



**BERTAZZONI SPA**

# ETHICAL CODE

Approved by the Board of Directors on 14 December 2017



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## ETHICAL CODE

A **Ethical Code** describes behaviours, values and criteria upon which good behaviour in daily activity should be based. Thus, ethical behaviour is defined as the way in which individuals who constitute and operate within in a company act, in accordance with the principles and values of the company involved.

This document sets out appropriate values which the Company intends to adopt, so that its operation takes place through correct, straightforward company procedures.

This Ethical Code asserts its principles of moral integrity, propriety, legality and compliance with applicable law.

Such principles are intended for those who are an integral part of Bertazzoni S.p.A. including all the companies that constitute the Bertazzoni Group.

As a result, the Code is intended for the Company's Directors, members of its governing bodies, employees, internal and external collaborators, customers, suppliers, and everyone who directly or indirectly has a relationship with the Company.

Those bound by the Code are required to comply with what is contained and affirmed in this document, so as to operate with transparency and loyalty in every Company process.



## Introduction: historical highlights

At the end of the 1800s, Francesco Bertazzoni started a business of building weighing instruments in Guastalla, Italy. In particular, he made scales for dairies, post offices and pharmacies.

Guastalla proved to be a strategic location, as it is situated on the Parma-Suzzara railway line and in the centre of Italy's northern area, so it could connect with Italy northern regions and even reach the Austrian Empire.

During this period people began using the first kitchen stoves in the area. In fact, Austrian railway workers began to sell early models of economical kitchen stoves. These attracted the attention of Mr Bertazzoni who, at the turn of the century, with his son Antonio began to build stoves for the local market.

Initially, they produced only several dozen stoves a year, but production increased and then grew exponentially. The success of these products was such that Antonio Bertazzoni could participate in the 1906 International Expo in Milan, which was held on the occasion of the opening of the Sempione tunnel.

Bertazzoni's success continued and, three years later, he was one of the exhibitors at a trade fair in Florence, as the Bertazzoni name was well known on the national level in Italy. The business continued in the hands of Antonio Bertazzoni. Aided by sons Ettore, Attilio, Napoleone and Arturo, Antonio continued running his business in the years that followed but died before he could see the first production line completed. In fact, between 1908 and 1909, his children opened the first factory, which they had built near the Guastalla railway station.

A turning point occurred in 1923, when the four brothers decided to increase the company's visibility and adopted the acronym *FBG* for *Fratelli Bertazzoni Guastalla* (Bertazzoni brothers, Guastalla) and, most importantly, launched the *La Germania* brand. These decisions proved to be crucial to the company's success over the next fifteen years.

In 1937, Ettore, one of the Bertazzoni brothers, retired. And in February of 1939, Napoleone died. For about a year, the family business was run by Napoleone's children – Benvenuto, Rubens, Irene, Vittorio, Vittoria and Francesco – with the assistance of their mother.

However, World War II significantly reduced the company's operations. As was true for many other businesses, *FBG La Germania* was faced with a scarcity of raw materials, which ultimately forced the company to suspend operations completely in 1943.

A few years later, the Bertazzoni brothers decided to go their separate ways. In 1948, Vittorio left his brothers and founded the Smalterie Metallurgiche Emiliane Guastalla company (SMEG). The following year, it was Benvenuto's turn to take the same step, as he withdrew from the family business to set up a company that produced kitchen stoves. At that point, only brothers Rubens and Francesco remained with the Bertazzoni company, now a corporation. In 1949, the brothers began devoting themselves entirely to the company.



The two brothers continued the company's traditional business for several years. In this, they were aided by the strength of La Germania brand which continued to be both renowned and popular with consumers over the years that followed.

Changes and the modernization process were evolving at a fast pace.

The Bertazzoni family continued along the same path and, in 1953, built their first tabletop cook tops. Two years later, it started manufacturing its first gas-fired kitchen stoves, with the first model being named the M55. Later on, this model was perfected with the addition of an oven, and thus the new M58 was introduced in 1958. The company's success also led to an enormous growth in employees numbers. The number of staff was destined to grow even more over the next two decades.

The Italian market was by far the primary outlet for the company's products. They were sold throughout Italy, and then the first stream of exports started flowing to foreign countries.

What followed was a strong upswing that was characterized by the creation of the company's first foreign markets. Today, the "Bertazzoni S.p.A." brand is exported to a host of countries, such as: Europe, Tunisia, Morocco, Egypt, Libya, North and South America and the Far East. Finally, in the 1970s, the torch was passed to a new generation with the entry into the company of Francesco Bertazzoni's son Paolo, who is the current CEO.



## Goals of the Ethical Code

The Bertazzoni Group has consistently been a source of collective prosperity, both for those who are involved in its day-to-day operations and for external partners and our community.

Our values are based on the contribution that each individual must make in their role and, most importantly, in the spirit of continuous improvement of one's technical and operational skills, by assimilating the best of contemporary know-how and then incorporating it into one's personal culture and that of the Company.

In addition to a desire to learn, the underlying principles of the Ethical Code include proper operation of the organisation, on behalf of which each individual is called upon to work with transparency, honesty, and respect for one's word and for rules and regulations.

This makes the Company attractive and, therefore, solid and competitive, and fully able to meet its founding goal of wealth creation.

On the occasion of a check on the conformity and effectiveness of its internal control system, as mandated by the provisions of Italian Legislative Decree 231/2001, the Company considers it proper to gather together and publish the assortment of the values and principles which have consistently distinguished the operations of the Company and its relationships with employees, collaborators, customers, suppliers, shareholders, partners and public authorities; i.e., with everyone with whom the Bertazzoni Group maintains corporate relationships.

It is in this spirit that the Bertazzoni S.p.A. Board of Directors approved this Ethical Code (hereafter referred to simply as the "Code") as a revision and modification of the previous Code.

It is an integral part of the Company's Organisation and Management Model, as described in Italian Legislative Decree 231/2001.

The Bertazzoni Group (hereafter referred to as the "Group" or the "Company"), in compliance with the provisions of Italian Legislative Decree 231/2001, has adopted an Organisation, Management and Control Model (hereafter referred to as the "Model") and has named a Supervisory Board whose task is to promote an awareness of the Code and its subsequent revisions/additions among all employees, collaborators, partners, consultants, etc. of the Company.



## 1. General principles

### 1.1 Scope of Application

The purpose of this Code is to highlight and formalize standards of behaviour that have long existed at the Bertazzoni Group and which all employees and collaborators must adhere to.

This Code likewise contains the ethical principles that are important to preventing crime and for complying with the provisions of Italian Legislative Decree 231/2001 as amended.

The Code applies to all Company activities, as well as – without exception – to all employees, collaborators, consultants, suppliers, partners and everyone who works to reach the goals of the Company (hereafter referred to as “Obligated”).

Its spirit the issue and interpretation of all policies, guidelines, procedures and regulations that have been or will be adopted by the Bertazzoni Group through its managerial offices.

The Code is also considered to be crucial to relationships with external collaborators and is an integral part of the conditions which govern labour relations.

Those Obligated by the Code must refrain from activities (even carried out free-of-charge), behaviour and acts that are in any way incompatible with the obligations associated with their relationship with the Bertazzoni Group and must participate actively in resisting all forms of corruption, in full compliance with the principles of legality, propriety, transparency and loyalty, and in line with what is specified in the Company procedures.

In addition to fulfilling their general duties of loyalty, propriety and execution of the labour contract in good faith, Company employees must scrupulously comply with the rules of the Code, whose observance is also required pursuant to and by effect of art. 2104 of the Italian Civil Code.

Furthermore, pursuant to art. 7 of Italian Law 300/197 (Workers' Statute), this Code is considered to be an integral part of the disciplinary system prescribed by the current National Collective Labour Contract.

To this end, the Code will also be brought to the attention of collaborators and commercial partners in business relationships, and anyone who has a business relationship with the Bertazzoni Group. The Company is thus committed to ensuring the widest possible dissemination of this Code, even through the use of learning tools and training aimed at raising the awareness of its contents.

### 1.2 Applicable laws and regulations

Since the Bertazzoni Group assigns special importance to the respect and implementation the principle of legality, it complies with all laws and directives issued by the authorities.



The Bertazzoni Group operates internationally, it is therefore important to point out that if the applicable laws in a particular jurisdiction are more permissive than the regulations in this Code, the latter prevails.

### **1.3 Obligations of employees, company officials and collaborators**

Bertazzoni Group employees carry out their assigned duties according to the principles of honesty, propriety, commitment and professional meticulousness, and perform their activities in compliance with applicable law.

Every action, operation, negotiation and, in a more general sense, any activity performed by Company employees must comply with rules of managerial propriety, transparency, completeness and truthfulness of information, as well as with Company procedures.

Collaboration, loyalty and mutual respect must govern the relationships between employees at every level, and also between employees and the third parties they deal with in the performance their professional duties.

All Group employees must obey applicable laws and regulations, and must be aware of, disseminate and comply with the rules contained in this Code, thus conforming to its ethical standards.

In particular, Bertazzoni Group employees are required to:

- behave responsibly toward the Company and toward third parties, and particularly must apply the principles of professionalism and professional diligence in their behaviour;
- refrain from behaving in a manner that violates the standards contained in this Code;
- inform – as required by their respective duties – the outside parties with whom they work regarding the commitments and principles contained in this Code, and expect that it be complied with;
- provide the Supervisory Board with any information on possible violations of the standards contained in this Code.

Those in charge of units/departments in the Company, as well as directors and managers, must in turn:

- display behaviour that sets an example for their colleagues;
- continuously support all concerned into complying with the standards contained in the Code by promoting its dissemination and understanding;
- carefully choose possible collaborators, employees and suppliers, by taking into account the level of confidence that they seem to be able to offer with regard to complying with the standards contained in the Code.

Bertazzoni Group collaborators (including, but not limited to, consultants, intermediaries, etc.) and anyone that has business relationships with the Company, are required to adhere to the principles contained in the Code.

The Company is committed to achieving the fullest dissemination of the Code, in ways that include display on bulletin boards accessible to personnel and publication on its website [www.bertazzoni.com](http://www.bertazzoni.com), and to imposing – with consistency, impartiality and uniformity – penalties that





are proportionate to any violations that occur. In any case, such penalties will comply with all applicable provisions that govern labour relations.

#### **1.4 Commitments of the Bertazzoni Group**

The Bertazzoni Group, also through the Supervisory Board for the departments it oversees and in other ways, will:

- promote the dissemination, discussion and updating of this Code;
- verify reports of any alleged violations;
- impose the relative penalties, if such violations are confirmed;
- guarantee that nobody is subjected to discrimination and/or reprisal for reporting possible violations of this Code.

## **2. Behaviour in the management of company operations**

### **2.1 General provisions**

Transparency, loyalty, propriety, impartiality, honesty, legality and integrity are values that are fundamental to the Bertazzoni Group, which is why they must always be respected.

In particular, business operations must be carried out with consideration given to the general interests of Bertazzoni Group. No person, company or entity that has a relationship with a collaborator of the Bertazzoni Group may inappropriately gain an advantage because of said relationship with that collaborator and/or latter's position in the organisation. No director, employee or collaborator of the Bertazzoni Group may personally benefit from the his/her position in the organisation. Situations must be avoided that may create conflicts between the responsibilities of the collaborator to the Bertazzoni Group and his/her personal interests.

The behaviour of Obligated persons must reflect compliance with applicable laws and regulations. It is the responsibility of each Obligated person to comply with said laws and to avoid behaviour that could involve the Company in illegal, immoral or illegitimate actions.

Pursuing or fulfilling the interest of the Company in violation of law is never acceptable.

Without prejudice to strict compliance with the provisions of the Organisation, Management and Control Model as per Italian Legislative Decree 231/2001, nobody may directly or indirectly receive, ask for, pay or offer compensation, gifts, economic advantages or other benefits from or to a public or private entity, which:

- exceed a modest value and the limits of reasonable, customary courtesy and may be subject to being interpreted as intended for improperly influencing the relationship between the Bertazzoni Group and the aforementioned entity, regardless of whether the purpose is in the exclusive interest or for the exclusive advantage of the Company.



## **2.2 Relationships with Public Administration**

In relationships with Public Administration, every employee and/or external collaborator must apply the principles of loyalty, propriety and transparency.

No collaborator may dispense money or any other material benefit, or offer or promise improper economic advantages or favours, to Public Administration officials or to those who act on behalf of Public Administration departments or to their relatives – whether Italians or foreigners – unless what is being given/offered is a gift or benefit of limited value and is customarily given/offered at particular times and complies with Company policy on expenses and, in any case, is given/offered in full compliance with law.

Offering or accepting a valuable item, service, consideration or favour to gain more favourable treatment in any relationship with the Public Administration is prohibited. The above principles cannot be evaded by resorting to third parties.

## **2.3 Relationships with public institutions**

Relationships with national, EU and/or international public institutions, as well as with public officials or those assigned to public service – such as boards, representatives, agents, exponents, members, employees, consultants, clerks in public departments, public institutions or regulatory authorities and/or other independent administrative authorities – must be carried out in strict compliance with applicable laws. Such relationships are governed by the regulations in the Organisation Model mandated by Italian Legislative Decree 231/2001 and by Company procedures.

The Group is committed to maintaining toward the above institutions and individuals an attitude of the greatest degree of cooperation, in the spirit of transparency and propriety, whatever the nature of their relationship with the Group.

## **2.4 Relationships with suppliers**

In relationships with the suppliers of goods and services, in purchasing policies and, similarly, in subcontracting relationships, the goal is to favour the creation of stable relationships and partnerships. However, those involved must:

- ensure that no potential supplier with the necessary qualifications is excluded from competing for offering its products and/or services;
- comply with existing internal procedures, if any, for selecting suppliers and managing the relationships with them;
- handle the relative relationships with impartiality and propriety, in order to avoid conflicts of interest.

Suppliers are chosen and the conditions of purchase for goods and services are determined according to objective, impartial evaluations of the quality, prices and guarantees that are offered.



In its relationships with suppliers, the Bertazzoni Group applies the following principles:

- purchasing is handled by a dedicated office;
- the Company does not practice or approve of any form of “reciprocity” with suppliers. Thus, the goods/services sought by the Company are chosen and purchased exclusively according to their price and quality;
- any negotiations with a current or potential supplier must exclusively regard the goods and services that are the subject of negotiation with the supplier;
- personnel who handle the purchase of goods and services must not be pressured by suppliers to donate materials, products and/or money to charitable/solidarity associations or similar institutions.

Commitments must be taken on and relationships with current or potential suppliers must be handled in compliance with Company directives on conflict of interest and business management.

## **2.5 Relationships with external collaborators and consultants**

When professional assignments are given to external consultants and/or collaborators, those in charge of such matters must:

- comply with and ensure compliance with all existing applicable internal procedures;
- apply (as criteria for selection and for management of relationships) the principles of competence, inexpensiveness, transparency and propriety, and likewise evaluate the moral and professional integrity of the professionals to be involved;
- ascertain that no situations of incompatibility and/or conflict of interest exist;
- obtain a commitment by the outside party to comply with the ethical principles contained in this Code;
- ensure that all compensation and/or money paid out for any reason is suitably documented and is in any case proportional to the activity carried out, with due consideration given to market conditions.

## **2.6 Customer relations**

The ability to feel that our customers’ problems are our own problems, complete satisfaction of their needs, and a commitment to work together on individual goals in order to achieve maximum results have always been the purposes which the Bertazzoni Group and its affiliates pursue in their handling of customer relations.

To accomplish this, everyone involved in the field of customer relations must:

- be inspired by general values of propriety, honesty, efficiency and professionalism;



- avoid resorting to deceptive and/or unethical practices in any form;
- provide simple, truthful and clear information on products and services provided, so that the customer can make knowledgeable purchasing decisions.
- avoid granting and/or promising personal benefits to exponents, employees and collaborators of current or potential customers;
- avoid accepting and/or asking for inappropriate personal benefits for him/herself or others.

### **2.7 Relationships with competing companies**

In its relationships with competing companies and with the market in general, every company in the Bertazzoni Group is inspired by the principle of fair competition and acts in compliance with antitrust laws.

In performing their duties, all employees and collaborators must therefore comply with existing regulations on the protection of competitors, both in Italy and internationally. No employee or collaborator must assume that he or she can ignore the regulations, in the belief that such action is in the interest of the Bertazzoni Group.

Thus, giving orders and/or issuing directives that conflict with provisions of law in this field is strictly prohibited.

## **3. Behaviour in the handling of monetary flows and accounting, company communications and prevention of conflict of interest**

Transparency, truthfulness, clarity and precision must lie at the heart of procedures for managing monetary flows and accounting.

Every operation and/or transaction must be duly recorded, authorized, verifiable, legitimate, consistent and congruous. All actions and operations performed by and on behalf of the Bertazzoni Group must be adequately recorded, and it must be possible to check the decision-making, authorization and executive processes for such actions. Each operation must have proper supporting documents, so that checks can be made at any time which certify the characteristics of and reasons for the operation, and so that the person who authorized, carried out, recorded and verified the operation can be identified.

Every employee and collaborator, within the scope of his or her responsibilities, must ensure that every operation related to Company operation is correctly and promptly recorded on the books.

Each accounting entry must exactly reflect what is indicated on the supporting documents. Therefore, every employee and collaborator involved in accounting must ensure that the supporting documents can be found easily and is organized in a logical way.



The Bertazzoni Group promotes and disseminates – at every corporate level – a culture of control by raising the awareness of its employees about the importance of the internal control system and about compliance with applicable regulations and company procedures while performing their duties, in order to:

- determine whether company procedures are adequately efficient, effective and inexpensive;
- ensure the reliability and correctness of accounting entries, and safeguard the Company's assets;
- ensure that accounting and tax operations comply with applicable law and internal Company directives.

Internal control systems include the sum total of controls which individual Company departments perform on their own procedures to protect Company assets, effectively manage Company operations and provide clear information on the Company's assets, economic and financial health, and activities whose purpose is to identify and limit corporate risks.

### **3.1 Secrecy of data and handling of information**

The activities of the Bertazzoni Group constantly require the acquisition, storage and handling of data on every process and operation carried out for the purpose of executing Company procedures.

As the operations of the Company take place, its know-how, production processes and special technical and IT information require a high level of protection, both within Company processes and externally in relationships with third parties.

An appropriate legal regulation contained in art. 2105 of the Italian Civil Code prohibits workers from divulging information pertaining to the Company and its production methods, and also prohibits the improper use of said information, which can cause the Company damage or detriment.

The purpose of this ban is to protect two fundamental interests: conservation of competitiveness and, as a result, protection of market position.

The obligation not to compete requires workers to refrain from acts of competition that could harm the Company.

Every worker also has a general secrecy obligation, which is defined as a ban on divulging information regarding the Company's know-how, organisation and production, as well as all matters which the worker may come to know in the course of the work being performed and which could be harmful if divulged.

Therefore, secrecy about protected information is required; i.e., about information containing technical and specialized knowledge, and specifically: information of any kind on production, marketing and sales, technologies and research, as well as corporate, administrative, legal/ fiscal, tax and court trial information.

Within the duties assigned to them, employees and collaborators are required:



- to contribute actively to the correct, effective functioning of the internal control system;
- to treat as confidential all information on Company operations, and specifically: all information that Directors, employees and collaborators come to know in their positions;
- to prevent the creation of possible confidentiality constraints deriving from relationships with third parties;
- to avoid benefitting possible competitors and to safeguard responsibly any company assets that are instrumental to the work being performed, whether they are material or non-material, and not to use such assets improperly.

The Supervisory Board and the Company departments involved in controls have free access to data, documentation and information that is useful to internal control operations.

### **3.2 Prevention of conflict of interest**

In carrying out their duties, Obligated persons must avoid situations in which those involved in transactions are or may appear to be guilty of, conflict of interest.

Conflict of interest is defined as the situation in which an Obligated person pursues an interest that is different from the mission assigned by the Company or takes actions that may, in any case, interfere with his/her ability to make decisions in the exclusive interest of the Company; i.e., the individual takes personal advantage of business opportunities.

Those Obligated by the Code refrain from performing activities contrary to the interest of the Company, as they are aware that pursuing such interest cannot legitimize behaviour which is contrary to the principles contained in this Code.

If a conflict of interest may be occurring, the Obligated person involved shall immediately inform his/her superior and comply with the decisions that the latter makes in this regard.

## **4. Personnel policies**

### **4.1 General provisions**

The Bertazzoni Group considers the people who work at the Company to be of the utmost importance, as they contribute directly to its growth.

Human resources are the means through which the Bertazzoni Group is able to develop, improve and provide its services. Work is one of the main pathways taken by individuals to express their personalities and fulfil their lives; improving the quality of our work means improving our quality of life as well. The Bertazzoni Group is committed to developing the competence and skills of its employees, so that the commitment and creativity of each individual is fully expressed, in order to fulfil his/her potential in a manner that is consistent with the needs of the organisation. The Bertazzoni Group guarantees the psycho-physical integrity of its workers, in full respect of their moral character. To this end, those in charge are required:

- to select, hire, train, compensate and manage employees with impartiality; i.e., without being influenced by national origin, sex, age, religion, race...in a word, without discrimination of any kind;



- to help create a work environment that meets safety requirements and protects the health of those who work there;
- to promote behaviours that are positively conditioned by the principles of social harmony, with complete cooperation and collaboration.

Each employee and/or collaborator is in turn required:

- to behave in a manner that respects the rights and personalities of co-workers;
- to use Company assets for the purposes they have been provided for;
- to avoid seeking personal advantage on the job.

The Bertazzoni Group is constantly committed to complying with national labour laws. To this end, at the Bertazzoni Group:

- the indirect or direct use of child or adolescent labour is prohibited;
- the indirect or direct use of forced or coerced labour, labour under the threat of punishment and labour under conditions of exploitation is prohibited;
- the full and unfettered right to organise into labour unions and to collectively bargain within the context of individual regulations and labour agreements is guaranteed;
- are forbidden: propaganda, instigation, incitement to racism and xenophobia, committed in any way and based on any reason, negation or minimization of serious facts that occurred in the past.

## **4.2 Harassment in the workplace**

The Bertazzoni Group expects that work relationships do not become a platform for harassment of either a moral or physical nature.

Generally speaking, moral harassment or mobbing is any act, agreement or behaviour that generates – even indirectly – a prejudicial effect on the dignity and psycho-physical health of a worker.

Such harassment includes, but is not limited to:

- the creation of a work environment that is adverse to or alienates a single worker or group of workers;
- hindrance or undue interference in another person's employment prospects that results from mere personal competitiveness;
- behaviour or allusions that may disturb a worker's serenity through discrimination about the worker's physical condition, opinions, national origins or religious beliefs;
- harassment and/or psychological mistreatment that can degrade personal dignity;
- oppressive, criticizing actions that affect a worker's psycho-physical health directly or even indirectly;



Physical harassment is defined as any act or behaviour with a sexual connotation that is so offensive to another person's dignity that it creates a climate of intimidation.

Sexual harassment includes, but is not limited to:

- intimidation, threats and blackmail for the purpose of having a sexual relationship;
- rendering employment decisions important to the person involved contingent on acceptance of sexual overtures;
- sexual harassment in general, such as acts, behaviour and allusions that may disturb the serenity of the person involved in any way.

Finally, all types of direct or indirect discrimination are prohibited, as specified in Italian Legislative Decree 5/2010 (supplementing Italian Legislative Decree 198/2006) on equal opportunity and equal treatment of men and women in the field of employment.

## **5. Protection of safety, health and the environment**

Compliance with laws is a top priority for the Bertazzoni Group and for its collaborators and employees. The Bertazzoni Group is constantly committed to protecting the environment, health and safety of the workplace.

Every employee and/or collaborator must be aware of the implications of law on his/her activities, and management is required to provide the necessary information and instructions on these matters. The closest attention must be paid to safety and the environment, these are principles that everyone must apply in their daily activities constantly and in every situation. Each person is required to scrupulously obey laws and Company directives issued to protect the health, safety and environment of the workplace. It is not only a professional duty, but also an ethical responsibility to prevent and eliminate situations that could cause risk inside and outside Company facilities. In this regard, depending on one's position and responsibilities, the following are expressly required:

- to obey all regulations, procedures and instructions on the protection of health, safety and the environment that require authorizations prescribed by applicable law and are in compliance with the Company's integrated Quality and Safety Management System;
- to prevent and/or eliminate situations that may cause risk inside and outside Company facilities;
- to ensure the safety of all employees and/or collaborators;
- to ensure that technological development is coordinated with environmental protection;
- to promote activities and processes that are as compatible as possible with the environment, through the application of advanced criteria and technologies for environmental protection, energy efficiency and the use of sustainable resources.

Given the nature of its core business, the Bertazzoni Group guarantees that work conditions respect individual dignity, and that work environments are safe and healthful, in compliance with regulations on accident protection, health and hygiene in the workplace.





The Group also strongly promotes the dissemination of a culture of safety and of being aware of the risks associated with the work being done, by requiring everyone operating at every level to behave responsibly and in a way that complies with the Company's safety system and with all the procedures which are an integral part of that system.

In this regard, every employee and collaborator, and everyone working in the Company's offices and factories in any capacity, is required to contribute personally to maintaining the safety and quality of the environment where he/she works and must strictly comply with the Company's safety system and its procedures.

The Bertazzoni Group thus is committed to:

- ensuring that all activities are safe, by reconciling operational strategies with Company policy on safety, health and the environment, in order to protect the health of employees and of the surrounding community;
- providing training and information, to those who work in the offices of the Company and throughout its facilities, regarding the safety risks they may be exposed to from time to time, and also to ensuring that all personnel have the tools and Personal Protection Equipment required by applicable law for the type of work they perform;
- regularly re-examining and continuously monitoring the performance and efficiency of the system which oversees safety risks, in order to keep workplaces safe and thus protect personnel and reach the goals that have been set by the Bertazzoni Group for continuously improving safety, health and the environment.

## **6. Prevention of money laundering**

In their various relationships with the Bertazzoni Group and its companies, Obligated persons must not be implicated – in any way or under any circumstances – in situations associated with the laundering of money deriving from illicit or criminal activity.

Before establishing relationships or stipulating contracts with fixed suppliers and other partners in business relationships, the Company and its employees and/or collaborators must verify the moral integrity, reputation and good name of the other party.

The Group is committed to complying with all national and international laws and provisions on money laundering.

## **7. Compliance with the rules of trade**

The Bertazzoni Group prohibits Obligated persons from taking any action that is intended to interfere with the regular exercise of industry and trade and/or from marketing products with counterfeit or modified names, brands and logos on any national or foreign market.



## **8. Protection of copyright**

The Bertazzoni Group is also committed to protecting brands, distinctive marks, patents, models and designs, and also to refraining from using industrial property rights and intellectual works of outside parties, beyond the cases allowed by law. As a result, illicitly reproducing, transcribing or marketing works created by others or protected by copyright, in any way or form, is prohibited.

## **9. Privacy and circulation of information**

### **9.1 Protection of privacy**

The Bertazzoni Group protects the confidentiality of information and data belonging to employees, collaborators and third parties which are collected for or during the performance of professional activities and are handled to fulfil contractual obligations.

The Bertazzoni Group has taken adequate security measures for protecting such data. Every employee and collaborator is required to adhere to these principles and comply with the relative Company procedures and regulations.

## **10. Disciplinary system**

As mentioned above, violation and/or failure to obey the rules of behaviour contained in this Code results in disciplinary penalties. In this area as well, see the provisions contained in the Model for more details. Generally speaking, a Company employee's violation and/or failure to obey the rules of behaviour contained in this Code constitutes failure to fulfil the obligations inherent in the employment relationship and is also regarded as punishable impropriety.

Penalties will be applied in accordance with the provisions of the National Collective Labour Contract for the sector in question and according to applicable law. Such penalties will be proportional to the seriousness of the situation. Verification of the violation, the initiation and handling of disciplinary procedures, and the levying of penalties are the province of the delegated Company departments responsible for these matters.

Violation of the standards contained in this Code constitutes failure to fulfil the obligations inherent in the employment relationship and is also regarded as punishable impropriety, with legal consequences that may even affect the employee's retention of his/her job. In addition to the levying of disciplinary penalties, such violation may result in the payment of compensation for resulting damages.

### **10.1 Supervisory Board**

All employees and collaborators who gain knowledge of presumed violations of this Code, or



of behaviour that does not comply with the rules of behaviour adopted by the Company, must immediately inform his/her superiors and the Supervisory Board set up in compliance with Italian Legislative Decree 231/2001. The Supervisory Board is named by the Board of Directors and is in charge of monitoring the operation of and compliance with organisational processes, and compliance with the principles contained in the Code. In particular, the Board:

- checks the actual ability of the Model to prevent the commission of the crimes listed in the Decree;
- evaluates and promotes revisions of the Model in response to changing conditions at the Company and/or possible modifications to laws;
- supervises communication and training whose purpose is to disseminate and verify knowledge of the content and principles of the Model and the Code.

To render the actions of the Supervisory Board more effective, specific individuals within the Company have been selected to facilitate the flow of information required by the Board for verifying violations of the Code and reviewing reports pertaining to it, as well as reports of activities at risk of being of a criminal nature. As described in the Model (see section 3, par. 3.4), the following email address is to be used for the communications described above: [odv@bertazzoni-italia.com](mailto:odv@bertazzoni-italia.com).

These individuals will check the authenticity of the alleged violations and, as a result, will interview the person who filed the report and/or the person who allegedly committed the violation. Information on official acts resulting from possible criminal activity, as described in Italian Legislative Decree 231/2001, must necessarily be forwarded to the Board.

The flow of information to the Supervisory Board is the means used to set up a communication system in relation to events and/or behaviour that violate the Company's internal standards. To be specific, the Supervisory Board will impose the appropriate disciplinary penalties described at point 4.2 et seq of the Model.

It is emphasised that no Obligated person is discriminated against or punished in any way for refusing to commit an action that constitutes or may potentially constitute corruption, even though said refusal results in the loss of business or other consequence that is harmful to business.

## **10.2 Violation of the Ethical Code – Resulting penalties**

Compliance with the provisions of this Code is to be considered an essential part of the contractual obligations of employees, pursuant to and by effect of art. 2104 of the Italian Civil Code, which reads: *"A worker must apply the diligence required by the nature of the work he is obligated to do, by the interest of the company and by the overriding interest of national production. He must also comply with provisions for executing and regulating work that are laid down by the business owner and by the owner's collaborators who the worker answers to"*.

Any violation of the provisions of this Code constitutes failure to fulfil the obligations of the employment relationship and/or punishable impropriety, in compliance with the procedures set down in art. 7 of the *Statuto dei Lavoratori* (Workers' Statute) and of applicable collective bargaining. Such violation entails legal consequences that may even affect the employee's



retention of his/her job and may lead to the payment of compensation for resulting damages.

Compliance with the principles contained in this Code is part of the contractual obligations taken on by all collaborators, consultants and other individuals having business relationships with the Bertazzoni Group. As a result, violation of the provisions contained herein constitutes failure to fulfil contractual obligations. Such violation entails legal consequences that may even include termination of the contract or work assignment and may lead to the payment of compensation for resulting damages.

## **11. Approval of the ethical code and relative amendments**

This Ethical Code was approved by the Board of Directors of the Bertazzoni Group with a **resolution dated 14 December 2017**.

The other companies in the Bertazzoni Group have agreed to adopt this Code.

Subsequent amendments and/or revisions of the Code will be approved by the Board and promptly communicated to Obligated persons.