

CODE OF ETHICS



Updated July 2018

Code of Ethics

Contents

1. BASIC PRINCIPLES	3
2. GENERAL PRINCIPLES	3
3. RELATIONSHIPS WITH THE MARKET	5
4. EXTERNAL RELATIONSHIPS	7
5. HUMAN RESOURCES	8
6. CENSURABLE BEHAVIOURS	10
7. ENVIRONMENT, HEALTH, SAFETY	11
8. CONFIDENTIALITY	12
9. CHECKS	14
10. BREACHES AND DISCIPLINARY SANCTIONS	14

Code of Ethics

1. BASIC PRINCIPLES

1.1 Basic Principles

It is important to note that Imola Tecnica S.r.l. belongs to the Cooperativa Ceramica D'Imola Group and, consequently, adopts all of the principles contained in the parent company's Code of Ethics.

The main points of those principles are explained below.

1.2. Prerequisites, Aims and Value of the Code

In the course of its business, both in the private sector and in supplying the Public Administration, everyone who acts, operates and collaborates in any way with Imola Tecnica S.r.l. has to tackle situations necessitating the adoption of behaviours that are significant in various spheres, including, most importantly, ethical and legal.

Everyone has a duty to engage in and ensure that the people they work and interact with engage in conduct that complies with general principles of absolute honesty, fairness, good faith, balance, appropriateness and diligence, as well as specific obligations which might arise from the code of ethics and, in any case, from those principles considered proper by virtue of the context and aims of their mission.

The aim of the Code is not to set out in detail the specific conduct to be adopted in all situations a person may find himself in. Instead, it aims to provide general guidance on ethics and behaviour, to be followed when working, and to help prevent the offences connected to criminal acts envisaged in Legislative Decree No. 231/2001.

Application of and compliance with the principles indicated by the Code is also part of the most general obligations of collaboration, fairness, diligence and loyalty which are required by the nature of the service to be provided and by the interest of the business, expected of anyone providing any service for Imola Tecnica S.r.l..

The above obligations, particularly for Imola Tecnica S.r.l. employees, are in addition to the provisions of articles 2104 and 2105 of the Civil Code and the National Collective Labour Agreement applicable and in force.

2. GENERAL PRINCIPLES

2.1 Who the Code is for

All of the principles in the Code, including those in the "Human Resources" section below, apply:

Code of Ethics

- a) to all Imola Tecnica S.r.l. employees, irrespective of their role and function;
- b) to the members of the various company bodies;
- c) to all service providers who, for various reasons, collaborate with the Company, professionals who do work for it;
- d) to the Company's suppliers or, in any case, other parties who have entered into contracts with it;
- e) to any other subject who in relationships with the Company, even institutional, declares that they refer to this Code.

In particular, executives and Managers of the various company Departments, Areas and Organisational Units must promote familiarity with the Code, adapting their actions and behaviours to conform to the principles and goals envisaged in the Code.

2.2 Employee commitments

Every employee must know about and be fully aware of the principles and directives in the Code. They must ensure that their behaviour is in line with those principles, as well as abstaining from non-conforming behaviour. Employees must also cooperate with inquiries into any breaches of the principles, providing any appropriate information that will allow the identification of offenders.

Each employee has the right and duty to consult his/her direct superior and/or the hierarchically appropriate Management, as well as the Supervisory Body, for any clarification about interpretation and application of the Code's principles and directives. Consultations may also cover required behaviour, should an employee have any doubts about whether or not it is appropriate or compatible with what is indicated in the Code and/or its basic principles.

2.3 Company body commitments

Members of the Board of Directors and the Board of Auditors shall ensure that their activities are in line with the provisions and principles of this Code, as well as cooperation with each other and compliance with the legislation in force.

The methods for convening, running and recording minutes for company Meetings and for meetings of the Board of Directors must be governed by criteria and procedures guaranteeing maximum information and involvement for all interested parties and legal compliance.

2.4 The Code and third parties



Code of Ethics

By third parties we mean anyone who has relationships with Imola Tecnica S.r.l.. For example, agents, service providers, suppliers, any subject having even basic relationships with the Company and other parties who have entered into contracts with the Company or with which it negotiates or concludes agreements for any reason, including those stipulated with Public Administrations.

Imola Tecnica S.r.l., like any other subject acting on its behalf, is obliged to inform third parties of the existence and specific content of the Code, inviting them to comply with the principles herein.

Therefore, each, in accordance with its responsibilities, will strive to ensure that third parties are made aware of the Code and will report any breaches of it by third parties,

3. RELATIONSHIPS WITH THE MARKET

3.1 Relationships with suppliers and their selection

In relationships with third parties, including suppliers, everyone must apply the above principles of absolute honesty, fairness, good faith, balance, uprightness, diligence, effectiveness, efficiency, clarity, impartiality and, where appropriate, transparency and confidentiality.

In supplier selection, the primary objective is to allow maximum participation and competition among potential suppliers. Therefore, it is essential to follow the procedures put in place for the best possible choice of suppliers and correct management of the relationship with them, even during fulfilment of the supply contract.

Correct management of the relationship must also be ensured during fulfilment of the contract and compliance with contractual clauses.

3.2 Conflict of interest

There is a ban on actions and behaviours which could be in conflict or in competition with Imola Tecnica S.r.l. business or with the aims and interests that it pursues. There is also a ban on performing activities or taking decisions which may, directly or indirectly, be linked to a financial or non-financial interest of one's spouse, relatives to the fourth degree and/or cohabitants, related persons (friends, acquaintances, etc.) or organisations in which the above persons are directors or executives, which might compromise the duty of impartiality and are in conflict with the business and aims of Imola Tecnica S.r.l..

In particular, the following may give rise to a conflict of interest at work:

- a) when a person has direct or indirect interests, including of the economic and financial type, which could influence his or her activities for the Company;

Code of Ethics

- b) when a person could gain a personal advantage, whether financial or non-financial, by accessing and improper use of information;
- c) when a person carries out activities at or in favour of Company suppliers,
- d) when, even at informal meetings, confidential news is disclosed about Imola Tecnica S.r.l. business before the Company has officially released such information;
- e) when someone exploits their position or role for personal gain, of any kind, in conflict with the interests of the Company.

If the persons for whom the Code is intended are or believe that they may be in a conflict of interest position, or if there are serious competition issues, they must not take any decision and/or carry out any activity which could directly or indirectly affect Imola Tecnica S.r.l..

3.3 Gifts in kind

By gifts in kind we mean tangible assets, such as presents or money, but also intangible assets or services and discounts for the purchase of such goods or services or any other benefit, whether direct or indirect.

No one may request, nor in any case accept, directly or indirectly, for example through their relatives, gifts in kind from suppliers, even potential suppliers to the Company, if they may seem in any way linked to relationships existing with Imola Tecnica S.r.l. or, in any case, may be interpreted as aiming to gain an undue advantage.

Anyone who receives, even at their home, gifts in kind as a consequence of activities carried out or to be carried out for Imola Tecnica S.r.l. and falling within the scope of the above bans, is duty bound to inform their Manager or the hierarchically relevant Department, immediately returning said gifts.

It is possible to accept gifts in kind which are of symbolic or low value, provided that they:

- are given in compliance with the applicable legislation;
- cannot be interpreted as being linked to benefits obtained or aiming to gain an undue advantage;
- are normally offered to any other subject having similar relationships or to celebrate special occasions or festivities.

In any event, the extent of the gifts in kind must be promptly reported to the hierarchically relevant Department. Any breach of the above rules, like the contractual provisions governing the

Code of Ethics

working relationship, will lead to the application of the legal provisions in force and applicable company collective and individual agreements.

4. EXTERNAL RELATIONSHIPS

4.1 Relationships with public administrations

Even in relationships with Public Administrations, everyone must comply with the principles and rules of this Code.

In carrying out its business, Imola Tecnica S.r.l. is required to guarantee the quality of goods and services supplied, as well as the confidentiality and security of data, all in a way that is appropriate for the predefined objectives.

4.2 Relationships with union and political organisations

Imola Tecnica S.r.l. relationships with union organisations are managed in a spirit of cooperation and transparency, subject to mutual respect for the different roles, national collective agreements and any additional company agreements.

Everyone is free to choose the union organisation they want to join, or to not join any and may also become a member of any legal political party or organisation, without thereby being subject to discrimination or favouritism.

Similarly, everyone must operate in accordance with the laws in force and company procedures and regulations, without any discrimination as regards membership of union organisations or political parties and whatever their stated political, party or religious ideas.

4.3 Relationships with mass media

Imola Tecnica S.r.l. communication with mass media must be transparent and truthful.

Relationships with mass media are reserved exclusively for the company function designated and authorised for it by the Chairman of the Board of Directors or the Managing Director.

Therefore, no one can supply news about the Company or engage in relationships with mass media, without prior authorisation from the Chairman of the Board of Directors or the Managing Director.

In any case, declarations, statements, or public releases which could in any way harm or cast bad light on the position and conduct of Imola Tecnica S.r.l. are forbidden.

Code of Ethics

5. HUMAN RESOURCES

5.1 Human resources

All employees must be familiar with the regulations governing the fulfilment of their functions and the consequent behaviours.

Imola Tecnica S.r.l. offers all employees the same opportunities, based on merit and respect for the principle of equality. It allows everyone to develop their skills, abilities and experience, by providing, where required, education and/or training and/or refresher courses.

In particular, the Company provides different professional education and training programmes for employees, according to role, skills, responsibilities and functions carried out.

Personnel to be hired are assessed based on candidate profiles and specific skills matching what is needed to meet company requirements and, in any case, always with equal opportunities for everyone involved. Moreover, the information requested is strictly linked to a check of aspects required by the professional and psychological - aptitude profile, and respects the privacy and opinions of the candidate.

Imola Tecnica S.r.l. regularly provides and promotes awareness-raising programmes for its employees, in particular with reference to the duty of confidentiality of data and the conduct required with companies which are suppliers of goods and/or services. Imola Tecnica S.r.l. protects workers who have disabilities, favouring their integration in the working environment.

5.2 Employee rights and duties

Based on applicable employment agreements, whether collective, company or individual, as well as the rules established by the civil code and by law, employees are assigned several rights and duties.

In particular, amongst other things, the employee has the right to:

- a) pay and regulatory treatment as envisaged by law and by collective, company and individual employment agreements;
- b) protection of health and safety at work, which must comply with health and safety regulations in force;

Code of Ethics

- c) legal support in those cases expressly envisaged by collective and individual agreement regulations.

Duties of Imola Tecnica S.r.l. employees include:

- a) knowing and complying with regulations in force, company processes, procedures and guidelines as well as the principles in this Code;
- b) complying with the provisions and instructions issued by the Company, executive or, in any case, their Manager;
- c) complying with all obligations necessary for protecting health and safety at work;
- d) suitably cooperating with colleagues, executives and/or their Managers, reporting all information and behaving in such a way as to allow the work assigned to be done with maximum efficiency, in the pursuit of common goals;
- e) not taking advantage of or creating false beliefs about their position, role or powers within the Company and about the role of Imola Tecnica S.r.l., acting immediately to clear up any misunderstanding;
- f) not acting in conflict with their official duties, nor delaying or failing to perform an official duty due to undue payment or promise of money or any other benefit for themselves or others;
- g) to maintain the trust of the market and, in particular, of Company suppliers, treating everyone in a fair and equal way, avoiding favours or pressure, whether real or apparent, aimed at obtaining special advantages from certain suppliers;
- h) keeping information about Imola Tecnica S.r.l. activities, as well as financial and economic data, confidential;
- i) not using information obtained during activities carried out for personal purposes or for financial or non-financial gain;
- j) promoting knowledge of the Code to all subjects with which they have dealings, whether formal or informal, while carrying out their work;
- k) not disclosing any information about Company suppliers to third parties and in particular to the Company's other suppliers;
- l) I) not under any circumstances disparaging the Company and/or anyone who has or has had relationships of any kind and for any reason with it;

Code of Ethics

- m) not attending informal meetings with subjects interested in obtaining information about relevant matters concerning official activities, unless expressly authorised by their Manager;
- n) avoiding attendance of associations, circles or other bodies of any kind, if it could give rise to obligations, constraints or expectations which might interfere with their work;
- o) diligently using work tools, in compliance with company procedures, taking care of premises, furniture, vehicles or materials made available;
- p) acquiring the professional skills essential for fulfilment of their work and maintaining, for the duration of the working relationship, an appropriate level of knowledge and experience, constantly updating their qualifications and attending any refresher or re-qualification courses suggested and put in place by the Company;
- q) not profiting or exploiting for advantage, whether direct or indirect, financial or non-financial, with or without harming the Company, from performing their work;
- r) engaging in conduct and using language which are appropriate and dressing appropriately for the working environment.

6. CENSURABLE BEHAVIOURS

6.1 Harassment and discrimination

Imola Tecnica S.r.l.:

- a) guarantees a working environment which places a high value on employee diversity, in compliance with the principle of equality, safeguarding the dignity and freedom of every employee at work;
- b) does not tolerate any kind of discrimination in terms of race, gender, politics, union links or religious beliefs;
- c) imposes the obligation to abstain from any intimidation, harassing act or behaviour;
- d) does not allow sexual harassment, where by "sexual harassment" we mean any unwanted act or behaviour, even verbal, having sexual connotations which may offend the dignity of a person who is subjected to it; and also does not allow the creation of a climate of intimidation towards a person who has suffered such harassment;
- e) forbids propaganda, instigation, incitement to racism and xenophobia, committed in any way and based on any reasoning, denial or minimisation of serious historical events.

Anyone who believes that they have been subjected to harassing or discriminatory behaviour, or who is aware of intimidation, discrimination or harassing and/or discriminatory behaviour in

Code of Ethics

progress must report it to their Manager and/or the Human Resources Management as well as the Supervisory Body, which will act as quickly as possible and with maximum confidentiality to overcome the disruptive situation and restore a serene working environment.

7. ENVIRONMENT, HEALTH, SAFETY

Imola Tecnica S.r.l. pays special attention to protection of the working environment and to the well-being of everyone who works, in any capacity, at the Company premises. It provides suitable premises and equipment, guaranteeing workplace health and safety, taking every possible precaution to ensure their healthiness and protection of the environment.

In order to avoid unpleasant incidents and harmful events, everyone must comply with the safety rules envisaged by the relative internal rules. They must strictly follow the instructions governing access to the premises and unless authorised must not admit unauthorised persons to areas not open to the public.

As part of its efforts to protect the environment, Imola Tecnica S.r.l. has always expressed a desire for the following:

- observing and complying with all applicable laws and regulations governing industrial activities is essential to running this company;
- its plants and factories and the work carried out in them must be integrated as far as possible with the local framework and the resulting impact on the environment must cause as little inconvenience as possible to the local community;
- work already done and that done in future in the environmental sphere will not just satisfy the relevant authorities, but include management, awareness, training and educational initiatives.

Imola Tecnica S.r.l. wants to extend this attitude to all its stakeholders, whether employees, suppliers or customers. Therefore, without prejudice to compliance with legal requirements, the company expresses its desire to continuously improve its environmental performance, assessing and checking the effects of work in progress on the local environment and examining all relevant incidences of such activities on the environment in general. The Company believes that, with this attitude, it can win the trust of the community and, in particular, it is aware that the environment belongs to everyone, and must be protected and defended in the same way as workers' health.

For this policy Imola Tecnica S.r.l. undertakes to achieve the objectives and actions set out in the environmental programme, which is regularly reviewed for the purpose of continual improvement.

Code of Ethics

8. CONFIDENTIALITY

8.1 Information and documents

8.1.1 Disclosure and information

All information and documentation seen while carrying out work for Imola Tecnica S.r.l., including that relating to tender procedures, is confidential.

For example, confidential status shall apply to information and documentation relating to management plans, production processes, products and systems developed or, in any case, managed and/or maintained, as well as that relating to negotiated and competitive procedures, for selection of the contractor in order to enter into contracts for works, services and public and private supply contracts, in particular with reference to awarding criteria, and all databases and data, as well as related personal data (hereinafter, for brevity, also simply "Information").

Employees and everyone with any relationship with the Company, are required to maintain maximum confidentiality concerning the Information and documentation they become aware of or they come into possession of during work, so as to avoid even potentially compromising the image, interests or activities of Imola Tecnica S.r.l. and of the Public Administrations for which it acts.

When using the Information they become aware of during work, everyone must remember that it must not be disclosed in any way, nor used for personal gain, whether financial or non-financial, direct or indirect.

The principle to be followed is that of using the Information exclusively for the work done for the Company.

The intended addressees of the Code who, due to their work for Imola Tecnica S.r.l., are in possession of confidential information that is not available to the public, must not be involved, even through their spouse/partner, relatives to the first degree and/or third parties in general, in any financial transaction (for example, buying or selling stocks and shares) which involves the use of that information. Freely investing in stocks and shares is permitted, but in that activity there is an express ban on using, for personal or third party gain, information that is not publicly available and has been acquired through the work done for Imola Tecnica S.r.l..

The employee will allow the Information to be accessed by those persons eligible to see it, within the limits allowed by professional secrecy, legislative or regulatory provisions and confidentiality obligations.

Code of Ethics

Everyone must apply the necessary and appropriate measures, for example not leaving confidential documents unattended, to prevent the Information from being made accessible to unauthorised personnel, whether at work or outside of work.

8.1.2 Importance of information

Information is very important and therefore third parties are highly interested in acquiring it.

Imola Tecnica S.r.l. is the sole owner of the Information and is the only party which can prepare it and decide who it can be made available to and what use may be made of it.

8.1.3 Requests for the information

Employees or people who work for Imola Tecnica S.r.l. may be contacted by third parties, including journalists, seeking to obtain Information about the Company's activities: with regard to this, there is an express ban on communicating, disclosing or using any Information other than what is expressly indicated in section 4.3.

8.1.4 Special precautions

Diligence and care are required in the use of electronic communication tools, the exchange of messages and Information and for accessing the company intranet and/or the internet.

Therefore, everyone must comply with the rules and provisions on the use of such tools and services.

8.1.5 Communication of information

Information to be communicated to third parties must be transmitted in a proper, transparent and truthful manner: therefore, the disclosure of Information which is untrue or may confuse or deceive recipients is forbidden. Such behaviour could be damaging, have consequences leading to compensation, as well as being a criminal offence

8.2 Protection of privacy

In carrying out its business, Imola Tecnica S.r.l. collects, manages and processes personal data in compliance with the regulations in force.

Relative to this, the Company has implemented the requirements of the regulatory provisions concerning the protection of personal data and has adopted a privacy management system which allows it to have an organisational and control model for the risks deriving from personal data processing.

In particular, concerning the processing of data on paper and using computer equipment, there is an obligation to comply with special security measures for preventing the risk of external

Code of Ethics

intrusion, such as room access control, passwords, personnel identification codes, screen savers, etc., non-permitted uses, as well as loss (even accidental) of data,

The security measures are established with special Instructions issued by the Controller.

Breach of the privacy rules may result in disciplinary action, depending on the extent of the breach

9. CHECKS

9.1 Internal checks

For all internal control procedures, refer to the General Part of the Organisational, Management and Control Model pursuant to Legislative Decree 231/2001, adopted by Imola Tecnica S.r.l.

9.2 Checks by the Supervisory Body

For all functions performed by the Supervisory Body, refer to the General Part of the Organisational, Management and Control Model pursuant to Legislative Decree 231/2001, adopted by Imola Tecnica S.r.l.

10. BREACHES AND DISCIPLINARY SANCTIONS

For all breaches of the provisions and of the principles set out in the Code and for the relative applicable sanctions, refer to the General Part of the Organisational, Management and Control Model pursuant to Legislative Decree 231/2001, adopted by Imola Tecnica S.r.l.