

# **Code of Ethics**

## **FONTANA GROUP**

### **Companies**

This Code of Ethics applies to all the companies of Fontana Group (hereafter also called “Fontana Group” or “Fontana Company/ies”):

The Code of Ethics shall be interpreted as a Charter of the fundamental rights and duties through which the Group states and explains its responsibilities and ethical-social commitments.

This Code of Ethics is a commitment made by the management, the employees, the external collaborators, the business partners, the suppliers and all those who keep relations with the Group.

The Code of Ethics is based grounded on the Principles of Conduct and Actions developed during the years by all the Fontana Companies. These principles are shared and applied jointly by all managing directors, managers and employees.

These principles are included in this Code of Ethics, and each managing director, senior manager, junior manager, employee, as well as each third party operating on behalf of the Companies, shall personally apply them.

The application of these principles has a strong meaning of belonging to one of the FONTANA Companies.

## **PRINCIPLES OF CONDUCT**

The FONTANA Group considers that the fundamental values shared their managing directors, managers and employees consist in: professional commitment, respect of the person, integrity, loyalty, solidarity, fairness, mutual respect, and respect for customers. These values are the principles of conduct all of them are expected to follow.

- a) **Professional commitment** consists in putting continuously into effect to the best of each ones abilities, all gained competences, skills and know-how, including the commitment for continuous training. This means: personal commitment, and willingness to carry out all assigned tasks, and to acquire the necessary competences and knowledge. It implies the respect for the environment, health and working environment safety.
- b) **Respect for the person** is an absolute requirement to be observed all the time. It shall be applied also at an international level in connection with personnel management procedures and implies respecting pluralism and local cultures, as well as openness to all ethnic origins. It reveals itself through listening, information, explanation and dialogue, thus ensuring the protection of each person’s decorum and a correct use of the instruments made available.

For the FONTANA Group, people's quality is a requirement of paramount importance to create value. We pursue and wish the very best from and for our people, in the name of consistency, transparency, responsibility and team work enhancement.

It's fundamental to establish and keep clear and precise relationships with the others based on constant open dialogue and openness to feedback. Respect for the person is developed also by putting health management, working environment safety, and environmental protection in the first place always.

- c) **Integrity** requires everyone be always honest during professional activities. It does not admit any compromise in terms of seriousness, respect and fairness between personal interests and the interests that our job is asked to take care. With a view to sustainable growth, we are committed to spread our culture of respect for the environment, the territory, and people's health. We base our work on economic awareness, by carefully planning our activities, by controlling and assessing their results, and trying to continuously pursue a balance between effectiveness and efficiency.  
Specific rules of conduct may be established for some specific categories of employees if required by the nature of their responsibilities and tasks.
- d) **Loyalty** demands uprightness and fairness in the relationship with supervisors and subordinate, as well as with colleagues and external collaborators. In particular, it prohibits the pursuit of personal goals in contradiction with those pursued by the company. It implies compliance with the regulations, measures and internal rules of the company. Furthermore, loyalty implies the ability to provide answers and establish consistent rules of conduct by personally observing them through transparent attitudes and behaviours toward all, and in all occasions. Loyalty expresses itself also by not spreading outside the Company any information that potentially could harm the Company and its image.
- e) **Solidarity** is based on responsibility within his/her professional area, excluding individualistic behaviours, promoting and enhancing team work all the time. Any kind of behaviour aimed to fulfil the personal interest of somebody at any level is strongly rejected.
- f) **Fairness** and **respect for customers** are key to define our path to success. We want that our relations with customers are based on mutual trust and satisfaction, and we commit ourselves to provide them quality products, services, assistance and advices capable to even exceed their expectations.

## **ACTION PRINCIPLES**

The Fontana Group intends to establish principles to regulate the activities of all its managing directors, managers and employees in the execution of their duties, whatever the country they are based.

These action principles contribute to create a responsible and sustainable kind of development, consistent with the long-term strategy pursued by all Companies.

### **Respect for Legality**

The Fontana Companies shall apply in any area the laws and regulations in force in the countries in which they carry out their activities, also through their subsidiaries.

In particular they shall:

- Prohibit any action susceptible to violate the rules of the right of competition;
- Reject any form of bribery, whether active or passive, in all national and international business operations.

Within the action principles stated in the next paragraphs, the Fontana Companies shall not take advantage of any gap or deficiencies identified in laws and regulations if they should lead to non-compliance with the established corporate rules.

### **Compliance with Law**

Compliance with law in conduct and behaviours is a mandatory prerequisite for all Fontana Companies, as well as for all their managing directors, managers and employees.

All employees, regardless of their position and role, shall become acquainted with, trained in, and informed about the legal implications in relation to their activities.

The behaviours and conduct of all the Fontana Companies employees, as well as being in tune with the corporate policies, shall be based on cooperation, responsibility, professionalism and diligence principles.

Whereas the consistency between the rules of professional diligence and law is not immediately understandable, one's judgment capability and common sense shall prevail; each employee shall therefore consult, if necessary, his/her manager and shall receive from the person in charge support and advice.

### **Respect for the Environment**

All Fontana Companies actively promote environmental protection. As a consequence, concerning their plants and equipment, they put into effect management procedures which allow them setting measurable objectives in their environmental performances by regularly evaluating and checking such performances. Concerning environment-related issues, they shall make every effort to bring the major indicators of their production sites to the same levels as others which prove to be particularly effective in this area.

### **Respect for Health and Working Environment Safety**

Through the enforcement of the Action Principles, but not exclusively through them, the Fontana Group considers the Respect for Health and Working Environment Safety essential standards to comply with.

The Fontana Group has issued and adopted for a long time now the necessary instruments aimed at establishing an appropriate policy in these areas. The Fontana Companies shall follow and make use of these instruments being committed to ensure the protection of workers' health, and to guarantee the respect for the environment in which the companies are operating.

The regulatory reference frame adopted by the Fontana Group is based on:

- Specific laws and regulations on Health and Safety matters
- Code of Ethics

The Companies have prearranged all the necessary instruments which aim at training and making every collaborator/employee become acquainted with the existing laws and regulations in force, as well as with the dictates and provisions in connection with the aforementioned corporate systems on environmental, health and safety matters.

### **Observance of the Principles Concerning Administrative and Corporate Liability**

Concerning administrative and corporate liability, the Fontana Group strictly prohibits:

- Make any money disbursement in favour of civil servants;
- Give free gifts except for those already provided for by the corporate practice;
- Grant any kind of benefit or advantage (as, for example, making recruitment promises, making exceptions to the existing benefit grant system);
- Allow external collaborators fees which are not justified within the context of the provision of a collaboration service;
- Lodge untruthful declarations aimed at obtaining public grants;
- Allocate sums received from public organizations for purposes other than those they are intended to.

### **Respect for Employees' Rights**

All Fontana Companies shall stringently keep watch on the respect for the rights of all employees so as to ensure active social dialogue. In particular they shall:

- Ban any resort, whether directly or indirectly, to hard labour or through external contractors providing labour and interventions in the premises of the Companies;
- Ban any discrimination practice towards their employees, both during the selection and recruitment stages, and during the performance or at the end of an employment contract.

### **Conflict of Interests**

All decisions and all entrepreneurial choices made by each Fontana Company shall fully coincide with the company's actual interests. Therefore, each collaborator/employee is required to avoid any clash of interests, with particular reference to personal interests (for example, shareholding or business relations with the companies of suppliers, customers, and competitors), which might affect a collaborator's/employee's independence of judgment or clash with his/her responsibilities and duties towards the Company.

Each employee of a Fontana Company shall immediately report to his/her senior executive any situation susceptible to represent or generate a conflict of interests. In particular, each employee shall communicate in writing the existence of any working relationship on a permanent basis with a company not belonging to the Fontana Group, as well as any other financial, business, professional, family or friendly relationship capable to impair the impartiality of his/her conduct toward a third party.

### **Relations with Public Authorities**

The relations with Public Authorities aimed at protecting the general interests of each Company in relation to its operating programmes shall be kept exclusively by the appointed persons in charge of these activities.

The Fontana Group shall not permit any act of bribery or corruption of public officials or any other subject connected or linked to public offices, in any form or way, and in any concerned jurisdiction.

No forms of gift are admitted, which may be in any way interpreted as exceeding normal habits or infringing the law provisions in force in this regard, or which may be aimed at gaining a preferential or special treatment in the conduction of any activity connectable to the Fontana Companies.

In particular, all kinds of gifts, gratuity or benefits in favour of local and foreign public officials and/or their families for the purpose of influencing their independence of judgment or aimed at leading to the grant of advantages, are strictly forbidden.

The employees of the Fontana Companies, who happen to receive gifts or benefits exceeding normal habits and/or common sense rules, are obliged to communicate them to their senior executive, who in turn shall evaluate the appropriateness of those gifts, and shall inform the sender of the gift about the policy adopted by the Fontana Group on this matter.

The above mentioned rules shall in no case be evaded even through third parties keeping any kind of cooperation relationships with the Fontana Companies.

### **Relations with Political Organizations and Trade Unions**

The Fontana Companies, in pursuance of the Group policy, shall neither grant any contribution to political parties, movements, committees, organizations and trade-unions, nor to their representatives and candidates, except for those admitted by law or due basing on specific regulations and agreements.

### **Relations with Suppliers**

Relations with suppliers are regulated by common principles effective for all Companies.

The signature of a contract with a supplier shall be always based on absolutely clear relations by avoiding any form of subordination.

The choice of suppliers and the purchase of goods and services shall be made basing on objective evaluations concerning suppliers' competitiveness, quality, prices, and reliability.

### **Relations with Institutions and Mass Media**

All relations with either national or international institutions and mass media shall be based exclusively on communication forms which intend to introduce and describe the activities of the Companies belonging to the Fontana Group, to respond to requests, and to make their position on relevant subjects for the companies themselves known.

For this purpose, the Fontana Group commits itself to:

- Represent the interests and the positions of its Companies in a transparent, rigorous and consistent manner, by avoiding any collusive attitude;
- In order to guarantee maximum clarity in relations, all contacts with institutional interlocutors and mass media shall be kept exclusively by representatives explicitly appointed by the top management of the Companies.

### **Economic Relations with Associations, Grants and Sponsorships**

In putting into effect the Group policy, the Fontana Companies may agree to requests of grants and aid within the limits of those made by regularly established, non-profit making organizations and associations acting on the basis of a certificate

of incorporation and a charter, which carry out activities of highly cultural, scientific or charitable contents.

In their business relations with customers, the Fontana Companies may use incentive systems aimed at developing and enhancing their products, as well as their image and market position, in compliance with the general market rules in force.

In the choice of the proposals they can adhere to, the Companies belonging to the Fontana Group shall pay the utmost attention to prevent any arising clash of personal or corporate interests.

To ensure consistency to the management of grants and sponsorships, all actions in this area shall be based on the following standards:

- Clear and documentable destination of resources;
- Explicit authorization given by the roles assigned within the Companies to the management of these relations, if the amounts to be allocated exceed the pre-established minimum ones;
- Compliance with applicable ethical and deontological principles, as well as applicable law regulations.

### **Accounts and Bookkeeping Transparency, Documentation and Final Reporting**

All Fontana Companies are committed to maximize shareholders' long-term value. To keep faith with this commitment, the Companies shall adopt appropriate financial planning and control standards, as well as suitable bookkeeping systems consistent with the accounting principles applicable to the Companies.

In carrying out this practice, all Companies shall work making use of maximum accounting transparency. This transparency being grounded on the truthfulness, accuracy and completeness of the necessary basic information as regards the related accounting entries.

For each accounting operation, every Company shall keep in its records appropriate support documents certifying the activities which have been carried out, in order to allow their easy accounting entry and an accurate reconstruction of each operation. Each accounting entry, in turn, shall exactly reflect the operation resulting from the support documents.

Each employee of the Companies belonging to the Fontana Group shall cooperate to ensure that all operations concerning corporate management are correctly represented in the accounts, and all related documents are easily traceable and ordered according to logical standards. Consequently, should an employee become acquainted with any accounting omission, falsification, or serious negligence as regards the documents supporting bookkeeping entries, he/she shall be required to report it to their senior executive or to the Administration Management.

To implement the policy of the Group, all Fontana Companies shall take care of the timely drawing up of complete, reliable, clear and understandable periodical financial reports.



In all communications provided for by law, collaborators/employees are forbidden to report to the public supervisory authorities – for the purpose of hampering the exercise of their supervisory role - any material fact or event that may prove untruthful - even if subject to assessment - concerning the economic, patrimonial or financial situation of their Company, or to conceal with other fraudulent means facts and events they were instead obliged to communicate.

### **Protection of Corporate Information**

Each collaborator/employee shall be informed about the corporate policy provisions concerning information protection, including electronic information, and put them into effect to guarantee information integrity, confidentiality and availability. Any information achieved by a collaborator/employee in relation to his/her activity is property of each single Company belonging to the Fontana Group.

All achieved information shall be used and considered by the Fontana Companies as strictly confidential and respectful of the privacy of the concerned persons, in full compliance with the related law in force. In particular, the Companies shall:

- Appoint an organization entrusted with the management of information capable to ensure a correct separation of roles and responsibilities;
- Submit third parties entrusted with the management of information to the signature of non-disclosure/confidentiality agreements.

Collaborators/employees who should become acquainted with information that is not public knowledge shall act with utmost caution and care in using such information, and shall avoid disclosing and divulging them to non-authorized persons both within and outside the company. This obligation shall remain effective also after the conclusion – for any reason – of the working relationship.

Collaborators/employees who should have doubts about the confidential nature of information or about the right to communicate particular information to third parties shall address their senior executive for advice

For merely illustrative purposes, information shall be considered confidential in the following cases: technical information concerning products, processes and procedures; purchasing programmes; research and development programmes and related achieved results, even partial ones; agreements and contracts with third parties and employees, as well as any pending legal dispute; corporate policy referring to costs, prices, marketing and services; reports concerning revenues and other non-public financial and economic reports; information concerning sales, mergers and takeovers; internal procedures; pass-keys and confidential passwords.

Information concerning scientific and technological research activities may be exchanged with universities, public and private research institutes and hospitals, on

condition that appropriate industrial property protection instruments are made available in compliance with corporate procedures, and the protection of information confidential nature is ensured.

Within these contexts, the Fontana Companies shall respect the academic prerogatives and the traditions of their partners, as well as researchers' need to publish the results of their studies, without prejudice to the protection of industrial property.

Computerized information and data processing shall be submitted to security checks aimed at protecting the company from misappropriation, undue intrusion, and illegal use.

The destruction of paper or electronic files and documents containing such information shall be made in compliance with the procedures regulating this matter and within the limits provided for by law.

### **Protection of Corporate Goods**

Each collaborator/employee shall diligently work and act to protect the corporate goods through responsible behaviours in line with the operating procedures established to regulate their use, by supporting with documentary evidence the actual purpose for which they are used. In particular, each collaborator/employee, shall:

- Use the goods entrusted to him/her with great care and parsimony;
- Avoid any misuse of corporate goods capable to cause damages or reduce the company's efficiency, or in any case, clashing with the company's interests.

Without prejudice to the compliance with the provisions of the law in force, the Fontana Companies reserve the right to prevent any misuse of their goods and infrastructures resulting from an unauthorized use of their accounting, reporting, financial checking, risk analysis and prevention systems.

Concerning computer applications, each collaborator/employee shall:

- Scrupulously adopt the provisions of the corporate security policy in order not to impair the performance features and the protection of the company's computer systems;
- Look over and sign for acceptance the provisions of the computer data management procedure in force in all Fontana Companies;
- Not browse through Internet websites with unbecoming and abusive contents not conforming to the decorum and the interests of his/her activity.

### **Competition**

To implement the policy of the Group, all Fontana Companies shall fully and scrupulously comply with the principles and the rules of free competition and with the antitrust law. Collaborators/employees shall keep their managers informed about any action they undertake involving potential antitrust relevance.

Any agreement between companies, as well as any situation capable to produce distortion effects on competition, and in particular any agreement including exclusivity clauses, pricing commitments, and territorial restraints, shall be subject to the antitrust law.

Legal experts' assessment shall be preliminarily requested in case of potential conflicts with the antitrust law.

Each managing director, senior and junior manager of the Fontana Companies shall attend the training courses organized by the companies on this matter.

The Fontana Group does not deny, conceal or delay any information requested by the guarantor of market competition and by other regulatory authorities during their inspection activities, and actively cooperates with them throughout all preliminary inquiry procedures.

## **VIOLATION OF THE CODE OF ETHICS AND SANCTIONS**

### **Checks and Inspections**

The Code of Ethics is one of the basic elements of the check and inspection system.

The internal check and inspection system shall be oriented to the adoption of instruments and methods which intend to prevent and counter any potential corporate risk in order to provide reasonable guarantees on the observance not only of law but also of the corporate regulations and procedures.

The company management shall constantly check the conformity of behaviours and conduct to the provisions included in the Code of Ethics, and if necessary, shall put specific assessment programmes into effect.

### **Compliance with the Code of Ethics, Report of Violations to the Supervisory and Control Authority**

Compliance with the provisions of the Code of Ethics shall be considered an essential part of the employees' obligations for all legal intents and purposes. It shall be considered an essential part of the contractual obligations of all non-subordinate collaborators and/or subjects who keep business relations with the Companies belonging to the Fontana Group.

The management of the Fontana Companies shall be responsible for making sure that the Companies' expectations towards collaborators/employees are fully understood and put into effect by them. As a consequence, the company management shall ensure that all commitments and obligations specified in the Code of Ethics are actually taken and put into effect, by supervising that any form of stalking and/or discrimination is actually prevented and countered.

To guarantee the actual application of the Code of Ethics, each Fontana Company – by fully respecting people's privacy and individual rights – shall organize and prearrange appropriate information channels through which all those who become acquainted with cases of non-compliance with the Code of Ethics within the companies have the possibility to freely, directly and confidentially report them to the Supervisory Authority. In any case, all reports shall be made in writing and in non-anonymous form.

With reference to reports of a real or attempted violation of the provisions included in the Code of Ethics, each Fontana Company shall take care of ensuring that nobody, within the workplace, may be subject to retaliation, unlawful conditioning, inconveniences and discriminations of any kind in consequence of his/her reporting to the Supervisory Authority a violation of either the contents of the Code of Ethics or the internal corporate procedures. Further to a report, the company shall in turn promptly make inspections and put appropriate sanctioning measures into effect.

### **Sanctions**

Any violation of the principles laid down in the Code of Ethics and in the procedures provided for by the internal corporate protocols impairs the trust relationship between the Companies and their managing directors, employees, consultants, collaborators of all kinds, customers, suppliers, business and financial partners.

Any violation shall be definitely, promptly and immediately prosecuted through the adoption against the persons responsible for such violation - whereas this measure is considered necessary to ensure the protection of the company's interests, and compatibly with the provisions of the law in force – of appropriate and proportionate disciplinary actions, regardless of the criminal relevance of their conduct, and the

institution of proceedings in the cases in which this conduct should constitute an offence.

In case of violation of the Code of Ethics, disciplinary actions shall be adopted by the senior managers, once the opinion of the Supervisory and Control Authority has been acquired, consistently with the law and the national and corporate employment contracts in force. These measures may go as far as to remove/dismiss the person responsible for the violation from the company.

Any form of retaliation against persons who have reported possible violations of the Code of Ethics or have asked for explanations on its application procedures shall be considered a violation of the Code of Ethics.

The effects of any violation of both the Code of Ethics and the internal corporate protocols must be seriously taken into consideration by all those who, for any reason, keep relations with the Fontana Companies. For this purpose, the companies shall take care of spreading the contents of the Code of Ethics and those of the internal corporate protocols, and shall inform on the sanctions provided for in case of violation, as well as on the ways and procedures through which sanctions are inflicted.

To protect their image and their resources, the Fontana Companies shall not keep any kind of relations with subjects who do not intend to work in strict compliance with the law in force, and/or refuse to behave according to the values and principles expressed in the Code of Ethics, and refuse to keep to the procedures and regulations provided for by the corporate protocols.