



# **CODE OF ETHICS**

**pursuant to Legislative Decree 231 of June 8, 2001**

This Code of Ethics was approved by the Board of Directors of Trafilera Ceruti Spa on 10/09/2020.

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## **PREMISE**

Trafileria Ceruti Spa carries out its business, with awareness and professionalism, in the production and marketing of precision cold drawn, unwelded and welded tubes; the products are intended for both national and international markets.

The authority of a company is recognised not only by the competence of its collaborators and by the high quality of the service provided to customers, but also by the attention paid to the needs of the entire community.

The principles that have always inspired the work of Trafileria Ceruti Spa are formally collected in this Code of Ethics in the belief that reliability is built on a daily basis, respecting the rules and valuing people.

Therefore, this Code of Ethics is a distinctive and identifying element towards the market and third parties, whose knowledge and sharing, required of all those who work within the Company or who collaborate with it, form the basis of our business.

Therefore, the goal of Ceruti Trafileria Spa is to pursue excellence in the market in which it operates, through Sustainable Development, safeguarding the Environment and Safety of the people involved through the consistency of a behaviour that is respectful of Social Ethics, to obtain satisfaction and ensuring added value for the Employee, for the Customer and, in general, for the Community.

In fact, the Company has always been committed to enhancing and safeguarding the environment and safety; it obtained quality and safety certifications according to EN ISO 9001 in 1996. It obtained the AIA Integrated Environmental Authorisation issued by the Lombardy Region in 2007, it installed a 701Kw photovoltaic system in 2011 and the Ceruti Trafileria Spa totally replaced the lighting system with a new one with latest generation LED technology in 2016. The Company obtained the ABS certification in 2019. Sustainability and respect for the environment are priorities for the Company.

## ***SCOPE AND RECIPIENTS***

This Code of Ethics (hereinafter the "**Code**") illustrates the set of ethical and moral principles that underlie the activity of Trafileria Ceruti Spa (hereinafter, the "Company"), as well as the lines of conduct adopted by the Company both internally (in relationships between employees) and externally (in relationships with institutions, suppliers, customers, commercial *partners*, political and trade union organisations - hereinafter, "**Bearers of Interest**").

Respect for these principles is of fundamental importance to achieve the corporate mission

of Trafileria Ceruti Spa and guarantee its reputation in the socio-economic context in which it operates.

This Code is binding for the directors and employees of Trafileria Ceruti Spa, as well as for all those who work and collaborate, on a permanent or fixed-term basis, on behalf of the Company (hereinafter the "Recipients").

The Code will be widely disseminated within the internal governance structure and widely communicated externally, including through its website.

Trafileria Ceruti Spa also undertakes to adopt any further provision so that the principles and provisions of the Code can be promptly disclosed and applied.

## **1 GENERAL PRINCIPLES**

The conduct of the Recipients, at all company levels, is based on the principles of legality, correctness, non-discrimination, confidentiality, diligence, and loyalty.

### ***1.1 Legality***

Trafileria Ceruti Spa operates in absolute compliance with the law and this Code.

All Recipients are therefore required to observe all applicable regulations and to be constantly updated on legislative developments, also taking advantage of the training opportunities offered by Trafileria Ceruti Spa.

The Company considers the transparency of financial statements and accounts to be a fundamental principle for the exercise of its business and for the protection of its reputation.

### ***1.2 Equality***

In relations with Stakeholders and in particular in the selection and management of personnel, in the work organisation, in the choice, selection and management of suppliers, as well as in relations with the Bodies and Institutions, Trafileria Ceruti Spa avoids and repudiates any discrimination concerning the age, gender, race, sexual orientation, state of health, political and trade union views, religion, culture and nationality of its interlocutors.

At the same time, Trafileria Ceruti Spa promotes integration, promoting intercultural dialogue, the protection of the rights of minorities and weak subjects.

### ***1.3 Morality.***

Correctness and moral integrity are an unfailing duty for all Recipients.

The Recipients are required not to establish any privileged relationship with third parties, which is the result of external requests aimed at obtaining undue advantages.

In carrying out their business, the Recipients are required not to accept donations, favours or benefits of any kind (except for items of modest value) and, in general, not to accept any counterpart in order to grant advantages to third parties in an improper way.

In turn, the Recipients must not make donations in cash or goods to third parties or, in any case, offer illicit utilities or favours of any kind (except objects of modest value or gifts pertaining to commercial courtesy authorised by the Company) in connection with the activity they carry out to the benefit of Trafileria Ceruti Spa.

The intrinsic conviction to act in the interest of the Company does not exempt the Recipients from the obligation to promptly observe the rules and principles of this Code.

#### ***1.4 Confidentiality***

Trafileria Ceruti Spa undertakes to ensure the protection and confidentiality of the personal data of the Recipients and Interested Parties, in compliance with all applicable regulations regarding the protection of personal data.

The Recipients are required not to use confidential information of which they became aware of due to their work, for purposes unrelated to the exercising this activity, and, in any case, to always act in compliance with the confidentiality obligations taken on by Trafileria Ceruti Spa towards all the Bearers of Interests.

In particular, the Recipients are required to maintain strict confidentiality on documents that may disclose know-how, transport information, commercial information and corporate operations.

#### ***1.5 Diligence and professionalism.***

The relationship between Trafileria Ceruti Spa and its employees is based on mutual trust: employees are therefore required to work to favour the interests of the company, in compliance with the values set out in this Code.

The Recipients must refrain from any activity that could constitute a conflict with the interests of Trafileria Ceruti Spa, renouncing the pursuit of personal interests in conflict with the legitimate interests of the Company.

In cases of violation, the Company will take all appropriate measures to end the conflict of interest, reserving the right to act for its own protection.

#### ***1.6 Fair competition.***

Trafileria Ceruti Spa and the Recipients undertake to create fair competition, in compliance with the national and Community legislation, in the awareness that virtuous competition constitutes a healthy incentive for innovation and development processes, it also protects the interests of consumers and the community.

## **2 RELATIONS WITH OUTSIDERS**

### ***2.1 Relations with customers and providers***

The Recipients deal with third parties with courtesy, competence and professionalism, in the belief that the protection of the image and reputation of the company depends on their conduct and, consequently, the achievement of the corporate objectives.

In particular, the Recipients must refrain from any form of unfair or deceptive behaviour that could induce customers or suppliers to rely on unfounded facts or circumstances.

The Recipients are required to make constant efforts to offer punctual and high quality services to customers, trying to limit any form of disservice or delay, in order to maximise customer satisfaction.

Relations with suppliers are based on loyalty, fairness and transparency.

The choice of suppliers is made on the basis of objective criteria of economy, opportunity and efficiency.

The choice of suppliers on a purely subjective and personal basis or, in any case, by virtue of interests conflicting with those of companies, is precluded.

The Recipients must set up every possible control so that even suppliers and customers are able to respect the fundamental ethical principles referred to in this Code.

### ***2.2 Relations with Authorities and Public Administrations***

Relations with the Authorities and with the Public Administration must be based on maximum clarity, transparency and collaboration, in full compliance with the law and according to the highest moral and professional *standards*.

The Recipients, unless expressly authorised, cannot relate in the name and on behalf of Trafileria Ceruti Spa with the Authorities and with the Public Administration.

In relations with Public Officials, with Public Service Officers, and the Public Administration in general, the authorised Recipients abide by the highest levels of correctness and integrity, refraining from any form of pressure, explicit or veiled, aimed at obtaining any advantage undue for them or for Trafileria Ceruti Spa.

In this regard, the authorised Recipients are required to strictly observe the provisions of this Code, as well as, more generally, the provisions of the directives given.

### ***2.3 Relations with political organisations and trade unions***

Trafileria Ceruti Spa does not favour or discriminate against any political or union

organisation.

The Company refrains from making any undue contribution in any form whatsoever to parties, trade unions or other social formations, except for specific exceptions and in any case always within the limits permitted by current regulations.

The Recipients are required to refrain from any direct, indirect or boasted pressure against politicians or union representatives.

#### **2.4 Relationships with Partners**

Trafileria Ceruti Spa favours participation with other commercial subjects and, on such occasions, the Recipients must establish relationships only with subjects that enjoy a reliable commercial reputation and are inspired by the ethical principles referred to in this Code. For this purpose, the Recipients must promptly report to the company any behaviour of the Partners that does not comply with the Code of Ethics.

### **3 RELATIONSHIPS WITH EMPLOYEES AND COLLABORATORS**

#### **3.1 Human resources**

Personnel assessment and selection are carried out according to fairness and transparency, respecting equal opportunities, in order to combine the needs of Trafileria Ceruti Spa with the professional profiles, ambitions and expectations of the candidates.

Trafileria Ceruti Spa undertakes to take all useful measures to avoid any form of favouritism in the personnel selection process using objective and meritocratic criteria, in respect of the dignity of the candidates and in the interest of the good performance of the company.

The hired personnel, also through the implementation of this Code, receive clear and correct information on the roles, responsibilities, rights and duties of the parties.

#### **3.2 Staff Management**

Trafileria Ceruti Spa protects and enhances its human resources, engaging to maintain constant the conditions necessary for the professional growth, knowledge and skills of each person, carrying out the appropriate training for professional updating and any initiative aimed at pursuing such purpose.

Trafileria Ceruti Spa promotes the participation of workers in the life of the company, providing participatory tools capable of collecting workers' opinions and suggestions, guaranteeing their broadest participation.



Without prejudice to the maximum availability towards the Company, no worker can be obliged to perform duties, services or favours not due on the basis of his/ her employment contract and role within the company.

The Company is firmly committed to countering episodes of *mobbing*, *stalking*, psychological violence and any discriminatory behaviour or detrimental to the dignity of the person inside and outside the company's premises.

The relationships between employees must be carried out with loyalty, fairness and mutual respect, in observance of the values of civil coexistence and people's freedom.

#### **4 WORK ENVIRONMENT**

Trafileria Ceruti Spa is committed to offering its staff a healthy, safe and respectful working environment that respects the dignity of workers.

Safety in the workplace is ensured both by rigorously implementing the provisions of the law in force, and actively promoting the culture of safety through specific training programs. Staff training is a central element of the management system adopted.

Trafileria Ceruti Spa protects the health of its workers, also guaranteeing compliance with hygiene rules and health prevention.

#### **5 COMPANY MANAGEMENT**

##### ***5.1 Compliance with internal procedures***

Trafileria Ceruti Spa believes that management efficiency and the culture of control are indispensable elements for achieving the objectives.

The Recipients are required to strictly comply with the company's internal procedures and instructions. The Recipients must act on the basis of their respective authorisation profiles and must keep all appropriate documentation to keep track of the actions taken on behalf of the company.

##### ***5.2 Account management***

In the accounting management activity, the Recipients are called to act in compliance with the principles of truthfulness, accuracy and transparency, so that the reputation of Trafileria Ceruti Spa is protected both internally and externally.

Compliance with these principles also allows the company to plan its operating strategies based on its real economic and equity situation.

All items reported in the accounts must therefore be supported by complete, clear and

valid documentation, avoiding any form of omission, falsification and/or irregularity.  
In the case of equity or economic elements based on evaluations and estimates, the relative registration must be based on criteria of reasonableness and prudence.

### **5.3 Protection of the assets**

The Recipients perform their functions by trying to rationalise and contain the use of company resources.

The Recipients are required to correctly apply the provisions relating to security to protect *hardware* devices from unauthorised access that could seriously damage the rights to the protection of personal data of staff and customers.

### **5.4 Environmental protection**

Trafileria Ceruti Spa promotes the safeguarding and protection of the environment in compliance with the laws and regulations in force on the matter. Each Recipient must perform their functions to pursue these objectives in the environmental sector and the Company develops industrial activity in both scientific and technological fields, with the primary aim of safeguarding the environment and its resources.

### **5.5 Communication**

Trafileria Ceruti Spa promotes effective corporate communication, able to put the company in contact with civil society, in order to understand the requests, needs and requirements of the community and to spread its values and mission.

The information disclosed to the Stakeholders is complete and accurate so that the recipients are allowed to make correct and aware decisions.

The advertising promotion of Trafileria Ceruti Spa respects ethical values, protecting minors and repudiating vulgar or offensive messages.

## **6 INTERNAL CONTROL SYSTEM**

Compliance with the provisions of this Code is entrusted to the prudent, reasonable and careful surveillance of each of the Recipients, in the context of their respective roles and functions within the company.

All Recipients are invited to report the facts and circumstances potentially in conflict with the principles and prescriptions of this Code to their direct superiors.

The *management* of Trafileria Ceruti Spa and the bodies appointed for this purpose take all necessary measures to put an end to the violations, being able to resort to any disciplinary

measure in compliance with the law and workers' rights, including trade union rights.

## 7 GUIDELINES OF THE SANCTION SYSTEM

The internal control system is oriented towards the adoption of tools and methodologies aimed at contrasting potential business risks, in order to guarantee compliance not only with laws, but also with internal provisions and procedures.

In fact, the violation of the principles established in the Code and in the procedures indicated in the internal controls compromises the trust relationship between the Company and its directors, employees, consultants, collaborators in various capacities, customers, suppliers, commercial and financial *partners*.

These violations will therefore be immediately pursued by Trafilera Ceruti Spa in an incisive and timely manner, through the adoption of adequate and proportionate disciplinary measures.

The effects of violations of the Code of Ethics and internal protocols must be taken into consideration by all those who, for any reason, have relationships with Trafilera Ceruti Spa. Depending on the seriousness of the conduct carried out by the person involved in one of the illegal activities envisaged by the Code, Trafilera Ceruti Spa will promptly take the appropriate measures, regardless the possible exercise of the criminal action by the judicial authority.

Without prejudice to the above, behaviours in violation of the Code of Ethics constitute:

- serious default for employees (workers, office workers, middle managers and managers), with the penalties, applied according to the seriousness, provided for by the CCNL of the category (verbal reprimand, written reprimand, fine not exceeding three hours of pay, suspension from work and from remuneration up to a maximum of three working days, dismissal for just cause or justified reason); in the case of pending criminal action or execution of a measure restricting personal freedom taken against the employee, before adopting the disciplinary measure, the sanction of suspension from service and remuneration may be adopted, for the duration corresponding to the result of the criminal action, or until the end of the duration of the provision restricting personal freedom; just cause for revocation of the mandate of the directors;
- cause of immediate termination of the relationship, in the most serious cases, for external and parasubordinated collaborators;
- cause of immediate termination of the relationship, in the most serious cases, for suppliers, contractors and subcontractors.

The identification and application of sanctions will always take into account the general principles of proportionality and adequacy with respect to the alleged violation.

In all the aforementioned cases, Trafilera Ceruti Spa also reserves the right to exercise all the actions it deems appropriate for compensation for the damage suffered as a result of the behaviour in violation of the Code of Ethics.

## **8 IMPLEMENTING PROVISIONS**

### ***8.1 Supervisory Body***

A Supervisory Body has been specifically created whose members are appointed and approved by the Board of Directors.

The Supervisory Body must periodically check the application and compliance with the Code, check the content in order to report the need for adjustments to the evolution of the laws, disseminate the contents, promote any changes or additions to the administrative body, ensure and assist subjects that report behaviour and carry out investigations following reports received.

Reports of conduct in violation of this Code, and any requests for clarification or questions must be sent to the Supervisory Body that analyses the report, possibly listening to the author and the person responsible for the violation.

### ***8.2 Code review***

The revision of the code is approved by the Board of Directors taking into account the evaluation and indications proposed by the subjects active in the company, and promptly disclosed to all recipients.

### ***8.3 Complaints***

All employees and collaborators of the company must collaborate with the Supervisory body. In the event of unlawfulness of a specific behaviour, with respect to the Code, the recipient may contact his or her superior or the Supervisory Body.

Reports of any offences must be made in writing to the corporate e-mail addressed to the Supervisory Body, or by internal mail.

The reports relating to any offences committed by the Supervisory Body may be addressed to the Board of Directors in full compliance with the principles of privacy and

confidentiality.