

CODE OF ETHICS (OR CODE OF CONDUCT)

FERCAM
Logistics & Transport

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CODE OF ETHICS

CHAPTER I - GENERAL RULES

Adoption

FERCAM S.p.A. adopts this Code of Ethics, or Code of Conduct ("Code"), as an integral part of the Organisation, Management and Control Models provided for by L. Decree no. 231 dated 8 June 2001 ("Decree").

The Code takes effect from the date of its publication on the company website.

Purpose

The principles and rules of the Code of Ethics represent the reference values for FERCAM S.p.A. and must inspire all conduct of the Company and of its directors, managers, employees, collaborators, customers and suppliers.

Any behaviour contrary or inconsistent with the Code of Ethics does not belong to the culture of FERCAM S.p.A. and must be avoided, reported, highlighted and, if necessary, sanctioned.

The Code defines and describes the commitments and responsibilities of the Company towards the stakeholders (i.e., the various stakeholders, such as corporate bodies, shareholders, employees, suppliers, customers, Public Administration, etc.), and, more generally, towards the entire civil and economic context in which it operates.

The document aims to recommend and promote compliance with legality at every level of action: FERCAM rejects and condemns any behaviour that conflicts with the values, principles and provisions dictated by this Code.

The Code is therefore configured as a fundamental safeguard to prevent the perpetration of offences within the context of the corporate activities and a tool to ensure the correctness of the Company's actions, representing a fundamental component of the Organisation, Management and Control Model (hereinafter also OMM or Model) adopted by FERCAM S.p.A. pursuant to the Decree, which defines the conditions for the liability of entities for administrative offences resulting from a crime.

In the corporate organisational context, the Code of Ethics constitutes an essential element of the organisational, preceptive and preventive internal control system. It is an integral part and constituent element of the OMM adopted by FERCAM S.p.A. to orient and guide the Company's activities.

Recipients

FERCAM obliges all individuals with whom it has work or business relationships to comply with the principles and rules of conduct contained in the Code of Ethics.

More specifically, the Code binds:

- the directors;
- the executive managers;
- the employees;
- the collaborators;

more generally called "workers".

The following are also required to sign and accept the Code as a condition for initiating new business relationships with FERCAM:

- the professionals;
- the suppliers;
- the professional customers.

more generally called "business partners". The following are not considered business partners: consumers, public administrations and parties operating under a legal monopoly. In relations with business partners, the Code of Ethics is contractually referred to as a source of contractual obligations, according to which the partner undertakes, within the limits and the scope of the contract, to operate in compliance with the principles and

values enshrined in the Code of Ethics, signing the appropriate declaration of acceptance of the Code of Ethics ("Clause 231").

The provisions of the Code of Ethics therefore guide and bind the decisions of the corporate bodies and determine the activity of both those that in FERCAM S.p.A. hold senior positions and those who occupy subordinate positions; it is aimed at everyone who works with FERCAM S.p.A. in any capacity, including the agents, collaborators, external consultants and professionals on whom it relies.

All companies belonging to the FERCAM Group are also required to fully adhere to the Code. For the sake of homogeneity, any adoption of their own codes of ethics by the other Group companies is coordinated according to the criteria of best practices.

From the act of their first appointment following the entry into force of the Code, the directors of the companies controlled by FERCAM S.p.A., wherever they are based, are also required to sign and accept the Code, under penalty of withdrawing from their appointment.

The recipients, for whom knowledge of the Code of Ethics is mandatory, undertake to respect and fully apply the provisions of the Code for the entire period of time during which they work for the Company or in any case collaborate with it.

Reference values

FERCAM S.p.A. shapes its conduct on the following principles:

1. **Legality.** FERCAM promotes and expects a conduct of constant attention towards compliance with the authoritative regulations of the countries in which the Company operates, towards their correct knowledge, dissemination, interpretation and application, and towards an honest collaboration with the public authorities. In particular, it refrains from carrying out any illegal business activity and imposes the same prohibition, under penalty of termination of any relationship, on all its business partners.

2. **Honesty.** Beyond the legal obligations, FERCAM promotes and generally expects a conduct characterised by honesty and good faith in relations with workers, in relations between workers, in business relations during the pre-contractual and the contractual phases and in extra-contractual relations. Honesty and transparency towards customers are always promoted and expected.

3. **Protection of health and safety.** FERCAM considers the protection of the health and safety of workers to be of primary importance and totally indispensable, it therefore promotes and demands scrupulous compliance with the relevant legal regulations and issues conduct guidelines inspired by attention and prudence. It carries out regular payments of the social security and insurance charges in favour of its workers and demands the same attention from its business partners.

4. **Enhancement of human capital.** FERCAM values its staff through the commitment to a healthy, welcoming and pleasant work environment. It promotes and demands compliance with the regulations for the protection of workers and the correct use of the legal contractual arrangements for work performance. It enhances, as far as possible, the skills and inclinations of the human resources available. It undertakes to establish, within the company, an atmosphere based on commitment, collaboration, courtesy and mutual esteem in interpersonal relationships.

FERCAM rejects any type of discrimination based on ethnicity, religion, age, nationality, gender or other dimension linked to personal identity.

5. **Protection of the environment.** FERCAM is committed to constantly reducing the environmental impact of its business, through organisational improvement and the use of new technologies. Among its business partners, it favours those who share its commitment to protect the environment. It takes suitable measures to prevent environmental damage and reduce its effects.

6. **Responsible profit.** More generally, in pursuing its profit objectives, FERCAM assumes a responsibility towards the territory in which it operates, and binds, as far as possible, its interlocutors to the same responsibility and attention.

FERCAM S.p.A. undertakes to ensure respect for Human Rights, including as recognised internationally, in compliance with the Conventions and with the United Nations Guiding Principles on Business and Human Rights (UNGPs). It also expects its collaborators and partners to do so.

Violating Behaviour

Whoever as director, worker or business partner of FERCAM S.p.A. or as director of a company controlled by FERCAM S.p.A. becomes aware of a violation of the Code by anyone who is obliged to comply with it, is required to promptly report it to the Supervisory Body of FERCAM S.p.A.

The recipients of a procedure, a contractual clause, a practice or directive or order that are in evident contrast with the Code of Ethics are obliged not to comply with the procedure, clause, practice, directive or order received, and to promptly report the fact to the Supervisory Body (SB), without this entailing any liability on their part.

The recipients of a procedure, a contractual clause, a practice or directive or order that may possibly conflict with the Code of Ethics are required to comply with the procedure, clause, practice, directive or order given, if mandatory, and at the same time, to promptly report the fact to the Supervisory Body.

Supervisory Body and reports

The Supervisory Body (SB) of FERCAM S.p.A. checks the adequacy, operation and compliance with the Code of Ethics and the OMM by the recipients, as well as suggests any updates. It is appointed to receive reports and to take action in accordance with the provisions of its Regulations. The recipients of this Code are required to report illegal conduct, irregularities, violations of rules, breaches of the OMM, corporate procedures and the Code of Ethics to the SB, in accordance with the Reporting and the Information Flows procedures. The SB also provides clarifications regarding the content and interpretation of the Code of Ethics and the OMM. Not collaborating with the SB constitutes conduct subject to disciplinary sanctions for all recipients of the Code.

The Supervisory Body can be contacted by email at odv@fercam.com, or by sending a letter in a sealed envelope to FERCAM S.p.A., via M. Curie 2 - 39100 Bolzano, Italy, with the wording "CONFIDENTIAL FOR THE SUPERVISORY BODY". Reports must always clearly state the sender and be signed or, if made by email, using the personal company inbox or a certified email address.

The Company guarantees compliance with the legislation on Whistleblowing (Law 179/2017), according to which it provides a specific platform which guarantees the anonymity of the sender.

The Supervisory Body denounces reports containing insults and/or slander to the judicial authority.

Dissemination

The Code of Ethics is made available in paper format, in the company IT environment, and published on the company website, in an easily accessible position. Anyone can request and obtain a copy at any time.

FERCAM provides the maximum dissemination and evidence of the existence of the Code of Ethics, through marketing and communication campaigns. The business partners of FERCAM are fully informed of the existence of the document and of its full availability. Written or electronic communications addressed to customers by the FERCAM commercial network or to suppliers by those who carry out the purchases, systematically highlight the existence of the Code of Ethics and the electronic link to the relative document.

All written contracts with business partners that are stipulated after the entry into force of the Code of Ethics contain the full text of the same, which the partner signs for full and unconditional acceptance. Alternatively, the partner can adhere to the Code of Ethics by declaring, within the contract, to have seen and fully accepted its content; in any case, the contract must indicate the website address at which the full text of the document is always available.

Where a business relationship is not governed by a written contract, the rules of the Code of Ethics assume the validity of General Terms and Conditions of the Contract pursuant to Article 1341 of the Italian Civil Code.

CHAPTER II - RELATIONS WITH CUSTOMERS AND SUPPLIERS, RELATIONS WITH THE MARKET

General principles in relations with customers and suppliers

FERCAM's objective is to maintain loyal, lasting business relationships with mutual economic advantage and reduced contentiousness. For this purpose, the contracts, whether entered into orally or in written form, must have a clear content, correspond to what was discussed in the negotiation, and be correctly understood by the parties.

Business and professional relationships are formalised and documentable.

FERCAM undertakes to comply with the rules on taxation and with those that have been issued against money laundering and self-laundering.

Pre-qualification of the business partners

FERCAM selects its business partners based on adherence to the principles and rules of conduct of the Code of Ethics. Where the interlocutors operate in a competitive market, it considers their adherence to the Code of Ethics an indispensable prerequisite for conducting business relationships.

When it is called upon to identify a business partner that operates on its behalf or that, in any case, interacts with its customers (sub-carrier, traction operator, transport agent, sales agent, etc.), it is required to adopt selection procedures that take into account:

- a) any contract or Code of Ethics breaches during previous assignments, and the relative severity;
- b) the knowledge by FERCAM of final convictions imposed on the company or its directors for crimes against State assets, of corruption or extortion, of violation of the rules on the health and safety of workers, of criminal association or similar.

The selection procedures may include a "probation" period with low-risk assignments and/or allocating a reliability rating to the business partners (an internal rating) based on which assignments with different risk levels are entrusted.

With regard to business partners who operate on its behalf or who interact with its customers, the checks aimed at pre-qualification are carried out with greater rigour and severity.

Pre-contractual phase

FERCAM S.p.A. manages the pre-contractual negotiation in compliance with the principles of good faith, loyalty, transparency and confidentiality.

By way of example, the following conducts are considered contrary to good faith, loyalty, transparency and confidentiality:

- initiating a negotiation with purposes other than those declared or understood by the interlocutor;
- using the party's confidential information acquired during the negotiation phase for purposes unrelated to the deal;
- voluntarily communicating false information to the party, even if not decisive for finalising the deal;
- not notifying the interlocutor of the existence of known circumstances that could lead to its refusal to agree to the deal;
- inducing the interlocutor by means of deception to believe that a non-existent circumstance exists, even if it is not decisive for finalising the deal;
- formulating ambiguous contractual clauses in order to mislead the interlocutor;
- presenting or implying non-existent credentials during negotiations or declaring or communicating qualifications that do not correspond to the truth.

The natural persons in charge of the negotiation operate in the exclusive interest of FERCAM. In the event of a conflict between personal interest and the interest of FERCAM, they are required to promptly notify their superior or principal, who may revoke the mandate and replace the person in question or give binding instructions. In no case may a personal benefit not inherent to the subject of the contract be accepted, offered

or requested during the negotiation. Without prejudice to common customs in the business field, taking into account the circumstances (business lunch, giveaways of modest value, and the like).

Contractual financial payments

The contractually agreed financial payment for goods, services and works must be congruous and not significantly deviate from the market value, taking into account the circumstances.

Donations or other gifts are allowed only in favour of associations and entities with the exclusive purpose of charity and/or social promotion. Gifts and giveaways of modest value are allowed, in accordance with commercial customs.

Contract or relationship management

FERCAM diligently carries out contractual obligations. In turn, it expects the economic operators who operate on its behalf to be equally diligent. It selects them by taking into account the quality of the work previously carried out.

Should any obligation be carried out incorrectly, it actively takes steps to contain the effects of the damage and to reimburse the amount due by law, if necessary by involving the third parties responsible and/or the existing insurance coverage.

Payments must always be justified, traceable and correspond to the actual value of the performance or of the goods and services received.

Payments are made to the contractual counterparty who has executed the contract.

Real or fictitious payments for totally or partially non-existent transactions are prohibited.

The Company requires suppliers to ensure a correct and diligent behaviour which complies with the provisions of the law and of the Code.

Contractual counterparties are required to adhere to the principles of this Code and to undertake to comply with the law and with this Code of Ethics when carrying out the contractual relationships with FERCAM, reporting any breaches or anomalies to the SB.

In particular, suppliers must guarantee the protection of health and safety in the workplace, respect for the environment, the regularity of payments, including social security ones, to the staff employed, accounting and tax compliance, the protection of intellectual property and copyright.

Payments to and from FERCAM must not be made, if possible, in cash. In any case, they must always be traceable and documentable with a receipt, bank statement or similar.

FERCAM manages contractual relationships of any nature based on loyalty and good faith. It is committed to preventing disputes and to amicably resolving any dispute that arises. It protects its rights taking into account the general interest and the risk associated with excessive contentiousness.

Management of professional consultancies

FERCAM makes use of the assistance of intellectual professionals and consultants only if it does not have adequate internal resources due to legal prohibitions or for organisational or expertise reasons. It contractually predetermines the content of the assignment and, where possible, the related financial payment or the criteria on the basis of which it must be calculated. It always assesses the congruity of the financial payment requested with the quality of the service.

The professionals and consultants appointed by FERCAM operate with the utmost transparency towards the Company. They plan the activities with the internal contacts and report promptly and/or periodically on the progress.

FERCAM selects external collaborators and consultants by adopting criteria based on satisfying internal needs, expertise, adequacy and professionalism.

Payments are justified, traceable and correspond to the actual value of the performance achieved and services received.

Payments are made to the professional expert who has carried out the contract.

Real or fictitious payments for totally or partially non-existent transactions are prohibited.

The **Company requires collaborators and consultants to ensure a correct and diligent behaviour which complies with the provisions of the law and of this Code, as well as with company procedures.**

The Company brings the contents of this Code and the principles of the OMM to the attention of collaborators and consultants.

Collaborators and consultants are required to adhere to the principles of this Code and to undertake to comply with the law and this Code of Ethics when carrying out any professional relationship with FERCAM, reporting any violations or anomalies to the SB.

In particular, collaborators and consultants must guarantee the protection of health and safety in the workplace, respect for the environment, the regularity of payments, including social security ones, to the staff employed, accounting and tax compliance, the protection of intellectual property and copyright.

Violating the principles and rules of conduct laid down constitutes a breach of contract which can lead to the termination of the relationship.

The appointed SB ensures that the OMM and this Code are implemented in relations with collaborators and consultants.

Relations with customers

The Company aims to satisfy the expectations of its customers by providing adequate high-quality solutions in compliance with the rules set to protect competition and the market and basing its conduct on the values of **fairness, honesty, reliability and professionalism.**

Any form of advertising and communication that is deceptive or misleading is prohibited.

Contractual relationships are **formalised and documentable.**

FERCAM drafts the contracts with its customers in a correct, complete and transparent manner: arbitrarily modifying the contractual terms and conditions or the method of providing the service is forbidden.

The Company and the recipients of this Code must always undertake to respect the expectations of the customer, executing contracts with precision, expertise and fairness, thus ensuring compliance with all the obligations and services contractually provided for, within the timeframes assigned by the contract.

Responsibility towards the market

FERCAM recognises the role of the free market as an arena for competition and confrontation between economic operators who respect and share its rules. When pursuing its business interests, it refrains from unfair conduct towards competitors; likewise, it refrains from illegitimate initiatives contrary to the free market (such as cartels, trusts, or the like). It does not hold business relations with individuals who have been convicted for serious or repeated unfair competition conduct, where known.

The following initiatives are considered unfair conduct, by way of example:

- poaching a significant number of managers and/or employees in a relatively short period of time from a competitor (enticement of personnel);
- using trademarks or signs or slogans belonging to other market operators or that may cause confusion to the recipients, to the detriment of a competitor;
- illegitimately using trademarks or patents belonging to a competitor;
- disseminating or communicating false information aimed at discrediting a competitor.

FERCAM recognises the importance of protecting intellectual property as the foundation for business development. It undertakes to refrain from any harmful conduct or abuse of works, patents, trademarks which are not at its disposal, as they are protected by law. It promotes its own works, patents and trademarks protecting them appropriately and defending them from any abuse by third parties. It expects its business partners to carefully and respectfully use the FERCAM brand, where authorised.

CHAPTER III - RELATIONS WITH THE PUBLIC ADMINISTRATION AND WITH THE PUBLIC JUDICIAL AND SUPERVISORY AUTHORITIES

Business relations with the public administration

When engaging in business relations with the national or foreign public administration (on the occasion of service contracts or similar), FERCAM complies with the provisions of Chapter II above on the matter of relations with customers, suppliers and professionals with particular care and attention. In any case, it acts in full compliance with the legal procedures laid down for the assignment and management of tasks.

When engaging in business relationships or professional expert advice in a personal capacity with persons who are public officials or persons in charge of public services, employees of a public, national or foreign administration, as a customer, FERCAM complies with the utmost rigour to the following rules:

- a) the use of this type of party is made only in the presence of proven professional skills that are not otherwise available on the market, and must be justified;
- b) the contract is stipulated in writing, has a defined purpose, a predetermined duration, and the financial payment is identified or determined according to precise and defined criteria;
- c) the contract contains a termination clause, without any burden for FERCAM, in the event of opposition by the administration to which the party belongs;
- d) the financial payment is established on the basis of professional reference tables or, where none exist or are not available, to an extent not exceeding the market value of the service;
- e) a scrupulous check is carried out on the actual quality of the service provided and on its compliance with the provisions of the contract.

When it is FERCAM that procures goods or other services to public officials or persons in charge of public services, employees of a public, national or foreign administration, the contract precautions listed above are not required, but it is necessary to pay particular attention to the appropriateness of the financial payment that cannot be significantly lower than the price list or than the average price charged to that specific type of customer. It is without prejudice to the good faith of the commercial operator who is not aware of the customer's qualification.

Administrative relations with the public administration and with the public supervisory authorities

FERCAM maintains relations based on fairness and transparency with the public administration and with the public supervisory authorities. It precisely verifies the correctness and truthfulness of the declarations made and of the documents submitted.

Any offer of money or other benefits to public officials, persons in charge of public services or officials of a public administration by the directors, managers, employees, collaborators of FERCAM or by whoever acts, even without representation, on behalf of FERCAM when operating in the work sphere or in any case in the interest of FERCAM, is prohibited.

Any request or claim for money or other benefits by public officials, public service officers or officials of a public administration made to directors, managers, employees or collaborators of FERCAM or to anyone who acts, even without representation, on behalf of FERCAM, must promptly be reported to the Supervisory Body for appropriate measures.

Relations with the judicial authorities

In relations with the judicial authorities (including prosecution authorities and the criminal police) all the behavioural obligations envisaged towards the public administration must apply.

It is also prohibited:

- a) to induce or force anyone to give, in the interest of FERCAM, false statements to the judicial authorities or to withhold known information;
- b) to enter into professional or consultancy contracts or other commercial contracts where a judicial officer or official of a judicial authority is a supplier or service provider.

The independent administrative authorities (authority) to which FERCAM is subject to control, such as the Competition and Market Authority (antitrust), the Italian data protection authority (privacy guarantor), etc. are equated to judicial authorities.

CHAPTER IV - RELATIONS WITH WORKERS

FERCAM recognises the role of primary corporate capital and main source of income to the human resources at its disposal. It considers the correct and careful management of personnel a key activity as the main factor of business success.

FERCAM undertakes to scrupulously comply with the legal obligations towards workers, whether these concern the protection of their psycho-physical health and safety, the remuneration and contribution treatment, or finally the exercise of trade union rights, non-discrimination and protection of personal dignity.

In addition to legal obligations, FERCAM undertakes to enhance workers in their professional and personal spheres. It rewards merit and promotes expertise. When possible and relevant to the working sphere, it favours the improvement of knowledge and skills through targeted training courses. It promotes the creation of an atmosphere of courtesy, collaboration and esteem among workers, and the development of its people as a whole, including through cultural or recreational initiatives in the workplace and outside the workplace.

Respect and the centrality of the needs of the person is an imperative to be pursued: FERCAM has adopted an integrated management system to promote safety in the workplace.

The Company has obtained the ISO 45001:2018 certification.

The Company assesses the risk associated with each task or activity entrusted to workers, in order to organise and ensure a safe working system.

At the same time, FERCAM requires from its workers commitment, expertise, professionalism, courtesy and punctuality. It also requests, in compliance with the obligation of loyalty to which they are bound, that they should:

- a) comply with the reference principles of the Company, contained in this Code, and with the related rules of conduct;
- b) comply with the company hierarchies, with all procedures, rules and practices, even unwritten, as they are mandatory, and with the instructions received from their superiors;
- c) possess fairness and good faith, respect during interpersonal relationships with colleagues, customers and suppliers;
- d) comply with the confidentiality obligations regarding information, data and news acquired as a result of the activity performed for the Company;
- e) take part wholeheartedly in the training opportunities offered by the Company;
- f) abstain in situations of conflict of interest with the Company, reporting their existence;
- g) use the computer systems, software, databases within the limits and under the prescribed conditions, refraining from abusive, unauthorised or prohibited use and comply with the legislation on copyright and intellectual property;
- h) not accept nor pay money or provide other benefits to exert forms of pressure in order to procure direct or indirect benefits to the Company;
- i) not offer nor promise money or other benefits to third parties (neither in relations with the public administration, nor between private individuals), in order to induce them to perform an act procuring direct or indirect benefits to the Company;

Workers are also prohibited from accepting or demanding financial payments or other benefits from third parties in relation to carrying out their work activities, with the exception of giveaways of modest value that are customary in the commercial field.

Newly hired personnel are obliged, as a condition for the recruitment itself, to understand, accept and sign this Code of Ethics.

CHAPTER V - GOVERNANCE, RELATIONS WITH SHAREHOLDERS AND GROUP COMPANIES

Relations with shareholders

FERCAM bases its relations with its shareholders on principles of transparency and fairness. It guarantees its shareholders have access to the information required for the correct and informed exercise of their rights.

On the occasion of the issue of bonds or capital increases, FERCAM provides the parties to whom the offer is addressed with all the information necessary for a correct assessment in a complete and truthful manner.

In the presence of widespread shareholding, FERCAM regulates the right of access by minority shareholders to company information and data by means of a specific regulation, ensuring compliance with the principles of transparency and correctness set out above.

Shareholders and other stakeholders who access data and information relating to the Company are required to use it solely for the purpose of exercising their rights and prerogatives, and to refrain from any dissemination or improper use of the same.

The organisation of the Company

FERCAM adopts an OMM pursuant to Legislative Decree 231/2001.

Every interlocutor of FERCAM must be informed of the essential guidelines of the organisational model adopted and of this Code of Ethics.

The Company undertakes to maintain and update a formalised organisational system, in which the attribution of responsibilities is clear, the hierarchical lines and functions are defined, and the internal control measures are identified.

The company processes most exposed to the risk of so-called *Predicate Offences* occurring are defined according to operating procedures that guarantee the segregation of functions, controls, traceability and documentation of the individual phases.

Every business activity is legitimate, authorised, verifiable, coherent and congruous.

All operations are verifiable during their decision, authorisation and execution process.

The Company establishes in advance and in a precise manner the powers of authorisation and signature, assigning them in accordance with the organisational and managerial responsibilities.

Each collaborator must be informed precisely of his/her duties and must comply with the rules established by internal procedures when carrying out these duties.

All conflict of interest, even if only potential, must be avoided when performing the functions, duties and tasks entrusted.

Truth, completeness and correctness of data and social information

The recipients of this Code are required to ensure the truthfulness, authenticity and origin of the documentation and of the information provided when performing their activities, in compliance with the legislation, including regulations, related to keeping the mandatory books and records and to preparing the financial statements, reports and corporate disclosures.

FERCAM condemns any behaviour aimed at altering the correctness and truthfulness of the data and information contained in the corporate documents, minutes, financial statements, reports or other corporate disclosures required by law and addressed to the shareholders and to the company carrying out the audit.

All individuals called upon to prepare the aforementioned documents are required to verify, with due diligence, the correctness of the data and information.

Truthfulness, completeness and correctness of the accounting data

FERCAM and the recipients of this Code abide by the principles of truthfulness, completeness and correctness of the accounting data in compliance with the legislation, including regulations, relating to bookkeeping.

All operations of a financial nature, as well as all transfers of money into and out of the Company, are carried out by persons in possession of the relative powers, subject to prior authorisation and are always legitimate,

authorised, consistent, congruous, documented, recorded and verifiable at all times, in accordance with company procedures.

Adequate and complete supporting documentation is kept for each transaction, which, in an orderly manner, allows reconstructing each stage of the transaction itself as well as the levels of responsibility involved.

Each accounting entry must correspond to the effectiveness of the transaction.

Management-related issues are represented correctly and promptly in the accounts.

Employees who become aware of omissions, falsifications or negligence in the accounting records or the supporting documentation, are required to promptly report these to the Supervisory Body.

Prohibition of operations aimed at money laundering

The recipients of this Code undertake to prevent activities of receiving stolen goods, money laundering, self-laundering and criminal financing.

To this end, FERCAM:

- makes use of qualified suppliers as far as possible
- verifies the information available on the counterparties
- prefers traceable payments
- makes and accepts cash payments only within the limits and for the amounts permitted by law

Share capital transactions

The recipients of this Code of Ethics and, in particular, the Directors, are prohibited from carrying out transactions on the share capital that are not permitted.

In particular, the following is prohibited:

- returning, including through fake deeds, contributions to shareholders or releasing them from the obligation to execute these, except in cases of legitimate reduction of the registered capital;
- distributing profits or advances on profits not actually achieved or destined, by law, to reserves and distributing reserves, even if not made up of profits, which cannot by law be distributed;
- purchasing or subscribing to shares or company quotas which may damage the integrity of the share capital or of the reserves which cannot be distributed by law, except for the cases permitted by the same;
- fictitiously forming or increasing, even partially, the capital of the Company by attributing shares or quotas for an amount lower than their nominal value, the reciprocal subscription of shares or quotas, the significant overvaluation of assets in kind or of credits or of assets in the event of conversion.

Relations with Group companies and associated companies

FERCAM participates in the management of companies in which it holds shares or quotas by exercising its shareholder rights in the interest of the companies themselves. When it has control of the companies, it exercises coordination functions, refraining from any conduct which, by generating an advantage to itself, could damage the assets of the subsidiary, without prejudice to the principle of compensatory advantage (Article 2497 of the Italian Civil Code).

When managing business relations between the various Group companies, FERCAM regulates relations with adequate contractual support. The envisaged financial payments and, more generally, the contractual conditions are always in line with market values.

CHAPTER VI - RELATIONS WITH CIVIL SOCIETY

FERCAM promotes a free and democratic civil society, based on respect for the human person and the family, for the social and natural environment. It strongly condemns all forms of slavery, discrimination and the abusive exercise of violence or threats.

When dealing with the market, FERCAM refuses to operate with business partners who are responsible for slavery, human trafficking, introduction of irregular immigrants, use of irregular work, use of child labour or who participate, even indirectly, in terrorist initiatives or for subverting the democratic order. It also refuses to operate with business partners involved in criminal associations (in particular mafia-type ones) or who have been responsible for serious corruption conduct towards public officials. Finally, it refuses to operate with business partners who are responsible for serious pollution of the air, soil, water, environmental disasters or similar.

When it operates in non-democratic countries, or in any case those where the European standards for the protection of the freedom and dignity of the human person are not guaranteed, FERCAM in any case refuses to operate with business partners who make use of slaves, child labour (as defined by the UN Conventions on the subject) or who participate, even indirectly, in terrorist-type initiatives.

FERCAM aims to set up mechanisms for selecting commercial offers which in the overall assessment also take into account guarantees of respect for legality, for human dignity and for protection of the environment by the partner to be selected.

Sponsorships, giveaways, gifts

Sponsorships and donations in favour of companies, associations, even if unincorporated, are duly authorised by a provision issued by the Sole Director who defines the beneficiary, the amount of the contribution, the reasons for the disbursement.

The traceability of each sponsorship carried out is ensured.

Paying or offering, directly or indirectly, gifts, payments, material benefits or other giveaways unrelated to contractual obligations to customers, suppliers, public officials or third parties in general, as well as to managers of company departments, members of corporate bodies, control and supervisory bodies and members of the SB is not allowed.

Commercial favours, such as giveaways or forms of hospitality, are permitted if of modest value which cannot be interpreted by an impartial observer as aimed at acquiring advantages improperly.

In any case, this type of expense must always be authorised by the competent and traceable company function. In any case, asking for or receiving, offering or promising, directly or indirectly, gifts or benefits (money, objects, services, favours or other benefits) to acquire a benefit or an advantage either for oneself or for the Company is forbidden in all internal and external relationships.

CHAPTER VII - OBLIGATIONS OF THE BUSINESS PARTNERS

FERCAM's business partners agree with and undertake to respect the values indicated in CHAPTER I - GENERAL RULES of this Code of Ethics.

In relations with FERCAM and with the market, FERCAM business partners agree with, embody and undertake to comply with the rules of conduct indicated in CHAPTER II - RELATIONS WITH CUSTOMERS AND SUPPLIERS, RELATIONS WITH THE MARKET, in the Pre-contractual phase, Contract or relationship management, Management of professional consultancy and Responsibility towards the market sections.

When exercising their business activities, FERCAM business partners comply with the prohibitions indicated in CHAPTER VI - RELATIONS WITH CIVIL SOCIETY above as regards the protection of human dignity, respect for the environment, and respect for legality and the market.

The obligations referred to in this CHAPTER can neither be negotiated nor waived in any way and constitute the minimum condition for an economic entity to entertain commercial relations with FERCAM. Should a FERCAM business partner, albeit whilst respecting the obligations set out in this CHAPTER, make use, even indirectly, of business partners who do not respect them, it is equally and directly liable towards FERCAM.

The following are considered serious violations of the obligations referred to in this CHAPTER (the list is illustrative):

1. exercising illegal business activities;
2. criminal associations (including mafia-type ones)
3. adopting an unfair competition conduct towards FERCAM;
4. slavery, the use of child labour, even indirect participation in terrorist-type initiatives.

CHAPTER VIII – SANCTIONS

Violations of the obligations arising from this Code of Ethics lead to the application of sanctions. The sanctions must be applied taking into account the seriousness of the violations, the circumstances, and their possible recurrence.

Workers, as subordinate or semi-subordinate workers, are required to comply with the rules of this Code of Ethics as they constitute the provisions for the implementation and discipline of work (Article 2104 of the Civil Code); compliance with these rules, therefore, is an essential element of the obligations to which the employee is bound. In case of violation, workers are subject to the disciplinary sanctions provided for by the employment contract (collective and/or individual).

The violation of the provisions of this Code of Ethics by the directors of the Company constitutes, if serious and/or repeated, grounds for revocation of their office for cause. In any case, the Supervisory Body is obliged to report to the Board of Directors any violation of the Code of Ethics by one or more directors, of which it is aware.

The violation by a FERCAM business partner of the provisions of this Code of Ethics that are applicable to it involves, if the partner has contractually adhered to the Code itself:

1. for minor violations, a verbal or written warning;
2. for violations of medium severity, the written warning to cease the violation and to remedy it, under penalty of termination for damages of the contract;
3. for serious violations, the immediate termination of the contract, charging all damages and any sanctions.

Compliance with the Code of Ethics is an essential element of the contractual obligations assumed by FERCAM business partners, and therefore the violation of the relative rules constitutes a serious breach of contract with all the consequences, including as concerns the termination of the contract and compensation for damages. In any case, the violation by a FERCAM business partner of the provisions of this Code of Ethics that are applicable to it involves, if the relationship with the partner is not regulated by contract, or if there has not been, for any reason, adherence to this Code of Ethics:

1. for violations of medium severity, the invitation to cease the violation, to remedy it, and to formally adhere to the Code of Ethics;
2. for serious violations, when permitted by law, the termination for damages of the contract or, if impossible, the utmost reduction of the commercial relationship and, in any case, the refusal to renew the relationship upon its natural expiry.