

# CODE OF ETHICS



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## Introduction

This Code of Ethics is a public statement made by Dimontonate Floccati S.p.A. in which the general principles and rules of conduct with a positive ethical value are identified and recognised.

The Code of Ethics complements the regulatory framework governing the company's operations, in implementation of the provisions of article 6 of the Legislative Decree no. 231 of 8 June 2001.

It also constitutes a means by which the Company, when pursuing its mission, undertakes to contribute to the social-economic development of the territory and citizens via the organization and provision of local public services, in compliance with the laws and the principles of loyalty and fairness.

This Code has been established to promote an ethical approach in the Company's actions, and its provisions are therefore binding for the conduct of all company directors, managers, employees, consultants and anyone who establishes a working relationship with it for any reason whatsoever.

The Code of Ethics is also applied to activities carried out by the company abroad, whilst taking into consideration the regulatory, economic, social and cultural differences. The Code is widely publicized internally, placing it in a location accessible to everyone and it is also made available to any party who has dealings with the company. This Code of Ethics will also be available for consultation on the Company's website.

Moreover, the company undertakes to require compliance with the provisions of this Code in all economic relations it establishes.

The Code aims to focus the company's conduct on cooperation and trust in those categories of individuals, groups and institutions whose contribution is necessary for the accomplishment of the company's mission and/or whose interests are directly or indirectly influenced by the Company's business.

Reputation and credibility constitute fundamental immaterial resources.

A good reputation and corporate credibility fosters shareholder investment, relations with local institutions, customer loyalty, development of human resources and the honesty and reliability of suppliers.

The Code of Ethics consists of:

- A. general ethical principles which define the reference values in company activities;
- B. criteria of conduct, which provide the guidelines and rules with which the Code's recipients are required to comply;
- C. implementation mechanisms which outline the control system for correct application of the Code of conduct and its continuous improvement.

The Code may be amended or added to by resolution of the Board of Directors, also based on suggestions and indications from the Supervisory Body.

In view of the special nature of the sector in which it operates, and the nature of the services provided, Dimontonate Floccati S.p.A. is aware that it has an important role to play in supporting social development and the general well-being of the community and, as a result, it believes it is important to clearly define the set of values recognised, accepted and shared as a basis for the company's activities, as well as the responsibilities assumed both internally and externally.

Following the introduction of Legislative Decree no. 231 of 8 June 2001, laying down the «Rules governing the administrative liability of legal persons, companies and associations including those without legal personality, in accordance with article 11 of Law no. 300 of 29 September 2000» (hereinafter «Decree»), the Italian legislator introduced a system of administrative liability into the legal system (which is essentially comparable to criminal liability) imposed on entities, for a series of offences specifically listed, committed in their interest or to their advantage by individuals who hold, also de facto, functions of representation, administration or management, or are subject to the management or supervision of one of these subjects.

Article 6 of the Legislative Decree establishes however that the entity is not liable for such offences if it is able to demonstrate that it has adopted and effectively implemented, before the fact is committed, "organisational and management models suitable for preventing offences of the type occurring", in the context of which the creation of a control body is envisaged, within the entity, with the task of supervising the operation, effectiveness of and compliance with the aforesaid models, as well as updating them

The "Code of Ethics" pursuant to Legislative Decree 231/2001 constitutes an essential element of the organizational model in accordance with the Decree, being intended as an official document of the Company, approved by the Company's top management, containing a set of rights, duties, responsibilities and rules of conduct of the entity in relation to the so-called "stakeholders" (employees, suppliers, customers, public sector bodies etc.), irrespective of and over and above regulatory requirements.

Dimontocate Floccati S.p.A. is therefore aware that adoption of a code containing a series of principles which guide the conduct of the entity and the related personnel, and define clearly and transparently the set of values to which the Company draws inspiration to reach its objectives, is of central importance for the proper performance of its business, and constitutes a fundamental element in the function of control and prevention of offences that entities are required to carry out...

This document (hereinafter "Code"), approved by the Company's Board of Directors on 29 January 2018, has therefore been adopted, whose observance by employees, directors and other freelance workers (hereinafter referred to as "Recipients") is considered an indispensable condition, as well as for the purpose of preventing the offences referred to in the Decree, the correct functioning of the Company, for protecting its trustworthiness, reputation and image and increasing customer satisfaction.

The Code contains a series of principles (professionalism, entrepreneurship, legitimacy, honesty, transparency, reliability, equality, impartiality, loyalty, fairness and good faith) which must be the basis of the activity and conduct of the Company, its employees and all those who cooperate in carrying out the activities of Dimontocate Floccati S.p.A., and which supplement the conduct which such subjects are required to observe in virtue of all and any provision of applicable law as well as the obligations envisaged by collective labour contracts.

Every recipient is required to know the Code, to contribute actively to its implementation and report any shortcomings. Dimontocate Floccati S.p.A. undertakes to facilitate and promote the Recipients' knowledge of the Code and their constructive contribution to its contents.

The Company supervises compliance with the Code, organizing appropriate tools of information, prevention and control and ensuring transparency of the operations and conduct in place, intervening, if necessary, with corrective actions.

The Code of Ethics neither replaces nor overlaps the laws and other sources of external or internal regulation.!

## 1. General principles

### 1.1 – Recipients and fields of application of the Code of Ethics

The provisions of the Code are applied, without exception, to the Company's employees, managers, directors and statutory auditors and to all those who, directly or indirectly, permanently or temporarily, establish, for any reason, collaborative connections or relations with Dimontonate Floccati S.p.A. or operate in the interests of the Company.

### 1.2 – General principles and obligations of the recipients

The key values that guide this Code are:

**Responsibility:** implies that all operations carried out and the relevant conduct, in the performance of a function or duty, must be based on formal and substantial legitimacy in accordance with the laws in force and internal procedures; the assumption of responsibility is essential to achieve the highest level of ethical conduct.

**Loyalty:** implies the obligation to pursue the interests of the Company: when carrying out any activity, the interests underlying Dimontonate Floccati S.p.A.'s mission must prevail. It implies being faithful to words spoken, promises and covenants in all relationships, and complete good faith in all activities or decisions.

**Impartiality:** implies respect of the fundamental rights of individuals by protecting their moral integrity and ensuring equal opportunities. In decisions affecting relations with all stakeholders, Dimontonate Floccati S.p.A. avoids all discrimination based on age, gender, sexual orientation, health status, race, nationality, political opinions and religious beliefs of the subjects.

**Honesty:** implies that, in the context of their activities, everyone must comply diligently with the laws in force, the code of ethics and internal regulations. In no case may the pursuit of Dimontonate Floccati S.p.A.'s interests justify dishonest conduct.

**Fairness:** implies respect of the rights of each person involved, beyond mere observance of the law and the employment contract. Such respect also extends to opportunities, privacy and dignity. Any situation which creates discrimination or conflicts of interest between the Company and those who carry out activities in the interests of the former must be avoided.

**Integrity:** implies guaranteeing the physical and moral integrity of all employees and other freelance workers, ensuring working conditions that respect their personal dignity and comply with legal regulations.

**Transparency:** implies a commitment by all to provide necessary information, both inside and outside the Company, clearly, frequently and completely, by adopting verbal and written communication which is easy and immediate to understand and upon verification of the requirements of the information. It also implies the adoption of a reliable administrative and accounting system to represent the operational facts.

**Collaboration between colleagues and development of human resources:** implies that the conduct between employees (at all levels and degrees of responsibility) and between Dimontonate Floccati S.p.A. and the same are, constantly and mutually, aimed at promoting the best possible performance of each colleague and promoting and enhancing professional qualities and their effective deployment during the activity.

**Efficiency:** implies the pursuit by everyone of the best performance in terms of quality and cost effectiveness of services. It also implies punctuality in the performance of duties and obligations and the search for optimum value for money in the services rendered.

**Respect for the fundamental rights of workers:** Dimontonate Floccati S.p.A. respects human rights and supports their observance and acts in accordance with the principles of the International Labour Organisation. All workers have the right to establish unions and appoint workers representatives. The Company refuses the intentional use of forced or compulsory labour and pays attention to the minimum age requirements for employment in accordance with government obligations. Child labour is prohibited.

**Relations with workers** are governed in compliance with the regulations of the Collective National Labour Contract.

**Protection of the environment:** Dimontonate Floccati S.p.A., in order to implement ecologically and socially sustainable mobility, also promotes virtuous conduct on the part of workers so that they make

appropriate and economic use of natural resources and ensure that the activities carried out by them have as little impact as possible on the environment.

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The recipients.

The provisions of the Code are applied without exception:

- to the directors, statutory auditors and the independent auditors;
- to the managers and employees;
- to all other subjects, private or public, who directly or indirectly, permanently or temporarily, establish, for any reason, collaborative connections and relations or operate in the Company's interests.

These will be hereinafter referred to as "Recipients".

The Recipients of the provisions of this Code, with due respect for the law and regulations in force, will adapt their actions and conduct to the principles, objectives and commitments set out in the Code.

The Company maintains a relation of mutual trust and loyalty with each of the Recipients. All activities must be performed with professional commitment and diligence. Each Recipient must provide a professional contribution appropriate to the responsibilities assigned and act to safeguard the prestige of Dimontocate Floccati S.p.A..

All Recipients must be open to verification according to regulations in force and internal procedures.

The Company's Directors, each within his or her area of responsibility, must fully comply with the company's values and fulfil their duties of office, maintaining full internal and external confidentiality in relation to the acts undertaken and, in general, the company documentation which they have, for any reason, become acquainted with, also maintaining confidentiality about any acts which they may disagree with. The sharing of opinions and documents inside and outside the company without prior authorization constitutes conduct which is contrary to the values and specific regulations of the code.

The same principles must be part of the "code of professional conduct" with which the statutory auditors exercise their control functions autonomously and independently.

The Recipients must adopt conduct, including in their private dealings, which may in no way harm the Company, including its image.

The Recipients are obliged to:

- refrain from conduct contrary to such rules and require compliance with them;
- turn to their superiors or the relevant function responsible if clarification is required on methods of application;
- report promptly to their superiors or the relevant function responsible;
- report any information, noted directly or reported by others, relating to possible violations of the Code's rules;
- report any request to violate the rules which has been made to them;
- collaborate with the responsible bodies to verify possible violations.

If Recipients become aware of situations contrary to the principles expressed by this Code of Ethics, they must inform their direct superiors or, should it relate to this superior, to the Supervisory Body.

If such situations are of an illegal nature, connected to the offences referred to in Legislative Decree 231/01, and directly or indirectly benefit the Company or are committed in the interests of the Company, the Recipient must inform the Supervisory Body directly.

The reports received must be examined without delay and processed in such a way to ensure the anonymity of the individual reporting the fact.

The Company may impose a penalty for failure to comply with the duty to provide information; the relations between employees, at all levels, must be based on fairness, cooperation, loyalty and mutual respect.

Therefore, abuse of the duty to provide information governed by this section for retaliation or merely emulation is punishable.

In addition to fulfilling the general duties of loyalty, fairness and performance of the employment contract in good faith, the employees of Dimontocate Floccati S.p.A. must refrain from carrying out activities

competing with those of the Company, comply with company rules and follow the obligations of the Code, compliance with which is also required pursuant to and for the purposes of art. 2104 of the Civil Code.

The Recipients must avoid situations and/or activities which can lead to conflicts of interest with those of the Company or which could interfere with their ability to make impartial decisions, in order to safeguard the best interests of the Company.

Each Recipient is asked to be acquainted with the rules contained in the Code and the reference standards that govern the activities carried out within the scope of his/her function.

In particular, the recipients of the Code are obliged to acknowledge and comply scrupulously and fully with the following conduct rules:

- fraudulent practices and conduct, acts of corruption, and favouritism and more in general conduct contrary to the law, industry regulations, internal regulations and the provisions of this Code are prohibited;
- the receipt of any gifts which may be interpreted as exceeding normal commercial or courtesy practices, or which may in any case be interpreted as intended to obtain preferential treatment for themselves or in the conduct of activities connected with the Company are not allowed for any reason.

Such conduct is prohibited and will be severely punished regardless of whether it has been committed or attempted, directly or through third parties, to obtain personal advantage, for others or for the Company.

Recipients must not carry out personal inquiries or report the information to others except to their superiors or to the functions responsible.

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### 1.3 - Additional obligations for heads of business units and functions

All Business Unit/Function Heads are also obliged to:

- set an example for their workers through their own conduct; promote compliance with the provisions of the Code by the Recipients;
- work to ensure that Recipients understand that compliance with the Code's provisions is an essential part of the quality of work performance and their activity;
- adopt immediate corrective measures when required by the situation;
- work to prevent, within the limits of their powers and responsibilities, possible retaliation.

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### 1.4 – Relevant bodies, implementation and control

Dimontocate Floccati S.p.A., in compliance with the current regulations, works to:

- promote knowledge of the Code inside and outside the Company and compliance with it;
- promote, with the contribution of the relevant company functions, the issuing of operating procedures suitable for ensuring the correct and concrete implementation of the principles of conduct referred to in this Code;
- supervise the effective compliance with the Code by the Recipients and sanction non-compliant conduct.

The task of supervising the functioning and observance of the Code is entrusted to the Supervisory Body which will be established by the Board of Directors of Dimontocate Floccati S.p.A. pursuant to the Decree and will have autonomous powers of initiative and control.

The Supervisory Body operates with impartiality, authority, continuity, professionalism, and autonomy, and suggests possible updates to the Code, also based on notifications by its Recipients

In order to make application of the Code more effective, each of its Recipients is obliged to report to the Supervisory Body, in writing and without delay, any conduct which is included in the offences referred to in Legislative Decree 231/01, by any person acting in any capacity on behalf of Dimontocate Floccati S.p.A..

Anonymous reports are not normally considered, except for as better described in the General Section of the Organizational model and in the related special sections.

Dimontocate Floccati S.p.A. is responsible for ensuring the confidentiality of the individual making a report, save the requirements connected with provisions of the law, as well as ensuring that the individual making the report is protected from retaliation, unlawful influence, inconvenience and discrimination of

any kind in the workplace, for having informed the Supervisory Body of the violation of the Code's contents.

The Supervisory Body must consider all the reports received and evaluate them.

All Recipients are required to collaborate with the Supervisory Body to allow the collection of additional information considered necessary by the Body for a correct and complete evaluation of the report. Any consequent measures are applied in compliance with the provisions of the penalty system in force at the Company.

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### 1.5 – Contractual value of the Code of Ethics

Compliance with the provisions of the Code must be considered an essential part of the obligations of the directors and statutory auditors as well as the contractual obligations of employees and those who, no matter how, have collaborative relationships with the Company.

Violation of the provisions of this Code harms the relationship of trust established with the Company and may lead to disciplinary, legal or criminal action also pursuant to the Royal Decree no. 148 of 8 January 1931; in the cases held to be most serious, the violation may lead to termination of the employment relationship, if carried out by the employee, or termination of the contractual relationship, if carried out by a third party and liability actions in the case of directors and statutory auditors.

## **2. Relations with Third Parties**

### 2.1 – Reference Principles

Dimontocate Floccati S.p.A. is guided by the principles of loyalty, fairness, transparency and efficiency in relations with third parties

The Company's employees and external freelance workers, whose actions may in some way be related to the Company, must observe correct conduct in the affairs concerning the Company and in relations with public sector bodies, irrespective of the competitiveness of the market and importance of the business being handled.

Practices of corruption, deceit, fraud, unlawful favours, collusion, solicitation, direct and/or via third parties, personal and career advantages for oneself or for others, are prohibited.

The Company recognizes and respects the right of Recipients to participate in investments, business or other activities other than those carried out in the interests of Dimontocate Floccati S.p.A., as long as it is activity allowed by law and compatible with the obligations entered into as employees and/or other freelance workers.

In any case, the Recipients of the provisions of the Code must avoid all situations and activities in which a conflict with the Company's interests may arise or which may interfere with their ability to take impartial decisions in the best interests of the Company and in full compliance with the rules of the Code.

Every situation which may constitute or give rise to a conflict of interest must be promptly communicated to the superior staff member or the function responsible. In particular, all the Recipients of the provisions of this Code are required to avoid conflicts of interest between personal and family economic activities and the jobs/functions they hold within the structure to which they belong.

Offering, directly or indirectly, payments and material benefits of any kind to third parties, public officials or private individuals, to influence or compensate for an action of their office is not permitted.

Acts of business courtesy, such as gifts or hospitality, are permitted when they are of modest value and in any case, such as not to compromise the integrity or reputation of one of the parties and which may not be interpreted, by an impartial observer, as aimed at obtaining improper advantages.

In all circumstances, this type of expense must always be authorized by the Supervisory Body or by an individual formally authorized by the latter, as well as be documented adequately.

Recipients of the provisions of this Code who receive gifts or preferential treatment not directly attributable to normal relations of courtesy must inform their superior and top management.

In all circumstances, the remuneration to be paid must be strictly proportionate to the services specified in the contract and payments may be neither unduly made to a subject different to the contractual counterparty, nor in a third country other than that of the parties or where the contract was performed.

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## 2.2 – Relations with Customers

When managing relations with customers, the Company undertakes to satisfy them in compliance with internal procedures.

In particular, the Recipients of this Code are obliged to:

- comply with internal procedures for managing relations with customers;
- provide quality services with efficiency and courtesy, within the limits of the contractual provisions;
- provide accurate and exhaustive information regarding the services provided so that the customers may make informed decisions.

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## 2.3 – Relations with Suppliers and Contractors

In contractor and supply relations and, in general, in the supply of goods and/or services, the Recipients of the provisions of this Code are obliged:

- to comply with the internal procedures for selecting and managing relations with suppliers;
- not to preclude any supplier, having the necessary requirements, from the possibility of competing for a supply contract, adopting objective evaluation criteria for selection, according to stated and transparent procedures, in compliance with regulations and business practices;
- to maintain a frank and open dialogue with suppliers, in line with good business practices.

Anyone receiving explicit or implicit requests for benefits of any kind from third parties should immediately:

- suspend all relations with them;
- inform their direct superior in writing;
- inform the Supervisory Body in writing if the actions listed above were carried out to confer a direct or indirect advantage on the Company or in its interest.

In particular, the following actions should not be undertaken, directly or indirectly:

- examine or propose employment and/or business opportunities which can benefit employees and their direct superior in a personal capacity;
- offer or supply gifts;
- solicit or obtain confidential information which may compromise the integrity or reputation of both parties.

Misleading anyone with tricks or deception to obtain an unfair profit for the Company to the detriment of others is prohibited. The violation of this ban is even more serious if the State or a public body is misled.

“Unfair profit” may be direct or indirect and may also include, in addition to grants, financing and other disbursements granted by the State, a public body and the European Union, concessions, authorisations, licences or other administrative acts.

Using grants, financing and other disbursements however they are called, granted to the Company by the State, a public body or by the European Union, for purposes other than those for which they have been awarded, is prohibited.

It is forbidden to alter in any way the operations of an IT system or to intervene illegally in any way on the data, information and programs contained therein or relating thereto, to obtain an unfair profit to the detriment of others. The ban is considered all the more serious if the damaged party is the State or a public body.

## 2.4 – Relations with Public Institutions

Relations with public institutions aimed at supporting the overall interests of Dimontonate Floccati S.p.A. and connected with implementation of its programmes are reserved exclusively for the functions and responsibilities assigned to them.

Offering or accepting any sum, object, service, work or favour in value to obtain more favourable treatment in relation to any relationship with public sector bodies or with certain private individuals with whom Dimontonate Floccati S.p.A. has business dealings is not permitted in any way whatsoever. Gifts, donations, generosity and other acts of courtesy and hospitality to representatives of government, public officials and public-sector employees are allowed when of a modest value and in any case, do not compromise the integrity or reputation of one of the parties and may not be interpreted, by an impartial observer, as aimed at obtaining an improper advantage.

In all circumstances, these kinds of expenses must be authorized in advance, signed off by the Governing Body and must be adequately documented.

If business relations are entered into with public sector bodies, including participation in public tenders, it is always necessary to operate in compliance with the law and correct business practices.

When any business negotiation or relationship with public sector bodies or private individuals is in progress, the appointed personnel must neither try to improperly influence the decisions of the other party, including those of the officials who deal with or take decisions on behalf of the public-sector bodies or the private individual, nor obtain confidential information.

Using or presenting declarations or documents which are false, or which certify untrue facts, or omit information to obtain, for the benefit or in the interests of the Company, grants, financing or other disbursements however called, granted by the State, by a public body or the European Union is not permitted.

Consistent with the principles of corporate ethics set out in the Code, it is forbidden, in dealings with representatives in the public-sector bodies, to adopt, directly or indirectly, the following conduct:

- promise or make cash payments outside institutional and service-related aims or purposes;
- distribute gifts and presents other than permitted by company procedure, meaning all forms of presents offered exceeding normal business or courtesy practices, or in any case aimed at acquiring preferential treatment in the conduct of any company activity. Any form of present to Italian or foreign public officials (also in those countries in which gift-giving is common practice) or to their family members, that may influence an independent opinion or lead to any advantage for the company is prohibited;
- promise or grant advantages of any kind to influence an independent opinion or obtain any advantage for the Company;
- misleading behaviour which may induce public sector bodies to incorrectly make a technical-economical evaluation of the products and services offered/supplied;
- use state grants, subsidies and financing for purposes other than those for which they were obtained.

Anyone receiving explicit or implicit requests for benefits of any kind from individuals in public sector bodies, as defined above, must immediately:

- suspend all relations with them;
- inform their direct superior in writing;
- inform the Supervisory Body in writing if the actions listed above were carried out to confer a direct or indirect advantage on the Company or in its interest.

The prescriptions indicated in the previous paragraphs must not be bypassed by resorting to different forms of aid and grants which, under the guise of assignments, consultancy, advertising, etc., have similar purposes to those prohibited by this paragraph.

It is also not permitted to use or present declarations or documents which are false, or which certify untrue facts, or omit information to obtain, for the benefit or in the interests of the Company, grants, financing or other disbursements however called, granted by the State, by a public body or the European Union.

“Unfair profit” may be direct or indirect and may also include, in addition to grants, financing and other disbursements granted by the State, a public body and the European Union, concessions, authorisations, licences or other administrative acts

It is also forbidden to use grants, financing and other disbursements however they are called, granted to the Company by the State, a public body or by the European Union, for purposes other than those for which they have been awarded.

It is forbidden to alter in any way the operations of an IT system or to intervene illegally in any way on the data, information and programs contained therein or relating thereto, to obtain an unfair profit to the detriment of others. The ban is considered all the more serious if the damaged party is the State or a public body.

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### 2.5 – Relations with political organizations and unions

The Company does not pay contributions to political parties and trade unions, political and trade union movements, committees and organizations, to their representatives and candidates, except for those due based on specific regulations and agreements; in such case, the payments are adequately recorded and documented.

Any involvement of the Recipients in political activities takes place on a personal basis only, in their own free time, at their own expense and in compliance with the Laws in force.

Dimontocate Floccati S.p.A. respects the right of workers to join trade unions of their choice and the right to collective bargaining and ensures that trade union representatives are not discriminated against in the workplace and can communicate with their associates.

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### 2.6 – Relations with the Mass Media

Information towards the outside world must be truthful and transparent.

The Company must represent itself accurately and consistently in communications with the mass media. Dealings with the mass media are exclusively reserved to the authorized company functions and roles of responsibility.

The Recipients can neither provide information to representatives of the mass media nor undertake to provide it without the authorization of the Governing Body.

## **3. Accounting transparency**

Accounting transparency is based on the truthfulness, accuracy and completeness of the underlying information for the relevant accounting entries. Each Recipient is required to collaborate so that the affairs of the Company are represented correctly and promptly in the accounting records.

For every transaction, adequate supporting documentation of the activity is kept and filed to allow:

- accounting entries to be made easily;
- the identification of different levels of responsibility;
- accurate reconstruction of the transaction, also to reduce the likelihood of misinterpretation.

Every accounting entry must reflect exactly what is shown in the supporting documentation.

Recipients who become aware of omissions, falsifications, negligence in accounting or documentation on which the accounting entries are based, included in the offences under Legislative Decree 231/01, must report the facts to the Supervisory Body.

## **4. Operating procedures and practices**

### 4.1 – Reference principles

To prevent damaging events and consequent potential negative effects on the business situation, the Company is organized with the adoption of operating procedures and/or practices which are guided by the code of conduct and prepared – or appropriately added to and amended – following analyses of the business situation, aimed at highlighting the risks weighing on the company and the control system in place, as well as its effective adequacy.

Specific operating procedures and/or practices must be adopted by all those involved in the operating process in any capacity and within the terms and procedures specifically provided for and described by the relevant functions of Dimontonate Floccati S.p.A..

Their correct implementation guarantees the identification of the subjects in the business responsible for the decision-making process, authorization and execution of operations: for this purpose – according to the control principle represented by the separation of duties –individual operations must be followed in their different stages by different people, whose responsibilities are clearly defined and known within the organization, in order to avoid that unlimited and/or excessive powers can be attributed to individual subjects.

The directors, employees and all those who have dealings with Dimontonate Floccati S.p.A. in any capacity, each in relation to their respective responsibilities and functions, are required to comply strictly with the operating procedures and/or practices. They must control the execution of every operation and transaction, for which they must be able to verify (via control elements, including but not limited to: proxies, joint signatures, reconciliations, supporting accounting documents, in-depth analysis of the activities of sales agents, consultants, suppliers, etc) the legitimacy, authorization, consistency, appropriateness, correct accounting and verifiability, including the use of financial resources.

Every operation must therefore be supported by adequate, clear, complete documentation that must be filed in the records, to allow a check at any time on the rationale, characteristics and precise identification of those who, in the various stages, authorised, carried out, recorded and verified the transaction. Compliance with instructions envisaged in specific procedures regarding procedural flow to be followed on the formation, decision and registration of business activities and their related effects, enables, among other things, the culture of control to be shared and stimulated at all levels of the company, contributing to an improvement in operating efficiency and represents a support tool for management.

Any non-compliance with the operating procedures and/or practices compromise the existing relationship of trust between Dimontonate Floccati S.p.A. and those who, for whatever reason, interact with it.

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## 4.2 – Corporate offences

The procedures aimed at preventing the commission of Corporate Offences, as envisaged by art. 25ter of Legislative Decree 231/01 must refer to compliance with the following conduct obligations:

- it is forbidden for all employees and/or consultants who, in any capacity (also as mere data providers), are involved in the drawing up of the financial statements and similar documents or in any case documents which represent the Company's economic, net asset or financial situation, and especially the directors, statutory auditors and those who hold top positions, to present material facts which are not true, even if subject to judgment, or omit information or conceal data in direct or indirect violation of internal regulatory principles and procedural rules, to mislead the recipients of the abovementioned documents. Any unlawful conduct will be considered as committed against the Company;
- it is forbidden to prevent or in any case hinder the carrying out of the control or verification activities legally attributed to the shareholders, the Board of Statutory Auditors and/or the Supervisory Body and/or the independent auditors;
- it is forbidden to spread false information or perform fake or other artificial operations to cause a significant change in the price of listed or unlisted financial instruments or which significantly affects the public's confidence in the financial stability of the Company and/or Group or any other company;
- it is forbidden for all those who have dealings with public supervisory authorities, as well as directors, statutory auditors and those who hold top positions to obstruct their functions;
- in communications with the abovementioned authorities, it is also forbidden to present material facts which are not true, even if subject to judgment, on the Company's economic, net asset or financial situation, or conceal with other fraudulent means, in all or in part, facts which should be communicated relating to the same situation.

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## 5. Personnel, health, safety and environment policies

### 5.1 – Human resources

Human resources are vital to the company's existence. The dedication and professionalism of the Recipients are essential values for achieving the company's objectives.

Dimontonate Floccati S.p.A. undertakes to develop the skills and expertise of each employee and it expects that employees, at every level, collaborate to maintain an atmosphere of mutual respect for the dignity, honour and reputation of everyone in the company.

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### 5.2 – Personnel selection

Evaluation and selection of prospective personnel is based on the matching of candidates' profiles with expectations and the company's needs, ensuring equal opportunities for all people involved.

Information requested is strictly required for assessing the professional and aptitude profile, while respecting the candidate's privacy and opinions.

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### 5.3 – Establishment of the employment relationship

Dimontonate Floccati S.p.A. employs personnel with regular employment contracts; forms of work which do not comply with the laws in force and the applicable collective national labour contract regulations are not tolerated.

When the employment relationship is established, every employee receives accurate information from the Human Resources department relating to:

- characteristics of the position and tasks to be performed;
- regulatory and salary information, as governed by the applicable collective national labour contract;
- rules and procedures to be adopted to avoid possible health risks associated with work related activities.

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### 5.4 – Staff management

Access to roles and/or appointments is established considering individuals' skills and abilities. Flexibility in the organization of work which helps manage maternity and childcare in general is supported, according to overall work efficiency.

Staff management policies are made available to all employees and/or self-employed workers via the company communication channels (organizational documents and communications organized by the managers of Human Resources).

Dimontonate Floccati S.p.A. works to value all skills in the structure, to enhance the development and growth of personnel.

Training received by each employee and/or self-employed worker is documented by the Human Resources department so that the degree to which training has been completed can be seen at any moment and further training courses can be planned.

It is forbidden for a superior, due to his/her position, to request services, personal favours or any conduct that, in any way, represents a violation of this Code, constituting an abuse of authority.

Involvement of the employees and/or self-employed workers in the implementation of work is assured, also through opportunities to participate in discussions and decisions relating to achieving corporate objectives. Employees and self-employed workers participate at such occasions with a collaborative attitude and freedom of opinion.

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### 5.5 – Harassment in the workplace

The Company demands that there is no harassment in internal and external work relations, intended as follows:

- the creation of an intimidating, hostile or isolated working environment for individuals or groups of workers;
- unjustified interference with the performance of worked carried out by others;
- obstructing individual job prospects of others for purely personal competitiveness reasons.

The Company prevents, as far as possible, and, in any case, pursues instances of mobbing and harassment of any kind, including sexual harassment.

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### 5.6 – Alcohol and drug abuse

Dimontonate Floccati S.p.A. requests that each Recipient personally contributes towards providing a working environment which respects the feelings of others. It is deemed that individuals are aware of the risk of causing damage to such an environment, when, during work and in the workplace:

- they work under the effects of alcohol and drugs or substances with a similar effect;
- they consume or sell in any way drugs whilst working.

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### 5.7 - Smoking

Without prejudice to general workplace smoking bans, where smoking creates a danger and in any case in working areas marked by specific signs, Dimontonate Floccati S.p.A. takes into special consideration, in situations where people work together, those who feel physical discomfort in the presence of smoking and ask to be protected from “passive smoking” in their work place.

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### 5.8 – Health, safety and environment

In the context of its activities, Dimontonate Floccati S.p.A. is committed to contributing to the development and well-being of the community in which it works, pursuing the objective of guaranteeing the safety and health of the employees, external freelance workers, customers and the community affected by the activities and reducing the environmental impact.

The Company actively contributes, through appropriate channels, to the promotion of scientific and technological development aimed at protecting the environment and safeguarding resources.

Operations management must refer to advanced criteria for safeguarding the environment and energy efficiency, pursuing the improvement of health and safety conditions at work.

Research and technological innovation must be especially focused on promoting services and processes that are increasingly compatible with the environment and characterized by greater awareness of worker safety and health.

### 5.9 – Obligations of the Recipients

The Recipients of the provisions of this Code, within the scope of their duties and functions, participate in the process of preventing risks, safeguarding the environment and protecting the health and safety of themselves, their colleagues and third parties.

## **6. Confidentiality**

### 6.1 – Reference principles

The activities of Dimontonate Floccati S.p.A. may require the collection, storage, processing, communication and dissemination of information, documents and other data relating to negotiations, administrative procedures, financial transactions, know-how etc.

It is the duty of each Recipient to ensure the confidentiality required by the circumstances for each piece of information learned as a result of their work function.

The Company undertakes to protect information relating to its employees and third parties, generated or acquired internally and in business dealings, and to avoid any misuse of this information.

All information available to Dimontonate Floccati S.p.A. is processed observing fully the confidentiality and privacy of those involved, in compliance with the provisions referred to in Legislative Decree no. 196, 30 June 2003 (Data Protection Code).

The information, knowledge and data acquired or processed by the Recipients during their work or through their duties belong to the Company and may not be used, communicated or disclosed without specific authorization of the General Management of Dimontonate Floccati S.p.A..

Any external communication of documents and information regarding Dimontonate Floccati S.p.A., in whatever form, takes place in compliance with laws, regulations and professional conduct practices in force and is carried out with clarity, transparency and timeliness.

It is forbidden on all occasions:

- to disclose false or biased information and comments regarding Dimontonate Floccati S.p.A. and/or its employees and self-employed workers;
- to create any form of pressure aimed at obtaining a favourable stance from organizations
- to communicate/inform the public.

The following, by way of example only, are also considered confidential information: strategic plans, work plans, data on operations and performance, financial forecasts, balance sheets, financing transactions, income statements and the accounting data in general, the operating methods and strategies, investments and disinvestments with the relative projects, personal data of the company boards and employees, the lists of shareholders, customers, suppliers, external freelance workers and consultants.

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## 6.2 - Obligations of the Recipients

Without prejudice to the ban on disclosing information relating to the organization and implementation methods of the Company's activity or using such information in order to cause harm, every Recipient must comply with the confidentiality requirements in the Data Protection Policy Document, drawn up by the Company implementing the abovementioned legislative decree, adequately communicated and brought to the attention of all Recipients.

## **7. Implementation procedures and controls**

### 7.1. – Reference principles

Pursuing the provisions of the Code of Ethics, without prejudice to the obligations already relevant for the Recipients, occurs through the rigorous knowledge and application of the Organizational Model, of which this Code is an essential and integral part.

In particular, the Recipients of the Code are obliged to strictly comply with and apply the provisions contained in the General Part of the Organisational Model and in the specific Special Parts and/or operating procedures.

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### 7.2 – Supervisory Body

Within the framework of the organisational system and controls, it will be the duty of the Supervisory Body, as soon as it has been established, to monitor the interpretation of the fundamental principles expressed in this Code as well as their correct application and adherence, including through use of the more specific provisions contained in the General Section of the Organisational Model as well as the specific procedures (Special Parts) in force.

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### 7.3 – Access to the Code of Ethics

The Code of Ethics, and any subsequent amendments and additions, is published on the Company website; paper copies of the Code are available at the Company's offices.

Dimontonate Floccati S.p.A. carries out specific training and communication for the Recipients of the Code of Ethics and the Organisational Model and, with the appropriate tools, for any other person who - for any reason - may be interested in checking the Code of Ethics and its application or for any other person who in the interests of the Company is made aware about its contents.

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### 7.4 – Communication of violations

Anyone who becomes aware of conduct which may constitute a violation of the rules of this Code, is required to report it to the Supervisory Body. Such reports, which will be treated confidentially, may be sent via post to:

Supervision - Dimontonate Floccati S.p.A. S.r.l. - Via Dante, 40 - 21020 Montonate di Mornago (VA) Italy  
Protection will also be guaranteed for each report from repercussions of any nature towards those who send a report of a violation of the Code of Ethics, in good faith.

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### 7.5 – Penalty system

The Recipients are obliged to strictly comply with the rules and provisions which make up the Code of Ethics. Non-compliance with this code will be subject to penalties proportionate to the seriousness of the breach and after the facts have been formally notified:

- for the directors and statutory auditors, the Shareholders' meeting may envisage from the moment of appointment, or also through an act issued during their term of office, express acceptance of the organisational and management model under Legislative Decree no. 231/2001 and the related penalties for non-compliance, including termination of appointment in the most serious cases;
- for the General Manager, if appointed, upon proposal of the Governing Body, referral to the Shareholders' Meeting for the adoption of a written censure, up to and including dismissal for just cause without prior notice;
- for the managers, referral to the Governing Body for the adoption of a written censure, up to and including dismissal for just cause without prior notice in the most serious cases, subject to disclosure to the Shareholders' Meeting;
- for the employees, initiation of the procedures envisaged by the Collective National Labour Contract for the Rubber and Plastics Sector;
- for external freelance workers, working in any capacity, termination of the appointment;
- for works and service contractors, suppliers and in general for all external parties who provide services and activities in favour of the Company, the application of financial penalties, up to and including termination of the contract in the most serious cases or in the event of repeated conduct in less serious cases.

For the purposes mentioned above, the Company undertakes:

- to inform the top managers and middle-managers in writing, and then, in order of service, the non-management personnel, of the disciplinary action to be taken against conduct prohibited by the Code of Ethics and the conduct which will be identified in detail by the subsequent organisational and management model in accordance with Legislative Decree 231/2001 and in the related update status;
- to include a specific clause which envisages termination of appointment in contracts with external freelance workers;
- to include the relevant penalty clauses, up to and including the provision of an explicit resolution clause in the most serious cases, in the specifications and in general in the contracts with the parties referred to in the last line of the previous paragraph.

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### 7.6 – Amendments and additions

The Board of Directors of Dimontonate Floccati S.p.A. reserves the right to amend or add to this Code of Ethics and to communicate it promptly.

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Approved by the Board of Directors on 29 January 2018.