

• CODE OF ETHICS •

— WHAT —  
We  
BELIEVE IN





DEAR STOCK HOLDERS

We have decided to give the various **Corporate Social Responsibility** activities that the Marchesini Group S.p.A. has encouraged and developed over the years a more functional structure.

We could not but start by sharing our founding values, which have been the essence of "who we are" and "what we do" for over 40 years: what we commonly call **Code of Ethics**.

Our **Code of Ethics** is not just a declaration of our principles and intentions, but it is the actual manifesto of how we run our business well.

**It is what we believe in.**

A handwritten signature in black ink, which appears to read "Maurizio Marchesini". The signature is fluid and cursive, with a long horizontal stroke at the end.

Maurizio Marchesini  
C.E.O.

— WHAT —  
We  
BELIEVE IN



# CONTENTS

---

## **INTEGRITY OF THE MARCHESINI GROUP 9**

### **INTRODUCTION TO THE CODE OF ETHICS 10**

Inspirational Concepts	10
Field of Application and Recipients	11
Breach Notification Management	12
Reference Functions	12

### **WE BELIEVE IN ETHICAL BUSINESS 15**

1.1 Laws and Fair Play	17
1.2 Relations with Shareholders	17
1.3 Relations with Suppliers and Trading Partners	18
1.4 Relations with Customers	18
1.5 Conflicts of Interest	18
1.6 Anti-Laundering	19
1.7 Donations and Gifts	19
1.8 Safeguard of Intellectual Property Rights and Anti-Counterfeiting	20
1.9 Safeguard of Privacy	20
1.10 Computerised systems, the Internet and Social Networks	20
1.11 Group Property	21
1.12 In-House Control and Risk Management Culture	21

### **WE BELIEVE IN THE VALUE OF PEOPLE 23**

2.1 Personnel Selection and Motivation	25
2.2 Respecting our People	25
2.3 Well-Being	26
2.4 Promoting, Safeguarding and Valorising Diversity	26
2.5 Workers' Health and Safety	27
2.6 Out-of-house Nominations and Roles	27

## **WE BELIEVE IN POSITIVE RELATIONS 29**

3.1 Safeguard of Confidential Information	31
3.2 The Environment and Sustainable Development	31
3.3 Donations, Sponsorships and Partnerships to Support the Community	32
3.4 Relations with Public Institutions	32
3.5 Relations with the Media	33

### **APPENDIX 1 – MANAGEMENT PROCEDURE OF COMPLAINTS AND REPORTS CONCERNING BREACHES OF THE CODE OF ETHICS 35**

1. SUBJECT	37
2. REPORTING METHODS	38
3. REPORTING PROCESS	39
4. PROTECTION OF THE REPORTING PARTY	40
5. IMPLEMENTING THE PROCEDURE AND INFORMING EMPLOYEES AND THIRD PARTIES	40

### **IMPLEMENTATION AND COMMUNICATION 43**

## INTEGRITY OF THE MARCHESINI GROUP

---

**Ours is a global community, deeply rooted in our territory, united by talented, skilled and very ambitious People. Our enthusiasm, our passion, our inborn proactiveness and our honesty are our business traits. Together with our heritage values, they are the foundations of our success and encourage us to constantly expand and develop our business and our People. Our background and our attributes are our essence.**

### OUR ETHICAL BUSINESS

Our core mission has allowed us to expand worldwide without hesitation, **thanks above all to our constant efforts to conduct a responsible business.**

**We are firmly convinced that our reputation is our most valuable asset, and this too depends on our business ethics.** This value has to be maintained and improved every day, everywhere, striving to guarantee high standards of integrity, legality, transparency and respect.

The Code of Ethics encompasses an array of principles and attitudes that not only preserve the **safety, freedom and dignity of People**, as laid down by law, but above all encourage us to do our best at all times and to continue to grow responsibly.

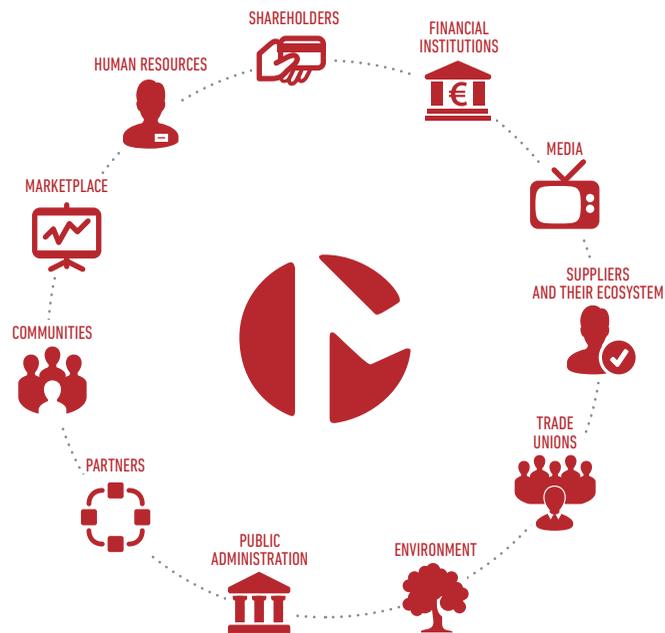
## INTRODUCTION TO THE CODE OF ETHICS

### INSPIRATIONAL CONCEPTS

Well aware of the complexity of the situations and the economic, institutional, social and cultural contexts in which we work, **we believe it is important to clearly define the values that the Marchesini Group<sup>1</sup>** acknowledges, accepts and promotes. The values stated herein inspire the actions and the culture of the Group and are what make our business special. It is fundamental to respect the principles of the Code of Ethics to ensure our long-term reputation, trustworthiness and success.

**All the activities of the Marchesini Group are carried out according to law, with fair play, honesty, integrity and decency,** respecting the legitimate interests of all the Stakeholders and, in particular, Customers, Suppliers, Employees, Consultants, Trading and Financial Partners and the Communities where the Marchesini Group has its facilities.

Stakeholders and Other parties to whom the Code of Ethics is addressed.



**All the People who work or collaborate with the Marchesini Group, without any distinctions or exceptions whatsoever, strive to observe and implement the Code of Ethics** while fulfilling their functions and responsibilities. Their firm belief to work in the interest of the Marchesini Group cannot in any way justify feasible actions that could go against these principles.

The Managers who lead their teams are responsible for putting the values of the Code of Ethics into practice. They, themselves, shall make their teams aware that to act according to the principles of the Code of Ethics is an essential element of the world of the Marchesini Group.

### FIELD OF APPLICATION AND RECIPIENTS

**The Code of Ethics applies to all the Companies belonging to the Group, in every Country and at every level of the Organisation.** Should there be any inconsistencies between the principles of the Code of Ethics and local Standards or laws, the more restrictive provisions will always be applied, whether they be those of the Code of Ethics or of an individual legal order. In order for the Code of Ethics to be observed at all levels and in all countries, the Marchesini Group prepares and periodically updates suitable communicative, training, preventive and monitoring tools.

The Recipients of the Code of Ethics (so-called "Recipients"), are those to whom the standards of the document herein apply; they are the members of the Corporate Entities of all the Companies of the Group, Personnel (employees and others), and everyone who maintains direct, indirect, temporary or permanent relations with the Marchesini Group, or who in any event works to pursue the Group's objectives. Observance of the principles of the Code of Ethics bears in mind the personal expressions and characteristics of each person.

The Code of Ethics indicates the founding values of the Company's business and organises every kind of relation and transaction with the Group in a cultural prospective. As regards to employment contracts, the Code of Ethics represents an essential aspect and **its observance must be considered as an essential part of the obligations of Employees.** As a consequence, in compliance with the contents of the national employment contract, a breach of the provisions of the Code of Ethics will result in a disciplinary action and, in very serious cases, termination of the employment contract itself<sup>2</sup>.

<sup>1</sup> Marchesini Group means Marchesini Group S.p.A. and its subsidiaries and affiliates.

<sup>2</sup> FEDERMECCANICA, National Employment Contract for workers of private mechanical and plant installation industries dated 12 December 2012, Title VII, artt. 8-11

For the other Recipients, observance of the Code of Ethics is an essential requirement to be able to establish and/or continue professional/collaborative relationships with the Marchesini Group.

## BREACH NOTIFICATION MANAGEMENT

### **Everybody must participate actively in promoting the values of the Code of Ethics.**

In fact, any Recipient who notices a breach of the principles of the Code of Ethics shall consider himself/herself authorised to censure the person responsible for the breach, before even reporting him/her, and to make them observe the regulations of the Code of Ethics (according to the "Procedure for managing complaints and reporting breaches of the Code of Ethics", enclosed herein).

## REFERENCE FUNCTIONS

Each Recipient<sup>3</sup> shall read and comprehend the Code of Ethics and shall contribute proactively in implementing it (also by reporting potential breaches of it) and suggest feasible improvements to the reference functions.

The reference functions for the implementation of the Code of Ethics are:

- **Human Resources**, who have the task of promoting the awareness of the Code of Ethics within the Group, of acknowledging feasible suggestions for its improvement and of taking relevant and appropriate disciplinary actions, imposed by the Ethics Committee, should Employees breach the Code;
- **the Corporate Social Responsibility Manager (C.S.R. Manager)** who, being the person responsible for the social responsibility of the Group, collects reports, promotes inspections with the assistance of the functions involved and prepares the documents to be examined by the Ethics Committee;
- **the Ethics Committee**, the collegial body which examines the files received from the C.S.R. Manager, imposes feasible sanctions or decides to file the case. It is made up of at least three members appointed by the Board of Directors (B.o.D.) which also appoints its Chairman who should not be member of the B.o.D.

- **the Board of Statutory Auditors** who, according to article 2403 of the Italian Civil Code, supervise observance of law and of the statute, observance of the principles of proper administration and, in particular, the appropriateness of the organisational, administrative and accounting set-up of the company and its substantial performance and report any breaches on behalf of the members of the Ethics Committee to the competent bodies.

<sup>3</sup> The "Recipients of the Code of Ethics (see diagram on page 10) are those to whom the document herein is addressed, or rather the members of the Corporate Entities of all the Companies of the Group, Personnel (employees and other), and everyone who maintains direct, indirect, temporary or permanent relations with the Marchesini Group, or who in any event works to pursue the Group's objectives" (ref. page 11 of the Code of Ethics herein).

**We**  
BELIEVE IN  
**ETHICAL**  
**BUSINESS**



# 1 . WE BELIEVE IN ETHICAL BUSINESS

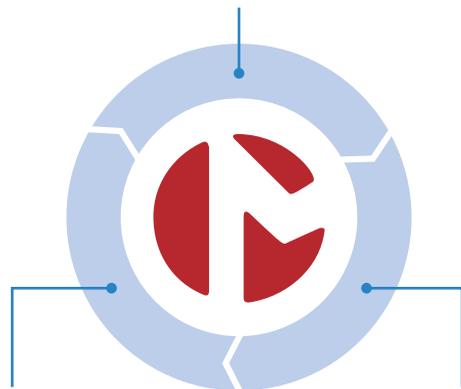
.....

**Marchesini Group strives continuously toward excellence and innovation, in full compliance with legal provisions and standards and with the principles of the Code of Ethics. All the Recipients<sup>4</sup> shall act with integrity.**

## INNOVATION

.....

The desire to be the first to experiment new methods and new projects in manufacturing and trading our products encourages us to improve ourselves and to set ourselves new challenging targets.



## INTEGRITY

.....

All the Recipients, in carrying out their activities, shall act inspired by principles of integrity and fair play.

## EXCELLENCE

.....

The work of everyone at the Marchesini Group aims to excel themselves. We strive to guarantee customers the best products on the marketplace in terms of total satisfaction.

## 1.1 LAWS AND FAIR PLAY

**Compliance with all the laws, directives and regulations applicable in the various geographical contexts in which the Marchesini Group works is an essential condition for every action**, operation and negotiation undertaken. Breaches of law and current regulations, in any country in which the Group works, are not admitted in any way.

Following the Antitrust<sup>5</sup> provisions, **the Marchesini Group promotes integrity and fair play between the parties** in reaching challenging objectives and new goals.

In fact, the Marchesini Group does its very best to contrast all forms of corruption aimed at gaining undue advantages, whether this involves Private Individuals, relations with Public Administrations and Public Individuals (toward whom utmost transparency and integrity must be assumed).

## 1.2 RELATIONS WITH SHAREHOLDERS

**The Marchesini Group strives to create value for all its Shareholders**, safeguarding the interests of the Group itself and of the Shareholders as a whole, without any preference for certain categories. It is explicitly forbidden to offer any form of favouritism or preference toward one or more Shareholders.

**The Marchesini Group encourages and guarantees correct and transparent flows of information to its Shareholders.**

Only the specifically authorised functions may maintain relations with the Shareholders on behalf of the Marchesini Group.

<sup>4</sup> The "Recipients" are defined in the diagram on page 10 and on page 11 of the Code of Ethics herein.

<sup>5</sup> Law No. 287 dated 10<sup>th</sup> October 1990, Standards for safeguarding competition and the market, published in the Official Gazette of the Italian Republic issue No. 240 dated 13<sup>th</sup> October 1990.



## 1.3 RELATIONS WITH SUPPLIERS AND TRADING PARTNERS

**The selection and qualification of Suppliers and Trading Partners, as well as the definition of the purchase conditions of merchandise and services, must be guided by criteria of competition, objectivity, decency, impartiality, honesty of price and quality of the merchandise and/or service.** The choice of suppliers and trading partners for the Marchesini Group is a fundamental element, also to guarantee the innovation and supremacy of its production process and commercialisation of its products.

The Suppliers and the Trading Partners of the Marchesini Group utilise operational solutions that comply with law and current standards and, more generally speaking, with the principles of safeguarding People, the health, safety of workers and the environment. The Marchesini Group expects its Suppliers to respect these principles. Where appropriate, based on the quality and quantity of the order placed and on the risk level of the specific case involved, the Group may carry out audits at the suppliers' premises; it also has the faculty to continue the relationship according to such mandatory values and in compliance with legislative provisions and standards accordingly.

## 1.4 RELATIONS WITH CUSTOMERS

**The Marchesini Group aims at total Customer satisfaction**, both in terms of the quality of the product and the excellence of the service. **One of the many objectives of the Marchesini Group is to offer innovative products** in order to create trustworthy relations with its customers. **Customers must be given exhaustive and accurate information on the products and on the services supplied.**

Misleading promotional activities on the products are explicitly forbidden.

## 1.5 CONFLICTS OF INTEREST

**The Recipients<sup>6</sup> must avoid and report any situations and/or activities that could lead to conflicts of interest** or that could interfere with their ability to take impartial decisions in safeguarding the interests of the Marchesini Group.

More generally speaking, when maintaining relations with third parties, the Recipients must act correctly and transparently, with the explicit prohibition to offer undue favours, to act collusively or to press for personal advantages or advantages for others.

<sup>6</sup> The "Recipients" are defined in the diagram on page 10 and on page 11 of the Code of Ethics herein.

## 1.6 ANTI-LAUNDERING

In observing current standards<sup>7</sup>, the Marchesini Group prevents the use of its economic-financial system for money-laundering purposes and for financing terrorism (or any other form of criminal activity) by its Customers, Suppliers, Employees and the counter-parties with whom it does business.

**The Marchesini Group meticulously verifies the information available on all the counter-parties** in order to ensure their respectability and the legitimacy of their activities before commencing any form of business relations with them.

## 1.7 DONATIONS AND GIFTS

When maintaining relations with Customers, Suppliers and third parties in general, it is forbidden to offer and accept money, gifts or benefits, even as a personal gift, with the aim to obtain undue advantages of any kind that go against their official duties or that somehow breach a standard.

**Acts of commercial courtesy toward third-parties, likewise for those received, are admitted provided they are of moderate value** and, in any event, they do not compromise the integrity and the reputation of the company and do not influence the independent decision of the recipient.

Any form of corruption toward third-parties, be they private or public bodies, is explicitly forbidden, because it is totally in contradiction with the Group's culture.

## 1.8 SAFEGUARD OF INTELLECTUAL PROPERTY RIGHTS AND ANTI-COUNTERFEITING

**One of the fundamental assets of the Marchesini Group is its know-how and its intellectual property rights**, which it owns, with particular reference to brands, products, software and production processes.

The Marchesini Group works diligently to safeguard this. It is indeed forbidden to use any means protected by the rights of others without appropriate authorisation or in violation of the terms stated by the authorisation itself.

<sup>7</sup> Legislative Decree No. 231 dated November 21<sup>st</sup> 2007, Implementation of directive 2005/60/EC concerning prevention of the use of the financial system to launder money of criminal activities and to finance terrorism as well as directive 2006/70/EC that states the fulfilment measures, published in the Official Gazette of the Italian Republic issue No. 290 dated December 14<sup>th</sup> 2007- Ordinary Supplement No. 268/L.

## 1.9 SAFEGUARD OF PRIVACY

The Marchesini Group guarantees that any acquired personal information is **protected** appropriately according to the terms stated by standard<sup>8</sup>, avoiding improper or unauthorised use, to safeguard the dignity, image and privacy of every person inside and outside the Group.

Personal information is processed lawfully and correctly. Personal information is collected and stored only if it is required for certain, explicit and legitimate purposes. Data are kept just for the time required for such purposes and no longer.

## 1.10 COMPUTERISED SYSTEMS, THE INTERNET AND SOCIAL NETWORKS

IT tools are crucial for research, innovation and excellence, in terms of the quality of the product and the service offered to the Customer.

To promote the name of the Marchesini Group and its products, and to establish a direct communication line with Customers, the Marchesini Group uses the social networks as a simple and straightforward means of exchanging information and constructive discussions. Considering the enormous reflection and reputational impact that any information or opinions expressed in these contexts may have, **it is recommended to be very careful in assessing the contents and material to be published via digital means of communication.**

The Marchesini Group explicitly forbids the use of computer systems or social networks that could represent a breach of current laws or that could offend the freedom, integrity and dignity of People, especially minors, or that could lead to unauthorised intrusions or damages to the computer systems of others.

## 1.11 GROUP PROPERTY

Those who work for the Marchesini Group must carefully and diligently use the Group's **systems** according to current procedures and shall avoid, in particular, any improper use that could cause damage to or contradict the interests of the Group.

Every person is responsible for protecting not only the systems entrusted to them but also for contributing in protecting the whole patrimony of the Group generally speaking.

## 1.12 IN-HOUSE CONTROL AND RISK MANAGEMENT CULTURE

The Marchesini Group believes it is important to develop a culture of in-house control and risk management that favours knowledgeable decisions and safeguards the corporate patrimony, the efficiency and effectiveness of the company processes, the safety of products, the reliability of financial information, the observance of laws, directives, standards and regulations, as well as the company statute and in-house procedures.

To pursue such targets, the Marchesini Group has set up some tools, activities, procedures and organisational structures aimed at allowing the identification, measurement, management and monitoring of the main risks to which the Group is exposed.

All the Recipients<sup>9</sup> must guarantee utmost collaboration toward in-house functions and independent Bodies appointed to verify the effectiveness of the control system itself.

.....

### WHICH IS THE BEST APPROACH TO DEAL WITH AN ETHICAL PROBLEM?

Ask yourself the following questions:

- Is it within the law? (Will I infringe any norms in the legal system?)
- Does it concur with the values held by the Marchesini Group?
- Could I justify my behaviour with my family, friends and colleagues?

.....

<sup>8</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) and Legislative Decree of the 10<sup>th</sup> August 2018 (published in the Official Gazette of the Italia Republic, issue 205 of the 4<sup>th</sup> September 2018).

<sup>9</sup> The "Recipients" are defined in the diagram on page 10 and on page 11 of the Code of Ethics herein.

**We**  
BELIEVE IN  

---

---

**THE VALUE OF**  
*people*



## 2 . WE BELIEVE IN THE VALUE OF PEOPLE

Our People, thanks to their passion and their enthusiasm, are the stronghold of the Marchesini Group. Therefore, our respect toward them and their well-being, as well as safeguarding diversities, is a constant commitment of the Group. An interesting, encouraging, friendly and collaborative workplace improves the performance of every work team and of the Marchesini Group on the whole.

### HEALTH AND SAFETY

The Marchesini Group takes care of its People, safeguarding their health and safety at the workplace and encourages respect for People within the company.



### ENCOURAGING AND SAFEGUARDING DIVERSITY

We work with so many situations, cultures and countries that we are naturally open to diversity and we make it one of our strongholds.

### SHARING AND COLLABORATION

We believe that if the People work together, sharing the same objectives, methods and strategies, their sense of being a part of the company will increase and they will face the challenges put before them with passion.

### 2.1 PERSONNEL SELECTION AND MOTIVATION

**Our People are selected according to criteria of merit, proficiency, competence, attitude and their belief in the Group's values.** The Marchesini Group explicitly refuses any form of discrimination or undue favouritism when selecting its employees.

The Marchesini Group takes care of its People, encouraging their personal and professional development, creating initiatives to strengthen their skills, knowledge and competences. All People shall be guaranteed equal opportunities of training and professional growth according to criteria of merit and the results achieved.

We believe in the strength of team work. We therefore encourage effective collaboration based on shared values, objectives and methods, sustained by the passion for one's work. People must collaborate constantly, exchanging their experiences and actions in order to encourage the consolidation of a feedback culture.

The assessment of the performance of each person must bear in mind not only what has been reached but also how the results have been reached. We award integrity, honesty, passion, positive thinking, willpower and innovative ideas.

The Marchesini Group develops People who pursue the Group's objectives.

The company also pays utmost attention to the social-economic fabric of the areas where it works. **By privileging territoriality and by transmitting generational knowledge and know how, the Group has proven that the company environment and the performances are much better.**

### 2.2 RESPECTING OUR PEOPLE

The Marchesini Group contrasts all forms of bad behaviour or harmful or discriminating attitudes against People, in view of their genre, nationality, culture, religion or any other personal characteristic.

The Marchesini Group encourages a work environment where People feel free to express their beliefs, provided they respect those of others and the dignity of everybody.

**Each Recipient must work proactively to maintain an environment of reciprocal respect of the dignity and reputation of all People.**

The Marchesini Group, in all the countries in which it works, refuses to exploit labourers unduly, especially minors. In addition to full compliance with the standards envisaged accordingly in the individual countries, the Marchesini Group safeguards the rights of workers, trade union freedom and rights of association.

## 2.3 WELL-BEING

The Marchesini Group safeguards the psychological-physical well-being of its People, aiming at a balance between their work needs and their personal and family needs. We forbid any form of violent or harmful behaviour toward the dignity of People.

**Contributing in improving the quality of life of its People** is a way to transmit a sense of being a part of the Group and this makes the Marchesini Group not just a simple Organisation, but an Organisation made up of People for the People.

The Marchesini Group promotes social and beneficial measures and services and initiatives that have a real impact on the life of its workers.

## 2.4 PROMOTING, SAFEGUARDING AND VALORISING DIVERSITY

As a Global entity, the Marchesini Group believes in the strategic importance of being able to comprehend the different cultural schemes of the places in which it works, analysing their identity, relational and communicative orientations.

**The Group strives to remain open to new viewpoints and to different ways of thinking and to intending the professional and personal experience, styles of leadership, cultural contexts and various other differences.**

The Marchesini Group encourages favourable workplaces for the various cultures and transversal collaboration, being a fundamental factor of its competitive advantage.

The Marchesini Group ensures the same opportunities of growth and career to men and women alike, aware that the differences of genre are a way of acquiring competence, capabilities and different styles within each team.

## 2.5 WORKERS' HEALTH AND SAFETY

**The Marchesini Group strives to diffuse and consolidate a culture of safety**, by developing the awareness of the risks involved, encouraging responsible behaviour by all workers and working to preserve their health and safety, above all through preventative actions.

We aim to protect our People by safeguarding them and promoting a workplace where health and morals are protected without unlawful pressure or discomfort.

## 2.6 OUT-OF-HOUSE NOMINATIONS AND ROLES

The People of the Marchesini Group are professional, knowledgeable and competent people who are often the subject of interest of external Bodies such as Schools, Universities, Research Institutes, Industrial Associations and Local functional and territorial Bodies.

The company encourages and valorises this process of knowledge sharing and distinguishes between the two different cases:

- a) *Nominations, roles and offices outside the Company, be they gratuitous or upon payment, to be fulfilled during working hours:* in these cases, with the exception of any laws and relations with the workers' representatives, such work is authorised by the General Management after the functions in charge have assessed its nature and connection to the corporate *brand*.
- b) *Nominations, roles or offices outside the Company, be they gratuitous or upon payment, to be fulfilled after working hours:* such activities can be carried out provided they are not in any way connected to the Group's *brand*.

.....

## WHAT DOES BEING A "MARCHESINI PERSON" MEAN?

**Ask yourself the following questions:**

- **Do I act in a spirit of collaboration, am I passionate about my work and do I carry out my tasks enthusiastically?**
  - **Do I feel responsible for and personally involved in complying and encouraging compliance with the rules on health and safety, and in the application of the Code of Ethics?**
  - **Do I feel like I am part of a larger team in which I share both ambitions and aspirations?**
- .....



**We**  
BELIEVE IN  

---

---

**POSITIVE  
RELATIONS**



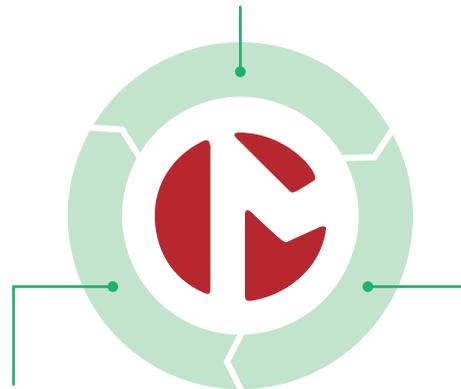
### 3 . WE BELIEVE IN POSITIVE RELATIONS

The Marchesini Group sustains its reputation also by informing the market about the facts concerning the Group's management in a transparent and complete way.

The way of doing business is deeply connected to promoting a sustainable growth, with particular reference to safeguarding the environment and the bond to the social contexts in which the Group works.

#### TRANSPARENCY AND COMPLETENESS

The Marchesini Group believes that transparent and complete information should be given to the market, which is the best way to build trust and to sustain its reputation.



#### LOCAL BONDS

The Marchesini Group has special bonds with the land in which it works. It safeguards the natural environment and the social context of local communities.

#### SUSTAINABLE DEVELOPMENT

To balance growth and market expansion, with an increasingly low environmental and economic impact is our challenge.

#### 3.1 SAFEGUARD OF CONFIDENTIAL INFORMATION

Confidential information concerning the Group, or rather all the information that cannot be published by law, is a fundamental asset of the Marchesini Group.

For this reason, the Recipients have the duty to behave carefully and responsibly in managing corporate information; they shall respect the rules of the Group to avoid revealing information within the company and thus to protect it from outsiders.

**Confidential information and documentation can only be revealed outside the company if explicitly authorised.**

The Marchesini Group forbids the use of confidential information, be it within the Group or outside, for purposes that have nothing to do with the specific function, as well as issuing false or misleading information

#### 3.2 THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

We are convinced that, not only can business be done respecting the environment and the social context in which we work, but this is actually a fundamental factor for our competitiveness and lasting solidity.

This is why **the Group encourages sustainable development**, favouring initiatives aimed at safeguarding the environment, energy efficiency and sustaining research of production and distribution technologies that have a low impact on the environment.

The Marchesini Group respects all the standards on safeguarding the environment. It avoids environmental pollution in the form of unlawful emissions into the air, the water, the ground and the subsoil, but also excessive noise and, above all, improper management of waste. It avoids mixing waste, only entrusts waste disposal to authorised and competent companies and manages the related documentation proficiently.

### 3.3 DONATIONS, SPONSORSHIPS AND PARTNERSHIPS TO SUPPORT THE COMMUNITY

Donations must be allocated to recipients whose goals do not contradict the principles of the Code of Ethics. In all cases, such transactions must be traceable. The decisions must be transparent, starting from the choice of the beneficiaries through to the receipt of the gift or donation by the third party. It is explicitly forbidden to allocate contributions to political parties or their representatives or to associations for which conflicts of interest could arise.

When choosing third parties for sponsorships and partnerships, **the Marchesini Group promotes activities that are in line with the Group's mission** or in any event with the principles of its Code of Ethics.

In no way may the donations, sponsorships or partnerships be used by the recipients for corruptive purposes: such activities must not indeed be carried out to obtain undue advantages from others who are directly or indirectly connected to their recipients.

### 3.4 RELATIONS WITH PUBLIC INSTITUTIONS

**The Marchesini Group maintains relations with several Public Institutions with utmost transparency, clearness and honesty**, in such a way as not to induce partial, falsified, deceptive and misleading interpretations.

Considering the confidential and delicate nature of the relations with such bodies, only the People who have been appointed accordingly are allowed to maintain relations with Public Institutions.

### 3.5 RELATIONS WITH THE MEDIA

Relations with the press and the media must be maintained only with explicitly appointed People, in compliance with the procedures or regulations implemented by the Marchesini Group. Communications outside the company must be true, honest, transparent, and cautious and must aim at publishing the policies, programs and projects of the Group.

Relations with the Media must be carried out in compliance with law and the Code of Ethics with the aim of safeguarding the Company's good name.

.....

#### DO I UNDERSTAND MY ROLE IN THE BUSINESS THAT THE MARCHESINI GROUP CONDUCTS?

Ask yourself the following questions:

- **Are my daily actions within the Group always transparent, responsible and complementary to the values stated in the Code of Ethics?**
  - **Do I positively contribute to the Group's initiatives to reduce its impact on the environment?**
  - **Is my company highly esteemed in the field in which it operates?**
- .....



## APPENDIX 1

Management procedure  
of complaints and reports concerning  
breaches of the Code of Ethics

# APPENDIX 1 - MANAGEMENT PROCEDURE OF COMPLAINTS AND REPORTS CONCERNING BREACHES OF THE CODE OF ETHICS

---

## 1. SUBJECT

The Procedure herein disciplines how to manage reports, complaints and notifications (hereafter called "Reports") of breaches of the ethical-behavioural principles of the Code of Ethics of the Marchesini Group and is classified in five macro categories (hereafter "Breaches"):

- **Pillage:** theft or improper use of assets of the Organisation (for example, money, material assets, data and information, including intellectual property) to the benefit of who commits a fraud.
- **Economic-financial informative Fraud:** intentional mistakes or omissions of information and/or values written on the financial reports or presenting them incorrectly with the aim to deceive the Recipients.
- **Corruption:** improper use of one's influence in a business relationship or in a commercial transaction that violates the law or the official duties, with the aim to obtain a direct or indirect benefit.
- **Offense:** international violation of laws and/or standards and regulations.
- **Other violations:** any behaviour that does not comply with the principles stated in the Code of Ethics or that significantly goes against the policies and procedures implemented and published by the Marchesini Group.

Reports made by the members of the Corporate Bodies of all the Companies belonging to the Group are taken into consideration, as well as those of employees and independent workers and all those who, directly or indirectly, permanently or temporarily, maintain relations with the Marchesini Group, or who in any event work toward pursuing the objectives ("Reporting parties").

The Marchesini Group guarantees not to reveal the name of the Reporting party and guarantees that such person will not be threatened in any way.

The Procedure applies to all the member-Companies of the Group.

## 2. REPORTING METHODS

Breaches are to be reported via signed written letter or via e-mail to one of the following addresses:

• by post to:

**Marchesini Group S.p.A.**  
**Via Nazionale 100, 40065 Pianoro - BO - ITALY**  
**To the kind attention of the Ethics Committee**

• by e-mail to:

**comitatoetico@marchesini.it**

Please do not send anonymous complaints/reports, because they will not be taken into consideration, unless they are backed by strong elements that justify a follow-up investigation.

The Marchesini Group guarantees to protect the details of the Reporting parties and will ensure there is no reprisal against them.

## 3. REPORTING PROCESS

- a) All reports of violations received must be sent to the attention of the Ethics Committee, despite the author or the source.
- b) The Ethics Committee collaborates with the other competent functions, especially the Human Resources department and the Corporate Lawyers and will ensure that all reports received are:
  - registered and kept safely;
  - qualified (filed or subjected to further investigation) with an explanation of the decisions taken accordingly;
  - subjected to verification, informing those involved, if this is considered necessary.
- c) To activate the necessary checks, the Ethics Committee can, at its own discretion, collaborate with whichever function it believes has the ability and/or knowledge to provide it with the required assistance.
- d) The Ethics Committee will decide whether to inform the person reported and/or the Reporting party before activating the investigation.
- e) The Ethics Committee may suspend or interrupt the investigation at any time if the report is found to be false or inconsistent and if the Reporting party is found to be in bad faith, in which case special proceedings will be taken against him/her.
- f) The Ethics Committee, in compliance with the required criteria of privacy, communicates the results of the investigations and any actions suggested to resolve the irregularities discovered to those in charge of the function involved, to the director of Human Resources or to the Corporate Body appointed to take the required proceedings.
- g) The Board of Auditors will be periodically informed on any reports received and on their state of progress.
- h) If the reports concerning the balance sheet, accounting, in-house audits and accounting audits are made, the Board of Auditors may request further investigations from the Ethics Committee.

## 4. PROTECTION OF THE REPORTING PARTY

According to the relevant best practice rules, **the Marchesini Group does not tolerate any form of retaliation** toward those who, in good faith, report a wrong doing or a breach of the Code or who assist the Ethics Committee and/or the Management in the investigation activity.

The Ethics Committee does not reveal the identity of the Reporting party and does not tolerate initiatives that aim at identifying such person.

**The Marchesini Group also ensures that any reports received are processed with absolute confidentiality and privacy**, in compliance with the provisions of relevant standards.

## 5. IMPLEMENTING THE PROCEDURE AND INFORMING EMPLOYEES AND THIRD PARTIES

To make Group Employee Communications and Formation effective, the Human Resources Director of the Group will implement the following process:

- all the directors of the companies of the Group will be given a copy of the Procedure in Italian and English, which they shall then distribute within their own structures;
- the reference contacts for breach notifications will be indicated;
- the Procedure will be added to the Group's website so that People outside the company can also read it.

## IMPLEMENTATION AND COMMUNICATION

---

The Board of Directors of the Marchesini Group S.p.A. periodically updates the Code of Ethics of the Marchesini Group, adding feasible changes and revisions, also following possible suggestions of the Ethics Committee, the Board of Auditors and C.S.R. Manager.

The Code of Ethics herein has been implemented following the decision of the Board of Directors of the Marchesini Group S.p.A. dated 27<sup>th</sup> October 2015 and will be officially enforced on 1<sup>st</sup> January 2016.

All the Boards of Directors of the Member-companies of the Group must formally accept the Code of Ethics of the Marchesini Group.

**The Marchesini Group ensures to inform everyone of its Code of Ethics**, even the People and bodies outside the Group.



Second edition 2018