

BUSINESS ETHICS

***PASELL* - Code of Ethics and Business Conduct**

PASELL

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EXECUTIVE BOARD

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The signatures above certify that this document has been reviewed and accepted and demonstrates that the signatories are aware of all the requirements contained herein and are committed to ensuring their provision.

*This Code of Ethics was approved by the **PASELL** Shareholders' Meeting on 15/01/2022*

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SCOPE OF THE DOCUMENT

The main scope of this document is to show the set of principles and lines of conduct to which **PASELL**'s Managers, Directors, Employees and Collaborators must comply in carrying out their work activities. The Code of Ethics represents the charter of fundamental rights and duties of the Company and defines its ethical-social responsibilities and the values that distinguish them: it is a voluntary document, drawn up to remind everyone and always of the spirit that animates **PASELL** and the ability to integrate its business activities with respect and protection of the interests of all the individuals with whom it relates and with the protection and the conservation of environmental resources.

PASELL core business is the engineering and manufacturing of components (concrete, rubber, plastic and metal) mainly concerned for White Goods Industries with production facilities in four countries:

- **PASELL s.r.l.** based in Forino (AV – Italy) and Montoro (AV – Italy),
- **PASELL SLOVAKIA s.r.o.** based in Poprad (Slovakia),
- **PASELL Beyaz Eşya Yan Sanayi ve Ticaret A.Ş.** based in Istanbul (Turkey),
- **PASELL Polonia Sp. zo. o.** based in Radomsko (Poland).

APPLICATION

This document is valid and applied to all the Companies of **PASELL**.

INTRODUCTION

PASELL operates in the EMEA market of White Goods Industries in Italy, the Slovak Republic, Turkey, and Poland with the production of concrete, plastic, rubber and iron products according to an Integrated Management System (Quality, Environment & Safety, CSR). The core business is the manufacturing and selling of counterweights for washing machines and dishwashers but also produces inlet and outlet hoses, rubber gaskets and metal components.

The primary target of the Group is the expansion of activities (both in the core business and in new sectors), to be implemented thanks to a flexible organization, a continuous drive towards research and development of new technologies as well as innovation (both product and process), also thanks to the use of a technological mix of automation and interconnection as required by Industry 4.0 and, above all, through continuous progress of international expansion.

Given the international nature of the business and to establish and maintain a relationship of trust between the Group and the various stakeholders, **PASELL** has decided to adopt a **Code of Ethics** which provides for constant compliance with the laws, the awareness that the legal rules may in any case not be sufficient and must be accompanied by a set of general and specific ethical principles, suitable for guiding individual and collective behaviours and choices for the best pursuit of the objectives set.

This code is based on the Universal Declaration of Human Rights of 1948, the Rio Declaration on Environment and Development of 1992, the ILO Declaration on Fundamental Principles and Rights of Labour of 1998 and the X principles of the UN Global Compact to which **PASELL** adheres from 2005 with the enhancement of the **17 Sustainable Development Goals (SDGs)** of the 2030 Agenda.

1 PASELL VISION

PASELL is aware that the authority of a Company is recognized, as well as by the competence of its employees and the high quality of the service provided to Customers, also by the attention paid to the needs of the global community.

The principles that have always inspired the work of the Group are formally collected in this **Code of Ethics and Business Conduct**, in the belief that reliability is built daily by respecting the rules and valuing people.

This Code of Ethics represents, therefore, a distinctive and identifying element towards the market and third parties, whose knowledge and sharing, required of all those who work in the Group and/or who collaborate with, are the foundation of our activity and the first step to contribute to the pursuit of our *Vision*.

PASELL target is therefore **to pursue excellence in the market in which it operates, also through a Sustainable Development, safeguarding the Environment and the Safety of the people involved through the consistency of behaviour that respects Social Ethics, obtains satisfaction and ensures added value for the Employee, for the Customer and, in general, for the Community.**

This target is pursued through **SDG 9 – Building resilient infrastructure and promoting innovation and fair, responsible and sustainable industrialization**. Industrial processes that do not impact the environment are promoted and the expansion of infrastructures is encouraged by developing innovation and research processes in compliance with the principles of sustainability, reducing waste and encouraging the reuse of the same in production cycles (**SDG 12 – Ensuring sustainable models of production and consumption**).

2 DEFINITIONS

In this Code of Ethics, the following definitions apply, it being understood that those in the plural are also applicable to the relative term in the singular and vice versa.

- **Code of Ethics:** this document, contains the set of principles, and values of internal and external responsibilities of all the subjects and bodies operating in and with **PASELL Group**.
- **Collaborators:** persons who - due to their proven experience and specialization - collaborate with the Group by autonomous contracts for the performance of highly qualified professional services.
- **Recipients:** the members of the Board of Directors, the Chief Executive Officer, the top management, managers, employees, posted workers, collaborators, suppliers, financial operators and all those who maintain relations with the Company or carry out activities on its behalf.
- **Internal recipients:** employees, all collaborators of **PASELL** for any reason, even occasional and/or only temporary, as well as members of the Board of Directors, the Auditor and the Board of Statutory Auditors who may be present.
- **Employees:** all those who have a subordinate employment relationship with the Company, managerial and non-managerial qualifications.
- **Suppliers:** natural or legal persons who provide goods, services and advice to the Company and their collaborators.
- **Clients:** legal persons who receive goods, services and advice in favour of the Company and their collaborators.
- **Company:** **PASELL** and all the companies forming part of the Group.
- **Structure:** indicates the Area/Management/Function in which the Company is divided.
- **Stakeholder:** all subjects, individuals or organizations actively involved in the activities of Companies, whose interest is (negatively or positively) influenced by the result of the activities carried out and whose action (or reaction) in turn influences them.

3 PRINCIPLES OF GENERAL CONDUCT

The conduct of the Recipients, at all company levels, is based on the principles of legality, correctness, non-discrimination, confidentiality, diligence, loyalty, protection of the rights and dignity of workers, transparency, the lawfulness of financial and tax transactions and activities carried out through IT media and environmental protection.

3.1 Legality

PASELL essential principle is compliance with the laws, regulations and, in general, the regulations in force in Italy and in all the foreign countries in which it operates, as well as this Code of Ethics and company procedures. Therefore, the Company conducts its activities to ensure the compliance of its acts and documents with the purposes set by law, regulations, in general, by the regulations in force in Italy and in all the foreign countries in which it operates as well as by this Code of Ethics and company procedures. All Recipients are therefore required to observe all applicable legislation and to constantly update themselves on legislative developments, also making use of the training opportunities offered by **PASELL**.

The Company considers the transparency of financial statements and accounting a fundamental principle for the exercise of its activity and the protection of its reputation.

3.2 Correctness

Correctness and moral integrity are indefectible duties of all Recipients.

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

In carrying out their activities, the Recipients are required not to accept donations, favours or utilities of any kind (except for objects of modest value) and, in general, not to accept any counterpart to grant advantages to third parties improperly.

In turn, the Recipients must not make donations in cash or goods to third parties or in any case offer illicit utilities or favours of any kind (except for objects of modest value or gifts of commercial courtesy authorized by the Company) in connection with the activity they provide for the benefit of **PASELL**.

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

3.3 Non-Discrimination

In relations with Stakeholders and in particular in the selection and management of personnel, in the work organization, in the choice, selection and management of suppliers, as well as in relations with Bodies and Institutions, **PASELL** avoids and repudiates any discrimination concerning age, sex, race, ethnicity, sexual orientations, the state of health, the political and trade union opinions, the religion, culture and nationality of its interlocutors. **PASELL**, at the same time, promotes integration, promoting intercultural dialogue, and the protection of the rights of minorities and the weak.- **SDG 10: Reducing inequality within and between nations.**

3.4 Confidentiality

PASELL undertakes to ensure the protection and confidentiality of the personal data of the Recipients and Stakeholders, in compliance with all applicable regulations.

The Recipients are required not to use confidential information, learned because of their work activity, for purposes unrelated to the exercise of this activity, and in any case to always act in compliance with the confidentiality obligations assumed by **PASELL** towards all Stakeholders.

In particular, the Recipients are bound to the utmost confidentiality on documents suitable for revealing know-how, transport information, commercial information and corporate transactions.

3.5 Diligence

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

The Recipients must refrain from any activity that may constitute a conflict with the interests of **PASELL** by waiving the pursuit of personal interests in conflict with the legitimate interests of the Company. In cases where the possibility of a conflict of interest can be depicted, the Recipients are required to contact, without delay, their hierarchical superior so that the company can evaluate, and possibly authorize the potentially conflicting activity.

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

In addition, internal Recipients are required to comply with the company procedure relating to the authorization/communication of assignments from other companies/individuals or bodies / Public Administrations.

3.6 Loyalty

PASELL and the Recipients undertake to achieve fair competition, in compliance with national and Community legislation and, in the awareness that virtuous competition is a healthy incentive to innovation and development processes and protects the interests of consumers and the community. Honesty is the key ethical principle for the activities carried out by **PASELL** for the fulfilment of its *mission*. The Recipients must be aware of the ethical meaning of their actions and, in no case, the pursuit of the corporate interest can justify a work that does not comply with an honest line of conduct.

3.7 Protection of workers' rights and dignity

PASELL protects the organizational well-being in the workplace, promotes a relaxed collaborative working climate, promoting the willingness to listen to prevent any situations of conflict, discomfort and exclusion from the production context, as well as discriminatory, harassing and harmful conduct. Each internal Recipient works to guarantee a serene and prejudice-free working environment with respect for the person and the dignity of the individual. The relations between the Recipients are based on values of civil coexistence as well as on the fundamental principles of the Constitutional Charter that

affirm equal social dignity, without discrimination on grounds of nationality, language, sex, race, religious belief, political and trade union membership, physical or mental conditions.

3.8 Transparency

The Company informs, clearly and transparently, the stakeholders about its situation and its economic and managerial performance, without favouring any interest group or individual.

3.9 The lawfulness of financial and tax transactions

The management of **PASELL** tax obligations responds to the principles of correctness, truth, accuracy and completeness of the data provided to the Public Administration through tax returns.

The Company undertakes to provide accounting representations corresponding to its tax situation and to guarantee the truthfulness, correctness and completeness of the accounting elements included in the VAT return, in the invoices concerning services performed or received, and to refrain from including in the tax returns expenses not incurred.

3.10 The lawfulness of the activities carried out using computer supports

The computer equipment supplied to the Recipients must be used in full compliance with the laws in force, its intended use, and internal regulations to protect its conservation and functionality, also as computer security.

The Recipients are required to use the IT tools and access to telecommunications networks provided to them by ID by current laws and company procedures.

It is therefore forbidden and completely unrelated to the Company an incorrect use of the IT tools owned by **PASELL**, from which the commission of conducts integrating abusive access to a computer or telematics system of third parties, the interception, impediment or unlawful interruption of computer or telematic communications, the damage to information, data and private computer programs or even used by the State or other public body may derive or in any case of public utility and damage to the computer or telematic systems, both private and public utility.

In addition, it is also absolutely forbidden to hold and disseminate abusive access codes to a computer or IT system, the dissemination of computer equipment, devices or programs aimed at damaging or interrupting a computer or network system, as well as the installation of equipment designed to intercept, prevent or interrupt computer or IT communications.

3.11 Environmental Protection

The Company contributes constructively to the ecological sustainability of all its activities. **PASELL**'s commitment to safeguarding the environment is realized through the planning of activities that pursues a balance between economic initiatives and essential environmental needs in compliance with national and international regulations on the subject. To this end, the Company adopts all measures aimed at reducing the environmental impact of its activities and undertakes to implement measures aimed at raising awareness and respect for the environment.

4 RELATIONS WITH EMPLOYEES AND COLLABORATORS

PASELL recognizes the fundamental role of human resources, an important strength point, which requires professionalism, dedication, loyalty and a spirit of collaboration. Relations between Employees at all levels are, therefore, inspired by criteria of fairness, collaboration, solidarity and mutual respect, also in a logic of development of people's well-being, and, more generally, organizational well-being.

The Company undertakes to adopt criteria of impartiality, merit, competence and professionalism for decisions relating to employment relationships with its Employees and offers everyone, in full compliance with the laws and the CCNL, the same job opportunities, so that they can enjoy a fair regulatory and remuneration treatment, based exclusively on criteria of merit and competence. The Administrator works to ensure that all the managers of the individual company structures, both Italian and foreign, as far as they are competent, adopt behaviours consistent with the criteria listed above. In full compliance with **SDG 3 - Ensuring health and well-being for all and all ages**, **PASELL** puts into practice a series of actions that guarantee not health and safety at work, but also ensure that business operations do not negatively impact the right to health.

4.1 Personnel Selection

The evaluation and selection of personnel are carried out according to fairness and transparency, respecting equal opportunities to combine the needs of **PASELL** with the professional profiles, ambitions and expectations of the candidates.

PASELL also contributes to the achievement of **SDG 1 - Ending all forms of poverty in the world** by creating job opportunities for the most disadvantaged groups, guaranteeing decent pay conditions for employees, and positively impacting local communities.

PASELL undertakes to take all useful measures to avoid any form of favouritism in the personnel selection process using objective and meritocratic criteria, respecting the dignity of the candidates as well as in the interest of the good performance of the company. The personnel hired, also through the implementation of this Code, receive clear and correct information about the roles, responsibilities, rights and duties of the parties.

The UN 2030 Agenda for Sustainable Development reaffirms the urgency of eliminating the worst forms of child labour, the need to promote safe and healthy working environments for all workers and sets the goal of ending all forms of child labour by 2025.

PASELL also wants to contribute to correcting the disparities present within the communities where there are violations of human rights in which the physical and mental moral well-being of children is endangered: no form of child laborism is admitted.

No person under the age laid down by national legislation shall be employed by any supplier before completion of compulsory school education. All appropriate measures must be taken to ensure that child labour is not used, such as:

- a register of workers with dates of birth;

- ensure that adult workers have wages by the provisions of the national CCNL, to guarantee a dignified life for themselves and their families, avoiding minors from working;
- support programs for the education, training and counselling of child workers and their parents.

Furthermore, as provided for in **SDG 8** – Encouraging *lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all*, **PASELL** does not use or support forced, compulsory prisoner labour or recourse to any form of slavery in production activities.

4.2 HR Management

PASELL protects and enhances its human resources, committing itself to maintain the necessary conditions for the professional growth, knowledge and skills of each person, carrying out the appropriate training for professional updating and any initiative aimed at pursuing this purpose.

All workers receive a copy of the employment contract in which the conditions of commitment, the voluntary nature of the work, the freedom to terminate the contract and the related penalties in case of interruption of the employment relationship are indicated.

PASELL promotes the participation of workers in the life of the company, providing participatory tools able to collect opinions and suggestions, ensuring their widest participation.

Fermor remaining the maximum availability towards the Company, no worker may be obliged to perform tasks, services or favours not due according to his employment contract and his role within the company.

The Company is firmly committed to combating episodes of *mobbing, stalking*, psychological violence and any discriminatory behaviour or detrimental to the dignity of the person inside and outside the company premises. Relations between employees must be conducted with loyalty, fairness and mutual respect, in observance of the values of civil coexistence and the freedom of people.

4.3 Professionalism and respect for the Company, colleagues and external stakeholders

Employees must act loyally, in compliance with the obligations signed in the individual employment contract, the provisions of the Code of Ethics and Company regulations in force, ensuring high standards of professionalism and fairness in the services rendered.

All employees must strive to maintain a decent and collaborative working environment in which the dignity of each individual is respected. In particular, all employees must avoid behaviour that may create an intimidating or offensive climate towards colleagues or subordinates to marginalize or discredit them in the work environment.

Employees must avoid behaviour that damages **PASELL** assets, business management, the relationship with interested parties and the image of **PASELL**.

The behaviour towards customers is based on availability, respect and courtesy, with a view to a collaborative relationship and high professionalism.

The decisions taken by each one must be based on principles of sound and prudent management, they must be adopted by carefully evaluating the potential risks, in the awareness that personal choices contribute to the achievement of positive business results.

All transactions and transactions must be inspired by the utmost correctness from the point of view of management, the completeness and transparency of information, formal and substantive legitimacy and clarity and truth in accounting evidence, by current regulations and company procedures, and must be subject to verification.

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5 ENVIRONMENT

5.1 Environment

Climate change is a phenomenon that afflicts all countries and people in the world. Global warming continues to rise, greenhouse gas emissions are currently 50% higher than 1990 levels, and it is expected that by 2030 they will increase by 45% again unless immediate enforcement action is taken. The consequences of climate change can be irreversible if urgent measures are not taken. **SDG 13 – Promote actions, at all levels, to combat climate change** intended to introduce climate change as a primary issue also within companies and encourage education and awareness of the entire population. **PASELL** is also contributing significantly to reducing its greenhouse gas emissions, through the use of renewable energy instead of fuels using electricity produced by its photovoltaic systems. These investments **in SDG 7 – Ensuring access to affordable, reliable, sustainable and modern energy systems** for all– have been made for over a decade anticipating the global problems related to the desire to reduce the use of fossil fuels.

5.2 Work environment

PASELL is committed to offering its staff a healthy, safe and hygienic working environment that respects the dignity of workers according to the parameters set by current legislation to safeguard the health of employees, third parties and recipients who are required to strictly comply with the prevention and safety measures in force.

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

PASELL protects the health of its workers, also ensuring compliance with hygiene and health prevention rules. It is therefore provided with periodic supply the use of adequate equipment for the physical protection of workers. The inadequacy or ineffectiveness of accident prevention or prevention devices must be immediately reported to the internal structure in charge.

In addition, as required by law, medical assistance is guaranteed to workers in the event of an emergency and the identification of workers in charge of such medical assistance following training on first aid procedures. Medical examinations take place every year as scheduled.

There is an adequate number of fire extinguishers and/or hydrants in case of fire, placed at an adequate distance between them. These devices are periodically checked to ensure proper functioning and accessibility by all internal recipients.

6 BUSINESS MANAGEMENT

6.1 Compliance with internal procedures

PASELL believes that management efficiency and a culture of control are essential elements for achieving the objectives.

The Recipients are required to strictly observe the procedures and instructions within the company and must act according to their respective authorization profiles and must keep all appropriate documentation to keep track of the actions taken on behalf of the company.

6.2 Accounting management

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

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

All items in the accounts must therefore be supported by complete, clear and valid documentation, avoiding any form of omission, falsification and/or irregularities.

In the case of assets or economic items based on valuations and estimates, their registration must be based on criteria of reasonableness and prudence.

6.3 Anti-money laundering legislation, collections and payments

PASELL undertakes to comply with all national and international rules and regulations on anti-money laundering and the financial fight against international terrorism.

The directors, employees and collaborators, in the context of the various relationships established with the companies that make up the **PASELL** group, must not, in any way and under any circumstances, be involved in events related to money laundering from illegal or criminal activities.

Before establishing relationships or entering into contracts with non-occasional suppliers and other partners and/or Customers in business relationships, employees and/or collaborators must operate in compliance with company protocols and procedures, and avoid carrying out suspicious operations in terms of correctness and transparency. In particular, employees and collaborators must ensure, in advance, the moral integrity, reputation and good name of the other party.

With particular regard to the traceability and preservation of records, recipients must comply with the following requirements:

- all financial transactions made by or in favour of the company must be preferentially carried out and through traceable electronic channels trying to definitively eliminate cash receipts and payments or other means similar to cash;
- all financial transactions made by or in favour of **PASELL** must be accurately and fully recorded in the books and compulsory records;
- all payments must be made to you only to recipients to whom an obligation arises;

- no payments must be made to the subjects (natural or legal person) belonging to the lists related to the financial fight against international terrorism (UN lists, COMMUNITY lists and OFAC lists on the Bank of Italy website, Financial Intelligence Unit section);
- no false, incomplete or misleading records shall be created and no hidden and unregistered funds shall be established, nor may funds be deposited in personal or non-**PASELL** accounts or any unauthorised use of **PASELL** funds and resources made.

6.4 Protection of assets

The Recipients exercise their functions by trying to rationalize and contain the use of company resources: they are required to correctly apply the provisions relating to security to protect *hardware* devices from unauthorized access, which could seriously infringe the rights to the protection of personal data of **PASELL** staff and Customers.

6.5 Communication

PASELL provides Stakeholders with suitable communication tools through which they can interact with the company to submit requests, ask for clarifications or make complaints.

PASELL promotes effective corporate communication able to put the company in contact with civil society, incorporate the demands, needs and requirements of the community and spread its values and mission.

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

PASELL advertising promotion respects ethical values, protects minors and repudiates vulgar or offensive messages.

7 EXTERNAL RELATIONS

7.1 Relations with Authorities and Public Administrations

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

The Recipients, unless expressly authorized, cannot relate in the name and on behalf of **PASELL** with the Authorities and with the Public Administration.

In relations with Public Officials, Public Service Officers, and the Public Administration in general, authorized Recipients land at the highest levels of correctness and integrity, refraining from any form of pressure, explicit or veiled, aimed at obtaining any undue advantage for themselves or **PASELL**.

In this regard, the authorized Recipients will be required to strictly observe the provisions of this Code, as well as, more generally, the provisions of the directives issued by the *management* of **PASELL**.

7.2 Relations with political and trade union organisations

PASELL does not favour or discriminate against any political or trade union organisation.

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

The Recipients are required to refrain from any direct, indirect or boastful pressure against political representatives or trade union representatives.

7.3 Relationship with Customers and Suppliers

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

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

The Recipients are required to constantly commit themselves to offering punctual and high-quality services to customers, trying to limit any form of disservice or delay to maximize customer satisfaction.

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

The choice of suppliers is made based on objective criteria of cost-effectiveness, opportunity and efficiency.

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

The Recipients must implement every possible control so that suppliers and customers are also able to comply with the fundamental ethical principles referred to in this Code.

PASELL has always operated in full collaboration between the Customer and the operator to transform the relationship into full partnership by applying internally the operating procedures sensitive to the

issues of Social Responsibility, taking inspiration and application from the best practices of its customers with whom it continues to develop policies for improvement and awareness.

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8 INTERNAL CONTROL SYSTEM

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

All Recipients are invited to report to their direct superiors the facts and circumstances potentially contrary to the principles and provisions of this Code.

PASELL management and the bodies responsible for this purpose take all necessary measures to put an end to the violations, being able to resort to any disciplinary measure in compliance with the law and workers' rights, including trade union rights.

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9 GUIDELINES OF THE SANCTIONING SYSTEM

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

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

These violations will therefore be immediately prosecuted by **PASELL** in an incisive and timely manner, through the adoption of appropriate and proportionate disciplinary measures.

The effects of violations of the Code of Ethics and internal protocols must be taken into account by all those who, for any reason, maintain relations with **PASELL**. Depending on the seriousness of the conduct carried out by the person involved in one of the illegal activities provided for by the Code, **PASELL** will take the appropriate measures without delay, regardless of whether the judicial authority is prosecuted.

Without prejudice to the above, conduct in violation of the Code of Ethics constitutes:

- serious non-compliance for employees (workers, employees, middle managers and managers), with the sanctions, applied depending on the severity, provided for by the CCNL of the category (verbal reprimand, written reprimand, fine not exceeding three hours of pay, suspension from work and pay up to a maximum of three working days, dismissal for just cause or justified reason); in the event of pending criminal proceedings or execution of a measure restricting personal freedom taken against the employee, before adopting the disciplinary measure, the sanction of suspension from service and remuneration may be adopted, for the duration corresponding to the outcome of the criminal prosecution or until the end of the duration of the measure restricting personal freedom;
- just cause for revocation of the mandate of the Directors;
- cause of immediate termination of the relationship, in the most serious cases, for external collaborators and subordinates;
- cause of immediate termination of the relationship, in the most serious cases, for suppliers, contractors and subcontractors.

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

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

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