



CODE OF ETHICS

CODE OF ETHICS



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1 Preamble

Tarros S.p.A. performs its activities and business in compliance with the laws and regulations of the countries where it operates as well as with the corporate rules according to the principles of lawfulness, fairness, transparency and respect for the individual dignity.

Moreover, Tarros S.p.A. aims at improving competitiveness on the market in full compliance with the principles of fair competition and at promoting the correct and responsible use of resources focusing on social responsibility and environmental protection.

The objectives of increasing production and market share as well as of strengthening the ability to create value are pursued ensuring suitable decision-making and operational standards to the Company's structures and processes with the purpose of developing new businesses, improving business efficiency and risk management and measurement systems.

This Code of Ethics has been drawn up to ensure that Tarros S.p.A. ethical values are clearly defined and constitute the basis for business culture and behavioural standards for all the collaborators when performing the Company's business activities.

The ethical principles listed in this Code of Ethics are essential in crime prevention pursuant to Legislative Decree 231/2001 and are the basis for the crime prevention system.

2 General Purposes and Application

Tarros S.p.A.'s Code of Ethics contains the general principles and behavioural rules considered by the Company to have a positive ethical value with which all the Recipients shall comply.

Recipients are the Company administrators (hereafter the "Administrators"), all the employees, including managers (hereafter the "Personnel"), as well as anyone who, although not belonging to the Company, directly or indirectly operates on behalf of Tarros S.p.A. (e. g. agents, collaborators, consultants, suppliers, commercial partners, hereinafter referred to as "Third-Party Recipients").

Recipients shall comply with and enforce compliance, within the limits of its powers, with the principles contained in the Model and the Code of Ethics which is part of it.

All the rules contained in the Code of Ethics, conforming the corporate behaviours to particularly high ethical standards based on fairness and transparency, make it possible to safeguard the stakeholders' interests as well as the Company's image and reputation, at the same time ensuring ethical market strategies.



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3 General Principles Regulating Corporate Activities

The Company has felt the need to clearly formalize all the principles to which it attributes a positive, primary and absolute ethical value. These principles represent the fundamental values with which all the subjects shall comply according to the Code of Ethics while carrying out the Company's mission and in general the Company's activities.

In particular the fundamental ethical principles followed by Tarros S.p.A. refer to the following values and areas of activity:

- **responsibility and compliance with the current laws, codes and regulations**
- **fairness:** recipients shall behave fairly to avoid conflicts of interest, that is all the situations where the pursuit of any individual interest is in contrast with the Company's interests and mission. Moreover, all those situations shall be avoided where employees, administrators or other recipients can take undue advantage and/or profit from opportunities arisen while carrying out their activities;
- **impartiality:** Tarros S.p.A. rejects and repudiates any discrimination principle based on sex, nationality, religion, personal and political opinions, age, health, economic conditions of their interlocutors, including their suppliers. Any subject who thinks they have been discriminated shall report to the Supervisory Board that shall verify the actual violation of the Code of Ethics;
- **honesty and transparency:** these values represent the fundamental principles on which all Tarros S.p.A.'s activities, undertakings, products and/or services, statements and communications are based and are an essential part in the Company management;
- **integrity:** Tarros S.p.A. neither approves nor justifies any violent action or threat aimed at a behaviour contrary to the regulations in force, including the ethical rules and/or the Code of Ethics;
- **efficiency:** every activity shall be performed taking into account the management and utilization of the corporate resources according to the most advanced quality standards;
- **fair competition:** Tarros S.p.A. recognizes the value of competition when based on the principles of fairness, correctness and transparency towards operators on the market, and is committed not to damage competitors and their brand image unjustly;
- **privacy protection:** Tarros S.p.A. is committed to protect the privacy of recipients according to the regulations in force, aiming at avoiding the transmission and dissemination of personal data without the data subject's consent. The acquisition, processing and retention of the disclosed information and personal data regarding the Personnel and Third-Party Recipients are in compliance with specific procedures aimed at assuring that the personal data or information shall not be disclosed to any unauthorized party and/or body. These procedures are in compliance with the current regulations.



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- **spirit of service:** recipients, within their competence and responsibilities, shall behave in the pursuit of the corporate *mission* in order to assure a service of high social value, essential to the community that shall benefit of the highest quality standards;
- **the value of human resources:** human resources are a fundamental and inalienable value for the Company's development. Tarros S.p.A. protects professional growth and development in order to improve personal skills in compliance with the current regulations on personality rights, in particular as regards its Personnel's moral and physical integrity. Tarros S.p.A. is committed not to encourage any form of favouritism and nepotism as well as not to start any working relationship with third parties involved in terrorism. The Personnel is exclusively hired with regular employment contracts since no form of irregular work is tolerated. Applicants shall be informed on the characteristics of working relationships. Salary increases, incentives or promotions to a higher positions are granted not only in compliance with the law and the national collective agreement, but are also based on individual merits, as for example the ability to develop behaviours and organizational skills in compliance with the Company's ethical principles as indicated in this Code;
- **relationships with the community and environmental protection:** Tarros S.p.A. is committed to operate respecting the environment and the health of individuals, well aware of its social and ethical responsibilities towards the community where the Company operates and finds its resources;
- **relationships with local and public authorities:** Tarros S.p.A. pursues the goal of maximum integrity and fairness in its relationships, including the contractual ones, with public authorities and in general with the Public Administration, aiming at ensuring the maximum transparency in the institutional relationships in line with the needs of organizational and managerial autonomy of business operators. The relationships with institutional authorities shall be managed exclusively by subjects authorized to do so. In case a consultant or third party represents Tarros S.p.A. in its relationships with the Public Administration, said consultant or third party shall comply with the Personnel regulations; besides, the Company in its relationships with the Public Administration shall not be represented by a third party in case of any possible conflict of interest;
- **relationships with international operators:** Tarros S.p.A. ensures that all the relationships, including the commercial ones, with subjects operating at international level fully comply with the law and the regulations in force, with the aim of avoiding the risk of committing transnational crimes. For this purpose the Company shall take all the necessary steps to verify the reliability of these operators and the lawful origin of the capitals and means used in their relationships with the Company. Besides Tarros S.p.A., within the limits of its competence, is committed to cooperate with fairness and transparency with authorities, foreign ones as well, which may request information or carry out investigations as regards the existing relationships between the Company and international operators;



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- **rejection of any form of terrorism:** Tarros S.p.A. rejects any form of terrorism and takes all the necessary steps to prevent the risk of being drawn into terrorism, thus contributing to the achievement of peace among peoples and democracy. To this end the Company is committed not to start any working or commercial relationship with a third party, either a natural person or a legal person, involved in acts of terrorism as well as not to finance or in any case facilitate their activities;
- **protection of individual personality:** Tarros S.p.A. recognizes the need of protecting individual freedom in all its forms and rejects any manifestation of violence, above all if aimed at limiting personal freedom, as well as any form of juvenile prostitution and/or pornography. The Company promotes the sharing of these principles in its activities and among recipients;
- **protection of health and safety in the workplace and environmental protection:**
- Tarros S.p.A. makes any effort to pursue the aim of ensuring a healthy and safe workplace and respecting the environment. In this regard the Company takes the most suitable measures to avoid any risk linked to its activities and, where not possible, to carry out a suitable risk assessment in order to tackle risks directly at the source and eliminate them.

In its activities Tarros S.p.A. is committed to adapt work to the individual especially as regards the design of workplaces and the choice of equipment and working and production methods, in particular to minimize monotonous and repetitive work and reduce the impact of such works on health;

- **child Labour:**

The respect of human rights and protection of human dignity in the workplace are fundamental values for Tarros S.p.A.. For this reason the Company repudiates any form of labour exploitation, in particular of children labour, considering it as an unacceptable form of work and therefore absolutely prohibited.

Given the above, Tarros S.p.A. does not employ workers under the legal minimum age for employment in compliance with the current laws and regulations. The aforesaid principles and prohibitions are essential to Tarros S.p.A. and all the Company's suppliers, both in Italy and abroad, are requested to comply with them.

- **protection of workers in the performance of professional activities:**

Tarros S.p.A. does not tolerate any form of mobbing, violence or physical, psychological and/or sexual harassment in any relationship both inside and outside the Company.

For this reason Tarros S.p.A. condemns any behaviour aimed at creating an intimidating and hostile environment that isolates or discriminates a person or a group of workers, as well as unjustified interferences which may affect the personal and professional growth of each employee.

Therefore Tarros S.p.A. ensures a working environment that respects and protects the dignity of the person and promotes the development and growth of each employee considering their skills and professional aspirations, in line with the Company's organizational structure.



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4 Behavioural Principles and Rules

In this Code of Ethics Tarros S.p.A. has included a section dealing with behavioural principles and rules which shall be complied with in carrying out corporate activities, indicating as well the behavioural principles and rules to be complied with by each category of recipients. Tarros S.p.A. ensures and promotes a proper understanding of the Code of Ethics appropriately informing all the interested subjects. Tarros S.p.A. ensures appropriate training programmes to increase awareness of the values and ethical rules which are provided for by this Code of Ethics so that anyone is able to behave according to the aforesaid ethical standards.

a) Behavioural Principles and Rules for Members of Corporate Bodies

The members of corporate bodies who hold a key role, even if they do not belong to the Company, shall behave in compliance with the principles of the Model and the Code of Ethics of which it is part.

The corporate bodies act and decide with full knowledge of the facts aiming at creating added value in compliance with the principles of lawfulness and fairness. In particular in performing their activities they shall behave autonomously, independently and fairly in any relationship with any public or private interlocutor.

Besides, they shall behave responsibly and fairly towards the Company and refrain from taking any action in case of conflict of interest and shall consider any information which they obtain as confidential.

In particular the administrative body in performing its tasks shall act seriously, professionally and responsibly allowing the Company to benefit from its competence.

b) Behavioural Principles and Rules for the Personnel

Tarros S.p.A. ensures trust and respect in the workplace, where every employee feels they contribute to the Company's good reputation and the results achieved.

The Company selects, hires and promotes its Personnel only on the basis of the skills required, encouraging compliance with the principles of equality and equal opportunities and refusing any form of favouritism, nepotism or clientelism or any form of harassment, stalking or authoritarian behaviour.

It is absolutely forbidden to drink alcohol or use narcotics and/or psychotropic substances during working hours.

Employment relationships are based on contract and any form of undeclared work is not tolerated.



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The Personnel in their relationships both inside the Company and outside with other interlocutors shall behave in compliance with the current regulations and the behavioural principles of the Code of Ethics, pursuant to the Model and the Company procedures.

As a general rule the Personnel of Tarros S.p.A. shall avoid causing, performing or encouraging any behaviour which might lead, even potentially, to any of the forms of crime provided for by the Decree. The Personnel shall cooperate with the Supervisory Board during monitoring and investigation, providing any information and data requested.

Besides, the Personnel have the duty to report any violation of the rules indicated in the Model and/or the Code of Ethics, and of the behavioural principles regarding specific issues to the Supervisory Board, as shown below:

– **Conflict of interest:**

The Personnel shall avoid causing or encouraging any actual or potential conflict of interest with the Company as well as carrying out activities that might interfere with the ability of making impartial decisions in the best interest of the Company and in compliance with the provisions of this Code.

In particular the Personnel shall not have any financial interests in the Company of a supplier, competitor or customer and shall not carry out activities that may give rise to a conflict of interest.

If the Personnel are in a situation of actual or potential conflict of interest, they shall report to their supervisor, the administrative department or the Supervisory Board and avoid carrying out any kind of activity.

In particular the representatives of the Company and other subjects that may affect the Company's choices shall absolutely avoid using even only implicitly their position to influence decision-making to their advantage or to the benefit of relatives, friends and acquaintances for personal purposes of whatsoever nature.

– **Relations with the Public Administration**

All the relationships with Public Officials or Public Employees shall comply with the current laws and regulations as well as with the Model and the Code of Ethics in order to assure lawfulness, transparency and integrity in the performance of corporate activities.

It is forbidden for the Personnel to accept, offer or promise, directly or indirectly, sums of money, presents, objects, services, benefits or favours (also in terms of job opportunities or business activities directly or indirectly involving any employee), when dealing with Public Officials or Public Employees, to influence their decision-making in order to receive a more favourable treatment or undue services or for any other purpose in the performance of their official duties.

Presents and favours to Public Officials or Public Employees are only allowed when, being of insignificant value, they do not compromise the integrity and independence of the subjects and cannot be interpreted as a way to obtain advantages improperly.



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In case of investigations, inspections or requests by public authorities the Personnel shall assure due cooperation.

Tarros S.p.A. condemns any form of corrupt behaviour. Employees and collaborators shall report any attempt of extortion or blackmail by Public Officials to which they may be subject or of which they are aware to their supervisor.

Tarros S.p.A. does not reimburse campaign contributions personally given by their employees, administrators and other collaborators.

– **Relationships with Customers and Suppliers**

The Personnel of Tarros S.p.A. shall have fair and transparent relationships with customers and suppliers in compliance with the rules and regulations on business activities and the Company's specific ethical principles.

– **Personnel Training**

In carrying out their activities on behalf of Tarros S.p.A. the Personnel shall maintain a high standard of professional competence and therefore all the employees are requested to regularly take part in training programmes in relation to their field of competence.

– **Confidentiality**

The Personnel shall treat all the data, news and information acquired as confidential, also after termination of employment, and shall not disclose or use them for their own or third parties' speculative purposes. Any confidential information can be disclosed within the Company only to those who need that information in the performance of their work.

– **Diligence in the use of company assets**

The Personnel shall uphold the values and protect the assets which are entrusted to them by the Company, avoiding any situation that might affect the integrity and the safety of said assets.

In any case the Personnel shall avoid using resources, goods or materials belonging to Tarros S.p.A. to their advantage or anyway for improper purposes.



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– **Financial statements and other corporate documents**

The Personnel shall pay particular attention to the drawing up of the Financial Statements and all the other corporate documents.

In this regard it is necessary to assure:

an adequate cooperation among the corporate departments which are responsible for the drawing up of all the corporate documents;

- completeness, clarity and accuracy of the data and the information disclosed;
- compliance with the accounting principles providing adequate supporting documents, so that it is always possible to carry out controls in order to verify the characteristics and nature of any transaction undertaken and individuate who has authorized, carried out, recorded and verified those transactions.

Eventually, in order to avoid making or receiving undue payments, employees and collaborators shall comply with the following principles for documents and records management in all their negotiations:

- all the payments and any other currency transfer by or to Tarros S.p.A. shall be accurately recorded in the books of accounts and the mandatory accounting records;
- all the payments shall be made only to recipients and for the activities carried out pursuant to an agreement and/or approved by Tarros S.p.A.;
- false, inaccurate or misleading entries in any books or records of the Company are strictly prohibited; no undisclosed or unrecorded funds may be established and no funds shall be deposited into a personal account or into an account which does not belong to Tarros S.p.A.;
- any unauthorized use of funds or resources of Tarros S.p.A. is strictly prohibited.

– **Health and Safety in the Workplace**

The Personnel shall take care of their own health and safety as well as of the health and safety of the other subjects present in the workplace who may be affected by their acts or omissions, in compliance with training programmes, instructions and means provided by the employer.

Besides the Personnel shall:

- a) contribute, together with the employer, managers and supervisors to the fulfilment of the obligations concerning the protection of health and safety in the workplace;
- b) comply with the instructions provided by the employer, managers and supervisors for the purpose of collective and individual protection;



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- c) use work equipment, means of transport and safety devices appropriately;
- d) use safety devices and protection equipment correctly;
- e) immediately inform the employer, managers and supervisors about any lack of the means and devices mentioned in paragraphs c) and d), as well as about any possible dangerous situation of which they become aware, and in case of urgency act promptly, within the limits of their own competences and possibilities and without prejudice to the obligation indicated in paragraph f) below, to eliminate or reduce situations of serious or imminent danger, giving notice thereof to the safety representative;
- f) not remove or modify any safety, signalling or control devices without prior authorization;
- g) take good care of the personal protection equipment without modifying it and report any defect of the personal protection equipment to the employer, managers or supervisors;
- h) not carry out operations or manoeuvres autonomously which do not fall within their competence or which may jeopardize their own safety or the safety of other workers;
- i) take part in training programmes organized by the employer;
- j) undergo health check-ups in compliance with the law or in any case requested by a competent doctor.

– **Environment**

Tarros S.p.A. facilitates working conditions which protect the psychological and physical integrity of workers in compliance with the regulations on health and safety in the workplace.

Besides Tarros S.p.A. supports a sustainable development through activities aimed at:

- a. a continuous commitment to improve the quality of its performances by reducing emissions into the atmosphere, water and soil;
- b. a responsible use of natural resources also aimed at recycling and reusing fuels and energy;
- c. prevention and reduction of hazardous waste together with a correct hazardous waste management;
- d. prior assessment of the environmental and safety impact of all the new activities, processes and products.

– **Anti-money laundering/receiving stolen goods**

The Personnel shall take all the necessary measures to ensure transparency and fairness in commercial transactions.



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In particular it is necessary that:

- a) the tasks assigned to service companies and/or natural persons that take care of the economic and financial interests of the Company are set out in writing with the indication of the contents and the agreed economic terms;
- b) the competent departments verify the regularity of payments to third parties and control that the subject who has received the payment order coincides with the subject who actually receives the relative amount;
- c) the financial flows which show the transactions with other companies (intercompany payments/operations) are properly checked;
- d) the minimum requirements for the selection of suppliers for the acquisition of goods and/or services are fully met;
- e) the tender evaluation criteria are defined;
- f) with reference to the commercial and professional reliability of suppliers and partners all the necessary information is requested and obtained;
- g) in case of conclusion of investment agreements/joint ventures the maximum transparency is ensured.

c) Behavioural Principles and Rules for Third-Party Recipients

As mentioned above, the Model and the Code of Ethics also apply to Third-Party Recipients, that is external parties who act, directly or indirectly, to achieve the Company's objectives (including, but not limited to, representatives, agents, any sort of collaborators, consultants, suppliers, commercial partners).

These subjects, within the limit of their competence and responsibilities, are obliged to comply with the provisions of the Model and the Code of Ethics which is part of it, including the principles of ethical behaviour for the Personnel.

For this purpose Tarros Sp.A. in its letters of appointment and/or contractual agreements includes the relevant provisions which require Third-Party Recipients to fully comply with the Model and the Code of Ethics, and in case of violation, provide for the necessary measures to be taken by Tarros S.p.A., including the possible termination of employment.

– Behavioural Criteria towards Final Customers

Recipients shall promote maximum impartiality and reject any form of discrimination in their relations with customers.

Recipients shall ensure transparency in all their messages, communications and agreements with customers, avoiding phrases or expressions which are difficult to understand or may encourage unlawful or unfair trade practices.

Recipients shall be always courteous and available in any relationship with customers.



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Recipients provide for the continuous improvement of the quality of services offered to final customers.

The Company is committed to supply services that offer a real value in terms of accessibility, quality and price and are safe for their intended use.

– Behavioural Criteria towards Suppliers

The supplier selection process is based on the principles of lawfulness, fairness and transparency.

The choice of suppliers is based on objective and impartial criteria in terms of quality, level of innovation, costs and additional services offered.

Recipients are not allowed to receive presents, gifts or similar items unless they are attributable to courtesy and are of insignificant value.

The violation of the principles of lawfulness, fairness, transparency, confidentiality and respect for human dignity is just cause for termination of relationships with suppliers.

In the event that recipients are offered benefits by a supplier to obtain a business advantage, they must immediately terminate any relationship with that supplier and inform the Supervisory Board thereof.

Behavioural Criteria towards Intermediaries and Behaviour of intermediaries

The intermediary selection process is based on the principles of lawfulness, fairness and transparency. Intermediaries are recipients of transparent messages, communications and contracts which contain no phrases that are difficult to understand or may encourage unlawful or unfair trade practices.

Intermediaries, in their capacity of recipients, shall comply with the Code and relevant Protocols.

The violation of the principles of lawfulness, fairness, transparency, confidentiality and respect for human dignity is just cause for termination of any relationship with intermediaries.

In the event that recipients are offered benefits by an intermediary to obtain a business advantage, they must immediately terminate any relationship with that intermediary and inform the Supervisory Board thereon.

No form of donation or any type of benefit or advantage in favour of intermediaries is allowed which might, even potentially, be interpreted as going beyond general business practices.

In any case intermediaries are not allowed to give any form of donation, benefit, advantage or promise of said benefits for the purpose of obtaining preferential treatments while carrying out any kind of activity connected to Tarros S.p.A.

In particular intermediaries are not allowed to give any form of present, benefit or advantage or promise of said benefits to public authority representatives or their family members with the aim of influencing independence of judgement or obtaining



advantages of any kind.

Recipients who become aware of violations, omissions, forgery or negligence by intermediaries or one of their collaborators when performing their business are required to inform the Supervisory Board on the matter.

5. ANTI-BRIBERY AND CORRUPTION POLICY

Interaction with public officials and private sector employees

Law no. 190 of 6th November 2012 “Provisions for the prevention and repression of corruption and illegality in the public administration” and subsequent law no. 69 of 25th May 2015 “Provisions on crimes against the public administration, mafia-type associations and false accounting” and law no. 3 of 9th January “measures to fight crimes against the public administration as well as on the matter of statute of limitations and transparency of political parties and movements” have introduced some significant amendments to our legal system.

The crime of bribery initially regulated by Article 317 of the Italian Criminal Code, in recent times has been regulated both by the above mentioned Article 317 and by Article 319-quarter which defines it as “undue inducement to give or promise benefits”.

Article 2635 of the Italian Civil Code has been amended by adding the crime of “bribery between private parties” to the already existent crime of “breach of official duty after inducement to give or promise benefits”.

As regards these new crimes, unlike the previous definition, the procedural aspects are aggravated, too. As a matter of fact the crime was previously prosecutable on the action of the injured party, whereas at present it is prosecutable ex officio in case it leads to a distortion of competition in the acquisition of goods or services.

Penalties are doubled in the case of companies whose shares are listed on regulated markets. The law has also modified the crime of influence peddling defined by Article 346 bis of the Italian Criminal Code which punishes anyone who gives promises or benefits aimed at obtaining an illicit mediation – either existing, alleged or claimed – with a public official.

a) The Policy

The purpose of this Policy is to prevent bribery involving public officials and individuals working in the private sector and ensure compliance with ethical, transparent and fair trade practises in any relation with public officials and individuals working in the public sector, in compliance with the provisions provided for by the above mentioned laws and regulations which not only prosecute direct bribery, but also bribery committed by third parties.

b) Employees subject to the Policy

This Policy applies to managers, employees (including those who have a temporary or casual job) and collaborators.

c) Relevant Regulations

Bribery offences are governed by the Italian Law.



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d) General rules

- DO NOT offer incentives to public officials or individuals working in the private sector;
- DO NOT give money or other benefits to public officials or individuals working in the private sector;
- DO NOT offer gifts or hospitality to public officials or individuals working in the private sector, do not pay for travel, board and lodging expenses incurred by public officials or individuals working in the private sector who travel on business unless authorized by the present Policy.
- Any gift or entertainment given or offered, received or promised as well as any reimbursement of travel expenses incurred by public officials or individuals working in the private sector shall comply with the applicable rules and regulations

e) Definition of Bribery

With respect to this Policy bribery is defined as the act of unduly offering, giving or promising gifts, compensations, money or benefits to public officials or individuals working in the private sector in order to obtain improper advantage for themselves or third parties in the performance of their functions or the exercise of their powers, either to omit or delay the performance of their function, or for having they omitted or delayed the performance of their function, or to perform or for having performed an act contrary to their duties. Pursuant to the Italian law bribery is strictly prohibited both in the public and private sector. A lot of countries where our Company operates or may operate, e.g. Spain, France, Belgium, Germany, Hungary, Ireland, the Netherlands, Poland, Portugal, Russia, Sweden, the UK, the USA and Switzerland similarly adopt regulations that prohibit bribery in the public and private sector. Many of these regulations provide for bribery offenses committed in other parts of the world and not only on the national territory.

This Policy rejects any form of bribery both in the public and private sector.

Managers, employees and collaborators shall not give, offer or promise gifts, money, advantages or other benefits to individuals working in the private or public sector in circumstances which may give the impression that, due to their functions or position, they are given or offered incentives or money to induce them to act illegally or for having acted illegally.

Requesting or receiving an "undue advantage" is also bribery according to lots of international regulations.

f) Definition of Public official

With respect to this Policy public official shall mean:

- (i) any person holding a legislative, executive, administrative or judicial office in a state, whether elected or appointed, whether permanent or temporary, whether paid or unpaid, irrespective of that person's seniority;
- (ii) any other person who performs a public function, including for a public agency or public enterprise (state-owned enterprises included) or provides a public service as defined in the domestic law of each state and as applied in the pertinent area of law of that state;



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- (iii) any other person defined as an “official”, public official”, “mayor”, “minister” or “judge”(including any person who works in the public prosecutor’s office or exercises jurisdictional functions) as defined in the domestic law of the state where said person performs the aforesaid functions and pursuant to the criminal law of the state;
- (iv) Any officer or employee of a state-controlled or state-owned company;
- (v) Any international officer who works for an international public organization or any other person authorized by that international public organization to act on its behalf.

According to this Policy the term “public official” includes both domestic and foreign public officials.

g) Prohibition of Bribery

Managers, employees and collaborators must not engage in any form of bribery or corruption, including attempted bribery, involving public officials or individuals working in the private sector.

h) Anti-bribery Conduct

All the above mentioned persons are prohibited from promising, offering, giving, or accepting to give, directly or indirectly, to or from anyone, neither for themselves nor for others, any gift, payment, money, advantage or benefit, either financial or of a different nature, or other benefits of any type, which represent undue inducement or corruption in compliance with the rules and regulations of any state and shall ensure that their employees and agents strictly comply with these rules and regulations.

Managers, employees and collaborators must immediately report in writing any possible violation of the anti-bribery conduct to Tarros S.p.A.

They must always comply with this anti-bribery conduct.

Managers, employees and collaborators shall:

- Always strictly comply with the relevant anti-bribery conduct;
- Supervise employees, agents and subcontractors acting for or on behalf of Tarros S.p.A. to make sure that they comply with the present Policy;
- Inform anyone engaged by the Company that they are required to act in compliance with the present Policy when acting on behalf of the Company

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i) Facilitation payments

Tarros S.p.A. prohibits any form of facilitation payments.

Managers, employees and collaborators shall:

- not make, offer, directly or indirectly, any payment or gifts of value, such as compensations, entertainments, presents, benefits, bonuses, or other advantages which may be considered a facilitation payment to public officials or members of political parties (including anyone who is running for a public or political office or is a candidate for a public office or a political party) or individuals working in the private sector;



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- prevent from offering money or other benefits to foreign public officials to obtain advantages or facilitation payments in international business transactions;
 - ensure that, in their relations with intermediaries, all the payments and the necessary terms and conditions are documented and are in compliance with laws and regulations of each state or region.
 -
- j) Reporting violations and internal audit
Managers, employees and collaborators who become aware of violations or alleged violations of the present Policy shall report those violations to the Supervisory Board in compliance with the provisions of paragraph 4.6 below of the Code of Ethics.
Periodic audit shall be carried out to ensure compliance with the present Policy. The Company is responsible for monitoring the implementation of this Policy.
- k) Disciplinary sanctions in case of violation
Pursuant to the provisions relating to employment relationships, in case of violation of the present Policy which is proven by an internal audit or an investigation carried out by competent authorities, the managers and/or the employees in charge shall face disciplinary sanctions up to and including dismissal, in compliance with the current laws and regulations.
As regards collaborators, in case of violation of the present Policy which is proven by an internal audit or an investigation carried out by competent authorities, the express termination clause applies.
- l) Communications
The Company shall inform its managers, employees and collaborators about the present Policy and other updates also through continuous awareness-raising activities.

Interaction with Public Officials and Individuals working in the Private Sector

Managers, employees and collaborators working for the Company shall not offer assignments for either free or paid consultancy or cooperation services of any nature whatsoever to public officials or individuals working in the private sector.

Managers, employees and collaborators shall not offer, directly or indirectly, gifts or other benefits, unless they are of insignificant value.

Under this Policy a gift or other benefit of insignificant value is anything that has monetary value which does not exceed one hundred and fifty euros, in one calendar year.

Other prohibited behaviours

Actions carried out by third parties - Use of own funds

It is prohibited to allow third parties, such as subsidiaries, agents, sales promoters, consultants and sub-suppliers (e.g. sales agents, carriers, shipping agents, visa offices, etc.,) to commit any act which is prohibited or subject to restrictions under this Policy upon instruction, request or order from a manager, employee or collaborator.



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Pursuant to this Policy, the origin of the funds used to commit any of the acts which are prohibited or subject to restrictions does not in itself constitute a ground for excluding the existence of the offence.

6. Whistleblowing

Tarros S.p.A. protects recipients and/or Third-Party Recipients who report offences or violations of which they have become aware.

Recipients and/or Third-Party Recipients who report offences or violations of the Model shall submit a detailed report on the aforesaid offences or violations, based on precise and consistent evidence.

For this purpose Tarros S.p.A. provides appropriate reporting channels for reporting any conduct that constitutes an offence or violation: reports shall be transmitted maintaining the whistleblower's confidentiality and in compliance with the requirements of law no. 179 of 15.11.2017.

Tarros S.p.A. ensures the protection of the reporting person from any form of retaliation or discrimination, either direct or indirect, for reasons directly or indirectly related to the report.

Tarros S.p.A. pursuant to the guidelines on whistleblowing, provides for sanctions in case the measures for protecting whistleblowers are violated and in case whistleblowers report false information provided with wrongful misconduct or gross negligence.

7. Reporting to the Supervisory Board and by the Supervisory Board

Tarros S.p.A. ensures compliance with the rules and regulations appointing a Supervisory Board in charge of supervising and monitoring the implementation of the Code of Ethics.

The Supervisory Board in particular is in charge of:

- Constantly monitoring the correct application of the Code of Ethics and receiving as well reports or suggestions on the matter;
- Reporting any significant violation of the Code of Ethics;
- Expressing a binding opinion as regards the necessity of updating the Code of Ethics or the most relevant corporate policies and procedures in order to ensure compliance with the Code of Ethics.

Recipients of the Code of Ethics shall inform the Supervisory Board in compliance with their obligations, in particular as regards any violation of rules and regulations of the Model and the Code of Ethics, as well as of internal procedures.

The Supervisory Board must be informed in writing.

In any case the Supervisory Board shall ensure that the reporting person is protected from any form of retaliation, discrimination or penalty, ensuring their confidentiality (unless otherwise required by law).

The Supervisory Board shall report any violation committed employees or external collaborators to the bodies in charge of imposing sanctions.

The Supervisory Board shall also report any violation committed by managers.

Tarros S.P.A. provides appropriate reporting channels to submit reports regarding compliance with or violation of the Code of Ethics.



8. Implementing and Monitoring Compliance with the Code of Ethics

The task of supervising the application and observance the Code of Ethics is entrusted to the Supervisory Board that shall:

- a) monitor the application of the Code of Ethics in order to reduce the risk of commission of the offences provided for by the Decree;
- b) make observations both as regards the ethical issues which may arise in the decision-making process and the alleged violations of the Code of Ethics of which it has become aware;
- c) give all the clarifications and explanations requested, also in relation to the legitimacy of a given behaviour or conduct, or to the correct interpretation of the provisions of the Model or the Code of Ethics;
- d) supervise and coordinate the review of the Code of Ethics, also through own proposals;
- e) supervise the activities relating to communication, information and drawing up of the Code of Ethics;
- f) report any violation of the Code of Ethics to the competent corporate bodies and verify the application of any sanction imposed. In any case the violation notification process and the implementation and evaluation of sanctions are in compliance with the current rules and regulations as well as with the provisions of the Collective Labour Agreement and internal regulations, if applicable.