



FLAMMA Group
CODE OF ETHICS

Approved by the Executive Board
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TABLE OF CONTENTS

| | |
|---|-----------|
| 1 GENERAL PRINCIPLES..... | 3 |
| 1.1 <i>Premise.....</i> | 3 |
| 1.2 <i>Ethical Principles.....</i> | 4 |
| 2 EXTERNAL RELATIONS | 5 |
| 2.1 <i>General Provisions.....</i> | 5 |
| 2.2 <i>Relations with Third Parties.....</i> | 5 |
| 2.3 <i>Management of Financial Resources</i> | 9 |
| 2.4 <i>Information MANAGEMENT.....</i> | 9 |
| 2.5 <i>Conflicts of Interest</i> | 10 |
| 2.6 <i>Anti-money Laundering.....</i> | 11 |
| 3 I RAPPORTI INTERNI INTERNAL RELATIONSHIPS..... | 11 |
| 3.1 <i>Compagny Personnel Conduct Standards.....</i> | 11 |
| 3.2 <i>Human Resources Management.....</i> | 12 |
| 3.3 <i>Management of Confidential Information.....</i> | 13 |
| 3.4 <i>Electronic Media Management</i> | 14 |
| 3.5 <i>Compliance With Laws.....</i> | 14 |
| 4 ENVIRONMENT AND SAFETY..... | 15 |
| 5 MODALITY OF IMPLEMENTATION | 16 |
| 5.1 <i>Disciplinary System.....</i> | 16 |
| 5.2 <i>Communication and the Obligation of Disclosure</i> | 17 |
| 5.3 <i>Implementation of the Code of Ethics.....</i> | 17 |

1 GENERAL PRINCIPLES

1.1 PREMISE

Given the particular sector in which FLAMMA Group companies (hereinafter referred to as "Group" or "FLAMMA") operate, it is important to clearly define the set of values that the Group recognizes, shares and promotes, in the awareness that they are based on the principles of diligence, fairness, loyalty, integrity and professionalism which constitute an important "motor" for economic and social development.

This Code of Ethics therefore defines the general principles of conduct applicable without exception to FLAMMA Group employees and to all those working to achieve their goals. More specifically, those who are in an apical position, such as directors, statutory auditors or managers, as well as all employees, coworkers, advisers and, more generally, all the third parties involved in the Group companies must never come less respect for fundamental principles such as honesty, moral integrity, fairness, transparency and objectivity in pursuit of business goals.

The aforementioned subjects, during the performance of their duties, must abide by the laws and regulations in force by orienting their actions and behaviors to the principles, objectives and commitments referred to in the Code and, in no case, the pursuit of the interest of the Group may justify behavior contrary to these standards.

FLAMMA recognizes as the key success factor of the enterprise the professional contribution of the people who work there.

The Company:

- *considers the individual, his principles and rights, intangible values to be protected;*
- *promotes and respects the personal dignity and fundamental rights of the person, safeguarding their moral integrity;*
- *considers the impartiality of treatment as a fundamental value in every relationship;*
- *promotes equality, committed to ensure equal opportunities.*

Any form of discrimination and physical and psychological harassment and, in particular, any discrimination based on race, nationality, sex, age, physical disability, sexual orientation, political opinions, trade unions or religious beliefs shall be avoided.

Everyone, within the responsibilities associated with the role played, must provide the highest level of professionalism he has and engage in the assigned activities, contributing in a concrete way to the achievement of the company's goals.

FLAMMA also established in FLAMMA S.p.A. a Supervisory Body (hereinafter "SB"), which has autonomous powers of initiative and control, to ensure compliance with this Code of Ethics. The SB

has the burden of facilitating and promoting the knowledge of the Code of Ethics to the entire internal structure of society.

Any conduct contrary to the spirit of the Code of Ethics itself must be reported to the SB and will be prosecuted in accordance with the disciplinary system.

To this end, appropriate procedures have been adopted in line with the principles of this Code of Ethics.

The Code of Ethics is an integral part of the Organizational Model adopted pursuant to Legislative Decree 231/2001.

1.2 ETHICAL PRINCIPLES

The FLAMMA Group:

- is conscious of the influence that its activity has on economic and social development and on the general well-being of the community; For this reason, FLAMMA intends to promote its development in a manner compatible with the respect for the environment and the needs of local and national communities, while promoting scientific, cultural and social initiatives;
- places maximum emphasis, always and in any case, on avoiding situations where the subjects involved in transactions are in conflict of interest;
- guarantees the confidentiality of the information that it possesses and refrains from seeking and treating confidential data, except in the case of explicit and conscientious consent and/or compliance with the applicable legal regulations;
- plans its activities by seeking the best possible balance between economic initiatives and environmental requirements, taking into account the rights of present and future generations;
- trusts in the high quality of its products and services, in the capacity and commitment of its employees; recognizes, therefore, the value of free, open and fair competition and refrains from illicit agreements, harassment and abuse of any dominant position;
- attaches great importance to the physical and moral integrity of its employees, to working conditions respectful of individual dignity, and to safe and healthy working environments; condemns child labor and does not tolerate requests or threats to induce people to act against the law, the Code of Ethics, beliefs or moral, personal and individual preferences; safeguards and promotes the value of human resources in order to improve and enhance their skills;

- in carrying out its activities, acts in compliance with the laws and regulations in force in the countries in which it operates, as well as this Code of Ethics and internal company rules, applying them with rectitude and fairness.

2 EXTERNAL RELATIONS

2.1 GENERAL PROVISIONS

FLAMMA's corporate bodies members, employees and associates must maintain a strictly correct and integrity-based behavior in all relationships with persons and entities outside the FLAMMA Group.

No gift forms are allowed that can be interpreted, even only indirectly, beyond the normal courtesy of the business practice. Only gift and present forms of negligible value are allowed, provided that they are not intended for obtaining, also indirectly, favorable treatment.

Even potential liberties to the Entities can not be instrumental in obtaining favorable treatment.

When starting business relationships with new suppliers and customers and managing existing ones, it is necessary to avoid, on the basis of public information and/or available current legislation, the following:

- *maintain relationships with persons involved in illicit activities, in particular relating to arms and narcotics trafficking, money laundering and terrorism and, in any case, with subjects deprived of the necessary requirements of seriousness and commercial reliability;*
- *maintain financial and commercial relations with people who, even indirectly, hinder human development and contribute to violating the fundamental human rights of the person;*
- *conduct behaviors that have discriminatory content on personal dignity, the private sphere and individual personality rights, based on race, nationality, social conditions, political and trade union opinions, religious beliefs, sexual orientation, state of health, and generally any intimate characteristic of the person;*
- *use incentives and disincentives because industrial investment abroad involves exploiting child labor, rather by defining codes of conduct for sectors and businesses that internationalize their businesses.*

2.2 RELATIONS WITH THIRD PARTIES

Professionalism, competence, fairness and courtesy represent the guiding principles that the recipients of the Code of Ethics are obliged to follow in their dealings with third parties and/or companies involved.

Relations with third parties must be marked by:

- *Greatest professionalism and fairness;*
- *Respect of the law, with particular reference to the disposals in the field of crimes against the public administration;*
- *Independence over any form of conditioning, both internal and external.*

2.2.1 RELATIONS WITH SHAREHOLDERS

The work of the FLAMMA Group employees creates value for shareholders, and also safeguards assets and corporate resources with the shared goal of prosperous and sustainable growth.

FLAMMA's internal structure is organized according to rules that are able to ensure that the information, be it financial or not, provided by management, is complete, accurate, exhaustive and timely provided in order to make the necessary decisions.

The FLAMMA Group ensures the correct management of corporate information.

2.2.2 RELATIONS WITH SUPPLIERS, CONSULTANTS AND BANKS

The persons responsible for the process of acquiring goods and/or services:

- *are required to respect the principles of impartiality and independence in the exercise of the duties and functions entrusted to them;*
- *must remain free from personal obligations towards suppliers and consultants;*
- *must maintain relations and conduct negotiations in order to create a solid basis for mutually beneficial and long-lasting relationships, in the interest of the FLAMMA Group;*
- *are strictly obliged to immediately report any attempt or case of unintentional alteration of normal business relations to the SB;*
- *must not accept goods or services from external or internal entities in the aim of receiving confidential information or initiating actions or behaviors intended to encourage such persons, even if there are no direct repercussions on the Company.*

2.2.3.1 SELECTION CRITERIA

The purchasing process must conciliate the pursuit of maximum competitive advantage for the FLAMMA Group with loyalty and impartiality. In particular, the persons who, in the name and on behalf of the Group, control this process, must operate in such a way that it:

- *allows anyone who is in possession of the objective requirements set by company rules to compete fairly;*

- *creates adequate competitive conditions.*

The FLAMMA Group has, also, collaborative relationships with scientific organizations, universities and professional experts. In such relationships, the only criteria for choice are related to scientific quality and competence. For particular types of goods/services, in addition to the normal selection criteria, it is as well required to consider:

- *the availability, declared and documented, of means, including financial, organizational structures, capacities and planning resources, know-how, etc.;*
- *the concrete existence of adequate corporate quality systems;*
- *the capacity of the supplier, if the supplying includes know-how or third party rights, to generate added value.*

2.2.3 RELATIONS WITH CUSTOMERS

The persons in charge of the sales process and therefore dedicated to maintaining business relationships with customers:

- *must remain free from personal obligations towards customers;*
- *must maintain relations and conduct negotiations in a correct and transparent manner in order to create a solid basis for mutually beneficial and long-lasting relationships, in the interest of the FLAMMA Group;*
- *must practice responsible marketing and strictly respect privacy;*
- *must act in accordance with the laws governing the exercise of commercial activities, as well as those relating to competition;*
- *are strictly obliged to immediately report any attempt or case of unintentional alteration of normal business relations to the SB;*
- *must not accept goods or services from external or internal entities in the aim of receiving confidential information or initiating actions or behaviors intended to encourage such persons, even if there are no direct repercussions on the Company.*

2.2.4 RELATIONS WITH THE PUBLIC ADMINISTRATION

For the purposes of this Code of Ethics, the term Public Administration, other than any Public Entity or publicly-owned company, must also be understood as defining any independent administrative agency, natural or legal person, acting as an official public servant or as a person entrusted of public service, or even as a member of any European Community entity, as an official of the European Community, or even as an official of any other foreign State.

Still under the meaning of this Code of Ethics, the definition of a Public Entity includes those private entities which, for the sake of political and economic reasons, fulfill a public function of protecting the general interests.

Within the relations with the Public Administration, employees and coworkers of the Group, neither directly nor indirectly, or through the intermediary of any person, may either offer or promise money, gifts or remuneration, in any form whatsoever, or exercise unjustified pressures, or promise any object, service, performance in favor of executives, officials and employees of the Public Administration, or persons entrusted with public service and their relatives or cohabitants, in order to induce them to perform a compliant or contrary act to the Public Administration office duties.

Only gift-giving items of negligible value are allowed, provided that they are not intended to induce the above subjects to perform acts contrary to the Public Administration office duties.

Anyone receiving express or implied requests for benefits of any kind from Public Administration entities, as defined above, must inform the SB in a timely manner so that the most appropriate measures can be taken.

The prescriptions stated in the foregoing sections must not be circumvented through the use of various forms of assistance or contributions which, in the shape of commissions, consultancies, advertising, or any other, have similar purposes to those prohibited in this article.

In particular, the following operations must not be undertaken, directly or indirectly:

- *examine or propose employment and/or business opportunities that may benefit employees of the Public Administration personally;*
- *solicit or obtain confidential information that could compromise the integrity and/or reputation of both parties.*

2.2.5 RELATIONS WITH THE JUDICIAL AUTHORITY

Regarding any claims of any nature from the Judicial Authority and generally in any contact with it, the Group commits itself to providing the utmost cooperation to make truthful and representative statements of the facts, refraining from any behavior that may cause hindrance, in absolute compliance with the laws and in accordance with the principles of loyalty, fairness and transparency.

In addition, all Recipients involved in judicial proceedings must cooperate effectively and make truthful, transparent and representative statements of the facts.

It is explicitly prohibited to:

- *engage in any action which may favor or damage one of the parties involved, during the proceedings;*
- *influence, in any way and form, the will of the persons called upon to respond to the Judicial Authority in order not to make statements or to declare facts that are not true;*

- *promise or offer money, hospitalities or other benefits to persons involved in judicial proceedings or persons close to them.*

2.2.6 RELATIONS WITH CORPORATIONS AND ASSOCIATIONS

The FLAMMA Group, including its subsidiaries, may receive requests for contributions from Non-Profit Organizations and Associations with regular statutes and constitutive acts, for activities relating to social, sport, environment, culture and science topics.

In any case, in choosing the proposals to participate, the FLAMMA Group pays special attention to prevent and avoid any personal or corporate conflict of interest.

2.3 MANAGEMENT OF FINANCIAL RESOURCES

The management of financial resources must be carried out in strict compliance with the delegated powers of each subject, as well as any specific authorizations for the completion of particular operations or particular categories of operations.

2.3.1 AND USE OF ACCOUNTING INFORMATION

Accounting transparency is based on the existence, accuracy and completeness of the basic information for the respective account records. Each administrator, employee, collaborator and service provider is bound to operate in order to ensure that management operations are properly and timely reported in the accounts.

Each recording must reflect exactly what comes out of the support documentation. It is the task of each involved subject to ensure that documentation is easily traced and sorted by logical criteria. All subjects are required to promptly inform their managers of possible omissions, falsifications, negligence of accounting or documentation on which accounting records are based, through appropriate communicative channels. Reporting must also be made to the SB.

2.4 INFORMATION MANAGEMENT

The FLAMMA Group ensures full transparency, completeness and information traceability in the provision of communications, reports and direct notices to Public Authorities, suppliers, consultants, customers, and to the Group employees and associates.

The operations carried out by the FLAMMA Group, as well as the main contacts with the Public Administration, must be properly registered.

Each operation must be properly documented in order to be able to carry out controls, at any time, which allow to:

- *verify the characteristics and the justifications;*
- *identify the subjects that have authorized, performed, registered and verified the operation itself.*

FLAMMA guarantees the confidentiality of the information in its possession and the right compliance with the rules on data processing. The Company undertakes to ensure that Privacy is respected, especially regarding information relating to the private sphere and the opinions of its employees and, more generally, of those interacting with it.

Recipients have the duty to respect and protect the news and information inherent to the activity acquired and/or processed by FLAMMA when performing their task or office, and to make proper use of it in the interest of the company, protecting confidentiality and privacy.

2.5 CONFLICTS OF INTEREST

Employees, managers, members of the corporate entities and, in general, all those who work in the name and on behalf of the FLAMMA Group, must avoid any possible conflicts of interest generated by the following activities:

- *participate in decisions concerning business with subjects concerned by an existing conflict of interest as above-mentioned;*
- *participate in decisions concerning business from which a personal interest might arise;*
- *propose or accept agreements and, in general, behave in any way that may, directly or indirectly, cause the Group any harm, even in terms of image and/or credibility on the market;*
- *influence the decision-making autonomy of another person charged with defining business relations with or for the same.*

Employees who are in a situation of conflict of interest, even just potential, must immediately report to the SB that will evaluate the position and report back to the Board of Directors.

In conducting any activity, the FLAMMA Group must avoid situations where the subjects involved in transactions are in conflict of interest.

Examples of expected behaviors

- ✓ *Do not accept or offer any present of value or hospitalities if this can compromise our independence, influence our decision-making ability, or serve as a reward for the interests of a third party, or be considered as inadequate.*
- ✓ *Offering or accepting gifts and services can only take place in accordance with the established guidelines.*
- ✓ *Report to the company any potential conflicts of interest that may affect Your behavior.*
- ✓ *Do not take advantage of your position in Flamma for personal benefit or for the interest of your relatives or collaborators.*

- ✓ *Report to the company and refrain from taking part in any recruitment or decision involving people with whom you have a personal or family relationship.*

2.6 ANTI-MONEY LAUNDERING

FLAMMA conducts its business in full compliance with current anti-money laundering regulations and regulations issued by competent Authorities.

To this end, the Group is committed to avoiding suspicious transactions in terms of fairness and transparency. In particular, all employees undertake to preventively verify the information available relating to customers, suppliers, and external collaborators in order to control their respectability and the legitimacy of their business, promptly informing the SB of any abnormalities detected.

Employees also undertake to operate in such a way as to avoid any implications in transactions which are, even only potentially, likely to foster money laundering of money deriving from illegal or criminal activities, acting in full compliance with anti-money laundering legislation.

3 I RAPPORTI INTERNI INTERNAL RELATIONSHIPS

3.1 COMPANY PERSONNEL CONDUCT STANDARDS

The FLAMMA Group employees, executives, associates and consultants must:

- *commit to seek to improve their skills and professionalism, enriching them with the experience and collaboration of colleagues, taking a constructive and proactive attitude, stimulating the professional growth of their collaborators;*
- *base their decisions on principles of sound and prudent management, evaluating in a cautious and clever way the potential risks, with the awareness that personal choices contribute to achieving positive corporate results;*
- *protect and maintain the confidentiality of information acquired in the performance of assigned activities. Such information may not be used, communicated or disclosed either inside or outside the FLAMMA Group, subject to the assumptions prescribed by applicable law and governed by the Company's procedures;*
- *respect and safeguard socially-owned property, as well as preventing fraudulent or improper use;*
- *use the business tools in a functional and exclusive way to carry out the work or for the purposes authorized by the internal functions concerned;*
- *prevent personal financial situations from affecting the proper conduct of their work;*

- *avoid soliciting or accepting, for yourself or others, recommendations, favours, gifts, or other benefit from the subjects with whom you enter into relation.*

With particular reference to the use of the Information Systems, it is explicitly forbidden to use them for purposes contrary to law, public order or good habit, or in any case to express racial intolerance, glorification of violence or violation of human rights, as well as to commit or induce the perpetration of crimes, to harm or alter information systems or information from private or public third parties, or to illegally obtain unauthorized disclosure of confidential information.

It is also forbidden to make illegal downloads or to convey content protected by copyright law to third parties.

In the event of receiving non-symbolic gifts or hospitalities, the direct superior and, if necessary, the SB, should be informed in order to decide whether to return it or take some more appropriate course of action;

Examples of expected behaviors

- ✓ *Before sending an e-mail or commenting on social networks, always ask whether this could be perceived as inadequate or not very ethical. If the answer is yes, do not send the e-mail or do not comment;*
- ✓ *Use IT resources in an appropriate way, trying not to damage them and always for work purposes;*
- ✓ *Respect current legislation regarding data privacy and related laws;*
- ✓ *When starting the contractual relationship with Flamma, do not share confidential information that is owned by previous companies, in violation of applicable law or contractual clauses;*
- ✓ *Be responsible for the correct use and protection of confidential information;*
- ✓ *Do not share information with third-parties if a confidentiality agreement is not in effect.*

3.2 HUMAN RESOURCES MANAGEMENT

The company is committed to developing the skills and competences of each employee so that the energy and creativity of the individuals can be fully expressed through realizing each person's potential. The FLAMMA Group undertakes to provide equal job opportunities for all employees, based on professional qualifications and performance capability, without any discrimination.

The Group must select, hire, remunerate and manage employees on the basis of merit and competence criteria, without any political, trade union, religious, racial, language or gender discrimination, in compliance with all laws, regulations and directives in force. In addition, the competent functions must create a work environment devoid of prejudices, free from any form of intimidation, in which each individual is treated as a colleague and as a member of a team, respecting his professionalism, avoiding unlawful conditioning or undue discomfort.

Each employee will share the responsibility to help create a professional atmosphere in which all colleagues feel welcome and encouraged to achieve their goals.

Examples of expected behaviors

- ✓ *Treat your colleagues, superiors and collaborators in a fair and respectful manner;*
- ✓ *Promote a positive work environment, free from discrimination and harassment;*
- ✓ *Do not discriminate in the processes of selection, training and promotion and, in general, in any type of decision relating to employment;*
- ✓ *Take advantage of the training provided by the company and implement it in your work;*
- ✓ *Engage yourself in your professional growth, by updating knowledge and skills;*
- ✓ *Offer and request information to improve your and your colleagues' learning;*
- ✓ *Promote a constructive dialogue about the performance of your colleagues to help them grow professionally;*
- ✓ *Should you need to supervise the work of other employees, help them grow and develop professionally;*
- ✓ *Share knowledge and resources with others to help the group achieve its goals;*
- ✓ *Work efficiently, making good use of the time and resources, trying to provide the greatest possible value to the company.*

3.3 MANAGEMENT OF CONFIDENTIAL INFORMATION

One of the most valuable assets of the FLAMMA Group is the information it has accumulated during its activity. Each employee is responsible for the integrity and protection of the confidential information and intellectual property of the company, and it is a duty to take all reasonable precautions to protect the information from improper disclosure.

Intellectual property includes inventions, improvements, ideas, information, software, models and programs, related documentation, patents, trademarks, and copyrights. The Company is the exclusive owner of all intellectual property that derives from our activities or that is developed by employees and collaborators using the spaces and tools made available to them by the Company.

Employees must also ensure that they do not abuse intellectual property or confidential information of all other parties. Every employee must have a practical knowledge of the laws and regulations that affect their job responsibilities.

The intellectual property of FLAMMA is extremely precious and at the same time fragile because it can be compromised or rendered useless if it is not protected by everyone.

3.4 ELECTRONIC MEDIA MANAGEMENT

All electronic and telephone communications, computer equipment, software, services and all information transmitted or stored in these systems, are the property of FLAMMA and therefore are exclusively reserved for official activities.

All messages and information sent, received or stored using the e-mail system and instant messaging tools are and will remain the property of the Company, including passwords. Unless expressly required by law, no electronic communication should be considered as an employee's private property and employees should not expect privacy for messages or communications transmitted using FLAMMA's electronic resources.

Security and risk management is a critical issue for everyone, and in the same way risk reduction is everyone's responsibility. Employees are responsible for the content of the computer and other mobile storage devices, and are held responsible for any violation of company policies.

All employees must use corporate electronic resources responsibly, efficiently and appropriately, and protect them from any abuse that may harm the company's interests or reputation.

3.5 COMPLIANCE WITH LAWS

Compliance with laws is a priority requirement for the FLAMMA Group. Every employee must be aware of the legal implications of their activity; management is required to provide each employee with the necessary information and instructions.

Examples of expected behaviors

- ✓ *Respect the current legislation and do not carry out acts that may distort competition;*
- ✓ *Do not exchange confidential information with competitors or initiate conversations that may lead to anticompetitive behavior;*
- ✓ *Do not reach agreements with competitors that involve, among other prohibited practices, the fixing of prices, markets or customers;*
- ✓ *Respect the laws and rules applicable to the registration of information;*
- ✓ *Make sure that information (financial and otherwise) is reliable and true;*
- ✓ *Do not make false declarations of entry or reimbursement of expenses;*
- ✓ *If you are discussing with the public administration, make sure that all the information provided, as well as the communications made, are true and reliable.*

4 ENVIRONMENT AND SAFETY

The Group is committed to spreading and consolidating a culture of safety, developing awareness of risks, promoting responsible behaviors expected from all employees, and working to preserve, especially with preventive actions, the health and safety of workers.

FLAMMA activities must be carried out in full compliance with current legislation on prevention and protection; operational management must refer to advanced criteria for environmental protection and energy efficiency, pursuing the improvement of health and safety at work conditions. The Group also undertakes to guarantee the safeguard of working conditions in the protection of the psycho-physical integrity of the worker, respecting his/her moral personality, avoid the latter being exposed to illegal conditioning or undue discomfort.

The FLAMMA Group manages its activities pursuing the protection of the environment and the safety of its personnel and third parties, with the objective of continuously improving its performance in this area.

To this end, the FLAMMA Group:

- *undertakes to comply with the current provisions on safety and the environment;*
- *elaborates and communicates the guidelines for the protection of the environment and safety that must be followed by the companies of the Group;*
- *promotes employees participation in the process of risks prevention, environmental protection and safeguard of health and safety towards themselves, colleagues and third-parties;*
- *prohibits providing services under the effects of the abuse of alcohol, drugs or substances with similar effects; consume or transfer narcotics under any title during the performance of their work activities;*
- *prohibits smoking in all environments and workplaces, with the exception of areas specifically dedicated and indicated, and this in order to avoid serious dangers to people, plants and materials. Failure to comply with this prohibition is sanctioned by disciplinary measures according to the law and contractual provisions;*

It will therefore be considered a conscious assumption of the risk of prejudice of these environmental characteristics during work and in the workplace, and therefore behavior that can be subject to disciplinary measures in accordance with the effects of the legal and contractual provisions.

Examples of expected behaviors

- ✓ *Learn about the rules, obligations and internal processes of the environmental management system applicable to your activities;*

- ✓ *Minimize the environmental impact of your activities, by reducing the consumption of natural resources (energy, water, paper and others);*
- ✓ *Take an active role in energy saving and waste reduction programs;*
- ✓ *Encourage environmental awareness in your work;*
- ✓ *Report any injury or accident, or near-accident which may result in a threat to the environment;*
- ✓ *Learn to know and respect the health and safety standards of the company in your daily work;*
- ✓ *When necessary, use the prescribed personal protective equipment and adopt the defined preventive measures;*
- ✓ *In the event of risk resulting from dangerous behaviors or special situations related to your work, correct them or notify someone immediately so that they can remedy them;*
- ✓ *Immediately report any injury, accident, near-accident or other which may result in a threat to the health or safety for the company, employees or society in general.*

5 MODALITY OF IMPLEMENTATION

5.1 DISCIPLINARY SYSTEM

The principles expressed in this Code of Ethics are an integral part of the conditions that regulate the employment relationship in the companies of the Group; any violations will result in the application of sanctions in compliance with the current disciplinary system envisaged for employees, managers, directors and statutory auditors and commensurate with the gravity of the violation.

FLAMMA provides, through specially designated Entities and Functions, to impose, with consistency, impartiality and uniformity, sanctions proportionate to the aforementioned violations, compliant with the current provisions on the regulation of labor relations.

The Company undertakes to engage its suppliers, consultants, collaborators in compliance with the law, as well as to become aware of and adhere to the principles established by this Code of Ethics.

The Company reserves the right to take all appropriate measures (including the termination of the contract, without prejudice to the entitlement to demand compensation if the conduct in question has damaged FLAMMA) in the event that the counterparty, within the fulfillment of activities in the name and/or on behalf of the Company, violates legal regulations or this Code of Ethics.

At the same time, the Company requires its collaborators and consultants to adopt the same rules of conduct both towards FLAMMA and towards third-parties with whom collaborators and consultants will be in a relationship during the period of collaboration with FLAMMA.

5.2 COMMUNICATION AND THE OBLIGATION OF DISCLOSURE

All personnel, subjects belonging to the corporate entities, auditors, consultants, and more generally all third-parties entering into a business relationship with Group companies, must read the Code of Ethics and undertake to follow the requirements and rules contained in it.

In particular, FLAMMA provides, also through the Supervisory Body, endowed with independent powers of initiative and control, appointed pursuant to Legislative Decree no. 231/2001:

- *the dissemination of the Code of Ethics to the Recipients;*
- *the interpretation and clarification of the provisions;*
- *the verification of effective compliance;*
- *the update of the provisions with regard to any needs that may arise occasionally.*

In order to guarantee the effective adoption of this Code of Ethics, FLAMMA prepares information channels through which all those who become aware of any potential illicit behavior within the Group can report freely, directly and in an absolutely confidential manner to the Supervisory Body.

The reports must be sent to the following e-mail address:

odv.flamma@flamma.it

After the warnings have been received, the Supervisory Body fulfills the related obligations and then ensures to inform the competent bodies at the early start of the procedures, which leads to the application of any possible sanctions in relation to the alleged infringements of the Code of Ethics.

It is an obligation for each Recipient to report, without delay, any behavior which is non-compliant with the principles of the Code of Ethics. It is the responsibility of the Group to ensure the confidentiality of the identity of the reporter and to guarantee the reporter from retaliation, unlawful conditioning, discomfort and discrimination of any kind in the workplace, for reporting the violation of the contents of this Code.

5.3 IMPLEMENTATION OF THE CODE OF ETHICS

The correct and effective application of the Code of Ethics is only possible through the commitment and contribution of the entire structure, in collaboration with the bodies responsible for the process of implementation and control.

This Code of Ethics, adopted by virtue of resolution by the Board of Directors of FLAMMA S.p.A., does not replace the current and future corporate procedures that continue to be effective insofar as they do not conflict with the Code of Ethics itself, but if they propose to gear the conducts from an ethical perspective.

5.3.1 INTERNAL CONTROL

The task of ensuring the respect of this Code is the responsibility of the SB, which must report at least annually to the Board of Directors and the Board of Statutory Auditors.