



**CODE OF CONDUCT**

**OF**

**FINCHIMICA S.P.A.**

Approved by unanimous decision  
of the Board of Directors  
on 20 June 2017

## **TABLE OF CONTENTS**

<b>Introduction</b>	5
<b>Parties Bound by the Code</b>	6
<b>General Principles</b>	8
Safety and working conditions	8
Corporate Social Responsibility	9
Integrity, honesty, fairness	9
Respect for human dignity and equal opportunities	10
Legality	10
Confidentiality	10
Transparency	11
Commitment to sustainable development	11
Individual and Team Work	12
<b>Principles of conduct</b>	12
a. Principles of conduct regarding relationships between partners and on accounting practices	12
Anti-money laundering systems	13
Reputable counterparties	13
Interviews	13
Financial reports (to be interpreted as equity and income statements)	14

Internal controls	14
Accuracy and storage of business documentation	16
Transparency of accounting records	17
b. Principles of conduct regarding relationships between employees and the Company	18
Confidential information	18
Professional and consulting services	20
Privacy	21
Drug and alcohol abuse	21
Conflict of interest	22
Computer and media	23
Recruitment and placement of employees	24
Use and protection of assets	25
c. Principles of conduct regarding relationships with the community	25
Subsidies and business trips	25
Representation expenses	26
Relationships with the Public Administration	26
Relationships with the Judicial Authorities	27
Gifts and benefits	27

d. Principles of conduct regarding relationships with suppliers and consultant	28
<b>Implementation of the Code of Conduct</b>	<b>29</b>
The Code's value as a contract	29
Surveillance on the Code	30
Values and principles	31
Values	31
Operating Principles	32
Shared commitments	33
Rules of conduct for the Management	33
Duties of department managers	34
Duties of employees	35
Reporting a violation and seeking advice	35
Responsibilities	36
Investigation of violations	37
No retaliation	38
Application of the Code and disciplinary consequences	38
For any further information	39
 Attachment 1	
Acknowledgement of receipt	

## **INTRODUCTION**

This Code of Conduct (“**The Code**”) is an expression of the ethical principles and values espoused by the Collaborators of Finchimica S.p.A. (“**Finchimica**” or the “**Company**”) in the conduct of business and business activities.

The Code also represents the ethical rules and standard of conduct that Finchimica intends to adopt to ensure that its structure complies with the provisions of Legislative Decree No. 231/2001 (hereafter the “**Decree**”) and to lay down internal and external policies to achieve the corporate objectives.

Therefore, the principles in the Code are part of the Organisational, Management and Control Model, under Article 6 and 7 of Legislative Decree No. 231/2001.

The Code of Conduct comprises:

- **general principles**: namely, those fundamental values that the Company shares and recognises as such for the purpose of stating its mission, which must underpin the conduct of the various parties involved to foster Finchimica's sound performance, reliability and reputation;
- **principles of conduct**: guidelines and rules that employees of the Company must comply with to conform to general principles and to prevent the risk that unethical behaviour may take place.
- **implementation**: describe the monitoring system set up to monitor the compliance with the Code and to continuously improve it.

Finchimica S.p.A. confirms – including through this document – its intention to pursue a new model of behaviour to face the challenges of contemporary society and global markets.

Therefore, the Collaborators undertake to abide by the principles and provisions contained in the Code, as well as in other behavioural and ethical policies adopted by Finchimica.

By providing adequate information, prevention and control instruments, the Company ensures the transparency of the conducts put into practice, taking action, where necessary, to counteract possible breaches of the Code and monitoring its observance.

The Code of Conduct expresses the ethical rules and standards of conduct that drive those who, in various ways, take part in conducting the Company's business: shareholders, employees, contractors, external consultants, suppliers, customers, authorities, communities, institutions and other parties. All these parties can be referred to, as a group, as **stakeholders**, as they are concerned with Finchimica's business.

## **THE PARTIES BOUND BY THE CODE**

The Parties Bound by the Code (hereafter also the “**Parties Bound**”) are:

- I. the members of the Board of Directors (the B.o.D.);
- II. corporate control bodies (Board of Statutory Auditors and any other control body);
- III. permanent and fixed-term employees;
- IV. external consultants; and

- V. Any other third parties with whom Finchimica entertains business contractual relationships, including those involving temporary work or business activities carried on in the name and on behalf of the company, which establish a confidential relationship with the latter.

The Management undertakes, vis-à-vis the Parties Bound, to:

- implement appropriate training programs and raise awareness on the content of the Code;
- ensure timely disclosure of the Code by sending a copy to all the staff, which will acknowledge receipt thereof and undertake to comply with the Code, as well as by publishing it on the Company's website;
- regularly verify observance and compliance with the Code, along with the Surveillance Body;
- ensure the Code's regular revision and updating of to ensure that it reflects any changes in the Company's organisational or management structure, the current concerns of civil society, as well as the environmental and regulatory conditions; and
- adopt adequate prevention instruments and appropriate sanctioning measures, promptly implementing them in the event of breach of the provisions of the Code.

Finally, being this Code a substantive part of the employment relationship, the employees of Finchimica S.p.A. undertake to act and behave in accordance with the provisions stated hereunder, to report any violations and to cooperate in compliance with internal procedures, which were designed to implement the Code.

## **GENERAL PRINCIPLES**

### **Safety and working conditions**

The Company undertakes to act in strict compliance with the existing work health and hygiene prescriptions, and to promote its application within the company.

Finchimica is also committed to spreading and consolidating a safety-oriented approach, strengthening awareness of risks and promoting responsible behaviour among all employees.

The Company regularly inspects the premises and the machinery owned, leased, or held by the Company on any other basis- The inspections are carried out even beyond statutory and imminent risk prevention obligations, to ensure the highest levels of safety and hygiene in the working environment.

Finchimica is constantly engaged in studying, developing and implementing strategies, policies and operational plans to prevent and overcome any involuntary or fraudulent misconduct that could cause direct and indirect damage to employees or to material or intangible resources of the Company.

All employees must actively contribute to maintaining highest standards of security by refraining from engaging in unlawful acts or any other dangerous behaviour; whenever special attention must be paid to personal safety, it is imperative to strictly adhere to internal procedures, abstaining from engaging in behaviours that may endanger one's own and other people's safety, reporting, as provided by internal procedures, any potential

danger.

Therefore, the Safety and Prevention measures that the Company adopts for Safety and Health in the workplace are primary obligations of the Collaborators, who are actively involved in their application, management, maintenance and improvement. More specifically, they undertake to fully assume their responsibilities, being aware of the consequences that persons and assets may incur as a result of their failure to diligently fulfil their obligations and abide by internal procedures.

Collaborators of Finchimica must provide maximum cooperation with the Health and Safety Manager (*Responsabile del Servizio Prevenzione e Protezione*, hereafter “RSPP”), and with anyone who carries out inspections and controls on behalf of any competent public authority. If the Company's Collaborators find any anomalies or irregularities, they must inform the employer without delay or, where appointed in accordance with Article 16 of Legislative Decree 81/2008, the employer's representative [*datore di lavoro delegato*], and the RSPP.

### **Corporate social responsibility**

The Company is committed to conducting socially responsible business, not only conforming to legal provisions, but also acting ethically; this translates into adopting a business policy capable of reconciling economic, social and environmental objectives, with a view to pursuing future sustainability.

### **Integrity, honesty, fairness**

The Company establishes relations with stakeholders in accordance with the principles of fairness, loyalty, collaboration and mutual respect. In no case may the pursuit of the Company's interest justify acting unfairly. The employees of Finchimica may not accept gifts or benefits or be influenced by any kind of external pressure.

### **Respect for human dignity and equal opportunities**

Finchimica S.p.A. respects fundamental human rights, defends moral integrity and guarantees equal opportunities. In any internal or external relationship, discriminatory behaviours based on race, religion, age, health status, political opinions, nationality, sexual orientation and in general any intimate characteristic of the human person are not permitted.

The Company also guarantees a working environment where good manners are the standard of conduct. In addition, it takes appropriate actions to avoid any intimidation, mobbing or stalking in the workplace.

### **Legality**

In carrying out its activities, Finchimica S.p.A. acts in compliance with existing laws and regulations in force in the jurisdictions in which it operates, as well as with the Code of Conduct and the internal corporate policies.

### **Confidentiality**

The Collaborators of Finchimica S.p.A. undertake to treat any information acquired in the business environment as confidential and, therefore, not to

disseminate it, unless to the extent that is strictly necessary to carry out business activities.

Finchimica also requests the information obtained not to be used for personal purposes to gain any unfair advantage acting against the law or to cause harm to the Company's rights, property, and objectives.

### **Transparency**

The Collaborators of Finchimica S.p.A. must provide transparent, accurate, complete and comprehensible information so that, , stakeholders can make autonomous decisions when establishing relationships with the Company, being aware of relevant interests involved and the significant consequences. In particular, in drafting possible agreements, Finchimica will specify to the party all behaviours due in all circumstances, in a clear and understandable way.

### **Commitment to sustainable development**

Finchimica undertakes to act in compliance with the existing laws, applying the best available technologies to promote and plan the development of its activities by optimising the use of natural resources, to preserve the environment for future generations, and to support initiatives for widespread protection of the environment.

Finchimica conducts its business and makes investments in an environmentally responsible way , ensuring full disclosure vis-à-vis the community, in compliance with the existing Environmental Act (Legislative Decree No. 152/2006).

The protection of the environment is considered a primary objective of the

Company, and is therefore pursued by those individuals who operates on behalf of Finchimica. More specifically, the Company provides those individuals with the most comprehensive information and instructions necessary to pursue such objectives as “energy saving”, “waste management” and recycling materials.

### **Individual and teamwork**

Work must be founded on relationships of trust and collaboration, in compliance with the company guidelines and relationships between colleagues.

Teamwork needs to be promoted and encouraged. Personal interests may not come before corporate goals.

Finchimica considers human resources as its main asset. Therefore, the Company invests in regularly training the staff, developing professional skills and fostering each person’s professional growth on a merit-based approach. The Company also ensures that individuals are involved and empowered, with regard to specific objectives to be achieved and ways to pursue them.

## **PRINCIPLES OF CONDUCT**

### **a. Principles of conduct regarding relationships between partners and on accounting practices**

### **Anti-money laundering systems**

Finchimica is committed to ensuring that its economic and financial activity does not become a means to support, even potentially, illicit activities, criminal or terrorist organisations. The Company applies national and international anti-money laundering laws.

Finchimica diligently verifies the available information on trading partners, suppliers, partners and consultants, to establish their reputation and the legitimacy of their activities before engaging in any business relationships with them.

The Company also verifies that the transactions to which it is a party do not involve, even potentially, the risk that the collection, replacement or use of money or property originating from criminal activities may be facilitated.

### **Reputable counterparties**

Before entering into business relationships or entering into a contract with a long-term supplier, the Parties Bound must establish that the latter has a good reputation, that it engages in legitimate activities and is driven by ethical principles that are consistent with those of Finchimica.

### **Interviews**

If a party outside the Company, such as the media, financial analysts or investors, directly or indirectly or through another person asks any question about Finchimica S.p.A., it is advisable to refrain from answering, unless

one has been explicitly authorised to do so.

The interviews requested on the Company must be approved by the Chairman of the BoD of Finchimica, or by a representative specifically instructed to act, before being disseminated outside the Company.

Except for financial information already made public, strict compliance with these provisions is essential, as inappropriate or inaccurate responses, retractions or misleading information could have a negative impact on the Company.

### **Financial reports (to be interpreted as equity and income statements)**

The Company undertakes to comply with all the directives concerning the drafting of financial reports.

All Parties Bound involved in the drafting of financial reports must act so that no inaccurate information is provided that may affect the correct representation of the Company's financial relations.

To ensure high quality in disseminating financial information, any disloyal conduct by the Parties Bound involved in the preparation of the Company's financial reports, any conflict of interest, including merely potential, that involves the Parties Bound and any non-compliance with ethical rules must be reported to the SB or to one's supervisors.

### **Internal controls**

At any level, the Company fosters a mindset based on sound economic criteria.

A **positive attitude towards controls** plays a significant role in improving the Company's efficiency.

Internal controls mean all the instruments adopted by the Company to direct, manage and verify the Company's activities, to enforce corporate laws and procedures, protect the Company's assets, manage activities efficiently and provide accurate and complete financial and accounting data.

The Company aims to implement efficient and effective internal controls, including an advanced system of integrated business management with regard to information technology (known as 'Enterprise Resource Planning' - **ERP**), with a view to constantly updating and improving business processes (purchasing, production, inventories, sales, accounting, staffing etc.)

Each level of the organisational structure must contribute to establishing an effective and efficient internal control system, actively participating in the implementation, management, maintenance and continuous improvement of the Company's **ERP**.

Consequently, , within the scope of their functions and duties, all employees of the Company are responsible for the proper functioning of the internal control system.

The Company guarantees that corporate bodies vested with control powers, as well as the SB, have free access to data, documentation and any information useful to carrying out their duties.

The Parties Bound must cooperate closely with the corporate officers vested with control powers. Activities that could represent an obstacle to the control functions carried out by institutional bodies and / or by internal organs are prohibited.

### **Accuracy and storage of business documentation**

It is the responsibility of all Parties Bound to document and report all business-related information in a truthful and accurate manner. This rule applies, among other things, to information regarding recruitment applications, hours worked, expenses, production, sales and marketing. Falsifying these documents, or intentionally approving false documentation, results in the parties involved incurring serious liability. Company documentation must reflect exactly the Company's management decisions and be drawn up in accordance with the criteria indicated by the existing law and with the generally accepted accounting principles. No one may intentionally conceal the real nature of, and/or omit to report, any business fact it recorded in the books, as well as any other documentation of Finchimica that may affect the representation of the Company's financial situation.

No employee or collaborator may, without adequate supporting documentation and formal authorisation, make payments in the interest and on behalf of the Company.

It is forbidden to set up and/or hold funds and hidden reserves. The Company promotes training and updating programs to enable the Parties Bound to familiarise with the rules (existing laws on record and book keeping, regulations, internal rules, provisions laid down by trade associations) that preside over the production and management of accounting documentation.

The Parties Bound must ensure that any information regarding the Company is properly used.

The documentation must be stored and destroyed in accordance with storing / elimination rules. Documents that no longer need to be stored in accordance with the Company's storage/elimination rules must be destroyed definitively.

The Parties Bound must contact their supervisors or the SB about documentation storage rules in their department.

If anyone becomes aware of any official notice of impending criminal investigations, they must contact their supervisors or the SB without delay.

All documents regarding an official notice of impending criminal investigations or other documents notified in the course of the investigations or subsequently must be stored disregarding the otherwise applicable rules on documentation storage.

Any question regarding the relevance of a document to an investigation that is ongoing or terminated must be addressed to supervisors or the SB.

### **Transparency of Accounting Records**

Transparency of accounting records is based on accurate, truthful and complete background information, which is necessary to prepare those records. Each member of the corporate bodies, the management and each employee is required to cooperate, within their duties, to ensure that the Company's management decisions are correctly and timely reported in the accounting records.

Any transaction must be authorised and verifiable, legitimate, congruous, consistent, correctly and promptly recorded in the Company's accounting system in accordance with the law and with the applicable accounting principles.

It is strictly forbidden to take any action that may jeopardize transparency and traceability of the budget information.

For every procedure, appropriate documentation is kept on record so that:

- accounting records can be easily and timely prepared;
- the characteristics of the procedure and motivations underlying it can be easily determined;
- the different levels of responsibility and the division of tasks can be identified; and
- the procedure can be accurately outlined, including to reduce the probability that factual or interpretative errors might occur.

Employees and staff – the latter within the scope of their competence – who become aware of omissions, falsifications or negligent keeping of the accounting records or the documentation on which the accounting records are based, must report it to their supervisors or to the body they belong to. If there is no follow-up to the report filed to supervisors, the employee must refer the matter to the Surveillance Body.

Consultants may report directly to the Surveillance Body, solely with respect to the activity directly carried out for Finchimica.

## **b. Principles of conduct regarding relationships between employees and the Company**

### **Confidential Information**

As part of the obligations vis-à-vis the Company, all Parties Bound must protect Finchimica's confidential information, using it only internally and in the sole interest of the Company. The term "**confidential information**" means information about present and planned activities of the Company that have not yet been disclosed to the public and which, if used or illegitimately disclosed, may generate third-party economic benefits and cause unjust damage to the Company.

For example, confidential information may include commercial secrets, know-how, confidentiality agreements, inventions, marketing and sales strategies, information about customers and suppliers, strategies for determining prices and purchases, financial data, processes and production techniques, software, data, formulas, compositions, service protocols and new products.

Information from third parties and disclosed to the Company must also be considered confidential information.

All confidential information must be considered the property of Finchimica (and / or its licensors for the use of intellectual property) and should be used only to pursue the corporate purpose.

More specifically, the Parties Bound who have access to confidential information shall:

- avoid disclosing confidential information to any third parties. For this reason, they should refrain from discussing such confidential information with family members, people with whom they do business or entertain social relations, in public places, including taxis, lifts and restaurants;

- refrain from using information for their own benefit or for the benefit of third parties;
- make sure that access to confidential information is protected by a password; alternatively, confidential information must be kept in a safe location, and, in any event, used under the close supervision of the individuals in charge; and
- refrain from disclosing confidential information to other Parties Bound, unless this is necessary for business purposes.

The obligations regarding confidential information are not discharged upon termination of any relationship with the Company. Even after the termination of working relationship with the Company, no confidential information may be disclosed to a new employer or to other parties. Following termination of the working relationship, all the documents and other materials containing confidential information about Finchimica must be handed over to a direct supervisor. Failure to observe this confidentiality obligation can result in the party in breach incurring liability. In addition to protecting its own confidential information, the Company undertakes to respect confidential information of other Entities. If the Parties Bound illegitimately become aware of confidential information or of the disclosure of confidential information by other subjects, they must contact the SB.

### **Professional and consulting services**

External consultants and temporary workers, as well as suppliers, must comply with the same standards of conduct as Finchimica's employees when conducting business with or on behalf of the Company.

No employee may act, including indirectly or through third parties, in violation of the internal policies. Those acting on behalf of the Company must preserve and protect Finchimica's reputation as a trustworthy, reputable and reliable corporation.

### **Privacy**

The Company pays the utmost attention to the privacy of the Parties Bound. This translates into adopting the most suitable precautions and security measures concerning personal and/or sensitive data collected. According to the laws currently in force, any investigation into the opinions, preferences, personal tastes and, in general, the privacy of the Parties Bound is prohibited. Except in the cases provided for by the law, any communication/dissemination of personal data without the prior consent of the parties concerned is also prohibited; rules are therefore necessary to enable each Party Bound to protect their privacy. Where activities are carried out in violation of the privacy policy, other general policies adopted by the Company or the security standards, anyone who becomes aware of those practices must report them to a direct supervisor, to the data controller and to the SB.

### **Drug and alcohol abuse**

All Parties Bound must contribute personally to promoting and maintaining a climate of mutual respect in the work environment.

Being found or being under the influence of alcoholic substances, drugs,

or substances having similar effects at work will be considered a conscious assumption of the risk that the above climate might be adversely affected.

### **Conflict of Interest**

The Parties Bound by the Code must ensure that any business decision is made in the Company's interest. They must, therefore, avoid situations of conflict of interest between their personal or family business and the roles they hold in the Company which may affect their independence in making those decisions.

If one of the Parties Bound finds himself in a situation that, even potentially, may constitute or cause a conflict of interest, they must report it promptly in writing to a supervisor or to the SB.

In the event of a possible conflict of interest, a timely and complete preliminary report must be filed to a supervisor or to the SB. No employee may benefit from opportunities that may arise due to the use of the assets or information in their possession or their role within the Company. Employees must not perform any activity in competition with Finchimica.

As an example, the following situations may result in a conflict of interest:

- having economic and financial interests (including through family members) with suppliers, customers or competitors;
- accepting gifts, money, presents, favours of any kind from individuals, companies or entities that are or intend to enter into business relations with the Company; and

- using the role they hold in the Company or the information acquired in the working environment in such a way that might create conflicts between Company's business interest and their own personal interest.

### **Computer and media**

All the Parties Bound must take the necessary actions to ensure the security of personal computers and any voicemail or password. When using passwords, the following rules must be followed:

- choose an unpredictable password, for example, do not use your name or last name;
- change the password at least once every three months; and
- do not give your password to anyone inside or outside the Company, nor make it in any way accessible to third parties;

All sensitive or confidential electronic information must be protected by a password. If for any reason it is believed that your password or the security of the Company's computer or communications media, including computers, voicemails or emails, are at risk, the password must be changed without delay, and the incident must be reported to a direct supervisor.

Resources of Finchimica may not be used for illegal purposes, to create inconvenience or in an offensive manner.

When sending an e-mail or any other recorded message, avoid posting comments, using any language, image, or other types of recording that may cause embarrassment if read by a third party.

Remember that “**private**” emails can be easily forwarded to a large

audience and, once sent, they cannot be recalled.

The use of computers and media owned by Finchimica to send e-mail or to access the internet impacts the Company's image.

The use of computers and media cannot negatively affect the Company and must in no way harm its image.

The use of computers and media must be consistent with the corporate policies, privacy, copyrights, trademarks, trade secrets, and any other intellectual property aspect.

### **Recruitment and placement of employees**

Recruitment responds, on the one hand, to the need of acquiring from the market those competences and professionalism which are not currently present in the Company and, on the other hand, to the need of hiring young people and investing in those resources to ensure the Company's growth. Enhancement of human resources is a primary objective for Finchimica. When recruiting people, appropriate measures are adopted to avoid any sort of favouritism and facilitation, developing skills and capabilities of the recruits, to ensure the best candidate matches.

Without prejudice to any powers vested in the Chief Executive Officer, the recruitment and selection of staff are entrusted to the various department managers. Those activities are performed respecting the candidates' privacy, solely on the basis of objective and transparent criteria, guaranteeing equal opportunities and avoiding any favouritism.

All the staff is hired based on a regular employment contract in accordance with the laws in force; any form of undeclared work is considered unacceptable and is expressly prohibited.

When recruited and during the initial period as a Company's employee, accurate information will be provided, with particular reference to the rules regarding the employment, safety standards and work health & safety procedures, corporate policies and the rules of this Code so as to provide readily and promptly available knowledge and facilitate a quicker integration of newly hired resources into the corporate life and culture.

### **Use and protection of assets**

Every employee must act diligently to protect the Company assets, engaging in responsible behaviours and in accordance with the procedures designed to regulate and accurately document their use.

More specifically, the Collaborators of Finchimica should:

- use the Company assets reasonably and respectfully;
- avoid using assets improperly in such a way that can cause damage or reduce efficiency, or be in conflict with the Company's interest; and
- obtain the necessary permissions to use the asset for purposes that are not business related.

All necessary measures against theft, damage and misuse of the Company's assets must be taken.

### **c. Principles of conduct regarding relationships with the community**

#### **Subsidies and Business Trips**

In the ordinary course of its activity, it is quite natural that Finchimica should promote itself and its products or undertake to promote the development of the sector in which it operates by granting subsidies, sponsoring events or organising trips for current or prospect customers, incurring in the ensuing costs and expenses.

These costs and expenses must be examined in advance to determine whether they comply with this Code, the Decree, as well as any other laws in force and policies adopted by the Company. To clear any doubt that should arise, the matter must be first addressed to the SB or the Board of Directors.

### **Representation Expenses**

Expenses such as meals, travel expenses and entertainment offered to third parties must be of a reasonable amount and be incurred for business-related reasons. All expenses must be consistent with the law in force and the policies adopted by the Company.

### **Relationships with the Public Administration**

Relationships between the Company and the Public Administration, public officers, public service representative [*incaricato di pubblico servizio*], police officers must be governed by strict compliance with the laws and regulations in force, and with the specific policies approved by the Company. Those relationship may in no way compromise the integrity and image of the Company.

Only the competent corporate bodies and duly authorised representatives may undertake commitments and manage all the relationships with the

Public Administration, public officers or public service representatives. It is expressly forbidden to make payments, promise payments or other gifts for illegal purposes or to gain benefits.

This policy applies to both direct and indirect payments and/or promises made in any form, including through consultants or third parties. To clear any doubts they might have, the Parties Bound must contact the SB.

### **Relationships with the Judicial Authorities**

If the Company becomes a party to any (administrative, civil or criminal) legal proceedings, Finchimica undertakes to act in accordance with the law and the rules of this Code of Conduct.

More specifically, corporate bodies and employees representing the Company in court are prohibited from promising or giving money or other benefits to justices, judges, court clerks and witnesses to influence the outcome of the trial in such a way that may be favourable to Finchimica.

### **Gifts and benefits**

Any form of gift that might be considered to go beyond ordinary commercial or courtesy practices (gifts may not exceed the maximum allowed value i.e., EUR 50) or to be aimed at acquiring favours in conducting any activity linked to Finchimica is forbidden.

More specifically, any form of gift to public officers or to their family members, as well as to private individuals who deal with the Company (customers, suppliers, bankers, etc.) is prohibited.

This policy concerns both promised/offered gifts and those received. 'Gift' means any kind of benefit (discounts which are not consistent with the

Company's commercial practice, promising a job, etc.)

Finchimica refrains from practices that are unlawful or against commercial practices, or ethical codes of companies or entities with whom it has relationships.

**d. Principles of conduct regarding relationships with suppliers and consultants**

The Company undertakes to work with suppliers and contractors with adequate professional skills and commitment, who are committed to sharing the principles and contents of the Code. Furthermore, the Company aims to build long-lasting relationships to improve its performance in promoting and safeguarding the principles and contents of the Code.

In the relationships with suppliers and contractors (including consultants, representatives, etc.), the Parties Bound must:

- ensure that the suppliers and contractors cooperate in constantly meeting customers' and consumers' needs, responding adequately to their legitimate expectations in terms of quality, cost and delivery time;
- respect internal procedures for the selection and management of relationships with suppliers and contractors, without preventing any party that possesses the necessary requisites from becoming a supplier; during the selection process, only objective criteria must be applied in a clear and transparent manner;
- observe and demand compliance with contractual terms;
- maintain a frank and open dialogue with suppliers and contractors according to sound business practices; and

- report the possible violations of the Code to a supervisor and to the SB in a timely manner.

The fee to be paid will be commensurate to the contractually agreed services to be rendered, while payments may only be made as prescribed under the contract.

Payments to suppliers and consultants will be made by a bank cheque, bank order or bank wire transfer to a bank account in the contracting party's name.

## **IMPLEMENTATION OF THE CODE OF CONDUCT**

### **The Code's value as a contract**

Compliance with the Code is part of the obligations undertaken under existing (or future) employment contracts (Article 2104 of the Italian Civil Code). Reference to the 'Code' is a reference to the document in its entirety, as well as all the specific procedures approved by the Company to implement it.

Violation of these provisions will be considered a disciplinary offense which, as such, may be pursued and sanctioned by the Company (Article 7 of Law 300/1970), including by seeking compensation for damages. The Company also discloses the Code to those individuals who work with the Company without any subordination relationship: consultancy, agency, trade representation and other relations that involve the provision of services as an independent contractor whether on an ongoing or temporary basis (including those parties acting on behalf of suppliers and partners, such as a temporary association of undertakings and joint ventures); (the

**“Third Parties”)**

To this end, Finchimica S.p.A. requests that special clauses be inserted in their contracts, which include:

- (a) Information provided to third parties on the adoption by Finchimica of the Model and the Code of Conduct (General Part of the Model and Code of Conduct). Third parties must confirm that they have read the documents and undertake to avoid acting in such a way that may result in a breach of the law and of any other regulations that may be applicable from time to time, or that may incorporate one of the offences provided under Legislative Decree 231/01; and
- (b) the right of the Company to terminate the contract (with or without compensation of damages) in the event of non-compliance with those obligations.

**Surveillance on the Code**

The **Board of Directors** acts as the “**Authority**” overseeing the implementation of the Code of Conduct.

In this context, the **Surveillance Body** has the **following tasks**:

- a) evaluates any alleged violations of the Code that has been reported to it;
- b) notifies the Board of Directors about adopting appropriate measures or about reports received regarding alleged violations of the Code;
- c) proposes to the B.o.D. useful actions for a more widespread dissemination and updating of the Code; and

- d) activates and streamlines an adequate flow of information among the parties bound to comply with the Organisational Model.

### **Values and principles**

The Code of Conduct is founded on the following values and principles that characterise the Company:

#### **Values:**

- **CENTRAL ROLE OF THE INDIVIDUAL** – this is a principle enshrined in the Italian Constitution and stated in the Treaty establishing a Constitution for Europe. It is the value that drives Finchimica: respect for human dignity is always at the heart of our business. Our people, our “team” are at the centre of our business: a competent, responsible, tenacious determined, and reliable team, mindful of the individual’s role; our commercial partners and all the other individuals who, in various ways, contribute to our business are also at the heart of our business.
- **INTEGRITY** - we believe that trustworthiness and transparency are key ethical and professional values which must be enshrined in the corporate structure and must be abided by at all levels - from production to sales; from research & development to administration; from regulatory activities to purchases - and at every business level, in relationships with suppliers and customers; with the institutions and the authorities, including local bodies.
- **RESPONSIBILITY** - we are aware of our responsibility, both individual and collective, deriving from our doing business every day, at all levels: in achieving our economic objectives, we are mindful of the need to

protect the environment and the territory in which we operate, as well as to respect our people, the consumers and the society.

- **COMPETENCE AND TEAM WORK** - we have founded our corporate culture on competence and quality by investing and continuing to invest over time significant resources in training and education to achieve advanced skills, focusing on merit and excellence, with the aim of continuous learning and improvement. We are aware that business goals may only be achieved by combining personal skills and talents with the ability to work together (that is, team work). We believe that only a strong team with excellent competences, cohesive and reliable, proactive and flexible, accurate and committed can ensure continuing and sustainable growth: this is the team of Finchimica.

### **Operating Principles**

- action that is consistent with corporate values;
- useful, transparent, direct, honest and accurate communication, whether internal or external;
- proactive and open participation, without prejudices and preconceptions, in team work;
- a working method based on trust and cohesion, as well as on the recognition and appreciation of individual merit. Continuous learning and development of skills, in the view of achieving excellence in terms of technical competence in the industry, as well as in the relations between people and in carrying out business activities; and
- definition of reasonably ambitious goals and results, thinking outside the box and being mindful of the need to overcome, with courage and

dedication, the challenges arising from the continuous changes that contemporary society and global markets are faced with; conscious of the inevitable difficulties, but supported in the process by the excellence built day by day with efforts, tenacity and perseverance, and strengthened by the fact of “being a team” no matter what.

### **Shared commitments**

Complying with the laws and regulations in force is at the core of Finchimica’s policies. No action that violates laws and regulations may be undertaken on behalf of the Company. Each Party Bound must comply with the legal and ethical principles applicable to business activities. In the event of doubts on how to proceed, each Party Bound may turn to the SB for its advice on whether their actions conform with the rules set out in this Code. The Company is committed to acting with integrity and to managing its activities in line with the standards of conduct.

Everyone must be committed to interacting properly with customers, suppliers, competitors, and colleagues.

No one should strive to achieve positions of supremacy in working relationships by manipulating, concealing or abusing privileged information, or in any event by misrepresenting the truth. Everyone's attitude must be fair, collaborative, and constructive. This Code contains both personal and professional rules of conduct. Therefore, undertaking to respect the Code is not tantamount to entering into an employment contract, nor does it guarantee permanent employment.

### **Rules of conduct for the Management**

Members of the Board of Directors and the Board of Auditors, as well as the Department managers must comply with this Code and act in compliance with such values as honesty, loyalty, fairness and integrity, wilfully sharing the Company's mission.

The members of B.o.D. are specifically tasked with concretely implementing the principles of this Code, reinforcing the trust and cohesion that inspires the corporate business activity.

To this end, the Board of Directors abides by the values set out in the Code, including when establishing corporate objectives. The B.o.D. acts in the utmost awareness of accurately interpreting the principles enshrined in this Code of Conduct.

### **Duties of the Department Managers**

Each Department Manager must:

- a. act in such a way as to set a good example for its subordinates;
- b. ensure that its subordinates comply with the Code;
- c. ensure that employees understand that compliance with the provisions of the Code falls within the scope of the obligations deriving from their employment;
- d. select employees and contractors who guarantee compliance with the principles contained in the Code;
- e. promptly report to the SB any violations of the Code or requests for clarifications by employees; and
- f. prevent any form of retaliation inside its Department that might cause harm to employees or contractors who cooperated in

ensuring compliance with, or concrete implementation of, the Code.

### **Duties of Employees**

Every employee must be familiar with the provisions of the Code and the law in force governing the activity performed in their department.

Employees must:

- a. comply with the Code and refrain from violating its provisions and standards;
- b. in case of doubts, turn to a supervisor or the SB to obtain the necessary clarifications on the application of the Code;
- c. promptly report to supervisors any information about possible violations of the Code, unless those irregularities directly involve their supervisors; in this case, the matter must be directly referred to the next manager in line, to whom the “**direct supervisor**” involved reports; and
- d. collaborate with the Company in the investigations to verify and possibly sanction potential violations. The employee is not authorised to lead or to conduct investigations related to presumed illicit conducts and has to communicate news of which he is aware regarding said conducts only to his supervisors. “Direct supervisor” is the person hierarchically formally superior, responsible because appointed or authorized to the activities’ surveillance and/or monitoring.

### **Reporting a violation and seeking advice**

The Parties Bound by the provisions contained in this Code must report to the SB or to their supervisors any behaviour that is, even potentially, contrary to the provisions of this Code.

No one will be subject to any form of retaliation for having flagged up a suspected violation of these rules.

If, in the conduct of business, any doubt about arises as to the compliance of a conduct with this Code or other ethical rules or standards of conduct set by the Company, the Parties Bound must contact the SB or a supervisor.

Everyone is individually responsible for applying these rules and nobody is required to “apply rules by acting independently”.

All the Parties Bound by this Code of Conduct may report in writing any violation or suspected violation of the Code of Conduct through protected information channels. The SB will consider all the reports, which may also be anonymous, guaranteeing at all times the privacy of those who filed them. The SB will consider whether an investigation should be commenced based on the circumstances arising on a case-by-case basis. The reports can be sent to the following email address:

[odv@finchimica.it](mailto:odv@finchimica.it).

Confidentiality of the whistleblower is ensured, subject to the applicable legal obligations.

### **Responsibilities**

Act in compliance with all the legal requirements and key principles contained in this document is essential when working in Finchimica S.p.A.

Failure to comply with these rules of conduct may result in the legitimate application of disciplinary measures in accordance with the provisions of the relevant paragraphs of this Code, including dismissal. This is without prejudice to any civil or criminal liability of the Parties Bound arising from acting in violation of the rules of this Code. As soon as the Company is notified of alleged breaches, it will evaluate those allegations applying such criteria as the severity of the action and the circumstances that led to the infringement of the procedures. Finchimica will take into consideration the seniority of the employee, his/her behaviour and contribution. Possible disciplinary measures may include leave without pay or dismissal. In addition, if the Company suffered an economic loss, it may seek compensation from the responsible party.

The Company will cooperate with the competent authorities in the event of a violation of law and, where it so considers appropriate, will directly report these violations to competent authorities.

### **Investigation of violations**

All violation reports will be immediately investigated and processed with the utmost discretion; more specifically, as far as employees are concerned, investigations will be carried out in accordance with the provisions of law and the National Collective Bargaining Agreements on disciplinary proceedings (see the paragraph of this Code on this issue).

The person reporting the violation may not conduct preliminary investigations on his/her own. Investigations on alleged breaches may result in complex legal issues. Acting on one's own initiative can therefore affect the outcome of the investigations and have negative consequences

vis-à-vis the employee and the Company. All reports regarding possible violations of this Code, refusal to apply the Code or other ethical rules and standard of conduct adopted by the Company must be reported to supervisors.

### **No retaliation**

FINCHIMICA S.p.A. will take all the necessary measures to investigate any breaches of the law or of the corporate policies.

The Company requires its employees to behave with integrity and good faith, including regarding the disclosure of any breach of the law or of the company's policies: no retaliation against employees who have in good faith reported a possible violation or who have participated in the investigation of an alleged violation is permitted.

### **Application of the Code and Disciplinary Consequences**

Any breaches of this Code may have a serious impact on the Company. Employees must therefore promptly inform their supervisors or the SB of any activity that may constitute a breach of the rules or the values enshrined in the Code. Violations of this Code of Conduct may result in the application of disciplinary sanctions in accordance with the law, the Code and the applicable National Collective Bargaining Agreement (*Contratto Collettivo Nazionale di Lavoro Addetti all'industria chimica, chimico-farmaceutica, delle fibre chimiche e dei settori abrasivi, lubrificanti e GPL e Dirigenti di aziende produttrici di beni e servizi*) - hereinafter the "CCNL". Where a possible violation of this Code or other policies adopted by

FINCHIMICA is reported, the Company will commence disciplinary proceedings against the employee according with Article 7, Law No. 300/70 and the applicable CCNL. Without prejudice to provisions under the paragraph “**The Code’s value of as a contract**”, the Company may only enter into an agreement with third counterparties that commit to comply with, and abide by, the provisions (or part thereof) and the principles stated in this Code. Specific provisions of the Code approved by third parties in writing or by conclusive actions, constitute an integral and substantial part of the contracts concluded with the Company. Any violations by third parties of specific provisions of the Code may result in the Company’s legitimate termination of the contract with those parties. Those violations are also identified beforehand as grounds for termination of the contract under Article 1456 of the Italian Civil Code.

The Company requires its employees to behave correctly and in good faith, including with respect to the disclosure of any breach of the law or of the company's policies: no retaliation against employees who have in good faith reported a possible violation or who have participated in the investigation of an alleged violation is permitted.

### **For any further information**

For more details, Finchimica S.p.A. invites all the Parties Bound to contact the SB at the e-mail address: [odv@finchimica.it](mailto:odv@finchimica.it).