via dell'Artigianato 19
- **Siboni S.p.A.** – company in San Martino in Villafranca, Forlì (FC), Via Lughese 161/A

Hereinafter they are referred to in the rest of the text, briefly, as “companies”.

This document expresses the ethical values and principles of behaviour that must inspire the management of all the Group's companies both in Italy and abroad and all who work there.

On the company's official website, the versions of the foreign companies that have adopted this Code of Ethics are available, adapted in compliance with their current regulations and in their own language.

The Code of Conduct for the above-mentioned companies is available to any employee, shareholder, partner, and supplier in pdf format on the company intranet and on the official web site.

A digital copy version was shared with any employee and it is shared with newly hired operators by the company App.

Company mission

Companies work as to supply excellent products and services to their customers, profiting from the highest possible development in each single territory. Companies strongly believe in growth duly paying attention to sustainability in time of results and aiming at consolidating them on the reference markets.

Such a result can only be obtained through a virtuous loop based on trust, competences and relationship transparency based on the customer and shareholder satisfaction, on the company family membership, on the closeness to the real requirements of communities and territories.

Reference values

The reference values are the expression of the company culture and they represent on the one side a tool allowing better complying and interpreting the various possible situations and on the other a gold which to tend to as a unique and outstanding feature of the company activity aiming at the future.

The growth strategy aims at creating stiff and solid values, under the economic, social, and environmental viewpoint, based on confidence of the actors and mainly based on the hereinafter listed values.

1. Loyalty and transparency

All those who work in companies uprightly behave, well balanced and respecting each other. They are all inspired by profound principles such as honesty, correctness, transparency and good faith to the Stakeholders and other people they interact with, for whatever reason, when carrying out their businesses.

The management should stand out for its upright behaviour, transparency, loyalty besides discouraging attitudes and conducts which are not in line with the company values.

2. Value of the person

The value of the person as such drives the way of conducting, listening, and speaking as a driver for a constant improvement of any relationships with the company stakeholders.

Within the above-mentioned companies, people represent an absolute and unique value: thanks to their individual contribution companies reached the present positioning and are able to keep it as well as to confirm their credibility and fame.

3. Diversity and inclusion

The Group is committed to maintaining a peaceful, inclusive and diversity-respectful working environment. Any discrimination whatsoever is forbidden in any conduct and everybody is committed to comply with any difference in terms of genre, age, race, religion, political party or trade union membership, sexual direction, language, or skills.

4. Sense of affiliation

For the above-mentioned companies, the sense of affiliation to the company means sharing the same goals, being proud to be part of the single company and the company group, mutually supporting each other, mainly in case of problems.

5. Excellence of the product and service

The above-mentioned companies share the constant goal, unique in their DNA, to constantly improve, challenging the future, anticipating any challenge, cultivating the staff widespread creativity, and enhancing their merits, whenever required.

6. Teamwork and competence

Be part of a group is everybody's right. Gather a winning team is a duty of the managers of the above-mentioned companies. The managers and operators should in general drive and spur teamwork among colleagues, motivate and involve them, stimulating interdisciplinary and multifunctional working team, efficient and effective as well, to professionally take part to the team, with the highest possible co-operation and result oriented. Thus, each employee will increase his/her competence thanks to the constant technical exchange.

7. Communication and dialogue

The B&P Group identifies communication and dialogue as the foundation on which the relationships among the above-mentioned companies are grounded.

All managers are required to promote, both within their function and with the Company other business roles, mutual discussion, constant exchange of information and teamwork, setting an example through their own behaviour.

It is understood that all collaborators must, in turn, follow the same approach.

8. Sustainable commitment

Supporting activities of a social, humanitarian, environmental protection and sustainable development of the territory and carrying out activities on health and safety in the workplace means actively interacting with Civil Society, proposing itself as a participant in achieving social well-being.

Any employee is requested to professionally take part and co-operate to any social initiative, organised by the above-mentioned companies and they are supposed to enforce environmental and health-care-friendly behaviours, for themselves and their colleagues.

The Management should support and drive mutually respectful relationships between employees, through its example as well.

The Group promotes responsible practices in its business processes and in the development of its products, based on the ESG (Environment, Society and Governance) principles. By using the most recent technologies in the production phases, we try to reduce our environmental impact, through

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the energy saving, the reduction of CO2 emissions, the waste produced and the adoption of materials recycling or reuse practices.

Concerning the SDGs (*Sustainable Development Goals*), in the "Summit on Sustainable Development" the leaders of the 193 UN member countries defined the 17 Sustainable Development Goals, 5 of which can be associated to the same "Reference Values" as shown in this Code of Ethics which acts as a guideline for the Bondioli & Pavesi Group.



2030 Agenda, the 17 Sustainable Development Goals.

GOAL 5 AGENDA 2030 – GENDER EQUALITY



"Achieve gender equality and empower all women and girls."

➤ B&P Group Code of Ethics Reference:

✓ Reference Values n.3, Diversity and Inclusion

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Drafted by:
HR department and
CE President

Approver:
Chairman
Directors

✓ 9.3 Staff Management

✓ 9.7 Integrity and people protection

The inalienable right to gender equality is one of the reference values included in this Code of Ethics. In this context, respect for the person, as well as the evaluation of the skills and abilities of our collaborators constitute an effective tool for professional growth and social development.

GOAL 7 AGENDA 2030 – AFFORDABLE AND CLEAN ENERGY



“Ensure access to, affordable, reliable, sustainable and modern energy for all.”

- B&P Group Code of Ethics Reference: 9.5 Safety, security, health, and Environment

By using affordable, reliable, and modern energy services, we seek make energy efficiency grow.

GOAL 9 AGENDA 2030 – INDUSTRY INNOVATION AND INFRASTRUCTURE



“Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.”¹

- B&P Group Code of Ethics Reference: Reference value n. 7, **Sustainable** commitment

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Companies can contribute to the progress of this goal by strengthening Research and Development, with a special focus on digital skills, since scientific and technological progress represent tools for growth, social development, and environmental safeguard:

- we favour innovation, by trying to improve our products, services, production processes and internal management, according to sustainability criteria;
- we implement sustainable, resilient, and quality plants and factories for the well-being of our collaborators and the local Community;
- we offer all workers access to Information and Communication Technologies (ICT) and promote their transmission along the supply chain;
- we invest in research and development which focus on technological advancement and innovation in activities.

GOAL 12 AGENDA 2030 – RESPONSIBLE CONSUMPTION AND PRODUCTION



“Ensure sustainable consumption and production patterns”.

- B&P Group Code of Ethics Reference: 9.5 Safety, security, health, and Environment

As stated in the Code of Ethics, we strive to maintain an environmentally friendly approach within the production process by adhering to sustainable and conscious purchasing policies designed to avoid waste of materials, resources, and energy.

We intend to reduce waste through prevention and, where possible, recycling.

Our eco-friendly handling of chemicals complies with regulations designed to significantly reduce the chemicals release into air, water and soil, thus minimizing their negative impact on human health and the environment.

GOAL 13 – CLIMATE ACTION



"Take urgent action to combat climate change and its impacts".

- B&P Group Code of Ethics Reference: 9.5 Safety, security, health, and Environment

Being aware that the containment of greenhouse gas emissions will only be achieved with a globally shared and environmentally conscious conduct, we strive to:

- reduce consumption by improving energy efficiency;
- implement and use low energy consumption systems and equipment;
- progressively reduce our waste, embracing alternatives which are as eco-compatible as possible and / or by using easily recyclable materials and managing their correct disposal.

Conduct and behavioural principles and related standards

The Code of Conduct, mainly, is binding for any employee and external consultant as well as the above-mentioned companies (hereinafter called "Consultants").

More precisely any consultant is requested to:

- Act and behave according to the regulations in force, as for the main issues defined in the present document.
In Enclosure A, there is the list of the Italian criminal code as for any issue disclosed in the present Code of Conduct.
- Act and behave according to what specified in the Code;
- Signal to their managers any violation to the Code, whenever informed;
- Co-operate in the definition and compliance with the internal procedure set to enforce the Code;
- Refer to the relative manager as for the parts of the Code to be interpreted and/or clarified.

Suppliers, commercial Partners - as well as everyone directly or indirectly working at any level whatsoever with the above-mentioned companies - to correctly behave according to what specified in the Code of Conduct.

1 Relationships with the shareholders

A constant dialogue is to be kept with shareholders, while committing to:

- Promptly inform them about any action and decision which could consistently affect their investment;
- Provide the availability, in two advances, of the documents for the meeting;
- Provide for the ordered and functional meeting operations, in compliance with the fundamental rights of any shareholder to ask for information and clarifications on the different topics discussed and to express his/her opinion;
- Provide for efficient facilities as to manage relations with shareholders.

2 Relationships with suppliers

The relationship with the company suppliers must be mainly managed by appointed managers or operators.

2.1 Selection of the supplier - Certification of the supplier

Purchase and supply processes are substantially based on an edge or competitive advantage for the company, on the possibility to grant equal opportunities to each suppliers and what is more they are based on pre-contractual and contractual behaviours mainly loyalty -, transparency -, confidentiality - and co-operation-oriented.

The Group should check all the available information on its commercial partners, as well as to check their respectability, and the legitimacy of their activities before starting any business relationship.

People thus appointed should not allow any supplier, entitled and with the two requirements, competing to be assigned a contract, while enforcing when selecting possible candidates substantially objective and documented criteria. Principles any supplier relationship is based on, during the selection and then throughout the entire supply relationship, are defined in the quality system procedure PG10 "Supply management".

Among the different contract documents governing the relationships with any supplier, whenever required, there is the Confidentiality Agreement, as well as the Supplier Code of Conduct (the latter is a document by which the principles contained in the Code of Conduct are considered across the

entire supply chain). The document describing modes and methods to manage and disclose confidential information is procedure PG12 “Confidential information management”.

2.2 Integrity and independence

Any relationship with supplier is governed by common principles, constantly monitored by the company. Any contract signed with suppliers is to be based on clear principles, avoiding dependency whenever possible.

Thus, company suppliers should inform the company when their turnover is greater than 50% of more of its total turnover.

It is furthermore not at all correct to drive a supplier to sign unfavourable contracts, while promising a following more profitable contracts.

As to be transparent and efficient throughout the purchasing process, appointed people should keep in compliance with regulations in force or according to the internal procedures, any document relating to single choices of any supplier, whenever documented.

2.3 Supply ethical issues

Nobody working with the above-mentioned companies, even under pressure, should promise and/or pay or receive money, promise and/or grant whatever goods or benefits, indirect too to any supplier, simply aiming at promoting or supporting the interests of one of the above-mentioned companies.

Nobody working in a company is entitled to avoid complying with similar prescriptions, for example turning to different types of benefits or contributions through sponsorship, charges, consultancies, ads, etc., aiming at the same goals. The companies will pay in time any performance, good or service provided by a supplier.

The Group carries out its business activity in compliance with anti-money laundering legislation and of any rule approved by the competent authorities, thus refusing any suspect activity in terms of correctness and transparency.

The Group pursues a Purchasing Policy firmly anchored to the ESG principles, promoting them within its supply chain. These principles are the foundation of its business practices and guide every decision towards goals of ethical and operational excellence.

2.4 Conflict Mineral Policy

The metals tantalum, tungsten, tin, and gold "3TG" also known as "conflict minerals" are extracted from many different locations including the Democratic Republic of the Congo and neighbouring countries (Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, Sudan, Tanzania, Uganda, and Zambia).

Given that these are high-risk areas and fearing that the purchase of extracted minerals will finance the armed forces of these conflict-affected countries, causing deaths among citizens and violations of human rights, such as forced labour and the abuse of women and children. The American Government, followed by the European Union decided to establish specific laws.

The United States Congress enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"). Section 1502 of the Dodd-Frank Act ("Conflict Minerals Rule") requires US listed manufacturing companies to produce their goods with "conflict free" minerals.

The European Union has issued a specific Regulation (EU) 2017/821 of the European Parliament and of the Council which came into force on January 1st, 2021. The Regulation "establishes obligations regarding the due diligence in the supply chain for importers (including foundries and refineries) of tin, tantalum, tungsten and gold, originating in conflict-affected or "high-risk" areas.

Bondioli & Pavesi is committed to constantly operate in a socially responsible manner, embracing a policy designed to discourage the purchase of products containing minerals extracted in conflict-affected or "high-risk" areas, and this commitment is also required of its suppliers.

3 Relationships with customers

The Group promotes the company success complying with any customer requirement, professionally, correctly, and honestly working in compliance with any regulation on loyal competition. Honourability and professional expertise of its commercial partners are the foundation any Group economic relationship is based on. Companies should work with reliable and sound commercial partners. Thus, it is entirely forbidden to develop any business relationship with companies that are not commercially reliable and professional.

Any relationship with customers is to be mainly managed by the appointed departments and consultants, as reported in the Quality system procedure PG08 "Processes relating to the customer".

Among the different contract documents regulating the relationship with the Customer, whenever required, there is a confidentiality agreement. The document describing the confidential information mode management is procedure PG12 “Management of confidential information”.

3.1 Impartiality with the customer

Everybody is committed not to substantially discriminate arbitrarily any customer.

3.2 Ethical aspects of consultants to customers

The behavioural style of any consultant as for any assigned task and for relationship with customers is mainly based on the following elements:

- ⇒ Enforcement of a correct, friendly, and available behaviour in any situation;
- ⇒ Signalling to the appointed supervisor any problem or critical issue;
- ⇒ Constructive commitments to solve possible problems;
- ⇒ Spreading out of clear and true information;
- ⇒ Protection of the company, shareholders, supervisors, and colleagues' hunger.

Everybody should lead to a co-operative and highly professional behaviour.

3.3 Quality and customer satisfaction

Everybody is committed to provide for very high quality standards for offered products and services, according to predefined levels and to periodically monitor the perceived quality, in line with what defined in the Company quality system procedure, PG08 “Processes relating to the customer”.

4 Relationship with the institutions

Company relations with the local, national, community and international public institutions are managed by the appointed company managers and consultants, in compliance with the regulations in force and according to the general correctness, loyalty and transparency principles.

Similarly, any other relationship with public officials or people liable for public services, or bodies, representatives, agents, managers of public functions, public institutions, public administrations, public and economic bodies, institutes and local, national, or international public companies.

No change to all the obligations imposed by the relations in force, any consultant should avoid - during any business relationship, requests or commercial relations with public institutions or officers - enforcing (directly or indirectly) the following actions:

- Examine and suggest employment or commercial opportunities to the benefit of the employees of the Public companies or officers, with a personal interest;
- Offer or supply, accept or encourage gifts, favours or commercial and behavioural practices which are not based on transparency, correctness, and loyalty, and anyhow which do not comply with the application regulations in force;
- Request or get confidential information possibly compromising the integrity or fame of both parties or however violating an equal treatment or public evidence procedures enforced by public institutions or officers.

4.1 Public financing

Contributions, aids, financing, loans at preferential rates and any other benefit received from the Public administration (including tax reliefs, licenses or authorizations) should only be based on legal provisions and they should only be destined to the main purpose they are granted for.

It is severely forbidden to provide for economic advantages through false or misinterpreted documents or tampering with any demanded information.

At the same time, it is forbidden to use any aid, provided benefit or financing whatsoever for different propose then what they are granted for.

The different liable subject throughout the different project phases are to be identified, clearly and separately identifying people liable for the production processes and people liable for in-progress document drafting. What is more specific hierarchical control activities are forecast on practices and on the documents to be forwarded to the competent institutions

4.2 Relationship with the Judicial authorities, Inspectorates and Control authorities as well as with the Police.

Any relationship with the Judicial Authorities, police, and inspectorates (INPS, Labour Ministry, Inland Revenue Office, and any other Public administration) are constantly to be based on availability and cooperation.

The receivers of the present code, according to the enforced provisions for each single activity sector, should promptly and transparently respond to any request forward by Public authorities.

It is entirely forbidden to change, supplement, destroy documents, accounting registers, minutes, and records as to put forward any false declaration to the competent Authorities in case of judicial procedures, surveys, or inquiries.

It is not allowed to influence whoever is liable for controls or inspections with gift, cash, or whatsoever benefit.

5 Relationships with the competition

The commercial development company activity is to be enforced, in general, in compliance with correct economic principles, in a regular market context, and loyally competing with Competitors.

6 Communication to the outside

The company communication to any stakeholder (through the mass media too) is substantially based on the information right respect. No false or incorrect information and/or comment can be disclosed.

Any communication activity complies with the regulations, rules, professional behaviour practices and it is clearly, transparently, and promptly enforced, protecting among others the price-sensitive information and any industrial secret.

Any pressure or favourable attitude by the communication means is not correct.

As to provide for complete and coherent information, the company relations with mass media are only managed by the appointed department.

It is useful to take part in conferences, seminars and working tables, besides scientific, social, and economic publication presence as for any activity according to the following general behavioural rules:

- Participation to any congress to a limited number of company consultants;
- Early communication to the company of the relative willingness to take part to a company event or reception by the management to take part to the events;
- Approval by the company management or any appointed manager, of technical/scientific documents, drafted to the publishers.

7 Economic relations with political parties, trade unions and associations

Companies are not entitled to finance any political party in Italy and abroad, their representatives or candidates; they are not allowed to sponsor any congress or party with a political propaganda goal.

They must avoid any direct pressure on political members (for example granting company facilities, signalling for employment, consultancy contracts).

In general, the companies do not pay any contribution to organizations in case of conflict of interests (for example trade unions, environmental-protection associations, or customer protection associations as well). However, it is possible to co-operate, financially too, with such organisations for specific projects according to the following criteria:

- Goals linked to the company mission;
- Clear and documented destination of resources;
- Explicit authorisation by the appointed departments to manage such activities and relationships within the company.

8 Gifts and benefits

It is substantially forbidden to offer, directly and indirectly, and to personal benefit, money, gifts or whatsoever benefit to customers, suppliers, partners or whoever has any relationship with the above-mentioned companies as to offer unfair advantages.

Commercial courtesy acts, such a gifts or hospitalities, are only allowed after being authorised by the manger, low in values and however not compromising one of the party's integrity and fame, and not affecting the receiver judgement independence.

Similarly, no consulting company should receive, in general, any gift, invitation or favourable treatment, if not within any courtesy normal limits and however with a symbolic value. In all the other cases, consultants are liable for signalling any episode to their supervisor, deciding then whether to return the gift or to better use what received, while informing the donor of the company principles on the subject.

9 Relationship with consultants

9.1 Staff selection

The staffs to be employed selection is mainly enforced according to the correspondence of any candidate profile to the expected company requirements, granting equal opportunities to everyone.

Requested information is strictly linked to the assessment of the person professional or psycho-attitudinal profile, in compliance with privacy and candidate opinions as well.

Therefore, the companies to which this Code of Conduct applies undertake to carry out personnel selection processes in accordance with principles of neutrality and impartiality, preventing any form of discrimination based on age, sexual orientation, gender, disability, religion, or political opinion.

9.2 Set up of a working relationship

The staffs are hired according to a regular labour contract. No tolerance to any working activity against the law.

As part of the recruitment procedures, the candidate's identification documents are presented to the Human Resources Department solely for a formal check, after which they are returned to the candidate.

Upon establishment of the employment relationship, each employee receives from the Human Resources Department a form entitled "Onboarding Path" (MDUP07), setting out the main steps envisaged for their integration into the Company, which generally includes information relating to:

- ⇒ Features of the tasks and activities to be enforced;
- ⇒ Regulation and compensation issues, according to the national labour contract;
- ⇒ ***explanation of the Code of Conduct, the Quality Policy and the Company Internal Regulations;***
- ⇒ Regulations and procedures to be adopted as to avoid possible health-care risks connected to the company activity;
- ⇒ Procedures to be enforced as to guarantee the company information and data privacy which the consultant will be informed of and which are identified as confidential by the company, according to what reported in the dedicated procedure within the Quality system PG12.
- ⇒ ***information and presentations useful for the employee's integration into their role.***

The consultant is disclosed such information as to allow the contract acceptance being based on a real mutual understanding.

9.3 Staff management

Companies avoid any luck or discrimination against the consultants.

As for management and staff development process during the selections as well as the decision taken are based on the correspondence between expected profiles and available profiles of the consultants (for example in the case of promotion or transfer), and/or on merit considerations (for example incentives granted according to the reached results).

Access to roles and tasks is defined taking any competence and skill into account. What is more according to the general operating efficiency, flexibility of the working organization is supported in compliance with the labour contract and with the regulations in force.

The consultant assessment is mainly enforced in compliance with the single manager proposals after listening to the appointed manager requests, trade unions and whenever possible, people who evaluated the consultant. The final decision is taken by the Manager or his/her appointed representative.

9.3.1 Disclosure of personal information

Information on the staffs is mainly available to any consultant through the company communication tools (organization and communication documents to managers, communications and declarations available on the company notice board, communications spread out on the delivery of the payrolls, through the company newsletters, Company App “B&P People”, Intranet).

Information spread out to the staff mainly deals with: working times, holidays, salary equalization fund, information on the company development, safety, security and health within the working environment, recently hired people, enjoyment and playful proposals, compensations connected to the national or company labour contracts or based on different trade union contracts, production trends, company technical and organization issues.

9.3.2 Resource enhancement and training

Managers profit and support, whenever possible, professionalism of people present within the structure, while activating any possible lever to enhance the development and growth of the consultants (through job rotation, coaching by expert staff, experiences leading to higher liabilities activities).

In this context, where applicable, activities relating to the “Assessment of Skills and Knowledge” and the “Assessment of Objectives” are of particular importance, so that

employees may pursue the continuous improvement of their skills, also through targeted training.

Companies provide, whenever required, to their own staff, information and training tools, aiming at enhancing and improving their specific skills and preserving and protecting their professional staff value. Generally, people are driven to attend internal and external courses (for example by machine manufacturers), and any available course is advertised on the notice board.

The definition of the training requirement, training modes and assessment of any action and measure enforced are specified in the dedicated procedures in the Quality system, PG06 "Resource managers".

9.3.3 Working time management of the workers

Each manager should correctly organise the working time of their consultants, asking for performances consistent with the roles and working organisation plans as well.

A clear abuse of authority, as two measures enforced by the higher supervisor, implies the request for performances, personal favours or any behaviour violating the present Code of Conduct.

9.3.4 Involvement of consultants

The staff and consultant involvement are driven when working, including attendance to discussion or functional decisions while aiming at reaching the company goals.

The consultant should take part to such an activity in a cooperative way and with his/her independent judgment.

9.4 Intervention on the job organization

In the case of a job re-organization, in general the value of any human resource is protected, enforcing, whenever possible, training and/or professional re-qualification measures.

Companies mainly comply with the following criteria:

- Charges and burdens of the re-organization are as uniformly as possible spread on all consultants, in line with the effective and efficient company activity:
- In case of new or unforeseeable events which are to be explained, anyhow, the consultant can be turned around and move to different activities in comparison to his/her previous tasks, paying attention to duly preserve his/her professional skills and competences.

9.5 Safety, security, health, and environment

Companies cover the entire value chain, looking for the best quality levels, and duly paying attention to the safety on the job and to the environment where consultants work. Thus, companies consistently invested in installations and machineries to improve safety standards, environments, and training/information activities of their staff.

The competent manager, in general, monitors and does his/her best as to grant a suitable working environment in terms of staff safety, security and health, in line with the regulations in force on the matter and according to what reported and forecast in the company documents relating to the environmental issues and safety, security and health as well (company policies, education and prevention projects, sensitivity campaigns).

Likewise, the competent manager undertakes to comply with environmental legislation and company procedures, including technical standards such as ISO 14001 and ISO 45001 and followings amendments and additions where required. All the documents, the procedure and the instructions related to “Safety, Environment and Energy” can be consulted in the dedicated area of the company intranet, called “Safety, Environment and Energy”.

Documents relating to the environment can be consulted in the dedicated section of the company intranet web site section inside the folder “Documents for the environmental management system”.

The environmental policy of the group pays attention to the issues of

- Energy efficiency
- Waste reduction
- Phase-out of harmful chemicals in the production process
- Mindful use of water

The Group undertakes to implement, in all production plants, measures to limit the negative impact of the activity not only by operating in a preventive manner when the risk of harmful or dangerous events is proved, but also as a precautionary measure when there is no certainty of the risk and its magnitude.

The companies of the Group therefore aim at implementing production processes with low environmental impact starting from the selection of production raw materials and to continuously improve the processes aimed at this objective.

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Bondioli & Pavesi Group operates in full compliance with the legal system of the European Union in terms of use of chemicals; for instance, we can mention the Regulation (EC) No 1907/2006 (REACH) and the RoHS Directive 2002/95 EC, as well.

Companies are mainly committed to spread out and consolidate a security, safety, and environmental protection culture, developing the awareness of risks, promoting responsible behaviours by consultants. What is more they do their best to protect, through preventive actions mainly, operator security and safety as well as the environment where they work and the external environment as well as including the stakeholders' interests.

The awareness that the progressive spreading of new information technologies (in particular, the free access to the Internet from Personal Computers, tablets and smartphones) constantly exposes employees, operators and company assets to risks for their own security, led to the introduction of an "Internal Company Regulation of the Bondioli & Pavesi Group", explaining methods and rules of conduct as for the use of mobile phones and other electronic devices of information systems, personal computers and electronic mail on the job and during working activities.

The correct use of telecommunications and IT systems, as described in the aforementioned Regulation, constitutes, together with the other procedures in force, an integral part of the obligations each employee must scrupulously comply with.

Companies mainly tend to protect their own human, asset and financial resources constantly looking for synergies required not only inside companies but also in co-operation with suppliers and customers involved in their activities.

In general, companies implement activities as to prevent and monitor on the reference scenario evolution and the consequences of the change in risks, aiming at defining and defining technical, organization and training interventions mainly oriented to safety.

Substantially through:

- ⇒ Safety and environment organization models
- ⇒ A constant risk and criticality assessment as for safety and environmental processes;
- ⇒ Enforcement of the best possible technologies in line with the company requirements and strategies;
- ⇒ Control and update of working methods;
- ⇒ New training and information and communication proposals

As for the supplier access and more in general of people from outside the company, they can view information documents on safety and most suitable access modes, movements and exist from the above-mentioned companies. Documents referring to provisions for outside people can be consulted in the dedicated area of the company intranet, called “Safety, Environment and Energy”.

9.6 Protection of the privacy

The privacy of any consultant is protected enforcing standards including information that the company asks to the consultant and relating processing and storage.

Any survey on ideas, preferences, personal tastes and in general private life of consultant is forbidden. Such standards forbid, except for any assumption permitted by the law, spreading out/disclosing personal information without the approval of the person affected in due advance and set the rules as for the control by each consultant, of standards to protect their privacy.

9.7 Integrity and people protection

Companies are committed to protect the moral integrity of consultants while protecting and offering working conditions complying with their personal dignity. For such a reason, companies protect workers undergoing psychological violence and forbid any discriminatory or harmful attitudes or behaviours against people, their beliefs, and preferences (for example, in case of offences, menaces, isolation or excessive invasiveness, professional limitations).

No sexual harassment is tolerated, and any attitude or discussion is to be avoided possible affecting the sensitivity of the others (for example images with explicit sexual reference, constant or continuous comments with allusions), as forecast by the regulations in force.

Any consulting company possibly victim of harassment or discrimination for reasons connected to age, sex, sexual practices, race, health conditions, disability, nationality, political opinions or religious beliefs can report what happened to the Ethical Committee then assessing the measures to be enforced in case of a real violation to the Code of Conduct.

It is forbidden to be a member of organizations, associations, movements or groups inciting discrimination or violence on the grounds of race, ethnicity, nationality or religion or spreading, supporting or inciting, in whole or in part, the denial, minimization or apology of the Shoah or crimes of genocide, crimes against humanity and war crimes.

9.8 Duties of consultants

Consultants should correctly behave in good faith, as to comply with signed obligations in their work contracts and with the Code of Conduct, granting the requested performances. They should report through the specific channels any violation to behavioural and conduct rules specified in the internal procedures.

9.8.1 Information management

The Group is convinced that the disclosure of correct, complete, and true information on the company as well as the required confidentiality on any information is required to develop a confidence relationship with its partners. Therefore, the Group employees and consultants should keep any company confidential information whenever they inform during their employment, they should avoid any unauthorised third-party access as well as any information disclosure.

The consultant should recognize and enforce what imposed and forecast by the company policy as for safety of the information as to guarantee its integrity, confidentiality, and availability. He/she should process their documents, in a clear, objective, and complete language, thus allowing any possible controls by his/her colleagues, managers and authorised subjects asking for them.

9.8.2 Processing of confidential information

In carrying out their activities, employees who become aware of sensitive data and confidential information, commit to process them in compliance with all the laws in force on confidentiality, i.e. the General Data Protection Regulation (GDPR) (EU Regulation no. 2016/679, "GDPR"), enforced by the Italian legislator with Legislative Decree no. 101/2018 and best practices for the protection of privacy.

Confidential information mainly consists of:

- Accounting and personal information on customers/suppliers
- Commercial information
- Projects, technical data, initiatives, and contracts as for the company activity, which are not known by the wider public
- Forecasts and balance information, consolidated as well, belonging to the companies, until they are disclosed to everyone after the approval of the Financial year and consolidated financial year financial statement.
- personal data, salaries and all data relating to the company staff.

Such information is only to be processed by authorised employees according to their activity and only for whatever required to carry out their activity.

In general, consultants, for working reasons, requested to be disclosed a confidential information, should not disclose it out to third parties if not obliged to for office or professional reasons, after being duly authorised by the relative supervisor. In the case of communication to third parties, the disclosed information is to be identified as confidential information and therefore the affected third party will have to keep it confidential.

The internal disclosure and disclosure to third parties of any document including confidential information must be organized in an attentive manner as to avoid prejudices against companies and undue disclosures.

Any information not available to the wider public is to be considered confidential and they should only be used within each specific working activity.

More precisely it is entirely forbidden to consult confidential data for unprofessional reasons. Any violation will be punished by a disciplinary measure

The document describing the confidential information management mode is procedure PG12 "Confidential information management".

9.8.3 Conflicts of interests

Any consultant should avoid, in general, any situation where there are conflicts of interest and refrain from personally profiting from business opportunities they were informed of during their activities.

As an example, which is not comprehensive, however, there could be conflicts of interests in the following situations:

- Any management function (managing director, advisors, managers, supervisors) and common economic interests with suppliers, customers, and competitors (shareholding, professional activities, etc.)
- Managers of any relationships with suppliers and a working consulting activity, through a relative as well, by the suppliers;
- Accept money or benefits and favours from people and companies intending to have a business relationship with the above-mentioned companies;
- Any collusive behaviour, favour, pressure, and solicitation towards third parties as to be granted personal advantages and/or career developments for themselves or others.

In case of any possible apparent conflict of interest, the consultant should inform his/her direct manager, who, according to the forecast modes, informs the company management then assessing case by case the event. The consultant should provide information on the activities he/she carries out in his/her leisure time, in case of possible conflicts of interests with the above-mentioned companies.

9.8.4 Transparent accounting and traceability of financial flows

The accounting and related registrations and records should comply with specific principles, such as truth, correctness, and information completeness.

Thus, any employee should:

- Correctly and completely record any economic operation and financial transaction;
- Completely, transparently, and accurately represent the company activity;
- Correctly store any document referring to any operation, transaction, or activity, as well as to support any possible control or survey in the future;
- Logically record and store such documents as to be able to easily track them;
- Allow any control possible confirming the transaction features and motivations;
- Supply any auditors or control entity, internal as well as any complete, true, and clear requested information.

Operations which could involve the Group or any company belonging to the latter in receiving stolen goods, money laundering, using goods or money of unlawful origin, or self-laundering, are prohibited.

The traceability of financial flows can be considered as the major hindrance and prevents unlawful behaviour at the same time. For this purpose, the companies belonging to the Group usually spread fiscal and accounting standards to all the employees concerned and establish procedures allowing financial resources to be managed according to these criteria: transparency, fairness, and truthfulness.

The traceability of financial flows allows a reconstruction of the accounts regarding each operation to be carried out, and the companies' executives that have determined the use of such resources to be identified.

9.8.5 Use of the company assets

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Any consultant should diligently do his/her best to protect the company assets, through responsible behaviours and in line with the operating documents available to govern their use. Such documents can be consulted in the dedicated company intranet site section of Bondioli & Pavesi.

In general, any consultant should:

- ⇒ Attentively use any asset he/she is reliable for whenever required
- ⇒ Avoid any incorrect use of any asset he/she is liable possibly leading to damages or efficiency reduction or anyhow against the company interests
- ⇒ Accurately comply, when using the company assets, with whatever reported in any operating document, such as instructions, tables, etc.

Any consultant is liable for protecting resources he/she is liable for and should promptly inform any Department about possible risks or damages the company is running.

It is important to avoid any incorrect use of assets or facilities through accounting, financial control, analysis, and risk prevention systems, anyhow in compliance with what is imposed by the regulations in force (privacy law, worker bylaws, etc.).

As for information applications, any consultant, in general, should:

- _ Accurately enforced whatever forecasts in the documents relating to the company safety, as not to endanger functions or protections of IT systems;
- _ Not forward any compromising or offensive e-mail messages, avoiding any impolite language, not express any inappropriate comments which could offend people and/or damage the company image.
- _ Not surfing on the internet looking for unsuitable, offensive contents, not in line with their role.

10 Control bodies

10.1 Ethical Committee

Any violation to the Code of Conduct is to be reported to the Ethical Committee, the control body appointed to control the enforcement of any principle put forward in the Code and to inform the Company Management as to decide an enforce any disciplinary measure.

It is up to the Ethical Committee as well as to spread out the content of the Code of Conduct, to periodically check its compliance enforcing any changes/integrations required, turning out to be suitable to guarantee an ethical approach which companies enforce in line with their policies.

The main documents used are:

- ✓ communication and ethical training plans;

- ✓ periodic reports on the Health, Safety and Environment protection
- ✓ reports from the internal auditing.

The Bondioli & Pavesi Group Ethical Committee consists of 7 to 11 members appointed by FINSUGE board of directors (the Group holding company), who, on the occasion of its first meeting, appoint their Chairman. At least one member must be present for each Group company which the Code of Ethics was drawn up for.

The Committee lasts for three years and its members can be re-elected.

The deliberations of the Ethical Committee are approved with a simple majority. In case of parity, the President vote prevails.

10.2 Internal audit

The Internal Audit department should periodically, according to a defined programming, audit the different companies in compliance with the Code of Conduct requirements. Results of the audits are documents in special Reports.

The Internal Audit department within the companies reports any reported violation to the Code as a consequence of the ethical auditing activities and suggestions required to the Ethical Committee.

The Ethical Committee, according to the results of the Audit, would enforce any measure as reported in the "Sanctions" section.

11. Enforcement standards and related sanctions

11.1 Enforcement standards

Everybody working in the above-mentioned companies, receivers of the present Code of Conduct, should comply with the reported principles.

Never the interest of any company can justify any conduct violating and/or different from provisions and procedures.

Whenever the receiver working for the companies is informed about a situation or event against the Code of Conduct principles, he/she should immediately inform the Ethical Committee, through the dedicated e-mail address codice.etico@bondioli-pavesi.com or the e-mail address available at the entrance of any operating site, which the Code of Conduct refers to.

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Please note: The indicated box **MUST NOT BE USED** if the report concerns criminal, civil or administrative violations (Legislative Decree 24/2023), in which case the employee must comply with the instructions given in paragraph 12 "Whistleblowing" and the "Procedure for the management of internal reports of offences" (annex 1).

The e-mail address is available to company consultants and Stakeholders as well as to signal possible violations which directly or indirectly are benefits to the companies or are enforced in their interests.

Any report to be considered, must be absolutely anonymous.

The information will be promptly evaluated by the Ethical Committee, assessing any measure to be enforced, and always providing that the discloser will never be reported during any assessment.

The Committee can enforce a disciplinary measure in case no report was made by informed consultants and employees.

Suppliers, customers, Partners - commercials and other subjects' receivers of the present Code, are required to comply with reported principles and standards.

11.2 Sanctions

In cases where the Ethics Committee deems it necessary to proceed with a sanction, the President must forward the request to the Managing Director (or the Company Administrator) who, if necessary, will define with the HR Dept. of the Group the applicable sanction.

It is the responsibility of the Human Resources Office to apply the sanctions and store/archive the appropriate records.

Sanctions always comply with the law and the applicable national employment contract.

12. Whistleblowing - Reports of criminal, civil or administrative violations (Legislative Decree no. 24/2023)

Whistleblowing is the reporting or notifying of any misconduct by an employee or a person outside the company due to and during the performance of their job duties.

The whistleblower is the person who reports to their public or private employer the possible perpetration of criminal, civil or administrative violations of which he or she has become aware during his or her work activity.

The Finsuge Group, in line with the Whistleblowing Legislation (Law 197/2017), has defined a process for receiving and managing reports of misconduct and/or conduct that may represent a violation.

12.1 Object of the complaint.

All offences can be reported, pursuant to art. 2 of Legislative Decree 24/2023 (whistleblowing), namely:

- administrative, accounting, civil or criminal offences;
- infringements falling within the scope of EU acts in specific areas (including public procurement, financial services, product and transport safety, environment, food, public health, consumer protection, data protection, security of network and information systems, competition);
- infringements affecting the financial interests of the Union;
- violations of corruption rules.

12.2 Internal Reporting Channel

An internal reporting channel has been set up. It guarantees the anonymity and confidentiality of the employee who reports the alleged irregularity, that of the person who is the author of the alleged irregularity and of whom is named in the report. The report, as recalled by art. 3 of the aforementioned law, can also be issued by self-employed workers, including those with a cooperative relationship, by freelancers and consultants.

Reports will only be read by the "Reports Manager". The content of the reports and the identity of the people involved will be managed and known only by the Manager and to the specifically authorized people, who will guarantee the confidentiality of the whistleblower against the possibility of any retaliatory actions.

The identity of the whistleblower and any other information from which that identity may be inferred, directly or indirectly, may not be disclosed without the whistleblower's consent to people other than those competent to receive or handle the reports.

Reports (not anonymous) can be made by:

- a) a written letter, addressed to the Reports Manager to be forwarded in accordance with the procedures set out in the "Procedure for the management of internal misconduct reports";
- b) verbally, through a meeting with the Reports Manager to be requested by sending an letter (via post office), to be addressed to the Reports Manager.

Anonymous reports will not be taken into consideration, unless they are adequately substantiated or present a clear, detailed, and complete description of facts of interest, the people involved and the context and/or present irrefutable elements of crime reporting.

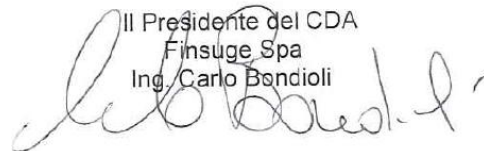
12.3 "Procedure for the management of internal misconduct reports" (*Annex 1*)

The "Procedure for the management of internal misconduct reports" has been implemented (to be referred to) and which describes in detail:

- (a) people who may make the report.
- (b) how reports are forwarded through an internal channel, both in written and oral form.
- (c) whistleblowing process;
- (d) the whistleblower's rights;
- (e) external signalling channel.

12.4 Processing of personal data.

The processing of personal data, related to the activity of whistleblowing, will be carried out in accordance with the Whistleblowing Policy, available within the "Procedure for the management of internal misconduct reports".


Il Presidente del CDA
Finsuge Spa
Ing. Carlo Bondioli

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Attachments.

- *Annex 1 - Procedure for the management of internal misconduct reports*
- *Appendix A - Updated list of predicate offences of Legislative Decree 231/2001*