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# CODE OF ETHICS, STAFF REGULATIONS AND PENALTY SYSTEM

***(Excerpt from Special Section A of ORGANIZATION MODEL, MANAGEMENT AND CONTROL pursuant to Legislative Decree 8 JUNE 2001 n ° 231)***

***Rev. 24 January 2025***

## PART 1 - CODE OF ETHICS



## PART 2 – REGULATION



## PART 3 - PENALTY SYSTEM

# PART 1 - CODE OF ETHICS

## 1. FOREWORD

This Code of Ethics (*Business Conduct Guidelines*) expresses all the commitments of the Schnell Group towards its *stakeholders,* it contains principles and rules of conduct, through which the principles are implemented, and which enrich the processes corporate decision-making and guide their behavior.

It forms an integral part of the Organization and Management Model governed by Legislative Decree 231/01 (hereinafter Decree).

The Code of Ethics constitutes a reference element for the Recipients, as subsequently identified, and embraces in the role and relations of the companies of the Schnell Group with their *stakeholders* (i.e. those subjects, intended in the sense of individuals, groups, organizations, who have significant relationships with the Schnell Group from which specific or generic legitimate interests derive).

## 2. MISSION

The Schnell company - established in 1962 - until the 1990s was made up of a small group of 30 people who shared a dream and an ambition.

Schnell's dream, or his current Mission, is to transform ironwork - a dirty, hard and tiring job - into a modern, organized, clean and technological industry; an industry for entrepreneurs and workers of our time. Our ambition is to become the most modern and innovative company in the sector in which it operates, becoming today's reference for tomorrow's solutions.

To this day, some of the ambitions have been fulfilled, as Schnell is now a world-leading industrial group in the **field of automatic machines and software for the processing of reinforced concrete steel and wire.**

The small group of 30 people has grown and today is made up of about 700 employees operating in a multinational reality of 15 active companies: 5 production, 1 software and the remaining service companies, coordinated by the main company Schnell SpA (which in turn is wholly owned by Schnell Holding SpA).

Part of the dream has come true as Schnell has been able to think and produce ~~the~~ innovative machines that have marked decisive changes in the way ~~in which~~ reinforcing bars are processed around ~~in~~ the world.

All this, and much more to come, is made possible by who we are and how we work:

- **passion for our work;**
- **absolute commitment to innovation and quality;**
- **ability to listen and encourage dialogue with everyone: customers, suppliers and collaborators.**

The ability to listen to customers' dreams and needs is perhaps what most characterizes Schnell. Therefore it becomes possible to find together solutions, in an open and creative atmosphere, for the many different realities of ironworking.

Schnell aims at maintaining and developing a relationship of trust with its *stakeholders* and pursues its *mission by* seeking the reconciliation between the legitimate interests involved, i.e. those pertaining to the following actors:

- **shareholders;**
- **human resources (employees and collaborators);**
- **customers;**
- **suppliers and business partners;**
- **public administration (public bodies, supervisory authorities, etc.);**
- **community.**

## 3. SCOPE OF APPLICATION OF THE CODE OF ETHICS AND SANCTIONS

This Code of Ethics applies to the entire Company and the recipients of the Code of Ethics are therefore the Shareholders, Directors, the employees and collaborators of the Company, as well as all those who, directly or indirectly, permanently or temporarily, establish and maintain relationships or relations with it (hereinafter also the "Recipients").

The Code of Ethics is an integral part of the Company's organizational model pursuant to the Decree and, therefore, the Company is committed to distribute it to all interested parties, to ensure a correct understanding of its contents and to provide the tools that facilitate its application and implementation. The Company takes the necessary measures, in order to verify and monitor the application of the Code of Ethics itself, providing sanctions in case of violation.

Recipients are therefore obliged to be familiar with the rules; to refrain from conduct contrary to them; to contact a superior or the Supervisory Body for clarification and for reporting any violations by Shareholders, employees, collaborators or third parties; to collaborate with the structures responsible for verifying violations and to inform their counterparts of the existence of the current Code of Ethics.

Compliance with the provisions of the Code of Ethics is an essential part of the contractual obligations of all employees pursuant to art. 2104 of the Civil Code (Article 2104 on the Diligence of the employee, states: *"The employee must use the diligence required by the nature of the service due, by the interest of the company and the higher interest of national production. He must also observe the provisions for the performance and discipline of work, given by the entrepreneur and the entrepreneur's collaborators on whom he is hierarchically dependent")*.

In particular, in order to ensure compliance with the rules and principles expressed, as well as to verify the functioning and the effectiveness of the Model pursuant to Legislative Decree 231/01 adopted by the Company (Company) for the prevention of the violations envisaged therein regulations, a Supervisory Body is set up to carry out effective verification and monitoring of the application of the Model itself as well as a Penalty System, which contemplates and regulates the hypotheses of the commission of offenses and provides for the imposition of suitable sanctions at the proposal of the aforementioned Supervisory Body.

Any Recipient who violates the Code of Ethics, in compliance with current regulations, will be subject to disciplinary sanction, revocation of powers and functions, referral to ordinary administrative or judicial authorities.

In any business relationship, all counterparts must be informed of the existence of ethical principles contained in the Code and they must respect them, under penalty of the consequences established by the contract.

## 4. REFERENCE VALUES

The core values of the Company are:

- **Passion**
- **Innovation**
- **Respect**
- **Flexibility**
- **Teamwork**
- **Leadership**
- **Transparency**

The Company expects these values to define its identity, to unite employees and collaborators in a global, multicultural and heterogeneous organization and to convince people to work for the Company and customers to choose it.

Moreover, it is essential that these values do not remain mere statements but are transformed into conduct and behavior that is immanent to the Company. As an organization and as individuals, all employees and associates are expected to behave in the workplace according to these principles and to apply them correctly, ethically and honorably.

## 5. REFERENCE PRINCIPLES

The Company holds as an essential principle the observance of laws, rules and company procedures to carry out and report *business* operations.

This principle is followed in all the countries in which the Company operates and, to this end, the Company is committed to taking useful and appropriate measures so that the constraint of compliance with current legislation and all regulations, is understood and implemented by the Recipients of the Code of Ethics.

In this regard, and with specific reference to the principles expressed in this chapter, it should be noted that the belief that one is acting for the benefit of the Company does not justify the adoption of conduct contrary to the principles expressed in this document. Therefore, in case of their violation, it will result in the adoption of the sanctions provided for by the Penalty System.

### 5.1. HONESTY AND FAIRNESS

Honesty represents the fundamental principle for all the Company's activities, initiatives, relationships and its communications and constitutes an essential element of corporate management.

Relations with *stakeholders* are based on criteria and behaviors of fairness, collaboration, loyalty and mutual respect, in accordance with the provisions of the Organization, Management and Control Model pursuant to ex 231 (MOGC ex 231).

Honesty and fairness are manifested first and foremost in compliance with the law and therefore by avoiding behavior that leads to the crimes provided for by Legislative Decree 231, namely:

- **Misappropriation of funds, fraud to the detriment of the State or of a public body or of the European Union or for obtaining public funds, computer fraud to the detriment of the State or a public body e fraud in public supplies (art. 24);**
- **Digital crimes and illegal data handling (art. 24-*bis*);**
- **Organised criminal activity (art. 24-*ter*);**
- **Embezzlement, extortion, undue inducement to give or promise benefits, corruption and abuse of office (art. 25);**
- **Forgery of coins, public credit cards, revenue stamps and identification instruments or signs (art. 25-*bis*);**
- **Crimes against industry and commerce (art. 25-*bis1*);**
- **Corporate crimes (art. 25-*ter*);**
- **Crimes with the purpose of terrorism or subversion of the democratic order (art. 25-*quater*);**
- **Practices of mutilation of female genital organs (art. 25-*quater1*);**
- **Crimes against the individual (art. 25-*quinquies*);**
- **Market abuse (art. 25-*sexies*);**
- **Manslaughter or serious or very serious injury committed in violation of health protection regulations and safety at work (art. 25-*septies*);**
- **Receiving, laundering and use of money, goods or benefits of illicit origin, as well as self-laundering (art. 25-*octies*);**
- **Copyright infringement crimes (art. 25-*novies*);**
- **Inducement not to make statements or to make false statements to the judicial authority (art. 25-*decies*);**
- **Environmental crimes (art. 25-*undecies*);**
- **Employment of citizens of third countries whose stay is irregular (art. 25-*duodecies*);**
- **Racism and xenophobia (art. 25-*terdecies*);**
- **Fraud in sports competitions, abusive gambling or betting and gambling by means of prohibited equipment (art. 25-*quaterdecies*);**
- **Tax crimes (art. 25-*quinquiesdecies*);**
- **Contraband (art. 25-*sexiesdecies*);**
- **Crimes against cultural heritage (art. 25-*septiesdecies*);**
- **Money laundering of cultural assets and devastation and looting of cultural and landscape heritage (art. 25-*duodevicies*)**

The definition of each type of criminal offense for 231 purposes is explained in distinct specific sections contained in MOGC ex

231.

Furthermore, in accordance with Legislative Decree 24/2023, the so-called Whistleblowing Decree, the Company has implemented procedures for reporting, including anonymously, violations of national or European Union regulations that harm the public interest or the integrity of the public administration or private entity that have come to its attention in the course of its work.

The Company's Whistleblowing Policy is published at the following link:

https://schnell.integrityline.com/app-page;appPageName=Whistleblower%20policy.

## 5.2. TRANSPARENCY AND COMPLETENESS OF INFORMATION

The Company ensures a correct information to its Shareholders and to internal and external control bodies regarding significant facts in relation to its corporate management.

Financial, accounting and management evidence and any other communication that the Company issues to third parties complies with the requirements of truthfulness, completeness and accuracy.

## 5.3. CONFIDENTIALITY OF INFORMATION

The Company ensures the confidentiality of the information in its possession, with the exception of the required communications by law, and the compliance with the legislation on personal data (see Legislative Decree 196/2003 and subsequent amendments and additions) and it refrains from seeking confidential data through illegal means.

The Recipients of the Code of Ethics ensure maximum confidentiality in relation to news and information constituting the company assets or inherent to the company activity, in compliance with the provisions of the law (see Legislative Decree 30/2005 of Industrial Property Code and subsequent amendments and additions), of current regulations and internal procedures. Furthermore, people in the Company are required not to use confidential information for purposes unrelated to the performance of their professional duties, not to use or disseminate privileged information, and not to manipulate or disseminate false information.

## 5.4. CONFLICTS OF INTEREST

The Company, in line with the values of honesty and transparency, is committed to implement all the measures necessary to prevent and avoid conflicts of interest.

This applies both in the event that a Recipient pursues an interest other than the Company's mission or takes personal advantage of Company business opportunities, both in the event that the representatives of the customers or suppliers, or of the public institutions, act in conflict with the fiduciary duties connected to their position.

## 5.5. EQUALITY, RESPECT FOR THE INDIVIDUAL AND EQUAL OPPORTUNITIES

The Company ensures respect for the physical and cultural integrity of the person and respect in the relationships with the others. In particular, it protects and promotes the value of human resources, in order to improve and increase the assets and the competitiveness of the skills possessed by its employees.

The Company undertakes to avoid any discrimination based on age, sex, sexuality, state of health, race, nationality, political views, trade union membership and religious beliefs, in all decisions that affect relations with its *stakeholders*.

The Company does not tolerate requests or threats aimed at inducing people to act against the law or the Code of Ethics, or to adopt behaviors that are detrimental to moral or personal beliefs and preferences.

The Company ensures its employees safe and healthy working conditions and protects the physical and moral integrity of its collaborators.

The Company adopts and maintains adequate management systems designed to identify, prevent and respond to possible situations of risk, to ensure the health and safety of all personnel and to prevent the exploitation of child labor or the use of irregular labor.

## 5.6. PROTECTION OF COMPETITION

The Company intends to protect the value of fair competition by refraining from conduct that encourages the conclusion of business for its own benefit in violation of applicable laws or regulations and by recognizing that a fair and loyal competition constitutes a fundamental element of the Company’s reputation, necessary for its development and of the market in which it operates.

## 6. METHODS FOR IMPLEMENTING THE CODE OF ETHICS

Each Shareholder, Director, employee or collaborator as well as the entities that in any capacity carry out their own activities on behalf of the Company are required to know the rules contained in the Code of Ethics and the reference standards which regulate the activity carried out within the scope of his/her function, deriving from the law or from internal procedures and regulations.

Each Shareholder, Director, employee or collaborator must also explicitly accept their commitments deriving from this Code of Ethics, when the employment relationship is established, when the Code of Ethics is first disseminated or any relevant amendments or additions to it.

**In particular, employees/collaborators are obliged to:**

- refrain from conduct contrary to the rules contained in the Code of Ethics;
- contact their superiors, company representatives and the SB, in the event of a request for clarification on the procedures application;
- promptly report to the SB any news, directly detected or reported by others, regarding possible violations and any requests of violation that have been made. (*The SB in this case must ensure absolute confidentiality on the identity of the source of information*);
- collaborate with the bodies in charge of verifying possible violations;
- adequately inform any third party with whom they come into contact in the context of the work activity about the existence of the Code of Ethics and the commitments and obligations imposed by it on external parties;
- demand compliance with the obligations that directly concern their business;
- take appropriate internal and, if within its competence, external action in the event of failure by third parties to comply with the rules of the Code of Ethics.

**Supervisory Body**

The Company specifically establishes a Supervisory Body (SB), whose composition, powers, duties and responsibilities are regulated in Special Part B of the Model - Supervisory Body. In short, and to the extent of interest, the SB must:

- monitor the application of the Code of Ethics by the interested parties, through the application of specific *compliance programs* and through the collection of any report provided by internal and external stakeholders;
- report periodically to the Administrative Body on the results of the activity carried out, reporting any violations of the Code of Ethics;
- expressing opinions on the revision of policies and procedures, in order to ensure consistency with the Ethical code;
- provide, where necessary, to the proposal for periodic revision of the Code of Ethics.

**Communication and training**

The Code is brought to the attention of all internal and external interested parties through specific communication activities. The Code is published on the company intranet site together with an extract of the Organization and Management Model. A paper copy of the Code of Ethics is distributed to the Shareholders, Directors, employees, and to all third parties who enter into contractual relationships with the Company (collaborators and freelancers).

In order to ensure the correct understanding of the Code of Ethics, the Human Resources function sets up and implements, also on the basis of any indication of the Supervisory Body for the application of the Code of Ethics, a **periodic communication/training plan aimed at promoting knowledge of ethical principles and rules contained in the Code of Ethics.**

Training initiatives must be differentiated according to the role and responsibility of the recipients.

**Violation of the Code of Ethics**

In case of ascertained violation of the Code of Ethics - compliance with which constitutes an essential part of the obligations contractual obligations undertaken by employees and/or collaborators and/or individuals who for any reason provide their services in favor of the Company - are adopted, for the protection of corporate interests and compatibly with the law applicable, penalty measures, may also result in the termination of the relationship and compensation of the damages suffered, in accordance with the provisions of **the Penalty System** outlined below**.**

**Interested parties can report by phone to the SB (tel. 340.8895203) or in writing by email (odv231@schnell.it), in non-anonymous form, any violation or suspected violation of the Code of Ethics to the SB, which analyses the report, possibly**

**listening to the author and the person responsible for the alleged violation.**

The SB acts in such a way as to guarantee whistleblowers against any type of retaliation, understood also as suspicion of a form of discrimination or penalization. Confidentiality is also ensured the identity of the reporting person, without prejudice to legal obligations.

**The activity of the SB following the reports received and the information collected is governed by the following Special Part B - Supervisory Body.**

# PART 2 - REGULATION

## 1. RULES AND STANDARDS OF BEHAVIOR

### 1.1. GENERAL ASPECTS

#### 1.1.1. TREATMENT OF INFORMATION

All information available to the Company is treated in compliance with the confidentiality and privacy of the individuals concerned, in accordance with Regulation (EU) 2016/679 on the protection of personal data (known as GDPR) and Legislative Decree 196/2003 and subsequent amendments and additions (known as Privacy Code). In this regard, specific procedures are defined and continuously updated for information protection.

There is an internal organization for information handling, which is responsible for managing roles and responsibilities related to it and for classifying information by levels of criticality.

This organisation reports to the DPO/RPD, Data Protection Officer (Mr Lorenzo Lanzoni, e-mail privacy@schnell.it).

Furthermore, the Company prohibits top management, employees, consultants of the Company and third parties who work in name and on behalf of the Company of:

- expose material facts that do not correspond to the truth;
- omit information whose disclosure is required by law, about the economic, patrimonial or financial situation of the Company;
- conceal data or news in a way that could mislead the recipients of the same;
- prevent or in any case hinder the performance of the control activities legally attributed to the Shareholders to others corporate bodies.

As regards the use and protection of customer information, the Company's Shareholders, employees and collaborators are committed to protect the confidentiality of such information.

#### 1.1.2. PRESENTS, GIFTS AND OTHER FORMS OF BENEFITS

No form of free gift or benefit, offered or received, which could be understood as exceeding normal commercial or courtesy practices, or otherwise aimed at acquiring or granting treatments of favor in the conduct of any operation related to corporate activity, shall be allowed.

As a general rule, the employee is strictly prohibited from requesting or accepting any gifts, favors or compensation of any kind by third parties having a direct or indirect relationship with its service duties. Where gifts and gratuities are offered directly by third parties to the company, such assets remain in the availability of the company and not of the individual subjects; however, subject to information from the individuals to the BoD of the gift received, the latter may authorize the individual subject to keep it for himself.

In any case, the Company's Shareholders, Directors, employees and collaborators refrain from practices that are not permitted by law, by commercial uses or by any ethical codes of the companies or entities with which you have relationships.

This rule does not allow exceptions even in those countries where offering gifts of value to business partners is considered a custom.

#### 1.1.3. RELATIONS WITH MEDIA

In line with the principles of transparency and completeness of information, the Company's communication towards the outside is based on respect for the right to information. Under no circumstances do the Directors, Shareholders, employees and collaborators lend themselves to the disclosure of false or tendentious news or comments, whether concerning the Company's activities or the results of professional activities or relations with *stakeholders* in general.

In the belief that business activities and results must be closely linked to a responsible *business* conduct, external communication, including that aimed at spreading the brand and image of the *Firm*, respects the legal limits established for the sector and the ethical principles of the reference professional context.

## 2. SPECIFIC ASPECTS OF RELATIONS WITH STAKEHOLDERS

### 2.1. SHAREHOLDERS

One of the Company's goals is to enhance the investment of its shareholders, through the pursuit of a risk development and management policy capable of guaranteeing satisfactory economic results over time.

The Company undertakes to create the conditions so that the participation of the Shareholders in the decisions within their competence is widespread and conscious, it promotes equality and completeness of information and protects their interests.

The Shareholders' Meeting of the parent company is, in any case, competent to decide on[1]:

- the approval of the financial statements and the distribution of profits;
- the appointment and dismissal of directors, auditors, the chairman of the board of statutory auditors and the person responsible for carrying out the statutory audit of the accounts;
- amendments to the articles of association;
- the decision to carry out transactions involving a substantial change in the corporate purpose set out in the articles of association or a significant change in the rights of shareholders;
- other matters assigned by law to the competence of the shareholders' meeting.

**Conflict of interest**

Each Shareholder is required to avoid all situations and all activities in which a conflict with the Company's interests may arise or that may interfere with one's ability to make impartial decisions in the best interest of the Company, in line with the technical aspects of the profession carried out and in full compliance with the rules of the Code of Ethics.

Furthermore, Shareholders must refrain from taking personal advantage from acts of disposing of corporate assets or from business opportunities, of which they became aware when carrying out their duties.

Any situation that may constitute or lead to a conflict of interest must be promptly communicated by the Shareholder to the Administrative Body and to the Supervisory Body. In particular, the Shareholders are required to avoid conflicts of interest between personal and family economic activities and those of the *Firm*.

By way of example and not limited to, the following situations may lead to a conflict of interest:

- ✓ *perform operational functions or have economic or financial interests with customers, suppliers, competitors or commercial partners;*
- ✓ *use one's own position in the Company or the information acquired through work in a way that one can cause a conflict between one's own personal interests and the interests or pursuit of the Company's mission;*
- ✓ *allow the choices that the Company must make in relation to contracts with external parties for various reasons, to be conditioned by personal interests.*

[1] Article 2479 of the Civil Code

## 2.2 HUMAN RESOURCES

The Company recognizes the relevance of the Human Resources *stakeholder* (meaning both shareholders and employees, and collaborators who work on behalf of the Company in contractual forms other than that of subordinate work) and the importance of establishing and maintaining relations with him based on loyalty and mutual trust.

### 2.2.1 GENERAL PRINCIPLES OF CONDUCT

**Selection of personnel and establishment of the employment relationship**

The evaluation of the personnel to be hired is carried out on the basis of the correspondence of the candidates' profiles with those expected and the specific needs of the Company, in accordance with the principles of impartiality and equal opportunities for all stakeholders.

When the collaboration begins, the employee/collaborator must receive exhaustive information about the characteristics of his duties and function, about the regulatory and remuneration elements and the regulations and behaviors for the management of risks connected to personal health.

All personnel must be hired with a regular employment contract in accordance with the provisions of the law.

**Human Resource Management Policies**

Any form of discrimination against individuals is prohibited.

All decisions taken in the context of the management and development of human resources, including those regarding the access to roles or different positions, are based on considerations regarding profiles of merit and / or correspondence between expected profiles and profiles held by human resources.

In the management of hierarchical relationships, authority is exercised with equity and correctness, avoiding any abuse.

Any request, intended as a due act from the hierarchical superior, services, personal favors and any behavior that constitutes a violation of the present Code of Ethics is considered an abuse of the position of authority.

The subdivision of human resources by assignments, tasks and responsibilities is periodically updated and brought to knowledge of the employees.

**Enhancement of Human Resources**

Human resources are fully enhanced by activating the levers available to encourage their development and growth.

The pertaining functions and all the managers with respect to their collaborators, must therefore:

- *select, hire, train, remunerate and manage employees or collaborators without any discrimination;*
- *create a work environment in which personal characteristics cannot lead to discrimination and harassment;*
- *adopt criteria of merit, competence and strictly professional for any decision relating to an employee or collaborator.*

**Privacy protection**

The *privacy* of employees and collaborators is protected in compliance with the reference legislation, also through operational *standards* that specify the information received and the relative methods of treatment and storage.

Any investigation into people's ideas, preferences, personal tastes and private life is excluded.

**Conflict of interest**

Every employee/collaborator of the Company is required to avoid all situations and all activities in which a conflict with the interests of the Company may arise or which may interfere with one's own ability to take impartial decisions in the best interest of the Company, in line with the technical aspects of the profession carried out and in full compliance with the rules of the Code of Ethics. He must also refrain from taking personal advantage from acts of disposal of corporate assets or from business opportunities of which he became aware during the performance of their functions.

Any situation that could constitute or lead to a conflict of interest must be promptly communicated by each employee/collaborator to the manager of the group they belong to or/and to the work manager/client (e.g.: supervisor, area manager, department manager, etc.) and to the Supervisory Body. In particular, all employees and collaborators of the Company are required to avoid conflicts of interest between personal and family economic activities and the tasks they cover within the *firm's* structure.

**Culture of safety and health protection**

The Company undertakes to promote and disseminate the culture of safety, developing awareness of risk management, promoting a responsible behavior and preserving, especially with preventive actions, the health and safety of all employees and collaborators.

All employees and collaborators are required to scrupulously comply with the rules and obligations deriving from the reference legislation on health, safety (see Article 20 of Legislative Decree 81/2008 and subsequent amendments and additions) and environment, as well as comply with all the measures required by the procedures and internal regulations, also pursuant to Article 2104 of the Civil Code.

Employees/collaborators, as part of their duties, participate in the risk prevention process of safeguarding the environment and protecting their, their colleagues and third parties' health and safety (see Art. 20, clause 1, of Legislative Decree 81/2008 and subsequent amendments and additions).

The following prohibitions fall within the scope of health and safety management:

- Absolute ban on smoking in the workplace;
- Ban on taking medications that may impair/reduce the "ability to drive and use machinery", if this can create risks in the context of the job performed;
- Prohibition to consume food, snacks, meals or anything else at the workstation;
- Prohibition to use the phone/smartphone/tablet during work activities in the workshop and in particular during work at height, work near electrical voltage, work in proximity to suspended loads and when driving forklifts.
- The use of such devices reduces concentration, is a source of distraction, limits the use of the hands and may cause safety risks.
- For the same reasons, the use of the "electronic cigarette" is prohibited.
- The use of company communication devices is allowed only for the needs connected to the job and in any case in safe conditions.
- Absolute ban on taking drugs and alcohol.

As part of health and safety management, the obligations set out in Article 20 of Legislative Decree 81/2008 and subsequent amendments and additions apply, and in particular:

- Immediately report to the employer, manager, or supervisor any deficiencies in the means (work equipment, hazardous substances and mixtures, means of transport, etc.) and devices (safety devices, collective and individual protective equipment, etc.), as well as any dangerous conditions that come to their attention (accidents, near misses, etc.), taking direct action, in urgent cases, within the scope of their competence and possibilities, to eliminate or reduce serious and imminent danger, and informing the workers' safety representative.
- Do not remove or modify safety, signaling, or control devices without authorization.
- Do not carry out operations or maneuvers on your own initiative that are not within your competence or that may compromise your own safety or that of other workers.
- Obligation to stop work and leave the workplace following intervention by the supervisor in the event of non-compliant behavior in relation to collective and individual protection and failure to implement the instructions given by the supervisor (Art. 19, clause 1, letter a) of Legislative Decree 81/2008 and subsequent amendments and additions).

The Company, in compliance with the law in force, will carry out specific preventive and periodic health checks on workers with duties that involve particular risks for the safety and health of third parties (use of forklift trucks, driving road vehicles for which is the possession of a driving license category C, D and E is required, etc.).

### 2.2.2 SPECIFIC RULES OF CONDUCT OF EMPLOYEES

**Duties of service, behavior and discipline**

The employee is required to faithfully and conscientiously fulfill the tasks entrusted to him, as well as to protect the interests of the Company in all circumstances, both during and outside the working hours. The employee is required to carry out his activity in an orderly and disciplined manner, avoiding a behavior that is prejudicial to the general order of the Company (see Article 2104 of the Civil Code).

The obligations related to behavior include those regarding the clothing of the operating personnel:

- The worker must use only the clothing (such as PPE) provided by the Company (with company logos), except any different need for specific risks (e.g. welding, painting, etc.);
- In case of processes with risk of soiling, the worker must protect his clothing by wearing the disposable coveralls in protective material (e.g. tyvek).

The obligations related to discipline also include the compliance with all internal provisions and regulations, including:

- Internal traffic and use of parking lots.

**Duty to notify the residence**

It is the employee's duty to immediately notify the Company of any change of residence.

**Liability for work tools, materials, furniture, machinery and motor vehicles owned by the Company**

The employee is responsible for the tools, materials, furniture, electronic equipment, machinery and vehicles that the Employer puts at his disposal, avoiding improper use, also to safeguard the employee's own health and safety.

Lost or distracted items and property or damage caused through negligence will be replaced or repaired at the employee's expense responsible for it. The material provided and the tools cannot be taken home or used for personal purposes.

All personnel are prohibited from bringing work tools, materials, furniture, machinery, and appliances of any kind into the Company without the authorization and prior risk assessment by the Employer (with the possible support of the Prevention and Protection Service).

**Responsibility for the Company's electronic machines and means of communication**

The employee is responsible for the electronic machines and the means of communication that the Employer makes available to him, avoiding their improper and illegal use.

The use of electronic machines and corporate communication means must be exclusively for the purpose of the business activity and in particular the use of the internet and e-mail is not allowed for personal purposes.

The use of external storage devices (DVDs, USB sticks, etc.) must be limited and must be guaranteed their proper custody.

The employee must carefully store and prevent the illicit use of logins, passwords, smart cards, codes, badges and any other device assigned to him and useful to violate the physical and IT security of the Company.

In this regard, particular attention must be paid to cybersecurity risks, especially when working remotely.

**Use of personal phone/smartphone/tablet**

It is forbidden to use personal communication devices during the work activity, except for special and urgent needs that must be justified.

**Use of cars/motor vehicles**

The Company provides, for the performance of work activities, the use of company cars upon request in advance.

The use of a personal car, in case of unavailability of a company car, must always be authorized and must take place only for imperative and urgent needs.

The use of the company car is mandatory in case of passengers (colleagues or others).

For the use of personal car there is only a predetermined all-inclusive mileage reimbursement, with no possibility of reimbursement for any damage suffered.

Furthermore, all drivers of cars/motor vehicles during their work activities must comply with the following requirements:

A. Respect the rules of the RULES OF THE ROAD and in particular:
    - possession of the legal requirements for driving cars and other vehicles used;
    - compliance with speed limits and safety distances (also taking into account weather conditions and road surface conditions);
    - compliance with the limits for drinking alcoholic beverages (the alcohol level must be zero in case of using company vehicles);
    - compliance with the obligation to use the seat belt;
    - prohibition of using the mobile phone while driving without a headset or hands-free kit;
    - prohibition to transport a number of people higher than that indicated on the vehicle registration certificate;
    - obligation to wear a high visibility jacket in case of investment risk.
B. Do not operate, even temporarily, in poor physical or psychological conditions (malaise, confusion, drowsiness, dizziness, etc.) or in the presence of other disorders that can create a state of danger.
C. Check, before departure, the condition of the vehicle (good condition of the tires, efficiency of the braking system devices,

optical and acoustic signalling devices and lighting devices) and the presence on board of the mandatory devices (warning triangle, high visibility jacket, any snow chains, etc.).

D. Report any anomaly of the vehicle in advance to the vehicle fleet operator and/or to your direct superior.

**Professional secrecy**

The employee is required to observe the most absolute discretion and secrecy on all information relating to the company activity, know-how, research and development and innovation activities, of which he became aware later in the performance of his duties.

For confidential information, please refer to the Code of Industrial Property (Legislative Decree 30/2005 and subsequent amendments and additions).

**Working hours**

The normal duration of work is defined in the individual contract and the staff is required to punctually adhere to it. The timetable can be fixed or flexible. Hours of work are considered to be those of actual presence. All breaks during which the employee can leave the workplace are not considered in terms of working time, in this context the so-called “coffee break” (as defined below) is not to be considered a break.

The Company allows work to be carried out, where applicable, in “remote working” mode, with frequency, times, and methods defined by specific individual agreements in accordance with Law 81/2017 and with specific requirements in order to ensure the health and safety of workers, the cybersecurity of the Company, and compliance with laws and internal regulations.

All workers are required to perform their duties with diligence and loyalty, both inside the Company and remotely.

**"Coffee break"**

The Company is not opposed to this moment of relaxation, when it represents a reasonable momentary detachment from work, without continuing for an excessively long time (**maximum duration 5 minutes**). Every employee can take a maximum of two daily breaks, according to the times provided in their area membership, by going to the nearest smoking area and/or the nearest vending machine for coffee and drinks.

Employees belonging to the same office/department must not use the "coffee break" at the same time to avoid interrupting the activity of the office/department.

Smoking is allowed (including the use of the "electronic cigarette") only during the "coffee break" and exclusively in the special smoking areas identified outside the buildings. The contravention of this obligation, as well as not respecting the existing laws and regulations on "no smoking", cause damage and risk to people and things inside of the Company area.

**Overtime**

Overtime can only be worked at the request of company management or one’s Area Manager, when necessary.

**Absences in general and leaves**

As a general rule, the employee is required to report as soon as possible to his/her direct superior any foreseeable absence and promptly notify him if he cannot go to work or was late or forced to be absent during service hours for unforeseeable reasons.

Particularly:

- The request for holidays and permits must be communicated in advance to one's superior with at least one day in advance for the necessary authorization. Subsequently, the absence must also be announced to Switchboard and the Personnel Office.
- Any delays in arriving at the workplace, due to unforeseen events, must be promptly reported to own superior and to the switchboard.

In order to avoid misunderstandings, it is mandatory (with the exception of planned trips) to communicate to the Switchboard and the Office of the Personnel absences for activities outside the company headquarters (visits to suppliers, training courses, etc.).

All activities carried out outside the company headquarters must be authorized in advance by email by the Area Manager. For employees employed by the General Management, the authorization must be given by the latter or in the alternative by the Administrative and Financial Management.

**Holidays**

The company management establishes the annual collective holidays, after joint examination with the company RSU, also providing for any coverage of essential services.

The employees determine additional vacation periods (beyond the annual collective holidays) based on their wishes, consistent with the interests of the Company.

The Company, with regard to diseases and other events that may arise during the periods of collective holidays, applies the provisions of national bargaining.

**Illness and Accident**

Anyone unable to carry out their work as a result of illness or injury must notify immediately his direct superior and the Human Resources department; the latter will communicate the protocol number of the certificate of illness issued by the doctor. The electronic medical certificate must also be presented for diseases of only one day. Any continuation of the state of inability to work must be communicated to the Company in the same manner described above. In the absence of the aforementioned communications, the absence will be considered unjustified.

Injuries or “potential injuries” occurring during or outside working hours (so-called commuting accidents) must always be reported to the Company, even if they are apparently light and do not cause work interruptions.

The employee is required to immediately inform the Company of any illness or accident that occurs, even during vacation time.

The provisions of any further insurance activated by the Company remain reserved.

**Travel and missions**

The remuneration of employees on missions (after-sales service technicians, trainee technicians, technical employees, commercial and administrative personnel) is defined on the basis of an Agreement shared and accepted by the Unity Union Representation (RSU).

The Company has established policies and tools to assess and manage the “country risk” for all personnel on assignment, including through specific information and training.

The assessment and management is the responsibility of the Employer, who makes use of the Prevention and Protection Service.

**Reimbursement of expenses**

The employee who for business purposes must move away from the office, are entitled to reimbursement of the justified and documented expenses, unless the Company directly provides for the necessary expenses.

The terms and conditions of reimbursement are established by specific internal Regulations for the reimbursement of travel/mission expenses.

Any other internal company agreements or updates to those mentioned above must implement this Code Ethics, Staff Regulations and Penalty System for the parties of interest.

## 2.3 CUSTOMERS

Customers are a fundamental asset for the companies of the Schnell Group, which pursue its mission through the offer of high quality products and services.

Our relationship with the customers is based on integrity, objectivity, competence and respect, aiming at a highly professional relationship.

## 2.4 SUPPLIERS AND BUSINESS PARTNERS

Relations with suppliers and business *partners* are based on the search for a fair competitive advantage, to the granting of equal opportunities for those involved, fairness, impartiality and recognition of competence of the interlocutor.

The Company undertakes to require its suppliers and external collaborators to respect behavioral principles (see PART 1 CODE OF ETHICS, par. 5. REFERENCE PRINCIPLES) considering this aspect of fundamental importance for the birth or the continuation of a business relationship. Suppliers, business *partners* or external collaborators are informed on the existence of the Code of Ethics and the related commitments and, to this end, specific clauses are envisaged in the individual contracts.

## 2.5 PUBLIC ADMINISTRATION

Relations between the Company and the Public Institutions are based on the principles of correctness, transparency and collaboration.

Any type of behavior that can be traced back to a collusive nature or likely to prejudice is rejected the principles expressed in this Code of Ethics.

**Principles of conduct**

The assumption of commitments with Public Administrations and Public Institutions is reserved for Members, according to the powers of attorney conferred, except for special powers of attorney possibly conferred to other internal resources. The Company rejects any behavior which can be interpreted as a promise or offer of payments, goods or other utilities of various kinds in order to promote and favor their own interests and take advantage of them.

It is the Company's commitment to avoid any form of gift to public officials or persons in charge of public service, of any type, Italians or foreigners, or to their families, even through third parties, such as to be able to influence independence of judgment or induce to ensure any advantage to itself.

This commitment does not allow for exceptions even in those countries where offering gifts of value to business *partners* is considered custom.

Gifts or presents are allowed only if of modest value and, in any case, if they cannot be in any way interpreted as a tool for receiving illegitimate favors, and always in compliance with internal procedures pre-ordered.

Any employee who directly or indirectly receives proposals for benefits from public officials, in charge of public service or employees in general of the Public Administration or other Public Institutions that configure in this case, he must immediately report to the internal body responsible for supervising the application of the Code of Ethics, if employed, or to your contact person, if a third party.

**Communication with Public Institutions**

Any relationship with state or international institutions is exclusively attributable to forms of communication aimed at explaining the Company's activities, responding to requests or acts of inspection (interrogations, interpellations, requests for information related to business relationships or concluded, etc.), or in any case to disclose the position of the Company on relevant issues.

To this end, the Company is committed to:

- *operate, without any kind of discrimination, through the communication channels in charge of this with the institutional interlocutors at national and international, community and territorial level;*
- *represent their interests and positions in a transparent, rigorous and coherent manner, avoiding attitudes collusive in nature;*
- *avoid falsification and/or alteration of data, statements, reports in order to obtain an undue advantage or any other benefit to the Company.*

**Relations with organizations and political parties**

It is the Company's commitment not to make contributions, direct or indirect and in any form, to parties, movements, committees and political and trade union organizations, their representatives and candidates, except those due under specific regulations, unless such loans, not prohibited by law and by the Articles of Association, have been approved by the corporate body competent and regularly budgeted.

**Relations with *non-profit organizations* and social initiatives**

The Company is committed to social initiatives consistent with its business and, consequently, sustainable over time.

**Relations with the *Authorities***

The Company fully and scrupulously complies with the rules issued by the regulatory *Authorities* of the market and does not deny, hide or delay any information requested by these authorities and other regulatory bodies in their function inspections.

To ensure maximum transparency, the Company and its employees are committed not to find themselves in situations of conflict of interest with employees of any *Authority* and their family members.