

Gruppo Borghi



CODICE ETICO

Approved by resolution of the Directors Board on the 28° of March 2024

"Ethics is knowing the difference between what you have the right to do and what is right to do." -
Potter
Stewart

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INTRODUCTION

Gruppo Borghi S.p.A. ("**Parent Company**") and its subsidiaries (collectively, the "**Group**" or "**Borghi Group**") are leaders in the environment of design, development and production of pipes and fittings for applications in the automotive, truck, agriculture, construction, material handling and engine sectors.

In the exercise of its activities, the Group considers important to clearly show the values, conduct rules and principles it recognises, accepts and shares, and the framework of rights and duties that must define the ethical-social responsibility of each participant in the corporate organisation.

Following this approach, the Borghi Group has deemed that the adoption of a Group Ethic Code ("**Code**" or "**Ethic Code**"), which clearly and transparently shows the set of inspiring values and principles, is important for the proper performance of the group business activities, for the achievement of its objectives, as well as for the protection of the legitimate interests of the "stakeholders".



SCOPE AND RECEIVERS

The content of this Ethic Code is binding for Gruppo Borghi S.p.a. and its subsidiaries For S.p.A., Borghi Impianti Oleodinamici S.p.A., T.Erre S.r.l., T.Erre Europe S.r.l. and T.Erre Polska Sp. z o.o.

The values and principles set out in the provisions of this Ethic Code are binding for anybody holding representative, administrative or management positions inside Borghi Group companies, or who exercise indeed a management and control role, all employees without exception, for those who also cooperate through a temporarily employment relationship and collaborate with such companies - for whatever reason - in the pursuit of their objectives, and - more generally - service providers, business partners and anyone who has business relations with one of the companies of the Group (hereinafter also only the "**Receivers**").

The Receivers are required to know and respect the principles and behavioural criteria contained in this Ethic Code, and to ensure that the Code is observed by those who operate within the scope of the functions for which they are responsible or who, for any reason, come into contact with the Group.

No circumstance, even when acting in the interest of the Group, or of one of its member companies, can justify the adoption of conduct contrary to those set out herein and, in general, to laws, regulations and rules applicable to the Group itself.

OUR MISSION

To be a Group capable of proposing appropriate solutions in the production of pipes and fittings used in multiple sectors from Automotive to Mining with a view to eco-sustainability, seeking to satisfy customer needs and to create value for shareholders, employees and the territory, in the awareness of the necessary respect for the ethical principles and rules of conduct expressed in this Code.

OUR VISION

To be the vanguard of innovation in business management by studying materials and production solutions that will always make us a reference for customers, designers, and competitors.



OUR VALUES

The **values** ('Values') of the Group are:

HONESTY AND RESPECT

We promote the principle of honesty in all internal and external relations, as well as respect for the rules and dignity of persons.

QUALITY AND INNOVATION

We promote and pursue excellence by improving products, processes and competencies to achieve business success.

CORPORATE SOCIAL RESPONSIBILITY

We promote corporate sustainability by activating measures and behaviours that support the environment, community and territory.

INDIVIDUAL RESPONSIBILITY

We promote individual awareness of actions value and effects.

TRANSPARENCY

We focus our work on transparent communication, so that everyone can express themselves openly and fair and lasting relationships can be built, both inside and outside the company.

COURAGE

We believe that courage and moral strength enable us to undertake and face changes, difficulties and challenges in order to seize all opportunities.

BELONGING

We feel proud of a great team, consisting of companies, employees, customers and suppliers.

ETHICAL PRINCIPLES

The Group accepts and shares the ethical principles ('Principles') set out below:

1. Legality
2. Impartiality and anti-discrimination
3. Professionalism and reliability
4. Conflict of Interest prevention
5. Confidentiality
6. Transparency and fairness in the management of corporate information
7. Fairness in contractual matters
8. Competition protection
9. Industrial and intellectual property protection
10. Money laundering prevention
11. Corruption prevention
12. People and human resources value
13. Occupational safety protection
14. Privacy protection
15. Environmental protection

1. LEGALITY

The behaviour of the Receivers, in their activities carried out on behalf of or in the interest of the Group, shall be marked by the strictest compliance with applicable national, Community and international laws.

The Receivers are, therefore, required, within the scope of their respective competences, to know and observe the laws and regulations in force in all the countries in which the Group operates. In this context, this also includes attention to and compliance with the regulations governing competition, both on the national and international market. The Group considers law respect a mandatory tool for achieving its objectives, and therefore the Group will not initiate or continue any relationship with those who do not intend to align themselves with this principle.

2. IMPARTIALITY AND ANTI-DISCRIMINATION

Group companies reject any discrimination on the basis of age, gender, sexual orientation, health status, race, nationality, political opinions and religious beliefs of its interlocutors when taking decisions affecting relations with stakeholders.

3. PROFESSIONALISM AND RELIABILITY

Borghesi Group carries out its activities in compliance with the highest standards of ethical and professional conduct. All the activities of the Group Companies must be conducted with the best commitment, diligence, professionalism and reliability, moral rigour and managerial correctness, also in order to protect the image of the Group and of the Companies themselves.

4. CONFLICT OF INTEREST PREVENTION

The Group's directors, employees and collaborators must avoid any situation and refrain from any activity that may conflict a personal interest - whether direct or indirect - with those of the Borghesi Group or that may interfere with and hinder the ability to make impartial and objective decisions in the interest of one of the Group Companies. Conflict of interest occurrence situations, beside being in contrast with the law and with the principles of the Ethic Code, is detrimental to the image and integrity of the Company and of the Group.

AS an example but not limited to, the following situations may give rise to conflicts of interest:

- having economic and financial interests, including through family members, with suppliers or competitors;
- instrumentalise their position for the realisation of personal interests that are in conflict with those of the Group or one of the Group companies;
- conclude, finalise or initiate their own negotiations and/or contracts - in the name of and/or on behalf of Group Companies - which have as counterparty their own family members or associates, or legal persons of which the Receiver is the owner or in which the Receiver is otherwise interested;
- perform work of any kind with customers, suppliers, competitors and/or third parties in conflict with the interests of the Group, except in cases permitted by law and/or authorised;
- taking personal advantage of information and business opportunities that come to personal knowledge in the course of own duties.

In the event of a conflict of interest, the Receiver must abstain from directly or indirectly participating in any decision or resolution relating to the matter to which the conflict relates, excluding any possibility of overlapping or in any way crossing, by instrumentalising their functional position, the economic activities responding to a logic of personal and/or family interest and the duties they hold within the Group.

ETHICAL PRINCIPLES

5. CONFIDENTIALITY

Borghi Group recognises confidentiality as an essential rule of all conduct. Group Companies shall therefore ensure confidentiality and protect informations confidentiality , which constitutes corporate assets, even when referring to third parties, and shall refrain from using confidential data (such as, by way of example but not limited to, corporate data that are not in the public domain, business process management methods, information relating to customers, suppliers and consultants), except in the case of express and conscious authorisation and, in any case, always in strict compliance with current legislation.

The communication of confidential information to third parties must only be made by authorised persons and, in the communication of confidential information to third parties, the confidential nature of the information must be expressly stated and compliance with the obligation of confidentiality demanded to the third party.

No Receiver may derive any advantage of any kind, direct or indirect, personal or pecuniary, from the use of confidential information or personal data acquired in the course of activities carried out for one of the Group Companies, nor may he/she communicate such information to others or recommend or induce others to use it.

Confidentiality is also ensured through the adoption of appropriate protection measures for company data stored on computer media. In the case of access to electronic information protected by passwords or data encryption systems, the latter may only be known by the assignees, who are obliged to preserve it carefully and not to disclose it.



6. TRANSPARENCY AND FAIRNESS IN THE MANAGEMENT OF CORPORATE ACTIVITIES AND INFORMATION

The Borghi Group ensures maximum transparency in its business processes.

In compliance with the principle of transparency, every action, operation and/or transaction must be correctly recorded in the company accounting system, in accordance with the criteria indicated by law and the applicable accounting principles, duly authorised and be verifiable, legitimate, consistent and congruous. The information flowing into the accounts, both general and analytical, must comply with the principles of clarity, transparency, correctness, completeness and accuracy.

For accounting documents to meet the requirements of truthfulness, completeness, accuracy and transparency of the recorded data, adequate and complete supporting documentation of the activity performed must be kept for each accounting transaction:

- accurate accounting records;
- the immediate identification of the characteristics and reasons underlying the transaction;
- the easy reconstruction of the decision-making, authorisation and implementation process, as well as the identification of levels of responsibility.

Each Receiver, to the extent of his or her competence, shall act in such a way that all data pertaining to the management of the Group's reference company is correctly and promptly recorded in the accounts.

In the management and execution of the Company's activities, the Receivers are required to render, also externally, transparent, truthful, complete and accurate information, refraining from spreading false news or carrying out simulated operations, as well as to behave in a collaborative manner to ensure the regular and complete communication of information, data and acts of the Company.

ETHICAL PRINCIPLES

7. FAIRNESS IN CONTRACTUAL MATTERS

Contracts must be drafted with care to comply with the applicable regulations and, like work assignments in general, must be performed as consciously agreed by the parties.

The Borghi Group undertakes to ensure timely and exhaustive information on all matters concerning its business and not to take advantage of situations due to inadequate information or knowledge of its counterparts.

8. COMPETITION PROTECTION

Borghi Group believes in healthy and fair competition as well as in a competitive market and acts in compliance with antitrust regulations in order to guarantee free, undistorted and effective competition for the benefit of competitors, customers and Group Companies. Therefore, deceptive behaviour, agreements or understandings between competitors, actual or potential, that may constitute forms of unfair competition or violations of current antitrust regulations are prohibited. In particular, Group companies undertake not to use improper means, such as hiring personnel from competitors to obtain confidential information or encouraging competitors' personnel to disclose confidential information about their own company.

In this perspective as an example, the Receivers are prohibited from discussing with competitors prices or other commercial conditions, sharing of markets, customers or territories, business opportunities, capacities, volumes, corporate strategies.

9. INDUSTRIAL AND INTELLECTUAL PROPERTY PROTECTION

In order of legality principle implementation, the Borghi Group ensures compliance with domestic, EU and international regulations on the industrial and intellectual property protection. Group companies therefore guarantee compliance with the regulations on the protection of trademarks, patents and other distinctive signs and on copyright, and in this respect prohibit conduct aimed, in general, at duplicating or reproducing, in any form and without right, others work.

10. MONEY LAUNDERING PREVENTION

The Company's commitments to fairness, transparency and honesty mean that maximum transparency is required in business transactions and relations with third parties, in full compliance with national and international regulations on fighting against money laundering.

All financial transactions, including those within the Borghi Group, shall be adequately justified in the contractual relations and shall be carried out through means of payment that guarantee traceability.

The Companies of the Group repudiate any conduct aimed at using, replacing, transferring, or in any case concealing, sums of money whose illicit origin is known or suspected, whether internal or external. Accordingly, the Receivers may not enter into business relations on behalf of one of the Group Companies with consultants, customers, suppliers or third parties who do not give guarantees of honourableness, do not enjoy a good reputation or whose name is associated with money laundering.

11. CORRUPTION PREVENTION

Relationships with customers, consultants and suppliers, as well as with all kinds of interlocutors, are characterised by fairness, cooperation, loyalty, honesty and mutual respect.

In particular, Receivers who represent one of the Borghi Group Companies, or act in their interest, or have business relations with them, must abstain from any form of corruption with reference to both public and private subjects.

The Borghi Group does not allow any form of payment or granting of advantages to public subjects, customers, business counterparties and third parties in general, that is not strictly resulting from a negotiated obligation or a business relationship governed by a contract.

The Group also expects its customers, suppliers and others to share this principle and act in accordance with it.

12. PEOPLE AND HUMAN RESOURCES VALUE

For the Borghi Group, human resources represent an indispensable and precious development value. Therefore, Group Companies adopt procedures and selection methods, recruitment, training and management based on respect for human values, rights and responsibilities of workers, favouring their development and professional growth.

Group companies also protect the value of the human person and do not allow any discriminatory conduct or any form of harassment and/or personal and/or sexual offence.

To obtain this goal, Borghi Group promotes an organisation of work that is marked by respect, also when selecting personnel, for the personality and dignity of each individual and prevents, at all times, the creation of situations of discomfort, hostility or intimidation.

ETHICAL PRINCIPLES

Borghi Group also promotes the protection of individual freedom and personality as inalienable. It repudiates any activity that may involve any possible exploitation or reduction to a state of subjection of the person.

Group companies are therefore committed to ensure that no form of harassment or discrimination based on age, gender, sexual orientation, race, colour, language, nationality, political and trade union opinions, religious beliefs, marital and family status, disability, genetic information or other personal characteristics not related to work can find a place in the work environment and in the exercise of company activities.

The Group's companies also guarantee the correct fulfilment of all regulatory requirements aimed at ensuring, on the part of the employer, the correct remuneration and contribution treatment of personnel, as well as lawful residence in the territory in the case of foreign employees.

13. OCCUPATIONAL SAFETY PROTECTION

Borghi Group companies promote and guarantee the occupational health and safety of their employees in their offices, facilities and, more generally, in all workplaces.

Group companies are also committed to guarantee working conditions that respect individual dignity and safe and healthy working environments, also through the disclosure of a culture of safety and risk awareness, promoting responsible behaviour from everybody, also through training activities, in compliance with company procedures and current accident prevention regulations.

The objective is to ensure compliance with the measures necessary to protect health and safety at work from the design phase of work processes and activities, by implementing actions aimed at improving occupational health and safety performance, identifying areas for improvement and controlling and reducing environmentally harmful substances.

With this in mind, each Receiver is called upon to share this value and to contribute personally, in the context of his or her own reality, to maintain the safety of the working environment in which he or she operates, and to behave responsibly to protect his or her own and others health and safety.

14. PRIVACY PROTECTION

The privacy of employees, all stakeholders and third parties in general is protected by adopting standards specifying the information that companies require from data subjects and the way in which it is processed and stored, in accordance with relevant legislation.

Every Receiver is required to ensure the confidentiality of personal and sensitive data in his possession and for the processing of which he has been authorised, respecting the standards and security measures laid down by the individual companies in order to prevent their unlawful use or unauthorised access, processing or disclosure.

15. ENVIRONMENTAL PROTECTION

The Borghi Group considers the protection of the environment to be of primary importance, onto its business activities, taking into high consideration the protection of the environment, pursuing the improvement of the environmental conditions of the community in which it operates, in full compliance with current regulations.

The Group's companies therefore aim to plan their activities by seeking a balance between economic initiative and the unavoidable requirements of environmental protection, enhancing their performance improvement activities, and ensuring the correct application of the technologies used in order to contain the related environmental impacts.

Research and technological innovation, therefore, are particularly dedicated to the promotion of environmentally friendly activities and processes.

RELATIONS WITH RECEIVERS

SECTION I: Relations with staff

Group companies adopt the principle of corporate delegation, implemented by means of general and/or special powers of attorney, as well as delegation of tasks, to ensure the devolution of powers and functions to their individual human resources, in order to guarantee the presence in the various corporate procedures of legally responsible persons, exercising on them the duty/power of supervision.

16. PERSONNEL SELECTION

Without any prejudice to the obligations deriving from the provisions of the law, personnel selection is subject to the verification of the candidates' full compliance with the professional profiles required, in compliance with equal opportunities for the persons concerned. Group companies, within the limits of available information, adopt appropriate measures to avoid favouritism, nepotism or forms of patronage in the selection and recruitment stages.

The Group Companies, in relation to personnel evaluation, undertake to ensure that in their corporate organisation, when annual or monthly targets are set, whether general or individual, these are focused on a possible, specific, concrete, measurable result and related to the expected time for their achievement.

Any discrimination about race, sex, nationality, religion, language, trade union or politics, in hiring, remuneration, promotion or dismissal, as well as any form of favouritism, is prohibited.

17. STAFF RECRUITMENT

Staff are hired on the basis of regular employment contracts, as no form of employment relationship that does not comply with or otherwise circumvents current legal provisions is permitted.

At the start of the employment relationship, each employee receives information on the characteristics of the function and tasks to be performed, regulatory and salary elements, as regulated by the employment contract, rules and procedures to be adopted in order to avoid possible health risks associated with the work activity.

This information is presented to the person in such a way that acceptance of the assignment is based on an effective understanding of its content.

18. STAFF TRAINING

The Borghi Group attaches primary and qualifying value to training, and dedicates resources, appropriate tools and time to the achievement of behavioural objectives.

Group companies provide people with information and training tools using the most appropriate techniques, with the aim of enhancing specific skills and preserving the professional value of personnel.

19. STAFF DUTIES

Personnel must act loyally in order to comply with the obligations subscribed to in the employment contract and with the provisions of this Ethic Code, ensuring the services required in the performance of their duties, to comply with the law, and to base their conduct on the ethical principles of integrity, fairness, loyalty and good faith.

Staff are also required to comply with the following:

(a) Confidentiality of company information:

Company information and know-how must be protected with the high level confidentiality. The most significant data created or stored, during everybody's activity, will be considered confidential information and will be given appropriate attention: this also includes information acquired from and concerning third parties (e.g. customers, professional contacts, consultants, employees, etc.). Staff shall observe the duty of confidentiality even after termination of employment.

Personnel shall not release information on acts and measures relating to ongoing administrative, civil and criminal proceedings, as well as on the route of the trial, before such information has been officially authorised by the Company.



RELATIONS WITH RECEIVERS

SECTION I: Relations with staff

(b) Gifts, gratuities and other benefits:

It is not permitted to offer or receive, directly or indirectly, money, gifts or benefits of any kind in a personal capacity, to or from third parties (e.g. the Public Administration, associations, other organisations of a similar nature, suppliers, etc.) for the purpose of gaining undue advantage for oneself or for one of the Group Companies, influencing the receiver's autonomy of judgement.

If it is impossible to refuse or return the gift, or the refusal may have negative consequences for the relationship, the employee must inform the hierarchically superior manager, who will assess the action to be taken.

(c) Obligations to abstain:

Employees are required to refrain from taking personal advantage of business opportunities of which they become aware in the course of their duties. Each employee and collaborator shall refrain from conduct and decisions that may directly or indirectly favour their own interests.

They are also obliged to refrain from marketing showing the image of the Group or one of the Group companies in a form that is detrimental and likely to engender mistrust in them.

(d) occupational safety:

Staff are required to comply with health and safety at work regulations and to take all steps required by their employer to protect their own personal safety and that of their colleagues.

20. CORPORATE ASSETS PROTECTION

Each Receiver is required to act with diligence to protect corporate assets, through responsible conduct and in line with the operating procedures drawn up to regulate their use.

Company assets are assigned to personnel if needed for their work activity and their use shall be limited to exclusive professional needs, except their use for personal purposes within the limits and in situations of particular necessity and urgency.

No Receiver may misuse company assets or allow others to do so. Every Receiver must undertake to protect the company's resources and ensure their efficient use.

Theft, carelessness and waste have a direct impact on the company's profitability. Every suspected incident of fraud or theft must be reported promptly through the appropriate channels implemented by each Group company.

21. DUTIES OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Persons who hold positions of representation, administration or management, as well as supervision and control, are required to conduct themselves with best honesty, transparency, fairness and independence.

Senior persons are required to perform their duties by exercising their role with awareness and a sense of responsibility, working in full cooperation and mutual information, in order to promote the coordination and pursuit of the company's goals, and guaranteeing the correctness of the documents and information provided carrying out the relevant governance functions.

Persons who hold positions of representation, administration or management, as well as of supervision and control, are obliged to refrain from carrying out any activity that may harm the interests of the Group and from pursuing their own interests or those of third parties, even if only potentially conflicting and/or prejudicial for it.



RELATIONS WITH RECEIVERS

SECTION II: Relations with the Public Authority

Relationships and relations with public authority, whether central or peripheral, national and/or foreign, and, in any case, any relationship of a public nature, are inspired by the strictest compliance with the applicable regulatory provisions and the principles of transparency, honesty and fairness.

In particular, the Receivers must, to the extent of their competence:

- perform their duties towards the Public Administration with the utmost diligence and professionalism to provide clear, accurate, complete and truthful information, avoiding and reporting situations of conflict of interest;
- ensure that the documentation to be sent to the Public Authorities is produced by the persons competent in the matter and identified in advance;
- ensure confidentiality in the transmission of information;
- use communication channels with the Public Authority that enable the subsequent traceability/formalisation of information sent and/or received;
- ensure that the procedures relating to the application for, issue and maintenance of licences, authorisations or concessions, as well as relations in general with the authorities performing judicial, inspection and regulatory functions, are managed exclusively by the competent functions and are marked by the principles of legality, transparency, cooperation and fairness.

In relations with the Public Authority, the Receivers must not improperly influence the decisions of the officers who negotiate or make decisions on its behalf, refraining from any conduct that might prejudice the Public Authority's impartiality and autonomy of judgement.

It is therefore forbidden for Receivers to offer, give, pay, accept any request for money or other benefits to/from a public officer or to authorise anyone to give or pay, directly or indirectly, any sum of money, other benefits, advantages or anything of value to/from a public officer in order to improperly promote or favour the interests of one of the Group Companies or in any case in violation of applicable laws.

22. MANAGING COMMUNICATION WITH THE PUBLIC AUTHORITY

In managing communication with the Public Administration, the Group Companies undertake to operate with fairness and impartiality through the corporate communication channels designated for this purpose, avoiding any exposure of untruthful, incomplete or misleading information or statements, in order to obtain an undue advantage.

In the event that the documentation to be sent to the Public Authority is produced, in whole or in part, with the support of third parties (e.g. consultants, technicians, etc.), the Broghi Group guarantees that the selection of the same is always carried out in compliance with the requirements of professionalism, independence and competence.

23. MANAGEMENT OF CONTROL ACTIVITIES

Group companies undertake to fully and scrupulously implement any requests coming from Public Authorities in the fields related to their activities, as well as to facilitate the proper performance of controls by bodies appointed by law.

Therefore, any inspection visits by the supervisory authorities and relations with the judicial authorities must be handled by authorised personnel in a spirit of cooperation, fairness and transparency, with an absolute ban on obstructing the regular performance of the verification activity through concealment or destruction of documentation.



RELATIONS WITH RECEIVERS

SECTION III: Relations with Third Parties

24. RELATIONS WITH CUSTOMERS

The success of the Borghi Group's business lies in offering quality products and services at competitive conditions, with a view to maximum satisfaction of its customers, as well as availability and promptness in responding to their needs.

It is therefore obligatory to:

- comply with internal and specific Group company procedures and instructions for managing customer relations;
- efficiently and courteously provide, within the limits of the contractual provisions, high quality products that meet or exceed the customer's reasonable expectations and needs;
- provide accurate and comprehensive information about products and services so that customers can make informed decisions;
- adhere to the truth in commercial communications.

25. RELATIONS WITH SUPPLIERS, COLLABORATORS AND CONSULTANTS

The Borghi Group aims at maximum customer satisfaction by guaranteeing availability and promptness in responding to their needs, as well as quality in the products offered.

The choice of suppliers, collaborators and consultants is entrusted to the competent corporate functions, which act on the basis of objective and impartial criteria, mainly based on the assessment of reliability, quality, technical preparation, efficiency and cost-effectiveness.

Borghi Group requires that suppliers and contractors operate in compliance with all applicable laws, including, but not limited to, laws relating to the employment of minors, minimum wages, overtime compensation, recruitment and occupational safety.

Furthermore, the Borghi Group shall refrain from any relationship whatsoever with persons who are known or have reason to suspect that they support criminal organisations in any form whatsoever.

26. RELATIONS WITH POLITICAL PARTIES AND TRADE UNION ORGANISATIONS

The Borghi Group does not promote political parties and trade unions, nor does it pay them contributions of any kind, directly or indirectly, with the exception of contributions due on the basis of specific regulations. Group companies do not promote or maintain relations with organisations, associations or movements that pursue, directly or indirectly, aims prohibited by law.

27. RELATIONS WITH INSTITUTIONS AND OTHER ORGANISATIONS

Relations with the institutions are characterised by the best rigour, transparency and fairness in respect of institutional roles.

Group companies support social, sporting, humanitarian and cultural initiatives in compliance with the law.

Gruppo Borghi repudiates any relationship with organisations, national or foreign associations that pursue, directly or indirectly, aims that are prohibited by law, contrary to ethics or public order or that violate the fundamental human rights.

28. OUTWARD COMMUNICATION

The Borghi Group's communication with the outside world is characterised by respect for the right to information; under no circumstances may false or tendentious news or comments be divulged.

All communication activities comply with laws, rules, and professional conduct practices and are carried out with clarity, transparency and timeliness, safeguarding confidential information and trade secrets.

The Receivers are called upon, in compliance with the principles of confidentiality, integrity and loyalty, not to divulge confidential information and/or false information concerning Group Companies or any other news that may damage their reputation.

Institutional communications and relations with information bodies are reserved exclusively for the persons vested with powers of representation or delegated to.

RELATIONS WITH RECIPIENTS

SECTION IV: Intercompany transactions

All intercompany relations are managed in full compliance with current regulations, as well as in accordance with the principles set out in this Ethic Code.

The relations between the Group Companies and the information of each Company intended for the management of business activities meet criteria of transparency, correctness, effectiveness and traceability.

The Borghi Group pays particular attention to transactions with related parties, including intercompany transactions, which must be carried out in accordance with the corporate adopted procedures .



FINAL PROVISIONS

29. ETHIC CODE APPROVAL AND ITS AMENDMENTS

This Ethic Code is approved from each Group Company by resolution of its administrative body.

Any changes and/or updates shall be made in the same form.

30. DISCLOSURE AND TRAINING

Each Group company undertakes to disclose the Ethic Code, delivering a copy to its employees and bringing it to the attention of all interested parties, to the correct interpretation of its contents and to the provision of tools to facilitate its application, trusting that the Receivers will behave in accordance with the values and principles contained therein, also bringing it to the attention of customers, suppliers and any other third parties establishing relations or business relations with them.

To this intent, this Ethic Code is published on the Group's corporate website <https://gruppoborghi.it/>.

31. ETHIC CODE BREACHES REPORTING

In order to ensure the effectiveness of this Ethic Code and in compliance with the provisions of Legislative Decree No. 24/2023 ("Whistleblowing Decree"), each Group Company has adopted its own internal reporting channel "Platform" accessible through the Group's corporate website <https://gruppoborghi.it/> or on the following link <https://gruppoborghi.integrityline.com/> and appointed its own Whistleblowing Officer, with the task of handling violations reports of the Ethic Code.

Reports, having an impact on Legislative Decree 231/2001, will be received and managed by the Whistleblowing Manager and shared with the Supervisory Board appointed by the Group Company involved in compliance with the protections provided for by the Whistleblowing Decree.

The procedure for the management of internal whistleblowing reports, meaning the requirements and methods for collecting, managing and filing them, as well as the information flows between the appointed Whistleblowing Manager and the other corporate bodies/departments which, depending on report type, may be involved in its management, are governed by the whistleblowing procedure adopted by each Group Company, whose content is hereby fully referred to.

32. PENALTY SYSTEM

The Group Companies undertake to prepare and implement those organisational verification and monitoring measures aimed at ensuring compliance with the Ethic Code in all actions, operations and negotiations carried out by the Receivers, both in the performance of their work activities and in the activities carried out by third parties on their behalf, providing for sanctions in the violations event.

Violations of the Ethic Code are to be considered a breach of the obligations of the employment relationship and/or a disciplinary offence, with all legal consequences with regard to the imposition of disciplinary sanctions, up to and including termination of the employment relationship with consequent compensation for damages.

Compliance with the provisions of this Ethic Code, formalised in the contractual agreements or in the general contractual conditions through the insertion of a specific clause, constitutes an essential part of the obligations of third parties (e.g. suppliers, appraisers, business partners, etc.) having business relations with one of the Group Companies.

Consequently, any breach of these principles in the context of activities performed by third parties in favour of one of the Group Companies may constitute grounds for breach of contract with all legal consequences.