



# CODE OF ETHICS

ANNEX D

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## FOREWORD

The Esseco Group<sup>1</sup> is an industrial holding company with the resources and the ability to co-ordinate and manage the growth and development of its subsidiary and associated companies. The Group is entirely committed to the creation, manufacturing and marketing of chemical products used in various industrial sectors.

The Group operates in a wide range of institutional, economic, political, social and cultural settings, all of which are in continuous and fast development. All the Group's activities must be performed in compliance with the law, in a climate of fair competition, with honesty, integrity, correctness and good faith, abiding by the legitimate interests of its customers, employees, shareholders, commercial and financial partners and the communities where the Esseco Group operates.

While performing their functions and responsibilities, everyone who works for the Group, without any distinction or exception, must comply with and ensure others' compliance with the principles contained in this Code. The belief that a person is acting to the Group's advantage does not in any way justify the adoption of behaviour that contrasts with these principles.

Due to the complexity of the situations where the Esseco Group operates, it is of the utmost importance to clearly define the set of values that the Group recognises, accepts and shares and the extent of the responsibility that the Esseco Group takes on both within the group itself and towards the rest of the world.

In the current climate of globalisation and high levels of competition, good standing represents a fundamental asset for any business, as it draws investment, encourages customer loyalty, enables companies to attract better qualified staff, establishes a relationship of complete and reciprocal trust with suppliers, other creditors, the public administration and all the other stakeholders in general.

For this reason the Group has prepared a Code of Ethics or Conduct (hereinafter referred to as "the Code"), the compliance thereof by the employees of all the companies belonging to the Group is of the utmost importance for the smooth running, reliability and reputation of the Group itself.

In addition to complying with the more general obligations of loyalty, integrity, and fulfilling their employment contract in good faith, the employees of Esseco Group Srl must also refrain from performing any activity which is in competition with the Esseco Group, must abide by Group regulations and must comply with the provisions of Code, compliance which is also an essential part of employees' contract obligations pursuant to article No. 2104 of the Italian Civil Code<sup>2</sup>.

Each employee must be familiar with the contents of the Code, and should actively contribute to its implementation and point out any failings or weaknesses therein.

The Esseco Group undertakes to facilitate and promote awareness of the provisions of the Code by its employees and encourage any constructive contribution thereto. Any behaviour contrary to the wording and concept of the Code shall be subject to sanctions in accordance with the provisions of the Code itself.

The Esseco Group shall carefully monitor compliance with the Code, providing suitable information, prevention and control tools and guaranteeing the transparency of all its operations and conduct, intervening with remedies if and as necessary.

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<sup>1</sup> Where the Code uses the term "Esseco Group" or "Group" it refers to Esseco Group S.r.l. and the subsidiaries thereof as defined by article No. 2359 of the Italian Civil Code as well as the other subsidiary companies as defined by article No. 26 of Italian Legislative Decree No. 127 of April 9, 1991.

<sup>2</sup> "Art. 2104: **Employee Diligence** – Employees must carry out their duties with due diligence, in the interest of his employer and the greater national interest. Employees must also comply with the orders and rules issued by their employers and by their direct supervisors."

The Chairman of the Board of Directors of ESSECO S.r.l. company was appointed as Guarantor of the Group's Code of Ethics ("Guarantor").

The Code is brought to the attention of every individual or body with whom the Group has business dealings. The Code herein is inspired by the ideal of cooperation with third parties for the mutual advantage of both parties within their respective roles. The Esseco Group requests each stakeholder it deals with to act in accordance with rules and principles based on a similar idea of ethical conduct.

## **1 . GENERAL PRINCIPLES**

### **1.1 ADDRESSEES AND SCOPE OF APPLICATION OF THE CODE**

Moral integrity must be maintained at all times by everyone who works for the Esseco Group and it must characterise the behaviour of the entire organisation.

The Esseco Group condemns any kind of disclosure of ideas based on racial or ethnic or religious superiority or hatred.

The provisions of the Code apply to all employees of the Group without any exception as well as everyone who operates towards the achievement of the objectives of the Esseco Group.

The management of the Esseco Group must comply with the provisions of the Code in the proposal and implementation of projects, investments and actions aimed at the long-term improvement of the value of the Group's assets, equity, management and technology, the return on investments for its shareholders, the long-term well-being of its employees and the community as a whole.

The members of the Boards of Directors of the Group companies and of Esseco Group Srl should be inspired by the principles of the Code when defining their corporate objectives.

It is primarily up to the managers of the group to provide an example for employees, embodying the values and principles contained in the Code, taking on responsibility thereof both within the Group and towards third parties and strengthening the trust, cohesion and sense of Group spirit.

The Group's employees, as part of the due compliance with the current applicable laws and regulations, shall adjust their actions and behaviour to the principles, objectives and obligations set forth in the Code.

All the actions, operations and negotiations being performed and, more generally, the conduct adopted by the Group's employees during the fulfilment of their work duties must be inspired by the maximum integrity from a management point of view, towards the completeness and transparency of information, legality in terms of both form and substance and clarity and truth of the accounting records pursuant to current legislation and the internal procedures of the Group.

The Group fully and actively co-operates with the Authorities through its employees.

All the Group's activities must be performed with commitment and professional diligence. Each employee must apply an adequate level of skill and professionalism in relation to the tasks and responsibilities assigned to them and must always act in such a way as to protect the good standing of the Group.

Relationships among employees at all levels must be based on the principles of integrity, cooperation, loyalty and mutual respect.

For full compliance with the Code each employee may not only refer to their direct supervisor but also directly to the specific manager appointed for such purpose.

### **1.2 COMMITMENT OF THE ESSECO GROUP**

The Esseco Group, partly through the appointment of a specific manager (“Guarantor”), shall guarantee :

- the utmost dissemination of the Code amongst its employees and partners;
- refining and updating the Code in order to keep it in line with changes in social concerns and in legislation relevant to the Code;
- availability of all possible communication and clarification tools regarding the interpretation and the implementation of the provisions contained in the Code;
- performance of thorough investigations to ascertain the validity of all reports of violation of the provisions of the Code or the applicable laws;
- evaluation of the facts and the consequent implementation of adequate sanctions in the event of proven violations;
- that no-one shall suffer retaliation or discrimination of any kind, whether by direct or indirect action, as a result of their having reported possible violations of the Code or the applicable laws.

### **1.3 EMPLOYEES’ OBLIGATIONS**

Each employee is required to be familiar with the provisions contained in the Code and the internal policies governing his duties and responsibilities.

The employees of the Group are obliged to :

- refrain from any type of behaviour contrary to such provisions;
- refer to their direct supervisors, or the Guarantor, should they require further explanation or clarification of the methods of application of the provisions;
- report promptly to their supervisors or the Guarantor regarding:
- any knowledge, either direct or reported by others, regarding possible violations of the Code;
- any request made to them to violate the Code;
- cooperate with the designated structures to verify any possible violations.

Esseco Group guarantees confidentiality and discretion as to the identity of the person making the report by establishing appropriate communication channels with the Guarantor which may protect the company’s standing as well as the confidentiality of the parties involved and thus allow individuals to submit grounded reports on specific factual evidence and consistent, detailed proof of the occurrence of unlawful conduct or violations.

Employees may not conduct personal investigations or report to any individual other than their direct supervisors or the division they belong to and the Guarantor; if any employees believe they have been subjected to retaliation as a result of having reported a possible violation, they may report directly to the Guarantor.

### **1.4 ADDITIONAL OBLIGATIONS FOR DEPARTMENT AND UNIT MANAGERS**

Each Department/Unit manager has an obligation to:

- represent, through their own conduct, an example for their employees;
- direct employees towards compliance with the Code and encourage them to point out issues and questions thereon;
- ensure that employees realise that compliance with the provisions of the Code constitutes an essential and integral part of their work duties;

- select, where it is their responsibility to do so, employees and contractors with care in order to avoid appointing individuals who cannot be relied upon to comply with the provisions of the Code;
- promptly report to their direct supervisor, or to the Guarantor, on their direct knowledge of and/or on information received from employees regarding possible cases of violation of the regulations;
- adopt immediate remedies where the situation so requires;
- prevent any type of retaliation whatsoever.

### **1.5 VALIDITY OF THE CODE FOR THIRD PARTIES**

In their relations with third parties, all the Group's employees must seek to:

- adequately inform third parties of the obligations imposed upon them by the Code;
- demand compliance with the obligations which directly regard their activities;
- adopt the appropriate internal and, if it is their responsibility to do so, external measures in the event of failure by third parties to comply with the provisions of the Code.

### **1.6 REFERENCE, IMPLEMENTATION AND CONTROL STRUCTURE (GUARANTOR)**

Esseco Group S.r.l. has appointed a "Guarantor", who has the following duties and responsibilities:

- communicate how he or she intends to operate (by phone, fax, e-mail, etc.);
- set up criteria and procedures designed to limit the risk of violation of the Code;
- encourage the issue of guidelines and operating procedures, involving the competent units in the definition thereof;
- prepare staff information and training programmes with a view to achieving greater awareness of the objectives of the Code;
- promote and verify the awareness and knowledge of the Code and its implementation, both within and outside the Esseco Group;
- investigate reports of any possible violations of the Code;
- inform the Personnel Manager of the investigation results with a view to the adoption of possible sanctions;
- inform the competent structure of the investigation results in order for them to take appropriate measures;
- propose to the Chairman, who shall report thereon to the Board of Directors, useful initiatives for greater dissemination of the awareness of the Code and the updating thereof;
- set up and maintain an adequate flow of reporting and communication with similar structures within the Group's subsidiary companies;
- submit to the Chairman, who shall in turn report to the Board of Directors thereon, an annual report on compliance with the Code within Esseco Group S.r.l. and its subsidiary companies.

In performing his or her role, the Guarantor operates through the relevant structures of the Esseco Group S.r.l. and, where necessary, the other Group companies.

Similar structures shall be introduced by all the other companies belonging to the Group.

The Guarantor of Esseco Group S.r.l. shall coordinate the activities of the Guarantors of the subsidiary companies.

## 2. BUSINESS CONDUCT

The Esseco Group conducts its business on the basis of the principles of loyalty, integrity, transparency, efficiency and fair trading.

The employees and contractors of the Group, whose actions may be linked to the Group in any way, must adopt correct behaviour in performing the business of the Esseco Group and in dealings with the public Administration, regardless of market competitiveness and the importance of the business deal being negotiated.

All corruption, illegitimate favours, collusion, requests for personal and career advantages for oneself or for others, either directly or indirectly through third parties, are forbidden without any exception.

The Esseco Group acknowledges and respects the right of its employees to participate in investments, business or activities other than those performed in the interest of the Group itself, provided that such activities are legal and consistent with the obligations taken as employees of the Group.

In any case, the employees of the Group must avoid any situation or activities which might represent a conflict of interest on the part of the Group or interfere with their ability to reach impartial decisions in the best interest of the Group and in full compliance with the provisions of the Code. Any situation which may constitute or give rise to a conflict of interest must be promptly reported to the employee's supervisors.

In particular, all the Group's employees are obliged to avoid any conflict of interest between their personal or family business activities and the role which they cover within the Group structure.

For example, the following situations represent a conflict of interest:

- economic and financial interests of the employee and/or family members in the activities of suppliers, customers and competitors;
- use of one's position within the company or information obtained during the course of one's employment in such a way as to create a conflict between personal interests and those of the Group;
- performance of work of any type for customers, suppliers, competitors;
- the acceptance of money, favours or other advantages from individuals or companies that have or intend to enter into business relations with the Group.

It is forbidden to give or offer, whether directly or indirectly, sums of money or other material benefits and /or utilities of any kind to third parties, public or private officials, in order to influence or remunerate the actions of their office.

Acts of commercial courtesy such as gifts or forms of hospitality are only allowed where the value thereof is limited and does not jeopardize the integrity or reputation of either party, and in no way could they be construed by an impartial observer as having being made for the purpose of obtaining undue advantages.

In any case, such expenses must always be authorised by the person designated by internal procedure and must be accompanied by adequate supporting documents.

Any employees who receive or are offered gifts or special treatment that cannot be considered as being part of normal business courtesy, shall not only reject them, but must also immediately inform either their supervisors or the Guarantor.

The contractors (including consultants, representatives, intermediaries, agents etc.) are also requested to comply with the principles contained in the Code.

In order to protect its good standing Esseco Group expressly rejects all conduct that may provide the company with an unlawful advantage by counterfeiting, forgery or use of trademarks, logos, patents, models and designs and / or through behaviors that involve any kind of market manipulation. For this reason Esseco

shall implement an appropriate monitoring practice in order to prevent importing counterfeited products into the national territory and sell them, not even unknowingly, occasionally, or indeed regularly.

Esseco moreover states that its policy unquestionably opposes the intention to manufacture or market goods produced by encroaching any industrial property rights.

Esseco shall refrain from establishing any business relations with any or corporate entities or individuals who shall not abide by the same principles.

Within the limits of their own duties and responsibilities, all employees shall therefore ensure that they:

- comply with the principles and the internal procedures for the selection and management of relations with contractors;
- comply with regulations on copyright and the protection of industrial property rights;
- only select reputable and qualified individuals and companies;
- take adequate account of the recommendations from any source whatsoever regarding the suitability of using specific contractors;
- report promptly to their direct supervisor or the Guarantor, on any doubts regarding possible violations of the Code by contractors;
- include the express obligation to comply with the principles of this Code in the contracts with contractors, where provided for by Group procedure.

## **2.1 CUSTOMER RELATIONS**

The Esseco Group pursues business success by offering quality products and services at competitive conditions in full compliance with all the laws and regulations governing fair competition.

The Esseco Group recognises that customer approval and satisfaction is of the utmost importance to its business success.

The Esseco Group agrees to refrain from any type of arbitrary discrimination towards its customers.

All communications with customers shall be:

- straightforward and simple, expressed in terms easily understood by the various parties;
- complete, without any significant omission which could affect the customers' decision-making process;
- in compliance with current legislation.

The employees of the Group must:

- comply with the internal procedures governing relations with customers;
- supply high-quality products which meet or exceed the customers' reasonable expectations and requirements, acting with efficiency and courtesy, within the limits of contract terms, periodically monitoring customer satisfaction regarding quality;
- provide accurate and complete information regarding products and services in order for customers to make informed decisions;
- always fulfil the commitments and undertakings made towards customers;
- be truthful in advertisements and other kinds of communication;
- promptly inform their direct supervisor or the Guarantor of any behaviour by customers which appears to be in contrast with the Principles of the Code.

## **2.2 RELATIONS WITH SUPPLIERS AND CONTRACTORS**



The purchasing processes are designed towards obtaining the maximum competitive advantage for the Esseco Group, to the granting of equal opportunities to every supplier, based on contract behaviour, in order to guarantee the necessary mutual trust, transparency and co-operation.

In relationships regarding tenders, procurement and the supply of goods and/or services in general, the Group's employees **must**:

- follow the internal procedures for the selection and handling of relations with suppliers;
- refrain from excluding any potential supplier in possession of the necessary requirements from submitting an offer to supply a Group company, but rather adopt objective selection criteria, in accordance with known and transparent methods;
- obtain suppliers' cooperation in ensuring the constant fulfilment of the requirements of the Group's customers in terms of quality, cost and delivery time, in a manner at least equal to their expectations;
- where possible and in compliance with current legislation, use products and services supplied by other Group companies at competitive market conditions;
- comply with the terms and conditions of contracts;
- operate within the limits of the law and current legislation;
- make sure that all suppliers comply with the current applicable regulations on the employment of foreign workers (prohibition to employ foreign workers without a residence permit – prohibition to enter into contracts whose term of validity is longer than the period of validity of the residence permit, etc.) in all business relations for tender contracts and/or services and/or temporary work with the company. This obligation is also extended to subcontractors provided that this type of business relationship is allowed as provided for by the terms of the agreement.
- maintain a frank and open dialogue with suppliers, in line with good commercial practice;
- inform the Purchase Department Manager of any serious problems arising with a supplier, in order to be able to evaluate the consequences at Group level;
- promptly inform their direct supervisor, or the Guarantor, of any behaviour on the part of suppliers which appears to be in contrast with the Principles of this Code.

### **2.3 CONFIDENTIALITY OBLIGATION**

The knowledge developed by the Group constitutes an essential resource which each employee and addressee must protect. In fact, in the event of improper disclosure of such knowledge, the Group assets and its reputation might be damaged.

Therefore, the Group's employees and the other addressees are forbidden to disclose any information to third parties regarding the technical, technological and commercial knowledge of the Group, nor any other non-public information referring to the Group, except in those cases where such disclosure is required by law or other regulations, or if it is expressly provided for by specific contract agreements, under which the other party has undertaken to use such knowledge only for the purposes for which the said information has been given to them, and maintain the confidentiality thereof.

The dissemination within the company/group, or towards third parties, of documents referring to privileged information must be subject to particular care and attention, in order to avoid prejudice to the Group and improper disclosure. Where the information is particularly sensitive, the person responsible for the management of this information may demand that the documents be classified with the label "confidential" and that the copies thereof be numbered.

The electronic transmission of documents should be protected with passwords made known only to those who have authorised access and are listed in a specific register.

The confidentiality obligations contained in this Code continue to apply even after the termination of employment.

## **2.4 PREVENTION OF MONEY LAUNDERING**

The Group and its employees may never perform or be involved in any activity which may implicate money laundering (i.e., the acceptance or laundering of income from criminal activities) in whatsoever form or manner.

The Group and its employees must verify the information available (including financial information) on its commercial counterparts and suppliers, in order to ascertain the respectability and legality of their activities prior to entering into any business relationship with them.

The Group undertakes to constantly comply with the application of anti-money laundering laws in any jurisdiction.

## **3. TRANSPARENCY OF THE ACCOUNTING RECORDS AND INTERNAL CONTROLS**

### **3.1 ACCOUNTING RECORDS**

Accounting transparency is based on the truth, accuracy and completeness of the information underlying the accounting records, reported according to the reference rules, procedures and internal regulations.

Every action, operation, negotiation and, generally speaking, every conduct undertaken by Esseco Group in its activities is inspired by correctness, completeness, transparency and legitimacy. Every business activity needs to be previously authorized, registered and verified to confirm its legitimacy and consistency.

Each employee is bound to cooperate to ensure that the Group's transactions and operations are correctly and promptly recorded in the accounting records.

In fact it is forbidden to act in any way which might prejudice the transparency and the traceability of the information contained in the financial statements.

Each recipient of this Code of Ethics must not in any way commit or compete with others to commit criminal violations of tax legislation.

Adequate supporting records must be maintained for each transaction performed, in order to permit:

- easy accounting registration;
- the identification of the different levels of responsibility;
- accurate tracking of operations, also in order to reduce the probability of misconstruction;
- the effective verification of the decisional, authorisation and implementation process;
- the performance of checkings which prove the characteristics and the motivation of the operation and identify the individuals who authorised, performed, recorded and verified the operation.

Each record should exactly contain what is shown by the supporting documents.

It is the duty of each employee to ensure that this documentation is easily traceable and is filed in accordance with logical criteria.

Those employees of the Group who become aware of any omission, falsification, negligence in the accounting records or in the documentation upon which the accounting records are based, are obliged to inform either their supervisors or the Guarantor of such matters.

### **3.2 INTERNAL CONTROLS**

It is the policy of the Esseco Group to disseminate at all levels a culture characterised by the awareness of the existence of controls and by the adoption of a control-oriented mentality. The attitude towards these controls must be a positive one based on the contribution of these controls to improving efficiency.

By internal controls we mean all those instruments which are necessary or useful to direct, manage and verify the Group's activities with a view to guaranteeing compliance with current legislation and corporate procedure, protecting the Group's assets, efficiently managing its activities and providing accurate and complete accounting and financial information.

The responsibility for the implementation of an efficient internal control system is shared by every level of the organisational structure; consequently, all the Group's employees are responsible, within the limits of their duties, for the definition and correct functioning of the control system.

Within the limits of their responsibility, the Group's managers are obliged to take an active part in the internal control system and involve their staff.

Each member of staff should consider themselves guardians of and responsible for the Group's assets (both material and immaterial). No employee may make improper use of the Group's assets and resources, or allow others to do so.

Any actions and behaviour linked to the perpetration or participation in the perpetration of fraud are forbidden, without exception.

With a view to social responsibility, correctness, completeness and transparency, Esseco Group believes that tax returns and the payment of taxes not only represent mandatory behaviors from a legal point of view but also believe that they are unavoidable obligations.

The Guarantor, the Boards of Statutory auditors and the independent auditors appointed have free access to all the data, documentation and information necessary for the fulfilment of their duties.

## **4. PERSONNEL POLICY**

### **4.1 HUMAN RESOURCES**

Human resources are an essential element of the existence of a business.

The dedication and professionalism of its employees represent fundamental values and conditions for the achievement of the Group's objectives.

The Esseco Group is committed to developing the abilities and skills of each employee in order for each individual to express their energy and creativity to reach their full potential.

The Esseco Group offers equal opportunities to all its staff, making sure that each of them receives a fair treatment based on merit criteria, without any form of discrimination whatsoever.

The valuation of potential employees is made on the basis of the correspondence of candidate profiles to Group expectations and requirements, guaranteeing equal opportunities for all candidates. The information requested of candidates is strictly limited to what is necessary for the verification of their professional and psychological-aptitudinal profile, fully respecting the candidate's privacy and their personal beliefs and opinions.

All the Group's members of staff are employed through regular employment contracts; no forms of irregular employment shall be tolerated. It is strictly forbidden to hire foreign workers who do not have a residence permit and/or accomplish any other agreements with them, whose duration exceeds the length of their residence permit in our country.

Within the limits of the available information, the personnel department adopts the necessary measures in order to prevent preferential treatment or any form of nepotism during the selection and hiring of staff (for example, by ensuring that the selector is not related to the candidate in any way).

As in the selection phase, all decisions made regarding staff management must be based on employees' ability to meet Group requirements (for example in case of promotion or transfer) and/or on considerations of merit (for example the allocation of bonuses on the basis of achieved results). Access to certain roles and positions is also determined on the grounds of competence and ability; in addition, where compatible with overall work efficiency, the Group encourages flexibility in the organisation of work in order to facilitate employees' management of maternity and childcare in general.

The evaluation of staff is performed in an open manner, involving supervisors and managers, the personnel department and, as much as possible, other individuals in contact with that member of staff. Within the limits of the information available and the protection of privacy, the personnel department takes steps to prevent any form of nepotism (for example, by forbidding any hierarchic working relationship between employees linked by family ties).

The relevant functions must therefore:

- Adopt strictly professional criteria based on merit and ability for all decisions referring to any employee;
- select, hire, train, remunerate and manage its employees without any discrimination;
- create a working environment in which an employee's personal characteristics cannot give rise to discrimination.

The Esseco Group interprets its role as employer both in the defence of working conditions and in the protection of the mental and physical well-being of its workers, with respect for personal morals, ensuring that no employee is subject to unlawful pressure or undue suffering. To this end, Esseco shall also take into account any behaviour without the workplace which is particularly offensive to social sensibilities, and which make interpersonal contact within the workplace difficult.

Esseco Group **protects** any employees and/or contractors who report occurrences of unlawful conduct and **forbids any retaliatory or discriminatory action** – whether direct or indirect – against the reporting individual for any reason directly or indirectly connected to the report made. Likewise, Esseco Group **ensures** the utmost confidentiality for both the reporting individual(s) and the reportee, at least during the investigation which shall be conducted thoroughly with a view to ascertaining the validity of the reported occurrence.

Esseco Group shall punish any individuals who wilfully or unlawfully report any offence which are then proven to be unfounded, and shall apply the sanctions provided for in the "Disciplinary System protocol – Annex C.

The Esseco Group expects its employees, at all levels of the Group, to cooperate to maintain a climate of reciprocal respect of the dignity, honour and reputation of each employee. The Esseco Group shall intervene to prevent offensive or abusive behaviour among its employees.

Details of the Group's personnel policy are made available to all contractors through the corporate communication network.

#### **4.2 HARASSMENT OR MOBBING IN THE WORKPLACE**

The Esseco Group demands that no harassment take place in personal working relationships both within and outside of the workplace, such as :

- the creation of an intimidatory or hostile working environment, or situations of isolation of individuals or groups of workers;
- unjustified interference in the work performed by others;
- the hindering of the career prospects of others merely for reasons of personal rivalry.

The Esseco Group does not permit sexual harassment, by which we mean :

- the subordination of decisions determining a person's career and working conditions to the granting of sexual favours;
- proposals of private interpersonal relationships, despite the recipient's clearly expressed or reasonably evident distaste, which could upset the serenity of the victim with negative consequences on their work performance.

The Esseco Group condemns any kind of disclosure of ideas based on racial or ethnic superiority or hatred, or the instigation of committing or discrimination on racial, ethnic, national or religious grounds.

The Esseco Group also deems it absolutely unacceptable any harassment or other undesirable behaviour such as those connected to race or other personal characteristics, performed with the scope and effect of violating the dignity of the person to whom the harassment or other undesirable behaviour is addressed, both in and out of the workplace.

#### **4.3 ALCOHOL AND DRUG ABUSE**

The Esseco Group requests each employee to personally contribute to maintaining a working environment which guarantees respect for others' feelings.

Therefore the Group shall consider individuals as being aware of the risk they cause should they:

- attend work under the influence of alcohol, drugs or substances with a similar effect;
- consume or distribute drugs or similar substances in the workplace or during working hours.

For contract purposes, chronic addiction to such substances, when it affects an employee's work performance, shall be considered similar to the abovementioned cases.

The Esseco Group is committed to encouraging social action as provided for by the employment contract.

#### **4.4 SMOKING**

Smoking is not allowed within the work premises, with the exception of rooms/areas specifically designated by the employer for this purpose. Furthermore, in addition to the general rule of no smoking allowed in the workplace, the Esseco Group shall take into particular consideration the condition of those employees who suffer physical discomfort from exposure to smoking and who request to be protected from contact with "passive smoking" in their working area.

### **5. HEALTH, SAFETY AND THE ENVIRONMENT**

As part of its activities, the Esseco Group is committed to contributing to the growth and well-being of the communities where it operates, pursuing the goal of guaranteeing the health and safety of its employees, contractors, customers and the communities where it operates and reduce the environmental impact thereof.

The Esseco Group actively contributes in the promotion of scientific and technological development aimed at protecting the environment and safeguarding the Earth's natural resources.

The industrial activities of the Esseco Group must be performed in full compliance with the current legislation regarding health, safety and accident prevention.

The management of operations should be based on the most advanced criteria of environmental protection and energy efficiency, with an aim to improving health and safety conditions in the workplace.

The Esseco Group undertakes:

- to monitor all types of risk linked to the working environment, fighting hazard at its source, removing all avoidable risks and monitoring those which cannot be completely removed;
- to adapt its production/working processes to the person, concerning the concept of work, the choice of equipment, working and production methods, particularly to reduce isolated and repetitive work and limit the effects thereof on employees' health;
- to monitor and update its structures in line with technical development, for example by replacing dangerous equipment with other safe or less dangerous equipment, therefore promoting more environmentally friendly products and processes which are characterised by an increasingly greater attention to the health and safety of its workers.
- to create a consistent structure that integrates work methods, organisation of work, working conditions, interpersonal relations and the influence of the working environment;
- to favour collective safety measures rather than individual measures;
- to provide regular and adequate training for its entire staff.

When performing their working duties, the employees of the Esseco Group must participate in the process of risk prevention process, of environmental protection and safeguarding their own health and safety and their colleagues' and third parties'.

## **6. CONFIDENTIALITY**

### **6.1 CONFIDENTIALITY OF DATA AND INFORMATION**

The activities of the Esseco Group continually require the collecting, storage, processing, communication and dissemination of information, documents and other data referring to negotiations, administrative, operative and financial proceedings, know-how (contracts, deeds, reports, notes, studies, software) etc..

The data banks of the Group may contain, amongst other things, personal data covered by protection of privacy legislation, data which, by contractual agreement, may not be made public without the Group and data, the untimely and inappropriate disclosure of which could damage the Group's interests.

It is the duty of each employee to guarantee the confidentiality required by the circumstances for all information which they obtain during the course of their work.

The Esseco Group undertakes to protect the information referring to its employees and to third parties, generated or acquired during the course of its business, and to prevent any improper use of such information.

All information, knowledge and data acquired or processed by employees during the course of their work or as a result of their position, belong to the Group and may not be used, communicated or disclosed without specific authorisation from a direct supervisor.

Given the prohibition to disclose information regarding the Group's organisation and production methods or use such information to the Group's prejudice, each employee of the Group must:

- only collect and process that necessary data, appropriate for the purposes of the department or company to which he or she belongs and directly connected to his duties;
- collect and process the said data only within specified procedures;
- store the data in such a way as to prevent access by unauthorised personnel;
- disclose the data only within the limits of specified procedures and/or following express authorisation from their supervisors and, in any case, only after having made sure of the disclosability of the data in those specific circumstances ;
- ensure that no absolute or partial constraints exist referring to the disclosure of information regarding third parties bound to the Group by a relationship of whatever nature, and obtain their prior consent, if necessary;
- order and match the data in such a way that anyone with authorised access may easily obtain an as accurate, complete and truthful as possible picture of the facts.

## 6.2 PRIVACY PROTECTION

The privacy of the Group's cooperators is protected through the adoption of standards specifying the information which the Group requests from its cooperators and the relevant methods to be used for processing and storage.

It is forbidden to make any type of enquiry whatsoever regarding the ideas, preferences, personal taste and, in general, the private lives of the Group's cooperators. These standards also imply the prohibition, except in those cases provided for by law, to disclose personal data without the prior consent of the person involved and they establish regulations for the control by each contractor of the protection of privacy rules.

The handling of personal data must be performed lawfully and with integrity and, however, only the data required for specific, explicit and legitimate purposes may be collected and processed. Data shall only be kept for the period of time necessary for the purposes for which it was collected.

ESSECO Group also undertakes to adopt suitable preventative security measures for all the databanks which contain personal data, in order to avoid the risk of destruction or loss or of unauthorised access to or improper utilisation of such data.

All the ESSECO Group's people must :

- only collect and process the necessary data, as appropriate for the direct purposes of their role and responsibilities;
- only collect and process the said data within specific procedures and store and file the data in such a way as to prevent unauthorised individuals from gaining knowledge thereof;
- represent and organise the data in such a way that anyone with authorised access may easily obtain an as accurate, complete and truthful as possible picture ;
- only disclose the data within the limits of specified procedures and/or following express authorisation from their supervisors and, in any case, only after having verified that no absolute or partial constraints exist referring to the disclosure of the data being concerned regarding third parties bound to the ESSECO Group by a relationship of whatever nature, and obtain their prior consent, if necessary.

## 7. Use of Information Technology (IT) and Data Telecommunications – Protection of Company business assets

The recipients of this code must use the IT and data telecommunication facilities provided to them by the company on the sole behalf of the best corporate interest, in compliance with the agreed "safety and usage"

protocols. This aims at protecting the company's IT system and its information assets as well as any third parties' (Public authorities, clients, suppliers and competitors).

### **7.1 CORPORATE INFORMATION SYSTEMS**

All IT Devices as well as Personal Computers, be they laptops or desktops, the relevant software and/or applications, entrusted to "corporate users" are working tools and, as such:

- (i) must be stored and kept appropriately;
- (ii) may be used solely for professional purposes in connection with the assigned duties and not for personal, let alone illicit, purposes;
- (iii) it is forbidden to store illicit, offensive or discriminatory files or other files that breach the law on copyright.

### **7.2 USE OF IT DEVICES**

Any behaviour or action violating the above provisions must be avoided, for instance:

- It is forbidden to use software programmes that have not been authorized by Esseco pursuant to the law on copyright;
- It is not allowed to change the configurations and settings of the IT Devices if not expressly authorized by Esseco;
- It is not allowed to install and/or connect the IT Devices to additional peripherals without the authorization from Esseco;
- It is forbidden to listen to audio or music files, or watch videos and films if not for exclusively professional purposes;
- It is not allowed to leave any IT mobile device (Laptops, Projectors, etc.) unguarded and/or accessible to any third parties.

### **7.3 USE OF THE INTERNET**

- It is not allowed to visit websites not strictly related to the performance of the assigned duties;
- It is forbidden to download, store and send documents being insulting and/or discriminatory based on gender, language, religion, race, ethnic group, political opinion and/or trade union membership;
- It is forbidden to download any type of software, unless expressly authorized by Esseco top management;
- It is not allowed to log in to websites whose content is not related to the professional activity;
- It is forbidden to use or access services such as forums, chat lines, newsgroups, message boards, or register as guests for non-professional purposes.

## **8. EXTERNAL RELATIONS**

### **8.1 RELATIONS WITH JUDICIAL AUTHORITIES**

**It is strictly forbidden to:**



- Behave in such a way as to incur in the offences as prescribed in Section 25 *decies* of the Law Decree (*Induction not to make or make false declarations before a Court of Law*);
- Forcedly prevent, in any form or way, anyone from making statements before a Court of Law or lead them to resort to their right of remaining silent;
- Lead, in any way, the subjects called upon making statements before a Court of Law, to render untruthful representations;
- Give, offer or promise money, gifts, gratuities or other benefits and/ or any kind of utilities to people called upon making statements before a Court of Law;
- Resort to any behaviour that, though not materially violating the provisions set out above, may potentially do so;
- Implement or support activities and actions that may not comply with the provisions of this Code of Conduct.

Esseco grants its employees who should be called upon making statements before a Court of Law, to resort to a trusted counsel appointed by the Company.

## 8.2 RELATIONS WITH PUBLIC OFFICIALS

By “public officials” the Code means: bodies, representatives, members, employees, consultants, public officers or civil servants, officials of the public administration and government bodies at an international, national or local level.

Handling negotiations, taking on commitments and any other type of relations with public officials must only be performed by those individuals and departments specifically appointed and/or authorised to do so, in full compliance with the following rules of conduct:

- Gifts and acts of courtesy and hospitality towards government representatives, public officials and civil servants are only allowed if the value thereof is limited and does not jeopardize the integrity or the reputation of either party, and if they could not be interpreted by an impartial outside observer as having being made for the purpose of obtaining undue advantages. In any case, these expenses must always be authorised by the individuals specifically designated by Group procedure and must be accompanied by adequate support records;
- no employees/contractors of the Esseco Group may pay or offer sums of money, material goods or any other form of personal benefit and /or any kind of utilities to public officials in order to favour the interests of the Group, and/or influence or compensate for a conduct undertaken by their own office, not even in response to illicit pressure;
- no employees/contractors of the Esseco Group may avoid compliance with the above-mentioned rules by recurring to any other forms of aid or contributions which, disguised as sponsorships, appointments, consultancy, publicity etc, have the same forbidden aims;
- no employees/contractors of the Esseco Group may adopt and/or encourage corrupt practices, illegal favors, collusive behaviours, solicitations, direct and/or through third parties, for personal or career benefits for themselves or others;
- no employees/contractors of Esseco Group may obtain favourable treatments by the Public Administration and, in case such circumstances arise, the employee/contractor has the duty to give notice to the competent preventing body;
- any employees/contractors who receive any order or request to perform any of the above activities must immediately inform the Guarantor or one of the managers of the Esseco Group.

## 8.3 RELATIONS WITH SUPERVISORY BODIES

The Esseco Group undertakes to base its relations with its supervisory bodies (board of statutory auditors, person responsible for accounting control) on the principle of maximum cooperation in full compliance with their institutional role, also undertaking to act promptly in abiding by their recommendations.

All the contractors of the Esseco Group, in relation to their duties and responsibilities, must:

- Operate in accordance with all relevant laws and regulations;
- Comply with the internal procedures for relations with the supervisory bodies;
- Provide accurate, complete and true information in order to enable them to make informed decisions;
- Be aware that no employees/contractors of the Esseco Group may obtain favourable treatments by supervisory and/or control authorities;
- Inform their supervisors or the Guarantor of any behaviour which appears to be in contrast with the provisions of the Code.

#### **8.4 RELATIONS WITH POLITICAL AND TRADE UNION ORGANISATIONS**

By political and trade union organisations we mean political parties, political and trade union movements, individuals representing or who have an official position or role within political parties and trade union organisations.

In their dealings with the above categories, no employees/contractors of the Esseco Group may promise or give sums of money, material goods or any other form of personal benefit and /or any kind of utilities to public officials in order to favour the interests of the Group, not even in response to illicit pressure.

No employees/contractors of the Esseco Group may avoid compliance with the above-mentioned rules by recurring to any other forms of aid or grants which, although disguised as sponsorships, appointments, consultancy, publicity etc., have the same forbidden aims.

However, the Code permits forms of cooperation of a strictly institutional nature aimed at contributing to the implementation of events or activities such as studies, research, meetings, seminars, etc.

#### **8.5 RELATIONS WITH THE MEDIA**

All information released by the Group must be truthful and clear.

The Group must ensure that all communications released to the mass media are both accurate and consistent. Relations with the media are exclusively handled by the departments and managers specifically appointed for the task.

The Group's employees may not release information to representatives of the mass media nor may they undertake any commitment to provide such information without the prior authorisation of the relevant departments.

In no manner or form whatsoever are the employees of the Group permitted to offer payments, gifts, or other advantages designed to influence the activities of the mass media, or which could reasonably be interpreted as such.

#### **8.6 ESSECO GROUP MISSION STATEMENT - OBJECTIVES, ACTIVITIES, RESULTS AND CONCEPT**

The employees of the Group entrusted with the task of reporting on or providing information to third parties regarding the objectives, activities, results and key concepts of the Esseco Group through, for example:

- attendance of meetings, conferences and workshops;
- writing articles, remarks and publications in general;
- participation in public events in general;

must obtain the prior authorisation from the management of the Group company to which they belong regarding the text of written articles and reports and the lines of action which they intend to follow and must agree with the management of the Esseco Group on the contents thereof.

### **8.7 NON-PROFIT INITIATIVES**

The Esseco Group encourages non-profit initiatives which prove the Group's commitment towards meeting the requirements of the communities where it operates.

In the performance of their working duties the Group's employees are asked to participate in the definition of the single initiatives in line with Group strategy and intervention programmes, perform them in absolute transparency and consider them to be an integral part of the values and objectives of the Esseco Group.

## **9. BINDING CONTRACT VALUE OF THE ETHICAL CODE**

Compliance with the Code is an essential part of employees' obligations pursuant to article No. 2104 of the Italian Civil Code, in addition to the obligation to abide by the more general requirements of loyalty, integrity, and fulfil their employment contract in good faith. Any violations of the provisions contained in the Code herein represent non-compliance with the obligations arising from the employment contract, all the resulting contract and legal consequences, including termination of the employment contract, and may also involve the payment of compensation for any damages arising from the said violations.