

Code of Conduct

***Tecnova S.r.l.
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PREMISE

Founded in 1976 as Tecno3, Tecnova is an automatic mechanical turning company, specialized in customer-designed metal small parts, in multiple sizes, materials, and heat or surface treatments. The core business is represented by the bleed screw/plug for braking systems. After entering foreign markets in 2012, a structural, organizational, and business growth and expansion plan has been underway.

Tecnova supplies the most important Tier1 brake manufacturers worldwide, with ambitious targets: extreme competitiveness at the highest quality levels. For this purpose, maximum attention is given to new technologies, as well as to the development and maintenance of an adequate quality system in accordance with IATF 16949:2016, specific to the automotive sector.

In order to ensure an increasingly respectful and socially responsible approach, aimed at establishing a bond of trust between the company and the community, TECNOVA, by resolution of the Board of Directors, has decided to adopt an ethical-behavioral guideline tool. This tool, called 'Code of Conduct,' defines reference values and company commitments, regulates the relevant conduct of those who operate in the service of the Company, and specifies rules and behaviors with recognized ethical value.

The Code of Conduct therefore represents an official public declaration of TECNOVA's commitment to pursuing the highest levels of ethics in fulfilling its corporate mission, identifying operating standards and behavioral rules, also in compliance with Article 30 of Legislative Decree 81/08, which indicates the characteristics and requirements necessary for an organizational and management model to be effective under Legislative Decree 231/2001.

TECNOVA undertakes to respect and enforce the general principles and ethical standards set out in this Code, since such compliance, in addition to fundamental moral purposes, corresponds to greater protection of the company's own interest from an economic perspective. The awareness that the behavior of a few can damage the image of all must encourage everyone to contribute to general observance of the principles expressed below, promoting their dissemination and knowledge not only within, but also outside the Company.

The Code does not replace nor overlap laws and other external and internal regulatory sources. Instead, it is a supplementary document that reinforces the principles contained in such sources, with specific reference to the ethical profile of business conduct.

1. GENERAL PRINCIPLES

1.1 General principles

This Code helps to ensure that the activities and conduct of the persons to whom it applies are carried out in accordance with values such as impartiality, responsibility, loyalty, honesty and fairness, and in general all those connected to the ethics inherent in the services functional and ancillary to the supply of compliant and safe products.

In no way can the belief of acting in the interest or to the advantage of the Company justify conduct that is contrary to the principles set out in this Code.

The reference values on which the Code of Conduct is based are:

- **Responsibility:** implies that all operations carried out and behaviors adopted, in the performance of one's role or duty, are inspired by formal and substantive legitimacy, in accordance with applicable laws and internal procedures; assuming responsibility is essential to achieve the highest level of ethical conduct;
- **Loyalty:** implies the duty to pursue the interest of the Company. In conducting any activity, the interests that constitute TECNOVA's mission must prevail. It entails in all relationships faithfulness to one's word, to promises and agreements, and complete good faith in every activity or decision;
- **Impartiality:** implies respect for the fundamental rights of individuals, safeguarding their moral integrity and ensuring equal opportunities. In decisions that affect relationships with all stakeholders, TECNOVA avoids any discrimination based on age, gender, sexual orientation, health status, race, nationality, territorial origin, political opinions, or religious beliefs of its counterparts;
- **Honesty:** implies that, in every activity, all are required to diligently comply with applicable laws, internal regulations and the Code of Conduct. In no case may the pursuit of TECNOVA's interest justify dishonest conduct;
- **Fairness:** implies respect for the rights of each individual involved, beyond mere compliance with the law and the employment contract. Such respect also extends to opportunities, privacy and decency. Any situation that creates discrimination or conflicts of interest between the Company and those who work in its interest must be avoided;
- **Integrity:** implies the safeguarding of the physical and moral integrity of all employees and collaborators, ensuring working conditions that respect their personal dignity and comply with applicable regulations;
- **Transparency:** implies the commitment of everyone to provide the necessary information, both inside and outside the Company, in a clear, truthful and complete manner, adopting verbal and written communication that is easy and immediate to understand and subject to verification of the information's requirements. It also entails the adoption of a reliable administrative and accounting system in representing management facts;
- **Collaboration among colleagues and enhancement of human resources:** imply that behaviors among employees – at all levels and degrees of responsibility, as well as between the Company and the employees themselves – are aimed, consistently and reciprocally, at facilitating the best possible performance of each individual, as well as promoting and enhancing professional qualities and their effective development during professional activity;

- Efficiency: implies the pursuit by everyone of the best performance in terms of quality. It also entails punctual fulfillment of duties and obligations, as well as the search for optimal cost-effectiveness in the performance and services provided.

1.2 Recipients and scope of application of the Code

The provisions of the Code apply, without exception:

- to directors,
- to managers and employees,
- to any other party, private or public, who directly or indirectly, permanently or temporarily, establishes, in any capacity, relationships or collaborations or acts in the interest of the Company.

These parties will hereinafter be referred to as "Recipients."

The "Recipients" of the provisions of this Code, in addition to the required compliance with laws and applicable regulations, shall adapt their actions and conduct to the principles, objectives and commitments set out in the Code.

1.3 Obligations of Recipients and whistle-blowing

The Company maintains a relationship of trust and loyalty with each of the "Recipients".

All actions, operations, negotiations and, in general, conduct undertaken by the "Recipients" in the performance of professional activities must be inspired by the principles and reference values recalled above. All "Recipients" must be open to verification in accordance with applicable regulations and internal procedures.

Each "Recipient" must provide professional contributions appropriate to the responsibilities assigned and must act so as to safeguard the Company's reputation.

TECNOVA's directors, within the scope of their responsibilities, must act in full alignment with corporate values and perform their official duties while maintaining full internal and external confidentiality regarding the decisions taken and, in general, the corporate documentation of which they have become aware for any reason. They must also maintain confidentiality even with respect to decisions on which they may dissent; the dissemination, without prior authorization, of opinions and documents within or outside the Company constitutes conduct contrary to the values and specific rules of the Code.

TECNOVA's employees, in addition to fulfilling the general duties of loyalty, fairness and performance of the employment contract in good faith, must refrain from engaging in activities in competition with those of TECNOVA, comply with company rules and abide by the precepts of the Code, whose observance is also required pursuant to and for the purposes of Art. 2104 of the Italian Civil Code.

Each "Recipient" is required to be familiar with the rules contained in the Code and with the reference regulations governing the activity carried out within the scope of their function.

The "Recipients" must adopt, including in their private conduct, behaviors that in no way could harm the Company, including in terms of image.

The "Recipients" are also obliged to:

- refrain from conduct contrary to such rules and require their compliance;
- contact their superiors or the competent functions if clarifications are needed on how to apply them;

- promptly report to the competent functions any information, directly observed or reported by others, regarding possible violations of the rules of the Code, as well as any request made to them to violate the rules;
- cooperate with the competent structures to verify possible violations.

The procedure to be followed should the need arise to report irregularities is that of whistle-blowing, [set out below](#):

The objective of the whistle-blowing policy is to ensure the anonymity of reports of non-compliance with laws or regulations, policies, rules or company procedures, so that the company can benefit from such reports and promptly intercept irregular conduct, in order to remedy and correct it. The whistle-blowing system is the tool through which protection is guaranteed to those who, in good faith, report a non-compliance. The objective is to prevent irregularities within the company, and also to involve everyone in countering them through active and responsible participation.

For this reason, TECNOVA provides a helpdesk as a communication channel freely accessible by Employees, specifically dedicated to reporting improper conduct by anyone within TECNOVA, in dealings with it or on its behalf, that may constitute a violation of laws and regulations, the principles enshrined in the Code of Conduct, internal control principles, company policies, rules and procedures and/or that may directly or indirectly cause economic, asset-related or reputational damage to the companies. Reports are received directly and exclusively by Andrea Terrera (andrea.terrer@tecnovasrl.com) as the representative responsible for implementing this Policy.

The Company sanctions failure to comply with the duty to report, as well as, by virtue of the principles of fairness, cooperation, loyalty and mutual respect in relations between employees, the abuse of the duty to report governed by this paragraph for purposes of retaliation or mere emulation.

1.4 Additional obligations for managers of organizational units and company functions

Each manager of an organizational unit or company function is required to:

- set an example through their own conduct;
- promote compliance with the rules of the Code;
- ensure that it is clear to everyone that compliance with the rules of the Code is an essential part of the quality of work performance and of their own activity;
- take immediate corrective measures when required by the situation;
- act to prevent, within the limits of their competences and responsibilities, possible retaliations.

1.5 Company commitments

The Company shall ensure, also through the possible identification of specific internal functions:

- the widest dissemination of the Code among the "Recipients" and all those who have dealings with the Company;
- the study and updating of the Code;
- the provision of appropriate knowledge tools relating to the interpretation and implementation of the rules contained in the Code;
- the carrying out of checks regarding reports of violations of the rules of the Code;

- the assessment of the facts and the consequent application, in the event of confirmed violations, of the prescribed sanctions;
- that no one may suffer consequences of any kind for having provided reports of possible violations of the Code or of the rules referred to therein.
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- The Company also undertakes, including through the identification of suitable structures, bodies or functions, in compliance with applicable legislation, to:
 - establish criteria and procedures aimed at reducing the risk of violation of the Code;
 - promote the issuance of guidelines and operational procedures by participating with the competent functions in their definition;
 - prepare communication and training programs for the "Recipients" aimed at improving knowledge of the objectives of the Code;
 - promote knowledge of the Code within and outside the Company and its observance;
 - inform the competent bodies of the results of checks relevant for the adoption of appropriate measures.

1.6 Contractual value of the Code

Compliance with the rules of the Code shall be considered an essential part of the obligations of directors, of the contractual obligations of employees, and of those who in any capacity have a collaboration relationship with the Company pursuant to and for the purposes of Art. 2104 of the Italian Civil Code.

Violation of the provisions of this Code undermines the relationship of trust established with the Company and may lead to disciplinary or legal action and, in the most serious cases, may result in termination of employment if committed by an employee, termination of the relationship if committed by a third party, and finally revocation of office and liability actions in the case of directors.

2. RELATIONS WITH THIRD PARTIES

2.1 General principles

In its relations with third parties, the company is guided by the general principles set out above and, in particular, by the principles of loyalty, fairness, transparency and efficiency. Directors, employees and external collaborators of the company, whose actions may in any way be attributable to the company itself, must act correctly in conducting business of interest to the company, regardless of market competitiveness and the importance of the transaction.

Practices of corruption, fraud, deceit, unfair competition, [unlawful favors](#), collusive behavior, solicitations, whether direct and/or through third parties, of personal or career advantages for oneself or for others, and practices [in violation of antitrust laws are prohibited](#).

It is prohibited to make or offer, directly or indirectly, payments or material benefits of any kind to third parties, public officials or private individuals, in order to influence or compensate an act of their office or to solicit an act contrary to their official duties. Business courtesies, such as gifts or forms of hospitality, are permitted when they are of modest value and, in any case, such as not to compromise the integrity or reputation of either party and not to be interpreted, by an impartial observer, as intended to improperly obtain advantages. Such expenses must always be authorized by the position defined in internal procedures and adequately documented.

Directors, employees and external collaborators of the company are prohibited from receiving gifts or benefits from parties doing business with the company.

The "recipients" of the provisions of this code who receive gifts or favorable treatment not directly attributable to normal courtesy relations must inform in writing, depending on the parties involved, their direct superior or the competent function in charge.

In any case, compensation payable to third parties must be exclusively commensurate with the service indicated in the contract, and payments may not be improperly made to a party other than the contractual counterparty, nor in a third country different from that of the parties or of the performance of the contract.

It is prohibited to accept or make cash payments unless properly justified by tax documents.

The company does not conduct business with entities (individuals or legal entities) known or suspected to belong to criminal organizations or otherwise operating outside the law, such as, by way of example, individuals involved in money laundering, drug trafficking, or usury.

The company recognizes and respects the right of the "recipients" to participate in investments, business, or other activities outside those conducted in the interest of the company itself, provided that such activities are lawful and compatible with the obligations undertaken as directors, employees and/or collaborators.

2.2 Relations with customers

TECNOVA directs its resources towards identifying and satisfying customer needs.

In its relations with Customers, the Company, within the scope of its corporate mission, undertakes to pursue:

- efficiency and safety of its facilities and plants;
- safety of working conditions for its staff;
- state-of-the-art products with eco-compatible features;
- use of raw materials from renewable sources;

- energy efficiency of existing buildings, waste management within its responsibility, and other activities that may generate environmental impacts;
- containment of management costs and pursuit of savings in the phases of selection and control of interventions;
- in the context of expanding the company's assets, the search for design solutions that ensure the saving of energy resources required for the operation of buildings, facilities, and plants.

2.3 Relations with contractors, subcontractors and suppliers

In procurement relations and, in general, in the supply of goods and/or services, the "Recipients" of the provisions of this Code are required to:

- comply with internal procedures for the selection and management of supplier relationships;
- not preclude any supplier company, meeting the required criteria, from the opportunity to compete for supplying the Company, adopting objective evaluation criteria in the selection process, according to declared and transparent methods;
- maintain a frank and open dialogue with suppliers, in line with good commercial practices;
- promote compliance with environmental quality standards and ensure conformity with ethical and legal principles, including those of social significance. In particular, in work and service contracts, the Company supports the proper application of collective labor agreements and the regulations concerning occupational health and safety, as well as wage and social security obligations.

In choosing its suppliers, the Company acts with the aim of achieving the maximum competitive advantage while respecting quality and adopting non-discriminatory behavior. In its selection, the Company takes into account not only economic convenience but also the technical and economic capacity of its contractors, assessing their overall reliability with reference to the specific services to be provided. To this end, the Company has adopted regulations that guide the conduct of employees and suppliers regarding the procedures for purchasing goods and services, in compliance with provincial, national and EU regulations.

Relations with suppliers, contractors and subcontractors are always governed by specific agreements. Such relationships also include financial and consultancy contracts. Each agreement must be aimed at achieving the highest clarity in regulating the relationship.

2.4 Relations with Public Institutions

Relations with Public Institutions aimed at safeguarding the Company's overall interests and connected to the implementation of its programs are reserved exclusively [to the directors](#).

Relations pertaining to the Company's activities, held with public officials or with persons in charge of a public service – acting on behalf of the Public Administration, EU institutions, international public organizations, or any foreign State – with the judiciary, supervisory public authorities, and other independent authorities, must be undertaken and managed in full and strict compliance with the applicable laws and regulations, the principles established in the Code of Conduct, and internal protocols, so as not to compromise the integrity and reputation of either party.

Great care must be exercised in dealings with the aforementioned parties, particularly in operations relating to contracts, authorizations, licenses, concessions, applications and/or management and use of public funds (national or EU), management of orders, relations with supervisory authorities or other independent

authorities, social security bodies, tax collection agencies, insolvency proceedings, civil, criminal or administrative proceedings, etc.

It is not permitted, either directly or indirectly, or through an intermediary, to offer or promise money, gifts, or compensation of any kind, nor to exert unlawful pressure, nor to promise any service, performance, or favor to managers, officials, or employees of the Public Administration, to persons in charge of a public service, to their relatives or cohabitants, for the purpose of inducing them to perform an official act or an act contrary to their official duties.

"Recipients" who receive explicit or implicit requests for benefits of any kind from Public Administration representatives must immediately:

- suspend any relationship with them;
- inform in writing, depending on the party involved, their direct superior or the competent function.

The above provisions must not be circumvented by resorting to other forms of assistance and contributions which, under the guise of assignments, consultancy, advertising, etc., pursue the same aims as those prohibited in this paragraph.

It is forbidden to use or present false statements or documents, or documents attesting to untrue facts, or to omit information in order to obtain, to the advantage or in the interest of the Company, contributions, financing, or other disbursements of any kind granted by the State, a Public Entity, or the European Union.

It is forbidden to mislead anyone, through tricks or deception, to procure an undue profit for the Company to the detriment of others. Violation of this prohibition is even more serious if the party misled is the State or a Public Entity. The "undue profit" may be direct or indirect and include, in addition to contributions, financing, and other disbursements granted by the State, a Public Entity, or the European Union, also concessions, authorizations, licenses, or other administrative acts.

It is also prohibited to use contributions, financing, or other disbursements of any kind granted to the Company by the State, a Public Entity, or the European Union, for purposes other than those for which they were granted.

2.5 Relations with political and trade union organizations

The Company does not provide contributions of any kind to parties, movements, committees, and political or trade union organizations, nor to their representatives and candidates, except for those required under specific laws and agreements.

TECNOVA refrains from undertaking initiatives that could constitute, directly or indirectly, undue pressure on political or trade union representatives or on political or trade union organizations.

In its relations with its staff, the Company will maintain constant engagement with trade union representatives, where present, as dialogue with them is considered essential to advancing the enhancement of human resources in pursuit of the corporate mission.

2.6 Contributions and sponsorships

The Company may accept requests for contributions only from entities and associations with duly established statutes and articles of incorporation, which explicitly demonstrate the absence of profit-making purposes and whose objectives are of significant cultural, social, or charitable value.

Sponsorship activities, which may concern social, environmental, sports, entertainment, and artistic initiatives, are limited to events or organizations that provide assurance of quality and with respect to which any possible conflict of personal or corporate interest can be excluded.

3. PERSONNEL POLICIES

3.1 Human Resources

The Company believes that the sense of belonging, full sharing of the Code of Conduct, and the professionalism of the "Recipients" are key values and conditions for achieving the corporate mission.

To this end, the Company undertakes to:

- adopt fair and transparent staff recruitment systems;
- promote both individual and group professionalism;
- define and communicate clear and transparent operational objectives to all employees;
- adopt a remuneration system that rewards results actually achieved;
- [ensure the total absence of workers under the age of 15;](#)
- [guarantee the protection of young workers \(16–18 years old\) in accordance with applicable laws.](#)

The Company expects employees, at every corporate level, to collaborate in maintaining within the company an atmosphere of mutual respect for the dignity, honor, and reputation of each individual.

3.2 Staff recruitment

The evaluation of personnel to be hired is carried out based on the match between candidate profiles and company needs, in compliance with equal opportunities for all applicants.

The information requested is strictly related to verifying the possession of the required professional and psycho-aptitude qualifications, with full respect for the candidate's privacy and personal opinions.

The Company will adopt appropriate measures to prevent favoritism, nepotism, or forms of clientelism during the recruitment and hiring phases. It will also guarantee non-discrimination of any kind, [as well as respect for minorities and indigenous peoples – see paragraph "Impartiality," no. 1.1.](#)

3.3 Establishment of the employment relationship

Personnel are hired under an employment contract in accordance with applicable laws and current collective bargaining agreements. No irregular employment or "undeclared work" is permitted.

[The Company undertakes to comply with the working hours established by the applicable National Collective Labor Agreement \(CCNL\), as well as to recognize overtime, always in accordance with the CCNL.](#)

At the establishment of the employment relationship, the Company provides staff with all necessary information:

- characteristics of the role and duties to be performed;
- a copy of the national collective bargaining agreement;
- rules, instructions, and training relating to workplace safety;
- Code of Conduct;
- Internal company regulations.

3.4 Employee development and training

In evaluating staff, the Company undertakes to consider, with complete impartiality, the skills and knowledge of each employee and to assess individual merit using objective evaluation systems, taking into account professionalism and the sharing of corporate values.

The Company is committed to developing the abilities and competencies of each employee, also through potential assessment systems and a program of continuous training.

3.5 Discrimination and harassment in the workplace

The Company does not engage in any form of discrimination, direct or indirect, in the employment relationship. In particular, the Company guarantees that no form of discrimination based on gender will be adopted; on the contrary, it supports and values the role of women in the workplace, taking into account their specific characteristics and particularities.

Discrimination based on age, gender, sexuality, race, health status, nationality, territorial origin, political opinions, or religious beliefs is therefore prohibited.

The Company requires that no harassment occurs in internal or external work relations, meaning by harassment:

- the creation of an intimidating, hostile, or isolating work environment towards individuals or groups of workers;
- unjustified interference with the performance of another person's work;
- obstruction of others' career opportunities for mere reasons of personal competitiveness.

The Company undertakes to protect the physical and moral integrity of its employees and to ensure the right to working conditions that respect personal dignity.

The Company protects workers from acts of psychological violence and opposes any harassing or harmful behavior towards the person, their beliefs, or their preferences.

Sexual harassment is prohibited, and behaviors that may offend personal sensitivity must be avoided.

The Company prevents and, in any case, combats mobbing and personal harassment of any kind.

[See paragraph 1.3 for reporting procedures regarding misconduct \(whistle-blowing\).](#)

3.6 Abuse of alcohol or use of drugs

Each "Recipient" is strictly prohibited from:

- performing work duties under the influence of alcohol abuse, narcotic substances, or substances with similar effects;
- consuming or distributing narcotic substances under any circumstances during the performance of work activities.

3.7 Protection of company assets

Each "Recipient" must regard themselves as a responsible custodian of the Company's assets (both tangible and intangible) that are instrumental to the activities carried out.

No "Recipient" may make improper use of the Company's assets and resources or allow others to do so.

4. PREVENTION OF CORRUPTION AND CONFLICTS OF INTEREST

4.1 Policy on the Prevention of Corruption and Conflicts of Interest

Between the Company and its employees there exists a relationship of full trust, within which it is the primary duty of each employee to use the Company's assets and their own professional skills exclusively for the pursuit of the Company's interest, in compliance with the principles set out in the Code of Conduct, which represent the values that inspire the Company in carrying out its mission.

In this perspective, directors, employees, and collaborators of the Company, in any capacity, must avoid any situation, and refrain from any activity, that could place a personal interest in conflict with those of the Company, or that could interfere with or hinder their ability to make impartial and objective decisions in the Company's interest.

The occurrence of conflicts of interest, besides being contrary to legal provisions and to the principles set out in the Code of Conduct, is detrimental to the Company's image and integrity.

A conflict of interest is deemed to exist whenever directors, employees, or collaborators pursue an objective different from that of the Company, or procure or attempt to procure, deliberately, a personal advantage in the course of activities carried out in the interest of the Company, or procure or attempt to procure such advantage for third parties.

Directors, employees, and collaborators must therefore avoid any overlap or crossing, by exploiting their functional position, between activities driven by personal and/or family interests and the duties they perform within the Company. In case of violation, the Company will adopt appropriate measures to bring the situation to an end.

In order to avoid situations, even potential ones, of conflict of interest, at the time of assignment of duties or the commencement of the employment relationship, the Company will require its directors, employees, and collaborators in any capacity to declare the existence of any conditions of conflict of interest, with silence deemed as confirmation of their absence. Such a declaration must be promptly provided to the Company if any conditions of conflict of interest should subsequently arise. The declarations will be submitted, depending on the individual concerned, to the evaluation of the Chairman of the Board of Directors, the direct superior, or the competent function.

5. TRANSPARENCY OF ACCOUNTING AND CORPORATE OFFENCES

5.1 Accounting transparency

Accounting transparency is based on the truth, accuracy, and completeness of the basic information underlying the relevant accounting records.

Each "Recipient" is required to cooperate so that management facts are represented correctly and promptly in the accounts.

For every transaction, adequate supporting documentation of the activity carried out must be kept on file, in order to ensure:

- easy accounting registration;
- identification of the different levels of responsibility;
- accurate reconstruction of the transaction, also to reduce the likelihood of interpretative errors. Each entry must exactly reflect what is shown in the supporting documentation.

In the case of economic or financial elements based on estimates, the related recording must be carried out with reasonableness and prudence, clearly explaining in the relevant communication the criteria used to determine the value of the item.

It is the duty of each "Recipient" to ensure that documentation is easily traceable and organized according to logical criteria.

"Recipients" who become aware of omissions, falsifications, or negligence in accounting or in the documentation on which accounting records are based must inform [the directors](#) in writing.

5.2 Procedures and Operating Practices

In order to prevent harmful events and potential negative impacts on the Company's situation, the Company organizes itself by adopting specific procedures and/or operating practices inspired by the code of conduct. These are prepared, or appropriately integrated and amended, following an analysis of the corporate context aimed at highlighting the risks affecting the Company and the existing control system, as well as its actual adequacy.

Specific procedures and/or operating practices must be adopted by all those who, in any capacity, take part in the operational process, in the terms and according to the methods specifically established and described by the competent functions of TECNNOVA.

Their correct implementation ensures the possibility of identifying the Company individuals responsible for the decision-making, authorization, and execution processes. To this end, in accordance with the key principle of control represented by the separation of duties, it is necessary that the various phases of individual operations be carried out by different individuals, whose competences are clearly defined and known within the organization, so as to avoid the attribution of unlimited and/or excessive powers to single individuals.

Directors, employees, and all those who, in any capacity, have dealings with the Company, each within their respective competences and functions, are required to strictly comply with the procedures and/or operating practices.

In particular, the procedures and/or operating practices must regulate the conduct of every operation and transaction. From these, it must be possible to ascertain the legitimacy, both formal and substantive, of the operation, the authorization, the consistency, the appropriateness, the proper recording, and the verifiability, including with regard to the use of financial resources. Each operation must therefore be supported by adequate, clear, and complete documentation kept on file, so as to allow, at any time, control over the reasons for and characteristics of the operation and the precise identification of who, at the various stages, authorized, carried out, recorded, and verified it.

Compliance with the indications set forth in specific procedures concerning the procedural flow to be observed in the formation, decision, and recording of corporate events and their related effects makes it possible, among other things, to disseminate and promote at all corporate levels a culture of control, which contributes to improved management efficiency and serves as a support tool for managerial action.

Any failure to comply with the procedures and/or operating practices undermines the relationship of trust existing between the Company and those who, in any capacity, interact with it.

5.3 Corporate offences

The procedures aimed at preventing the commission of corporate offences must, in particular, refer to compliance with the following behavioral principles:

- directors, managers responsible for preparing the Company's accounting documents, as well as employees and collaborators who, in any capacity, are involved in the preparation of the financial statements and similar documents or otherwise documents representing the Company's economic, equity, or financial situation, are prohibited from presenting material facts that are untrue, even if subject to evaluation, or from omitting information or concealing data in direct or indirect violation of regulatory principles and internal procedural rules, in such a way as to mislead the recipients of the aforementioned documents. Any unlawful conduct will be considered as committed to the detriment of the Company itself;
- it is prohibited to prevent or otherwise hinder the performance of control or audit activities legally entrusted to shareholders;
- it is prohibited to spread false information;
- all those who have relations with public supervisory authorities, as well as directors and those holding top positions, are prohibited from obstructing their functions; it is also prohibited, in communications to such authorities, to present material facts that are untrue, even if subject to evaluation, regarding the Company's economic, equity, or financial situation, or to conceal, through other fraudulent means, in whole or in part, facts relating to such situation that should have been communicated;
- all operations and actions that result in violations of the laws protecting the integrity and effectiveness of the Company's share capital are prohibited, in order not to prejudice the guarantees of creditors and third parties in general.

6. ENVIRONMENT, HEALTH AND SAFETY

As part of its activities, the Company is committed to contributing to the development and well-being of the communities in which it operates, pursuing the goal of ensuring the safety and health of employees, external collaborators, and the community, as well as reducing environmental impact.

6.1 Environment

The Environmental Policy is embraced by all employees and implemented by the Company in a unified and consistent manner, with full awareness of the strategic importance of environmental protection.

The Company promotes scientific and technological development aimed at environmental protection and resource conservation, reduction of energy consumption, and minimization of environmental risks. Operational management must be guided by advanced criteria of environmental protection and energy efficiency, *as well as animal welfare and biodiversity. The Company also promotes good land-use practices, countering deforestation and ensuring full respect for soil quality.*

Research and technological innovation must be dedicated, in particular, to promoting products and processes that are increasingly environmentally friendly and that demonstrate ever-greater attention to the health of operators.

The Company is committed to raising awareness at all staff levels, fostering the growth of awareness and a sense of responsibility throughout the organization for environmental protection. Responsibility, behavior, and attitudes towards the correct management of environmental issues are an integral part of each employee's role and, as such, are a significant element in evaluating employee performance and the quality of services provided by third parties.

6.2 Health and Safety. Offences concerning the protection of workers' health and safety

The Company undertakes to conduct its activities in full compliance with current legislation on the prevention and protection of workplace risks (Legislative Decree 81/08 and subsequent amendments). The Company is committed to raising awareness, training, and properly instructing personnel at all levels, in order to ensure the involvement of all human resources, with the goal of achieving high standards of professionalism and quality of performance in matters of safety and health protection, fostering the growth of awareness and responsibility throughout the organization.

The "Recipients" of the provisions of this Code, within the scope of their duties and functions, take part in the process of risk prevention and in protecting the health and safety of themselves, their colleagues, and third parties.

The Company undertakes to enforce, also through an appropriate sanction system, the ban on smoking in the workplace.

A sense of responsibility, behavior, and attitudes toward the proper management of health and safety issues form an integral part of each employee's role and are, therefore, a significant factor in evaluating each employee's performance and the quality of that provided by third parties.

In order to prevent and avoid the commission of offences concerning the protection of workers' health and safety, TECNOVA implements a system that, in particular, ensures:

- the organization of company human resources in terms of individual skills, decision-making autonomy, and related responsibilities;
- the resources necessary to design and carry out technical, organizational, and managerial interventions aimed at achieving the objective of continuous improvement of safety standards;
- information, training, and instruction activities for employees, to promote accountability and awareness on safety and health issues;
- awareness-raising and information activities for suppliers and external collaborators in general, so that they adopt appropriate safety and health practices consistent with the Company's adopted policy;
- prevention and minimization of health and personal safety risks for employees and collaborators;
- development and continuous optimization of production processes, achieved through the safety of installations and workplaces;
- the design or modification of plants to ensure their compatibility with the protection of safety, health, and the environment;
- the broadest communication and consultation with Workers' Safety Representatives;
- the utmost attention to feedback from operational levels of the company and from workers;
- the establishment or implementation of tools and procedures for the management of internal and external emergencies, in order to minimize their consequences;
- the introduction and application of monitoring and verification procedures and methodologies to ensure the implementation of the Company's policy.
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7. HANDLING OF INFORMATION AND CONFIDENTIALITY

7.1 General principles

The Company's activities constantly require the acquisition, storage, processing, communication, and dissemination of information, documents, and other data relating to negotiations, administrative proceedings, know-how (contracts, deeds, reports, notes, studies, drawings, photographs, software).

The Company's databases may contain:

- personal data protected by privacy legislation;
- data that, by contractual agreements, cannot be disclosed externally;
- data whose inappropriate or untimely disclosure could cause harm to the Company's interests.

It is the duty of every "Recipient" to ensure the confidentiality required by circumstances for each piece of information learned in the course of their functions and to [respect intellectual property rights](#).

The Company undertakes, also in compliance with Legislative Decree 196/2003 (Privacy Code), to protect information relating to its employees and third parties, generated or acquired within the company and in business relations, and to prevent any misuse of such information.

The information, knowledge, and data acquired or processed by "Recipients" during their work or through their duties belong to the Company and may not be used, communicated, or disclosed without specific authorization from their superior or the competent function.

7.2 Obligations of Recipients

Without prejudice to the prohibition on disclosing information relating to the organization and production methods of the Company, or using such information in a way that could cause harm to it, each "Recipient" must:

- acquire and process only the data necessary and appropriate for carrying out their duties;
- acquire and process such data only within specific procedures;
- store the data in such a way as to prevent unauthorized parties from accessing it;
- communicate the data within predefined procedures and/or upon explicit authorization from superiors and/or competent functions and, in any case, only after ensuring that the data can be disclosed in the specific case;
- ensure that there are no absolute or relative restrictions on the disclosure of information concerning third parties connected to the Company by any type of relationship and, if necessary, obtain their consent;
- organize the data in such a way that any authorized person with access can easily derive the most accurate, comprehensive, and truthful picture possible.

8. IMPLEMENTATION AND CONTROLS

8.1 Dissemination, communication and training

The Chairman of the Shareholders' Meeting undertakes to disseminate knowledge of the Code of Conduct to all Company employees and to all those who have, even temporarily, a collaboration relationship with the Company.

The Code of Conduct is communicated, both inside and outside the Company, through specific communication activities (posting a copy of the Code on the noticeboard, publishing it on the company portal, including an information note on the adoption of the Code [in all new contracts signed from the date of approval](#)).

All relevant parties must formally and in writing confirm that they have received the Code of Conduct and that they are aware of the provisions contained therein.

8.2 Implementation

"Recipients" must be aware of the existence of control procedures and conscious of the contribution these make to achieving the Company's objectives and efficiency.

Internal controls are understood as all tools necessary or useful to direct, manage, and verify the Company's activities, with the aim of ensuring compliance with laws and company procedures, protecting company assets, efficiently managing activities, and providing accurate and complete accounting and financial data.

The responsibility for creating an effective internal control system is shared at every operational level. Consequently, all "Recipients," within the scope of their functions, are responsible for defining, implementing, and ensuring the proper functioning of controls related to their assigned operational areas.

Within their competences, unit or function managers are required to participate in the corporate control system and to involve their employees in it.

Every operation and transaction must be properly recorded, authorized, legitimate, consistent, appropriate, and verifiable.

All Company actions and operations must be adequately documented, and it must be possible to verify the decision-making, authorization, and execution process. For each operation there must be adequate supporting documentation, in order to allow, at any time, controls that attest to the characteristics and reasons of the operation and identify who authorized, carried out, recorded, and verified the operation.

8.3 Controls

The Human Resources Management, the Quality Management System Manager, and the personnel (possibly external) who carry out internal audits, within their respective areas of responsibility, are entrusted with the task of verifying the application and compliance with the Code of Conduct. In particular, within their competences, these functions must:

- monitor initiatives for the dissemination of knowledge and understanding of the Code of Conduct;
- propose revisions to company procedures;
- carry out monitoring activities of company conduct, in order to ascertain the degree of compliance with and observance of the principles set out in the Code;
- report [to the directors](#) any cases of violation of the principles of the Code, for the adoption of possible disciplinary measures.