CODE OF ETHICS

LOKHEN S.R.L.

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CODE OF ETHICS

1. INTRODUCTION

Article 1 – Purpose and Contents of the Code of Ethics

The Code of Ethics (hereinafter also referred to as the "**Code**") represents an instrument of "corporate deontology" and, as such, governs the general principles and rules of conduct to which a positive ethical value is recognized, with the aim of guiding corporate actions toward ethically correct behavior.

This Code of Ethics constitutes an integral part of the Organization, Management, and Control Model pursuant to **Legislative Decree no. 231/01**; consequently, all the Company's activities must comply with the principles expressed herein.

The Company undertakes to scrupulously respect all laws, regulations, and guidelines in force at the national, European, and international levels within the contexts in which it operates.

The Code of Ethics has been drafted based on the indications and principles provided by the latest update of the **Confindustria Guidelines**.

Article 2 – Recipients and Dissemination of the Code

The principles and provisions of the Code of Ethics are binding for the conduct of the Administrative Body, Shareholders, employees, consultants, third parties, and anyone who enters into contractual relationships for any reason—directly or indirectly, permanently or temporarily, in Italy or abroad—with the Company.

The recipients of the rules of the Code are obliged to comply with the requirements contained in this document and to align their behavior and actions with the principles expressed below.

The Company undertakes to utilize the provisions contained in this Code in all economic relationships it establishes, as well as to ensure the widest possible dissemination of the document.

For these reasons, the Code is made available to any interlocutor of the Company as well as to those who operate on behalf of the Company. This Code of Ethics is published on the Company's website.

Finally, the Company recommends and requires its main suppliers and partners to comply with the principles and regulations contained in this document.

Article 3 – Effectiveness of the Code

From an ethical perspective, the conduct required by this Code fulfills the obligations of loyalty and diligence to which all members of the Corporate Bodies, employees, collaborators, suppliers, and commercial partners who come into contact with the Company for any reason must adhere.

Consequently, non-compliance with the behaviors to which the Company explicitly attributes ethical value will be sanctioned proportionally to the improper conduct carried out, where the prerequisites exist, under civil, criminal, and disciplinary profiles.

Compliance with the rules and provisions contained in the Code constitutes an integral and essential part of the contractual obligations deriving from subordinate employment relationships for employees, and from contractual regulations for non-subordinate collaborators.

The violation of these rules will constitute a breach of the obligations deriving from the employment or collaboration relationship, with all legal or contractual consequences.

An express provision for the application of this Code is inserted into appointment deeds and/or contracts through a termination or forfeiture clause in the event of a violation of the obligations deriving from it.

Article 4 – Implementation and Updates of the Code

The Code of Ethics adopted by the Company may be modified and integrated also on the basis of indications and proposals formulated by the **Supervisory Body** provided for by Legislative Decree 231/2001 and governed by the Organizational Model.

Article 5 – Duties of the Code

All recipients of this Code, in the performance of their daily activities, shall fulfill their duties by ensuring compliance with the law and pursuing exclusively the interest of the Company without abusing their position or the powers vested in them.

The Company also respects the principles of integrity, fairness, good faith, and transparency.

The Company protects its employees and collaborators by guaranteeing working conditions that respect personal dignity and by condemning any behavior that may disrupt an individual's sensitivity and dignity.

It incorporates into this Code the text of the *"Regulations for the protection of the dignity of women and men within the Company,"* approved in agreement with trade union organizations on October 24, 1997.

The Company does not tolerate discrimination based on age, sex, race, health status, nationality, political opinions, or religious beliefs, and is committed to protecting workers from psychological violence, countering any discriminatory attitude or behavior that harms the person, their convictions, and their preferences.

2. GENERAL ETHICAL PRINCIPLES

Article 6 – Transparency and Traceability

The principle of transparency is based on the authenticity, clarity, and accessibility of information.

The Company undertakes to observe this principle by providing all interested parties with the necessary information in a clear and unequivocal manner, adopting verbal or written communication that is easy and immediate to understand.

When entering into contracts, the Company communicates clearly and comprehensibly.

Article 7 – Fairness

The principle of fairness requires, as a fundamental condition, that everyone operating within or on behalf of the Company respects the rights of each involved party, going beyond mere compliance with the Law and/or the Employment Contract.

Article 8 – Efficiency

The principle of efficiency requires that all work activities be carried out professionally and functionally, according to the most advanced standards of each sector, always respecting the management of the corporate resources employed.

Article 9 – Spirit of Service

The principle of the spirit of service aims to provide a service characterized by efficiency, quality, and high social value under the fairest economic and regulatory conditions, without any arbitrary discrimination.

Article 10 – Professional Development and Collaboration among Colleagues

The Company protects human resources and promotes their professional growth, also respecting principles and rules regarding equal opportunities. It also recognizes the centrality of human resources, favoring collaboration among everyone who operates within or on behalf of the company.

Article 11 – Integrity

The Company strictly rejects behavior that may favor or facilitate practices inherent to any culture or religion that conflict with public order regulations recognized by the State, affect the physical integrity of persons, or are otherwise considered illegal under current laws.

Requests or threats aimed at inducing individuals to act against the Law and against this Code, or to adopt behaviors that harm the moral and personal convictions and preferences of anyone, are not tolerated.

Article 12 – Competition

The Company is committed to promoting fair market competition, operating according to principles of fairness, loyalty, and transparency toward all competing operators. It avoids the risk of anti-competitive or fraudulent conduct toward competitors, refraining from collusive behavior and abuse of position.

Article 13 – Antitrust and Unfair Competition

By virtue of its activities, the Company recognizes the primary importance of free and fair competition among market operators and, therefore, stigmatizes any behavior that may hinder or disrupt the operations of an enterprise.

The Company respects antitrust and competition laws, promoting total and fair competition in all sectors in which it operates. It commits to not using violence or threats to disrupt or prevent a competing activity, to not using fraudulent means aimed at conditioning the free market, and to not engaging in any deceptive or disparaging conduct.

Article 14 – Prevention of Corruption

The Company complies with laws and regulations aimed at preventing corruption phenomena.

Article 15 – Protection of Industrial and Intellectual Property

The Company respects the intellectual property of third parties and uses it in accordance with legal regulations.

The Company uses third-party software only within the scope of the granted rights and in compliance with the relevant licensing conditions.

Article 16 – Consumer Protection

It is fundamental for the Company that the market be based on principles of fairness and good practices. For this reason, it is committed to scrupulously respecting and observing consumer protection laws and carrying out every regulatory requirement directed at ensuring the certainty and transparency of its operations.

The Recipients of this Code engage not to undertake any conduct contrary to the law or that could cause harm to consumers.

Article 17 – Conduct During the Performance of Service

In compliance with contractual provisions, employees shall not delay or delegate to other colleagues the execution of activities or the adoption of decisions within their competence, unless justified by a valid reason.

Employees shall not use IT and telephone services, or the materials and equipment available to them for office reasons, for private purposes, except in cases permitted by the Company itself.

Employees who have Company vehicles at their disposal shall use them exclusively for the performance of their official duties and shall not routinely transport persons external to the Company, except in cases permitted by the company itself. Each employee, collaborator, and subject operating on behalf of the Company is required to operate diligently to protect corporate assets through responsible behavior in line with the operational procedures established for their correct use, documenting their use precisely. Everyone is responsible for protecting the resources entrusted to them and has the duty to promptly inform the Administrative Body of any threats to the Company.

In particular, everyone must:

- Avoid private uses of corporate assets, outside of permitted cases;
- Use entrusted assets with care and parsimony;
- Avoid improper uses of corporate assets that could cause damage, reduce efficiency, or otherwise conflict with the Company's interest.

Regarding **IT applications**, everyone is required to:

- Use them according to instructions and for the purposes for which they are made available;
- Scrupulously adopt the provisions of corporate security policies to avoid compromising the functionality and protection of IT systems;

- Not send threatening or insulting emails, not indulge in unseemly language, and not express inappropriate comments that could offend individuals and/or harm the corporate image;
- Not browse internet sites for personal purposes, and strictly refrain from browsing sites with indecent or offensive content.

In relation to the purchase of goods or services for office reasons, employees shall not accept for personal use, nor retain or enjoy personally, utilities due to the buyer.

Article 18 – Relations with the Media and Use of Social Media

The Company prohibits the dissemination of information and/or comments, including through the web and social networks, deliberately intended to harm the image or honorability of colleagues or the Company in general.

3. CONDUCT CRITERIA IN RELATIONSHIPS WITH STAKEHOLDERS

Article 19 – General Conduct Criteria in Relationships with Stakeholders

The Company operates in compliance with current regulations to achieve its corporate purposes. All corporate activities are carried out in compliance with the principles and procedures established for this purpose.

The Company requires the Administrative Body, employees, commercial partners, and anyone performing representation functions (even de facto) to ensure:

- Compliance with current legal rules, the principles of this Code, and the procedures established for carrying out corporate activities;
- Irreproachable behavior that does not compromise the moral and professional reliability of the Company.

Therefore, all necessary measures are adopted to ensure compliance with current regulations, principles, and procedures established by the Company.

Article 20 – Relations with Clients

The Company is committed to not discriminating against its clients and to creating relationships characterized by high professionalism, oriented toward respect, courtesy, and the pursuit/offer of maximum collaboration, in compliance with current regulations and stipulated contracts.

Contracts and communications are characterized by clarity and comprehensibility. Therefore, they must be drafted in a language that all interlocutors can understand, avoiding obscure clauses understandable only by experts, and clearly illustrating every cost item.

Furthermore, contracts and communications will comply with current regulations without any recourse to elusive or otherwise incorrect practices.

The Company commits to creating a relationship of trust and collaboration with its clients, periodically verifying the achievement of service improvement objectives. The satisfaction of client requests and the establishment of constructive relationships represent fundamental goals.

Article 21 – Relations with Principals

The Company punctually analyzes the adequacy and feasibility of the requested performances, with particular regard to regulatory, technical, and economic conditions, so as not to assume contractual commitments that could force the Company to resort to savings that negatively impact the quality of performance and workplace safety.

The Company ensures fairness and clarity in commercial negotiations and the assumption of contractual obligations, as well as their faithful and diligent fulfillment.

Article 22 – Relations with Consultants

The Company undertakes not to arbitrarily discriminate against its consultants.

Consultancy shall mean a specialized intellectual service performed by a professional or a professional office who, having verified experience and practice in a matter, assists and advises the Company in carrying out its activities or provides information and opinions that can create added value and support decisions, promoting development in the activity concerned.

In this context, the relationship of trust between the client and the consultant is substantial; this trust may be based on a consolidated relationship, the reputation of the consultant, or the academic and professional qualifications they possess.

The choice of consultants and subsequent contracting will occur based on an assessment of their professionalism.

The Company's relationship with consultants is based on the regulatory principles of contractual good faith and the correct execution of mutual obligations. Furthermore, the Company rejects any behavior by consultants that is contrary to the law and/or the principles of this Code.

The behavior of external consultants must be characterized by availability and respect for corporate needs, with a view to a loyal, correct, and highly professional collaborative relationship.

Article 23 – Relations with Suppliers

In choosing its suppliers, the Company—due to the specific nature of its activity—is inspired by principles of transparency, competition, and equal conditions, conducting objective evaluations regarding competitiveness, quality, utility, price of the supply, and its reliability.

The Company adopts objective and transparent supplier selection criteria, without precluding any potential supplier possessing the required qualifications from competing for a contract.

Each selection procedure must be carried out under the broadest conditions of competition, and any exception to this principle must be adequately justified.

Relations with suppliers must be characterized by clarity, transparency, loyalty, and fairness, and conducted in accordance with current regulations and ethical principles.

In the case of contracts with suppliers based in **high-risk countries** (defined as such by recognized organizations regarding risks like corruption or terrorism), contractual clauses are introduced requiring self-certification by the supplier confirming adherence to specific social obligations (e.g., measures guaranteeing respect for fundamental workers' rights, principles of equal treatment and non-discrimination, protection against child labor).

Article 24 – Confidentiality and Transparency

To protect the confidentiality of information communicated by companies it comes into contact with, as well as to ensure transparency in relationships, the Company refrains from disseminating and using for personal purposes information at its disposal for official reasons, without prejudice to compliance with rules and regulations established to protect the right to information and access.

Article 25 – Independence and Duty of Abstention

To comply with basic principles of fairness, as well as the ethical principles of this Code, those operating within or in favor of the Company do not engage in activities that conflict with the tasks assigned to them and avoid any involvement in situations that could harm interested parties or the Company's image.

Article 26 – Personnel Policies

Recipients of this Code are strictly prohibited, in activities involving the use of currencies, public credit cards, or revenue stamps, from any conduct involving the counterfeiting of these assets, or the conscious use or possession of such counterfeit assets.

Article 27 – Rules of Conduct Regarding the Use of Money, Goods, or Other Benefits Received from Third Parties

During the procurement phases of goods, all recipients of the Code of Ethics are required to verify, as far as possible, that they do not originate from crime.

Furthermore, the aforementioned recipients observe internal provisions regarding the management of financial flows, as well as regulations and specific procedures concerning anti-money laundering.

Article 28 – Duties of the Administrative Body

The Administrative Body has the duty to observe current regulations and respect the principles of this Code, actively collaborating with every control ordered by the Company, the Supervisory Body, and administrative or judicial Authorities. It is obliged to constantly confer with the

Supervisory Body and bring to its knowledge any element useful for the performance of the Supervisory Body's duties.

Article 29 – Selection and Recruitment of Personnel

The Company evaluates personnel to be hired using criteria of fairness and transparency, analyzing candidates' profiles based on corporate needs and within the limits of available information, avoiding any form of favoritism in selection.

Personnel are hired under a regular contract. The Company refrains from engaging in any form of irregular labor.

Article 30 – Personnel Management

Corporate policy is aimed at assigning roles and competencies based on the concrete abilities possessed by its employees. Furthermore, compatibly with corporate organization, flexibility in working hours is favored to ease the management of maternity status and generally the care of children by personnel.

Article 31 – Development and Training of Personnel

The Company's collaborators and employees are considered an integral part and an indispensable factor for growth and development. For this reason, the Company protects and promotes the value of human resources to improve and increase intellectual capital and the competitiveness of the skills possessed by each collaborator.

The Administrative Body fully utilizes and values all professionalisms present in the Company to favor the professional development and growth of its employees and collaborators.

The Company provides all employees and collaborators with informational and training tools, with the aim of enhancing their specific skills and professionalism.

Personnel training may take place both on-site through specific courses and remotely via the internet, intranet, or other electronic devices. The training path of each collaborator is documented and archived by the Company.

Article 32 – Health and Safety

The Company is committed to disseminating and consolidating a safety culture, developing risk awareness among personnel and promoting responsible behavior by all employees and collaborators. It also works to ensure, primarily through preventive actions, the hygiene, health, and safety of workers.

The Company's objective is to protect employees and collaborators, allowing them to work in an appropriate and safe environment. The Company is particularly sensitive to the issue of workplace safety and commits daily to operating in compliance with current regulations and specifically the provisions of Legislative Decree no. 81/2008.

Article 33 – Obligations of Workers[1]

1. Every worker must take care of their own health and safety and that of other persons present in the workplace who may be affected by the consequences of their actions or omissions, in accordance with their training, instructions, and the means provided by the employer.
2. Workers must, in particular:

    a) Contribute, together with the employer, managers, and supervisors, to the fulfillment of obligations established to protect health and safety in the workplace;

    b) Observe the provisions and instructions issued by the employer, managers, and supervisors for collective and individual protection;

    c) Correctly use work equipment, dangerous substances and preparations, means of transport, and safety devices;

d) Appropriately use the protective devices made available to them;

[1] Legislative Decree No. 81/2008, as amended by Legislative Decree No. 106/2009, September 2015 Revision

e) Immediately report to the employer, manager, or supervisor any deficiencies in the means and devices referred to in letters c) and d), as well as any dangerous conditions of which they become aware, taking action directly in case of urgency within the scope of their competencies and possibilities—and without prejudice to the obligation under letter f)—to eliminate or reduce situations of serious and imminent danger, informing the workers' safety representative;

f) Not remove or modify safety, signaling, or control devices without authorization;

g) Not carry out on their own initiative operations or maneuvers that are not within their competence or that may compromise their own safety or that of other workers;

h) Participate in training and education programs organized by the employer;

i) Undergo health checks provided for by this legislative decree or otherwise ordered by the competent doctor.

3. Workers of companies carrying out activities under tender or subcontract regimes must display a specific identification badge, complete with a photograph, containing the worker's details and the indication of the employer. This obligation also falls upon self-employed workers who directly carry out their activities in the same workplace, who are required to provide it on their own account.

Article 34 – Protection of the Individual

The Company protects its employees and collaborators by guaranteeing working conditions that respect personal dignity.

The Company condemns any act of sexual harassment, as well as any behavior that may disrupt an individual's sensitivity and dignity. For this purpose, it incorporates into this Code the text of the *"Regulations for the protection of the dignity of women and men within the Company,"* approved in agreement with trade union organizations on October 24, 1997.

The Company does not tolerate discrimination based on age, sex, race, health status, nationality, political opinions, or religious beliefs, and is committed to protecting workers from psychological violence, countering any discriminatory attitude or behavior that harms the person, their convictions, and their preferences.

Article 35 – Information Management

The Company complies with the provisions regarding personal data protection regulations.

Article 36 – Conflict of Interest

Employees, collaborators, and anyone operating on behalf of the Company have the duty to refrain from personally taking advantage of business opportunities within the scope of their activity for the Company.

In the event that a case of conflict of interest manifests, even if only in the abstract, involving an employee, collaborator, or subject operating on behalf of the Company, the interested party is required to communicate this to the Company's Administrative Body, which informs the Supervisory Body according to established methods and evaluates its actual existence case by case.

Article 37 – Institutional Relations

In relations with State Institutions related to corporate activities, the Company undertakes to:

- Establish stable communication channels with all institutional interlocutors at any level, without any type of discrimination;
- Represent the Company's interests and positions transparently, rigorously, and consistently, avoiding collusive attitudes.

To ensure maximum clarity and transparency, those who have received a direct mandate from the Administrative Body engage to establish and maintain relations with Institutions based on formal and respectful standards.

Article 38 – Relations with Shareholders

The Company undertakes to provide shareholders with accurate, truthful, and timely information, also to facilitate their participation in corporate decisions.

It is the Company's commitment to protect corporate assets by ensuring high standards; the Company also undertakes to promptly communicate to shareholders any information or news that may be deemed relevant.

Article 39 – Accounting and Corporate Information

Accounting transparency is based on the truth, accuracy, and completeness of the basic information for the relevant accounting entries.

Everyone is required to collaborate in the timely representation of useful information within the accounting records.

Anyone who becomes aware of omissions, falsifications, or negligence in the accounting or documentation on which accounting entries are based is required to report the facts to the Administrative Body; if the aforementioned Body becomes aware of it directly, it must report to the Supervisory Body and, at the first useful opportunity, to the Shareholders' Meeting.

Article 40 – Relations with the Public Administration

The Company maintains relations with the Public Administration characterized by fairness and transparency.

For the purposes of this Code, Public Administration shall mean any public body, independent administrative agency, and physical or legal person acting in the capacity of a public official or a person in charge of a public service.

The assumption of commitments toward the Public Administration and Public Institutions is reserved exclusively for the authorized corporate functions, in compliance with the strictest observance of applicable statutory provisions and regulations, and can in no way compromise the integrity and reputation of the Company.

To this end, the Company correctly collects and archives documentation relating to contacts with the Public Administration.

Any activity by anyone operating on behalf of the Company directed at influencing the independence of judgment of a Public Official or otherwise securing advantages of any nature for the Company is strictly prohibited.

In dealings with employees of the Public Administration or officials acting on behalf of the Public Administration, the Company:

- Does not permit any practice, of any nature and in any form, aimed at inducing, facilitating, or remunerating a decision or the performance of an official act, or an act contrary to official duties, by the Public Administration;
- Specifically, does not permit payments or compensation in any form, or acts of commercial courtesy (such as gifts or forms of hospitality), even if merely offered, to managers, officials, employees, or anyone acting on behalf of a Public Administration, or their relatives or appointees, unless it concerns utilities of modest value that cannot in any way be interpreted as a tool to condition the actions of the Public Administration;
- Does not permit any promise of employment opportunities, advantages, or other utilities to the subjects mentioned above.
- In relations with the Public Administration, and specifically in tenders with the Public Administration, the Company will operate in compliance with the law and fair commercial practices.

In relations with the Public Administration, the Company does not allow itself to be represented by consultants or third parties when this could determine a conflict of interest.

Any violation of the above indications, even in the form of a mere attempt, by anyone operating directly or indirectly on behalf of the Company, must be promptly reported to the Administrative Body and the Supervisory Body, which will jointly take appropriate measures and adopt the disciplinary sanctions provided for by the Organizational Model; for employees, they will adopt the appropriate disciplinary sanctions provided for by the current National Collective Labour Agreement (CCNL).

Article 41 – Relations with Political Parties, Organizations, and Political/Trade Union Associations

In providing any contributions to parties, movements, committees, and political and trade union organizations, or their representatives and candidates, the Company strictly adheres to the provisions of current regulations.

Article 42 – Contributions and Sponsorships

The Company may contribute to requests for support coming from clearly non-profit entities and associations with regular statutes and deeds of incorporation, which are of high cultural, social, or charitable value, or which involve a significant number of citizens.

Sponsorship activities for companies, consortia, private law entities, and/or public law entities—which may concern culture, social issues, the environment, sports, entertainment, and art—are intended for events that offer a guarantee of quality, or for which the Company can collaborate in the design to ensure originality and effectiveness.

Article 43 – The Environment

The environment is the primary asset that the Company is committed to safeguarding.

Everyone operating on behalf of the Company, and all recipients of this Code, are required to contribute to the process of environmental protection, particularly paying attention to regulations and procedures regarding waste disposal, avoiding any illegal discharge and/or emission of harmful materials or waste, ensuring compliance with environmental legislation, and raising awareness about the environmental protection objectives pursued by the Company.

Article 44 – Fight Against Organized Crime

The Company firmly and unequivocally condemns any form of infiltration, affiliation, contiguity, or collaboration, direct or indirect, with criminal associations, mafia-type organizations, or subjects linked to organized crime.

The Company inspires its activity by principles of legality, transparency, fairness, and integrity, rejecting any behavior that could, even potentially, facilitate illegal activities or favor interests contrary to the legal system.

To this end, all recipients of this Code—including commercial partners, suppliers, and anyone operating in the name or on behalf of the Company—are required to:

- Refrain from any form of involvement, direct or indirect, with subjects linked to organized crime;
- Avoid commercial or professional relationships with counterparties regarding whom clues or suspicions emerge of connections with criminal environments;
- Promptly report, according to current internal procedures (including the Whistleblowing Policy), any risk situations or infiltration attempts.

Article 45 – Compliance of Materials and Minerals from "Conflict Zones"

The Company is committed to ensuring that materials and components used in its production processes comply with current regulations, with particular reference to regulations regarding the responsible sourcing of minerals from conflict zones as provided for by **Regulation (UE) 2017/821** of the European Parliament and of the Council of 17 May 2017, which establishes supply chain due diligence obligations for Union importers of tin, tantalum, and tungsten, their ores, and gold, originating from conflict-affected and high-risk areas, as amended and integrated.

It is forbidden to procure minerals (including but not limited to tin, tantalum, tungsten, and gold) originating from areas that directly or indirectly finance or support armed groups responsible for serious human rights violations.

The Company promotes traceability and transparency along the supply chain, encouraging its suppliers to adopt policies consistent with the principles of this Code of Ethics and condemns any behavior in conflict with the regulations in question.

Article 46 – Principles on Export Controls and International Economic Sanctions

General Principle of Legality and Regulatory Compliance

The Company operates in full compliance with regulations concerning export controls (**Export Controls**), dual-use goods regulations (**dual use**), embargoes, and commercial restrictions, as well as restrictive measures and international economic sanctions enacted and/or applied by:

(i) The European Union, within the framework of the CFSP pursuant to Articles 29 TEU and 215 TFEU;

(ii) The United Nations Organization;

(iii)The Italian Republic, in implementation of international and European Union obligations;

(iv) The United States of America, including primary and secondary sanctions administered by the *Office of Foreign Assets Control (OFAC)*;

(v) Any other national or supranational Authority or international organization whose restrictive measures apply to the Company due to the nature, location, or operation of its activities.

It is forbidden for anyone operating in the name, on behalf, or in the interest of the Company to engage in behaviors, acts, schemes, or agreements directed at evading, circumventing, avoiding, or otherwise escaping the application of the cited regulations on sanctions and export controls, including participation (whether conscious or through culpable negligence) in *circumvention* conduct as defined by applicable law.

Scope of Application and Requirements

The principles of this article apply to:

- Administrators;
- Managers;
- Employees;
- Collaborators, consultants, and commercial partners;
- Intermediaries, agents, and distributors;
- Contractual counterparties operating in Italy and abroad.

The Company requires its partners to respect equivalent standards of compliance with export control regulations and international sanctions.

Contracts entered into by the Company with commercial counterparties, intermediaries, agents, distributors, and partners include, where appropriate due to the nature and territorial scope of the operation, specific clauses regarding **sanctions compliance**, containing at least:

- Declarations and warranties by the counterparty regarding their non-designation in applicable sanctions lists and non-relationship to sanctioned subjects;
- Obligations for immediate notification in the event of subsequent designation or investigation by competent Authorities;
- The right of the Company to suspend execution and/or terminate the contractual relationship in the event of a violation of sanctions regulations or designation of the counterparty;
- Indemnity clauses for damages resulting from the violation of sanctions obligations by the counterparty.

It is prohibited to:

- Export, re-export, transfer, or provide goods, software, technologies, or services subject to restrictions without the necessary authorizations;
- Maintain commercial relations with subjects included in sanctions lists (e.g., EU, UN, OFAC lists, where applicable, or those of other competent Authorities);
- Carry out operations with Countries subject to embargoes or restrictive measures in the absence of prescribed verifications and authorizations;
- Engage in conduct aimed at concealing the identity of the final customer or the final destination of goods/services.

The Company undertakes to:

- Carry out preventive checks on commercial counterparties (screening against sanctions lists);
- Verify the final destination of supplied goods, services, and technologies;
- Evaluate the classification of products and services for export control regulations;

- ➢ Adopt internal procedures suitable for preventing the risk of violating European Union restrictive measures.

Preventive checks on commercial counterparties (*Know Your Customer/Know Your Business Partner*) include:

- Screening the name of the counterparty, its legal representatives, shareholders, and beneficial owners against the main applicable sanctions lists (including, but not limited to, the EU, UN, and OFAC SDN Lists);
- Verifying, where possible, the control chain and corporate shareholding, with particular attention to subjects holding—directly or indirectly—a shareholding equal to or greater than 50% of the capital or voting rights of the counterparty, in accordance with the interpretative criteria of the European Commission;
- Verifying the final destination of goods, services, and technologies, as well as the end-user.

In case of interpretative doubts, anomalous screening results, suspicion of involvement of sanctioned subjects or Countries, or situations of potential risk of violating restrictive measures, the operation must be immediately suspended and submitted to the competent functions. The latter evaluate the case within five (5) working days and, where necessary, refer the operation to the Administrative Body. In such a scenario, no suspended operation can be executed without specific written authorization. Every decision made—whether to proceed, modify, or waive the operation—must be reasoned and documented.

In case of verification or well-founded suspicion of violation of the aforementioned regulations on sanctions or export controls (even if past), the Company—having heard the competent functions—evaluates, with the assistance of external and independent legal consultants, the opportunity to proceed with voluntary **self-disclosure** to the competent Authorities. The Company adopts immediate corrective measures to end the violation and prevent recurrence.

In case of adoption of new restrictive measures affecting existing contractual relationships, the Company proceeds with a timely impact assessment and, where permitted by applicable law and within the limits of any provided wind-down periods, to the orderly closure of operations. It is forbidden to assume new obligations or perform services in favor of designated subjects, unless authorized by the competent Authority (specific or general license).

The Company guarantees:

- Correct conservation of documentation relating to international operations;
- Traceability of commercial and financial transactions;
- Full cooperation with competent Authorities.

The Company prepares and implements a mandatory training program on *export controls* and international sanctions, with the following characteristics:

- At least annual frequency, with ad hoc updates in case of significant regulatory evolutions;
- Differentiated content based on the role and level of exposure to sanctions risk;
- Specific sessions for personnel in functions linked to sales, purchasing, *supply chain*, finance, legal, and international contracts.

Training is extended, within limits of reasonableness and proportionality, to external collaborators, agents, and intermediaries.

Violation of the provisions of this article constitutes a breach of contractual duties and may result in the application of disciplinary sanctions, in addition to any liabilities provided for by law.

Article 47 – Protection Against Child Labor

The Company recognizes the fundamental right of minors to protection and the harmonious development of their personality, rejecting any form of child labor exploitation.

It is expressly forbidden to employ minors in violation of the minimum legal age established by national regulations.

The Company undertakes to respect the provisions of international conventions. The minimum age for admission to employment shall not be lower than the age of completion of compulsory schooling established by national regulations.

The Company commits to carrying out every check in its personnel selection and recruitment process to prevent and contrast any direct or indirect form of child labor.

Any violation of this article constitutes a serious breach of fundamental ethical principles and may lead to the adoption of disciplinary measures and/or the termination of contractual relationships with involved third parties.

4. IMPLEMENTATION AND MONITORING MECHANISMS OF THE CODE OF ETHICS

Article 48 – Violation of the Code of Ethics

A violation of the obligations provided for by this Code constitutes behavior contrary to corporate duties. Without prejudice to cases where a violation of the provisions contained in this Code gives rise to criminal, civil, or administrative liability for the employee, it serves as a source of disciplinary liability ascertained at the outcome of a disciplinary proceeding, respecting the principles of gradualness and proportionality of sanctions.

To determine the type and extent of the disciplinary sanction concretely applicable, the violation is evaluated in each individual case regarding the severity of the behavior and the extent of the harm (including moral harm) resulting to the decoro or prestige of the Company.

Applicable sanctions are those provided for by the adopted Corporate Collective Labour Agreement (CCNL), to be evaluated in relation to the severity of the violation of provisions and/or breach of the duty of loyalty.

Further obligations and consequent cases of disciplinary liability of employees provided for by laws, regulations, or collective agreements remain unaffected.

In case of violation of this Code by the Administrative Body, Shareholders, or collaborators of the Company not subject to a hierarchical system, the most appropriate measures provided for by the Organizational Model will be applied; for employees, reference will be made to the sanctions provided for by the reference CCNL and reported within the Organizational Model.

Expressed termination clauses will be inserted into contracts for professional collaboration and the supply of goods, services, and labor in relation to behaviors contrary to the principles of this Code of Ethics.

All interested parties (internal and external) are required to report in writing any non-compliance with the Code of Ethics according to the methods identified by the Company in compliance with Legislative Decree 24/2023, the references of which are published on the Company's website.

Article 49 – Violations of the Code of Ethics Related to Legislative Decree no. 231/01

The adoption of ethical principles relevant to preventing the crimes provided for by Legislative Decree no. 231/01 constitutes an essential element of the preventive control system.

Consequently, the behavioral rules provided for in this Code constitute a basic reference to which recipients must adhere in relationships with all interlocutors, as well as in all those relationships that may give rise to crime hypotheses provided for and sanctioned by Legislative Decree no. 231/01.

The Administrative Body immediately reports to the Supervisory Body any violations of this Code of which it becomes directly aware.

Article 50 – Supervision and Monitoring

The Administrative Body supervises the application of this Code. Within the scope of its monitoring activities provided for by the organizational model, the Supervisory Body may verify compliance with the Code of Ethics by all its recipients.