



ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL
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Ethical Code

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Introduction

Cometto S.p.A. operates as the manufacturer of road and special heavy haulage vehicles.

Purpose of the document

With a view to clearly and transparently defining the values and principles pursued by the Company, as well as the criteria of conduct designed to regulate its activities, Cometto S.p.A. (hereinafter also referred to as “**Cometto**” or the “**Company**”), has drafted this Ethical Code (hereinafter, the “**Ethical Code**”), with which it expects all those who cooperate in the execution of the Company's activities to comply.

If the Company is to run smoothly, it must have a positive image and a good reputation, two intangible resources guaranteed by ensuring its compliance with the ethical undertakings and objectives specified in this Ethical Code.

1 SCOPE AND RECIPIENTS

Cometto attributes a positive ethical value to the principles described in, and the rules of conduct dictated by, the Ethical Code; additionally, it considers the application of the provisions expressed herein an essential regulatory measure that must be adopted to ensure the transparency and lawfulness of all the activities connected with the Company in any way whatsoever.

The principles, rules of conduct and behavior specified in this Ethical Code are binding for the Company Bodies and their members (Directors and Auditors), Employees (people linked to the Company by a relationship of subordinate employment, including managers), Collaborators (those who work with the Company on specific projects, trainees and temporary/agency workers), independent consultants, suppliers, agents, contractors and other collaborators, that is parties who act in the name and/or on behalf of the Company by virtue of a mandate or another contractual relationship (hereinafter, collectively referred to as the “**Recipients**”).

The Recipients of the Ethical Code must comply with the provisions contained herein and tailor their behavior and actions to ensure its compliance with the principles expressed therein. To this end, the Ethical Code will be disseminated as per the terms set forth in paragraph 11.

2 ETHICAL PRINCIPLES

This aim of this Ethical Code is to define the fundamental ethical values of Cometto, which are:

2.1 Lawfulness

The Company considers lawfulness to be an essential value for running its activities. It therefore undertakes to comply with the laws in force, the Ethical Code, the internal company regulations and the good practices generally acknowledged.

2.2 Integrity and transparency

All the activities performed in the name and on behalf of Cometto are characterized by their compliance with the principles of integrity and transparency, and are conducted with loyalty, a sense of responsibility, decency and in good faith. The Company undertakes to guarantee that it will manage and communicate the company information fully, honestly, accurately, homogeneously and promptly, and therefore refrain from behaving in deceptive ways that may generate an unfair advantage

2.3 Social justice and the value of the human being

The Company respects the fundamental human rights of those with whom it has cause to interact for any reason, protecting their physical and moral integrity and guaranteeing equal opportunities for all.

The Company shuns all forms of discrimination based on age, gender, sexuality, health, race, nationality, cultural origins, political opinions and religious beliefs.

In particular, the Company guarantees that it will provide safe, healthy workplaces and ensure working conditions that respect the dignity of each individual for all its Employees and Collaborators.

2.4 Diligence and professionalism

The members of the Company Bodies, the Employees and the Collaborators are committed to diligently performing their professional activities, operating in the interest of the Company and pursuing objectives of effectiveness and efficiency. They shall always do so in the full awareness that ethics are an element of prime importance for Cometto and that therefore any behaviors that may appear abstractly geared to favoring the Company, but which are instead found to infringe the legislation in force or this Ethical Code, will not be tolerated.

2.5 Confidentiality

The Company undertakes to treat as confidential any and all information obtained in the course of the business of the organization, guaranteeing full and prompt compliance with the security and protection measures in place to protect the data entered in its information and filing systems.

2.6 Environmental protection

The Company is aware of the direct and indirect effects of its activity on economic and social development and on the general wellness of the community, as well as the importance of being socially accepted by the communities in which it operates.

Cometto therefore plans its activities by pursuing a balance between economic initiatives and mandatory environmental requirements, not only to comply with the laws in force, but also in consideration of the rights of future generations.

Cometto strives to ensure that its designs, processes, methods and materials contemplate the development of the relative scientific research and the best environmental practices, with a view to respecting the territorial balance, preventing pollution and protecting the environment and landscape.

2.7 Focus on the customer

Cometto considers the customer to be the linchpin of its sales activities.

To meet customers' requests and also to create value for the same, the Company undertakes to guarantee professionalism, punctuality, willingness to help, courtesy, collaboration and high quality standards by providing the highest level of service.

3 BEHAVIORAL CRITERIA FOR BUSINESS MANAGEMENT

3.1 General principles

3.1.1 *Compliance with the laws in force*

When carrying out its activities, the Company shall act in compliance with the laws in force and expects the Recipients of this Ethical Code to do the same and to behave in a way that does not compromise the moral and professional reliability of the same.

3.1.2 *Conflicts of interest*

The Company Bodies, Employees and Collaborators must ensure that every business decision is made in the Company's interest, in line with the principles of correct company and business management . They must therefore avoid all situations and activities in which a conflict of interests might occur between the personal or family economic activities of the party involved and the tasks they are responsible for performing, to such an extent that it interferes with or undermines their ability to make decisions impartially and objectively (for example, they must avoid allowing an Employee or Collaborator to pursue an interest other than those of the Company, "personally" benefit from the Company's business opportunities or pursue a personal interest using their company role).

The Recipients will therefore refrain from abusing their position in any way with the intention of obtaining unfair advantages for themselves or for others.

Full details of any situations of conflict, even if only potential, must be promptly communicated to the Company, and the conflicting party must refrain from performing or participating in any actions that might compromise the Company or its image.

3.1.3 *Vigilance in sales transactions*

In sales transactions, particular vigilance must be exercised when receiving and spending money, bank notes, debt securities and values in general, in order to avoid introducing counterfeited or altered values into the market.

3.1.4 *Contributions and sponsorships*

The Company can decide to fulfill the requests for contributions and sponsorships for activities in the social sphere, or those related to the environment, sport, entertainment or art, provided these come from no-profit entities and associations that have been legally incorporated and are governed by legal by-laws and deeds of incorporation.

In any case, when participating in these initiatives, the Company shall pay particular attention to any possible situations that may generate conflicts of interest, either for individuals or for the Company.

Sponsorship activities can only be performed subject to the establishment of specific agreements and to the performance of a check designed to ascertain the good standing of the beneficiary and of the promoted event/initiative .

3.1.5 *Confidential nature of information*

The Company ensures the confidentiality of the information in its possession and shall refrain from seeking confidential data, except in cases in which it has obtained explicit, conscious authorization to do so, and can ensure compliance with the laws in force. It also undertakes to protect the data acquired, kept and processed during the management activities, in full compliance with the relevant personal data protection laws in force.

No inquiries can be made regarding the ideas, preferences, personal tastes and, in general, private lives of the Employees and Collaborators, or anyone else who collaborates with the Company in general. The personal data can only be processed once the explicit consent of the interested party has been obtained, issued following receipt of the specific note provided thereof and in application of the relevant law in force.

In particular, the Employees, Collaborators, consultants and other parties that collaborate with the Company must not use any information they may have acquired performing their activities for purposes not strictly related to these purposes.

3.1.6 *Communications with the external environment*

In addition to the terms set forth regarding confidentiality, any news, information and data concerning the Company shall be communicated and disclosed to the external world (also using mass communication methods) in such a way as to ensure compliance with the right to be fully informed and can strictly only be

performed by the company departments responsible for these activities; Under no circumstances can any false or biased news or comments be disseminated.

Every communication activity performed shall comply with the laws, regulations and practices of professional behavior, and shall be conducted with clarity, transparency, promptness and accuracy. The means of communication used cannot exert any kind of pressure, or serve to acquire favorable behaviors.

To ensure the integrity and coherence of the information, Cometto can only interact using mass communication means when this interaction is coordinated by the competent departments and carried out through a designated single spokesperson.

3.1.7 Ban on operations designed for the purpose of money laundering

The Recipients must never perform or be involved in activities that may implicate the laundering (that is, the acceptance or processing) of the proceeds of criminal activities of any kind, or performed in any way, by strictly complying with the anti-money laundering laws.

The Employees and Collaborators must verify in advance the available information (including financial information) about their sales partners, consultants and suppliers, in order to verify the moral integrity, respectability and the legitimacy of their business before establishing any business relationships with the same.

The Company must always ensure it applies all the laws in force regarding organized crime and the prevention of money laundering.

The Directors, Employees and Collaborators of the Company must strictly comply with the laws, policies and company procedures in force with reference to any economic transaction they may happen to be involved in, ensuring the flawless traceability of the incoming and outgoing financial flows and full compliance with the laws on the prevention of money laundering.

3.1.8 Behavioral criteria for the protection of industry and trade

Cometto intends to protect the values of lawful competition by refraining from behaving in any collusive or predatory ways. The Company and its Collaborators must comply with the principles and rules of free competition and must not infringe the laws in force regarding competition, *antitrust* and consumer protection.

Indeed, any behaviors that could infringe the habitual and free performance of business and industry and which could, as such, damage the commercial trust and good faith in the business are forbidden.

Regarding lawful competition and consumer protection, the Company and its Collaborators undertake not to infringe third party rights regarding intellectual property and to comply with the standards established to protect the distinguishing marks of original work or industrial products (brands, patents), introducing measures to monitor the full compliance with the industrial property protection rights.

It is forbidden to sell products bearing false marks, figures or that could lead to misunderstandings about the effective origin, source or quality of the work or product in question.

3.2 Customer relationships

Fulfilling our customers' requests and establishing constructive relationships with the same are two fundamental objectives for Cometto. The Company undertakes to satisfy its customers impartially, in compliance with the contracts in place and the quality standards agreed upon and with a high level of professionalism, willingness to help, courtesy and collaboration, for the purpose of providing the maximum level of service to the same.

In their relationships with customers, the Directors, Employees, agents and Collaborators must:

- forge and maintain favorable and long-lasting relationships geared to ensuring maximum efficiency, collaboration and courtesy;
- honor the undertakings and duties assumed towards them;

- provide full, accurate, truthful and prompt information to allow the customer to make an informed decision;
- inform them of the existence of this Ethical Code;
- operate in compliance with the law in force and request the same prompt compliance from others;
- specifically comply with the terms set forth in paragraph 4, should the customers belong to the Public Administration.

3.3 Supplier relationships

Decisions about which suppliers to choose and which goods and services to purchase are made by the designated company departments based on objective assessments of the skills, competitiveness, quality, decency, honor, reputation and price.

The purchasing processes aim to seek the maximum value for the Company and to ensure that equal opportunities are provided to all suppliers; they are also founded on the pre-contractual and contractual behaviors designed to ensure an essential climate of mutual loyalty, transparency and collaboration.

In any case, when working for the Company, should a supplier behave in any way that fails to comply with the principles of this Ethical Code, Cometto shall be entitled to take appropriate action to preclude any other opportunities for working with the same.

The suppliers of Cometto must ensure that their Employees operate in working conditions based on respect for fundamental human rights, the international Conventions and the current laws in force. In particular:

- the use of child labor is absolutely forbidden and considered unacceptable. The production workers engaged cannot be younger than the minimal legal working age established in each State;
- worker exploitation, including child exploitation, the use of forced labor, physical and psychological abuse and corporal punishment are considered absolutely unacceptable and will lead to the immediate suspension of all the relationships that may exist between the supplier and Cometto;
- the payment and benefits provided to Employees must comply with the local provisions in force and the law and must be in line with the terms established by the relevant international Conventions;
- the suppliers must guarantee that all forms of production are performed using appropriate and adequate processes to ensure the constant protection of the worker's health.

The suppliers must also inform any subcontractors they may engage about the existence of this Ethical Code.

In their relationships with suppliers, the Directors, Employees and Collaborators must:

- establish efficient transparent and collaborative relationships, maintaining an open, honest dialog in line with the best commercial practices;
- ensure the suppliers' constant collaboration in maintaining the most convenient relationship in terms of quality, cost and delivery times;
- demand that the terms and conditions set forth in the contracts with suppliers are applied;
- request that the suppliers comply with the principles of this Ethical Code;
- operate in compliance with the law in force and request that others do the same.

In particular, when establishing a contract with a supplier, they must always base this on full transparent relationships, avoiding, where possible, any forms of dependence. Therefore, for example:

- they should generally avoid establishing projects that bind them for long periods of time, short-terms contracts based on prices that need to be continuously reviewed or contracts with consultants without an adequate transfer of know-how, etc.;
- it is not considered correct to convince a supplier to establish a contract against its best interests, while implying that by doing so they will later be allowed to establish a more beneficial contract.

To ensure the maximum transparency and efficiency of the purchasing process, Cometto keeps all the documentation that supports the choices adopted in the purchasing and supply contract, including therein all the official documentation relative to tenders, for the periods established by the current legislation.

3.4 Relationships with independent consultants, agents and other collaborators

Without prejudice to the principles set forth for their supplier relationships, in their relationships with independent consultants and other collaborators, the Directors, Employees and Collaborators must:

- carefully assess whether it is appropriate to use the services of the independent consultants and select counterparts with adequate professional qualifications and good standing;
- establish efficient, transparent and collaborative relationships, maintaining an open, honest dialog in line with the best commercial practices;
- ensure the independent consultants and collaborators cooperate to constantly maintain the most convenient relationship in terms of the quality and cost of the service provided
- demand that the terms and conditions set forth in the contracts with suppliers are applied;
- request that the independent consultants and collaborators comply with the principles of this Ethical Code;
- operate in compliance with the law in force and request that others do the same.

The same principles should be upheld in the Company's relationships with agents.

4 RELATIONSHIPS WITH THE PUBLIC ADMINISTRATION AND THE DATA PROTECTION AUTHORITY AND SUPERVISORY BODIES

4.1 Right to undertake commitments

The undertaking of commitments and the management of the relationships, of any kind, with the Public Administration is reserved exclusively to the designated company departments and the authorized staff, in strict compliance with the legal provisions and applicable regulations in force. Here, the term "public Administration" is interpreted in the fullest sense of the term, including also the Public Administrations of foreign states, as well as all parties that can be classed as such based on the legislation in force and the current doctrinal and case law interpretations. It therefore includes public officials, public service providers and private entities appointed to provide public services, as well as private parties subject to public governance.

The same provisions apply to the Company's relationships with the data protection authority and supervisory bodies.

4.2 Ethical rules of conduct

To prevent the Company's integrity and reputation from being compromised, the contacts established with the Public Administration and the data protection authority and supervisory bodies must be monitored and documented.

In their relationships with the Public Administration and the data protection authority and supervisory bodies, the parties involved must act with the utmost transparency, clarity and correctness to establish a relationship based on the highest levels of professionalism and collaboration.

With regard to the representatives of the Public Administration and the data protection authority and supervisory bodies, the following provisions apply:

- no active or passive corrupt practices, or collusive behaviors of any kind or form will be permitted during the relationships with these representatives:
 - when applying and managing authorizations, permissions and/or licenses for the accomplishment of company activities;
 - during verification and inspection activities;
 - during any kind of activity related to accountancy;
 - when establishing any kind of sales transaction;
- it is forbidden to offer money or any kind of benefits or perform acts of commercial courtesy for representatives of the Public Administrations in Italy and abroad (even in countries in which offering gifts/benefits is common practice), or to their relatives. This applies unless the benefits exchanged are: of moderate value; offered in compliance with company procedures; in any case subject to the explicit authorization of the CEO and the Chairman of the Company and, in any case, provided that they cannot be considered in any way a lever for influencing the receiver during the fulfillment of their duties (by obliging them to either act or refrain from acting in a certain way). It is also forbidden to

receive unlawful favors and/or to gain an unfair advantage from representatives of the Public Administrations in Italy and abroad.

5 RELATIONSHIPS WITH OTHER COMPANY STAKEHOLDERS

5.1 Directors, Board of Auditors, external auditor

The Company undertakes to promptly provide shareholders with accurate and truthful information and to improve the conditions for their participation in the decisions made within the company, in full compliance with the law in force and the company by-laws

In their relationships with the members of the Board of Auditors, the independent auditor and the external auditing company, the parties involved must act with the utmost transparency, clarity and correctness for the purpose of establishing a relationship based on the highest levels of professionalism and collaboration. These relationships will be established and the information will be provided subject to the supervision and coordination of the competent company departments.

5.2 Trade associations, trade unions and political parties

Cometto shall under no circumstances help to fund any parties, movements, committees and political and/or trade union organizations or their representatives or candidates.

It will refrain from behaving in any way that may result in the direct or indirect exertion of pressure on political figures. Cometto can cooperate, also financially, with non-political associations for specific projects, based on the following criteria:

- the objectives must be related to the Company's business;
- the destination of the resources must be clear and easily documented;
- the express authorization of the departments responsible for managing said relationships within the Company must have been obtained.

6 DONATION/ACCEPTANCE OF GIFTS OR OTHER BENEFITS

With reference to its anti-corruption objective, Cometto S.p.A. has deemed it necessary to make this Code an effective tool in the struggle against the corruptive phenomena resolutely opposed by the national and international laws, also in light of Italian Law no. 190 of 6 November 2012 containing "Provisions for the prevention and repression of corruption and illegality in Public Administration".

Indeed, the Italian legislature, by implementing an overall reform of the anti-corruption system, bringing the national law into line with the international provisions, as well as introducing stricter behavioral regulations designed to reorganize the governance of administrative transparency, also implemented a harsher sanctioning system, with effects on both the natural persons and the Entities involved.

The Ethical Code is therefore a tool for implementing company policy, as it expresses the Company's specific will to reject corruption and all other illegal practices.

It is forbidden to make any direct or indirect offer or donation of money, gifts or benefits of any kind to managers, customers' clerks or employees, suppliers or independent consultants designed to influence them as they carry out their duties and/or gain an unfair advantage from the same. This also includes influences and favors that may only appear, but have not been proven to be non-compliant with normal trading or courtesy practices, or in any case those performed with the intention to acquire favorable treatment during the performance of any activity that can be related to the Company.

Acts of commercial courtesy are permitted, as long as these are of a moderate value or in any case do not compromise the integrity or reputation of one of the parties, and provided that an impartial observer cannot consider them as being performed in order to gain unfair advantages and/or obtain advantages using inappropriate means.

The Directors and Employees cannot accept any free goods or other benefits for themselves or for others, even on special occasions, except gifts of a moderate value and/or those that can be attributed to normal, regular relationships of courtesy, as long as they do not compromise the integrity or reputation of one of the

parties or appear to an impartial observer to be performed in order to gain unfair advantages and/or obtain advantages using inappropriate means.

Any Employee who, regardless of their will, receives gifts or other benefits not of a moderate value and in any case not in compliance with the terms set forth above, must notify the Company accordingly, which can decide that these must be returned; should this not be possible, the gift must be surrendered for the use of the Company.

The Recipients cannot donate free goods, donations or sponsorships of amounts and/or to beneficiaries that fail to correspond with the terms formally defined and authorized based on the system of powers and mandates in force within the Company, and based on the indications contained in the company procedures.

Instead, with reference to the relationships with the Public Administration and the data protection authority and supervisory bodies, please see the terms explained by and contained in paragraph 4.2.

7 ADMINISTRATIVE AND ACCOUNTING MANAGEMENT

The Company shall comply with the laws and, in particular, with the regulations applicable to the drafting of financial statements and any other kind of mandatory documentation in the fields of administration and/or accountancy.

The Company must promptly and accurately keep full accounting records, in compliance with the company accountancy procedures, with a view to providing a truthful portrayal of the state of the company's assets and management activity.

All the Company's actions and operations must therefore be correctly recorded and authorized. They must be available for checking, legal, coherent and congruous.

The Company's accounting system is based on generally accepted accounting principles and systematically identifies the events caused by or resulting from the management of the Company.

To this end, all the company departments must pledge their maximum collaboration in ensuring that the management actions are correctly and promptly registered in the company accounting system, guaranteeing that the information provided is complete and clear and that the data is processed correctly and accurately.

Adequate supporting documentation must be kept. for each entry in the accounting system that reflects a company transaction. This documentation must clearly prove the grounds for the operation that led to the entry and its authorization. The supporting documentation must be easy to locate and filed in keeping with appropriate criteria that enable it to be easily consulted both by in-house and independent supervisory bodies.

In particular, the Company's in-house and independent auditors must both have free access to the data, documents and information needed to carry out their activities. It is absolutely forbidden to prevent or hinder the execution of the checking or auditing activities legally ascribed to the directors, other Company Bodies, the external auditor or the appointed accounts auditor.

8 EXERCISING DILIGENCE IN THE USE OF COMPANY RESOURCES

The Directors, Employees and Collaborators must operate with the due diligence required to protect the company resources, avoiding any inappropriate uses of the same that can cause damage to, or a reduction in efficiency for the Company, or that in any case goes against the Company's interest. In this case, the term "company resources" refers, for example to:

- the Company's capital goods and consumables;
- company equipment;
- the goods of third party owners obtained under license, loan for use, rental or use agreements;
- IT applications and devices in relation to which full compliance with the company security policies is required in order not to compromise the functionality and/or integrity of the data, and the possibility of processing the same.

Company resources (such as, for example, rooms and equipment) cannot be used for any party's personal use and interest of any kind.

Any use of the company resources that proves to be in conflict with the laws in force and with the Company's in-house regulations, is forbidden, even when this use can abstractly generate an interest or an advantage in the Company's favor.

9 SECURITY OF IT TOOLS

The Directors, Employees and Collaborators must comply strictly with the Company procedures and policies on IT security and the internal company regulations. They must use the company resources - such as, for example, personal computers, telephone devices and other means of communication - in conformity with the above-mentioned procedures and policies, avoiding any behavior that can compromise the working order and security of the Company's IT system.

The IT and electronic tools (such as telephones, fax machines, email, Internet, intranet and in general hardware and software) provided by the Company to its staff are and will always be considered as operating tools and will therefore only be used for purposes related to the Company: this applies both to the use of computers and to the use of other tools, programs and services. Every Employee must also strive, to the best of their ability, to prevent crimes from being committed using IT tools. Company staff must not upload unauthorized software or software without the required licenses to the Company's software systems, and they must not make unauthorized copies of programs that have been licensed for personal, corporate or third party use.

The Company protects the personal data of all the parties who enter into a relationship with the same in line with the privacy laws currently in force.

Under no circumstances can the way in which an electronic or company IT system runs, or the data and information contained therein be altered. Similarly no interventions can be made on any programs and files, for whatever reason, and no unlawful access to an IT or electronic system will be tolerated.

10 HUMAN RESOURCE MANAGEMENT POLICY

10.1 Staff recruitment and employment

The staff members employed are chosen based on the degree to which the candidates' profiles correspond with those expected and with company regulations, with the Company ensuring equal opportunities to all candidates. The information requested of the candidates is limited to that which is strongly related to verifying the aspects required by the professional and psychological role to be filled, and will be requested with respect for the candidate's private life and opinions.

Based on the information available, the designated recruitment department shall implement appropriate measures for avoiding cases of favoritism, nepotism, or forms of patronage in the selection and hiring phases of the recruitment process. The recruitment staff must state any affinities they may have with the candidates, based on the latter being their relations, blood relatives or persons with whom they have had or are having working or personal relationships.

10.2 Working relationship

Staff members are employed with a standard employment contract ; no forms of illegal work relationships will be tolerated. When the working relationship is established, every worker shall receives accurate information regarding:

- the characteristics of the role for which they have been appointed and the tasks to be performed;
- the legislative and payment-related elements to be applied, in line with the national labor collective contract;
- the laws and procedures to be used in order to prevent any potential health risks associated with the working relationship.

This information is presented to the employee in such a way as to ensure that their acceptance of the appointment is based on their effective understanding of the same.

To ensure compliance with the applicable laws, the correctness of the contractual documentation is verified, in particular for foreign workers who are required to provide more documentary support than that requested of workers with Italian citizenship.

10.3 HR management

Cometto strives to refrain from practicing any form of discrimination towards its Employees and Collaborators, offering equal opportunities in the employment and career areas. The decisions made during the HR management and development processes, and in the selection phase, are based on the degree to which the candidates' profiles correspond to the required Employee and Collaborator profiles (for example, in case of promotion or transfer) and/or on assessments of merit (for example, assignment of incentives based on the achievement of results).

A candidate's suitability for roles and appointments is also established based on a consideration of their skills and abilities; Furthermore, another element favored, in line with the general efficiency of the work, is a candidate's acceptance of flexible working hours, which can help the Company management to alleviate the pressure exerted by employees' parental commitments and, in general, those associated with taking care of the close family.

Candidates are evaluated based on a wide range of documented criteria by management, the HR department and, where possible, those who have come into contact with them.

10.4 The protection of health and safety at work

The Company undertakes to disseminate and consolidate a safety culture, by raising risk awareness; promoting knowledge of and compliance with the laws in force regarding prevention and protection; encouraging and demanding that all Employees and Collaborators - as well as contractors in their relative fields of competence - behave appropriately and working to preserve and improve the workers' working conditions, health and safety, especially with preventative actions.

The Company must perform its activities in full compliance with the law in force regarding prevention and protection, with particular reference to the terms set forth in Italian Legislative Decree no. 81/2008 (as amended) and in all other specific applicable regulations; the Company must manage its operations with a view to pursuing the improvement of the conditions of health and safety at work, also - but not only - for the purpose of reasonably preventing crimes of manslaughter and serious or grievous bodily harm from being committed due to infringements of the laws on health and safety in the workplace.

The fundamental principles and criteria that guide the decisions made by the Company concerning health and safety at work are as follows:

- avoiding risks;
- assessing the risks that cannot be avoided;
- eradicating risks at source;
- adapting the work to the worker, in particular with regard to the perception of the working relationships and the choice of the working equipment, the working and production methods, in particular to alleviate monotonous and repetitive work and reduce the effects this has on the worker's health;
- implementing constant monitoring of the workers' health with regard to the aspects that are influenced by the working activities.
- assigning tasks to the worker having taken into account their state of health and any instructions/restrictions that the company doctor defines for each of the same.
- taking into account the level of evolution of the technique used;
- replacing hazardous elements with non-hazardous or less hazardous ones;
- planning the prevention, with a view to creating a coherent set of rules and measures that incorporate technique, the organization of the work, the working conditions, social relations and the how the factors related to the working environment influence the workers' health and safety;
- prioritizing collective protection measures over individual protection measures;
- issuing adequate instructions to the workers.

The Company also undertakes to guarantee the protection of the working conditions by safeguarding the worker's psychological and physical integrity and respecting their moral identity, by actively preventing them from being unfairly influenced or subjected to unfair inconveniences.

10.5 Environmental protection

Cometto S.p.A. considers the diversity of the flora and fauna as an element of value and undertakes to act in such a way as to ensure that its actions fail to damage any endangered species, either directly or indirectly, also by striving to conserve their habitats.

Cometto S.p.A. undertakes to manage the company processes with due consideration for environmental issues by identifying production processes that minimize the impact of emissions into the atmosphere, waste production, waste water and noise on the environment.

In order to fulfill the purposes that Cometto has set itself, the Company:

- will ensure compliance with the environmental law (national, regional, local) and all the requisites that could derive from contractual or trade union agreements.
- shall take steps to disseminate within the company the culture of safeguarding the environment and the behaviors that its workers must strive to implement.
- shall strive to reduce solid, liquid and gaseous effluents.
- by carefully managing the waste separation and recycling process within the Company, shall favor the recovery rather than the disposal of waste.
- shall verify the condition of its gaseous or liquid emissions by implementing appropriate monitoring plans.
- will implement management choices designed to reduce energy consumption.
- will promptly verify any new environmental laws and regulations issued and update its procedures to render them compliant with these.

Cometto also helps to reduce pollution in general by producing electricity with a solar panel power station that covers part of the Company's energy requirement and destines the part which is not used for the use of the community.

11 DISSEMINATION AND UPDATING OF THE ETHICAL CODE

Cometto undertakes to promote and ensure an adequate knowledge of the Ethical Code, by disseminating the same to the Recipients using specific, effective and adequate activities designed to publicize and communicate these.

This Ethical Code is published on the Company's website. The Company also undertakes to update the contents of the same should requirements dictated by the variation of the context, the reference law, the environment or the company organization render this appropriate and necessary. The Company's Board of Directors is responsible for making all and any amendments and additions to this Ethical Code.

12 SUPERVISION OF THE APPLICATION OF THE ETHICAL CODE

Cometto considers the Supervisory Body appointed pursuant to Italian Legislative Decree 231/2001 and in coherence with the provisions of the Organizational, Management and Control model adopted by the Company, as the body responsible for monitoring this Ethical Code.

This body is tasked with:

- monitoring the initiatives related to the knowledge and understanding of the Ethical Code;
- supervising the effective application of the Ethical Code, by checking that the behaviors of the individuals correspond with the principles, laws and general standards of behavior envisaged herein;
- proposing any amendments, updates and additions for the revision of the Ethical Code to be submitted to the Board of Directors;
- receiving and analyzing reports of infringements of the Ethical Code;

- if applicable, formulating proposals regarding the adoption of sanctioning measures in cases of proven infringements of the Ethical Code.

Company staff can contact the Supervisory Body for any clarification they may require regarding the interpretation or application of the guidelines described herein.

Any infringements or suspected infringements of the Ethical Code must be promptly reported to the Supervisory Body in writing, using the e-mail address odv@cometto.com, or the letter box provided at the plant.

These reports should be sufficiently accurate and grounded and it should be possible to trace them to definite event or area. The Supervisory Body ensures the anonymity of the informants, with a view to avoiding any kind of retaliation, discrimination or penalty.

The Supervisory Body will assess the reports received with discretion and in a responsible way, and it will investigate them fully, also by listening to the informant and/or the party responsible for the alleged infringement. Should The Supervisory Body autonomously decide not to pursue the matter further, it will provide a written report of its reasons for this decision and notify the Board of Directors accordingly, in compliance with the terms set forth by the Organizational, Management and Control model.

13 CONSEQUENCES OF INFRINGEMENT OF THE ETHICAL CODE

The rules of conduct defined in the Ethical Code provide a reference with which the Recipients must comply when interacting with the various stakeholders, in particular the Public Administration.

Infringement of the provisions of the Ethical Code is also considered a disciplinary infringement and will therefore immediately spark disciplinary measures, regardless of whether criminal proceedings have been initiated, if in when the behavior in question is also considered a crime.

In particular, any type of infringement of the behavioral rules contained in the Ethical Code authorizes the Supervisory Body to ask the company departments of Cometto to launch a disciplinary proceeding that could result in the application of a sanction, calculated based on the gravity of the committed infringement, the perpetrator's previous behavior (e.g. any previous infringements committed) and their behavior following the event (e.g. notification of the infringement to the Supervisory Body).

13.1 Sanctions on Employees

The infringement of the individual behavioral rules envisaged by this Ethical Code by the Company Employees, is considered a disciplinary infringement pursuant to the reference National Collective Labor Contract (CCNL) or the National Collective Labor Contract of the metalworking and plant installation industry and of the contract of Industrial Managers, in their current versions.

The disciplinary sanctions that can be applied to Employees will be calculated in proportion to the gravity of the shortcoming and based on whether it has been repeated.

When deciding on the type and entity of the provisions to be taken, Cometto will take into account the procedures set forth by Article 7 of Italian Law no. 300 of 30 May 1970, (Worker's By-Laws) and any special laws that may be applicable.

In any case, the competent company department will always keep the Supervisory Body informed of the sanctions applied and/or the infringements detected.

13.2 Sanctions on contractors, Collaborators and consultants

Supply contracts, consultancy agreements and any other type of contract that ties an independent collaborator to Cometto S.p.A. must contain an explicit definition of the consequences generated by a failure

to comply with the Ethical Code. The consequences defined by the contract will be proportionate to the entity and nature of the infringement and may even involve canceling the contract with immediate effect.

The Supervisory Body will be notified each time sanctions related to the failure to comply with the indications provided by the Ethical Code are applied.

13.3 Sanctions on suppliers

The suppliers must review the Ethical Code, as specified in the terms and conditions of the order and strive to follow the instructions provided therein. Failure to comply with this clause entitles Cometto S.p.A. to implement appropriate measures, proportionate to the gravity of the non-compliance, which may even entail canceling the supplier from the supplier database for the most serious- or for repeated - infringements.

13.4 Sanctions on members of the Board of Directors, the Board of Auditors and the Supervisory Body

In case of an infringement of the Ethical Code on the part of one or more members of the Company's Board of Directors, the Supervisory Body will notify the entire Board of Directors and the Board of Auditors accordingly, who will adopt the appropriate measures in line with the gravity of the infringement committed and with the powers invested in them by the law and/or the Company by-laws (declaration of the same in meeting reports, requesting to call or calling a Shareholders' Meeting and listing in the meeting agenda adequate measures to be taken against the parties responsible for the infringement, etc.).

The disciplinary measures that can be applied to one or more members of the Company's Board of Directors will be defined by way of a resolution issued by the Board of Directors, to be passed with the abstention of the interested party and, where contemplated by the law and/or the Company by-laws, with a resolution passed by the Shareholders' Meeting.

In case of an infringement of the Ethical Code by the Company's entire Board of Directors, the Supervisory Body will inform the Board of Auditors so that the latter can promptly call a Shareholders' Meeting in order to implement the appropriate measures.

In case of an infringement of the Ethical Code on the part of one or more members of the Company's Board of Auditors, the Supervisory Body will inform the Board of Directors, which will adopt the appropriate measures in line with the gravity of the infringement committed and with the powers invested in them by the law and/or the Company by-laws (declaration of the same in meeting reports, requesting to call or calling a Shareholders' Meeting and listing in the meeting agenda adequate measures to be taken with regard to the parties responsible for the infringement, etc.).

Should the Board of Directors be notified of infringements of the Ethical Code committed by one or more members of the Supervisory Body, the former, in tandem with the Board of Auditors, will take steps to implement the initiatives deemed most appropriate based on the gravity of the infringement and in line with the powers invested in them by law and/or the Company by-laws.

In particular, should the infringement have been committed by a member of the Supervisory Body who is also a Company Employee, the sanctions described in paragraph 13.1 will be applicable.

In any case, the Board of Directors and the Board of Auditors will always keep the Supervisory Body informed of all sanctions applied and/or infringements detected.