

A.L.M.A.G. S.p.A.

A sole-shareholder company subject to the direction and coordination of Holding Umberto Gnutti S.p.A

Registered office in Roncadelle (BS), Via Vittorio Emanuele II, 39

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CODE OF ETHICS AND CONDUCT 231

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Introduction

Since 1945 A.L.M.A.G. S.p.A. (hereinafter “ALMAG” or “Company”) has been manufacturing brass bars in different geometries in compliance with national, European, and international standards for both industrial and civil fields such as faucets, valves, fittings, metallic precision parts and their components.

The Company is subject to the direction and coordination of Holding Umberto Gnutti S.p.A, which, through strictly commercial and administrative actions, coordinates and plans its activities.

ALMAG is one of the leading manufacturers of brass bars in the European market.

With this Code of Ethics and Conduct (“Code”), approved by the Board of Directors on May 15th, 2012, and updated on March 29th, 2017 (second revision) and on May 21st, 2020 (third revision), the Company lays down the rules of conduct which intends to follow in its business activities.

First, this Code of Ethics and Conduct has the purpose of spreading and sharing ethical principles (**Section 1_Ethical principles**) within ALMAG, as well as representing a distinctive and defining element towards the market and the Company’s business partners. These principles may not be immediately identifiable in a point of Italian Legislative Decree 231/2001, but their respect contributes to create a favorable “environment” for the prevention of crimes.

Section2_Conducts 231 aims instead to suggest or forbid specific conducts in order to prevent criminal offences foreseen by Legislative Decree n. 231; therefore, an infringement of the provisions of this Section is punishable.

ALMAG is committed to provide the widest possible circulation of this Code and to do everything in its power to ensure that the principles and conducts of the Code are acknowledged and respected by all its recipients.

SECTION 1_ ETHICAL PRINCIPLES

1. General principles

All ALMAG activities must be conducted in compliance with the law within a framework of fair competition, with honesty, integrity, fairness, and good faith, with respect for employees, associates, customers, suppliers, shareholders and trade and financial partners.

For this reason, ALMAG is committed to conduct its activities on the basis of the general ethical principles set out below.

- Compliance with the law, honesty, accuracy, and integrity

ALMAG is committed to conduct its activities in compliance with national, European, and international laws, rejecting any illegal practices.

The pursuit of a Company's interest may not, under no circumstances, be considered as an excuse for non-complying with the law.

All corporate governance bodies, the management, and more in general the employees and collaborators must respect the current laws, this Code of Ethics and the Company regulations related to it.

- Impartiality, loyalty, and non-discrimination

ALMAG considers impartiality and loyalty fundamental values for any internal or external relations of the Company.

ALMAG opposes, rejects, and penalizes any discriminatory conduct, even if apparent, regarding sex, race, language, religion, political opinions, personal and social conditions.

The Company's employees and collaborators, while conducting their working tasks, must respect the principles of impartiality, loyalty and non-discrimination and not prefer or facilitate people or solutions based on other than technical-professional evaluations.

- Respect for employees, collaborators, and people

ALMAG respects and protects people's values and rights. In particular, the Company guarantees the respect of fundamental human rights and freedoms under the principles of equality and non-discrimination to ensure a tidy coexistence in the workplace.

All Company's employees and collaborators, at every level, must behave according to the principles of fairness, collaboration, and mutual respect.

- Transparency, reliability, and confidentiality

ALMAG and its collaborators are committed to provide complete, transparent, understandable, and accurate information so that those people who want to deal with the Company are able to make decisions autonomously and be aware of the relevant consequences.

ALMAG ensures the confidentiality of the information in its possession and abstains from seeking confidential data, except in case of explicit and informed consent and in compliance with the existing laws.

All Company's employees and collaborators are bound not to use any confidential information for purposes not related to the exercise of their activity.

– *Diligence and accuracy in business and professional activities*

ALMAG conducts its business activities with high quality performances. Therefore, Company's employees and collaborators must perform their working duties with utmost diligence, accuracy, and professionalism.

– *Fair Competition*

ALMAG conducts its business activities respecting fair competition, a fundamental value for the market development and for the protection of consumers' and community interests.

– *Image*

ALMAG image and reputation are values to be safeguarded and strengthened by spreading, sharing, and complying with the ethical principles contained in this Code.

All Company's employees and collaborators shall refrain from any conduct that could harm the image of ALMAG.

2. Specific principles

2.1. Relations with employees

ALMAG acknowledges that professional and motivated human resources play an essential role in the Company's business activities and the improvement of its value, as well as for the customers satisfaction.

The following principles confirm the importance for ALMAG of the respect for the individual and the Company commitment to act fairly and without any discrimination.

Selecting, hiring, and developing staff careers

ALMAG is committed to evaluate each job applicant exclusively based on his/her merits and professional knowledge.

The evaluation of new staff is carried out based on the correspondence of the candidate profiles with the required positions and the company's needs, in compliance with the rules of equal opportunities for all applicants. The information requested is strictly related to ascertaining aspects of the professional requirements, while always respecting the candidate's privacy and opinions.

ALMAG rejects and opposes the finalization and exploitation of selecting, hiring or career advancing to obtain favors or to grant privileges.

During the selecting, hiring and staff managing processes, ALMAG rejects and opposes any form of discrimination based on sex, race, language, religion, political opinions and personal or social conditions of the candidates and the employees, ensuring to anyone equal opportunities and non-discrimination and it is committed to remove any potential obstacle to effectively achieve this situation.

Staff valorization and training

ALMAG is committed to fully use and valorize all the professional skills of its employees, by organizing training meetings aimed at acquiring new fundamental elements needed for each employee and at updating those elements already acquired.

Work environment, integrity, and protection of individuals

ALMAG is committed to guarantee the safety and the healthiness of the work environment, encouraging all employees to behave responsibly in relation to risk prevention and health safeguard, in compliance with all current laws.

ALMAG is committed to enforce the ban on smoking in all the places where there could be a danger for the business activities and for the healthiness of the work environment, in compliance with all current laws.

The Company is committed to protect the moral integrity of its employees, rejecting and opposing any act of psychological violence, or any conduct or behavior that is discriminatory or offensive to his/her person or values.

ALMAG rejects and opposes, in its external and internal business relations, any form of harassment that, for example, could arise in a work environment that is hostile to a single worker or group of workers or when there is an unjustified interference in someone else's job or when obstacles and hindrances are created to obstruct someone else professional perspectives.

ALMAG does not tolerate sexual harassment, by which term is meant: the subordination of pay or career prospects to the acceptance of sexual favors or proposals of private interpersonal relationships without explicit consent that could upset the serenity of the recipient.

All employees must abstain from performing their activities under the effects of alcohol or drugs or similar substances and from consuming such substances on the job.

Chronic alcoholism or drug addiction will be equated with the above cases where it affects one's job and could hinder the normal work performance.

2.2. Relations with collaborators and consultants

ALMAG conducts the identification and recruitment of collaborators and consultants with absolute impartiality, autonomy, and independence in judgment, accepting no compromise or pressure aimed at obtaining favors or advantages. In this regard, ALMAG will only take care of assessing their professional competence, reputation, independence, organizational skills, and ability to properly and timely perform the contractual obligations and tasks assigned thereto.

ALMAG is committed to pay its collaborators and consultants with a remuneration that exclusively matches the work and services as established in the contract or entrustment act. Payments shall not be made to a party other than the contract counterpart or to a country other than the country of one of the parties or where the agreement shall be implemented, unless for contractual reasons.

2.3. Relations with customers and suppliers

ALMAG intends to conduct its business activities by offering high quality products and services, in accordance with the current law on fair competition.

ALMAG acknowledges that customers appreciation for the Company's products is of fundamental importance for the corporate success. Therefore, ALMAG is committed to provide high quality products that satisfy the reasonable requirements and needs of its customers, not only in terms of quality but also of safety and environmental protection.

In the relations with its suppliers, ALMAG adheres to this Code principles and to corporate procedures. In this context and in compliance with such provisions, the Company shall select its suppliers based on quality, price, convenience, capacity, and efficiency parameters or of other objective, impartial and transparent parameters in order to avoid favoritisms from which ALMAG could obtain an advantage.

2.4. Relations with partners

Assets

ALMAG is committed to protect all components of its assets in order to avoid losses, thefts, or damages.

All ALMAG assets cannot be used for purposes other than corporate activities and in no case for criminal activities.

Transparency to the market

ALMAG ensures the full transparency of its decisions, giving the market all necessary information so that the investors' decisions can be based on the Company's strategic choices, its management operations, and the expected profitability of the invested capital.

The Company's financial communication must be prepared in an understandable, thorough, and prompt manner and in compliance with current law.

Accounting

ALMAG. is committed to observe the rules of correct, complete, and transparent accounting, in compliance with the Company's accounting principles and all current legal provisions.

Internal control

ALMAG promotes its employees' awareness of the importance of the internal control system, the compliance with the law and corporate procedures.

The Company guarantees that the organization and activities of the staff responsible for the internal control system develop in full autonomy according to privacy, autonomy, independence, fairness principles as well as all principles set forth in this Code.

2.5. Relations with the Public Administration

In its relations with the Public Administration and with all bodies that perform public duties, ALMAG rigorously respect the national and European laws as well as company's procedures.

The relations between ALMAG and the Public Administration, or bodies that perform public duties, can not in any form harm the Company's reputation and integrity.

Only the competent Company's offices can manage discussions, undertaking of commitments and relationships of all kinds with the Public Administration or bodies that perform public duties.

2.6. Relations with competitors

ALMAG rejects and opposes any conduct aimed at obtaining confidential information about its competitors.

The Company respects the current antitrust and fair competition regulations and is committed not to breach such rules (e.g., regulations on dividing up markets, limiting production or sales, fixing prices with competitors etc.).

In a context of fair competition, ALMAG is committed not to infringe any third-party intellectual property rights, such as, but not limited to, trademarks, patents, and copyrights.

2.7. Relations with the community

ALMAG is committed to conduct its business activities respecting the interests of the community, also supporting cultural and social initiatives.

Environmental Protection

ALMAG is committed to conduct its business activities guaranteeing an environmentally sustainable development. In order to protect and safeguard the environment, according to the current laws, ALMAG plans its activities in a way that balances economic activities and essential environmental needs.

Press and other mass media

ALMAG maintains relations with press and mass communication organs solely through the corporate bodies and the company positions appointed for that purpose. Such relations must be based on the principles of fairness, openness, and transparency in compliance with the communication policies established by the Company.

All information and communications related to the Company must be accurate, truthful, complete, transparent, and coherent. ALMAG rejects and opposes any form of misinformation and circulation of inaccurate and imprecise news about the Company and undertakes all necessary measures to protect its image and the accuracy of all information about it.

2.8. Conflict of interest

ALMAG managers, employees and collaborators must avoid all situations and activities where a conflict with the company interests may arise or that could compromise their ability to make decisions impartially in the best interests of the Company, in compliance with the provisions of this Code.

Relations with current or potential commercial partners, customers, suppliers or other third parties shall not affect ALMAG impartiality and judgment.

SECTION 2_ CONDUCTS 231

1. Introduction

1.1. Internal legislative reference sources

ALMAG S.p.A. (hereinafter “the Company” or ALMAG) has prepared:

- according to Legislative Decree 231/01, an Organization, Control and Management Model (hereinafter “Model”) which responds to specific prescriptions of the decree (hereinafter the “Decree”) aimed at preventing the commission of particular types of offences and in order to allow the Company to get an exemption in compliance with art. 6 and 7 of the Decree.
- this Code of Ethics (hereinafter “Code”), that identifies specific conducts related to the risk of offences as per Decree 231 and therefore punishable because they undermine, even potentially, the “Model”.

The Code has a precautionary function: the codification of conduct rules applicable to all recipients is an explicit proof of the Company serious commitment to guarantee the lawfulness of its activities, with particular reference to the prevention of criminal offences.

1.2. Recipients

The provisions of this Code apply, with no exception, to the following subjects (hereinafter “Recipients”):

- *Internal subjects* (hereinafter “*Staff*”): who have a continuous fixed or open-ended contract with the Company, for example corporate departments, employees, sub-contract workers, interns, and trainees.
- *External subjects* (hereinafter “*Third Parties*”): external professionals, partners, suppliers and consultants, recruitment agencies and, in general, any third party who has a relation with the Company or acts in the name of and/or on behalf of ALMAG or in any case performs an activity for the Company and are exposed to the risk of committing crimes according to Leg. Decree 231/2001 in the interest o in favor of the Company.

Regarding those third parties, the Company Staff, according to the tasks assigned, will take care of:

- giving adequate information about the provisions and obligations of the Code;
- demanding compliance with the obligations that directly regard their activities;
- taking all suitable internal, and if within their sphere of competence, external initiatives, in case of violations of this Code of Ethics by third parties.

In any event, all kinds of collaborators and consultants of ALMAG, in performing their contractual duties or required services, must respect the principles of this Code, the corporate procedures and the instructions and requirements given by ALMAG Staff.

In any event, If the Supplier, the external Consultant, or the commercial Partner, while performing an activity in the name of and/or on behalf of the Company (or while carrying out an activity for the Company), violates this Code, the Company is entitled to adopt any remedies provided for by law, included the termination of the contract. To this end, the Company will adopt towards the abovementioned subject an express termination clause as set forth in art. 1456 of the Italian Civil Code (so-called Safeguard Clause).

1.3. ALMAG Responsibility

The Company is committed to:

- guarantee the circulation of this Code with the whole Staff;
- disclose (according to the procedures established in the specific information plan) the Code to any third party which has a relation with the Company;
- ensure the regular update of this Code, according to the new corporate needs and new laws;
- guarantee any cognitive and explicative tool to better understand and fulfill the provisions of this Code;

- conduct checks for all reports of infringement of this Code, evaluating the facts and, in the event of an ascertained violation, taking adequate punishing measures.

1.4. Contractual value of the Code

Regarding the Staff, the Code's provisions represent an integral part of the contractual obligations, according to article 2104 (Employee diligence) and 2105 (Loyalty obligation) ¹ of the Italian Civil Code; with regards to Third Parties these provisions integrate the contractual obligations already agreed.

Any conduct contrary to the provisions of this Code will be assessed by the Company from statutory point of view and, for the Staff, from a disciplinary point of view, in compliance with current laws, applying the relevant sanction proportioned to the gravity of the conduct.

2. Rules of Conduct ex Leg. Decree 231/01

2.1. General

The Staff must be aware of the provisions of this Code and of all external or internal rules that regulate the activities of his/her corporate position. In the event of doubts about how to perform the activities, the Company will adequately inform its staff.

The Staff is also required to:

- duly respect the Code and Model, refraining from conducts contrary to their provisions;
- approach their supervisors if they need any clarification on how to interpret or apply the provisions of the Code or Model;
- report any violation or alleged violation of Section 2 of this Code, of the Model 231 or of the "*Procedure to report violations (Whistleblowing)*" to the Reporting Manager;
- fully cooperate to verify possible violations.

Every division manager of the Company is required to:

- set an example to his/her staff in terms of conduct;
- make sure that the employees and the sub-contract workers follow the Code and the Model;
- take measures so that employees and sub-contract workers understand that abiding by the contents of the Code and Model is an integral and substantial part of their professional service;
- promptly notify the Reporting Manager about any reports of possible breaches, directly acquired, or received from his/her employees;
- promptly enforce appropriate corrective actions if the situation requires it;
- prevent any type of retaliation.

The Staff must act loyally to fulfill their contractual obligations, ensuring the performances required; the Staff is not allowed to communicate, disclose to third parties, use, or benefit, or allow a third party to use, for any reason other than the performance of the business activities, any information, data, or news obtained during his/her working relation with the Company. To this end, the Staff is required to respect the specific company policies about information security, established to protect the information integrity, confidentiality, and availability.

¹ Art. 2104 C.C. "The employee shall observe the diligence required by the nature of the services to be rendered, by the interests of the company and by the superior interests of national production. Furthermore, the employee shall comply with the instructions for the performance and discipline of the work as are given by the employer and the collaborators to whom he/she is subordinated."

Art. 2105 C.C. "The employee must not make business for himself/herself or on behalf of third parties, in competition with his/her employer, neither must he/she divulge information concerning the organization or methods of production of the company, nor use them in such a way to harm the company."

To safeguard all Company assets, the Staff is required to duly perform their tasks through responsible conducts.

In particular, the Staff must:

- 1) take great care of and use with parsimony the goods he/she is entrusted with;
- 2) avoid improper uses of company assets that may cause damages, or reduced efficiency, or in any way conflicts with the company's interests;
- 3) avoid improper uses of company assets for purposes that are not connected to his/her duties and work, especially if this could harm the Company's image and reputation.

The Staff is responsible for the protection of the properties he/she is entrusted with, and he/she is required to promptly inform his/her supervisor of any event that is potentially harmful for the Company.

The Management and anyone who is in a supervisory position are required to oversee the activities of the staff subject to their direction and supervision.

For each risky operation there must be adequate support documentation to conduct at any moment inspections showing the characteristics, motivations, authorizations and checks for the operation itself.

The Company, while conducting its business activities, is committed to avoid contacts with subjects who are at risk of relations with criminal organizations and to know its commercial partners and suppliers, verifying their commercial and professional credibility.

Moreover, it is strictly forbidden to make available tangible or intangible assets, or instruments of the Company for illicit purposes from which it could be obtained a benefit.

2.2. Relations with institutions, public administration, and semi-public bodies

Relations with institutions, public administration and semi-public bodies of any kind must be transparent and coherent with the Company's policies and must be conducted exclusively by the corporate divisions formally appointed for this task.

In the abovementioned relations, ALMAG employees and collaborators must not seek to improperly influence the decisions of the public body to obtain the performance of acts contrary to the public office duties, by promising or offering, directly or indirectly, work and/or commercial opportunities, gifts, money, favors of any kind.

Corruption and influence peddling

The Company considers acts of corruption unlawful payments either made directly by Italian Bodies and/or Entities or their employees or made through intermediaries acting on behalf of such bodies whether in Italy or abroad.

In particular, it is strictly forbidden to:

- give monetary donations to public officers or individuals in charge of public services;
- offer money or gifts, except those of modest value and, in any case, such as not to compromise the integrity or reputation of either party or such that may be interpreted as aiming to acquire improper advantages;
- grant benefits of any kind (e.g., promises of hiring for themselves or for a relative, appointing reported individuals, etc.) to representatives of the Public Administration, if this may implicate consequences similar to those set out in the previous point.

The abovementioned conducts are forbidden even if the Public Officer or the person in charge of Public Services forces or persuades the employee to do them; in this event the Employee must report such circumstance to his/her supervisor, who in turn will have to inform the Reporting Manager.

It is forbidden to give or promise money or other benefits (e.g., fictitious consulting or large fees which are not adequately justified by the nature of the assignment etc.), in the interests or in favor of the Company to subjects who offer relations (alleged or real) with public officials or representatives of public services:

- as fee for the illicit mediation between the mediator and the Public Official or Representative in favor of the company,
- as compensation devolved to a public official or representative for the performance of his/her duties and powers (or for an act contrary to official duties, aggravated case),

In the interest or in favor of the Company.

It is also strictly forbidden to give or promise money or other benefits, in the interest or in favor of the Company, exploiting or boasting relations with a public official or representative:

- as fee of the illicit mediation offered to the Public Official / Representative of Public Services,
- as remuneration devolved to a public official or representative for the performance of his/her duties and powers (or for an act contrary to official duties, aggravated case),

In the interest or in favor of the Company.

In the selection of suppliers and the conferral of professional assignments, unbiased and transparent criteria must be respected, such as professional competence, affordability, transparency, and fairness. All the phases regarding the abovementioned relations, such as their conferral, management and termination must be adequately documented.

All fees and/or sums paid for any reason for a professional assignment must be adequately documented, proportional to the activity conducted and in line with the conditions offered by the market and the contractual obligations.

It is forbidden to give payments to external Consultants which are not adequately justified in relation to the type of service to be performed and to current local practices.

The evaluation of the candidates to be hired is conducted by matching the candidate profiles with the company requirements, safeguarding the equal opportunities principle for all applicants.

Grants, subsidies, and public funding

Statements made to public entities for the purposes of obtaining funding, grants, or subsidies, as well as the relative documentations, must only contain completely true information.

It is forbidden to:

- provide false or altered documents and/or data or omit due information, in order to obtain grants/funding/subsidies from the State, Public Bodies or the EU; such ban also applies if the grants/funding/subsidies are received by customers in relation to products provided by ALMAG;
- allocate public grants/funding/subsidies for purposes other than those for which they were granted;
- obtain unauthorized access to the computer systems used by the Public Administration to obtain and/or tamper information for the benefit of the Company.

Those who oversee supervising and checking the abovementioned procedures (e.g., payment of invoices, allocation of funds received by the State or EU bodies, etc.) must pay close attention to the correct implementation of all requirements by the competent staff.

IT Fraud

Computerized or online communications to and/or from the Public Administration are exclusively reserved to the competent staff, according to the ALMAG authorization system. These employees are authorized to use the company I.T. system according to their assigned clearance.

It is forbidden, for anyone acting in the name of ALMAG, to use, in the data treatment and information management with the P.A. and/or to send or receive online communications or acts to/from the P.A., any instruments other than those established by ALMAG or made available, from time to time, by the same P.A. (e.g., Entratel portal).

Anyway, it is forbidden to send online documents to the P.A. through any means other than the PEC (certified e-mail), or to send to the P.A. communications through PEC with an attached document that does not bear the digital signature of the person in charge of signing.

It is absolutely forbidden for anyone who i) has relations with the P.A. requiring online communications on behalf of ALMAG, ii) performs any kind of services on data, information or I.T. programs (property of ALMAG or available to it, namely to the same P.A.), to tamper in any way, with no rights, with the I.T. system, data, information or program in order to procure an unfair profit for himself/herself or for others or to damage others.

Please note that all the above also applies in the aggravated case of money transfer, real or crypto currency, to private parties.

Relations with public inspection agencies and Judicial Authorities

The Company provides full and strict compliance with the rules of the Supervisory Authorities and fully cooperates during inspections.

In its relations with supervisory and inspection authorities, ALMAG, while respecting their institutional role, fulfills its requirements and obligations with utmost promptness, collaboration, and transparency.

It is forbidden to exert, directly or indirectly, undue pressure (in any form exerted or attempted) to push the Judicial Authority to help the Company in a dispute.

In the event of an inspection led by a Judicial Authority (or Judicial Police), utmost collaboration and transparency must be ensured, without reticence, omissions, or untrue statements. Anyone who requests to his/her subordinates not to provide the required information or to provide untrue information will be subject to sanctions.

In the relations with the Judicial Authority, the Staff and, notably, those who may result suspected or accused in a criminal proceeding in relation to their working activity for or with ALMAG, shall be entitled to freely express their account of the facts or to exercise the right to remain silent, according to the law.

The Company specifically forbids in any way, shape, or form, acting in the misunderstood interest of ALMAG, to coerce the Recipients to respond to the Judiciary Authority or to induce them to invoke the right to remain silent.

Protection of Public Trust

The Company condemns any conduct capable of falsely attesting to the public official, in a public act (or equivalent, e.g., declaration in lieu of an affidavit, self-declaration, etc.), facts of which the act is intended to prove the truth.

Including but not limited to, it is strictly forbidden to:

- give false testimonies and/or communications required by law, declaring to have the requirements as foreseen by the regulation;
- give false information to the customs agent who oversees the customs declaration (for example to give to the Customs Office documents which certify the status of “Authorized Exporter” for a foreign country which is not part of the authorization);
- in a declaration in lieu of an affidavit, to falsely declare to not have criminal convictions;
- provide false declarations when presenting the requirements in a tender (for example, being in compliance with the payment of taxes);
- falsely report to the Police the loss of documents, such as driving license, insurance documents, checks, credit cards etc.

Moreover, the Company condemns any conduct which, in its interest or favor, entails:

- creating, wholly or partially, false public acts or altering public acts;
- counterfeiting or altering certificates or administrative authorizations, or alternatively, using counterfeiting or altering to prove as met conditions necessary for their validity;
- faking a copy of the same acts and releasing them in a legal form;
- releasing a copy of a public or private act not-conform to the original.

Including but not limited to, it is therefore strictly forbidden to have, in the interest or in favor of the Company, the following conducts:

- falsifying a document (driver’s license, vehicle documents, etc.)
- having a false license plate;
- falsifying acts of incorporation of companies by forging the notary seal;
- falsifying bank receipts of tax payments or postal payments (e.g., altering receipts of vehicle taxes or customs bills);
- materially falsifying the F24 forms for tax payments;
- falsifying notary deeds;
- destroying deeds of protest after they have been drawn up by the securities holder.

In general, anyone who, directly or indirectly, becomes aware of any conduct that may involve the risk of criminal offences according to Legislative Decree 231/2001 must report it according to paragraph 3.1 of this section (even in the case of attempted malfeasance by a public officer towards an employee or other collaborators).

2.3. Conducts on the subject of private corruption

The so-called private corruption (art. 2635 Italian Civil Code) occurs when money or other goods are given or promised to an individual belonging to another private entity so that he or she omits or does an act in violation of the loyalty principle in connection with his/her position.

As provided for by the Italian legislation, it is necessary that the conduct of the corrupted individual damages the private entity to which he or she belongs.

It is expressly forbidden to:

- offer, deliver, or promise money not due, even through an intermediary, to anyone, for him/herself or others, so that the recipients could do or omit acts which violate his/her working duties and loyalty to the entity to which he/she belongs, causing a damage, even potential, to such entity;
- grant or promise benefits to anyone, including, by way of example and not limited to, forms of entertainment, gifts, travels, and anything of value in the event of the circumstances described above;
- request or receive money not due or accept the promise of it, for him/herself or others, even through an intermediary, to do or omit acts which violate his/her working duties and loyalty obligations;
- solicit or receive other forms of not due benefits or accept their promise in the event of the circumstances described above.

The Company considers acts of corruption unlawful payments either made directly by Italian Bodies and/or Entities or their Employees or made through intermediaries acting on behalf of such bodies whether in Italy or abroad.

In order to have the best understanding of what said above, here there is the definition of loyalty obligation, whose violation represents a constitutive element of the criminal offence as set forth in art. 2365 Italian Civil Code, named private corruption and regulated in art 2105 c.c.: "The employee must not make business for himself/herself or on behalf of third parties, in competition with his/her employer, neither must he/she divulge information concerning the organization or methods of production of the company, nor use them in such a way to harm the company".

Even the violation of the working obligations represents a constitutive element of the criminal offence of private corruption. Such obligations mean for the corrupted party all legal or regulatory provisions, also of ethical nature.

In general, anyone who, directly or indirectly, becomes aware of any conduct that may involve the risk of criminal offences according to Legislative Decree 231/2001 must report it according to paragraph 3.1 of this section (even in the case of attempted malfeasance by a public officer towards an employee or other collaborators).

2.4. Conducts in relations with political and trade union organizations and mass media

The Company refrains from directly or indirectly lobbying politicians.

The Company does not make contributions to political parties or organizations, whether in Italy or abroad, or to their representatives or candidates and does not sponsor congresses or festivals that serve a purely political propaganda purpose.

However, it is possible to cooperate with those organization when the following conditions are simultaneously met:

- lawfulness of the cooperation;
- purposes linked to the Company's mission;
- clear and documentable destination of the resources;
- expressed authorization, by the appropriate company functions, to manage such relations within the Company.

Any relation between the Company and the abovementioned organizations or their representative shall be characterized by utmost lawfulness, transparency, integrity, and neutrality in order to establish a correct dialogue.

In addition, ALMAG employees and collaborators cannot provide any information to mass media without the prior specific authorization of the competent corporate functions.

In general, anyone who, directly or indirectly, becomes aware of any conduct that may involve the risk of offences according to Legislative Decree 231/2001 must report it according to the following paragraph 3.1 (even in the case of attempted malfeasance by a public officer towards an employee or other collaborators).

2.5. Conducts on health and occupational safety issues

To prevent crimes related to matters of health and safety at the workplace (art 25-septies of Legislative Decree 231/01), it is an express obligation to:

- enforce the health and safety workplace regulations (Leg. Decree 81/08);
- respect and enforce all regulations established in the Italian Consolidated Safety Act, in order to protect the reliability and the lawfulness of the workplace and, as a result, the physical and moral safety of the employees, by complying with the company's organizational charts;
- refrain from those conducts that, although per se do not constitute offences included in the above, may potentially increase the risk of crimes according to 231.

The principles and essential criteria on which decisions regarding health and work safety, of every type and at all levels, are made, can be defined as follows (as per art. 15, Decree 81/2008):

- a) eliminating all risks and, whether it is not possible, minimizing them in relation to the technological progress;
- b) assessing the risks which cannot be avoided;
- c) reducing the risks at source;
- d) respecting healthiness and ergonomic principles in the workplace and in the work organization, in the design of workplaces, the choice of work equipment and of working and production methods, in particular in order to alleviate the effect on health of monotonous and repetitive work;
- e) replacing the dangerous by the non-dangerous or the less dangerous;
- f) planning all measures deemed appropriate to ensure the improvement of safety levels over time, also through the adoption of codes of conduct and good practice;
- g) giving collective protective measures priority over individual protective measures;
- h) giving appropriate instructions to workers.

Any conduct that puts at risk safety and health in the workplace may be punished.

Every Employee/Sub-contract worker is required to participate to the good management of Health and Safety issues, acting in compliance with the current laws, and he or she shall not put other employees/collaborators at unnecessary risk, which may cause damage to their health or physical safety.

It is understood that, for the specific aspects and obligations related to health, safety and environment protection, every Employee/Sub-contract worker must rigorously comply with the EHS procedures (tenders, chemical agents, waste, machines and equipment, PPE, etc.).

In general, anyone who, directly or indirectly, becomes aware of any conduct that may involve the risk of offences according to Legislative Decree 231/2001 must report it according to the following paragraph 3.1.

2.6. Conduct principles in environmental matters

ALMAG is committed to fully respect environmental regulations and to enforce preventive measures to avoid or at least minimize the environmental impact of its business activities.

In particular, ALMAG aims to:

- a. adopt measures to limit and – if possible – neutralize the negative impact of its business activities on the environment, not only when the risk of potentially dangerous events is proven (principle of preventive action), but also when it is uncertain if the business activities will expose the environment to risks (precaution principle).
- b. prefer to adopt preventive measures to avoid potential risks to the environment, instead of adopting later remedial measures for damages already realized;
- c. program an accurate and constant monitoring of the scientific progress and legal changes in terms of environmental issues;
- d. promote the values and share the principles of this Code among all the subjects involved in the business activities, from senior management to collaborators, in order to comply with these ethical principles, especially during the decision-making process and afterwards in the implementation process.

In waste management activities, the Company requires to comply with the following conduct rules:

- prohibition of abandonment, dumping or uncontrolled disposal of waste or injection of pollutants into surface or underground waters;
- prohibition of storing waste “temporarily” without respecting the requirements and the time limit provided for by the law;
- prohibition of mixing hazardous waste (without proper authorization, if necessary);
- prohibition of stating false claims about the nature, composition, and physic-chemical characteristics of the waste in the relative analysis certificates and of using a false certificate during waste transportation;
- prohibition of delivering waste to an unauthorized treatment plant;
- prohibition of contamination of surface and underground waters with solid or liquid waste of any type;
- prohibition of setting fire to the waste produced by the company, inside or outside the company area or setting fire to third parties waste dumped or found;
- prohibition of abandoning and/or dumping waste that third parties might subsequently set fire to;
- if third parties waste is found within the company’s properties, treat it as internal waste and dispose it according to the relative regulations and procedures.

If an event that could potentially contaminate a site occurs, it is mandatory to alert the competent public authorities.

Every employee or collaborator must fully cooperate with the competent Authorities during inspections and/or checks conducted at the Company.

Lastly, it is forbidden to behave in such a way that might, directly or indirectly, lead to an environmental crime.

Every employee or collaborator is required to participate to the good management of environmental issues, acting in compliance with the current laws, and he or she shall not put other employees or collaborators at unnecessary risk, which may cause damage to their health or physical safety.

2.7. Conducts on accounting records

All legal regulations and company’s policies and procedures about financial statements and tax returns must be strictly observed, considering also the instructions given by the competent public authorities.

All accounting activities and operations of the Company must be adequately recorded, and it must be possible to track *ex post* the decision making, authorization and implementation processes behind them.

Every operation must have an appropriate documentation, to be able at any moment to conduct checks that assess the characteristics and motivations for the operation and identify who authorized, performed, recorded, and verified the operation.

Accounting and bookkeeping - all documents that provide a numerical account of operational events, including internal expense reimbursement notes - must be kept accurately, completely, and promptly, in compliance with the company accounting procedures, in order to ensure the truthful representation of the company's equity and financial situation and its management activities.

Information and internal training on fiscal and accounting matters must be promoted, and the broadest circulation and knowledge about the corporate functions responsible for the Company's financial statements and tax returns procedures must be ensured.

The Staff is required to fully cooperate, promptly providing, within the scope of his/her competence, true and accurate data, and information; equally every Employee and Collaborator is required to communicate – according to the internal corporate procedures – all relevant information at his/her disposal about accounting records.

The financial statements and the company communications required by law must be drawn up clearly and represent in a correct and truthful way the financial situation and the assets of the Company.

The Staff is required to promptly inform the Reporting Manager about any omission, severe neglect, or falsification of records and/or documentation on which accounting records are based.

2.8. Conducts on fiscal matters

Tax declarations, settlements, as well as any other mandatory fiscal communication must be conducted and presented in full compliance with the current laws.

The Company and its Staff, in their roles and capacities, must always be updated on legislative developments, on official praxis and on the newest OECD recommendations in terms of fiscal matters.

Internal information and training on tax matters must be promoted, and the widest disclosure of the Company's policies/procedures must be ensured for the corporate functions concerned, in order to respect fiscal obligations and requirements and prevent their violation.

It is strictly forbidden to put in place conducts which violate fiscal regulations and laws, aimed at evading taxes or obtaining not-existing, false or undue tax credits/offsets; in particular it's expressly forbidden to put in place (i) fictitious or non-existing passive elements, (ii) simulated conducts objectively or subjectively, (iii) fraudulent conducts aimed at hindering tax assessments or misleading the Financial Administration, (iv) produce false, fictitious or forged documents.

It is forbidden to put in place conducts aimed at benefiting of undue, non-existing or fictitious tax credits; declarations, projects, reports as well as any further document used to obtain benefits must only contain true information and always comply with the current regulations.

In particular, it is forbidden to produce false or altered documents and/or data and to omit due information.

Those who have a supervisory role on the processes to obtain tax credits/offsets (invoice payments, assignment of projects and/or tasks, etc.) must be particularly careful during the implementation of the obligations by the people in charge.

Moreover, it is forbidden to put in place conducts which might constitute an abuse of tax laws, namely realizing operations without economic relevance which, even if formally complying with the law, are aimed at obtaining

undue tax credits. A practical example may be the case of the transfer of shares between companies belonging to the same in group in order to bypass the regulations about the non-deductibility of capital losses for the equity investments which fall under the participation exemption (ex art. 87 of the TUIR – Italian Tax Code).

It is forbidden to issue or use invoices for non-existing operations.

This prohibition concerns (i) the objective nonexistence as well as the subjective (when the issuer is not the real one), (ii) and the total nonexistence as well as the partial, namely the so-called overbilling.

It is forbidden to put in place any conduct aimed at hiding or destroying, totally or partially, accounting documents, whose conservation is mandatory by law, for civil or fiscal purposes.

It is forbidden to alienate or commit fraudulent acts on the company's assets, in order to make, wholly or partially, ineffective the enforced collection procedure (it is not excluded that this objection might also happen during a procedure of tax assessment), in order not to pay income or VAT taxes, namely the relative interests or sanctions if the total amount exceeds fifty thousand euro.

It is forbidden to indicate in the documentation provided for a fiscal settlement procedure (for example, during proceedings for an arrangement with creditors or other insolvency proceedings) active elements for a lower amount than the real one, or fictitious passive elements for a total amount higher than fifty thousand euro in order to obtain for itself or third parties a partial payment of taxes and related accessories.

2.9. Conducts in company matters

Reports, communications, and documents filed with the company registrar which are mandatory for the Company must be performed promptly by the persons required by law to do so; the documents must be true and must comply with the regulations in force.

It is expressly forbidden to prevent or hinder, by concealing documents or by any other eventual contrivance, the fulfillment of controls or audit activities legally performed by the Shareholders, other Company Bodies or Auditing Firm.

It is forbidden to adopt fake or fraudulent conducts aimed at determining the majority in the board meeting.

It is forbidden, also through dissimulated conducts, to give back bestowals of the shareholders or release them from the obligation of execute them, except in the case of legitimate reduction of capital share.

It is forbidden to distribute profits or advances on profits not actually realized or destined to reserve or distribute restricted reserves.

It is forbidden to fictitiously create or increase the capital of the Company, through issuing stocks or shares for amounts inferior to their nominal value, mutual subscription of stocks or shares, considerable overvaluation of goods, credits, or assets of the Company in the event of a corporate restructuring.

Any operation that might cause harm to the Shareholders and Creditors is forbidden.

It is forbidden to initiate any operation, real or simulated, that might alter the correct demand and supply of financial instruments or that might bring unjust benefit from the circulation of untrue information.

2.10. Conducts against money laundering

The Company condemns any activity involving the laundering (i.e., receipt or handling) of proceeds from criminal activities in any form or manner.

To this end, its Management, Employees and Sub-contract workers are required to respect and apply both Italian and EU money laundering laws and are invited to report any situation that might constitute an offence of this nature to the competent Authorities.

In particular, the top management and those who conduct their activities in risky areas must ensure the compliance with the laws and regulations in force in every geographic region and operating environment, regarding the measures to limit the use of cash and bearer instruments in transactions.

It is forbidden to transfer cash or bearer instruments when the value of the operation, even if fractionated, is altogether equal to or higher than the legal limit. Please note that it is also forbidden any conduct aimed at finalizing such transfer (for example promise or agreement of transfer, etc.).

The knowledge of the customers is a fundamental condition to prevent the use of the manufacturing -financial system of the Company for purposes of money laundering, as well to assess potential suspicious operations.

In any event, it is forbidden to trade with entities (natural and legal persons) that are known, or only suspected, to belong to criminal organizations, or to operate outside the law in any way, such as, but not limited to, individuals operating in or linked to the field of organized crime, money laundering, drug trafficking, loansharking, fencing, and labor exploitation.

The Company intends to protect itself from the risk of buying materials deriving from criminal activities.

It is expressly forbidden to proceed with an attestation of regularity while receiving goods/services without a thorough assessment of conformity in relation with the good/service received and to proceed with the payment authorization of goods/services without an assessment of the conformity of the supply/performance with the contractual terms.

It is mandatory to follow transparency criteria when performing corporate duties and choosing the Supplier, with particular attention to the information about third parties that have financial or commercial relations with the Company when there is even a suspect of the occurrence of an offence of Self-laundering.

In any event, paying fees which are not adequately justified in relation to the type of service performed or to be performed to external Consultants is prohibited.

2.11. Conducts on IT management issues and personal data protection

IT systems users are not allowed to:

- intercept third parties communications and information by computer systems;
- damage in any way information, data, and computer programs, including those used by the State or another public entity or in any case of public utility;
- gain unauthorized access to an information or computer system;
- unlawfully disclose access codes to information and media systems.

The Company forbids the possession, reproduction, promotion, distribution, and sale of copies of software protected by intellectual property laws without the authorization of the property rights holder.

Moreover, it is forbidden to alter the functioning of an IT system or to tamper, without right, data, information, or software of an IT system, generating a profit for themselves and damaging others.

To this end, please read the obligations and prohibitions included in paragraph 2.2 - Relations with institutions, public administration, and semi-public bodies – Section **IT Fraud**.

It is mandatory to respect the procedures and instructions foreseen by the Company in terms of privacy in favor of those concerned, including those procedures which are part of written commitments of the Company with third parties in the role of external data processor.

2.12. Conducts against commercial frauds

The Company, in its business activities, aims to avoid any possible kind of disturbance to the freedom of industry and trade, as well as any possible conduct of illegal competition, fraud, counterfeiting or theft of industrial property rights.

Therefore, the Company condemns and forbids fraudulent conducts, which are an expression of dishonest and unfair business practices, because they do not have the fairness and honesty which must always be at the base of commercial transactions and/or acts aimed at preventing consumers from making informed decisions based on the real qualitative characteristics of the products.

It is hence forbidden:

- to intentionally communicate to the client (even potential) of false or not exhaustive information about products and services offered;
- to deliver to the client products which have a different origin, quality, or quantity than those declared or agreed (e.g., products manufactured with toxic chemicals or, in any case, forbidden by the relevant Regulations and laws, products with the CE marking without the essential requirements of the European market, or discrepancies about non-essential qualities of the product in relation to its use, value, degree of preservation, etc.);
- to put on the market or into circulation industrial products with national or foreign names, brands or distinctive marks which might mislead the buyer on the origin, source or quality of the product or service.

2.13. Conducts on the subject of copyright, intellectual and industrial property

The Company observes all regulations on copyright, trademarks, patents, and other distinctive marks. The Company does not allow the use, for any reason or purpose, of products bearing counterfeit marks or signs.

In particular, the Company does not allow the use of intellectual works without the S.I.A.E. ("Italian Society of Authors and Publishers") mark or with an altered or counterfeit mark; the Company also forbids the reproduction of programs for developing databases contents, as well as the appropriation and distribution, of any kind, of works protected by copyright and the disclosure of their contents before they are made public.

The Company equally forbids – except when envisaged by the law or under an agreement with a legitimate party – the manufacturing or marketing or any activity that infringe third parties' patents.

Moreover, the following conducts are forbidden:

- the publication of a third-party intellectual work, or part of it, without his/her consent, or by usurping the authorship of the work, or through deformation, mutilation, or other modification of the same work, or anything that might harm the honor or the reputation of the author;
- the duplication, import, distribution, sale, possession for commercial and/or business purposes or the rental of programs protected by copyright laws;
- the duplication, reproduction, transmission, or public circulation, by any means, of all or part of intellectual properties developed for television or movie theater use;
- the reproduction, transmission, or unauthorized public circulation, by any means, of all or part of literary, dramatic, scientific, or educational, musical, or dramatic-musical works, or multimedia;
- the import, possession for sale, distribution, sale, rental, transfer for any reason, commercial marketing, installation of devices or special decoding elements that give access to an encrypted service without paying the required fee;

- the sale, import, promotion, installation, modification, for public or private use for public of devices or parts of decoding devices for decoding audiovisual transmissions with restricted access broadcast, via airwaves, satellite, cable, both in analog and digital form;
- the manufacturing or the industrial use of objects or other goods usurping or in violation of industrial property rights (if aware of the existence of the industrial property titles) and, in particular, the use of information or data protected by industrial property rights belonging to the customer or to third parties, without their specific authorization;
- the production or introduction into National territory for commercial purposes (in violation of the legitimate owner rights) of intellectual works or industrial products with counterfeit national or foreign trademarks or distinctive signs;
- the production or introduction into National territory for commercial purposes of intellectual works or industrial products by usurping designs or models, national or foreign, or by counterfeiting or altering those designs and models.

In business activities, all contacts with individuals who deal with criminal organizations must be avoided and it is necessary to know business partners and suppliers, verifying their professional and commercial reputation and credibility.

2.14. Conducts on the subject of counterfeiting currency

Any activity involving counterfeiting, forgery, alteration of and/or the use of counterfeit, forged or altered money, credit cards, duty stamps is forbidden.

To this end, the Management and Staff in general are required to respect and apply both Italian and EU legislation, and to keep watch to prevent the possession and use thereof, even in good faith, and are invited to report any situation that might be linked to offences of this nature to the competent bodies (internal or external).

2.15. Conducts on the subject of payment methods other than cash

The Company, in its business activities, forbids to:

- a) unduly use credit or debit cards or any other document which allows the withdrawal of cash or the purchasing of goods and services (e.g., electronic wallets, car and fuel cards, postal orders)
- b) falsify or alter credit or debit cards or any other document which allows the withdrawal of cash or the purchasing of goods and services;
- c) own, transfer or obtain instruments or documents as for the previous points which have an illegal origin or are falsified or altered, as well as payment orders made with them;
- d) produce, import, export, sell, transport, distribute, make available or in any way provide for themselves or third parties IT products, devices, or software which, by their design characteristics, are mainly manufactured to commit crimes related to the points above, or they are adapted to those ends;
- e) own or share IT products, devices or software aimed at committing crimes with payment methods other than cash.

It is also specified that it is forbidden to transfer money, monetary values, or virtual currency by altering an IT system and tampering, without right, data, information and software contained in it, generating an undue benefit for themselves, and damaging third parties.

To this end, reference should be made to the obligations and prohibitions set forth in paragraph 2.2 - Relations with institutions, public administration, and semi-public bodies – Section **IT Fraud**.

2.16. Conducts to be followed towards workers

It is forbidden to hire or engage – even through employment companies – foreign workers without a regular residence permit in compliance with the law, or workers whose permit is expired its renewal has not been applied under the terms of law, or whose permit has been revoked or annulled.

Every foreign worker must have a regular residence permit and all other documents required by law and must give a copy of these documents at the moment of hiring, he or she is also committed to ask for the renewal of his/her documents to the competent offices with adequate advance notice, and to communicate to the company the renewal, and the new expiration date, or the revocation or annulment of his/her permit.

The Company monitors the residence permits of foreign workers employed, with the relative expiration dates and any other modifications (revocation, annulment, or failed renewal).

It is absolutely forbidden to:

- 1) hire work force to be destined to work for third parties in condition of exploitation, taking advantage of workers in need;
- 2) Use, hire or employ workers, even through intermediaries as by point 1) by subjecting workers to exploiting conditions and taking advantage of their distress.

Moreover, please not that it is a criminal offence to promote, manage, organize, finance, or transfer illegally foreign workers into the State, as well as commit acts aimed at facilitating the illegal entrance or stay into the State territory or in another country where the person is not a citizen and doesn't have the lawful residence permit:

- a) the case concerns the illegal entrance or stay in the State territory of five or more people;
- b) the person transported has been put in danger to ensure his/her illegal entrance or stay;
- c) the person transported has been subjected to inhuman or degrading treatment to ensure his/her illegal entrance or stay;
- d) the fact is committed by three or more people together or by using international transport services or false or altered documents or obtained illegally;
- e) the perpetrators have weapons or explosive materials.

The sentence is increased if the above facts:

- a) are committed in order to recruit people for prostitution or sex trafficking, or they involve the entrance of minors to exploit them in illegal activities;
- b) are committed to gain a profit, even if indirect.

Moreover, it is absolutely forbidden to keep on IT or paper supports, within the company's premises or share through the company website or the publications edited or sponsored by the Company, pornographic materials, or virtual images with minors under 18 years old.

Virtual images are considered those images realized with graphic techniques not associated, wholly or partially, with real situations, whose quality makes them seem like real authentic situations.

Therefore, the Company, in its business activities, intends to strictly avoid any contact with individuals at risk or relationship with criminal organizations, and is committed to know well its business partners and suppliers, verifying their commercial and professional reliability.

2.17. Conducts to combat organized crime (also transnational)

Every activity and operation put in place by or on behalf of ALMAG, must be oriented to the compliance with current laws, as well as with the principles of fairness and transparency, in order to prevent the Recipients of the Model to commit organized crime violations (also transnational).

It is forbidden to use, even through third parties, work force provided by individuals who are illegally resident in the national territory and/or have false or altered ID documents or obtained illegally.

It is forbidden to use, even occasionally, Companies or departments in order to allow or facilitate, the commission of crimes indicated in Decree 24-ter and in article 10 of Law n. 146/2006, namely, including but not limited to:

- criminal conspiracy;
- mafia-type associations, even foreign;
- electoral exchanges of mafia nature;
- other crimes committed under the conditions set out in art. 416 bis (mafia-type associations), namely the facilitation of mafia-type activities;
- criminal conspiracy aimed at smuggling tobacco products or other illegal drugs;
- dispositions against illegal immigration;
- personal facilitation (case possible only for transnational crimes);
- favoring of individuals linked to terrorist and anti-democratic organizations.

Moreover, it is forbidden to transfer or make available, directly, or indirectly, funds to individuals who intend to commit the above crimes.

It is forbidden to hire, assign procurements or do any kind of commercial and/or financial operation, directly or through an intermediary, with subjects – natural or legal persons – that are at risk of relations with criminal organizations or with subject controlled by them, when this relation is well known.

It is also forbidden to hire or conduct operations of unusual kind or object, which might create or maintain relations of irregular nature in terms of reliability or reputation of the counterparty.

To this end, the Company is committed to know its commercial partners and suppliers, checking their professional reliability, also through specific databases and lists (e.g., prefectural whitelists, lists of companies participating to the legality protocol between Confindustria and the Ministry of the Interior, legality rating, etc.).

2.18. Conducts on the subject of racism and xenophobia

It is reminded that it's a criminal offence to participate to organizations, associations, clubs, or groups which encourage discrimination or violence based on racial, ethnic, national, religious reasons or which promote propaganda, or which incite or provoke, wholly or partially, the negation, minimization or apology of the Shoah or other genocide crimes, war crimes and crimes against humanity.

Therefore, it is necessary that the Company, in its business activities, avoids all contacts with individuals who are at risk of having relations with these kinds of organizations and is committed to know its commercial partners and suppliers, verifying their professional reliability.

It is forbidden to accept money or other forms of financing to promote propaganda groups against the Shoah or other genocide crimes, war crimes and crimes against humanity.

It is also forbidden to spread and use – through the communication tools attributable to ALMAG (social networks, social medias, company blogs, flyers, or other internal paper communication tools etc.) expressions which might promote discriminations or violence for racial, ethnic, national, or religious reasons, as well as, more generally, be interpreted as racist or xenophobic propaganda.

It is also forbidden to rent or loan for use company's rooms and spaces to organizations or movements which aim at inciting political propaganda and committing the crimes above.

2.19. Conducts to combat sports frauds

Please note that it is a criminal offence and therefore strictly forbidden to:

- offer or promise money or other benefits to a participant of a competition organized by a federation recognized by the Italian Olympic Committee (CONI), the Italian union for the equine races (UNIRE) or other sports bodies and their associations recognized by the Italian State, in order to obtain a different result than the one deriving from a loyal and fair competition;
- illegally use lotto or other forms of betting which by law are destined to the State or other bodies recognized by the State, or betting on sports events organized by the Italian Olympic Committee (CONI), the Italian union for the equine races (UNIRE) or other competitions between people or animals and games;
- sell on the national territory, without the authorization of the Customs and Monopolies Agency, of lottery tickets or similar things of foreign countries, or the participation in such operations through collecting bets and winnings, and promoting and sponsoring them with any means;
- organize, use, and collect, without the necessary concession or – if the concession is valid – with techniques different to those allowed by law, of any game established or regulated by the Customs and Monopolies Agency;
- sponsor contests, games or betting managed with the methods described above and, outside the cases of the crimes of the above points, namely the advertising in Italy of foreign games, betting, and lotteries;
- participate to contests, games and betting managed with the methods described above outside of the cases of crimes described in the points above;
- perform in Italy any activity aimed at accepting or collecting, or in support, even via telephonic or telematic ways, betting of any kind in Italy or abroad, without the necessary authorization or license;
- collect or take bookings of lotto or other betting, through telephonic or telematic ways, without the appropriate authorization by the Ministry of Economic Affairs – Customs and Monopolies Agency to collect such bookings.

It is forbidden any conduct – by corporate subjects or third parties of sports associations recognized by the State – which might alter the result of a sport competition from which the company the Company might obtain a benefit (e.g., a sponsorship).

It is forbidden any activity which involves the commission of the abovementioned crimes by corporate subjects and/or third parties (for example tenants) in rapport of illegal betting and gambling, in the interests or in favor of the Company. Therefore, the Company is committed to know its commercial counterparts, verifying their professional reliability.

2.20. Conducts to combat smuggling crimes

All activities and operations put in place by end/or on behalf of ALMAG must be based in compliance with current laws, as well as with the principles of fairness and transparency, to prevent the commission of smuggling crimes by the Recipients of the Model.

The Company is committed to ensure the issuance of accounting and fiscal documents consistent with the import/export operations effectively made.

It is therefore forbidden to introduce, transport, detain or exchange goods in violation of prescriptions, obligations, and limitations in force.

In particular, it is forbidden:

- to introduce foreign goods through land border, via sea or air in violation of prescriptions, prohibitions, and limitations;
- to unload and deposit foreign goods in the space between the border and the closest customs;
- to hide foreign goods on themselves, in luggage, among other goods or on any mean of transport to avoid customs inspections;
- to take goods from customs without having paid the due fees or without ensuring their payment;
- to take outside the customs premises national or nationalized goods subject to border rights without corresponding such rights;
- to retain foreign goods, when the circumstances set forth in the second paragraph of art. 25 for the smuggling crimes are envisaged;
- to constitute in the extra-customs territories indicated in art. 2, unauthorized deposits of foreign goods subjected to border rights, or constitute such deposits to a greater extent than permitted;
- to retain, as dealer of a private customs warehouse or with the help of a dealer, foreign goods which do not have the required customs declaration or are not taken in charge in the deposit records;
- to use fraudulent means to obtain an undue restitution of the rights for the import of raw materials used in manufacturing national goods to be exported;
- in temporary import or export operations and in re-import or re-export operations, in order not to pay due fees and to manipulate goods artificially or use other fraudulent means.

2.21. Conducts to fight crimes against cultural heritage

Please note that conducts against the cultural heritage constitute criminal offences as set forth in Title VIII-Bis of the Penal Code, "crimes against cultural heritage."

In particular, it is strictly forbidden:

- to take possession of cultural assets belonging to third parties or to the State, removing them from their legitimate owner, to obtain a profit for themselves or others;
- to buy, receive or hide cultural assets deriving from a crime;
- to create, wholly or partially, a false private deed or to alter, destroy, suppress, or hide a true private deed in relation to movable cultural assets in order to make their origin to appear lawful;
- to place on the market cultural assets without the necessary authorization;
- not to file, within the thirty days limit, the report on the transfer of property or possession of cultural assets;
- illegally import or export cultural assets as set forth in art. 518-decies and 518-undecies of the penal code;
- not to get back into the national territory, before the expiry of the deadline, cultural assets, or goods with an artistic, historical, archeological, ethno-anthropological, bibliographical, documental, or archival value or other goods subjected to specific protections according to the laws on cultural heritage, which exit, or export had been authorized;

- to make false statements in order to prove to the competent office the non-eligibility of goods of cultural interest to obtain an export authorization;
- to destroy, disperse, deteriorate, deface, spoil, or illegally use own or others' cultural or landscape assets;
- to counterfeit, alter or reproduce an artwork, putting into place a conduct as set forth in art 518-quardecies penal code;
- to substitute or transfer cultural assets deriving from crimes without criminal intent, in order to obstruct their identification and criminal origin;
- to commit acts of devastation and looting to cultural or landscape assets, or cultural institutions and places.

2.22. Conflict of interest

Any situation that might constitute or arise a potential conflict of interest must be promptly reported to the Reporting Manager.

Every employee must also notify his/her direct supervisor, in writing, if he or she continuously works with a company not belonging to the group Holding Umberto Gnutti or if he or she has a financial, commercial, professional, familiar, or social relation with a Company's partner, customer or supplier that may influence his/her own judgment and impartiality. If the report to the direct supervisor remains unresolved or if the report is about the supervisor's conducts, the report shall be made to the Reporting Manager.

2.22.1 Working relations

ALMAG employees and collaborators cannot work for or receive payments from ALMAG commercial partners, customers, and suppliers, without the prior approval of the Company.

Every work activity external to ALMAG must be kept strictly separated from the Company and cannot have a negative impact on ALMAG activities.

2.22.2 Family relations

ALMAG managers, employees and collaborators shall refrain from using their influence to procure commercial opportunities, advantages or favors for ALMAG coming from companies or from Public Offices where their relatives work.

2.22.3 Investments

The investments of the Company's managers, employees and collaborators shall not influence ALMAG judgment and impartiality.

The Company's managers, employees and collaborators cannot gain any financial advantage, direct or indirect, from using confidential information of which they may become aware in the course of their work duties.

2.22.4 Gifts

ALMAG managers, employees, and collaborators, while performing their tasks, shall not request or accept to/from any person or company any gift, benefit or favor that go beyond the common courtesy usually associated with business practices.

Under no circumstances the Company's managers, employees and collaborators can accept money.

When refusing a gift may be impossible or particularly rude, it is necessary to consult with the Reporting Manager.

ALMAG managers and employees can offer gifts only in compliance with the company's procedures. The reciprocation of gifts cannot in any way compromise the Company's integrity and reputation and it should not be made as a way of obtaining improper advantages.

3. EFFICIENCY OF THE CODE AND CONSEQUENCES IN THE EVENT OF VIOLATION

3.1. Compliance with the code and reports of violations

The Reporting Manager has the task to assess the practical suitability of the **Section2_Conducts 231**, and to monitor the compliance and implementation of its provisions.

All those reporting, in case they become aware of alleged violations of this Section 2, or violations foreseen in the company's "*Procedure to report violations (Whistleblowing)*", shall promptly inform the Reporting Manager through the channels, and relative guarantees, which are also integral part of the Organizational Model published on the official website of the Company (<https://almag.go-tell.it>, section "Whistleblowing") or made available separately to the recipients of this code, by the Company and the relevant laws on the subject of reporting.

It is instead a right of third parties without contractual bonds with the Company to file the abovementioned reports.

Reports shall be addressed to the Reporting Manager and shall include all relevant information or documents as required.

The department heads, if become officially aware of news, also coming from police bodies, about crimes or illegal activities with a corporate impact, must report it to the Reporting Manager.

Reports to Reporting Manager shall be filed and managed according to the methods and channels provided for in the "*Procedure to report violations (Whistleblowing)*."

Reports can also be anonymous, that is not bearing the identity of the reporting person nor allowing to trace back or identify him/her.

In any circumstance, please note that only specific reports based on factual elements will be evaluated and not reports with generic, confuse and/or defamatory content. To this extent, the evaluation is delegated to the Reporting Manager, which will also decide if taking it into account while planning the activities.

The Company foresees and ensures specific forms of protection for the so-called "Reporting Subjects" who have filed a report in good faith. For the specific discipline of the protections provided, please refer to "Appendix B – Protections" of the "*Procedure to report violations (Whistleblowing)*."

In general, personal information and data acquired in application of this paragraph are treated by the Reporting Manager and to subjects authorized by the Company exclusively for the purposes connected with the observance of Legislative Decree 231/2001, in compliance with the principles of the privacy current laws (EU Regulation 679/2016 – "GDPR").

For matters not expressly disciplined herein, reference is made the "*Procedure to report violations (Whistleblowing)*."

The handling of reports and the rule included in this document does not affect the disciplinary or criminal liability of the reporting person when the reporting has been made in bad faith, or with a calumnious or defamatory intent according to the penal code and art. 2043 of the civil code.

If the Reporting Manager determines the groundlessness of the reporting made in bad faith, it shall consider every useful action to activate disciplinary procedures. To this end, the disciplinary system adopted by the Company and included in the General Part of the Model, **par. 9 – "Disciplinary system** and measures in case of non-compliance with the prescriptions of the model" (for example measures against employees, managers etc.) foresees specific sanctions against those individuals who file groundless reports with intent or gross negligence.

It is understood that the Company may undertake the most opportune disciplinary and/or legal measures to protect its rights, assets, and image against anyone who, in bad faith or with gross negligence, has made false, groundless, or opportunistic reports with the only purpose of slandering, defaming, or prejudicing the person reported or other individuals cited in the Report.

3.2. Sanctions

The violation of the provisions established in **Section2_Conducts 231** and of corporate procedures jeopardizes the relationship of trust between the Company and any person who committed the violation (Recipients). Please note that constitutes a violation of the Model also:

- any form of retaliation against those individuals who have reported possible violations of the Model in good faith;
- any accusation, with intent and gross negligence, moved against other workers and/or illegal conducts, knowing that such violations and/or conducts do not exist;
- the violation of measures to protect the privacy of the reporting person.

The violations, once they are ascertained, will be decisively prosecuted in a timely and immediate manner, through - in compliance with the provisions of the existing laws - suitable and proportional disciplinary measures, regardless of the possible criminal nature of the conduct and the initiation of criminal proceedings in the cases where this constitutes a crime.

The disciplinary measures for violations of this Code are adopted in compliance with the laws in force, with the relative national labor contracts and the company's contracts. Such measures might also entail the removal of those responsible from the Company.

For those recipients who do not have a subordinate employment contract with the Company, the violations of this Code will be sanctioned with civil remedies provided for by law.

3.3. Circulation of this code

To ensure the correct comprehension of this Code, ALMAG has prepared an information program that guarantees its complete circulation and clarification.

In particular, this Code shall be brought to the attention of corporate Bodies, work partners, Employees, Sub-contract workers, commercial Partners, and the Consortiums, which the Company adheres to for commercial purposes and, in general, to suppliers, consultants and any other third party who, for the nature of their relation with the company and the activities carried out for or on behalf of it, is exposed to the risks of committing crimes which might result in a liability of the Company, ex Leg. Decree 231/2001.

The Company must also consider the opportunity to disclose this Code to its Suppliers/Consultants or any other third party that has a business relation with the Company or may act on behalf of the Company, without prejudice to the provisions of paragraph 1.2 for the activities at risk of crimes, ex. Leg. Decree 231/2001.

The Code has been posted with adequate prominence on the Company's website.

Any update or modification of the Code is established and approved by the Board of Directors of the Company, after consulting the Reporting Manager.

4. REFERENCES

- Legislative Decree June 8th, 2001, n.231 and subsequent updates

- Confindustria Guidelines for the drawing up of Organization Models pursuant to the Leg. Decree n. 231/2001 – June 2021 edition
- Guidelines for the drawing up of organization, management, and control models in compliance with Leg. Decree no. 231/01 in the Foundry Industry (November 10th, 2015, ASSOFOND – Italian National Foundry Association)
- Document CNDCEC, ABI, CNF and Confindustria, consolidated principles for the drawing up of organizational models and the activities of the supervisory board and perspectives of revision of leg. Decree 8th June 2001, n. 231, February 2019
- Consolidated Safety Act (Legislative Decree 81/08)
- Environmental Code (Legislative Decree 152/06)