



THE BORGSTENA GROUP CODE OF BUSINESS CONDUCT



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Foreword

The present Code of Conduct lays down the principles, values and rules of professional ethics and behaviour to be observed by all employees, directors, managers and governing bodies of the company, directly or indirectly, without prejudice to other conduct of business rules applicable to the latter by virtue of their functions. The Code of Conduct is also applicable to service providers who are in any way authorised to act on behalf and/or representing BORGSTENA. All other service providers and suppliers of BORGSTENA are also welcome to adhere to the principles in this Code.

The social responsibility of BORGSTENA requires further the implementation of the principle of sustainability – in its triple economic, social and environmental dimension – as the guiding, long-term, value of all activities.

BORGSTENA has systematically implemented a policy of valorisation and enablement of its most valuable asset, human resources, namely through ongoing and monitored qualification processes for the development of broad vocational skills, permanent adjustment of means to the intended economic and financial results, in an effort to acknowledge geographical and territorial specificities.

BORGSTENA's human resource policy focuses on the continuous upgrade of knowledge, on ethics and the development of the potential and motivation, encouraging flexibility and adaptability while fostering merit, competence, participation and commitment.

The Code of Conduct aims at positioning BORGSTENA as a reference concerning standard of conduct, relationship between employees and third parties, ensuring that BORGSTENA is recognised as an example of excellence, integrity, responsibility and rigour.

Code of Conduct

Chapter I

Purpose and Scope

1.1 – Purpose

Borgstena expects this Code of Conduct to provide a relational framework for its employees, reflecting the group's corporate culture and serving as a reference for guiding the behaviour of its employees and all who relate to it. It hereby ensures the compliance with the ethical standards that a Group like BORGSTENA should be guided by, translated and embodied in relationships built on trust and transparency.

1.2 – Scope

- a) The Code of Conduct is applicable to all employees of BORGSTENA, understood as the people who carry out activities at BORGSTENA, namely board directors and workers.
- b) The principles laid down in the Code of Conduct shall also be communicated and recommended to service providers and suppliers of BORGSTENA, in the context of the relations entered into with them.
- c) This Code of Conduct or its principles are applicable to the people or entities mentioned before, without prejudice to other applicable rules of procedure in effect at BORGSTENA.
- d) The principles or provisions of this Code of Conduct that by their very nature preclude their application to the subjects mentioned before shall not apply to them.
- e) The application of the Code is neither contrary nor an obstacle to the application of other rules of conduct or ethics, of a legislative or other nature, applicable to specific functions, activities or professional groups.

Chapter II

General Principles

2.1 – General Principles

- a) When performing their tasks, functions and duties, the covered persons must act in pursuit of the interests of BORGSTENA and with respect for the principles of legality, good faith, responsibility, competition, transparency, good governance, loyalty, integrity, professionalism, safeguarding of resources, environmental awareness and confidentiality, taking into consideration the mission and quality, environmental and safety policies existing in BORGSTENA.
- b) The principles mentioned in the previous paragraph are observed in particular in relations with customers, suppliers, service providers, media, public and private entities, the general audience and between employees of BORGSTENA.

2.2 - Principles of equal treatment, diversity and non-discrimination

- a) The covered persons of this Code must not adopt discriminatory behaviour, namely based on race, gender, age, physical disability, sexual orientation, political opinions or creed, centring attention on the principle of equal opportunities, diversity and individual merit.
- b) BORGSTENA and the covered persons must guide their conduct by the highest standards of integrity and individual dignity, in view of avoiding or correcting practice which runs counter the principles mentioned before, all employees being granted by BORGSTENA equal opportunities for the development of their professional career.

2.3 – Endeavour, Efficiency and Accountability

The covered persons are expected to always carry out, diligently, efficiently and to the best of their abilities, the responsibilities and the duties entrusted to them under their relationship with BORGSTENA; the performance of BORGSTENA's

employees is assessed on the basis of merit and the outcomes of the performance of their functions, in complying with their duties.

2.4– Information, Personal Data and Confidentiality

- a) The covered persons and in particular BORGSTENA's employees shall observe the confidentiality in relation to third parties of all information which come to their knowledge in the context of their activity, in particular where the disclosure of such information, by their nature, may impact the image, the interests and the business of BORGSTENA.
- b) This shall include, in particular, the prohibition to use confidential information for obtaining personal benefits (namely, personal data or other data considered reserved, information about business opportunities or current business, information about technical competences, working methods and projects developed by BORGSTENA, and information concerning any project completed or in development, whose access is limited to the employees of BORGSTENA in the course of their functions or by virtue of their duties).
- c) In case of doubt concerning the nature of the information coming to their knowledge in the course of their functions, BORGSTENA's employees shall observe the confidentiality of such information and seek clarifications with the managers of BORGSTENA.
- d) The persons covered are bound by the duty of confidentiality even after they cease the activities under which they adhered to this Code.
- e) BORGSTENA is concerned about the privacy of the people and undertakes to comply strictly with the legislation concerning personal data protection, namely the European Regulation on Data Protection which entered into force on 25 May 2018. BORGSTENA is responsible for processing the personal data of its employees, customers, consumers, suppliers and commercial partners. "Personal data" is all information that can directly or indirectly identify an individual when used separately or combined with other information.

- f) The persons covered by this Code and the employees of BORGSTENA in particular are responsible for using all personal data responsibly, complying with the applicable laws and the policies and procedures of BORGSTENA. That means, in particular, that the personal data shall be processed under strict rules of confidentiality, and may be used only when necessary and by anyone who needs to use such information for the exercise of their duties. The implementation of and compliance with this Code of Conduct does not exempt from the application of the Data Protection and Privacy Policy of BORGSTENA.
- g) Without prejudice to the specific rights and duties of members of worker representation bodies provided by law, the persons covered by this Code, unless mandated for this purpose, have the obligation to behave with discretion and refrain from making public statements, using social media, websites, apps, social platforms or by other means, either on their own initiative or on request of third parties, in particular where the image of BORGSTENA may be endangered.

2.5 – Professional Relations

- a) Subject to the provisions concerning the performance of specific functions or the exercise of management duties and to prior authorisation of the Board of Directors, BORGSTENA's employees may not be employed by an entity outside of BORGSTENA, whenever the exercise of such functions interferes with the fulfilment of his/her duties as employee of BORGSTENA or in any way affects his/her performance or availability to carry out such duties in BORGSTENA.
- b) Subject to prior authorisation of the Board of Directors, no employee of BORGSTENA may engage in professional activity in entities whose purpose or activity may conflict, interfere or harm the interests, goals and activities of BORGSTENA.
- c) BORGSTENA's employees shall report to the Board of Directors where they effectively perform functions the intention to exercise an activity that may result in breach of the terms laid down in sub-paragraphs a) and b) or may be potentially conflicting or incompatible with the exercise of their functions at BORGSTENA at any given time.

- d) The employees of BORGSTENA undertake to not start any activity that has been communicated according to the previous sub-paragraph before BORGSTENA issues an opinion or before 30 days from such communication.

2.6 - Loyalty and Impartiality

- a) The employees of BORGSTENA pledge their loyalty to the company, and undertake to protect its credibility, prestige and image in all situations, to act with honesty, exemption, commitment and objectiveness when analysing decisions taken on behalf of BORGSTENA.
- b) In the exercise of their functions and tasks, the employees of BORGSTENA must act in the interest of the company, with impartiality and professional ethics, avoiding behaviour favouring third parties in virtue of one's own interests or of the third parties' interests, basing their decisions on the highest standards of seriousness and integrity.
- c) The employees of BORGSTENA must act strictly within the limits of their responsibilities associated with their functions, using wisely and rationally the means made available to them and only in the exercise of their duties.

2.7. Competition

BORGSTENA shall respect market rules, hereby fostering fair competition and avoiding practices that restrict competition, while seeking to maintain cordial relations with competitors, based on honesty and mutual respect.

2.8. Principle of Transparency

- a) The financial and management reports of BORGSTENA must be prepared on time, on the basis of true information that reflects with transparency the company's situation and the principles and policies pursued by BORGSTENA.

- b) The employees of BORGSTENA undertake to provide the necessary clarifications regarding decisions and professional behaviour, and to report to their hierarchy any event that may materially impact the financial, economic or social situation of BORGSTENA.

2.9. Compliance with current legislation

- a) BORGSTENA must uphold absolute compliance with the legislation and regulations applicable to its activities, for ensuring a healthy and safe environment for all employees.
- b) The employees of BORGSTENA may not breach any law, recommendation or instruction of a competent authority on behalf of the company and in the context of their activity.
- c) BORGSTENA is committed to being a responsible company at the national and international level, respecting all national and Community laws in accordance with its field of business.

2.10. Corporate Responsibility

- a) BORGSTENA agrees that it must focus on its contribution to sustainable development in all three strands, i.e. the economic, environmental and social impact of its activities. Its employees undertake to act in accordance with the social responsibility principles of BORGSTENA, aiming also at being an active and participatory agent of progress and well-being of the organisation and the surrounding communities.
- b) BORGSTENA rejects child or forced labour in the form of slavery, and promotes the respect for human rights, work and freedom of association, participating actively in initiatives of social and cultural nature and fostering more active and responsible citizenship.

Chapter III

Relationship with the outside

3.1. General Provisions (relationship with third parties and related parties)

- a) The employees of BORGSTENA shall neither seek, accept, make or promise payments, directly or through an intermediary, nor act in such a way that serves their own interests or of third parties with customers or suppliers. Any kind of corruption shall be prohibited. In particular, the employees of BORGSTENA may not make any contributions to political parties in cash or in kind on behalf of the company.
- b) The employees of BORGSTENA shall refuse to obtain or disclose information by unlawful means.
- c) The employees of BORGSTENA shall not seek, accept, grant or promise any advantage, directly or through an intermediary, unless expressly in compliance with and permitted through procedures established by BORGSTENA for that purpose.
- d) Grants, bonuses, gifts, samples or other third party offers, in particular, shall be refused whenever there is suspicion that such grants, bonuses, gifts, samples or other third party offers seek to achieve goals that run counter to the principles and provisions laid down in this Code of Conduct, namely when they constitute attempts to influence BORGSTENA or, in particular, the decision or behaviour of a covered person.

3.2. Relationship with suppliers

- a) The employees of BORGSTENA shall behave in a form which allows the fulfilment of the commitments with goods and services, requiring from them full compliance with their obligations and good practices and rules underlying the activities involved, in view of the good functioning of the market.

- b) The employees of BORGSTENA shall ensure that the agreements entered into by the group companies are written up in a precise and unambiguous manner, clearly laying down party rights and obligations in accordance with the applicable rules.
- c) The suppliers are chosen on the basis of impartial and transparent criteria, in such a way that no privileges or favouritism occurs.
- d) The employees of BORGSTENA must keep in mind that the choice of suppliers and service providers must be based not only on economic and financial indicators, commercial conditions and the quality of goods and services, but also on the ethical behaviour of suppliers, namely adherence to this Code.
- e) The employees of BORGSTENA should foster supplier and service provider awareness of compliance with ethical principles contained in the present Code of Conduct.
- f) The employees of BORGSTENA must abstain from answering the questions of suppliers that seek to obtain, improperly, confidential information on BORGSTENA.

3.3. Relations with the media

- a) Information provided to the media or contained in advertising must be informational and true, respecting the cultural and ethical standards of the community.
- b) Such information must contribute to a dignifying image of BORGSTENA and to create value for the company.
- c) The employees of Borgstena may provide the information laid down in the first subparagraph herein as mentioned in subparagraph 2.4
- d) All information disclosed to the media must be consistent with BORGSTENA's policies on these matters.

3.4. Relations with the community and the environment

BORGSTENA shall adopt a socially responsible attitude towards the Community, public opinion and the market, in close dialogue and adopting a conscientious environmental sustainability policy, which includes responsible use of the available resources.

Chapter IV

Internal Relations

4.1. Relationship between employees and further education

- a) The employees of BORGSTENA shall focus their activities in the company on increasing productivity, through their involvement and participation, the promotion of a healthy environment of trust, the respect for hierarchy, proactive collaboration, sharing of knowledge and information, and fostering team spirit.
- b) The employees of BORGSTENA shall be guided by principles of mutual respect for integrity and dignity, while BORGSTENA agrees to foster correct, cordial and respectful relations between its employees.
- c) The employees of BORGSTENA must refrain, in particular, from practices using harassment, discrimination, abuse or bullying at work, considering for this purpose the concepts laid down in the Labour Code.
- d) BORGSTENA shall include in its training actions, where justified, contents that address preventing and combating harassment, abuse and bullying at the workplace.
- e) The employees of BORGSTENA may address the HR department or the company's Ethics Box to request clarification on questions and issues concerning harassment, discrimination, abuse and bullying at work.
- f) The employees of BORGSTENA must consider ways of constantly improving and updating their knowledge, with a view to maintain or improve their professional

skills, namely by participating in training actions sponsored by BORGSTENA in the context of this Code of Conduct.

Chapter V

Application of the Code of Conduct

5.1. Reporting of Irregularities

Possible irregularities or infringements of this Code of Conduct must be communicated in writing on paper and placed in the Ethics Box (blue box in production) or in digital format (email address with restricted access: email ethics).

5.2. Infringement

- a) In the event of infringement of the provisions set forth in this Code of Conduct, employees shall be subject to the exercise of disciplinary power by BORGSTENA, according to the Code and the Collective Labour Agreement in force at any given time.

- b) If the provisions of this Code of Conduct are infringed by suppliers and service providers of BORGSTENA or other third parties covered by the Code or its principles, they shall be subject to possible penalties established under the contractual relations with BORGSTENA, and the reassessment of the terms and conditions of these relations.

Chapter VI

Dissemination

6.1. Dissemination and commitment to compliance

- a) The Human Resources department shall be responsible for disseminating this Code of Conduct by email and social media, and on paper at the HR department of BORGSTENA, in view of consolidating the implementation of the principles and adoption of the behaviour established in the Code.
- b) It is assumed that the employees of BORGSTENA adhere to the present Code of Conduct when they have not expressed their opposition to the Code within 15 (consecutive) days from the disclosure of the Code of Conduct by email.