



PROSINO REGULATION ON CONDUCT IN BUSINESS RELATIONSHIP

Why does PROSINO have a Regulation on Conduct in Business Relationship (RCBR)?

PROSINO follows the principle of good corporate citizenship and considers its good reputation and integrity as crucial competitive advantages.

As a global company, PROSINO complies with the laws and regulations of all countries in which it operates. PROSINO bases business relationships with all its partners on the principles of honesty and trust. This requires a commonly agreed set of ethical standards and guidelines for behaviors.

The PROSINO Regulation on Conduct in Business Relationship (“the Code”) sets the minimum standards of conduct. Where local laws set higher standards than those set out in the Code, the local laws take precedence.

All actions and behaviors of all of PROSINO’s business units, officers and employees are consistent with the United Nations Universal Declaration of Human Rights, the International Labor Organization’s Fundamental Conventions, and the OECD Guidelines for Multinational Enterprises.

The Code does not replace personal responsibility or common sense. If an employee faces a dilemma not specifically addressed in the Code, he or she is strongly advised to check whether such an action is legal, could impact the good reputation of PROSINO and/or would be an embarrassment to the team or the family.

To Whom does the Code apply?

The Code applies to all officers and employees of the Company PROSINO. It is an integral component of the contract of employment and must be handed to new officers and employees when they commence their employment. Officers and employees who violate the Code are subject to disciplinary measures according to the local company rules, including the possibility of terminating the employment contract. Furthermore, where breaches of the Code imply a violation of the law, a criminal prosecution may result.

Superiors must act as role models for their employees by adhering to the principles set out in the Code. They also have a duty to inform, encourage and monitor their employees in relation to the observance of the Code.

Consultants, agents or subcontractors shall be encouraged to respect ethical standards and behaviors of the Code while doing business with PROSINO. The Company will seek to only do business with third parties that adopt provisions consistent with the Code.

Agents must comply with the Code when they are acting in the name of PROSINO or their behaviors have direct impact on PROSINO's reputation.

Inquiries and Reporting Violations of the Code

If an employee has any doubt about the proper action to be taken he or she shall consult with the superior or seek advice from the Legal Department.

PROSINO's employees are strongly encouraged to report any non-compliance with the Code. They should bring non-compliance to the attention of their superior. If an employee feels uncomfortable about approaching his or her own superior, a valid alternative is to make a notification to the "Integrity Line" under: info@prosino.com

It is in PROSINO's best interest that employees report breaches of the Code. For this reason, PROSINO will not tolerate any kind of discrimination against anyone who asks questions with regard to or reports violations of the Code, regardless of whether or not his or her claim can be substantiated.

1. Business Ethics

All PROSINO's officers and employees must refrain from actions which could harm the confidence of our business partners and the public in PROSINO. In particular, actions that are corrupt or immoral are prohibited.

Bribery

No PROSINO officer, employee or agent may offer, promise pay or give anything of value to government officials or representatives of PROSINO's customers or suppliers in exchange for an improper advantage, including a commitment to perform or expedite a routine action. PROSINO's officers and employees, who are asked for or are offered a bribe, must immediately inform his or her superior.

PROSINO's officers and employees may not accept or offer gifts or favors from and/or to suppliers, customers or other business partners. This excludes items of little value (less than € 150,00 or the equivalent in local currencies adjusted for purchasing power parity, unless local law sets forth stricter rules) or invitations to regular business events. Attendance at events lasting more than one day or requiring extensive travel at the invitation of the customer must be approved by the employee's superior in advance. Gifts of cash or cash equivalents, gifts that are illegal or immoral, as well as gifts that are offered in return for a consideration are always unacceptable, regardless of their value.

Conflict of Interests

The conduct of PROSINO's officers and employees in business situations shall always be oriented towards the best interest of the Company. Officers and employees shall avoid situations in which their private interests conflict with the interest of PROSINO.

PROSINO's officers and employees with interests in companies with which PROSINO maintain business relations must disclose their financial or other interest. All financial interests, must be disclosed to the employee's superior and the Company CEO. Other interests which must be disclosed include but not limited to all appointments, such as membership of boards of directors and advisory boards, and all consultancy contracts. This disclosure requirement also applies to close relatives, including but not limited to spouses, parents, children, brothers and sisters and their spouses.

Competition

PROSINO complies with the competition and anti-trust laws in all countries it operates and does not engage in any actions that restrict competition. In particular, PROSINO will:

- not fix or discuss prices or other business terms with competitors;
- not make any arrangements with competitors on dividing markets;
- use business terms that ensure respect the independence of its customers.

Intellectual Property Rights and Confidential Information

PROSINO commits to protect its own confidential business information and to respect the intellectual property rights and confidential information of its business partners and third parties.

Without specific permission by the owner, PROSINO officers and employees shall not use any material that is copyrighted by others or third-party trademarks.

PROSINO's officers and employees shall keep PROSINO's proprietary information confidential. Proprietary information includes but not limited to trade secrets, know-how, business ideas and processes. It must be kept in strictest confidence and only be used in the interest of PROSINO. A PROSINO officer or employee may only share proprietary information with third parties with the prior approval of the Legal Department and his or her superior.

2. Socially Responsible Working Conditions (incl. Health & Safety)

PROSINO respects the human rights of its employees and provides its employees with a professional, safe and secure working environment. PROSINO applies the following principles throughout its global organization:

➤ *Child labor*

PROSINO does not employ child labor and respects the minimum working age according to local laws.

➤ *Forced labor and working hours*

PROSINO does not accept any form of compulsory or forced labor and does not tolerate any kind of physically abusive disciplinary practices. Working hours always follow applicable local law.

➤ *Harassment and discrimination*

PROSINO does not tolerate any form of harassment and discrimination based on race, sex, religion, membership in unions or political parties, age, marital/parental status, pregnancy, national origin or ethnicity, social origin, disability or sexual orientation. Employees must be judged on the basis of their ability to do the job and not on the basis of their personal characteristics, conditions or beliefs.

➤ *Freedom of association and collective bargaining*

PROSINO recognizes the rights of employees to associate freely, join labor unions, seek representation and bargain collectively, in accordance with local laws.

➤ **Compensation**

PROSINO provides employees with fair compensation and benefits in compliance with applicable local laws.

• **Health and safety**

The health and safety of its employees are of utmost importance to PROSINO, the Company follows a comprehensive approach to health and safety management in order to achieve continuous performance improvement in this field.

3. Environmental Responsibility and Product

Safety

PROSINO is committed to conserving natural resources and demonstrate this in the choice of raw material, the optimization of material and energy consumption, and the systematic integration of environmental aspects in research and development, production, use and disposal. All PROSINO departments fully comply with legal requirements for environmental protection.

In order to achieve its environmental objectives, PROSINO works closely with suppliers and customers, advises and supports them in their efforts, so that they all play their role in minimizing the environmental impact of PROSINO's products during their entire service lives.

Safety of PROSINO's products for customers and their operating and maintenance personnel in all phases of the product life cycle is of great importance to PROSINO. PROSINO and its business partners will work closely together in order to achieve continuous improvement in this field.

Grignasco, valid as of October 15, 2020

Prosino S.r.l.



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