

## ANTI-CORRUPTION POLICY

### PURPOSE

Favini S.r.l. (hereinafter also “Favini” or “the Company”) carries out its activities in various countries and jurisdictions and is therefore required to comply not only with Italian legislation but also with that of the third countries in which it operates, including regulations, the guidelines and best practices developed by international organisations.

Within the scope of its primary values and corporate ethics, the Company therefore adopts this document in order to highlight its commitment to avoiding both active and passive corruption of any kind whatsoever in the performance of its business activities, both in the context of relations with the Public Administration and between private parties.

In fact, Favini is aware of the negative effects that corrupt practices have in terms of sustainable growth, free market competition and the social impact of business activities.

To concretely enact its commitment, the Company, in addition to this policy, has the following further tools to prevent and manage the risk of corruption:

- The Code of Ethics, which highlights as the pillars of business activities the principles of fairness, loyalty, integrity and transparency as regards conduct, our modus operandi and the management of relations, both within the company and vis-à-vis third parties.
- The Organisation and Management Model pursuant to Italian Legislative Decree 231/2001 (MOGC 231), special part A of which is dedicated to the prevention of corruption offences in relations with the PA, while special part B governs corruption between private parties.

With this Anti-Corruption Policy, Favini therefore intends to strengthen the principles and controls already established by specifically pursuing the following objectives:

- Ensuring compliance with applicable anti-corruption regulations, including those ratifying international conventions, ensuring their implementation and application in the performance of all business activities.
- Raising the awareness of all recipients directly or indirectly involved in the commitment to preventing and combating corruption.
- Soliciting reports of any attempted or confirmed acts of corruption that may occur in the performance of business activities.

This Anti-Corruption Policy, approved by the top management of the organisation, is valid for all subsidiaries, which must formally adopt it. The Company undertakes to periodically review this Anti-Corruption Policy with a view to continuous improvement.

## RECIPIENTS

The Recipients of this Policy (hereinafter “Recipients”) are all persons who operate in the name or on behalf of the Company, namely:

- Employees.
- Members of the Administrative Body and the Corporate Bodies.
- In general, all collaborators and external parties who contribute to the achievement of the Company’s objectives, including commercial and financial partners, consultants and suppliers.

## GENERAL PRINCIPLES

The Company, in internal relations as well as in relations with third parties, promotes conduct that respects the principles of fairness, impartiality, integrity, loyalty and professional rigour, focusing on full compliance with the law in addition to the observance of company procedures.

Therefore, in exercising their activities, the Recipients must comply with the principles of collaboration, transparency, fairness and professionalism. Relations with third parties such as customers, shareholders, employees, collaborators, consultants, suppliers, public officials or public service providers are based on compliance with the standards of honesty, fairness and impartiality.

Recipients are required to avoid engaging in any conduct that could give rise to the suspicion of corruption, such as illegitimate favours, collusive conduct, promises and acceptance or solicitation of personal and career benefits, for themselves or for others.

In order to prevent and manage the risk of corruption in the performance of business activities, Favini undertakes to base all business activities on the following general principles:

- Traceability of company transactions, through suitable documentation duly stored and archived on electronic and/or hard copy media, in order to guarantee their availability and verifiability afterwards.
- Preparation of a suitable system of internal oversight mechanisms aimed at guaranteeing the controls necessary to prevent corruption.
- Definition of authorisation and signing powers, which must be formalised and attributed clearly and consistent with the corporate role and the responsibilities assigned, with an indication of the limits by value and by subject.
- Separation of functions and responsibilities, based on which the subject carrying out an operating activity must be a different person from the subject authorising or controlling such activity, consistent with the company’s organisational structure.

- Personnel training, particularly with reference to those who work in the areas most sensitive to the occurrence of corrupt practices.

This Policy is without prejudice to all applicable laws and regulations on anti-corruption, which must therefore be respected by all Recipients even if they provide for additional restrictions with respect to what is set forth herein. Their violation will be considered, also for the purposes of any penalties, as a violation of this Policy.

## RELATIONS WITH THE PA

The Company does not allow any conduct on the part of the Recipients that is such so as to unfairly influence any decision by a public official.

In order to avoid any conduct that could give rise to corruption, Favini intends to minimise the risk of personal relationships forming between Recipients and public officials by promoting multiple points of contact in relations with the PA and preparing a specific procedure, to which reference is made, aimed at preventing active corruption, particularly with regard to the following sensitive activities:

- PA inspections and controls.
- Requests for authorisations, concessions or permits to the PA.
- Transmission of data on electronic media to the PA.

## HUMAN RESOURCES

The human resources management process must be managed according to criteria of impartiality, transparency, autonomy and independence of judgment. Specifically:

- Personnel selection and recruitment procedure must be formalised to ensure the absence of conflicts of interest.
- Personnel assessment process must be based on objective and clear criteria, and any bonuses must be disbursed following the achievement of the predetermined objectives.
- It is forbidden to hire employees and collaborators specifically indicated by third parties in exchange for remuneration, favours or other advantages for oneself or for the Company.
- Travel expenses are reimbursed within the limits of company procedures, summarised in the expense report and approved by the department manager.

## CONFIDENTIALITY, ACCOUNTING AND CASH FLOW MANAGEMENT

It is forbidden to use the information acquired during the performance of one's activities for purposes other than performing such activities. Specifically:

- It is forbidden to disclose confidential commercial, business, financial or corporate information to third parties unless strictly linked to the performance of business activities and subject to the signing of a specific confidentiality agreement.
- It is mandatory to store confidential information in one's possession with the utmost care.

All Recipients of this procedure who operate in the name or on behalf of the Company, in relation to the tasks assigned and within the scope of their responsibilities, are required to provide the utmost cooperation to ensure accurate and timely bookkeeping and to store documentation for consultation by the parties responsible for controls.

Financial transactions and cash inflows and outflows must be carried out by authorised personnel vested with the relative powers, and must always be authorised, tracked and recorded.

Access to data, company information and computer programmes is protected by access registration, authentication and profiling systems that guarantee access based on user duties and functions.

## GIFTS, BENEFITS AND ENTERTAINMENT EXPENSES

The definition of responsibilities, operating methods and behavioural principles that the Company's personnel must follow in the management of gifts, entertainment and benefits that have been promised, offered, provided to third parties or received is essential in order to prevent any active or passive corruption in the performance of business activities.

Therefore, the Company:

- Does not allow Recipients to make any promise, offer or disbursement of gifts, entertainment or benefits, either directly or through third parties, to public officials, Italian and foreign, or their family members, which may influence their independence of judgement or induce the guarantee of any advantage whatsoever.
- Does not tolerate that the Recipients request, solicit or accept, for themselves or for others, gifts, entertainment or benefits, which are also aimed at obtaining favourable treatment in the conduct of any activity that may be associated with the Company, except in cases of normal commercial practices or courtesy.

Gifts, benefits and entertainment expenses offered to third parties or accepted by Recipients are permitted provided they fall within the limits of normal relations of courtesy, are in any case of modest value and are managed in compliance with company procedures.

The disbursement of these benefits or gifts to third parties requires prior authorisation from the competent parties, in compliance with company procedures. The relative expense must be adequately documented and recorded.

## CHARITABLE CONTRIBUTIONS AND SPONSORSHIPS

The disbursement of charitable contributions and sponsorships by the Company, in cash or through gifts of products for charitable purposes made to non-profit associations and non-profit organisations may be disbursed in compliance with company procedures. In particular, they must be duly authorised, with the unambiguous identification of the recipient and the reason for disbursement. The contribution, if disbursed in cash, must be made through authorised banks/financial intermediaries in order to guarantee its traceability.

Any sponsorship agreements must be drawn up in writing and contain specific information regarding the beneficiary's commitment to use the sum disbursed solely for the agreed purposes, in accordance with the nature and purpose of the specific initiative.

Payments are made in accordance with what is set forth in the agreement. The Company handles accounting and the storage of the relative documentation in order to guarantee its traceability.

The Company therefore undertakes to define internal procedures that limit sponsorships within a predefined budget and that in any case require the prior authorisation of the competent parties.

The selection of the counterparty requires a preliminary analysis of the reputation and reliability of the entity or subject to whom the amount disbursed is being paid as well as a verification of the legitimacy of the transaction on the basis of the regulations in force.

## CONFLICTS OF INTEREST

For the purposes of this Policy, a conflict of interest is the situation that occurs if the interest or personal activity of an individual interferes with the interests of the Company or, in any case, when any Recipient has interests that interfere with the capacity to carry out his or her duties and tasks impartially and effectively.

The Company does not allow Recipients to pursue personal interests to the detriment of corporate interests or to hold interests in competing companies, customers, suppliers or account certification firms.

Recipients are therefore required to notify Favini of any situation of conflict of interests, even if only potential or suspected, to enable the Company to assess its existence and seriousness.

If Favini finds that there is a conflict of interests, the Top Management will take the resulting decisions concerning the appropriate methods for managing the conflict.

## WHISTLEBLOWING

The effective operation of channels for reporting offences, also with reference to any violation of this Policy, is an essential condition for guaranteeing the effective prevention and repression of any corruption that may occur in the performance of business activities.

Therefore, Recipients are reminded of the importance of making such reports, provided they are truthful and in good faith, also with regard to corruption and conflicts of interests or the violation of the rules and procedures established by the Company for their prevention.

In this regard, Favini has a specific Whistleblowing Procedure, for spontaneous reporting by personnel in relation to confirmed or potential violations, which guarantees the forms of protection to the whistleblower established by regulations and in compliance with the procedure adopted.

## PENALTIES

The Recipients of this Policy are aware that, in the event of corrupt conduct or the violation of the company policy and procedures aimed at preventing such phenomena, they may incur not only criminal and administrative penalties, but also penalties in accordance with company regulations, in compliance with current laws and regulations, collective labour agreements and other applicable agreements.

## PUBLICATION

The Management guarantees the utmost dissemination of this Policy amongst the Recipients via publication on the company website ([www.favini.com](http://www.favini.com)), thus ensuring that the instructions contained in it are understood and implemented by all employees and by all parties, including third parties, who, on various bases, collaborate with the Company by operating in its interest or for its benefit.

15 June 2023

  
Eugenio Eger  
CEO