



MECHINNO ETHICAL CODE

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For approval
The Director and CEO
Ing. Fabio Di Martino



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1. Foreword

The Ethical Code is an official document that summarizes the ethical principles, deriving from an heritage of individual and corporate values, consolidated over time, to which Mechinno refers in the conduct of its business activities.

These values, which must be marked by the conduct of all those who, at various levels of responsibility, contribute with their acts to the performance of the overall activity of the Company, including consultants and other external collaborators, however designated, are mainly:

- legality, that is, compliance with all applicable laws, regulations (national, supranational, community) in every action, operation and negotiation;
- moral integrity, personal honesty and fairness in internal and external relations;
- safety and safeguarding of health and hygiene in the workplace;
- transparency, fairness and completeness of information to investors, market, authorities, customers, suppliers and all other stakeholders, that is to say, those categories of individuals, groups or institutions whose interests are directly or indirectly affected by the conduct of Mechinno activities;
- responsibility towards communities which, even indirectly, may be affected in its economic and social development from the activities of Mechinno;
- respect for and protection of the environment and natural resources;
- respect for fundamental rights and freedoms and for the dignity of each person, with particular emphasis on reference to confidentiality, personal identity and the right to protection of personal data;
- respect for employees and commitment to enhancing their professional skills;
- sustainable development of company activities;

and, more generally, the rejection of any conduct which, while aimed at achieving a result consistent with the interests of the company, is not compatible with a model of organization, management and control adopted by Mechinno for the purposes and effects of Legislative Decree 231/2001, characterized by absolute compliance with the rules of law as well as internal behavioral and procedural rules.

The Ethical Code, recommending, promoting or prohibiting certain behaviors even if not expressly regulated by law and/or by the protocols of the adopted Model and/or by the quality procedures, responds to the need to share explicitly and as widely as possible the values that must inspire in their daily work all people who are part of Mechinno as well as those who collaborate with the Company for any reasons, such as suppliers and consultants.

2. Recipients and dissemination

The Ethical Code, a guarantee and reliability tool to protect the Company's assets and reputation, as essential conditions for its growth, applies to employees and to all those who, for any reason, directly or indirectly, on a permanent or temporary basis, and for compatible aspects, make their own contribution to Mechinno's business activities (hereinafter also referred to as "the recipients"). Mechinno consequently undertakes to:

- Promote the maximum dissemination of the Ethical Code, also among all third parties with whom the Company maintains relations in the course of its activities, ensuring that the Recipients can view and consult it, together with 231 Model, on the institutional website www.mechinno.com;
- Ensure full understanding of the contents of the Ethical Code, also through training and information initiatives;
- For anything not expressly provided for herein and concerning training activities, all references are provided in the general part Chapter 5 "*training and information*" of the corporate 231 Model.

3. Knowledge and observance

All employees, in the performance of their duties, have the right and the obligation to know, observe and actively contribute to the practical application of the Ethical Code, request explanations in case of doubts about its application, report any deficiencies or the need to update and adapt it, as well as report promptly to the competent superiors any case of possible violations of the Ethical Code, collaborating with the responsible structures for proper verifications.

Similarly, any person entering into a different collaboration with Mechinno, suppliers and/or consultants, shall be entitled and obliged to know and comply with the present document and to report any violation thereof, even if committed by their subordinates or in any case by personnel under their supervision and responsibility.

For all matters not expressly provided for herein concerning reporting, reference has to be made to the general part Chapter 3 "*Company Characteristics*" paragraph 3.6 "*Supervisory Board*" art. 7 "*obligation to report and inform the Supervisory Board*" and 8 "*methods and forms of reports, information and protection of the employee who reports offences (s.c. whistleblowing)*" art. 6 paragraph 2 bis Legislative Decree 231/2001".

4. Supervision, Control and Reports

Mechinno undertakes to monitor compliance to the Ethical Code, providing prevention and control tools and intervening, where necessary, with appropriate corrective actions.

The company has set up, as required by Legislative Decree 231/01, a Supervisory and Control Body which has the task of supervising the effective implementation of the model, its ability to prevent the offences provided for by Legislative Decree 231/01 highlighting any need to update and/or adapt the structure.

Members of the Supervisory Board have been selected with a view to guaranteeing three fundamental principles, also suggested by the Guidelines of the Ministry of Justice: autonomy and independence, professionalism and continuity of action.

The Supervisory Board is a body reporting directly to the Top Management (Director and/or CEO) and is responsible for implementing appropriate control procedures, carrying out periodic checks depending on the level of criticality of each area, promoting the culture and knowledge within the Company of the regulations set out in Legislative Decree 231/2001, *receiving all significant information on the subject* and cooperating with internal departments in analyzing problems and/or

unlawful actions, drawing up periodic reports on what has been done and what has emerged, sending them to Top Management (Director).

The Supervisory Body identified is monocratic and appointed by the Director and/or CEO.

All members of the Company and the Third Parties involved are required to promptly inform (in paper, electronic or verbal form) the Supervisory Board when they detect, in the context of the company's activity, even only potential violations of laws or regulations, of the Model, of this Ethical Code, of internal procedures.

However, the control on the application of the Ethical Code entrusted to the Supervisory Body also involves the Director and/or the CFO and the appointed Representative. The Supervisory Body shall inform the Director and/or the CFO and the appointed Representative of the results of the relevant checks carried out for the possible adoption of the sanctioning measures deemed most appropriate against personnel who have violated the rules in application of the 231 Model Special Part Chapter 3 "*Disciplinary and sanctioning system*" to which explicit reference is made pursuant to and for the purposes of the National Collective Labour Agreement for the specific category.

We here recall the provisions of the 231 Model concerning the contact details for all communications to the Supervisory Body:

Supervisory Body

c/o Mechinno Srl

Via dell'Industria, 2

40012 Calderara di Reno (BO)

E-mail: odv231@mechinno.com

The Supervisory Body, the Director and/or the CFO and the appointed Representative shall promote all activities for the dissemination, training, awareness and updating of the present Ethical Code.

5. Respect and value for people

People are the indispensable factor for the existence, development and success of every enterprise; Mechinno therefore, in addition to promoting respect for the psychophysical and moral integrity of persons, pays particular attention to the enhancement, the protection and development of skills and competences of all its employees, so that they can express their potential and professionalism to the highest level and consequently, contribute to the achievement of Company objectives in compliance with the commitments of social and environmental responsibility defined by the company management.

Mechinno offers all people equal employment opportunities, according to their professional characteristics and performance skills, without any discrimination, condemning any criminal behavior against the individual personality.

Therefore Mechinno, in compliance with all applicable laws, regulations and company policies, undertakes to:

- select, recruit, pay, train and evaluate persons on the basis of merit, competence and professionalism, avoiding any form of favoritism and without any discrimination, direct or indirect, related to age, gender, sexual orientation and gender identity, disability, state of health, racial or ethnic origin, nationality, political views, religious beliefs and trade union opinions;
- ensure working conditions that respect individual dignity and safe and healthy working environments;
- ensure a working environment in which relationships between colleagues are based on loyalty, fairness, collaboration, mutual respect and trust;
- prevent – in any form – workplace intimidation, bullying or stalking and prevent abusive or defamatory interpersonal attitudes.

Each Head of Department shall be required to actively involve employees in the conduct of the work and in the achievement of the assigned objectives; the latter shall in turn be involved in a spirit of cooperation and initiative, actively contributing to the implementation of established activities.

6. Business Management and behavior of the recipients of the Ethical Code also for contrasting offences referred to in Legislative Decree 231/2001

Recipients behavior in the pursuit of the objectives and in the conclusion of each operation must be inspired by the principles of honesty, transparency, loyalty, integrity and fairness, in compliance with company policies, as well as laws and regulations in force in all countries where Mechinno could operate.

The conviction of acting for the benefit of Mechinno cannot, in any way, justify the conduct of a behavior that is contrary to the principles of this Ethical Code and to the 231 Model adopted by the Company, which constitutes the whole of the company's 231 system together with all the other organization, management and control protocols and quality and safety procedures explicitly referred to in the 231 Model.

All decisions taken by the recipients on behalf of Mechinno must be taken to protect the interests of the Company also by ensuring that they do not commit, in the exercise of their duties and functions, the offences referred to in Legislative Decree 231/2001 laying down the "*Rules on the administrative liability of legal entities, companies and associations, including those without legal identity, pursuant to Article 11 of Law No 300 of 29th September 2000*".

With this Decree has been introduced into our legal system, a system of criminal liability of *legal entities* for certain **offences committed in their interest or to their advantage**, in addition to that of the individuals who materially committed the offence.

The key points of the Decree concern:

- a) Individuals who may be involved in the commission of the offence, who are:
 1. individuals in top positions (representation, administration or management of another organizational unit or individuals who exercise *de facto* management and control);
 2. individuals subject to the management or supervision by one of the above-mentioned individuals known as *subordinates*;

- b) The type of offence envisaged, which covers the following offences:
1. Misappropriation to the detriment of the State or other public body (Article 316-bis of Penal Code);
 2. Undue receipt of contributions, financing or other disbursements from the State or another public body (Article 316-ter of Penal Code);
 3. Fraud to the detriment of the State or other public body (Article 640, paragraph 1, no. 1, of Penal Code);
 4. Aggravated fraud to obtain public funds (Article 640-bis of Penal Code);
 5. Computer fraud to the detriment of the State or other public body (Article 640-ter of Penal Code);
 6. Bribery for an official act (Article 318 of Penal Code);
 7. Bribery for an act contrary to official duties (Article 319 of Penal Code);
 8. Bribery in judicial proceedings (Article 319-ter of Penal Code);
 9. Incitement to corruption (Article 322 of Penal Code);
 10. Extortion (art. 317 of Penal Code);
 11. Bribery of individuals in charge of a public service (art. 320 of Penal Code);
 12. Embezzlement, extortion, bribery and incitement to bribery of members of European Community bodies and officials of the European Community and foreign states (art.322-bis of Penal Code).
- c) Subsequently, by virtue of the promulgation and entry into force of Decree-Law No. 350 of 25th September 2001, containing Urgent provisions in view of the introduction of the Euro, the offences referred to in Article 25-bis of the Decree, namely :
1. Currency counterfeiting, spending and introduction into the State of counterfeit currency (Article 453 of Penal Code);
 2. Alteration of currency (Article 454 of Penal Code);
 3. Spending and introduction into the State, without agreement, of counterfeit money (Article 455 of Penal Code);
 4. Spending counterfeit money received in good faith (Article 457 of Penal Code);
 5. Revenue stamps counterfeiting, introduction into the State, purchase, possession or putting into circulation of counterfeit revenue stamps (Article 459 of Penal Code)
 6. Counterfeiting watermarked paper in use for the manufacture of public credit cards or revenue stamps (Article 460 of Penal Code);
 7. Manufacture or possession of watermarks or instruments intended for the counterfeiting of money, revenue stamps or watermarked paper (Article 461 of Penal Code)
 8. Use of counterfeit or altered revenue stamps.
- d) Following the promulgation and entry into force of Legislative Decree no. 61 of 11th April 2002, containing the Regulation of criminal and administrative offences concerning commercial companies, pursuant to Article 11 of Law no. 366 of 3rd October 2001, the so-called corporate offences as set out in Article 3 of the aforementioned Legislative Decree 61/02 and Article 25-ter of the Decree:
1. False corporate communications (Article 2621 of Civil Code);
 2. False corporate communications to the detriment of shareholders or creditors (Article 2622 of Civil Code);
 3. False in prospectus (Article 2623 of Civil Code);

4. Falsehood in reports or communications of auditing companies (Article 2624 of Civil Code);
 5. Obstruction in control (Article 2625 of Civil Code);
 6. Fictitious formation of capital (Article 2632 of Civil Code);
 7. Undue return of contributions (Article 2626 of Civil Code);
 8. Illegal distribution of profits and reserves (Article 2627 of Civil Code);
 9. Unlawful transactions on shares or quotas of the company or of the parent company (Article 2628 of Civil Code);
 10. Transactions to the detriment of creditors (Article 2629 of Civil Code);
 11. Undue distribution of corporate assets by liquidators (Article 2633 of Civil Code);
 12. Unlawful influence on the shareholders' meeting (Article 2636 of Civil Code);
 13. Market rigging (Article 2637 of Civil Code);
 14. Obstructing the exercise of the functions of public supervisory authorities (Article 2638 of Civil Code);
- e) then, after the promulgation and entry into force of Law no. 7 of 14th January 2003, concerning the Ratification and implementation of the International Convention for the Suppression of the Financing of Terrorism, done in New York on 9th December 1999, and rules for the adaptation of the internal system, the so-called crimes for the purpose of terrorism and subversion of the democratic order provided for by the Criminal Code and special laws;
 - f) Law no. 228 of 11th August 2003 introduced a series of offences against the individual such as Articles 600, 601 and 602 of the Penal Code and the subsequent addition brought by Law no. 38 of 6th February 2006 extended the list of offences to Article 600 bis first paragraph, 600 ter first and second paragraphs, 600 bis second paragraph, 600 ter third and fourth paragraphs and 600 quater. The following are offences relating to child pornography and related activities;
 - g) Article 9 of Law No 62 of 18th April 2005 introduced other offences identified as "market abuse" among those provided for in Legislative Decree 231/01. The offences in question are classified as "insider trading" and "market manipulation";
 - h) the very recent Law No. 123 of 3rd August 2007 has further supplemented the list of offences, also including the offences of manslaughter and serious or very serious culpable personal injuries, committed in breach of the rules on accident prevention and on the protection of hygiene and health at work;
 - i) Legislative Decree no. 231 of 21st November 2007 introduced the offences of receiving, laundering and using money, goods or benefits of unlawful origin referred to in Articles 648, 648-bis and 648-ter of the Penal Code;
 - j) Law no. 48 of 18th March 2008 introduced computer crimes and unlawful data processing, in particular the offences referred to in Articles 615-ter, 617-quater, 617-quinquies, 635-bis, 635-ter, 635-quater and 635-quinquies of the Penal Code;
 - k) Law no. 94 of 15th July 2009 introduced organized crime offences by introducing Article 24 ter of Legislative Decree 231/2001;
 - l) Law no. 99 of 23rd July 2009 introduced counterfeiting offences, offences against industry and trade and offences relating to copyright infringement;
 - m) Law no. 116 of 3rd August 2009 introduced the offence of "inducement not to make statements or to make false statements to the judicial authorities" provided for in Article 377 bis of the Penal Code;
 - n) The Legislative Decree of 7th July 2011 amending Law 116/2009 introduced the so-called environmental offences by introducing Article 25 undecies of Legislative Decree 231/2001;

- o) Legislative Decree no. 109 of 16th July 2012 introduced the offence of "employment of nationals of third-country whose stay is irregular as provided for in Article 22(12 bis) of Legislative Decree no. 286 of 25th July 1998;
- p) Law No. 190 of 06th November 2012 introduced the offences of "undue induction to give or promise benefits" under Article 319 quater of the Penal Code and "bribery among private individuals" under Article 2635 of the Civil Code;
- q) Legislative Decree no. 39 of 4th March 2014 introduced the offence of "Solicitation of minors" provided for in Article 609 undecies of the Penal Code;
- r) Law no. 186 art. 3 of 15th December 2015 introduced art. 648-ter 1 of the Penal Code "Self-laundering";
- s) Law no. 68/2015 of 22nd May 2015 introduced the following articles: Art. 452 bis c.p. "environmental pollution", Art. 452 quater Penal Code "environmental disaster", Art. 452 quinquies Penal Code "culpable offences against the environment", Art. 452 sexties Penal Code "trafficking and abandonment of highly radioactive material", Art. 452 octies Penal Code "aggravating circumstances";
- t) Law no. 69/2015 of 27th May 2015 amended the text of Art. 2621 of the Civil Code "false corporate communications";
- u) Law no. 69/2015 of 27th May 2015 introduced Art. 2621 bis of the Civil Code "minor facts" and amended the text of Art. 2622 of the Civil Code "false corporate communications of listed companies";
- v) Legislative Decree No. 125/2016 amended the text of Article 453 of the Penal Code "Counterfeiting of money, spending and introduction into the State, in concert, of counterfeit money" and Article 461 of the Penal Code "Manufacture or possession of watermarks or instruments intended for the counterfeiting of money, revenue stamps or watermarked paper";
- w) Law 199/2016 introduced Article 603 bis "Illegal intermediation and exploitation of labour";
- x) Legislative Decree 38/2017 reformulated the new text of Art. 2635 Civil Code "Corruption between private individuals" as amended by Art. 3 Legislative Decree n.202/2016 and Art. 3 n.38/2017 and introduced Art. 2635 ter Civil Code "Accessory penalties" respectively with Art. 4 paragraph 1 and Art. 5 paragraph 1;
- y) Art. 5 paragraph 2 of Law no. 167/2017 and Art. 2 paragraph 1 letter i) of Legislative Decree no. 21/2018 introduced Art. 604 bis Penal Code "Propaganda and incitement to commit crimes for reasons of racial, ethnic and religious discrimination".
- z) amendment of the text of Article 2635 of the Italian Civil Code (Bribery among private individuals) by repealing the 5th paragraph and Article 2635 bis "Inducement to bribery among private individuals" by repealing the 3rd paragraph ex art. 1, paragraph 5, lett. a), Law n. 3 of 9th January 2019;
- aa) ex art. 1, par. 5, letter a), L. n. 3 of 9th January 2019, modification of the text: of art. 316 ter Penal Code "Undue receipt of disbursements to the detriment of the State" for modification 1° paragraph; of art. 318 Penal Code "Corruption for the exercise of the function" for modification of the extent of the penalty; of art. 346 bis c.p Penal Code. "Trafficking of illegal influences" for modification 1° paragraph;
- bb) introduction of articles 1 "Fraud in sporting competitions" and 4 "Unauthorized exercise of gambling or betting activities" L no. 401 of 1989 ex art. 25 quaterdecies Lgs. 231/2001 new offence group - group (N) "Fraud in sporting competitions, unauthorized exercise of gambling or betting activities and gambling exercised by means of prohibited devices" - article inserted ex art. 5 L no. 39 of 3rd May 2019;

- cc) Law no. 157/2009 introduced the tax offences referred to in Articles 2, 3, 8, 10, and 11 of Legislative Decree no. 74/2000, then Legislative Decree no. 75/2020 the additional tax offences referred to in Articles 4, 5 and 10quater of Legislative Decree no. 74/2000 as well as customs offences under Presidential Decree no. 43/1973;
- dd) Art. 314 c.p. "Embezzlement", Art. 316. "*Embezzlement through the profit of others errors*", Art. 322 bis "*Embezzlement, extortion, undue induction to give or promise benefits, bribery and incitement to bribery of members of international courts or bodies of the European Communities or of international parliamentary assemblies or international organizations and officials of the European Communities and foreign States*", Art. 323. "*Abuse of office*", Art. 346-bis. "*Trafficking in unlawful influence*", Art. 356 c.p. "*Fraud in public supplies*", Art. 2, L. 898/1986 "*Fraud in agriculture*" all included in the Group of offences (A) against the P.A. ex Legislative Decree 75/2020.

For a detailed analysis of these offences, reference can be made to the Special Part Chapter 1 "Offences" of 231 Model as well as to its Annex 2 "*Risk calculation sheet in the company activity areas*".

6.1. Mutual relations with Customers

Mechinno intends to base its behavior towards customers on principles of availability, professionalism, efficiency, loyalty, transparency and courtesy; the company's goal it's the complete satisfaction of its customers, internal and external, also pursued through a marked attention to complaints and suggestions. Mechinno is committed to constantly improving the quality of services offered to its customers.

Therefore, each recipient, as far as it is within its competence, must:

- scrupulously follow internal procedures;
- operate with courtesy and efficiency, in compliance with the provisions of the contracts and offering exclusively products or services of the best quality standard provided by Mechinno in view of sound competitive practices;
- provide accurate, complete, clear and truthful information about the products or services offered, allowing the counterparty to make an informed choice;
- not to provide information/communication that in any way may be misleading.

Customers, for their side, undertake to comply with this Ethical Code and to base their behavior and activities on the same principles referred to herein, also by supervising in turn the behavior and activities of their own employees and/or collaborators and/or suppliers.

6.2. Mutual relations with Suppliers

Mechinno considers its suppliers a primary source of competitive success; therefore, it intends to base its relations with them on principles of sustainability, integrity, economy, confidentiality, legality, transparency, fairness. The choice of suppliers it's made in compliance with the criteria of impartiality, transparency, lawfulness, opportunity, efficiency and economy, excluding preferential treatment.

The single recipient must scrupulously follow purchasing procedures and processes dealing with loyalty and impartiality towards the suppliers, with the objective to assure to the Company the maximum competitive advantage together with the guarantee of respecting the best quality level of products/services purchased.

Suppliers, for their side, undertake to comply with this Ethical Code and to base their behavior and activities on the same principles referred to herein, also by monitoring the behavior and activities of their employees and/or collaborators and/or suppliers.

6.3. Use and protection of business assets

Each recipient is responsible for the use, storage and conservation of tangible and intangible assets provided by Mechinno for the performance of its activities and is required to act diligently to protect them, implementing responsible behavior consistent with existing procedures.

In particular, the recipients:

- must use company resources exclusively for purposes related to and instrumental to the performed working activity;
- must operate with the utmost care and in an appropriate manner, as to avoid damage or prejudice to persons or property and to reduce the risk of theft, damage or other threats, external to the resources assigned or present in Mechinno;
- must, as far as possible, avoid wastage, tampering or use of company resources which may impair its state of performance or accelerate its normal deterioration;
- must absolutely (except where provided for by specific regulations) avoid the use or transfer of goods by third parties or to third parties, even temporarily.

6.4. Use of computer equipments

Mechinno considers information systems and computer applications to be key elements in achieving its objectives, as the instruments available to the recipients in order to best express their potential in carrying out tasks and as an essential component for safe, continuous, efficient and controlled operation of its own systems; therefore, it invests considerable resources for their development and improvement, for the treatment and the correct communication of the information, in order to improve its own efficiency and effectiveness.

Aiming at the highest level of security of information systems and to a complete protection of internal users and third parties, in compliance with the laws in force, Mechinno regularly adopts the appropriate control methodologies and practices, implementing the measures considered most appropriate also in order to prevent, or possibly identify and sanction, those conduct that are not in line with its principles of conduct as set out in this Ethic Code.

Since Mechinno initiatives in this field can only be effective if accompanied by the conscious involvement of the targeted users, the latter are called to:

- make appropriate use of the IT and communication resources at disposal;
- know and comply with applicable laws and regulations as well as policies, guidelines, procedures, manuals, guides and other documents that Mechinno produces to ensure good management and security of IT and communication resources;
- use IT and communication tools in such a way as to preserve the confidentiality of data stored or transmitted with them;
- to abstain from any improper use of such instruments aimed at committing unlawful activities, including through intrusion into other computer systems of the Public Administration or of any competitors and/or customers and/or suppliers and/or consultants, aimed at their manumission.

6.5. Conflicts of interest

The recipients, even outside the activities carried out for Mechinno, must not engage in conducts and operations that may conflict with and/or compete with those of Mechinno, or which may interfere with their ability to perform their duties impartially and for the benefit of Mechinno.

Recipients are obliged to refrain from taking advantage of the benefits, either directly or through members of their families (including non-legally separated partners, children, parents, cohabitantes and interposed persons, trustees or companies controlled by these entities) and third parties, of business opportunities of which they have come to know during the implementation of their duties.

6.6. Management of gifts and homages

Mechinno, inspiring its conduct to the uncompromising defense of the principle of integrity and requiring its employees to do the same, establishes rules that set criteria and methods of delivery as well as receiving gifts and homages and undertakes to pursue with the utmost rigor any corruptive behavior that may be implemented by any recipient of the Ethical Code and/or of the 231 Model and related organization, management and control protocols and in relation to individuals vested with public functions or individuals.

It is not allowed to give, offer, promise, receive, accept, request or solicit money or other favors in order to obtain or maintain an undue advantage in the performance of working activities; this, irrespective of whether the recipient of that act is a public official or an individual, and irrespective of any actual undue advantage which might be obtained.

An employee who receives gifts or homages exceeding normal courtesy and not of moderate value, must immediately refuse and inform his/her hierarchical contact person and/or the Supervisory Body.

It is not allowed to make any form of *regalia* exceeding normal commercial practices, offering money, gift or benefit on a personal basis (for example, favors promises, recommendations, etc.), courtesy treatment or action however directed or tending to acquire preferential treatment, real or apparent undue benefits of any nature. Acts of commercial courtesy are allowed if of modest value and, in any case, if are not compromising the integrity and reputation or not influencing the judgment autonomy of the beneficiary.

The recipients of the Ethical Code are, therefore, bound not to put in place any behavior that an impartial observer can judge as aimed at improperly influencing autonomy, independence and impartiality of a Public Officers / Persons in Charge of Public Service, Italian or Foreign or individuals who have entered into business relations of any nature or kind with Mechinno.

The concept of modest value, as mentioned above, has been conventionally set by Mechinno in the sum of € 120,00 and "module E" has been adopted, within the framework of this 231 system, of which the Model is a guideline, which, by setting the aforementioned economic limit, manages and monitors all possible activities of gifts and/or hospitality carried out within the Company's working activity. For all matters not explicitly provided for herein, reference should be made to the aforementioned FORM E.

7. Use and disclosure of information

Mechinno considers the protection of information confidentiality and personal data of all the stakeholders with whom it comes into contact by reason of its activity and the dissemination of correct, complete and truthful information about all company facts, of fundamental importance together with guaranteeing due confidentiality about them when necessary. This it's a precondition for creating and maintaining a relationship of transparency and trust with its stakeholders.

Therefore, Mechinno undertakes to fully comply with all applicable regulations regarding the processing of personal data and the management of privileged information. Consequently, in the processing of information, the recipients must:

- keep scrupulously and with the maximum reserve all the information learned in the exercise of specific functions, also for the protection of the know-how acquired by Mechinno;
- require, in all cases established by law, the consent to the processing of personal data if necessary for the performance of the activities and use them exclusively for the purposes provided for by law and in compliance with the security measures adopted by Mechinno, avoiding, in accordance with the law, undue processing of personal data and information, especially sensitive and judicial;
- protect the information, respecting the security measures specifically provided for by the company procedures, from the access of unauthorized third parties and prevent its dissemination unless they have had, from time to time, specific authorizations by those entitled to issue them;
- comply with internal procedures specifically designed to prevent misuse of internal and confidential information as well as their improper dissemination;

Employees not expressly appointed, in the forms and terms referred to in Legislative Decree no. 196 of 2003 and subsequent GDPR (EU Regulation no. 679/2016), which has as its object the protection of personal data, cannot process personal data of other employees or third parties.

8. Transparency in accountability

The principle of transparency, understood as a set of truthfulness, correctness, clarity and completeness of information, must be fully respected when accounting records and data are kept.

Therefore, within the scope of their respective competences, the recipients shall:

- scrupulously comply with current legislation and internal procedures in order to ensure that every operation, as well as properly registered, it is also authorized, legitimate and verifiable;
- provide truthful and complete information to internal and external control bodies on the basis of their requests and to cooperate fully in carrying out verification and control activities, avoiding any form of pressure intended to influence the result.

Employees of Mechinno who become directly aware of any omissions, falsifications or gaps in the accounts or documentation on which the accounting records are based, are required to report the facts to the Director and/or the CFO and the Supervisory Body.

9. Protection of health, safety and environment

Mechinno believes that the full compatibility of its activities with health, workers safety, territory, natural resources and the surrounding environment it's a primary condition for the acceptability of the working environments and operational activities and also for the achievement of development objectives.

Mechinno therefore constantly strives to ensure that the company's operations are carried out with total respect for health, safety of employees and third parties, as well as the wider environment, taking these factors into account.

In the awareness that to achieve the objectives set, the active contribution of all the various actors involved is crucial, Mechinno requires in particular to the recipients of the Ethical Code to work to create a working environment focused on health and safety issues imposing a ban on smoking in all indoor workplaces and on working under the influence of alcohol or drugs.

10. External Relations

Mechinno considers that even in relations with external third parties, with whom it does not have contractual relations of any kind, the priority behavioral reference should be that of compliance with all the principles and values contained in the Ethical Code, with particular reference to the provisions on gifts, acts of courtesy and principles of conduct set out in chapter 6.

Relations with Public Institutions and the protection of Mechinno's interests in relation to them must be managed by the corporate functions that have the responsibility or that have been delegated to this, and they have to be conducted based on completeness, transparency, clarity, correctness and such as to not be able to induce such subjects to partial, distorted or misleading interpretations; if in this context Mechinno decides to use consultants or third party representatives, these must conform their conduct to the provisions of the Ethical Code.

Mechinno do not make any direct or indirect contributions in any form, whatsoever, to political or trade union parties, movements, committees or organizations, or to their representatives or candidates,

except in due cases according to specific regulations in force; similarly, employees must not make or promise donations at the expense of or in the interest of Mechinno.

Relations with press, as well as media and information, are taken care of, also to guarantee homogeneity of communication, exclusively by the delegated business functions, according to the guidelines of the top management, as regards also to general policy and image activities, and also to relevant operational functions, as regards specific issues.

All recipients must cooperate with the corporate functions in charge of managing relations with the press and the media so that they can provide truthful, accurate and transparent information externally.

Employees called to provide or illustrate – externally – news about the objectives, activities, results and views of Mechinno, must obtain prior permission from the top management of the belonging organizational structure about content and opinions to be communicated and act in agreement with the corporate function responsible for managing relations with the mass media.

11. Competition

Mechinno acknowledges that fair and loyal competition it's a fundamental condition for the development of business activity and undertakes to comply fully with the rules governing it.

Mechinno strictly prohibits its directors, managers, employees and recipients of the Ethical Code to undertake any practice (eg. creation of cartels, agreements to share market areas, production or sale restriction agreements, conditional agreements, etc.) restrictive of competition or likely to unduly disrupt the market, even if a practice is not intended to be so, but can be judged so by an impartial third party.

The recipients are also obliged to strictly comply with competition law by avoiding any contact with competing operators for sensitive commercial information such as prices, volumes, customers, etc.

12. Sanctioning system

Compliance with the Ethical Code must arise more than from an obligation imposed by Mechinno, from the sharing of the fundamental values that are set forth therein, in particular with regard to the call for the precise and punctual observance of all legal rules by each employee in the performance of his or her work.

Compliance with the rules of the Ethical Code must be regarded as an essential part of the obligations in any capacity and for any legal effect assumed by the recipients towards the Company and, in particular as regards employees, an essential part of the contractual obligations assumed by senses and for the effects of art. 2104 and 2105 of the Italian Civil Code and of the current National Collective Labour Agreement for the specific category; the possible violation of laws or principles indicated in the Ethical Code it may lead to the application to the recipients of the sanctioning procedures provided for by those rules or by ad hoc laws, including, in case of particularly serious cases of breach, measures to resolve the employment relationship.



Mechinno has the right and duty to supervise the observance of the Ethical Code, putting in place all the preventive and control actions deemed necessary or appropriate for the aforementioned purpose; in case of established violations, Mechinno intervenes by applying the provisions of the current National Collective Labour Agreement for the specific category and its disciplinary measures activating the aforementioned sanctioning procedures pursuant to and for the purposes of the National Collective Labour Agreement for the specific category, as set out in the special section Chapter 3 "*Disciplinary and sanctioning system*" of the company's 231 Model.

13. Approval and updating

The Ethical Code is approved by the CEO, who has the power to modify, update and revise it. This version comes into force with immediate effect.