



## **CODE OF ETHICS**

APPROVED BY THE BOARD OF DIRECTORS

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## Foreword

The business activities of Bottero S.p.A. consist of the production of automatic machines for the processing of glass.

### ***Purpose of the document***

This Code of Ethics has been drawn up in order to clearly and transparently define the values and principles to which the Company aspires, as well as the criteria of conduct governing its activities. Bottero S.p.A. (hereinafter also "**Bottero**" or the "**Company**"), has prepared this Code of Ethics (hereinafter the "**Code of Ethics**"), which must be complied with by everyone who, for whatsoever reason, is involved in corporate activities.

A positive image and reputation are essential intangible resources for running the Company, and are indivisible from compliance with the commitments and ethical goals laid down in this Code of Ethics.

## 1 FIELD OF APPLICATION AND RECIPIENTS

Bottero acknowledges the positive ethical value of the principles and code of conduct laid down in the Code of Ethics; it also considers the application of the provisions of this document fundamental and binding in order to ensure the transparency and legality of all the activities connected in any way with the Company.

The principles, code of conduct and behaviour described in this Code of Ethics are binding for the Corporate Bodies and all their members (Directors and Auditors), for employees (persons linked by subordinate employment contracts, including management), collaborators (such as contract workers, interns/trainees and temporary/agency workers), external consultants, suppliers, customers, agents, subcontractors and any other collaborators, meaning any persons who act in the name of and/or on behalf of the Company according to a mandate or other contractual relationship, (hereinafter collectively referred to as the "**Recipients**").

The Recipients of the Code of Ethics are required to observe the provisions contained therein and to adapt their behaviour and their actions to the principles expressed therein. To this end, the Code of Ethics is disseminated as provided in paragraph 11.

## 2 ETHICAL PRINCIPLES

This Code of Ethics aims to detail the fundamental ethical values of Bottero, such as:

### **2.1 Legality**

The Company considers legality an essential value in the conduct of business activities. It is therefore committed to complying with applicable laws, the Code of Ethics, the internal company regulations and generally accepted practices.

### **2.2 Integrity and transparency**

All activities performed in the name of and/or on behalf of Bottero are conducted in compliance with the principles of integrity and transparency, with honesty and sense of responsibility, fairness and good faith. The Company is committed to ensuring correctness, completeness, accuracy, consistency and timeliness in handling and disclosing corporate information, thus avoiding deceptive behaviours from which unfair advantage could be gained.

### **2.3 Social equity and value of the person**

The Company respects the fundamental rights of any person with whom it interacts in any way, protecting physical and moral integrity and guaranteeing equal opportunity.

The Company rejects all forms of discrimination based on age, gender, sexual orientation, health status, race, nationality, cultural background, political views and religious beliefs.

The Company, in particular, provides its Employees and Collaborators with safe and healthy working environments and conditions that respect individual dignity.

### **2.4 Diligence and professionalism**

The members of the Corporate Bodies, Employees and Collaborators are committed to diligently performing their professional duties acting in the interest of the Company and pursuing the objectives of effectiveness and efficiency, in the full knowledge, however, that ethics is of primary importance for Bottero. Therefore, no behaviour will be tolerated which, while apparently aiming to promote the Company, is contrary to the regulations or this Code of Ethics.

### **2.5 Confidentiality**

The Company undertakes to treat any information obtained in the course of business held within the organisation as confidential, ensuring full and timely compliance with safety and protection measures for the data entered into its IT systems and archives.

### **2.6 Environmental protection**

The Company is aware of the direct and indirect effects of its activities on economic and social development and the general welfare of the community, as well as the importance of social acceptance in the communities in which it operates.

Bottero, therefore, plans its activities seeking a balance between economic initiative and environmental needs, not only in compliance with current legislation, but also in consideration of the rights of future generations.

Bottero is committed to ensuring that projects, processes, methodologies and materials take into account the development of scientific research and expertise in environmental matters, with the aim of respecting territorial balance, preventing pollution, as well as protecting the environment and landscape.

### **2.7 Customer focus**

Bottero considers the customer to be at the heart of its commercial activities.

In order to meet the demands of customers and create value for the same, the Company is committed to providing the highest level of service by ensuring professionalism, punctuality, courtesy, cooperation and high quality standards

## 3 RULES OF CONDUCT IN THE MANAGEMENT OF BUSINESS

### 3.1 General principles

#### 3.1.1 *Regulatory compliance*

The Company, in carrying out its activities, acts in accordance with local regulations and requires that the Recipients of this Code of Ethics comply with this obligation and engage in behaviours that uphold the Company's moral and professional reliability.

#### 3.1.2 *Conflict of interest*

Corporate Bodies, Employees and Collaborators must ensure that all business decisions are made in the interest of the Company, in line with the Company's principles of correct corporate and business management. They, therefore, must avoid all situations and activities in which a conflict of interest can occur between their company duties and personal or family economic activities, such that might interfere with or impair their ability to make decisions in an impartial and objective manner (they must, for example, prevent an employee or Collaborator from pursuing an interest other than that of the Company, or being "personally" advantaged by the Company's business opportunities, or pursuing a personal interest using their own company role).

The Recipients shall thus avoid any abuse of their position leading to undue advantages for themselves or for others.

Any conflict, even potential, must be promptly communicated in detail to the Company, and the person in conflict must refrain from performing or participating in any act that might prejudice the Company or damage its image.

#### 3.1.3 *Foresight in commercial transactions*

Particular attention is required in commercial transactions involving the receipt and spending of coins, banknotes, securities and valuables in general, in order to avoid the danger of placing counterfeit or altered currencies on the market.

#### 3.1.4 *Contributions and sponsorships*

The Company may agree to requests for contributions and sponsorship for activities concerning social issues, the environment, sports and the arts, provided they are from regularly established, non-profit organisations and associations having legal Articles/Memorandums of Association.

The company, in any case, pays particular attention, in adhering to these initiatives, to possible personal or business conflicts of interests.

Sponsorships can occur only by prior definition of specific agreements and verification of the integrity of the beneficiary and the event/initiative promoted.

#### 3.1.5 *Confidentiality of Information*

The Company ensures the confidentiality of the information in its possession and refrains from seeking confidential data, except in the case of express and informed authorisation and in compliance with applicable legal standards. It also undertakes to protect the data acquired, stored and processed as part of the management activity, in full compliance with the legal provisions concerning the protection of personal data.

There shall be no inquiry on the ideas, preferences, personal tastes and in general, the private lives of Employees and Collaborators, as well as other Company collaborators in general. The processing of personal data shall therefore be upon obtaining the prior specific informed consent of the of the party concerned and in accordance with current legislation.

In particular, Employees, Collaborators, consultants and other Company Collaborators are prohibited from using information acquired in the performance of their duties for purposes unrelated to the strict performance thereof.

### **3.1.6 Communications with the external environment**

To supplement the provisions concerning confidentiality, external communication and dissemination (even through the media) of news, information and data relating to the Company are based on respect for the right of information and are exclusively reserved to the corporate functions authorised to do so; the disclosure of false or biased information or comments is not permitted under any circumstance.

All communication activities must comply with the laws, rules and practices of professional conduct, and are performed with clarity, transparency, timeliness and accuracy. Any form of pressure or acquisition of favours from the media is prohibited.

In order to ensure completeness and consistency of information, Bottero's relationships with mass media can be maintained exclusively with the coordination of the relevant departments, and carried out by a single designated spokesperson.

### **3.1.7 Prohibition of operations aimed at money laundering**

Recipients shall never engage in or be involved in any activity which may imply the laundering (that is the acceptance or processing) of proceeds from criminal activities in any form or manner in strict observance of the laws against money-laundering.

The Directors, Employees and Collaborators of the Company are required to verify the available information (including financial information) on business partners, consultants and suppliers in advance, in order to ascertain their moral integrity, respectability and the legitimacy of their activities before establishing business relationships with them.

The Company shall always comply with the laws on anti-money laundering and organised crime.

The Directors, Employees and Collaborators of the Company are required to strictly observe laws, company *policies* and procedures in any business transaction they undertake even at intercompany level, ensuring the full traceability of financial inflows and outflows and full compliance with money-laundering laws.

### **3.1.8 Standards of conduct to protect industry and commerce**

Bottero intends to protect the values of fair competition by abstaining from collusive and predatory behaviours. The Company and its Collaborators must comply with the principles and rules of free competition and not violate any law on competition, *antitrust* and consumer protection.

Engaging in any conduct that would violate the usual and free exercise of trade and industry, and as such may adversely affect the commercial trust and good faith in business, is thus prohibited.

Within the framework of fair competition and consumer protection, the Company and its Collaborators pledge not to violate the rights of third parties relating to intellectual property and to comply with the rules for the protection of distinctive signs of creative works or industrial products (trademarks, patents), putting in place checks on full compliance with the regulations for the protection of industrial property rights.

It is forbidden to market products that present the use of signs, figures or inscriptions bearing false indications sufficient to lead into misunderstanding on the actual origin, source or quality of the product.

### **3.2 Customer relationships**

The satisfaction of customer demands and the creation of constructive relationships are fundamental objectives for Bottero. The Company is committed to treating all its customers equally in accordance with contracts and the pre-set quality standards, with professionalism, helpfulness, courtesy and cooperation in order to provide them with the highest level of service.

In terms of relationships with customers, Directors, Employees, agents and Collaborators are required to:

- develop and maintain favourable and lasting relationships with customers, based on maximum efficiency, collaboration and courtesy;
- respect commitments and obligations towards them;
- provide accurate, complete, true and timely information in order to allow the customer to make an informed decision;
- inform of the existence of this Code of Ethics;
- operate within the existing legislation and request strict compliance;
- specifically meet the provisions of paragraph 4, if customers belong to the Public Administration.

### **3.3 Supplier relationships**

The choice of suppliers and the purchase of goods and services are carried out by specific business functions based on objective evaluations of skills, competitiveness, quality, correctness, respectability, reputation and price.

The purchasing processes are based on the search for the maximum value for the Company, the granting of equal opportunities to every supplier; they are also based on the pre-contractual and contractual conduct required in view of an essential and mutual loyalty, transparency and collaboration.

In any case, assuming that the supplier, in carrying out its activities for the Company, adopts behaviours that are not in line with the principles of this Code of Ethics, Bottero is entitled to take appropriate measures to preclude any further collaboration.

Bottero suppliers must ensure working conditions based on respect for fundamental human rights, International conventions and the laws in force for their employees. In particular:

- The use of child labour is strictly prohibited and considered unacceptable. The age of production workers cannot be less than the legal minimum age allowed under domestic law in the State;
- the exploitation of child labour and the use of forced labour, physical or mental abuse or corporal punishment are considered absolutely unacceptable and will

result in immediate termination of any and all relationships between the supplier and Bottero;

- remuneration and benefits of employees must comply with local regulations, the law and be in line with the provisions of international conventions on the matter;
- suppliers shall ensure that all forms of production are carried out through work processes that protect workers' health in an adequate manner for the production processes used.

Suppliers are also required to inform their subcontractors of the existence of this Code of Ethics.

In relations with customers, Directors, Employees, and Collaborators are required to:

- establish efficient, transparent and collaborative relationships, maintain open and frank dialogue, in line with best business practices;
- secure the collaboration of suppliers in constantly ensuring the combination of quality, cost and delivery times;
- require the application of contractual conditions;
- require suppliers to comply with the principles of this Code of Ethics;
- operate within the existing legislation and request strict compliance.

In particular, the signing of a contract with a supplier must always be based on extremely clear relationships, avoiding, wherever possible, forms of dependence. Thus, by way of non-limiting example:

- as a rule, binding long-term projects with short-term contracts that require continuous renewals with price reviews, or consultancy contracts without an adequate transfer of know-how, etc. are to be avoided;
- it is considered unfair to convince a supplier to enter into a contract which is financially unfavourable to them and induce them to believe that a more advantageous contract will be available in the future.

To ensure maximum transparency and efficiency of the purchasing process, Bottero keeps all support documentation for the decisions made in purchase and supply contracts, including all official documentation for tenders, for the periods established by law.

### **3.4 Relations with external consultants, agents and other collaborators**

Given the principles set out regarding relations with suppliers, we specify that, in relationships with external consultants and other collaborators, the Company's Directors, Employees and Collaborators are required to:

- carefully assess the opportunity to resort to the use of the services of external consultants and contractors, and select those with the appropriate professional qualifications and reputations;
- establish efficient, transparent and collaborative relationships, maintain open and frank dialogue, in line with best business practices;
- secure the collaboration with external consultants and collaborators in constantly ensuring the most convenient price/performance ratio;
- require the application of contractual conditions;
- require external consultants and collaborators to comply with the principles of this Code of Ethics;
- operate within the existing legislation and request strict compliance.

The same principles shall be followed for relationships with agents.

## 4 RELATIONSHIPS WITH THE PUBLIC ADMINISTRATION AND THE GUARANTORS AND SUPERVISORY AUTHORITIES

### 4.1 Ownership upon taking on commitments

Taking on commitments and managing any kind of relations with the Public Administration, to be understood in the broadest sense, so as to include the Public Administration of Foreign States, as well as all those individuals that can be deemed as such on the basis of existing legislation and the current doctrinal and legal interpretations, therefore including public officials and those appointed to public services and private bodies appointed to public services, as well as private entities subject to public administration laws, are reserved exclusively for the corporate functions assigned and authorised personnel, in strict compliance with the current law provisions and regulations.

The same requirements apply to relationships with Guarantors and supervisory authorities.

### 4.2 Ethical rules of conduct

To prevent the Company's integrity and reputation being compromised, it is necessary that contact with Public Administration, Guarantors and Supervisory Authorities is monitored and documented.

In relations with the Public Administration, Guarantors and Supervisory Authorities, the parties involved are bound by maximum transparency, clarity and fairness, in order to establish maximum professionalism and collaboration.

Towards Public Administration, Guarantors and Supervisory Authorities officials, the following applies:

- corrupt practices, active or passive, or collusive behaviour of any kind and in any form within the relationships with these entities are not permitted:
  - for the application and management of authorisations, permits and/or concessions needed to implement business activities;
  - during the assessment and inspection activities;
  - when reporting activities of any kind;
  - in the conclusion of any commercial transaction;
- it is not permitted to offer financial inducements or benefits of any kind or perform acts of business courtesy to Italian and foreign Public Administration officials (even in those countries where the gifts/benefits are a widespread practice), or their relatives, except in the case of modest value and benefit bestowed in accordance with company procedures, and in any case with the express authorisation of the CEO and the Company Chairman, and provided that they cannot in any way be construed as a means to influence them in the performance of their duties (with a view to inducing them to act or fail to act in a certain way), to receive illegal favours and/or gain unfair advantage.

## 5 RELATIONSHIPS WITH OTHER INTERLOCUTORS

### 5.1 Shareholders, Board of Auditors, auditing firms

The Company shall provide its shareholders accurate, truthful and timely information to enable them to make informed decisions for the company, in full compliance with current legislation and the Articles of Association.

In relations with the members of the Board of Auditors, the statutory auditor and the independent auditing firm, the parties involved are bound by maximum transparency, clarity and fairness in order to establish maximum professionalism and collaboration; relationships are established and information provided upon prior supervision and coordination by the corporate functions assigned.

### 5.2 Trade associations, trade unions and political parties

Bottero does not contribute in any way to funding political parties, movements, committees and political and trade union organisations or their representatives or candidates.

It refrains from engaging in behaviour designed to exert pressure, direct or indirect, against politicians. Bottero may cooperate even financially with non-political associations for specific projects, based on the following criteria:

- goals related to the activities of the Company;
- clear and documented allocation of resources;
- express authorisation by the departments responsible for managing said relationships within the Company.

## 6 DONATION/ACCEPTANCE OF GIFTS OR OTHER BENEFITS

With reference to anti-corruption legislation, Bottero S.p.A. has deemed it necessary to make this code of ethics an effective tool in the fight against corruption, flatly opposed by international and internal regulations and also in the light of Law no. 190 of 6 November 2012 laying down "Measures for the prevention and repression of corruption and lawlessness in the Public Administration".

The Italian legislature, in fact, implementing a comprehensive reform of the anti-corruption system, in accordance with supranational provisions, has provided, together with the introduction of more stringent rules of conduct aimed at reforming the rules for administrative transparency, a system of more punitive sanctions whose effects fall both on natural persons and Institutions.

The Code of Ethics is therefore an instrument for implementation of the Company policy as it expresses the clear will of the Company to reject corruption and any illegal practice.

No direct or indirect offer or donation of money, gifts or benefits of any kind is permitted to directors, officers or employees of customers, suppliers, external consultants, in order to influence them in the performance of their duties and/or take unfair advantage, or that may even be interpreted as exceeding normal commercial practices or courtesy, or aimed at obtaining favourable treatment in conducting any activity related to the Company.

Business courtesies are permitted provided that they are of low value or such as not to compromise the integrity or reputation of either party, or such that they are interpreted by an impartial observer as not aimed at obtaining undue and/or improper advantages.

The Directors and Employees are prohibited from accepting, for themselves or for others, even on festive occasions, gifts or other benefits, except for gifts of modest value and/or

attributable to normal courtesy relationships, such as not to compromise the integrity or reputation of either party nor be construed by an impartial observer as aimed at obtaining undue advantages improperly.

The Employee who, irrespective of its will, receives gifts or other benefits of modest value and, in any case, in contrast with the above provisions, must give prompt written notice to the Company that may determine the restitution thereof; if this is not possible, the gift must be made available to the Company.

The Recipients cannot bestow gifts, donations or sponsorships the amount of which and/or the beneficiary does not correspond to what has been formally defined and authorised in accordance with the system of powers and delegation in force in the Company and on the basis of the information contained in the Company procedures.

As for the relations with the Public Administration, Guarantors and Supervisory Authorities, however, please refer to the contents and provisions of paragraph 4.2.

## 7 ADMINISTRATIVE AND ACCOUNTING MANAGEMENT

The Company complies with legislation and, in particular, the regulations applicable for the preparation of financial statements and all types of mandatory administrative and accounting documentation.

Accounting records shall be kept in an accurate, complete and timely manner, in compliance with company accounting procedures, in order to achieve a fair representation of the equity/financial situation and activity of management.

All actions and operations of the Company must be properly recorded, authorised, verifiable, legitimate, consistent and congruous.

Accounting records are based on generally accepted accounting principles and systematically track the events arising from the management of the Company.

To this end, all business departments are required to ensure maximum cooperation to ensure that operating events are represented correctly and promptly in the company accounts, ensuring completeness and clarity of the information provided, as well as fairness and accuracy in data processing.

For each accounting entry that reflects a corporate transaction, adequate supporting documentation must be kept. Said documentation must identify the reason for the operation that generated the detection and authorisation. The supporting documentation must be readily available and archived according to appropriate criteria that allow easy reference by both internal and external entities allowed to control.

In particular, the auditors, both internal and external, must have free access to data, documents and information necessary for the performance of their activities. It is expressly forbidden to impede or obstruct the performance of the control and auditing activity legally assigned to the shareholders, to other Corporate Bodies, the statutory auditor or independent auditing firm appointed.

## 8 DILIGENCE IN THE USE OF CORPORATE RESOURCES

The Directors, Employees and Collaborators are bound to act with due diligence necessary to protect corporate resources, avoiding improper use which may cause damage or a reduction in the efficiency of the Company, or reduce the efficiency or howsoever be in contrast with the interests of the Company. For the purposes of this principle, company resources refer to, by way of non-limiting example:

- Instrumental goods and consumables owned by the Company;
- business equipment;
- third party property obtained by concession, loan or loan for use;
- information technology devices and applications for which strict compliance with the company safety *policies* are required, in order to avoid compromising the functionality, processing capacity or integrity of data.

The use of company resources (including premises and equipment) is not permitted for personal use or interests of any kind.

Any use of company resources in contrast with applicable laws and regulations and Internal Company Rules, is forbidden, even if from such use an interest or advantage for the Company results.

## 9 PROTECTION OF IT TOOLS

Directors, Employees and Collaborators must strictly comply with the procedures and *policies* laid down by the Company concerning IT security, as well as internal company regulations and must use the company resources – including personal computers, telephone and other communication tools – in compliance with the aforementioned procedures and *policies*, avoiding all behaviour which may compromise the operation and protection of the company IT system.

The IT and electronic/computer processing tools (such as telephones, fax, e-mail, internet, intranet and generally *hardware* and *software*) made available by the Company to its employees are and remain at all times working tools and therefore, should be used only for business purposes: All Employees must act to prevent the possible commission of offences through the use of IT equipment. Company personnel may not load borrowed, unauthorised or unlicensed software onto company systems, and it is also prohibited to make unauthorised copies of licensed programs, for personal, company or third parties use.

The Company protects the personal data of all persons who have a relationship with it according to the current laws concerning *privacy*.

It is not permitted to alter the operation of a company remote or electronic or computer system or any data or information contained therein in any manner, or to tamper with programmes or archives, for any purpose whatsoever, or unauthorised access to a computer or computer system.

## 10 HUMAN RESOURCE MANAGEMENT POLICY

### 10.1 Human resource selection and recruitment

Evaluation of human resources to be recruited is made based on the correspondence of the candidates' profiles to those required by corporate needs, in compliance with equal opportunities for all stakeholders. The information requested is strictly related to the verification of the aspects of the professional profile and aptitude while respecting the candidates' private life and opinions.

The department responsible for selection, within the limits of the available information, shall take appropriate measures to avoid favouritism, nepotism or patronage in the selection and recruitment phase. All staff involved in the selection process must declare if there are any relatives, blood relatives or persons with whom for whatever reason they have had working or personal relationships among the candidates.

## **10.2 Employment relationship**

Staff is hired under a regular employment contract; illegal work is not tolerated. On taking up employment, each worker receives accurate information regarding:

- characteristics of the department and duties to be performed;
- legislative and remunerative elements, as regulated by the national collective bargaining contract;
- standards and procedures to be adopted in order to avoid possible health risks associated with the job.

Said information is presented to the employee so that acceptance of the assignment is fully understood.

## **10.3 Personnel management**

Bottero avoids any form of discrimination against its Employees and Collaborators, providing equal opportunities in employment and in their career. As part of management and staff development, as well as in the selection phase, the decisions taken are based on the correspondence between required profiles and profiles held by the Employees and Collaborators (for example, in case of promotion or transfer) and/or on merit considerations (for example, allocation of bonuses based on the results achieved).

Access to roles and positions is also determined in consideration of the skills and capabilities; moreover, consistent with the general efficiency of the work, flexibility in the work organisation which facilitate the management of maternity, paternity and overall care of the family unit are favoured.

Staff assessment is carried out in a wider and documented way involving the managers, human resources department and wherever possible, persons who have had dealings with the assessed.

## **10.4 Protection of occupational health and safety**

The Company undertakes to spread and consolidate a culture of safety, developing risk awareness, knowledge of and compliance with current legislation on prevention and protection, promoting and demanding responsible behaviour by all Employees and Collaborators - as well as contractors, in its fields of competence - and working to preserve and improve, especially with preventive actions, working conditions, health and safety of workers.

The Company's activities are carried out in full compliance with current legislation on prevention and protection, with particular reference to the provisions in Italian Legislative Decree no. 81/2008 (as amended) and specifically with regards to applicable prevention regulations, operational management must refer to advanced criteria for environmental protection and energy efficiency, pursuing the improvement of occupational health and safety, and - but not only - for the purposes of reasonable prevention of crimes of

manslaughter and negligently or grievously causing serious injury committed in violation of laws protecting occupational health and safety.

The fundamental principles and criteria that guide the Company's decisions concerning occupational health and safety are as follows:

- avoid danger;
- assess the risks which cannot be avoided;
- address risks at the source;
- adapt work to man, in particular as regards the concept of work relations, the choice of work equipment and working and production methods, in particular, to alleviate monotonous and repetitive work and reduce health effects;
- adapt to technical progress;
- replace what is dangerous with what is not, or that is to a lesser extent;
- develop a coherent overall prevention policy which covers technology, organisation of work, working conditions, social relationships and the influence of factors related to the working environment;
- give priority to collective protective measures over individual protective measures;
- give appropriate instructions to workers.

The Company is also committed to ensuring work conditions that protect the psycho-physical integrity of the worker, respect his/her moral personality, and avoid the latter being exposed to illegal conditioning or undue distress.

#### 11 DISSEMINATION AND UPDATE OF THE CODE OF ETHICS

Bottero is committed to encouraging and ensuring adequate knowledge of the Code of Ethics, disseminating it to the Recipients through special effective and appropriate information and communication activities.

This Code of Ethics is published on the Company's website. The Company also undertakes to update the content when variations in the context of the reference legislation, the environment or corporate organisation make it appropriate and necessary. The Company's Board of Directors is responsible for any changes and/or additions to this Code of Ethics.

#### 12 MONITORING OF THE CODE OF ETHICS APPLICATION

Bottero identifies the Supervisory Board, appointed pursuant to Legislative Decree no. 231/2001 and in accordance with the provisions of the Organisational, Management and Control Model which the Company has adopted, as the body entrusted with monitoring this Code of Ethics.

This body has the task of:

- monitoring initiatives related to the knowledge and understanding of the Code of Ethics;
- verifying the application of the Code of Ethics, ensuring consistency between the practical conduct displayed by individuals and the principles, norms and general standards of behaviour set out in this document;
- suggesting any changes, updates and additions to the revision of the Code of Ethics, to be submitted to the Board of Directors;
- receiving and analysing reports of violations of the Code of Ethics;
- making proposals regarding the possible adoption of sanctions in cases of violations of the Code of Ethics.

For any clarification concerning the interpretation or application of the guidelines referred to in this document, the Company personnel may contact the Supervisory Board.

The violation or suspected violation of the Code of Ethics must be promptly reported to the Supervisory Board in writing, using the email address [odv@Bottero.com](mailto:odv@Bottero.com), or a specific mailbox available at each factory.

These reports must be sufficiently precise, detailed and traceable to a defined event or area. The Supervisory Board ensures confidentiality to the authors of the reports, in order to avoid any kind of retaliation, discrimination or penalty.

The Supervisory Board shall assess the reports received with discretion and responsibility, taking care to investigate, also listening to the person making the report and/or the person responsible for the alleged violation, providing written reasons for any independent decision not to proceed and notifying the Board of Directors in accordance with the Organisational, Management and Control Model.

### 13 CONSEQUENCES OF VIOLATING THE CODE OF ETHICS

The behavioural rules defined in the Code of Ethics constitute a basic reference which the Recipients must comply with in dealing with stakeholders, among whom a prominent role is the Public Administration.

The violation of the provisions of the Code of Ethics also constitutes a disciplinary offence and results in immediate disciplinary proceedings, regardless of whether criminal proceedings have been established in cases where the same conduct also constitutes a crime.

In particular, any kind of violation of rules of conduct contained in the Code of Ethics authorises the Supervisory Board to ask the competent corporate departments of Bottero to start disciplinary proceedings that could lead to the imposition of one of the sanctions listed below and based on the severity of the violation committed and previous behaviour (any prior violations), and after the fact (e.g. communication to the Supervisory Board of irregularities) by the infringer.

#### 13.1 Sanctions against Employees

The violation by Company employees of any rule of conduct provided in this Code of Ethics constitutes a disciplinary offence pursuant to the applicable National Collective Labour Agreement (CCNL) of reference, namely the National Collective Labour Agreement for Mechanical Engineering and System Installation Industry of the version currently in force.

The disciplinary sanctions enforceable against employees that are classified as workers and employees - in accordance with the procedures provided for in article 7 of Italian Law 30 May 1970 no. 300 (Workers' Statute) and any specific applicable regulations, and articles 1 (Relationships within the Company) and 8 (Disciplinary Measures) of the National Collective Labour Agreement mentioned - are those provided by the following penalty system:

- a. verbal warning;
- b. written warning;
- c. Fine of not more than 3 hours' pay calculated on basic pay;
- d. suspension from work without pay for up to three days;
- e. dismissal for misconduct referred to in art. 10 of the National Collective Labour Agreement mentioned.

### **13.2 Sanctions against directors and managers**

The disciplinary sanctions enforceable against managers - in accordance with the procedures provided for in article 7 of Italian Law 30 May 1970 no. 300 (Workers' Statute) of any specific applicable regulations, and articles 22 Termination of the Employment Relationship) and 23 (Notice) of the National Collective Labour Agreement for Industrial Managers - are those provided by the following penalty system:

- a) dismissal with notice;
- b) dismissal without notice.

In any case, the company department responsible shall always keep the Supervisory Board informed of the sanctions applied and/or infringements found.

### **13.3 Sanctions against members of the Board of Directors, Board of Auditors and the Supervisory Board**

In case of violation of the Code of Ethics by a member or members of the Company's Board of Directors, the Supervisory Board shall inform the entire Board of Directors and the Board of Auditors, who shall take appropriate measures consistent with the seriousness of the violation committed and in accordance with the powers granted by law and/or the Articles of Association (statements in the minutes of the meetings, request to convene or convening of Meetings to take appropriate measures against those individuals responsible for the violations, etc.).

The disciplinary sanctions enforceable with regards to one or more members of the Company's Board of Directors, upon resolution of the Board of Directors to be adopted with the abstention of the party concerned and where required by law and/or the Articles of Association, by resolution of the shareholders, are those provided by the following sanctionary system:

- a) written warning;
- b) temporary suspension from office;
- c) revocation of office.

In case of violation of the Code of Ethics by the entire Board of Directors, the Supervisory Board shall inform the Board of Auditors who shall convene a shareholders' meeting without delay in order to take the appropriate measures.

In case of violation of the Code of Ethics by a member or members of the Board of Auditors or the entire Board of Auditors of the Company, the Supervisory Board shall inform the entire Board of Directors who shall take appropriate measures consistent with the seriousness of the violation and in accordance with the powers granted by law and/or the Articles of Association (statements in the minutes of the meetings, request to convene or convening of Meetings to take appropriate measures against those individuals responsible for the violations, etc.).

If the Board of Directors becomes aware of violations of the Code of Ethics by one or more members of the Supervisory Board, said Board of Directors shall, in cooperation with the Board of Directors adopt the most suitable initiatives in line with the severity of the violation and in accordance with the powers granted by law and/or the Articles of Association.

In particular, if the violation is committed by a member of the Supervisory Board who is also an employee of the Company, the penalties referred to in paragraphs 13.1 and 13.2 shall apply.

In any case, the Board of Directors and Board of Auditors will always keep the Supervisory Board informed of the sanctions applied and/or infringements found.