

BAGLIETTO S.P.A.

CODE OF ETHICS



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1. PURPOSE

The Code of Ethics adopted by Baglietto S.p.A. (hereinafter, "Baglietto" or the "Company") is a tool for the implementation of good conduct practices in business activities, in accordance with national and international legislation. The Code expresses the rights and duties, and the commitments and responsibilities to be assumed by anyone working and collaborating with the Company in any way.

The Code aims to define the improvement of internal relationships and the formation of an external, uniform and clear image, the abolition of opportunistic behaviour and the motivation of the maximum number of participants toward positive objectives.

To this end, Baglietto undertakes to create and manage an organisation with good rules that unambiguously manifest its values, are able to transparently identify conduct that is considered to be negative and express appreciation for positive conduct.

This Code was drawn up in a participatory manner involving company top management, employees and collaborators, with the goal of defining criteria of conduct with a positive ethical value shared as widely as possible within the Company.

The Code, therefore, is of a proactive nature: it is a tool that is not designed to sanction but, rather, is directed toward addressing the conduct to be adopted in business activities.

The principles set out in the Code of Ethics, as well as the corporate objectives and the strengthening of the capacity to create jobs, are pursued by ensuring that facilities and processes have suitable decision-making and operating safety standards that are propaedeutic to the development of corporate activity, the efficiency of selection mechanisms, business management, quality in management systems and risk measurement.

The need to share as extensively as possible the values which Baglietto acknowledges requires that these are defined and clarified in an official document. This enables widespread dissemination within the area of the Company so that all those who are part of it or who collaborate with it in any way can consistently comply with the principles set forth. Under no circumstances can the claim of acting in pursuit of an interest or benefit to the Company justify the adoption of conduct that is at odds with the conduct set out in this document.

The content of this Code of Ethics is, in fact, relevant for the purposes of preventing the offences envisaged and punished by Legislative Decree No. 231/2001 and constitutes a key element of the preventive control system.

2. MISSION

Baglietto S.p.A., based in La Spezia, has been a historic Italian nautical brand since 1854 and is an icon of Made in Italy yachting. The boat yard is specialised in the construction of new planing aluminium yachts from 35 to 50 metres and steel and aluminium hull displacement mega yachts exceeding 40 metres. This is also complemented by refitting and naval reconstruction activities of absolute excellence, in addition to military constructions, with the Baglietto Navy trademark, an ancient tradition of the Baglietto brand. The wide range on offer by the boat yard does not, however, limit the choice for Baglietto fans who can also count on the yard's total flexibility, with a part of its production dedicated to full "custom-built".

In February 2012, the boat yard was acquired by the Gavio Group, an international leader in motorway construction and concessions.

Baglietto's impressive endeavour is not limited to activities dedicated to the construction of these vessels, but also concerns the important activity of developing and designing new models which form equal bases for future development and consolidation. Each of these projects consistently follows the fundamental conceptual lines distinguishing the yachts of past success, both in the recognisability of the style and in absolute observance of the marine qualities of sturdiness, reliability and safety which have always strongly characterised Baglietto vessels.

In addition to this constant attention to the product's quality and reliability, Baglietto is always attentive to the issues of health and safety at the workplace, in full compliance with applicable legal provisions.

The Company has, therefore, launched the development of an integrated Corporate Management Voluntary System for Quality and Health and Safety at the Workplace, in accordance with the ISO 9001 and ISO 45001 international standards. The latter standard is a commitment to actively maintain, to be certified by a third-party Body and to communicate performance and goals externally.

Baglietto S.p.a. focuses on research and sustainability, thanks to new ecosustainable solutions and choices with low environmental impact.

3. SCOPE OF APPLICATION

This Code of Ethics applies to all directors, including those with operational, management and/or control functions within the Company, to employees and to all those who, in any way, collaborate or give their contribution to the company business, without any exception, including collaborators, consultants and agents (hereinafter, the "Recipients").

The following are specifically required to comply with the Code of Ethics:

- **Corporate boards and shareholders** with or without operational, management and/or control functions, who are to conform to all decisions and actions in compliance with the Code of Ethics, disseminating knowledge and facilitating its sharing on the part of employees and external collaborators who work with and on behalf of the Company;
- **Employees**, regardless of the type and the nature of the employment contract. Compliance with the rules of the Code must be considered an essential part of the contractual obligations of company employees pursuant to and in accordance with the provisions set out in Arts. 2104 and ff. of the Civil Code;
- **External collaborators such as agents, trading partners, consultants and suppliers of goods and services**, who must be suitably informed of the rules of conduct contained in the Code and must align their conduct to these principles for the entire duration of the contractual relationship with the Company. The knowledge and sharing of the Code of Ethics by these recipients must be expressly negotiated contractually, with a specific clause drawn up for this purpose;
- **Other stakeholders linked to the Company through a non-contractual relationship**, who are informed of the existence of this Code and who are obliged to familiarise themselves and to comply with its content.

All Recipients are, therefore, obliged to observe and, to the extent applicable, ensure that others observe the principles contained in the Code of Ethics, which also applies to the overseas activities carried out by the Company.

The infringement of rules in the Code of Ethics undermines the relationship of trust established with the Company and, notwithstanding the conduct's criminal bearing, may entail the application of sanctions expressly provided for by the internal sanctions system regulated in the Organisational, Management and Control Model pursuant to Legislative Decree No. 231/2001 and invoked by the present Code.

4. DISSEMINATION AND UPDATE

The Company undertakes to handle the internal and external dissemination of the Code of Ethics, ensuring its follow-up and update, and to provide all employees with the management guidelines defined for each area of activity.

The Company undertakes to provide an ongoing training and awareness raising programme on the Code of Ethics and to carry out all the necessary checks in order to ensure compliance, by preparing appropriate prevention and control tools, monitoring any information regarding possible infringements and applying appropriate sanctions should infringements be ascertained.

Finally, it ensures that no-one will suffer retaliation of any kind for having provided information on potential infringements of the Code of Ethics and guarantees the right to confidentiality with regard to the reporting person's identity.

Employees, in relation to their specific responsibilities, must inform third parties of the content of the Code, on the obligations that each of them must comply with and, pursuant to Legislative Decree No. 231/2001, are to report any breach of the requirements set out by the Code to their superiors or to the designated supervisory board appointed by the Company. Where necessary, they are to request clarifications and explanations.

5. GENERAL ETHICAL PRINCIPLES

5.1. Introduction

In conducting its business activities, Baglietto S.p.A. refers to the ethical principles derived from a legacy of individual and corporate values consolidated over time.

These values must be guided by the conduct of all those who, at various levels of responsibility and including consultants and external collaborators, contribute by means of their actions to the development of the organisation's overall activity.

The principles which inspire the organisation are:

- Moral integrity, honesty, propriety and conflicts of interest;
- Respect for human dignity and commitment to develop professional skills;
- Transparency;
- Confidentiality;
- Protection of health and safety and the environment;

and, in general, the rejection of any conduct which, although aimed at achieving a result that is consistent with Baglietto S.p.A.'s interests, presents aspects that are incompatible with

an organisational and management model characterised by absolute respect for the rules of law and for the conduct and procedural rules applicable within the Company.

All Recipients are required to comply with the laws and regulations applicable in the countries in which they operate, as well as with the professional ethics and internal regulations of the Company.

5.2. MORAL INTEGRITY, HONESTY, PROPRIETY AND CONFLICTS OF INTEREST

All Recipients are to adopt a conduct that is based on the observance of the principles of moral integrity, honesty and propriety in the pursuit of corporate objectives and in all relations with individuals and organisations within and outside of the Company, without pursuing personal interests that are inconsistent with those of the Company and with the ethical principles set out in this Code.

The Company undertakes to comply with all the national and international rules, laws, directives and regulations for all generally recognised practices.

Under no circumstances may the pursuit of corporate interest justify an action that does not conform to a legal and honest line of conduct.

5.3. RESPECT FOR HUMAN DIGNITY AND COMMITMENT TO DEVELOP PROFESSIONAL SKILLS

Baglietto S.p.A. ensures and demands respect for fundamental human rights, protecting each person's dignity in any type of internal and external relationship.

Any type of discriminatory behaviour in relation to political and trade union opinions, religious, racial or ethnic origins, nationality, age, gender and sexual orientation, state of health and, in general, any personal characteristic is not allowed or tolerated.

To this end, the Company fights any form of intimidation, hostility, isolation, undue interference or influence and sexual harassment.

Baglietto S.p.A. is aware that human resources are a vital and indispensable factor for the development of corporate activity; for this reason, the Company acknowledges the centrality of the people who work in its organisation, including consultants and external collaborators, and safeguards each person's professional growth and development so as to be able to increase the wealth of competences they possess.

The Company offers equal employment opportunities to its employees, having due regard for related professional attributes and performance capabilities, and without any discrimination.

Baglietto S.p.A. intends to promote the dissemination of information and the spirit of belonging to an integrated group, knowing full well that teamwork together with integration between the different functions, activities and business sectors is an essential condition for the pursuit of corporate objectives.

5.4. TRANSPARENCY IN TRANSACTIONS AND UNFAIR COMPETITION

The principle of transparency involves truthfulness, accuracy and completeness of information both within and outside of the Company.

In compliance with this principle, Baglietto S.p.A. undertakes to provide information to all its internal and external stakeholders in a clear, comprehensive and timely manner, with regard to the actions carried out at all company levels.

This principle extends to all information transmission methods, including those transmitted through the Company website (www.baglietto.com).

To this end, all transactions must be appropriately recorded and the decision-making process, authorisation and execution must be verifiable.

Recording must take place on suitable documental support in order to facilitate, at any time, checks which attest to the nature and grounds of the transaction, as well as to who authorised, executed, recorded and verified it.

The Company addresses its activities with due regard to competition, aware of its value which must be inspired by the principles of propriety and fair competition toward other market operators, with the commitment not to unduly damage the image of competitors and their products.

In particular, Baglietto requires all Recipients to refrain from being involved, either personally or through third parties, in initiatives or contacts between competitors which may appear as breaches of regulations intended to safeguard competition and the market.

5.5. TRANSPARENCY IN ACCOUNTING

In the keeping of accounting documentation and records, Baglietto S.p.A. conforms to the principles of veracity, propriety, clarity and completeness of the information set out in this Code.

In particular, all internal or external staff involved in this process must:

- Represent operational facts in a complete, transparent, truthful, accurate and timely manner, also in order to facilitate the accounting process as a whole and in compliance with envisaged procedures;
- Properly and without any omission record every economic operation and financial transaction;
- Keep adequate documentation on each operation and transaction on suitable paper and/or computerised support in order to facilitate, at any time, audits that certify the nature and the grounds of the transaction and identify who has authorised, executed, recorded and verified it;
- Store this documentation in a logical and organised manner to make it easily available.

All internal or external staff involved in this process must provide clear and complete information, ensure the accuracy of the processing and data and report the presence of conflicts of interest.

Such persons are obliged to collaborate in control activities and not to prevent or hinder the designated bodies, corporate boards and shareholders from conducting the activity.

Recipients who are directly aware of omissions, falsifications or negligence regarding the keeping of accounts or the records on which the accounting records are based are obliged to report the facts to the Supervisory Board.

5.6. CONFIDENTIALITY

Baglietto S.p.A., in compliance with applicable law concerning personal data protection, undertakes to safeguard the confidentiality of Recipients and of all those who are in contact with the Company.

To this end, it ensures the confidentiality of the information in its possession and refrains from searching for confidential data, except in the case of explicit and informed authorisation in accordance with applicable legal provisions.

Recipients of this Code therefore undertake to keep confidential all information that comes to their knowledge during transactions carried out on behalf of the Company, not to use it for purposes that are not connected with the exercise of their activity and to process data in accordance with authorisations received and established corporate procedures.

5.7. PROTECTION OF HEALTH AND SAFETY AND THE ENVIRONMENT

Baglietto S.p.A., aware that the protection of the territory and of the surrounding environment is the primary condition for the achievement of its development objectives, undertakes to ensure that its activity takes place in full respect of the health and safety of employees and of third parties. The Company adopts the most suitable measures to avoid, reduce and/or manage risks associated with the conduct of its business and of the environment, in its most extensive meaning. This is also in line with sustainable development, in the context of the continuous monitoring of the Company's environmental impact, with the aim of reducing it over time.

The Company's attention to environmental issues led Baglietto S.p.A. to comply with an Environmental Management System in line with the provisions of the ISO 45001:2018 standard.

As regards the Environment, Baglietto S.p.A. undertakes to operate by:

- Ensuring conformity to applicable national and international environmental legislation and to the requirements that are applicable to its corporate context;
- Designing and creating its products by pursuing the minimum level of environmental impact that is economically viable and with the best possible technology;
- Operating in the logic of continuous improvement of environmental performance and by defining and monitoring appropriate indicators;
- Optimising reduction in the consumption of natural resources and in the production of waste through the development of recycling practices.

The Company is equally sensitive to the issue of the health and safety of its employees and of those who live in the vicinity of its establishments, for whom it safeguards, implements and develops plans and actions for specific risk prevention through the implementation of the ISO 45001:2018 standard.

To this end, the Company undertakes to operate by:

- Taking account of the degree of technical development, replacing that which is dangerous with that which is not, or with that which is less so;
- Organising the work by adapting it to people (workstations, choice of equipment, etc.);
- Suitably planning prevention;
- Imparting appropriate instructions to staff.

Recipients must abide by these principles when taking decisions and implementing them.

In confirmation of the considerable importance that the Company places on the values of the protection of health and safety and the environment, the performance appraisal of employees takes their conduct into consideration, in line with corporate policies.

6. MANAGING THE BUSINESS AND RULES OF CONDUCT

6.1. RULES OF CONDUCT

Baglietto S.p.A. defines the rules of conduct to which all the parties obliged to comply with the Code of Ethics must refer to during the performance of their activities.

Unlawful conduct: the Company, in line with the values of honesty and transparency, undertakes to implement all the necessary measures to prevent and avoid offences from being committed. In particular, it prohibits sums of money being paid or other forms of corruption being pursued with both Italian and foreign private parties and public officials and/or members of their families, in order to influence independence of judgment or to obtain direct or indirect advantages to the company itself.

Terrorism: The Company undertakes not to directly or indirectly provide funds in favour of parties that promote, constitute and run associations or intend to carry out terrorist offences or acts of violence with the purpose of subverting the democratic order.

Organised crime: The Company strongly condemns and opposes, with all the tools at its disposal, any form of organised crime, including of a mafia-related nature. The Company pays particular attention to monitoring the necessary requirements of good repute and reliability in relation to all trading partners. Attention is paid both in the step prior to the establishment of the relationship and during its course, through a request for the information necessary to ascertain moral integrity, respectability, reliability and the lawfulness of the activities carried out.

Prevention of activities related to the handling of stolen goods, money-laundering or use of illicit money and contraband, and self-laundering: The Company undertakes not to accept any requests that might rouse the suspicion of an attempt to legalise the proceeds from unlawful activities. Performing the following actions is particularly prohibited:

- Putting in place accounting transactions that are not fully traceable, in breach of accounting procedures provided by the Company;
- Receiving and/or making payments on bank accounts held in tax havens or in countries other than the country in which contractors are based;
- Carrying out financial and/or commercial transactions with counterparties using opaque corporate structures and/or impeding the unique identification of the corporate structure (ownership) and/or of the transaction's real beneficiaries and acquiring, receiving or using in Baglietto activities any goods that may be presumed to originate from any unlawful activity.

Conflicts of interest: staff must not put in place transactions that are in actual or potential conflict of interest with the Company.

Furthermore, employees must refrain from any attempt to gain personal advantage or to secure business opportunities which come to their knowledge in the course of carrying out their duties.

Should a conflict of interest arise, even if only potentially, employees are required to notify their direct manager who, in turn, is obliged to inform senior management in order to assess whether this is the case.

Gifts, gratuities and benefits: Baglietto S.p.A. is establishing a procedure which determines the criteria and methods for granting and receiving gifts and gratuities.

Any form of donation exceeding normal commercial practices or courtesy or, in any case, designed to acquire favourable treatment is not permitted.

Permitted gifts are those of modest value and, in any case, those that cannot be interpreted by an impartial observer as designed to gain an advantage in an improper manner, those that cannot compromise the integrity and/or the reputation of one of the parties, and those that cannot influence the counterparty's decision-making autonomy, independence of judgment and impartiality.

In the case where Company representatives receive or distribute gratuities, the gifts permitted are solely those of modest value (meaning goods of a contained commercial value or of a symbolic value) and those of a contained value aimed at promoting initiatives of a beneficial or cultural nature, or of the Company image (*brand image*).

Those who receive unauthorised gratuities, gifts or benefits are required to notify the Supervisory Board which, according to established procedures, will inform the third party of the Company's orientation in this matter.

Accounting and administrative management: accounting documents must report the transactions carried out by the Company in a precise, correct and specific manner. All transactions must be authorised and carried out in accordance with the instructions given by management. Transactions must be recorded in such a way as to enable the correct preparation of financial statements and safeguard the activities of Baglietto.

All parties (employees and/or consultants) who in any way, even in the capacity of mere data providers, are involved in the formation of financial statements and similar documents or, in any case, of documents representing Baglietto's economic, asset or financial situation, and particularly the directors, statutory auditors and those who hold senior management positions:

- Are obliged to fully cooperate on specific aspects; to ensure the completeness and clarity of information provided and the accuracy of data and its processing;
- It is prohibited to present facts that do not correspond to the truth, even if subject to valuation, or to omit information or to hide data in direct or indirect breach of regulatory principles and internal rules of procedure so as to mislead the recipients of the above-mentioned documents.

It is prohibited to impede or, in any case, hinder the development of control or auditing activities that are legally assigned to shareholders, the Board of Statutory Auditors, the Supervisory Board or the audit firm.

It is prohibited to spread false news or put in place fictitious transactions or other ploys such as to trigger a significant change in the price of listed or non-listed financial instruments.

It is prohibited to hinder the duties of all those who have dealings with public supervisory authorities, as well as directors, statutory auditors and those who hold senior management positions.

It is also prohibited, in communications to the aforesaid authorities, to disclose facts that do not correspond to the truth, even if subject to valuation, on Baglietto's economic, asset or

financial situation, or to conceal by other fraudulent means, in whole or in part, the facts concerning the situation itself and which would have to be disclosed.

Baglietto S.p.A. employees and consultants are to avoid any conduct that could directly or indirectly cause situations of insider trading, even by third parties.

Employees, consultants, members of the board of directors, statutory auditors and, more generally, all the persons who have access to confidential information that is not accessible to the public and such that can influence the value of equity and - more generally - any other security issued to the public, must refrain from using such information for the sale and purchase of the aforesaid securities, in order to ensure maximum market transparency.

Funds and activities must be recorded in accordance with the accounting principles adopted by Baglietto S.p.A. It is strictly prohibited to use Baglietto's funds and activities for illicit unjustified purposes; the administrative manager is to exercise caution in order to guarantee compliance with this restriction.

Baglietto's registers and accounts are to be kept in accordance with the applicable reference provisions and regulations, also in order to ensure the transparency, lawfulness and reliability of the Company's financial statements.

Cash management: it is prohibited to falsify, hold, spend or, in any case, put into circulation banknotes, coins, public credit cards and counterfeit or altered revenue stamps. Those who receive banknotes, coins or public credit cards that are suspected to be counterfeit or stolen are to inform their direct manager to proceed with the appropriate complaint.

Use of IT systems: computer or telematic tools in use by employees and collaborators are to be used in compliance with the applicable rules and internal procedures.

The following conduct is particularly prohibited:

- Using information processed in computer systems or application programmes for purposes other than those of the business activity;
- Altering hardware and software configurations in operating systems provided by the Company and data in use by employees and collaborators;
- Sending threatening or abusive email messages or resorting to the use of expressions characterised by inappropriate language or language that is not in line with corporate policy;
- Sending advertising information, unauthorised by the Company and the recipient, through the improper use of the corporate network;
- Using company fixed and mobile telephone lines outside of corporate policies;
- Uploading any borrowed or unauthorised software onto company computer systems, making unauthorised copies of programmes and licensed programmes for personal, business or third-party use and installing any "peer to peer" programmes or personally-owned means of communication on one's PC;
- Using logins assigned to another user;
- Disseminating or using software and/or hardware to intercept, alter or delete the content of communications and/or computer documents.

Information management: information acquired during working activities must remain strictly confidential and may not be used, communicated or disclosed if not in compliance with applicable legislation and corporate practices.

The drafting of work documents is to take place with the use of a clear, objective and comprehensive language so as to allow their use and verification by colleagues and managers.

Protection of industrial and intellectual property rights: Baglietto acts in full compliance with industrial and intellectual property rights legitimately held by third parties, as well with the laws, regulations and treaties, including within the Community and/or internationally, to safeguard such rights.

In this regard, all recipients are to respect the legitimate industrial and intellectual property rights of third parties and refrain from the unauthorised use of such rights, in the knowledge that their infringement can have negative consequences on Baglietto S.p.A.

In particular, in exercising their activities, staff are to refrain from any conduct that could constitute a usurpation of industrial property titles, the alteration or counterfeiting of national and foreign distinguishing marks of industrial products, brands and patents, industrial designs or models, and to refrain from importing, marketing or, in any case, using or otherwise putting into circulation industrial products with counterfeit or altered distinguishing marks or made by usurping industrial property titles.

Should scientific research lead to a genuine innovation, the Company on evaluating the opportunity and ethical-financial sustainability, will initiate the process for obtaining the patent.

Staff are to refrain from the unlawful and/or improper use of intellectual property (or parts thereof), protected pursuant to legislation in the area of copyright infringement, for their own personal interests or the interests of the company or third parties.

Protection of the market and of free competition: Baglietto undertakes to carry out its business activity guided by the principle of an undertaking operating on the free market. Any anticompetitive activities aimed at obtaining a result other than that which would otherwise have been obtained by the normal functioning of the market is prohibited. Therefore, it is prohibited to enter into agreements with competitors designed to:

- Eliminate or limit competition in one or more geographical markets or in relation to one or more products or aiming to produce such an effect;
- Boycott or obtain certain conduct or conditions from a supplier or a customer or aiming to produce such an effect;
- Award a procurement contract;
- Directly or indirectly orient prices or aiming to produce such an effect.

Protection of corporate assets: employees and consultants, within the envisaged contractual limits, are required to protect the corporate assets assigned to them and to prevent their fraudulent or improper use, thus acting responsibly and in line with the rules that govern the use of the assets at their disposal.

The use of corporate assets must only occur in the exclusive fulfilment of duties assigned to employees and collaborators. In particular, each one of them must:

- Make scrupulous and judicious use of the assets entrusted to them;
- Prevent an improper use of corporate assets from causing damage, reducing efficiency or running counter to company interests;

- Feel responsible for the protection of entrusted resources and promptly inform their manager of any events that are damaging to the Company.

Baglietto S.p.A. reserves the right to prevent the unauthorized use of its assets and infrastructure by means of suitable and legally-permitted control systems.

Protection of health and safety: the Company undertakes to disseminate and consolidate a culture of safety and prevention; to develop awareness of the risks and the knowledge of and compliance with applicable preventive and protection regulations; to promote and demand responsible attitudes from all employees and from contractors and subcontractors, where specifically authorized and approved, in their areas of competence; and, to work to preserve and improve, especially with preventive actions, working conditions and the health and safety of workers.

Protection of the environment: Baglietto undertakes to find a balance between economic initiatives and indispensable environmental requirements, in compliance with applicable regulations and in consideration of the rights of future generations. The Company promotes a culture of environmental protection and ensures that all staff are made aware of their responsibilities, of the specific business risks, the consequent general principles of conduct and the elements of specific control.

It particularly undertakes to:

- Promote and operationally apply a culture of conserving and protecting the environment, the wild fauna and flora and natural habitats by taking care of the environmental context in which all staff operate in order not to affect - or to affect to the least extent possible and subject to prior authorisation - the environment during and at the outcome of activities performed;
- Responsibly manage energy, water and materials used in production, avoiding wastage and reducing emissions to a minimum;
- Perform regular storage and disposal of waste generated through the exercise of business activities, through recourse, where necessary, to specialist and qualified parties;
- Wherever possible, to prioritise the choice of suppliers and subcontractors, where specifically authorised and approved, to those who are committed to respecting the environment;
- Perform ongoing monitoring on regulatory developments in this regard in order to ensure compliance.

6.2. RULES OF CONDUCT FOR DIRECTORS

Directors, being informed of their personal responsibility toward compliance with the law and applicable regulations, are required to observe the provisions contained in the Organisational Model and in the Code of Ethics which forms an integral part of it.

In particular, directors undertake to conduct themselves in a manner inspired by integrity, fairness, a sense of responsibility toward the Company, independence, autonomy and propriety toward public institutions and private parties with whom they are in contact in the exercise of business activities.

Furthermore, they undertake to use the information they become aware by reason of their office in a confidential manner, and to refrain from using their position to directly and indirectly obtain personal benefits.

Any external communication must comply with the laws and the principles of conduct, and must aim to safeguard the information and data covered by business secrecy.

Directors of Baglietto S.p.A. are not to abuse their position, role or powers within the Company to exert any kind of pressure on staff and to influence, in an improper manner or for improper purposes, the execution of the duties assigned to them. Moreover, they are required to respect the rules of conduct laid down for staff in all matters falling within their authority.

In particular, directors are to comply with the principles indicated in Art. 2391, paragraph 1 of the Civil Code on conflicts of interest, and to report cases in which a transaction, of a personal nature or on behalf of third parties, is in conflict of interest with those of the Company. In such cases, directors are to clarify the nature, terms, origin and scope of the transaction, and to refrain from executing it.

Furthermore, directors undertake not to hinder the control and audit activities carried out by shareholders and the Supervisory Board.

6.3. RULES OF CONDUCT FOR SHAREHOLDERS

Shareholders, with or without powers of management and control, are bound to act in compliance with the principles of integrity, transparency, propriety and loyalty set out in this Code. These rules must be mutually applied, also in relation to directors, employees, external collaborators, customers and suppliers and, in general, in relation to anyone coming into contact with the Company for any reason.

6.4. RULES OF CONDUCT IN STAFF RELATIONS

6.4.1. SELECTION OF STAFF

The search and selection of staff must be carried out on the basis of objective and transparent criteria, based on matching the profiles of candidates to corporate needs and requirements, ensuring equal opportunities and avoiding any form of favouritism.

Information requested from candidates must be strictly linked to the verification of the individual's professional and psycho aptitude profile, as well as to verify compliance with the requirements of national and international laws and suitability in relation to the prevention of offences referred to in Legislative Decree No. 231/2001, always in compliance with the principles of non-discrimination and the protection of personal data, as defined in this Code of Ethics and as envisaged at law.

6.4.2. ENTERING INTO EMPLOYMENT RELATIONSHIPS

Recruitment within Baglietto S.p.A. takes place with a standard employment contract and in full compliance with the law and collective bargaining for the sector applied within the Company, fostering the inclusion of the worker in the work environment and with zero tolerance on any form of irregular or "clandestine" work.

On recruitment, employees are to receive precise information in relation to:

- The nature of the department they belong to, the responsibilities of their role and of the duties they are required to perform;
- Legislative elements and salary, as regulated by the national collective agreement applied within the Company;
- Rules and procedures to be followed in order to avoid conduct that is contrary to the rules of law and corporate policies.

The Company is to verify that the information submitted to employees is actually understood at the time when the job is accepted.

6.4.3. STAFF MANAGEMENT AND APPRAISAL

Baglietto S.p.A. ensures that staff performance is in line with the exercise of their duties and with work organisation plans. Through the exercise of an integrated human resource management and development system, the Company ensures that all staff have equal conditions, the same opportunities for improvement and professional growth, and avoiding any form of discrimination as indicated in the general principles of this Code.

In carrying out their work, staff participate in the discussion of decisions that are functional to the achievement of corporate objectives.

The Company provides its employees with informative and training tools to develop and enrich mutual competences and implement the professional value of staff.

Staff who consider themselves to be a victim of discrimination or any other infringement can report the incident to the Supervisory Board.

Any act of retaliation against any person filing such reports is prohibited.

Staff profiles are at the basis of decisions in the area of staff management and organisational processes, with a periodic performance appraisal which, as applicable, also provides for the involvement of the relevant manager in addition to the employee concerned.

The Company is committed to fully develop all the proficiency and competences present in the organisation in accordance with the principles established by this Code.

6.4.4. RIGHTS OF THE WORKER

a. Protection of health and safety

Baglietto S.p.A. undertakes to set up and maintain safe and healthy working environments in compliance with accident prevention regulations applicable in the countries in which it operates. It undertakes to disseminate and consolidate a culture of health and safety at the workplace, developing an awareness of risks and promoting responsible conduct from all collaborators.

To this end, the Company implements measures of a technical and organisational nature through the introduction of an integrated risk management and control system and its updating, as well as training and communication activities.

In particular, it prohibits smoking in places where smoking is prohibited, having adopted a specific anti-smoking policy which was communicated to all staff in accordance with relevant legislation. The Company also prohibits the consumption of alcohol and drugs which influence the regular performance of the working activity, also by reason of the sensitivity of the sector in which it operates.

b. Protection of confidentiality

The Company conforms to requirements concerning the confidentiality of personal data referred to in Legislative Decree No. 196/2003 (Personal Data Protection Code) and the European Regulation for the protection of personal data no. 2016/679 (GDPR) and subsequent amendments, supplements and implementing regulations.

With particular regard to the processing of workers' personal data, Baglietto puts specific precautions in place to inform each employee, consultant or external collaborator on the nature of the personal data subject to processing by the Company, the processing method, the areas of communication and, in general, on any data relating to his/her person.

c. Protection of individuals

Baglietto S.p.A. undertakes to protect the moral integrity of its employees, consultants and collaborators by ensuring the right to working conditions that respect a person's dignity.

For this reason, the Company does not tolerate any act of physical, psychological or sexual violence, nor any discriminatory conduct or conduct that is otherwise detrimental to a human being, his/her beliefs and his/her preferences.

Whoever considers themselves to have been harassed or discriminated against for reasons linked to age, gender, sexual orientation, race, state of health, nationality, political opinions and religious beliefs can report the incident to the Supervisory Board.



6.4.5. DUTIES OF THE WORKER

Each employee is to act loyally and in good faith, in accordance with the obligations entered into under the employment contract, corporate rules and this Code of Ethics. Staff are also required to adhere to the above-mentioned principles and rules of conduct. Employees are required to report to the Supervisory Board any infringement of the Code of Ethics on the part of colleagues, collaborators and consultants of which they become aware. Baglietto S.p.A. reserves the right to draw up any disciplinary reports following any unsubstantiated report made in bad faith to cause voluntary damage to colleagues and/or collaborators, or as a result of withholding substantiated reports.

6.5. RELATIONS WITH CUSTOMERS

In relations with its customers, the Company conforms to the principles of transparency, professionalism, efficiency and propriety to offer an impeccable service in line with maximum customer satisfaction, as well as to uphold the Company's image and reputation.

To this end, contractual information with the customer must be comprehensive on the scope, price and procedures for the provision of services offered, so as to enable the customer to make a choice in a free and informed manner.

Staff are to act in compliance with laws and regulations, without abusing their authority, and with impartiality and transparency, thus refraining from any form of discrimination against customers.

Baglietto S.p.A. undertakes to always reflect on the suggestions and complaints of customers and the associations that protect them, making use of suitable and prompt communication systems.

Advertising material is not to contain false and misleading content.

In its trade relations, Baglietto undertakes not to establish or maintain relations with parties who:

- Are implicated in unlawful activities, in particular those connected to the offences envisaged by Legislative Decree No. 231/2001 and, in any case, with parties who do not present the requirements of commercial reliability and trustworthiness;
- Do not comply with national and international legislation on the protection of labour, including the prevention of child labour, and health and safety at the workplace, in addition to applicable laws in relation to respect for human dignity and a person's fundamental rights.

Any form of donation or gift to customers exceeding, even if only potentially, normal business and courtesy practices and which can incorporate extremes of reportable practices in situations of unfair competition, is not permitted.

Recipients who become aware of infringements, omissions, falsifications or negligence on the part of agents, or one of their collaborators, in the course of their business are required to report the facts to the Supervisory Board.

6.6. RELATIONS WITH EXTERNAL CONSULTANTS

Screening and selection processes of consultants and external collaborators are based on the principles of loyalty, propriety and transparency, as well as on all the principles set out in this Code.

Contracts with consultants and collaborators are to include the obligation of complying with this Code and the Organizational Model pursuant to Legislative Decree No. 231/2001, applicable to any activities at risk of crime for which they are responsible on behalf of the Company. Such contracts are also to include clauses on rescission and compensation for damages in the event of an infringement of these rules of conduct.

Consultants and collaborators are to comply with the principles and provisions envisaged by this Code and the Organizational Model. Such infringement constitutes just cause for the termination of their employment contract.

Recipients who become aware of infringements, omissions, falsifications or negligence on the part of agents, or one of their collaborators, in the course of their business are required to report the facts to the Supervisory Board.

Any form of donation or gift to agents exceeding normal business and courtesy practices is not permitted.

Should Recipients receive offers of benefits from external consultants to favour their own business, they are to immediately suspend the relationship and inform the Supervisory Board.

Consultants and collaborators who autonomously and separately offer consultancy services similar to those of Baglietto are to clarify that this is totally separate to the service they provide on behalf of the Company and act in compliance with the principles which prohibit unfair competition as set out in Section 5.4 of this Code.

6.7. RELATIONS WITH SUPPLIERS

Screening and selection processes of suppliers are based on the principles of loyalty, propriety and transparency, as well as all the principles set out in this Code. The infringement of these principles constitutes just cause for the termination of relations with suppliers.

The selection of suppliers must be based on objective and impartial criteria in terms of quality, innovative level, cost and any additional services. In any case, the principles relating to customer relations are to be expressly referred to in the management of supplier relations.

Recipients of this Code are not permitted to accept and acknowledge gifts, gratuities and donations from suppliers if not of modest value and directly attributable to standard courteous relationships.

Should Recipients receive offers of benefits from suppliers to favour their own business, they are to immediately suspend the relationship and inform the Supervisory Board.

In order to verify compliance with the provisions of this Code, the Company reserves the right to potentially carry out supplier audits to ensure the existence of professionalism and good repute necessary to pursue relations for collaboration.

Suppliers are required to guarantee that materials of animal origin are not obtained through cruel breeding and/or gathering practices, renouncing mistreatment and other detrimental activities.

6.8. EXTERNAL RELATIONS AND RELATIONS WITH OTHER STAKEHOLDERS

To the extent compatible, the rules of this Code apply to external relations and relations with other stakeholders.

Baglietto S.p.A. does not disburse direct or indirect funding for the financing of political parties, movements and committees, nor to their representatives or candidates, except in the case where these are due owing to specific applicable regulations.

Furthermore, the Company does not finance associations or sponsor events or congresses having political propaganda as their agenda.

Baglietto S.p.A. may grant contributions and donations in favour of entities with a social, moral, scientific, sport or cultural purpose.

6.9. RELATIONS WITH THE PUBLIC ADMINISTRATION

For the purposes of this Code, Public Administration (hereinafter, "P.A.") means any public entity and any independent administrative agency, physical or legal person acting in the capacity of public official or in charge of a public service, or in the capacity of member or official of any body of the European Community or foreign State.

This definition also includes private parties who, for overriding reasons of a political or economic nature, fulfil a public function to oversee the protection of general interests. These include the management bodies of regulated markets.

In relations with the P.A., Recipients are to promote relations that comply with the ethical principles indicated in this Code, with particular reference to the principles of independence and transparency.

Relations with public administration officials are limited to the responsible and duly-authorized company departments, in compliance with the strictest observance of legal and regulatory provisions. These should not, in any way, compromise the Company's integrity and reputation

Business forms for economic support or other support to any public organisation or to persons representing them, their family members or their cohabitants are not permitted

This prohibition is extended to all Company staff. Staff are not permitted to promise or dispense favours or economic goods of any type to facilitate the achievement of company interests.

These requirements cannot be circumvented by resorting to other forms of contribution which, under the title of sponsorships, commissions, consultancies, publicity, etc. have the same aforesaid unlawful objective.

Acts of courtesy such as gratuities and gifts are permitted, provided they are of modest value and considered to be customary on the basis of business practices and, in any case, provided these do not compromise Baglietto's integrity and reputation and do not influence the recipient's independence of judgment.

This rule also applies in countries where the offer of high value gifts is customary.

Should Recipients receive offers or proposals of benefits from public officials, they are to immediately suspend the relationship and inform the Supervisory Board.

7. SANCTIONS SYSTEM

Observance of the principles and rules of conduct contained in this Code are to be considered an integral part of the contractual obligations provided for social bodies, shareholders, employees, consultants and external collaborators.

Any infringement of the Code constitutes a breach of the obligations arising from the employment contract and/or constitutes a disciplinary offence.

Relative measures and sanctions will be adopted in full compliance with Art. 7 of Law No. 300/1970 and with any other applicable legislation, including the provisions of the collective bargaining agreement.

With regard to applicable sanctions and the process of verification and application, please refer to the provisions of the Disciplinary System contained in the Organisational Model which identifies:

- The parties concerned;
- The type of relevant infringements;
- Sanctions applicable by the Company, graded according to the infringement;
- The procedure for contesting infringements, and imposing and executing sanctions.

The Company's sanctions and any claims for compensation may, in any case, be applied in respect of shareholders, employees, directors, external collaborators and third parties.

The Company has set up a specific email (odv@baglietto.com) to facilitate the reporting process to the Supervisory Board with regard to non-compliance with the Organisational Model or this Code.

In addition, reports can be made in writing by sending appropriate communication, which can also be anonymous, addressed to the Supervisory Board.

In any case, the Supervisory Board will endeavour to ensure that persons who file reports are not subjected to retaliation, discrimination or, in general, penalisation, and will suitably safeguard these persons' confidentiality.

8. FINAL PROVISIONS

This Code of Ethics was adopted by the Company in the month of October 2019.

Any subsequent amendments will be approved by the same corporate board and promptly communicated to the other parties concerned.

All those who, whether they are employees or otherwise, come into contact with the Company in any way have been informed of this Code of Ethics through specific training and informative programmes in accordance with the rules laid down by the Organisational, Management and Control Model, of which the Code of Ethics forms an integral part.

In particular, the acceptance of this Code by consultants and external collaborators must constitute a specific contractual obligation associated with an express rescission clause in the case of infringement.

Baglietto S.p.A. provides detailed rules for the communication of this Code to external parties that are not bound by a contractual relationship with the company.

The Supervisory Body, established pursuant to Legislative Decree No. 231/2001, which possesses the necessary prerogatives of impartiality and independence, also performs its duties with respect to the Code of Ethics. In particular, it:

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- Ensures the dissemination and understanding of the Code, providing the requested clarifications and explanations to the persons concerned, including those relating to the lawfulness of specific behaviour or conduct;
 - Verifies application and compliance with the Code by means of ongoing monitoring in order to prevent offences from being committed, as envisaged by Legislative Decree No. 231/2001;
 - Receives and analyses reports from all persons concerned with regard to infringements of the Code;
 - Suggests any need to review the Code by proposing amendments and updates.

Compliance with the rules of conduct contained in the Code of Ethics is an integral part of the contractual obligations provided for all Recipients.