



## CODE OF ETHICS

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## **1. INTRODUCTION**

F.A.C.E.M. S.p.A. is dedicated to the service of its customers in the automotive, gearmotor, agricultural, food processing and food storage sectors. This commitment is achieved through the efforts of its own specialized personnel (both women and men), goods and services partners and the wider community of which it is a part. Awareness of these relationships and the responsibilities they imply has always been part of the company's corporate culture.

## **2. THE CODE OF ETHICS**

This Code of Ethics is aimed at presenting the values and principles with which F.A.C.E.M. S.p.A. operates and asks of all of its stakeholders.

Compliance with the principles and guidelines of the Code of Ethics represents not only an essential element of the professional conduct of our workers and partners, but also a way for the company to increase the value of its work.

In order for the Code of Ethics to be a reference for the conduct of all of our interlocutors and collaborators, it is essential that it is applied by each and everyone in a tangible way that contributes to the strengthening of both the quality and the reputation of the company.

## **3. MISSION**

We at F.A.C.E.M. S.p.A. constantly strive to improve our activities and offerings, and to maintain and raise the value of the Tre Spade brand through to the professionalism of our workers and partners. We contribute to the success of our customers, increase the well-being of those who work with us, and evoke the enthusiasm of those who use our products. For this reason, we work to improve and promote our products in order to strengthen our relations with customers and suppliers through product excellence, cost efficiency, reduced lead-times and a policy of improvement through constant exchange with all interested parties.

## **4. APPLICATION**

This Code is intended to govern the conduct of all stakeholders of F.A.C.E.M. S.p.A. It aims to inform them about the company mission and call on them to respect our corporate values and comply with our guidelines of conduct. The principles contained herein are addressed to (the "Recipients"):

- a) All company Directors;
- b) All employees (including managers, middle managers, employees, workers, apprentices, temporary consultants and interns);
- c) All external partners (service contractors);
- d) All representatives who, directly or indirectly, permanently or temporarily, operate in the name and on behalf of F.A.C.E.M. S.p.A.;
- e) All customers and suppliers.

F.A.C.E.M. S.p.A. undertakes accordingly to:

1. Disseminate the contents of the Code of Ethics and make it available to all its Recipients;
2. Make available to the Recipients all the necessary tools to implement the provisions contained herein;
3. Implement all the necessary monitoring of compliance with the rules and indications contained herein;
4. Apply adequate sanctions in the event of any violation of the rules and principles contained herein.

## 5. OUR GUIDING VALUES

The guiding values of F.A.C.E.M. S.p.A. to achieve the above described goals are:

### 5.1 Quality

We believe in the **continuous improvement of our quality standards** through innovation, creativity, environmental protection, professionalism, ethical conduct, openness to change and tenacity in pursuit of solutions. We are always **oriented towards the outside**, carefully observing the world, society and the market in order to offer and implement high quality contents and innovative technologies.

F.A.C.E.M. S.p.A. believes in the dissemination of the culture of quality among all those having relations with the organization, in terms of:

- a) The transparency of internal and external communications;
- b) Engagement and strict compliance with the rules;
- c) The promotion of individual knowledge and skills;

### 5.2 The valuing of people and professionalism.

F.A.C.E.M. S.p.A. values the skills, potential, proactivity and commitment of its people, and, therefore, adopts fair, clear and consistent evaluation criteria. **Participation** in the decision-making processes of the company, within the scope of the role of each individual, according to their abilities and competence, must represent the backbone of activities for the people of F.A.C.E.M. S.p.A. Furthermore, the company aims to consolidate its know-how through the human and professional resources at its disposal, in order to guarantee lasting improvements in Business Continuity.

### 5.3 Value creation

F.A.C.E.M. S.p.A. protecting its investments by pursuing the profitability of its products, initiatives and the company as a whole, through careful assessment and management of corporate risk and the creation products and conditions that guarantee durable success and profitability, as essential requirements for the sustainable growth of the company.

## 6. CODE OF CONDUCT

This section contains the guidelines of conduct that F.A.C.E.M. S.p.A. calls on all Recipients to follow in carrying out their professional activities. They are to be understood as an integral part of any existing contractual relationships with F.A.C.E.M. S.p.A.

### 6.1 Compliance with laws, rules and regulations

It is the policy of F.A.C.E.M. S.p.A. to comply with all applicable laws, rules and regulations. The Directors, workers and representatives of the company in their various capacities and respective competences, are required to observe the laws and regulations in force in all the countries in which the company operates.

F.A.C.E.M. S.p.A. conducts its business with integrity and honesty, inspired by the principles of loyalty, propriety, transparency and openness to the market.

This includes attention to and compliance with regulations governing fair competition, in both national and international markets.

### 6.2 Conflicts of interest

Between F.A.C.E.M. S.p.A. and their collaborators there is a relationship of complete trust, within which it is the primary duty of each and every collaborator to use the assets of the company, together with their already possessed or acquired professional skills and knowledge, exclusively for the interests of the company, in full compliance with the principles set out in this Code of Ethics.

The company Directors, collaborators and representatives, in their various capacities, must also avoid any situation and refrain from any activity that might counterpose any personal interest to the interests of the company, or that might interfere or hinder the ability to make decisions impartially and objectively in reference to such interests. The occurrence of situations of conflict of interest is considered detrimental to the image, integrity and efficiency of the company. All concerned parties must, therefore, exclude any possibility of the overlapping or exploitation of their professional roles in relation to any economic activity responding to personal or family interests.

In case of any violation, appropriate measures will be taken to bring an end to any such situation.

Examples of conflicts of interest include the following cases:

a) Competitive or non-competitive employment outside the employment contract: Employees and representatives, in line with the provisions of the letter of employment, may not take on other employment positions unless previously communicated and agreed with the company. Collaborators who take on other contracts must notify the company in advance, in order to allow for opportune assessments to be made, in compliance with agreed contractual rules;

b) Direct or indirect financial interests: Employees and representatives may not have relations of personal economic interest with entities or parties that supply, purchase from or have relationships with F.A.C.E.M. S.p.A. except only in cases priorly communicated and authorized by the company;

c) Collaborations with third-parties and relatives: Employees and representatives may not involve third parties unrelated to the company, relatives or family members in any company activity. Furthermore, they must not obtain benefits from collaborations with any company in which such other persons are officers, directors, owners or holders of positions of influence, unless they have received prior written authorization from the Human Resources Department or the Legal Department of F.A.C.E.M. S.p.A.

Employees are required to immediately communicate any actual or potential conflict of interest to their superior or company reference contact as soon as they become aware of it (see also the paragraph on whistle-blowing). Any specific assessment by F.A.C.E.M. S.p.A. shall not be taken as opposition to any other rules or regulations relating to conflicts of interest.

### **6.3 Confidentiality and privacy protection**

By their very nature, the activities carried out by F.A.C.E.M. S.p.A. require, in certain contexts, the acquisition, storage and processing of data, documents and information relating to customers, negotiations, employees, procedures, production methods, operations and contracts, which constitute part of the company's confidential knowledge assets. Any unauthorized use or disclosure of such data may be harmful to the interests of the company.

For this reason, the company undertakes to ensure that such data is always processed in full compliance with the principles of confidentiality and privacy, that it is kept in secure conditions and accessible only for the purposes for which it was communicated, and, in any case, for the activities or interests of the persons to whom they refer.

In addition to the above, F.A.C.E.M. S.p.A. undertakes to protect all data and information relating to its collaborators and interlocutors involved at any level in work activities.

Each and every employee and collaborator is therefore required to protect the privacy and confidentiality of information they come into contact with in the course of their work and according to their roles, activities and responsibilities. All data and information, whether acquired or processed, remain under the control of the company, and, therefore, may not be used, disclosed or communicated without prior and specific authorization by specifically appointed and competent personnel.

Participation in the name or in representation of the company in committees and associations of any kind, whether scientific, cultural or sectoral, must be duly authorized by the company.

### **6.4 Respect for the individual and equal opportunities**

F.A.C.E.M. S.p.A. will not permit any kind of discrimination, be it due to differences in age, gender, health status, nationality, political or trade union opinions, or religious beliefs. All activities must be carried out in full compliance with the principles of human dignity and human rights as established by the applicable laws of the Italian State.

The company shares the commitment to the Universal Declaration of Human Rights, and will not tolerate the use of underage workers in its own factories or those of its suppliers or subcontractors.

All collaborators must operate and behave in compliance with these indications, guaranteeing fair and equal opportunities to all their interlocutors.

The processes and procedures relating to the management of Human Resources are required to guarantee respect for the individual and for equal opportunities in the workplace.

## 6.5 Fair competition in business

All collaborators are required to act with integrity and fairness in all relationships held in the name and on behalf of the company. Under no circumstances should collaborators or representatives accept gifts as a reward or incentive to enter into business agreements with people or companies with which the company carries out its business. Likewise, gifts must not be given to third parties or officials or collaborators of the public administration or persons in charge of public services acting in any official capacity, with the aim of exercising undue influence on any decision in favour of the company. Exchanges of gifts of negligible value in the form of merchandising are, however, allowed. Furthermore, collaborators and representatives are required to declare any particular conflicting interests or relationships with third parties. Failure to do so may lead to the application of disciplinary action.

## 6.6 Financial, administrative, accounting and budget integrity

The accounting and financial statements of the company faithfully represent its economic, equity and financial management according to the criteria of **transparency, accuracy and completeness**.

Every transaction and fiscal social event is correctly recorded in the company accounting system, as indicated by the law and reference accounting principles. Each transaction must be formally authorized in advance by the competent personnel, ensuring that it is recorded in a verifiable, complete, legitimate and consistent manner.

No financial document is modified or signed by persons not having the appropriate authority.

All recorded data must be documented and preserved in the company records in such a way as to allow complete and accurate traceability of what has been recorded, thus allowing:

- a) The accurate recording of all facts of management;
- b) Determination of the characteristics and reasons underlying the recording;
- c) The chronological reconstruction of actions undertaken.

No unreported or unrecorded funds shall be set aside or established for any purpose or activity.

In addition, each and every collaborator is required, according to their own level of responsibility, to collaborate so that any fact concerning the management of the company is consistently, correctly and promptly recorded in the company accounts. Moral and professional integrity is, therefore, required of each and every collaborator in order to safeguard the company's accounting books and corporate records and documentation.

## 6.7 Transparency and completeness in sharing information with shareholders

F.A.C.E.M. S.p.A. is committed to guaranteeing the disclosure of correct, complete and transparent information to its shareholders regarding all significant facts concerning its management.

All communications that the company releases to third parties must meet the requirements of truthfulness, completeness and accuracy.

## 6.8 Workplace safety

F.A.C.E.M. S.p.A. undertakes to protect the health and safety of all its collaborators by implementing all Italian legislation applicable in such regard, and considers it fundamental, in carrying out all its business activities, to protect the well-being of workers, and to create and maintain healthy and safe workplace environments that facilitate the prevention of accidents and minimize the exposure of workers to health and safety risks. Furthermore, the company provides for the training and periodic update of all workers and new hires in the interests of their health and safety in the workplace.

With regard to the above, F.A.C.E.M. S.p.A. is inspired in its corporate policy and ethics by the pursuit of **zero-incident principle**, and, thus, adopts methods and tools suitable for research, assessments and periodic and systematic monitoring regarding the risks and healthiness of work places and environments.

## 6.9 Environmental protection

Respect for the environment, energy efficiency and local natural resources by F.A.C.E.M. S.p.A. constitute fundamental corporate values and primary goals aimed at minimizing environmental impacts and achieving a better integration within the local community.

For this reason, F.A.C.E.M. S.p.A. researches and assesses all possible environmental impacts, and periodically and systematically monitors technological progress in order to adopt the most effective strategies to improve environmental protection and energy saving procedures.

The company undertakes to comply with the regulations and laws in force regarding environmental protection by assessing the environmental impact of its activities, the use of resources and the production of waste and pollution, in order to study and implement suitable measures for their reduction.

F.A.C.E.M. S.p.A. is committed to ensuring that the conduct of all collaborators and third parties with whom the company has business relationships is oriented to the principles of respect for and the protection of nature and the surrounding environment.

F.A.C.E.M. S.p.A. undertakes to provide its employees and collaborators with a healthy and safe workplace, and to conduct its activities in an environmentally compatible manner.

## 6.10 Relations with collaborators

People form the backbone of F.A.C.E.M. S.p.A. and the professional development of its human capital is the driving force of company growth. In order for the skills, competences and potential of each and every employee to be fully expressed, the holders of the competent managerial roles are required to ensure that:

- a) No discriminatory or unfair criteria linked to gender, age, nationality, religion or political or trade union opinions are used in the process of selecting and hiring collaborators;
- b) Each and every employee is guaranteed equal opportunities for professional and remuneratory growth;
- c) The criteria of merit and professional competence are applied as tools for assessing each individual collaborator, on the basis of skills, qualifications and attitudes demonstrated in carrying out assigned tasks.

The procedures for hiring, training, assessing work progress, developing individual skills and updating career prospects according to results achieved will be subject to periodic control and review inspired by the principles of efficiency, impartiality, equal opportunities and equity.

All collaborators are required to contribute to maintaining a corporate climate of mutual workplace respect and collaboration, and shall not engage in any conduct that might harm anyone's individual dignity, honour or reputation. Collaborators must not engage in any behaviour that may potentially constitute harassment or the creation of workplace conditions that are hostile to individuals or groups of co-workers, or that interfere with or create obstacles or impediments to the work or to the professional prospects of others.

The company shall not permit any harassment of a sexual nature or any private relationship based on the possibility of professional growth or guaranteeing any professional advantage.

## **6.11 Relations with suppliers and customers**

F.A.C.E.M. S.p.A. requires its suppliers and customers to comply with the ethical principles contained within this Code of Ethics, deeming this to be fundamental for proper and correct commercial relations. With regard to relations with customers and suppliers, all company's collaborators are required to:

- a) Comply with the principles of this Code of Ethics;
- b) Comply with the internal procedures for selecting customers and suppliers, and assessing their reliability, solvency, reputation and associated risks for reputation of F.A.C.E.M. S.p.A.;
- c) Implement a policy of fair and constructive competition;
- d) Provide truthful information in communications to the outside world.

Any employee, collaborator or representative that receives pressure or is unduly conditioned in any way in the selection, choice, establishment or maintenance of commercial relationships with counterparties must immediately notify his or her direct manager of the fact. Likewise, anyone becoming aware of any such situations must promptly the responsible management.

In all relations with F.A.C.E.M S.p.A. collaborators, customers and suppliers are required to observe and respect all applicable law within the national territory, and the territories within which they operate, as well as with all provisions expressly provided for in contractual agreements.

The company undertakes to engage in and establish long-term relationships with suppliers, promoting an optimal exchange of information aimed at improving on the performance and capitalizing on the strengths of both parties. The company is committed to maintaining an open, transparent and ethical behaviour in relation to its suppliers, ensuring that every contract is respected and executed according to the principles of good faith and fairness. It also undertakes to protect of the intellectual property rights involved in the supply of products and services, and the property rights and security of confidential information pertaining to each supplier and known as a result of the commercial relationship, and thus avoid all situations of conflict of interest for organizations and their employees.

No form of relationship will be undertaken with suppliers who practice illegal practices or who do not share the fundamental ethical principles which inspire the actions and business activities of F.A.C.E.M. S.p.A.

## 6.12 Relations with the media

All Directors, employees, collaborators and representatives must not provide information or communications outside the company unless authorized to do so by the competent corporate department.

Participation in the name or in representation of the company in committees and associations of any kind, whether scientific, cultural or sectoral, must be duly authorized by the company.

All Directors, employees, collaborators and representatives who are invited, in the name or in representation of the company, to participate in conferences, congresses, seminars or similar, or to write articles, essays or publications in general, are required to obtain prior authorization by the manager responsible for participations, communications, texts, reports and any other documentation prepared for such purposes.

## 6.13 Relations with the public administration

The assumption of commitments in relations to public administrations and public institutions is reserved exclusively for the relevant responsible and authorized corporate functions. F.A.C.E.M. S.p.A. activates procedures to keep up-to-date with applicable legislation and to implement public interest policies wherever necessary.

It is, accordingly, necessary to collect and preserve all documentation suitable for reconstructing the procedural path through which F.A.C.E.M. S.p.A. comes into contact with public entities, in order to constantly monitor any developments in relation to them.

## 6.14 Corporate assets and IT tools

All employees and representatives of the company must behave responsibly and respect the operating procedures established with regard to the use of company assets, and must document their use where required. Company assets and, in particular, communication tools, such as telephones, computers, company IT networks, and so on, are considered **work tools**, and, therefore, their use for activities or in ways that may harm or are in contrast with corporate values is not permitted. All access to websites of dubious morality is not permitted. All mobile phones, laptops, tablets and USB internet sticks are assigned to employees according to their work activities. Therefore, their use must be limited exclusively to professional and work needs, unless otherwise specified.

It is forbidden to tamper in any way with the functioning of computer or telematic systems or to act illegally in any way regarding data, information, programmes or applications stored in or pertinent to computer or telematic systems.

The use of the letterhead, name and logos of F.A.C.E.M. S.p.A. and its registered trademarks are reserved exclusively for company personnel authorized to use them and for the sole pursuit of corporate interests and purposes.

### 6.14.1 Fraudulent conduct

Fraud can be defined as “intentional misrepresentation of or failure to communicate a fact or facts that result in damage or loss”.. Recipients must ensure that their actions and behaviours do not involve any undue appropriation or theft of assets or corporate interests, must avoid all fraudulent behaviour, both in practice and in appearance, and must comply with all that indicated in this paragraph regarding such conduct.

Recipients of this Code of Ethics who suspect any fraud are required to report it to their superiors.

### 6.15 Money laundering

F.A.C.E.M. S.p.A., in the course of its business, shall not be involved in any activity aimed at receiving or laundering money from criminal factions or sources, or, in any case, of illegal or dubious origin. The company undertakes to comply with all laws, provisions and regulations regarding money laundering and applicable in the national territory and in the territory of the countries in which it operates.

No Recipients may be involved, in any way or circumstance, in events relating to the laundering of money deriving from illegal or criminal activities. For this reason, before establishing relationships of a commercial or different nature, it is mandatory for all Recipients involved to inform themselves of the moral integrity and reputation of the counterparty.

The company has predisposed a series of specific mandatory procedures by which to qualify counterparties with which the company intends to collaborate.

### 6.16 Individual responsibilities

This Code of Ethics is intended as a guide for maintaining the **ethical standards** that protect the assets and reputation of F.A.C.E.M. S.p.A.

The Code of Ethics is addressed to all Recipients, including Directors, employees, collaborators, representatives, customers and suppliers, regardless of the workplace or location in which they operate. Each and every Recipients must, therefore, observe and formally adhere to the guidelines of the Code.

All indicated Recipients are required to:

- a) Never engage in conduct that is not consistent with the Code of Ethics. The conviction of acting for the benefit of F.A.C.E.M. S.p.A. cannot in any way justify the adoption of any conduct in contrast with the values and principles of contained herein;
- b) Respect for the contents of the Code of Ethics. Everyone is responsible for the reputation of F.A.C.E.M. S.p.A. This means that the daily conduct of all Recipients must be inspired by the values and principles contained herein;
- c) Always raise any concerns in case of doubt. Everyone’s opinion is important. If you are not sure of the correctness of your own conduct or that of any other person or party, you should discuss your concerns, using the resources and methods made available, and suggest improvements where deemed necessary.

Each and every employee is required to observe the following precepts:

- a) It is mandatory to **ensure** that no-one engages in any discriminatory, abusive, coercive or harassing conduct towards other employees and to report any such conduct to the relevant company functions;
- b) Each and employee is individually **responsible** for their own health and safety and those of his or her colleagues, and must, therefore, comply with all rules, laws and regulations in such regard, and ensure that all colleagues and co-workers also do so;
- c) All employees are prohibited from using or abusing **alcohol or other illicit substances** during working hours, both on and off the company premises. It is also forbidden to introduce onto the premises of F.A.C.E.M. S.p.A. any psychotropic, illicit or unauthorized substances;
- d) All employees are prohibited from using private **mobile phones** in the workplace unless authorized by corporate managerial functions. In exceptional cases of necessary availability for family, health or other justified reasons, individual employees may request and obtain authorization from his or her direct superior;
- e) All employees are prohibited from using mobile phones or other technological equipment for recording photography, audio or video footage in the workplace. In particular, it is forbidden to take photographs or make audio or video recordings of work tools, processing or control systems, or employees while they are working on corporate premises or within plants or facilities.

Following prior sharing of the methodology with the corporate trade union body, photographic and/or audiovisual recordings may be made on company premises by expressly appointed employees (or by external contractors appointed by the company) for the sole purpose of creating materials for internal company use as alternative or complementary tools to work instructions or as aids for staff training.

Photographic or audiovisual recordings made in the company by expressly assigned employees (or by external contractors expressly appointed by the company) may also be permitted to create materials to be used for external communications. Any images used for external communications are, in any case, subject to the prior consent of the all featured individuals.

Any relevant information learned, in writing or verbally, by a colleague in the exercise of their professional duties or under other circumstances, may not be disclosed externally.

The collaborators of F.A.C.E.M. S.p.A. are required to behave responsibly and respectfully of all operating procedures established for the use of company assets, and document, where required, their use.

Company assets must be considered work tools, and, therefore, their use for activities or in ways that may harm or are in contrast with corporate values or rules is not permitted.

### **6.16.1 Whistle-blowing**

In terms of corporate social responsibility, the organization implements various that include measures to combat corruption, a code of conduct and an ethical whistle-blowing procedure.

The latter makes it possible to identify, within the company, violations of corporate rules, internal risks, such as workplace hazards and environmental damage, fraud against or by the organization, untrue

corporate communications, illegal financial operations, extortion, threats to health, medical negligence, and so on.

The term “whistle-blowing” (WB) refers to the action of reporting any instance of malpractice or violation in the workplace. A “whistleblower” is a worker who, during his or her normal activities within a company, observes an instance of malpractice or violation and decides to report it.

Regardless of the degree of seriousness of the circumstance, sometimes employees do not voice their concerns due to apathy, lack of knowledge, fear of retaliation or lack of confidence in the potential outcome of their reporting. Therefore, a fundamental aspect of the management of any reporting is the confidentiality and protection of the personal data of the parties concerned. The identities of both the whistle-blower and reported persons must therefore be treated with utmost discretion and disclosed with their consent, unless otherwise provided for by legislative constraints.

Another fundamental aspect is the total intolerance of any form of retaliation or discrimination, whether direct or indirect, concerning the whistle-blower. In this regard, relevant disciplinary measures are envisaged in accordance with the Draft Law No. 2208 on “Provisions for the protection of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship”, pending approval by the Italian Senate.

### Reporting procedure

The reporting procedure envisages that, for a preliminary assessment, the employee jointly informs the Human Resources Manager and the Quality, Environment and Safety Managers, who will conduct an internal investigation to verify and control the case in question. Once the actual veracity of the case has been ascertained, in the presence of objective data, the aforementioned managers will communicate the case to the relevant parties.

#### 6.16.2 Feedback

It is always necessary to provide feedback to the whistle-blower regarding the management of the reporting, as the absence of feedback might otherwise discourage future reporting. The possibility is also provided for the whistle-blower to request an update or feedback on his or her reporting, and also to provide further information in the event that the subject of the reporting continues, is interrupted or worsens. Accordingly, the reporting party must be informed:

- a) When the case has been taken into consideration;
- b) In the event that the case requires further details to be scrutinized;
- c) When the assessment of the case is complete.

In addition to clearly indicating a subject or body in charge of receiving reports, it is also recommended to provide for the possibility of sending reports to alternative subjects known as “guarantee recipients”. The creation of guarantee recipients has the purpose of ensuring as far as possible that the report is not forwarded to a person who is:

- a) Hierarchically or functionally subordinate to any reported party;
- b) The person alleged to be responsible for the case;

- c) A person potentially interested in the case that may compromise its impartiality or independent judgement.

Before the activities to be carried out after the reporting instance, it is, first of all, necessary for the appointed managers to carry out an initial screening of the admissibility of the report. Therefore, the following will be assessed:

- a) Whether the report is intended to bring to the attention of the organization a behaviour that puts its own business or that of other third parties at risk, and not a mere complaint;
- b) How serious or urgent is the risk to the organization or to third parties;
- c) Whether the subject of the report has already been assessed in the past by the organization, or by a competent authority;
- d) Whether the report contains sufficient elements to be verified or if, on the contrary, it is too general and lacks enough elements for subsequent investigation.

The measures of protection naturally only apply to those who make reports in good faith, that is those who in the act of reporting deem it highly probable, based on their knowledge, that an improper fact or irregularity has occurred. This implies, therefore, that:

- a) Reports must not contain accusations that the whistle-blower knows to be false;
- b) Reports must not be used as a tool to resolve purely personal questions;
- c) A report does not guarantee any protection to the whistle-blower in the event that he or she has participated in carrying out the improper act or conduct;
- d) Without prejudice to the criminal or civil liability of the whistle-blower, any libellous or defamatory report, that is a report that is manifestly false, opportunistic, made for the sole purpose of damaging the reported person or intended to abuse or exploit the whistle-blowing procedure, may be subject to disciplinary sanctions;
- e) The organization undertakes to protect the whistle-blower only in regard to possible retaliatory or discriminatory conduct triggered by the reporting;
- f) Thus, disciplinary sanctions may be applied to the reporting party for any past behaviour.

In conclusion, it is essential to emphasize that the aim of this section is not only to clarify the reporting procedure, but also, and above all, to develop an awareness of it in the people who work at F.A.C.E.M. S.p.A. The assimilation and sharing of the values contained in this Code of Ethics make it possible to develop a shared social responsibility, is essential to create a climate of participation and transparency within the work context. The conscious and responsible management of the reporting procedure is, therefore, not only aimed at identifying and counteracting possible offences, but constitutes a strong message of the sharing of the ethical and legal culture of which the company is guarantor.

### **6.17 Management responsibility**

All those who have roles of responsibility and coordination must lead by example, acting with integrity and demonstrating in their daily conduct the importance that F.A.C.E.M. S.p.A. places on coherence with the values enshrined in this Code.

For this reason, all those who have roles of responsibility and coordination must:

- a) Act as a role model for what it means to behave with integrity;
- b) Ensure that everyone knows and has access to the resources made available in order to follow the adopted principles;
- c) Define clear and quantifiable objectives, which promote behaviours consistent with the values of F.A.C.E.M. S.p.A.;
- d) Continually strengthen the adopted principles and promote compliance at all levels of the organization;
- e) Respond adequately to those who raise doubts and questions in good faith;
- f) Be ready to provide explanations in case of any inappropriate conduct by themselves or by persons acting under their responsibility.

If, for the performance of work activities, F.A.C.E.M. S.p.A. should make use of other professionals, the management is required to verify and ensure that they too adopt behaviours compatible with the rules contained and described in this Code.

## **7. VIOLATIONS OF THE CODE OF ETHICS - THE SANCTIONARY SYSTEM**

Any violation of the provisions contained in this Code of Ethics and in related company procedures shall imply the application of remedial sanctionary measures for those responsible for the violation. The sanctions will be applied as per the Workers' Statute (Italian Law No. 300/1970), the individual National Collective Bargaining Agreements (CCNL) - differentiating between individuals and employees - and the internal regulations of F.A.C.E.M. S.p.A.

The applicable provisions include the following. With regard to all collaborators, compliance with the rules of the Code of Ethics and related company procedures must be considered an essential part of the contractual obligations undertaken by them pursuant to and for the purposes of Article 2104 of the Italian Civil Code (entitled "Employee Diligence"). Conduct in violation of the rules provided for in the Code of Ethics shall be considered as non-fulfilment of the primary obligations of the employment relationship, and are, therefore, subject to disciplinary measures, in compliance with applicable regulations (in particular, the national collective bargaining agreement for the category) and sector regulations (as per Article 7 of the Workers' Statute).

The type and extent of the sanctions governed by the collective and individual contractual provisions shall be applied taking into account:

- a) The intentionality of the conduct or the degree of negligence, imprudence or inexperience by the offending party;
- b) The overall conduct of the offending party, particularly with regard to previously applied disciplinary sanctions;
- c) The corporate roles and duties performed;
- d) Other particular relevant circumstances relating to the violation.

Regarding collaborators and parties having business relations with F.A.C.E.M. S.p.A., whatever the particular relationship, and whether temporary or not, any failure to comply with the rules of the Code of Ethics and related company procedures may constitute a breach of assumed contractual obligations, with all associated legal consequences, including termination of the contract or assignment and any claims for damages thereby suffered by F.A.C.E.M. S.p.A.

Regarding company Directors and Statutory Auditors, the competent corporate bodies shall adopt the protective measures deemed most appropriate, within the scope of those provided for by applicable legislation.

Turin, 01/10/2020