

CODE OF ETHICS

INDUSTRIE SALERI ITALO S.P.A.

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1. GENERAL INTRODUCTION

1.1 Company Principles and Code of Ethics

Industrie Saleri Italo S.p.A. (hereinafter, Industrie Saleri), established in 1942, operates synergistically in the *automotive* sector, specialising in particular in the design, development and manufacture of water pumps and cooling systems.

The company's main goal is that of sustainable development, to be achieved by supplying innovative products of the highest quality, together with the creation of added value for its stakeholders, as defined below, through actions inspired by intelligent corporate social responsibility.

This **Code of Ethics** therefore expresses the set of ethical principles and values which inspire the behaviours, culture and corporate conduct which Industrie Saleri recognises, accepts and encourages in its operations, identified as:

- the centrality of Human Resources
- the safeguarding of occupational health and safety
- equal opportunities and the absence of discrimination
- the legality and social value of the company's business
- transparency and traceability
- respect for the principles of fair competition and professional integrity
- honesty, integrity and ethical behaviour in relation to Customers, Suppliers, Employees, Associates, business and financial Partners and the Community
- safeguarding of Confidentiality and Privacy
- Environmental protection

1.2 Field of Application and Temporal Validity

This **Code of Ethics** is an integral part of the **Model of Governance** adopted by Industrie Saleri in compliance with the Italian law on “corporate responsibility for administrative offences arising from criminal offences” as contained in Legislative Decree no. 231/01, and applies to all employees and business partners of Industrie Saleri, who undertake to adopt and encourage compliance with its contents in order to ensure that the company's goal as set out above is effectively pursued.

To ensure this, Industrie Saleri intends to communicate the relevant principles to all those (the "Addressees") with whom it conducts business relationships for the achievement of its mission.

In particular:

- Shareholders: this group includes the Shareholders and all the other stakeholders who have holdings in the company;
- Stakeholders: members of this category include Employees, Directors, Associates in the broadest sense, the Public Sector, Customers, Suppliers of goods and services, Competitors, Political and Trade Union Organisations, the Media, the Environment and the Local Area.

Under this approach, Industrie Saleri undertakes to:

- guarantee that all Addressees are made aware of the Code of Ethics by publishing it on its website and its physical and digital company noticeboards and/or through the consignment of paper copies
- guarantee that swift notification is provided of all updates and amendments
- provide suitable training and information with regard to the contents of the Code
- guarantee that anyone reporting breaches of the Code in good faith is protected from any form of reprisals;
- encourage compliance with the Code of Ethics, the company's Policies and the Model of Governance compliant with Legislative Decree no 231/01 (hereinafter the MOG)

- adopt fair, consistent disciplinary measures proportionate to the type of breach of the Code

Compliance with the provisions of the Code is an essential part of the obligations of Industrie Saleri employees.

Industrie Saleri shall not establish or continue business relations with third parties which refuse to comply with the principles of this Code.

The Code of Ethics is subject to regular review on the basis of changes in the regulatory framework and the *best practices* acquired during its application.

1.3 Implementation, control and monitoring

As well as publishing the Code of Ethics and the correlated documents, Industrie Saleri carries out in-house training courses to increase understanding of their contents.

Compliance with the Code of Ethics is an integral part of the contractual obligations of employees, associates, and all Addressees in general. Employees with the role of Function Managers within the Industrie Saleri organisation must also provide an example and encourage a positive climate, fostering an environment which will allow the transparent exchange of ideas and providing *leadership* in accordance with the principles of this Code.

All Function Managers and other employees are therefore obliged to:

- read, understand and share the contents of the Code of Ethics, requesting explanations from the HR Management or Legal Department if necessary
- ensure that their conduct complies with the provisions of the Code and abstain from all conduct damaging to the interests of Industrie Saleri
- report any breaches of the Code to the Supervisory Body immediately and in good faith, using the email address: odv@saleri.it
- comply with all internal regulations issued with the aim of achieving the objectives of the Code
- cooperate in full with auditing activities verifying the Code's operation

If in doubt about the requirements or principles set forth in this Code, a company procedure and/or company policies, all employees must request explanations from their Function Manager.

1.4 Whistle-blowing and disciplinary measures

Any behaviour in breach of the principles and rules of the Code of Ethics, or potential criminal offences, especially those envisaged by Legislative Decree no. 231/2001, must be reported to the Supervisory Body using the email address: odv@saleri.it

All reports received will be treated as confidential, in line with the relevant legal requirements, and the whistle-blower's anonymity will be protected in order to rule out any risk of reprisals.

The Supervisory Body shall report any breaches which have emerged and the amendments/additions considered necessary to the Board of Directors, which shall assess the breaches reported and decide whether to adopt appropriate disciplinary measures.

Any actual or attempted conduct in breach of this Code of Ethics will be punished through the application of proportionate, effective, deterrent disciplinary measures, in accordance with the in-house System of Disciplinary Measures and Punishments.

For employees, breach of the Code may lead to disciplinary proceedings and punishments up to and including dismissal, while the Company's directors and auditors may be suspended or have their appointments revoked.

Breach of the Code on the part of external parties may lead to the termination of the contract, appointment or any other relationship ongoing with the company and - if there are just grounds - the payment of compensation.

Industrie Saleri appreciates all inputs intended to improve the Code from the company's stakeholders.

2. ETHICAL PRINCIPLES

Industrie Saleri bases all relationships and/or contacts with its stakeholders on principles of honesty, professional integrity and transparency, offering security, assistance, quality, value and continual innovation.

The company's ethical principles are applied above all in the following areas

2.1 Health, Safety and the Environment

Industrie Saleri supports and implements the organisation of work in accordance with the principles of Occupational Health and Safety as set out in the relevant Italian consolidation law (Legislative Decree no. 81/08 and subsequent legislation), by promoting a policy of the assessment, management and control of the general and specific risks of the relevant working environment.

The company employs and invests its resources to ensure compliance with the provisions of Legislative Decree 81/08, by establishing the Safety function, by encouraging training and a culture of compliance and, in particular, by ensuring that all the relevant addressees are familiar with the contents of the Risk Assessment Document and that safety procedures are complied with.

All employees are properly informed and trained in risk prevention in accordance with the provisions of Legislative Decree 81/08, and made aware of their responsibility concerning the correct management of their own safety and/or that of others with regard to the dangers intrinsic in the relevant working environment and the use of the recommended personal protective equipment (PPE). Appropriate documentation is conserved to provide a record of the training performed.

2.2 Conflicts of Interest, Gifts and Largesse

All decisions taken on behalf of Industrie Saleri must be in its interests.

All Code addressees must therefore avoid all possible conflicts of interest which could influence (or appear to influence) their independence.

This influence may occur in the event of:

- conflict of interest:
 - all employees must notify their superiors in writing if they are conducting a working activity (including free-lance) on a continuous basis, currently serve as a director or executive of a company (other than Industrie Saleri), or are linked by financial, business or professional relationship or ties of blood or friendship to organisations or people who are doing or have been offered the opportunity to do business with Industrie Saleri, or have any other relationships which could in any way influence (or could be seen as capable of influencing) the impartiality of their decisions in relation to third parties.
 - any situation of the above kind must be reported to the employee's hierarchical superior at once.
- gifts, personal favours:
 - policies relating to the management of entertainment, meals, gifts or other free items or personal favours provided to or received from business partners are set out in special company regulations included in the MOG pursuant to Legislative Decree no. 231/2001, of which this Code forms an integral part.

2.3 Bribery and Illegal Payments

Industrie Saleri and all addressees of this Code undertake to comply with the highest standards of integrity, honesty and ethics in all relationships inside and outside the company, in accordance with domestic and international anti-bribery laws.

The company operates in complete cooperation with regulatory and government bodies in the context of their legitimate areas of operation, also allowing them to perform legitimate inspections.

No employee, agent or other representative may, directly or indirectly, accept, demand, offer or pay sums of money or other benefits, except for the practices normally accepted at the international level, permitted by the relevant laws.

Industrie Saleri does not permit any kind of bribery in relation to the holders of public offices or other third parties correlated to the holders of public offices, or in relation to legal or natural persons or other parties referred to by the law.

In the circumstances permitted by law, any gifts or courtesies offered to representatives of public institutions must be of low value and in all cases not such as to give rise to accusations of potential favouritism.

Specifically all Addresses are prohibited from:

- promising or granting money or other benefits of any kind to public entities or persons named by the latter, with the aim of in any way influencing their decisions or persuading them to extend benefits to the Company (e.g. the rental of property belonging to Industrie Saleri Italo SpA and/or other Group companies free of charge or at rates significantly below the market prices to public entities, showing favouritism to parties recommended by public office holders when making appointments, etc.);
- granting remuneration to suppliers or consultants not sufficiently justified on the basis of the type of services to be supplied;
- presenting untruthful declarations to public bodies in order to receive subsidies, grants or interest-free loans;
- using public funds, subsidies or loans for purposes other than those for which they were granted;
- submitting incomplete, falsified or untruthful documentation, or omitting necessary information, or engaging in misleading conduct of any kind, in relation to members of Public Sector bodies.

2.4 Accounting and Cash Flow Management

Industrie Saleri employees are required to keep accurate, complete internal records of all the company's activities, recording its expenditures precisely and promptly, in accordance with the authorisation system and in full compliance with the internal procedures and protocols enforced by the MOG pursuant to Legislative Decree 231/2001.

The company's books must be kept in accordance with principles of integrity, transparency, consistency, traceability, reliability and truthfulness, in order to provide an accurate picture of the company's economic, financial and capital situation.

The accounting entries must allow the *ex post* reconstruction of the process and clearly indicate who carried out the operation, who authorised it and who checked it. All authorisation of accounting entries which do not comply with the principles set out above or in the absence of documentation supporting the entry is forbidden.

In particular, Industrie Saleri ensures the ethical management of its cash flows by prohibiting any behaviour which generates or may generate the creation of "concealed" funds with the aid of instruments such as current or deposit accounts held anonymously or in fictitious names, etc. Cash flow management and payment authorisations are always accompanied by supporting documentation and are always authorised in accordance with the management system adopted.

Industrie Saleri employees are obliged to support the quality and effectiveness verification work of the Internal Auditing System. Auditors and statutory auditors have full access to all data, information and documents necessary for the performance of their duties. The Supervisory Body reviews the system's quality and

effectiveness and reports to the relevant functions within the context of an audit plan, or on the request of the Industrie Saleri top management.

2.5 Fair Competition and Antitrust Regulations

In the conduct of its business, Industrie Saleri works in accordance with principles of legality, fairness and good business practice, promoting fair competition and acting in accordance with the relevant Antitrust regulations.

Therefore, any practice or behaviour intended to limit or interfere with free and fair competition, or in breach of Antitrust regulations, is prohibited.

In particular, Industrie Saleri:

- establishes its marketing policy independently and does not fix any prices in agreement or collusion with its competitors
- does not share out customers, territories or markets in agreement or collusion with competitors
- establishes fair relationships with its customers and suppliers, in accordance with the laws governing competition

2.6 Industrial and Intellectual Property and Non-Disclosure Obligation

Industrie Saleri's know-how and intellectual property are a fundamental resource, to be safeguarded by all Code addressees.

As well as the ISP – Information Security Policy, with which all Industrie Saleri employees are bound to comply, all Addressees of this Code must abstain from:

- using (or disclosing to unauthorised third parties) information not in the public domain acquired during the performance of their duties, for personal benefit or in favour of third parties;
- conduct constituting usurpation of industrial property rights, or the falsification or counterfeiting of industrial trademarks, or national or international patents, designs or industrial models, and importing, marketing or in any way using, or otherwise putting into circulation, industrial products with counterfeit identifying marks;
- the illegal and/or improper use, in the interests of the company or third parties, of intellectual property, or parts of the same, protected by intellectual property protection legislation.
- the conduct of competition using violence or threats in relation to competitor companies or, in more general terms, any behaviour not fair and correct even in relation to competitors;
- purchasing and/or offering for sale goods which are counterfeited and/or do not have the stated qualities, or in any case without first performing the relevant checks on these points;
- consigning products to purchasers which differ in origin, place of manufacture, quality or quantity from that agreed.

2.7 Privacy

Industrie Saleri acquires personal data useful for the conduct of its business, and undertakes to process them in compliance with the relevant laws and best practices on data protection, consolidated in the Register of Personal Data Processing Operations available in the Data Trustee's Office.

2.8 Environmental protection during working processes

Industrie Saleri considers environmental protection an important value, to be promoted and safeguarded. It has therefore adopted an Environment Policy, available on the www.saleri.it website, intended to constantly improve production processes in compliance with the relevant legal and regulatory requirements.

Industrie Saleri holds ISO 14001 certification.

2.9 Environmental impact and safety of products

Industrie Saleri is committed to research and to achieving the highest level of quality, environmental and safety levels in its products.

Therefore, Industrie Saleri Research and Development operations are oriented towards development and technical innovations which minimise environmental impact and CO₂ production, while guaranteeing the highest levels of product safety.

3. RULES OF CONDUCT

3.1 Relationships in the Workplace

Industrie Saleri operates in a socially responsible, impartial, ethical way, implementing fair, correct practices in the management of its employees' conditions of employment and their safety, while also encouraging a culture of occupational health and safety and individual and collective environmental awareness.

Industrie Saleri adheres to the UN Universal Declaration of Human Rights and the fundamental Conventions of the International Labour Organisation (I.L.O.), which confirm the importance of respect for individuals, guaranteeing fair treatment and rejecting all forms of discrimination.

Industrie Saleri, with specific reference to:

- [discrimination and/or harassment:](#)
 - condemns all forms of discrimination and/or harassment against anyone on the grounds of race, gender, sexual orientation, social and personal position, physical condition, health, motherhood or fatherhood, pregnancy, disability, age, nationality, religion or any personal characteristic and/or belief

- [equal opportunities:](#)
 - in the employment relationship: guarantees that all aspects of the employment relationship, with regard to hiring, training, pay, promotion, transfer and dismissal, are governed by criteria of ethics, impartiality and meritocracy, applied fairly and uniformly, avoiding all forms of discrimination
 - roles and duties: guarantees that every employee is able to perform his or her tasks as appropriate to the role and position assigned and the associated duties, in accordance with health and safety regulations
 - promotion, pay: guarantees that the pay and benefits assigned comply with the relevant national employment contract and are set on the basis of objective assessments relevant to educational qualifications, specific professional skills, the position held, previous experience, merit and the targets actually achieved
 - forbids the acceptance of cash and/or any other benefit intended to favour the hiring, transfer or promotion of an individual
 - forbids the offer of career advancement or increases in pay in exchange for any activity in breach of the Law, the Code, or the in-house rules and regulations

- [child and/or forced labour:](#)
 - does not use child or forced labour
 - does not establish or maintain business relations with business partners which use child labour, in breach of the laws of the place where they operate

- [freedom of association:](#)
 - assures its employees the complete freedom to join a trade union in accordance with the laws and the regulations of the various trade union organisations
 - during negotiations with trade union representatives, is oriented towards a cooperative, constructive approach and relationship

- [training on the Code of Ethics and correlated documents:](#)
 - trains its staff to comply with the Code of Ethics, the MOG and the company's working policies and instructions

3.2 Relationships conducted by Employees

The relationships conducted by Industrie Saleri Employees are governed by principles of integrity, consistency and fairness, and are free of conflicts between company and personal interest. To ensure this, Industrie Saleri requires all its employees to comply with the highest standards of integrity in business relations, as established by this Code, the in-house Policies and the MOG pursuant to Legislative Decree no. 231/01.

In particular, Employees are required:

- to comply strictly with the Code of Ethics, the MOG and the working procedures and instructions issued by the company
- to comply with occupational health and safety legislation and the corporate procedures which comply with it
- to use the company's assets and resources made available to them with diligence and for the company's purposes only, not engaging in any use in conflict with or unrelated to the company's interest
- to make every effort to maintain a decent, cooperative working environment
- not to work under the influence of alcohol or drugs
- not to smoke on the company's premises
- not to disclose unauthorised information and/or company documents, even those used for staff training, outside the company
- to abstain from behaviours which may be damaging to personal dignity and not to adopt threatening or offensive attitudes in relation to colleagues or business partners
- not to use reproductions of materials protected by intellectual property rights, or copyright in general, as regulated by the Information Security Policy
- not to reproduce unauthorised company documents
- to use the company IT system only for working purposes, in accordance with company policy (ISP - Information Security Policy)

3.3 Relations with Suppliers and Associates

In view of the aim of guaranteeing its customers the highest level of satisfaction and in view of the primary role played by suppliers in the objective of constantly increasing overall structural competitiveness, Industrie Saleri implements strict selection and monitoring of its business partners.

In order to guarantee successful cooperation between parties, based on criteria of stability, transparency and cooperation, Industrie Saleri selects its business partners with regard to objective principles of quality, innovation, costs and services offered, and the necessary acceptance of the social values contained in this Code and the company Policies, available on the website (www.saleri.it).

Industrie Saleri, with reference in particular to:

▸ [prevention of money laundering:](#)

- condemns all forms of involvement in the laundering of proceeds from criminal activities in any form or manner.
- Before starting business relations, as far as possible it requests verification of the information available (including financial information) about its potential business partners and suppliers, in order to ensure their respectability and the legitimacy of their business

▸ [organised crime:](#)

- prohibits any type of relationship (purchase of goods and/or services, sale of goods and/or services, cooperation in general) with parties the honesty of which is in doubt or which are known or suspected to belong to organised crime syndicates of any kind.

Industrie Saleri will cease all business relationships in the event of suspicion that the counter-party belongs to or facilitates criminal organisations.

Industrie Saleri insists that all Associates behave ethically and transparently when fulfilling the appointments conferred on them, in accordance with this Code of Ethics.

Associates are responsible for the accuracy, authenticity and originality of the documentation and information provided during the fulfilment of their duties and in particular with regard to any request made by shareholders, the Board of Statutory Auditors, other company statutory and internal auditing bodies, and external auditing firms, in the performance of their respective institutional functions.

All Associates shall treat all information which comes to their knowledge by reason of their work for the Group Companies as strictly confidential. In particular, Associates who receive personal data during the fulfilment of their appointments are obliged to comply strictly with the current legislation on data protection.

Associates' undertaking to comply with this Code and the regulatory framework, also with regard to relations with the Public Sector, is a necessary precondition for the establishment or continuation of the working relationship with Industrie Saleri

3.4 Relations with Public Sector Institutions

Industrie Saleri is committed to making a positive contribution to the technological progress of society and to cooperating with public sector institutions, universities and other organisations on the research and development of innovative solutions for sustainable mobility and the relevant technologies.

In the context of relations with the Public Sector, addressees of this Code shall not offer cash, gifts or benefits of any kind to the public officials involved, or to parties in any way connected to them, either directly or through intermediaries. Seeking or establishing positions of favour or relationships intended to provide unfair advantages is forbidden.

Relations with public institutions are conducted by specifically chosen and mandated staff, in accordance with values specified in this Code.

3.5 Relations with Trade Unions and Political Parties

Any relations conducted by Industrie Saleri with trade unions and political parties and their representatives or candidates are based on the principles of transparency and integrity, and are strictly in accordance with the law. Contributions in cash, goods, services or other benefits are forbidden, except for those required or specifically permitted by law and, in this case, authorised by the competent bodies within the company. Any contributions paid, or services rendered, by Industrie Saleri employees, are offered on a voluntary, personal basis.

3.6 Relations with the Media

Communication with the media plays an important role in the creation of the image of Industrie Saleri. Information provided to the press must be truthful and consistent and must only be provided by the managers and staff assigned to conduct media relations.

All Industrie Saleri staff are required to comply strictly with this principle.

3.7 Relations with Customers

Industrie Saleri aims to satisfy its customers' expectations by supplying high quality products in compliance with the relevant laws enforced to protect competition and the market (including national or international embargo and export control legislation), and by conducting its business with integrity, honesty and professionalism.

In the context of relations with customers, Code addressees undertake, as relevant to the posts held, not to make arbitrary discriminations between customers, to fulfil the commitments given, and to supply accurate, complete, truthful information, avoiding all misleading, underhand or unethical practices.

3.8 Relations with Supervisory and Judicial Authorities

Industrie Saleri undertakes to comply strictly and completely with the regulations enforced by the Supervisory Authorities and to provide them with its full cooperation, undertaking to implement their recommendations without delay and to provide accurate, complete, truthful information, without hindering their proceedings in any way or omitting data and/or information which they directly and/or indirectly request.

Industrie Saleri encourages a correct, transparent, cooperative approach in relations with the Police and the Judicial Authorities, and forbids any form of undue influence on anyone (employee, associate or third party) required to make statements to the Judicial Authorities.