

# Code of Ethics



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# 1. COBO: TRADITION AND EVOLUTION

COBO has always defined itself as an articulate, dynamic and change-receptive company, which constantly responds to market trends and knows how to be organised to acquire a distinctive position.

*'COBO is a global reference in the design, production and marketing of Components, Solutions and Systems for off-highway vehicles in specialised sectors, for which the company is a supplier to global and local leading manufacturers.'*

Those who choose COBO are not only looking for a reliable supplier, but also for a partner who understands their needs and can take on design and business complexities to add value and achieve competitive advantages. COBO solutions therefore often become exclusive levers in customer's success: collaboration between COBO functions and customer results in tailor-made solutions and complete customised systems.

COBO's success depends on the success of its customers, and thus does not lie in offering standardised products, but rather, above all, in designing and implementing highly customised and exclusive systems. In order to fulfil this commitment, COBO has the know-how required for product development and the implementation of critical production processes at its centres of excellence in Italy and abroad, so that they can be monitored and continuously improved, in accordance with the 'principles of continuous improvement'. Optimal control in terms of capacity, speed, responsiveness and flexibility is achieved through the verticalisation of each process.

Through solutions that contain Made-in-Italy values, COBO is configured as a supplier of solutions rather than products, which finds its *raison d'être* in the appropriate and daily management of complexity.

The business model and organisation that characterise COBO today are the reflection of a proactive approach that is not subjected to market changes but can transform itself, with continuous innovation and anticipation of trends as its benchmark.

COBO offers all relevant services to support projects at each stage of the product life cycle: conception, design, engineering, development, production and after-sales, through the involvement of the most critical corporate departments. We can therefore define COBO as a

'strategic partner' in its ability to support customers, guaranteeing continuity throughout the entire partnership.

### Keywords

INNOVATION

SERVICE

TAILOR-MADE  
APPROACH

FOCUS  
ON  
PEOPLE

SOUNDNESS

FOCUS ON  
CUSTOMER

REPUTATION

ESTABLISHMENT  
AND SENSITIVITY  
TO  
TERRITORY

RESPONSIBILITIES

PROACTIVITY

DRIVE TOWARDS  
FUTURE

SIMPLIFYING  
CAPACITY

FLEXIBILITY

INTERNATIONAL EXPANSION

INTEGRATION

HETEROGENEITY

PURSUIT  
OF EXCELLENCE

## **Sustainability and Ethics**

COBO interacts with multiple parties, among which internal parties are particularly important. The highly specialised skills of the personnel and the drive for innovation give rise to the continuous search for partners in line with the company's values who can share a path of professionalism and ethics, aimed at mutual satisfaction at a sustainable pace. The company considers the sustainability concept in its widest dimension including economic, social and environmental sustainability; always far from speculative excesses.

The quality of life concept is inherent to the company's work and is also applied in the solutions offered to the market, with the primary objective of connecting technology to the well-being of the end user.

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## 2. REASONS FOR A CODE OF ETHICS

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Dear Colleagues,

Welcome to the Code of Ethics for the Group (the ‘Code’).

Our Code is a global guideline for all business activities.

It sets out what COBO is expecting of each of us, in other words, how we are to behave in our daily work. It also explains how we can uphold the highest values to ensure the future commercial success of our Group, in order to remain as a market leader and a thoughtful innovator in the fields of design, development and delivery of global solutions and integrated systems for the off-highway vehicle market.

Globally, the company is committed in all its actions towards values of integrity, honesty, ethical business practices and respect for the law.

Our Code helps us meet these commitments. It shows where to find further information and who to contact with any questions or concerns. Each of us has a responsibility to report any situations that we know or suspect are a breach of our commitment to ethics and compliance with the law and this Code.

We are proud to be driven by the spirit of progress and realise that success is a long journey. We work to sustain our relationships with key partners, including our colleagues, customers, suppliers, other business partners and the local communities in which we operate around the world. Our Group is committed to respect our discipline, integrity and ethical culture as we continue to grow and succeed.

I would like to thank you for your continued commitment; thank you for reading, understanding and abiding by our Code in all your activities. Together, we can sustain long-term profitable growth and, at the same time, have a positive impact on the communities in which we operate for years to come.

Enrico Linetti

Chief Executive Officer

## 3. OUR VALUES

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The values that are at the core of COBO's culture apply to all our activities and professional relationships with:

- our employees and shareholders,
  - our customers, suppliers and competitors,
  - the companies of the Group in general.
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**Humanity** At COBO, we pay great importance to human relations, we take into account the needs and requirements of our customers and we focus on our employees' value.

**Collaboration** At COBO, we listen, share, build, both inside and outside our Group, in order to always take all interests into account.

**Agility** At COBO, we foresee the requirements of our counterparts and adapt to the different needs accordingly.

**Ambition** At COBO, we want to be leaders of our time in order to propose the best possible solutions.

**Commitment** At COBO, we invest in ourselves, daily and long-term; we invest in all our projects and are always there for our partners.

**Soundness** At COBO, we use all our energy to deliver timely, effective and efficient projects in an extremely trusting manner.

## 4. ABOUT OUR CODE

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The Code of Ethics is an integral part of our work and is a useful guide that sets out how to behave in everyday business life.

The Code does not provide an answer to all situations and problems that may arise.

However, it does help us uphold ethical and legal standards of business behaviour in achieving our future goals, showing us how to fulfil our obligations and how to make honest and ethical decisions, and also telling us who to turn to when we need to seek advice. The Code also states how to report any problems.

By following our Code, we help to maintain the trust of our colleagues, customers, suppliers, business partners, governments and the local communities in which we operate.

We are all required to respect both the message and the essence of our Code. The Code defines the values and principles that should guide all employees, managers and officers of COBO S.p.A. and its subsidiaries (collectively, the Group). The Code applies to all COBO's employees, officers, directors and associates.

The COBO Group expects all its suppliers, agents and business partners to follow similar principles when working with COBO. Everyone is expected perform COBO's business with the highest personal and professional integrity in accordance with ethical standards.



## 5. SCOPE

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This Code of Ethics applies to COBO and to all the companies that are part of the Group and, in particular, to the directors, employees and all those who, on whatever grounds, collaborate or contribute to the business activity, without exception, including associates and consultants (hereinafter referred to as the ‘Intended Readers’).

In particular, the following are required to comply with the Code of Ethics:

- **the corporate bodies and shareholders**, with or without operational, management and/or control functions of the companies of the COBO Group, who must make all decisions and actions in compliance with the Code of Ethics, disseminating its knowledge and encouraging it to be shared by employees and external collaborators who work with and/or on behalf of the Group;
- **employees**, regardless of the type and nature of the contractual relationship. Compliance with the rules of the Code must be considered an essential part of the contractual obligations of the Group's employees, pursuant to and for the purposes of the provisions of Articles 2104 et seq. of the Italian Civil Code;
- **external collaborators, such as agents, business partners, consultants, suppliers of goods and services**, who must be duly informed of the rules of conduct contained in the Code and must conform their conduct to these principles for the entire duration of the contractual relationship with the Group, through the acknowledgement and timely sharing of the Code of Ethics by these intended recipients;
- **other parties linked to the Group by non-contractual relations**, who shall be informed of the existence of this Code and are required to know and comply with its contents.

All Intended Readers are therefore required to comply and, to the extent of their competence, to ensure compliance with the principles contained in the Code of Ethics, which also applies to the Group's activities abroad.

This Code is valid in all the national contexts in which the Group operates, while taking into account any cultural, social, regulatory and economic differences of the specific local contexts, without prejudice to the fundamental principles set out in the Code itself.

The implementation of the Code of Ethics is mandatory for all Group companies through a resolution of the respective Board of Directors (or the corresponding body/role if the governance of the specific company does not provide for such a body).

As from the date of approval of this document, the commitment to comply with the principles contained herein by third parties operating in favour of or on behalf of Group companies will be, where possible, provided for in specific contractual clauses to be accepted by the third party.

## 6. DISSEMINATION AND UPDATING

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The Group undertakes to ensure the dissemination of the Code of Ethics, both internally and externally, providing for its in-depth study and updating and making available to all employees the management guidelines defined for each area of activity.

COBO undertakes to ensure an ongoing programme of training and awareness of the Code of Ethics and carries out all the necessary checks on compliance with it, setting up appropriate prevention and control tools, monitoring all news concerning possible breaches and applying appropriate sanctions in the event of their being ascertained.

Finally, it ensures that no one may suffer retaliation of any kind for having provided information on possible breaches of the Code of Ethics and guarantees the right to confidentiality of the reporting identity.

In relation to their specific competences, employees shall inform third parties about the contents of the Code, the obligations to be complied with by each of them, report to their superiors or to the supervisory body, duly appointed by COBO pursuant to Italian Leg. Decree No. 231/2001, any breach of the provisions set out in the Code, asking for clarifications and explanations where necessary.

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## 7. GENERAL ETHICAL PRINCIPLES

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COBO, in the performance of its business activities, refers to ethical principles deriving from a consolidated heritage of individual and corporate values over time.

These values must guide the conduct of all those who, at different responsibility levels, contribute with their actions to the overall activity of the Group, including consultants and external collaborators.

The principles inspiring the organisation are:

- moral integrity, honesty, fairness and conflict of interest;
- respect for the dignity of the individual and a commitment to enhance professional skills;
- transparency;
- confidentiality;
- protection of health, safety and the environment;

and, in general, the avoidance of any conduct which, although aimed at achieving a result consistent with the interests of COBO, presents aspects that are not compatible with an organisational and management model characterised by absolute compliance with the law and the rules of conduct and procedure in force within the Group.

All Intended Readers are required to comply with the laws and regulations in force in the countries where they operate, as well as with the Group's professional ethics and internal regulations.

### 7.1 Moral integrity, honesty, fairness and conflict of interest

All Intended Readers must behave in accordance with the principles of moral integrity, honesty and fairness in the pursuit of the company's objectives and in all relations with persons and entities inside and outside the Group, without pursuing personal interests that conflict with those of COBO and with the ethical principles set out in this Code.

The Group is committed to complying with all national and international rules, laws, directives and regulations as well as generally recognised practices.

Under no circumstances may the pursuit of the company's interest justify an action that does not comply with a legal and honest line of conduct.

## **7.2 Respect for the dignity of the individual and a commitment to enhance professional skills**

COBO guarantees and expects respect for the fundamental rights of the individual, protecting, in every type of internal and external relationship, the dignity of each person.

No discriminatory behaviour of any kind is admitted and tolerated in relation to political, trade union and religious opinions, ethnic origins, nationality, age, gender and sexual orientation, state of health and any personal characteristic in general.

For this purpose, COBO shall fight any form of intimidation, hostility, isolation, undue interference or conditioning and sexual harassment.

COBO is aware that human resources are a fundamental and indispensable factor for the development of the company's business; for this reason, the Group is aware of the central role played by the people who work in its organisation, including consultants and external collaborators, and safeguards the professional growth and development of each of them so as to increase the expertise possessed.

The Group offers its employees equal work opportunities, respecting their professional characteristics and performance abilities, without any discrimination.

COBO intends to promote the dissemination of information and the spirit of belonging to an integrated group, being aware that teamwork, with the integration of different departments, activities and business sectors, is an essential condition for the achievement of corporate objectives.

### 7.3 Transparency in operations and unfair competition

The transparency principle entails the truthfulness, accuracy and completeness of information both within and outside the Group.

This principle extends to all methods of transmission of information, including those conveyed by the COBO website ([www.cobogroup.net](http://www.cobogroup.net))

Recording must take place on adequate documentary support, in order to be able to proceed at any time with controls that certify the characteristics and reasons of the operation, as well as who has authorised, performed, recorded and checked the operation itself.

The Group directs its activities towards respect for competition, aware of its value, which must be inspired by principles of fairness and loyal competition towards other market operators, with the commitment not to unduly damage the image of competitors and their products.

In particular, COBO requires all Intended Readers to refrain from participating, either personally or through third parties, in initiatives or contacts between competitors that may result as breaches of the regulations set out to protect competition and market.

### 7.4 Transparency of accounts

In the keeping of documentation and accounting records, COBO shall comply with the principles of truthfulness, correctness, clarity and completeness of information set out in this Code.

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

- represent operational events in a complete, transparent, truthful, accurate and timely manner, also in order to facilitate the accounting process as a whole and in respect of the established procedures;
- record correctly and without any omission every economic and financial transaction;
- keep adequate documentation of each operation and transaction on suitable paper and/or electronic support in order to facilitate, at any time,

the controls that certify the characteristics and reasons of the operation, as well as who has authorised, performed, recorded and checked it;

- file such documentation in a logical and organised manner so that it can be easily found.

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

Such persons are obliged to cooperate in the control activity and not to hinder or obstruct its performance by the appointed departments, corporate bodies and shareholders of all companies of the COBO Group.

Intended Readers who become directly aware of any omission, falsification or negligence concerning the keeping of accounting books or the operations on which the accounting records are based, are required to report the facts to the Supervisory Body.

## 7.5 Confidentiality

COBO, in compliance with current legislation on the protection of personal data, undertakes to protect the confidentiality of the Intended Readers and anyone who come into contact with the Group.

For this purpose, COBO guarantees that all data in its possession shall remain safe and confidential and undertakes to refrain from looking into confidential data, unless explicitly and duly authorised in compliance with the legislation in force.

The Intended Readers of this Code therefore undertake to ensure the confidentiality of the information they become aware of during operations carried out on behalf of the Group, not using it for purposes unconnected with the performance of their duties and handling it in compliance with the authorisations received and the established company procedures.

## 7.6 Protection of health, safety and the environment

As COBO is aware that the protection of the territory and the surrounding environment is a primary condition for the achievement of its development objectives, it is committed to ensuring that its activities are carried out with absolute respect for the health and safety of its employees and third parties, adopting the most appropriate measures to avoid, reduce and/or manage the risks related to the performance of its business activities, as well as the environment, in its broadest sense, also in line with sustainable development with a view to the continuous monitoring of its environmental impacts with the aim of reducing them over time.

With regard to the Environment, COBO is committed to operating:

- ensuring compliance with current national and international environmental legislation and requirements applicable to its business;
- designing and manufacturing its products pursuing the lowest level of environmental impact economically feasible and with the best possible technology;
- operating within the logic of continuous improvement of environmental performance and defining and monitoring the appropriate indicators;
- optimising the reduction of natural resource consumption and waste production through the development of recovery practices.

The Group is equally sensitive to the health and safety of its employees and those living near its plants, and to protect them by implementing and developing plans and actions for the prevention of specific risks.

For this purpose, the Group undertakes to operate:

- taking into account the degree of technical evolution, replacing the hazardous with the non-hazardous or the less hazardous;
- organising work by adapting it to people (work stations, choice of equipment, etc.);
- by adequately planning prevention;
- giving appropriate instructions to personnel.

Intended Readers must adhere to these principles in their decision-making and implementation.

Bearing in mind the considerable importance COBO attaches to the values of health, safety and environmental protection, the evaluation of the personal performance of its employees takes into account their conduct in line with company policies.

## 8. BUSINESS MANAGEMENT AND STANDARDS OF CONDUCT

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### 8.1 Conduct rules

COBO defines the conduct rules to which all persons required to comply with the Code of Ethics must refer when carrying out their activities.

***Unlawful conduct.*** Consistently with the values of honesty and transparency, COBO undertakes to implement all measures necessary to prevent and avoid offences being committed. In particular, the payment of sums of money or the exercise of other forms of corruption for the purpose of influencing the independence of judgement or procuring direct or indirect advantages for the Group itself, both to private individuals and to Italian and foreign public officers and/or their relatives, is prohibited.

***Terrorism:*** COBO undertakes not to directly or indirectly provide funds to persons promoting, constituting, directing associations or intending to commit terrorist offences or acts of violence with the aim of subverting the democratic order.

***Organised crime:*** COBO strongly condemns and opposes, by all available means, any form of organised crime, including mafia-related crime.

COBO pays particular attention to the verification of the due requirements of integrity and reliability in respect of all business counterparties. Such attention will be paid both prior to the establishment of the relationship and during its course, by requesting the information necessary to ascertain the moral integrity, respectability, reliability and legitimacy of the activities carried out.



***Prevention of receiving stolen goods, money laundering or the use of money and goods of unlawful origin, and self-laundering:*** COBO undertakes not to accept any requests that could give rise to the suspicion of an attempt to legalise the proceeds from illegal activities by checking incoming and outgoing payments. In particular, the following actions are prohibited:

- carrying out accounting operations that are not perfectly traceable, in breach of the accounting procedures laid down by the Group;
- carrying out financial and/or commercial transactions with counterparties that use opaque corporate structures and/or that prevent the unambiguous identification of the corporate structure (ownership) and/or the real beneficiaries of the transaction; acquiring, receiving or using in COBO activities assets that may be presumed to come from any illegal activity.

Conflicts of interest: employees must not engage in transactions that are in actual or potential conflict of interest with the Group.

Employees must also refrain from any attempt to personally benefit or secure business opportunities of which they become aware in the course of their duties.

If a conflict of interest arises, even if only in a potential way, the employee is obliged to notify the direct supervisor, who, in turn, is obliged to inform the management in order to assess its actual existence.

***Gifts, gratuities and benefits:*** COBO establishes a procedure that determines criteria and procedures for the provision and receipt of gifts and gratuities.

Any form of gift exceeding normal business practices or courtesy or in any case aimed at acquiring favourable treatment is not permitted.

Modest gifts are allowed and, however, such that they cannot be interpreted by an impartial observer as aimed at acquiring improper advantages or such as to compromise the integrity and/or reputation of one of the parties, as well as unsuitable to influence the decision-making autonomy, independence of judgement and impartiality of the counterpart.

In the event that Group representatives receive or distribute gratuities, the permitted gifts are only those of modest value (meaning goods of limited

commercial or symbolic value) and those of limited value aimed at promoting charitable or cultural initiatives, or COBO's brand image.

Those who receive unauthorised gifts, gratuities or benefits are required to notify the Supervisory Body, which, according to the established procedures, shall inform the third party of the Group's policy on the matter.

***Administrative and accounting management:*** accounting documents must record accurately, correctly and specifically the transactions carried out. All operations must be authorised and carried out in accordance with the instructions given by management and must be recorded in such a way so as to ensure the correct preparation of the financial statements, as well as the security of COBO's activities.

All individuals (employees and/or consultants) who, in any capacity, even as mere suppliers of data, are involved in the preparation of the financial statements and similar documents or, in any case, documents that represent the economic, asset or financial situation of COBO, as well as, in particular, the directors, auditors and those who hold senior positions in the companies of the Group:

- are obliged to provide the utmost cooperation in specific aspects; to ensure the completeness and clarity of the information provided as well as the accuracy of data and processing;
- are forbidden to present untrue facts, even if subject to assessment, or to omit information or conceal data in direct or indirect breach of regulatory principles and internal procedural rules, so as to mislead the recipients of the above-mentioned documents.

In general, it is forbidden to prevent or in any case obstruct the performance of the control or audit activities legally assigned to the shareholders, the Statutory Board of Auditors, the Supervisory Body or the auditing company.

It is also forbidden to spread false information or engage in simulated transactions or other artifices such as to cause a significant alteration in the price of listed or unlisted financial instruments.

It is forbidden for all those who have relations with the public supervisory authorities, as well as for directors, auditors and those in top positions, to obstruct their duties.

It is also prohibited, in communications to the above-mentioned authorities, to present facts that do not correspond to the truth, even if subject to assessment, concerning the economic, asset or financial situation of COBO, or to conceal by other fraudulent means, in whole or in part, facts concerning the same situation that should have been communicated.

COBO's employees and consultants must avoid any behaviour that may, directly or indirectly, cause insider trading, including by third parties.

Money and assets must be recorded in accordance with COBO principles for unlawful or unjustified purposes; the administrative manager must take the utmost care to ensure compliance with this prohibition.

The records and books of the COBO Group companies must be kept in accordance with the relevant regulations and standards in force in the countries in which they operate.

**Cash management:** it is forbidden to counterfeit, hold, spend or otherwise put into circulation counterfeit or altered banknotes, coins, public credit cards, stamps. Anyone who receives banknotes or coins or public credit cards that are suspected of being counterfeit or stolen must inform the management in order to report it appropriately.

**Use of IT systems:** computer or telematic tools for employees and collaborators must be used in compliance with the relevant regulations and internal procedures.

In particular, the following behaviours are prohibited:

- using information processed in IT systems or application programmes for purposes other than those of the business activity;
- altering the hardware and software configurations of the operating systems supplied by the Group and given in use to employees and collaborators;
- sending threatening or insulting e-mail messages or using expressions characterised by improper language or not in line with company policy;
- sending advertising information, unauthorised by the Group and the recipient, through the improper use of the company network;
- using company fixed and mobile telephone lines other than in accordance with company policies;

loading borrowed or unauthorised software onto company IT systems, make unauthorised copies of licensed programs for personal, company or third party use and install *'peer-to-peer'* programs or personally owned media on one's own PC;

- using access codes assigned to another user;
- disseminate or use software and/or hardware to intercept, alter or suppress the content of IT communications and/or documents.

***Information Management:*** information acquired during work activities must remain strictly confidential and cannot be used, disclosed or disseminated other than in compliance with current legislation and company procedures.

Work documents must be drawn up using clear, objective and exhaustive language so that they can be used and verified by colleagues and supervisors.

***Protection of industrial and intellectual property rights:*** COBO operates in full respect of the industrial and intellectual property rights legitimately held by third parties, as well as of applicable laws, regulations and conventions, including those at EU and/or international level, protecting such rights.

In this regard, all Intended Readers must respect the legitimate industrial and intellectual property rights of third parties and refrain from the unauthorised use of such rights, in the knowledge that the breach of such rights may have negative consequences for COBO.

In particular, personnel, in the exercise of their activities, must refrain from any conduct that may constitute usurpation of industrial property rights, alteration or counterfeiting of distinctive signs of industrial products, trademarks and patents, industrial designs or models, both national and foreign, as well as refrain from importing, marketing or otherwise using or putting into circulation industrial products with distinctive signs that are counterfeited or altered or made by usurping industrial property rights.

If the scientific research activity leads to a genuine innovation, COBO is obliged to start the process of patent protection.

Personnel must refrain from unlawful and/or improper use, in their own interest, in the interest of the company or of third parties, of intellectual works (or their parts) protected under copyright legislation.

***Protection of free competition and market:*** COBO is committed to conducting business activity in accordance with the principle of a free-market company. Any anti-competitive activity aimed at obtaining a result different from the one that would otherwise be obtained by the normal market functioning and at setting predatory prices is prohibited. It is therefore prohibited to enter into agreements with competitors aimed at:

- eliminating competition in one or more geographic markets or in relation to one or more products or aimed at producing such an effect;
- boycotting or obtaining certain conduct or conditions from a supplier or customer or intended to have such an effect;
- the award of a contract.

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

Company assets must be used only to fulfil the tasks assigned to employees and collaborators. In particular, each of them must:

- use the assets entrusted to them carefully and sparingly;
- prevent the improper use of company assets from causing damage or a reduction in efficiency or being contrary to the interests of the company;
- feel responsible for the protection of the assets entrusted to them, promptly informing their supervisor of any harmful events.

COBO reserves the right to prevent the unlawful use of its assets and infrastructure by means of appropriate legally permitted control systems.

***Protection of health and safety:*** COBO is committed to disseminating and consolidating a culture of safety and prevention, developing awareness of risks and knowledge of and compliance with current prevention and protection regulations, promoting and demanding responsible behaviour from all employees, as well as from contractors and subcontractors, where specifically authorised and permitted, in their respective areas of competence, and working to preserve and improve, especially through preventive actions, the working conditions, health and safety of workers.

***Environmental protection:*** COBO is committed to finding a balance between economic initiatives and necessary environmental requirements, in compliance with current legislation and in consideration of the rights of future generations. The Group promotes a culture of environmental protection and ensures that all personnel are made aware of their responsibilities, of the specific corporate risks and the consequent general principles of conduct and specific control elements.

In particular, it undertakes to:

- promote and operationally apply the culture of protecting and safeguarding the environment, wild fauna and flora, as well as natural habitats, taking care of the environmental context in which each one operates in order not to affect - or to affect as little as possible and subject to prior authorisation - the environment during and upon the outcome of the activities carried out;
- responsibly manage energy, water and materials used for production, avoiding waste and minimising emissions;
- regularly store and disposing of waste generated by the company's activities, using, where necessary, specialised and qualified entities;
- where possible, choose suppliers and subcontractors, where specifically authorised and permitted, committed to respecting the environment;
- carry out continuous monitoring of the relevant regulatory developments in order to ensure compliance with them.

## **8.2 Standards of conduct in relations with personnel**

### **8.2.1 Personnel selection**

Personnel search and selection must be carried out objectively and transparently, based on the correspondence of candidates' profiles to the company's needs and requirements, guaranteeing equal opportunities and avoiding any form of favouritism.

The information requested from candidates must be strictly related to the verification of the professional and psycho-aptitude profile of the individual, as well as to the verification of compliance with national and international legal requirements and suitability in relation to the prevention of offences pursuant to Italian Leg. Decree No. 231/2001, also in compliance with the principles of non-discrimination and protection of personal data defined in this Code of Ethics and provided for by law.

### **8.2.2 Entering a labour contract**

Recruitment by COBO takes place with a regular employment contract in full compliance with the law and collective bargaining, facilitating the employee's integration into the work environment and without any form of irregular work or 'undeclared employment' being tolerated.

The employee, at the time of recruitment, must receive precise information on:

- characteristics of the department to which he belongs and the responsibilities of the role and tasks he is called upon to perform;
- regulations and salary details as set forth in the relevant national union labour contract;
- rules and procedures to be followed in order to prevent any conduct contrary to the law and company policies.

Upon acceptance of the assignment, COBO provides employees with clear and detailed information, also through the provision of special training sessions.

### 8.2.3 Personnel management and evaluation

COBO ensures that the performance of its personnel is in line with the exercise of their duties and work organisation plans. By means of an integrated human resources management and development system, COBO guarantees all personnel, on equal terms, the same opportunities for improvement and professional growth, avoiding any form of discrimination as indicated in the general principles of this Code.

While performing their work, personnel are involved in participation and discussion on decisions that are functional to the fulfilment of the company's objectives.

The Group makes information and training tools available to its employees with the aim of enhancing and enriching mutual skills and implementing the professional value of personnel.

If employees believe they have been victims of discrimination or other breaches, they may report the incident to the Supervisory Body.

Any act of retaliation against anyone making such reports is prohibited.

The employees' profiles are the basis for decisions within the framework of personnel management and organisation processes, with a periodic performance evaluation involving not only the person concerned, but also, where applicable, the reference manager.

The Group is committed to making full use of all the professionalism and skills within the structure according to the principles established by this Code.

### 8.2.4 Rights of the employee

#### a. Protection of health and safety

COBO undertakes to prepare and maintain safe and healthy working environments in compliance with the accident prevention regulations in force in the countries in which it operates and to disseminate and consolidate a culture of safety and health at work, promoting risk awareness and responsible behaviour by all employees.



For this purpose, the Group performs interventions of a technical and organisational nature through the introduction of an integrated risk management system, the monitoring and updating of this system, and training and communication interventions.

In particular, smoking is forbidden in places where it is forbidden to smoke, having adopted a specific no-smoking policy notified to all personnel in compliance with the relevant regulations, as well as the use of alcohol and drugs that affect the regular performance of work activities.

### **b. Protection of confidentiality**

The Group complies with the requirements on the confidentiality of personal data set forth in Italian Leg. Decree No. 196/2003 ('Personal Data Protection Law') and the European Personal Data Protection Regulation No. 2016/679 - GDPR - and subsequent amendments, additions and implementing regulations.

As regards, in particular, the processing of workers' personal data, COBO puts in place specific precautions aimed at informing each employee, consultant or external partner about the nature of the personal data subject to processing by the Group, the processing methods, the areas of communication and, in general, any data relating to his person.

### **c. Protection of the individual person**

COBO undertakes to protect the moral integrity of employees, consultants, and collaborators, and guarantees the right to working conditions that respect their dignity.

For this reason, COBO does not accept any act of physical, psychological or sexual violence or any conduct that is discriminatory or otherwise harmful to the human person, his beliefs and preferences.

Anyone who considers having been subjected to harassment or discrimination on the grounds of age, gender, sexual orientation, race, state of health, nationality, political opinions and religious beliefs may report the incident to the Supervisory Board.

### 8.2.5 Duties of the employee

Each employee must act lawfully and in good faith, in compliance with the obligations stipulated in the employment contract, the company regulations, including this Code of Ethics.

Employees must also comply with the principles and rules of conduct set out above.

Employees are required to report to the Supervisory Body any breach of the Code of Ethics by colleagues, collaborators and consultants of which they become aware. COBO reserves the right to prepare possible disciplinary reports following any unfounded report made in bad faith in order to deliberately cause damage to colleagues and/or collaborators or following well-founded omitted reports.

### 8.3 Relationships with customers

In its relations with customers, COBO adheres to the principles of transparency, professionalism, efficiency and fairness, in order to offer an impeccable service in line with the utmost customer satisfaction, as well as to ensure the protection of the Group's image and reputation.

For this purpose, contractual information with the customer must be exhaustive on the subject, price and modalities of the services offered, so as to allow the customer to make a free and informed choice.

Personnel must act in compliance with the laws and regulations of the countries in which the Group operates, without abusing their qualifications and with impartiality and transparency, refusing any form of discrimination in relations with customers.

COBO undertakes to always respond to suggestions and complaints from customers and their protection associations, by means of appropriate and timely communication systems.

Advertising material must not have untruthful and misleading contents.

In its business relations, COBO undertakes not to establish or maintain relations with parties:

- implicated in unlawful activities, in particular related to the offences provided for by Italian Leg. Decree No. 231/2001, and in any case with persons who do not meet the requirements of seriousness and commercial reliability;

non-compliant with the regulations, both national and international, on the protection of labour, including child labour, and safety at work, as well as with the laws in force in relation to respect for human dignity and fundamental human rights.

No form of gift or gratuity to customers that exceeds, even potentially, normal business practices and courtesy and that may integrate the elements of practices referable to unfair competition is allowed.

Any Intended Reader who becomes aware of breaches, omissions, falsifications or negligence on the part of intermediaries, or one of their collaborators, in the course of business relations, shall report the facts to the Supervisory Body.

#### **8.4 Relationships with external consultants**

The processes for selecting and choosing consultants and external collaborators are based on the principles of legality, fairness and transparency, as well as all the other principles set out in this Code.

Contracts with consultants and collaborators must include the obligation to comply with this Code and the Organisational Model pursuant to Italian Leg. Decree No. 231/2001 applicable to any activities at risk of offences to which they are assigned on behalf of the Group.

Consultants and collaborators must comply with the principles and provisions of this Code and the Organisational Model, any breach of which constitutes just cause for termination of the employment relationship with them.

Any Intended Reader who becomes aware of breaches, omissions, falsifications or negligence on the part of intermediaries, or one of their collaborators, in the course of business relations, shall report the facts to the Supervisory Body.

No form of gift or gratuity to customers that exceeds, even potentially, normal business practices and courtesy is allowed.

If Intended Readers receive benefit proposals from an external consultant to favour their activity, they must immediately suspend the relationship and inform the Supervisory Body.

Consultants and collaborators, in the event that they autonomously and separately offer consultancy services similar to those of COBO, must make it clear that such consultancy services are completely separate from those they perform on behalf of the Group and act in compliance with the principles prohibiting unfair competition.

## **8.5 Relationships with suppliers**

The processes for selecting and choosing suppliers are based on the principles of legality, fairness and transparency, as well as all the other principles set out in this Code. Any breach of these principles constitutes just cause for terminating relations with suppliers.

The choice of supplier must be based on objective and impartial criteria in terms of quality, level of innovation, cost and any additional services. As regards the management of relations with suppliers, however, it is explicitly referred to the principles relating to relations with customers.

The Intended Readers of this Code may not accept and acknowledge gifts, gratuities and donations from suppliers unless they are of modest value and directly traceable to normal courtesy relations.

If Intended Readers receive benefit proposals from a supplier to favour their activity, they must immediately suspend the relationship and inform the Supervisory Body.

In order to verify compliance with the provisions of this Code, COBO reserves the right to carry out on-site audits of suppliers, in order to ensure the professionalism and integrity required for continuing the business relationship.

## **8.6 Relationships with the general public and other parties**

The rules of this Code apply to relationship with the general public and other parties, to the extent compatible.

COBO does not provide contributions, direct or indirect, for the financing of political parties, movements, committees, or their representatives or candidates, unless due to specific regulations in force.

Furthermore, the Group does not finance associations or sponsor events or congresses with a political propaganda purpose.

COBO may recognise contributions and donations in favour of entities with institutional, social, moral, scientific, sporting and cultural purposes.

## **8.7 Relationships with the Public Administration**

For the purposes of this Code, Public Administration (hereinafter referred to as 'P.A.') means any public body, as well as any independent administrative agency, individual or legal entity acting as a public officer or person in charge of a public service, or as a member or official of any body of the European Community or of a foreign state.

The definition also includes private entities which, for overriding political or economic reasons, perform a public function for the protection of general interests, including bodies managing regulated markets.

In relations with the P.A., the Intended Readers shall promote respect for the ethical principles indicated in this Code, with particular reference to the principles of independence and transparency.

Relations with public administration officers are limited to the appointed and duly authorised corporate functions in compliance with the strictest legal and regulatory requirements and may in no way compromise the integrity and reputation of the Group.

No corporate forms of financial or other kind of support are allowed to any public organisation or to persons representing it, or to their family members or cohabitants.

This prohibition is extended to all Group personnel, who are not allowed to promise or provide favours or economic goods of any kind whatsoever to further corporate interests.

These provisions cannot be by-passed by resorting to different forms of contribution that, in the form of sponsorships, appointments, consultancies, advertising, etc., have the same unlawful purposes as those mentioned above.

Acts of courtesy such as gifts or gratuities are permitted, provided they are of modest value and such as to be considered customary according to business practice and, in any case, such as not to compromise the integrity and reputation of COBO and not to influence the recipient's autonomy of judgement.

If Intended Readers receive any request or benefit proposals from public officers, they must immediately suspend the relationship and inform the Supervisory Body.

## 4. SYSTEM OF SANCTIONS

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Observance of the principles and rules of conduct contained in this Code must be considered an integral part of the contractual obligations of corporate bodies, shareholders, employees, consultants and external collaborators.

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

The relevant measures and sanctions will be adopted in full compliance with the applicable legislation in the country of reference of the Group companies.

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

- people concerned
- the types of relevant breaches;
- the sanctions applicable by COBO depending on the breach;
- the procedure for objecting to breaches, imposition and enforcement of sanctions.

The Group's sanctions and possible claims for damages may, however, be applied against shareholders, employees, directors, external collaborators of all Group companies and third parties.

In order to facilitate the process of reporting non-compliance with the Organisational Model or this Code to the Supervisory Board, COBO has enabled a specific e-mail box (231.odv@it.cobogroup.net).

In addition, reports may be made in writing by sending a specific notice addressed to the Supervisory Body.

In any case, the Supervisory Body shall ensure that the person who made the reports is not subject to retaliation, discrimination or, in general, penalisation, guaranteeing the appropriate confidentiality of such persons.

## 4. FINAL PROVISIONS

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This Code of Ethics was approved by COBO S.p.A. on 31/03/2022.

Any subsequent amendments shall be approved by the Board of Directors or the Delegated Organs and promptly disclosed to the other parties concerned.

This Code of Ethics is disclosed to all those who, whether employees or not, come into contact, for any reason, with the Group through special training and information programmes according to the rules established by the Organisation, Management and Control Model, of which the Code of Ethics is an integral part.

In particular, the acceptance of this Code by consultants and external collaborators must, where possible, constitute a specific contractual obligation associated with an express termination clause in the event of breach.

COBO envisages adequate methods of disclosure of this Code to external parties not bound by a contractual relationship with the Group.

The Supervisory Body, established pursuant to Italian Leg. Decree No. 231/2001, which is guaranteed the necessary prerogatives of impartiality and independence, carries out its duties also with respect to the Code of Ethics. In particular, it must:

ensure the dissemination and understanding of the Code, providing interested parties with all the clarifications and explanations requested, including those relating to the legitimacy of a specific conduct or behaviour;

- verify the application of and compliance with the Code, by means of a continuous monitoring activity, in order to avoid offences provided for by Italian Leg. Decree No. 231/2001;
- receive and analyse reports of violations of the Code from all interested parties;
- suggest any need to revise the Code, through proposals for adaptation and updating.

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