

Code of Ethics

ARPECA SpA

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1. COMMON PROVISIONS

1.1 Preamble

ARPECA S.P.A. (hereinafter "the Entity/Business/Company"), in compliance with the framework provided by the European Union and the OECD, is committed to promoting, increasing and developing the social responsibility of its company also through the ethical and deontological principles set out in this Code.

The Company is aware that the ethics of conduct constitutes an essential value and condition for the pursuit of its objectives and that values such as honesty, moral integrity, transparency, reliability and a sense of responsibility are the foundation of all the activities that characterise its mission, and so defines the lines of conduct that guide its mode of action in internal and external relations.

These ethical principles, contained in this Code, contribute to consolidate the credibility of ARPECA S.P.A. in the institutional and social context in which it operates.

These consolidated principles are applied and monitored in the Organisational Model, drawn up by the Company pursuant to Italian Legislative Decree no. 231/01, which defines rules for service management and organisation that favour respect for the values of social responsibility and the prevention of the risk of crime.

ARPECA S.P.A. adopts this Code of Ethics as a "charter of fundamental rights and duties" through which the Entity identifies and clarifies its responsibilities and ethical commitments towards its internal and external stakeholders, as well as an integral part of the management and control organisational model provided for by art. 6 of the Italian Legislative Decree no. 231/01 on the administrative liability of Entities (hereinafter referred to as the "Model").

The Code of Ethics commits the corporate bodies, management, employees, external collaborators, business partners, suppliers and all those who have relations with the Company.

The Code of Ethics has:

- a legitimisation function: the Code explicitly states the duties and responsibilities of the Entity towards stakeholders;
- a cognitive function: by stating abstract and general principles and rules of conduct, the Code makes it possible to recognise unethical behaviour and to indicate the correct manner of exercising the functions and powers attributed to each person;

- a preventive function: the codification of the reference ethical principles and the basic rules of conduct with which all stakeholders must comply, is the express declaration of the serious and effective commitment of the Entity to guarantee the lawfulness of its activities, with particular reference to the prevention of offences;
- an incentive function: by imposing compliance with its principles and rules, the Code contributes to the development of an ethical conscience and strengthens the reputation of the Entity and the relationship of trust with its stakeholders. Similarly, the reputation of management and employees depends on compliance with the principles of the Code.

1.1.2 General principles - the Confindustria (Italian Manufacturing Companies Association) Guidelines and anti-corruption regulations

On the basis of the criteria provided by Confindustria (Italian Manufacturing Companies Association) through specific guidelines, the Company has identified the following general principles of conduct.

In relation to the wilful offences envisaged by Italian Legislative Decree no. 231/2001

- a) *The entity's key principle is to comply with the laws and regulations in force in all the countries in which it operates.*

Every employee of the entity must undertake to comply with the laws and regulations in force in all the countries in which the entity operates. This commitment shall also apply to consultants, suppliers, customers and anyone who has relations with the entity. The latter will not initiate or continue any relationship with those who do not wish to align themselves with this principle.

Employees must be aware of the law and behave accordingly; if there is any doubt on a conduct, the entity must adequately inform its employees. The entity will have to ensure an adequate programme of continuous training and awareness raising on issues related to the Code of ethics.

- b) *Every operation and transaction must be correctly recorded, authorised, verifiable, legitimate, consistent and appropriate.*

All the entity's actions and operations must be properly recorded and it must be possible to verify the decision-making, authorisation and implementation process.

For each operation there must be adequate documentary support in order to be able to carry out, at any time, audits to find evidence of the characteristics of and reasons for the operation and identify who authorised, carried out, recorded, verified the operation itself.

In relation to the wilful offences envisaged by art. 25-septies of the Italian Legislative Decree no. 231/2001

The basic principles and criteria used as a basis for making decisions, no matter their kinds and levels, on health and safety at work are identified as follows:

- a) avoid the risks;
- b) assess the risks that cannot be avoided;
- c) fight the risks at the source;
- d) adapt work to man, in particular as regards the design of work stations and the choice of work equipment and working and production methods, especially in order to minimise monotonous and repetitive work and reduce the effects of such work on health;
- e) take account of technical development;
- f) replace what is dangerous with something not dangerous or less dangerous;
- g) plan prevention, aiming at a consistent framework that integrates the technique, work organisation, working conditions, social relations and the impact of factors in the working environment;
- h) give priority to collective protection measures over personal protection measures;
- i) give appropriate instructions to workers.
- j) These principles shall be used by the entity to take the necessary measures to protect the health and safety of workers, including the prevention of occupational risks, information and training, and the establishment of an organisation and the necessary means.

The entire structure of the company must comply with these principles, in particular when the decisions or choices must be made and, subsequently, when they are to be implemented (see art. 6, paragraph 2, letter b) of Italian Legislative Decree no. 231/2001).

1.2 Recipients

The Code of Ethics is addressed to the Recipients, as defined in the General Part of ARPECA S.P.A.'s Organisation and Management Model.

Therefore, the rules of the Code of Ethics apply to company bodies, employees, external collaborators, business partners, suppliers and all those who have relations with the Entity, wherever they operate, without exceptions.

The Code of Ethics defines the rules of conduct to be observed in relations between Recipients and in relations with the public administration, suppliers and third parties in general.

The Code principles are binding and must be respected by all Recipients at all times during the Company's activities. ARPECA S.P.A. requires its stakeholders to respect the Code of Ethics.

In addition to due compliance with the laws and regulations in force in all the countries in which it operates, the Entity strictly adheres to the principles, objectives and rules set out in the Code. This commitment is required not only of the staff, but also of external collaborators, suppliers and all those who have relations with the Entity.

ARPECA S.P.A. undertakes to disseminate the Code of Ethics to all the Recipients and to prepare every possible instrument that may favour its knowledge and full application.

It is the primary responsibility of the corporate bodies and management to make the values and principles contained in the Code practicable, taking responsibility both internally and externally.

In fact, the existence of written codes, of conducts and proof that staff have received and understood them do not ensure compliance: compliance with the rules of conduct is not inherent in the existence of codes, but rather ensured by the actions and examples of management. The role of the corporate bodies is therefore fundamental, and they are responsible for the actual implementation of the principles of the Code within the scope of their functions and responsibilities. In particular, the Directors are required to be inspired by the principles of the Code in proposing and implementing any decision that has an impact on the company's assets, management and technological values and on the well-being of employees who contribute to the success of the company and the community through their work.

The Company does not tolerate the infringement of these principles, fights against bribing and corruption that may undermine its integrity and puts in place organisational tools to prevent the infringement of the principles of the Code, ensuring their respect and actual implementation.

In fact, the essential requirement of any profitable collaboration relationship with the Company is the respect, by collaborators and other third parties, of the principles and provisions under this Code. In this sense, when entering into contracts or agreements with collaborators or other third parties, the Company provides its interlocutors with this Code of Ethics or with a significant extract of this Code, including clauses that expressly formalise its acceptance as well as determining the automatic termination of the relationship itself if these are not complied with.

Any infringement will be punished in accordance with the law, company procedures and the "231" Model.

1.3 The responsibility of ARPECA S.P.A.

The Entity is committed to:

- ensuring maximum dissemination of the Code among staff and third parties;
- ensuring the constant updating of the Code, in relation to changes in company requirements and current legislation;
- ensuring every possible means of knowledge and clarification regarding the interpretation and implementation of the rules contained in the Code;
- carrying out checks on any reports of infringement of the Code provisions, assessing the facts and deciding - in case of ascertained infringement - on appropriate sanctions.

1.4 Obligations of business units/organisational structures

Every department (Service) manager of the company is obliged to:

- be an example for their collaborators with his/her work;
- guide employees to comply with the Code;
- ensure that employees understand that compliance with the rules of the Code is an essential part of the quality of their work tasks;
- choose carefully, within the scope of their responsibilities, employees and external collaborators to prevent assignments from being entrusted to persons who do not fully rely on their commitment to comply with the rules of the Code;
- promptly implement appropriate corrective measures when the situation so requires;
- endeavour to verify the truthfulness of information directly acquired or provided by employees about possible cases of infringement of the rules;
- prevent any kind of retaliation.

1.5 Obligations for staff

All members of staff are required to be aware of the rules contained in the Code and of the internal and external reference standards that govern the activities carried out within the scope of the function for which they are responsible. If there are any doubts as to how to proceed in some activities, the Company will adequately inform its Employees.

Members of staff also have an obligation to:

- diligently observe the rules of the Code, refraining from any conduct contrary to it;
- contact their manager if they need clarification on the interpretation and implementation of the rules contained in the Code;
- promptly report to their managers any news learned about possible infringements of the Code and any request received to violate the Code;
- offer maximum cooperation to ascertain possible infringements.

1.6 Enforcement of the Code in relation to third parties

In relation to third parties, all the Company's personnel, in view of the responsibilities assigned, will take care to:

- provide adequate information about the commitments and obligations imposed by the Code;
- require compliance with obligations that directly concern their activity;
- implement the appropriate internal and external initiatives, if the latter fall within their competence, if third parties should fail to comply with the rules of the Code.

If, on the other hand, the infringement of ethical rules is committed by a self-employed worker, supplier or other person having contractual relations with the Company, the contract may be terminated as a sanction. A useful tool for this purpose could be the inclusion of express termination clauses in supply or collaboration agreements (agency, partnership, contract, etc.) that make explicit reference to compliance with the provisions of the Code of Ethics.

1.7 Contractual value of the Code of Ethics

In accordance with the prevailing regulations, the Company assesses any conduct contrary to the principles set out in the Code from a disciplinary point of view by applying different sanctions depending on the severity of the facts.

The rules of the Code of Ethics are an integral part of the contractual obligations of personnel pursuant to art. 2104 of the Italian Civil Code (Care of the employee) and art. 2105 of the Italian Civil Code (Loyalty obligation) as specified below.

Art. 2104 of the Italian Civil Code: *“The worker must use the care required by the nature of the required task, the interest of the company and the higher interest of national production. S/he must also comply with the regulations for the execution and discipline of the work established by the entrepreneur and his/her collaborators that are his/her line managers”*.

Art. 2105 of the Italian Civil Code: *“The worker shall not engage in business, on his/her own account or on behalf of a third party, in competition with the entrepreneur, nor disclose information concerning the organisation and production methods of the organisation, or use such information in such a way as to be harmful to the organisation”*.

Because of their disciplinary value, the Code of Ethics and the procedures whose non-observance shall be sanctioned are expressly included in the company disciplinary regulations and in any case are declared to be formally binding by means of adequate information to all recipients, as well as displayed, as provided for by art. 7, par. 1, Italian Law no. 300/1970, *“by posting in a place accessible to all”*, explicitly highlighting the sanctions linked to any infringements.

2 ETHICAL PRINCIPLES

2.1 General principles

Relations and conduct between recipients and between them and third parties must be based on the principles of honesty, fairness, transparency, confidentiality, impartiality, care, loyalty and mutual respect.

The Recipients must refrain from activities, even occasional ones, which may conflict with the interests of the company or which may interfere with the decision-making capacities of individuals, altering the company's functionality and the public interests that may be involved, complying with the reasons for abstention under art. 51 of the Italian Code of Civil Procedure.¹

Specifically, all Recipients:

- a. must avoid situations in which personal interests may give rise to conflicts of interest with those of the Company or with the more general public interest governing its action;
- b. must not use information obtained in the performance of their business functions to gain direct or indirect benefits. must avoid the improper and unauthorised use of the company's wealth of knowledge and information in any case;
- c. must operate with impartiality, transparency and fairness, in relations with third parties, avoiding relationships that are the result of external solicitation or that may generate conflicts of interest (in this context, no exchanges of gifts, even of modest value, are allowed);
- d. must carry out their work activities in a manner that is fair and transparent, in any case, in accordance with the provisions of the Model and Company procedures.

¹ Art. 51 (Abstention of the judge) The judge is obliged to abstain: 1) if he/she has an interest in the case or in any other case concerning the same issue of law;

2) if he/she or his/her wife/husband is a relative to one of the parties or any of their defending counsels by affiliation or up to the fourth degree, or is cohabiting with or habitual fellow-guest of one of them; 3) if he/she or his/her wife/husband has a pending lawsuit or deep enmity or credit/debt relationship with one of the parties or any of their defending counsels;

4) if he/she has given advice or given legal aid in the case, or has testified in the case as a witness, or has known about it as a magistrate at another level of the trial or as an arbitrator or has given assistance as a technical consultant; 5) if he/she is guardian, receiver, attorney, agent or employer of one of the parties; if, moreover, he/she is a director or manager of a entity, of an association, even if not recognised, of a committee, of a company or organisation that has an interest in the case.

In any other case where there are serious reasons of expediency, the judge may ask the head of the office for permission to abstain: when the abstention concerns the head of the office, permission is requested from the head of the hierarchically superior office.

2.2 Compliance with legal provisions

The Company's key principle is to comply with the laws and regulations in force in all the countries in which it operates.

This commitment is also binding for Consultants, Suppliers, Customers and anyone who has relations with the Entity. The latter will not initiate or continue any relationship with Individuals who do not wish to align themselves with this principle.

In no case does the pursuit of the Entity's interest justify and make acceptable any conduct contrary to the law provisions.

The Entity shall ensure that appropriate information and continuous awareness raising activities will be carried out with regard to the issues concerning this Code, the Model and their application.

2.3 Honesty and integrity in relationships

The relationships established by the Recipients with regard to their professional relationship with the Company, whether internal or external to the same, must be based on respect of the law and the personality of each single individual, in application of the principles of the Code of Ethics and the provisions of the Model.

Relationships at all levels must be based on transparency, fairness, honesty and loyalty. Relationships, both internal and external, avoid any discrimination based on age, gender, race, nationality, personal and social conditions, religious or political beliefs.

The Entity does not tolerate infringements of this principle and discourages corrupt practices in any way.

2.4 Conflict of interest and incompatibility

All personnel in the performance of their duties, in addition to having to comply with the reference rules on incompatibility established for persons operating in companies being local government investees, must not make decisions or carry out activities that conflict with the interests of the Entity or are incompatible with their office duties. Directors must also strictly comply with this principle. Any situation in contrast with this rule of conduct must be immediately reported to the relevant Managers.

In particular, the members of the corporate bodies, management, employees and collaborators of the Entity must avoid conflicts of interest between any personal and family economic activities and the tasks they perform within the organisation to which they belong.

2.5 Impartiality

In its relations with its stakeholders (e.g. in relation to tenders, litigation, etc.) the Company avoids any discrimination based on age, gender, sexuality, health, race or nationality, political opinions and religious beliefs, does not take into account recommendations or suggestions from external or internal sources and ensures impartiality and fairness in compliance with legal or contractual provisions and the principles set out in this Code of Ethics.

2.6 Relations with public administration and institutions

Concerning any relationship with the public administration and institutions, both domestic and foreign, it is forbidden to offer and/or accept any object, service, or sum of value or other benefit for the execution of acts contrary to or in accordance with its office.

In countries where it is customary to offer gifts to Customers or other Individuals as a sign of courtesy, such gifts must be of an appropriate nature and value, must not conflict with the law provisions currently in force there and must not - at all rates - be interpreted as a compensation for requesting favours and/or facilitations. In any case, this type of expense must always be authorised by the relevant line Manager and adequately documented.

2.7 Management and conduct of operations

Every operation and economic transaction of the Entity must be legitimate, authorised, correctly recorded, consistent, appropriate, verifiable. The Entity promotes and favours the adoption of all those instruments necessary to ensure that the actions and operations conducted in the interest of the Company have adequate and consistent record entries, in order to make it possible to verify the decision, authorisation and execution process. The management and conduct of operations must comply with the criteria of fairness, cost-effectiveness, transparency, efficiency and effectiveness.

2.8 The obligation of confidentiality and protection of information

The Company protects the confidentiality of the information and data in its possession, operating in compliance with the laws and regulations in force.

All personnel of all levels and external collaborators are required to comply with this principle even after termination of employment.

The obligation of confidentiality on the confidential information acquired is also imposed on persons with whom the Company has contractual or other relationships, through specific contractual clauses or by entering into non-disclosure agreements.

The Company adopts the appropriate measures to ensure that the internal management and external communications of information for any reason are carried out in compliance with the laws and regulations in force and in compliance with the principles of transparency and fairness.

Information intended for the public must be clear, complete, truthful and not misleading, enabling the recipients of such information to make informed decisions.

Finally, the Company identifies and indicates the channels, forms and persons responsible for communication to/with third parties.

2.9 Protection of company assets

The Company promotes the protection and prudent and diligent use of its assets, equipment and resources in compliance with the criteria of fairness, cost-effectiveness, efficiency and effectiveness in the pursuit of its corporate purpose.

2.10 Correct keeping and reliability of the accounts

The Company complies with the rules and principles for the preparation of annual financial statements and forecasting and bookkeeping.

Company information and data and accounting interactions of management events must guarantee transparency, accuracy and completeness, and give a true and fair view of the management activity and of the financial situation.

2.11 Behaviour in the workplace

The Company personnel must conform their activities to the Company provisions and procedures in compliance with the rules established by law and by collective and individual bargaining agreements.

2.12 Personal responsibility

Everyone is responsible for the actions taken in the performance of one's work. In addition, for those who carry out management functions, there is also the responsibility of supervising the activity carried out by the personnel subject to their management and control.

2.13 Hygiene, safety and protection of the working environment

The Company is committed to encouraging management and employees to substantially comply with the vast legislative framework outlined first by Italian Law no. 626/94 and Italian Legislative Decree no. 272/99 and then by Italian Legislative Decree no. 81/08 as amended and supplemented.

In order to achieve this, it has undertaken to verify that work is carried out in a safe manner, ensuring that a culture of safety at work is disseminated, developing

risk awareness and promoting responsible behaviour by all employees/collaborators.

The Company also adopts all the safety measures required by technological evolution to guarantee a safe and healthy working environment, in full compliance with current legislation on health and safety. Each employee/collaborator must contribute to the proper management of Hygiene and Safety and protection of the working environment, always operating in compliance with the regulations in force, and must not subject other employees/collaborators to risks that may impair their health or physical safety.

2.14 Privacy

The privacy of the employee and the collaborator is protected by adopting standards that specify the information that the company requires from them and how it is processed and stored.

Any investigation into the ideas, preferences, personal tastes and, in general, the private life of the collaborators is precluded. These standards also provide for the prohibition, except in the cases provided for by law, to communicate personal data without the prior consent of the person concerned.

Thanks to the potential of the network systems, it is easy to communicate with all the Company personnel to whom all information useful for carrying out work activities is made available, in compliance with the regulations in force.

2.15 Corporate responsibility

The Company ensures that business is conducted in accordance with the principles of integrity and transparency.

In particular, all transactions, negotiations, and in general conduct in business practice must be based on the utmost fairness, excluding any phenomenon of corruption or favouritism, completeness and transparency of information and legitimacy, not only on a formal basis, based on current regulations and internal procedures.

2.16 Development and protection of professionalism

The Company is committed to developing the skills and competences of its staff, pursuing a policy based on equal opportunities and merit, considering professionalism a guarantee for the entire community and a fundamental condition to achieve its objectives. Therefore, research, recruitment, hiring and career development respond only to objective quality assessments from a working standpoint, without any discrimination.

2.17 The strategic value of human resources

Human Resources are considered a primary value for the achievement of the Company objectives by virtue of the professional contribution made in a relationship based on loyalty, fairness, mutual trust and full respect for the Individual Personality.

The Company protects and promotes the value of Human Resources, favouring their professional growth, committing to avoiding discrimination of any kind and guaranteeing equal opportunities, as well as offering working conditions respectful of individual dignity and safe and healthy working environments, in compliance with current regulations and workers' rights.

The relationships between the different hierarchical levels (related to different levels of responsibility within the Entity) must be based on the principles set out above.

The Company does not allow the conduct of non-contractual relationships.

In personnel management, the Company ensures equal opportunities for all, guaranteeing fair treatment based on merit, without any discrimination. Staff are hired under regular employment contracts and no form of irregular work is tolerated. The Company is also committed to protecting the moral integrity of its staff, preventing them from suffering illicit conditioning or undue inconvenience. For this reason, it safeguards staff from any acts of psychological violence and opposes any attitude or behaviour that is discriminatory or harmful to the person, their beliefs and preferences.

Sexual harassment or intimidating and hostile attitudes in internal or external working relationships are not permitted. The Company also undertakes to ensure compliance with current regulations on the prohibition of smoking.

3 RULES AND STANDARDS OF CONDUCT

In implementation of the General Principles set out above, the Company also promotes the following Criteria of Conduct, it being understood that its activities must always be based on respect of law provisions and the principle of good faith.

3.1 Criteria of conduct in relations with suppliers

3.1.1 Choice of supplier

The supplier selection procedures must comply with current regulations and the Company's internal procedures for this purpose.

The choice of supplier and the purchase of goods and services of any kind must be made on the basis of objective assessments of the competitiveness, quality, usefulness and price of the supply.

3.1.2 Correctness and diligence in the execution of contracts

The Company strives to build a collaborative relationship of mutual trust with the supplier. The contracts are subject to constant and careful monitoring by the Company also from the point of view of the adequacy of the services or goods provided with respect to the agreed consideration.

The Company undertakes to provide clear and timely information regarding the characteristics of the business, the forms and timing of payment, in compliance with current regulations.

3.1.3 Protection of the environment and ethical profiles

The Company is committed to promoting environment protection in its procurement activities and to ensuring that they are carried out in accordance with ethical principles.

3.2 Criteria for the conduct of Employees and Collaborators

The provisions set forth in the following points are addressed to employees and extended to all collaborators, Directors, consultants and anyone who establishes a relationship of collaboration with the Company, for whatever reason.

Employees and collaborators, as detailed above, must observe a correct and transparent conduct in the performance of their role, thus contributing to the effectiveness of the internal control system, in order to protect the value of ARPECA S.P.A. In compliance with the law, collaborators must behave in an open-minded manner towards the shareholders, control bodies, other corporate bodies and supervisory authorities.

3.2.1 Relations with staff

The Company recognises the value of human resources, their autonomy and the importance of their participation in the company's activities.

The management of the employment relationship, pursuing an organisation by objectives, is aimed at fostering the professional growth and skills of each employee also in relation to the application of incentive tools.

Any discrimination based on race, gender, nationality, religion, language, trade union or political beliefs in hiring, remuneration, promotion or dismissal as well as any form of favouritism is prohibited.

3.2.2 Health and Safety

The Company is committed to protecting the moral and physical integrity of its employees, consultants and customers.

To this end, it promotes responsible and safe behaviour and adopts all the safety measures required by technological evolution to guarantee a safe and healthy working environment, in full compliance with current legislation on health and safety.

3.2.3 Protection of the person

The Company is committed to ensuring compliance with the conditions necessary for the existence of a collaborative and non-hostile working environment and to preventing discriminatory behaviour of any kind.

The collaboration of everyone is required in order to maintain a climate of mutual respect for each other's dignity, honour and reputation.

Employees who believe they have suffered discrimination may report the incident to their line manager or to the Supervisory Body, that will proceed to ascertain the actual infringement of the Code of Ethics. Differences that can be justified on the basis of objective criteria do not constitute discrimination.

3.2.4 Recruitment of staff

Staff are hired on the basis of regular employment contracts and the National Collective Labour Agreement in use, since in general no form of employment relationship is permitted that does not comply or in any case that avoids compliance with the provisions in force.

3.2.5 Personnel duties

The staff undertake to comply with the obligations set out in this Code of Ethics and must comply with the law and base their conduct on the principles of integrity, fairness, loyalty and good faith in the performance of their duties.

3.2.6 Additional duties - Accounting records and entries

Those who are entrusted with the task of keeping the accounting records are required to make all records accurately, completely, truthfully and transparently and to allow any checks by all appointed persons, including external ones.

Accounting records must be based on accurate and verifiable information and must fully respect the internal accounting procedures.

Each entry must be traceable and allow reconstructing the relative transaction, accompanied by adequate supporting documentation.

All actions concerning the company activities must result from adequate records that allow for checks and controls on the decision-making, authorisation and implementation process.

Anyone who becomes aware of any omissions, errors or falsifications is required to inform their line manager and the Supervisory Body.

3.2.7 Conflict of interest

The employee must maintain a position of autonomy and integrity in order to avoid making decisions or carrying out activities in situations of conflict of interest with respect to the Company business, even if only apparent.

Any activity that conflicts with the proper performance of one's duties or that could harm the interests and image of the Company must be avoided.

Any situation of conflict of interest, actual or potential, must be communicated in advance to the person in charge who, according to the procedures provided for, will inform the Supervisory Body.

3.2.8 Company assets

The employee uses and carefully keeps the assets at his/her disposal for office reasons. Improper use of the Company assets and resources is not permitted.

Each employee is directly and personally responsible for the protection and legitimate use of the assets and resources entrusted to him/her for the performance of his/her duties.

The Company, in compliance with the laws in force, adopts the necessary measures in order to prevent improper use of the same.

3.2.9 Use of computer systems

Each employee is required to comply with the regulatory provisions in force and the conditions contained in the license agreements as well as the relevant company policies.

Each employee, within the scope of his/her duties, is also required to prevent the possible commission of offences through the use of computerised tools.

According to this approach, the fundamental objectives of cyber-security for ARPECA S.P.A. are the following:

- **Confidentiality:** guarantee that certain data are preserved from improper access and are used exclusively by authorised persons. Confidential information must be protected both in the

transmission and storage phases, so that the information is accessible only to those who are authorised to know it;

- **Integrity:** guarantee that every company piece of information is really the one originally entered in the computer system and has been modified only in a legitimate way. It must be ensured that the information is processed in such a way that it cannot be tampered with or altered by unauthorised persons;
- **Availability:** guarantee of availability of company data according to the needs of process continuity and in compliance with the rules that require their retention over time.

3.2.10 Gifts, presents and other benefits

Employees may not ask, for themselves or others, for gifts or other benefits, nor accept them from anyone who has benefited or may benefit from the company activities, except for those of modest value and in accordance with normal courtesy and business practices.

Employees may also not offer gifts or other benefits to all those from whom they may receive favourable treatment in the conduct of any activity connected with the Company.

No unlawful advantages may be granted to public and private customers or suppliers.

Offers of gifts and benefits of non-modest value must be reported to the department head, who, in the manner provided, will inform the Supervisory Body of the Company.

3.2.11 Protection of confidentiality and management of information

The Company protects the privacy of its employees, in accordance with the regulations in force, undertaking not to communicate or disseminate their personal data without the prior consent of the person concerned, without prejudice to legal obligations.

The acquisition, processing and storage of such information takes place within the frame of specific procedures designed to ensure that no unauthorised persons may become aware of it and to guarantee full compliance with the rules for the protection of privacy.

Employees are required to keep confidential the information of which they become aware in the performance of their duties in accordance with the law, regulations and circumstances, by carefully safeguarding the information entrusted to them.

Employees must observe this duty of confidentiality even after termination of employment.

3.2.12 Disclosure obligations

All employees are required to promptly and confidentially report any information they may have become aware of in the performance of their work activities about infringements of the law, the Code of Ethics or other Company provisions that may, for any reason, be detrimental to the Company to their department head and to the Supervisory Body.

The department heads must supervise the work of their employees and must inform the Supervisory Body of any possible infringement of the above rules.

3.3 Criteria of conduct for the protection of the working environment and privacy

The Company strives to create a working environment that could guarantee conditions that respect the dignity of all those who interact with the Company, and in which the human characteristics, beliefs or preferences of individuals cannot give rise to discrimination, conditioning or acts harmful to the person. The Company is committed to the protection of privacy with regard to data concerning the privacy and opinions of employees.

The Entity requires that no one be placed in a state of subjection in internal and external working relations through violence, threat, deception, abuse of authority, taking advantage of a situation of physical or mental inferiority, or a situation of necessity. The Company does not approve and prosecutes all forms of harassment, including discriminatory and sexual harassment under the law.

3.4 Criteria of conduct in Health and Safety

The Company strives to spread a culture of safety in the workplace, developing risk awareness and promoting responsible behaviour by all employees/collaborators.

The Entity takes action, mainly with preventive measures, to preserve the health and safety of human resources, as well as to protect all company resources.

Each employee/collaborator must contribute to the proper management of Health and Safety, always operating in compliance with the regulations in force, and must not subject other employees/collaborators to risks that may impair their health or physical safety.

3.5 Criteria of conduct in the protection of company assets

In order to protect company assets, each employee/collaborator is required to operate with care and a responsible behaviour.

In particular, employees/collaborators must:

- 1) use the assets entrusted to them scrupulously and sparingly;
- 2) avoid improper use of company assets, which could cause damage or reduction of efficiency, or in any case be contrary to the interests of the Company;
- 3) avoid improper use of company assets for purposes and ends unrelated to their duties and work, especially if it is detrimental to the Entity's image and reputation.

Each Employee or Collaborator is responsible for the protection of the resources entrusted to him/her and has the duty to promptly inform his/her manager of any events harmful to the Company.

3.6 Criteria of conduct in relations with the public administration, institutions and in general with member local authorities

Relations with public entities and institutions of any kind must be transparent and consistent with the policy of the Entity and must be maintained by the company functions formally delegated to do so.

To this end, the Entity has based its relations with the public administration on maximum transparency, in full compliance with the current regulatory framework, so it does not intervene in the sphere of public authorities or in the political sphere to favour third party interests, in order to receive benefits of various kinds.

Therefore, it is not permitted to offer money or gifts (unless they are gifts or benefits of modest value, and in any case such as not to prejudice the integrity or reputation of one of the parties and not to be understood as aimed at obtaining improper advantages) or to enter into consulting, sponsorship or advertising relationships with or grant personal assignments to Executives, Officials or Employees of the public administration or their relatives, both Italian and from other countries, who have been involved in administrative or judicial proceedings arising from assignments conferred on them by public administrations and which have entailed advantages for ARPECA. S.P.A. in the last 12 months. The Company considers both unlawful payments made directly by Company staff and those made through persons acting on their behalf as acts of corruption.

Concerning any relationship with the public administration or owners of a public commercial concern, it is forbidden to offer and/or accept any object, service, or sum of value or other benefit for the execution of acts contrary to or in accordance with its office.

When a business negotiation, request and/or relationship with the public administration is in progress, the Staff in charge shall not seek to influence the decisions of the other party,

including officials who negotiate or make decisions on behalf of the public administration.

In the specific case of a tender with the public administration, it must be carried out in compliance with the law and fair business practice.

If the Company is represented by a third-party entity and/or person in relations with the public administration, the same directives applicable to its Employees and/or Collaborators are applied to its representatives.

In addition, the Entity may not be represented by third parties whose collaboration may involve a conflict of interest.

In particular, and by way of example, in relations with representatives of public institutions and the public administration in general, Italian or foreign, the following is prohibited:

- promise or grant cash disbursements for purposes other than institutional ones;
- promise or grant favouritism in hiring personnel, in the choice of suppliers of goods and services, in the communication of information and documents;
- produce false or altered documents and/or data or omit due disclosure, also in order to obtain contributions/grants/financing or other disbursements from the government or public entities or the European Community;
- allocate public contributions/grants/financing to purposes other than those for which they were obtained;
- unauthorised access to the information systems of the public administration in order to obtain and/or modify information for the benefit of the Entity.

3.7 Criteria of conduct in relations with public Supervisory Authorities

Relations with public Supervisory Authorities, whether Italian, EU or foreign, in compliance with the criteria described in paragraph "3.6" above, are based on maximum cooperation, transparency and fairness.

The Company fully and scrupulously fulfils its obligations towards the aforesaid Authorities and actively collaborates in any auditing activities.

3.8 Criteria of conduct in relations with the Judicial Authorities

The Entity is represented in court by its legal representatives, who represent it with loyalty and transparency, making use of competent lawyers having an exemplary deontological honesty. Without prejudice to the criteria described in paragraph "3.6" above, the importance of the case will in no way

justify the direct or indirect exercise of undue pressure (in whatever form exercised or attempted) aimed at inducing the judicial authority to favour the Entity in the decision on the dispute.

3.9 Criteria of conduct in relations with political and trade union organisations

Without prejudice to the criteria described in paragraph "3.6" above the Company refrains from any direct or indirect pressure on politicians.

The Company does not grant any money to organisations with which there may be conflicting interests. Any relationship of the Company with these organisations and their representatives must be based on lawfulness and maximum transparency, integrity and impartiality, in order to establish a proper dialogue.

3.10 Criteria of conduct in environmental matters

The Company's environmental policy stems from the awareness of the strategic role that its mission has in the sustainable development of the territory and that the environment represents a competitive advantage in a market increasingly attentive to the quality of services. The Company is committed to promoting sustainable development through the adoption of measures that favour energy saving and efficiency and the safeguarding of resources.

3.11 Criteria of conduct in corporate matters

All disclosures, communications and filings with the Register of Companies that are mandatory for the Company must be made in a timely, truthful and compliant manner, by the persons identified under the law.

It is expressly forbidden to prevent or hinder the performance of control or audit activities legally and possibly assigned to other corporate bodies, through the concealment of documents or other suitable devices.

It is prohibited to distribute profits or advances on profits not actually earned or allocated to reserves or to distribute unavailable reserves.

It is forbidden to carry out any operations on the profit for the year that are not in accordance with the law and the Articles of Association.

Any kind of operation that may cause damage to creditors is prohibited.

3.12 Relations with *mass media*

Relations with the communication and information media must be handled and maintained by persons expressly delegated by the Company, who must verify requests before releasing any communications. Any information released must be based on principles of truth, transparency, correctness and prudence, in compliance with this Code of Ethics, internal procedures and for the protection of the corporate image.

It is forbidden to communicate data or news on behalf of the Company to the press and media in the absence of an express company delegation to do so.

4. EFFECTIVENESS OF THE CODE OF ETHICS AND CONSEQUENCES FOR HAVING INFRINGED IT

4.1. Compliance with the Code of Ethics

Compliance with the rules of the Code of Ethics must be considered an essential part of the contractual obligations of employees. It must also be regarded as an essential part of the contractual obligations assumed by non-employee collaborators and all other recipients to whom it is addressed.

The Company management is responsible for ensuring that the Company expectations of its recipients are understood and applied by them. Therefore, the management must ensure that the commitments expressed in the Code of Ethics are implemented.

4.2 Controls by the Supervisory Body

The correct compliance with and application of this Code is guaranteed by the Supervisory Body established under the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01.

4.3 Reporting an infringement

In order to ensure the actual application of the Code of Ethics, the Company requires all those who, within the Entity, become aware of any cases of non-compliance with the Code to make a report.

Employees must report any infringement or suspected infringement to their line manager, or, in cases where the employee's report to their line manager is not effective or appropriate, they must contact the Sole Director, or directly the Supervisory Body.

The Supervisory Body is an entity appointed by the Management Body of the Entity, with autonomous powers of initiative and control.

The Supervisory Body, in accordance with the provisions of article 6 of Italian Legislative Decree no. 231/01, is required to carry out timely and careful verification of the information transmitted, and, once it has ascertained the validity of the report, submit the case to the competent company function for the application of any disciplinary sanctions or for the activation of contractual termination mechanisms. The Supervisory Body has the right to interview the person who made the report and any other parties involved, in consultation with the Chief Executive Officer.

For persons outside the Company, reports must be forwarded directly to the Supervisory Body.

Reports to the Supervisory Body must be made in writing to one of the following addresses:

- Supervisory Body, @ registered office of ARPECA S.P.A;
- **odv@arpeca.it**

With reference to the report of occurred or attempted infringement of the rules contained in the Code of Ethics, ARPECA *S.P.A.* will guarantee that no one may suffer retaliation, illegal conditioning, inconvenience and discrimination in the workplace for having reported a infringement of the Code of Ethics or internal procedures.

Any form of retaliation against those who have made reports of possible infringements of the Code of Ethics in good faith is also an infringement of the Code. In addition, the case of anyone who accuses other employees of having infringed the code, in the knowledge that such infringement does not exist, is to be considered an infringement of the Code of Ethics, too.

4.4 Sanctions

The infringement of the principles set out in the Code of Ethics and company procedures compromises the relationship of trust between the Entity and whoever commits the infringement (directors, employees, consultants, collaborators in various capacities, customers, suppliers, commercial and financial partners).

Infringements, once ascertained, will be prosecuted incisively, promptly and immediately, through the adoption of appropriate and proportionate disciplinary measures, compatibly with the provisions of the current regulatory framework, regardless of the possible criminal relevance of such conduct and the initiation of criminal proceedings in cases where they constitute a crime. The disciplinary measures for infringements of the Code of Ethics, regulated in a specific "Code", are adopted by the Company in line with the laws in force and with the relevant national employment contracts or

any corporate agreements on the matter. Such measures may also include the dismissal of those responsible.

The Company, in order to protect its image and its resources, will not establish any kind of relationship with persons who do not intend to operate in strict compliance with the regulations in force, and/or who refuse to behave in accordance with the values and principles set out in the Code of Ethics.

4.5 Dissemination of the Code of Ethics

This Code is brought to the attention of the corporate bodies, the Company employees, consultants and collaborators and any other third party who may act on behalf of the Entity. All such persons are required to learn and respect its contents.

The Code of Ethics is published with adequate prominence on the company website. A copy is made available to all recipients that are currently in office and that will be in office for the future. A copy can be obtained from the General Secretariat of ARPECA *S.P.A.* or downloaded from the company website. Updates and revisions of the Code of Ethics are defined and approved by the Management Body of the Entity.

In order to ensure the correct understanding of the Code of Ethics, ARPECA *S.P.A.* prepares an information plan that ensures full disclosure and explanation.

REFERENCES

- Italian Legislative Decree no. 231/01 as subsequently amended;
- Confindustria (Italian Manufacturing Companies Association) Guidelines for the preparation of the Organisational Model under Italian Legislative Decree no. 231/01.