



ETHICAL CODE

Group Policy

Ethical code of conduct
(Legislative Decree No 231/2001 of 8 June)

Approved by Resolution of the Board of Directors on 06/09/2018

Revised by Resolution of the Board of Directors on 21 March 2023

INDEX

Introduction	Page 5
Persons Covered by the code	Page 6
General Principles	Page 8
Transparency	Page 8
Respect for personal dignity and equal opportunities	Page 8
Sustainable development undertaking	Page 8
Legality	Page 9
Confidentiality	Page 9
Honesty and fair dealing	Page 9
Occupational health and safety and work conditions	Page 10
Standards of business conduct	Page 10
a. Standards of business conduct in shareholder relations and accounting matters	Page 10
Interviews	Page 10
Good reputation of counterparties	Page 11
AML	Page 11
Financial reports (to be understood as financial statements and other notices on earnings and financial situation)	Page 12
Internal controls	Page 12
Transparency of accounting records	Page 13
Accuracy and safekeeping of company documents	Page 14
b. Standards of business conduct in relations between Staff and the company	Page 16

Confidential information	Page 16
Conflict of interest	Page 17
Computers and means of communication	Page 18
Consultancy and professional services	Page 20
Protection of privacy	Page 20
Use and protection of company property	Page 20
Use of alcohol and drugs	Page 21
Recruitment and onboarding	Page 21
a. Standards of business conduct in relations with the general public	Page 22
Expense accounts	Page 22
Grants and sponsored trips	Page 22
Gifts and benefits	Page 23
Relations with the Public Administration	Page 23
Relations with the judicial authorities	Page 24
d. Standards of business conduct in relations with suppliers and independent contractors	Page 24
Procedure for implementing the Ethical Code	Page 25
Third-party application of the Code	Page 25
Contractual value of the Code	Page 26
The function of the SB	Page 27
Operational principles	Page 28
Common undertakings	Page 28
Rules of conduct for top management	Page 29
Obligations of Department Heads	Page 29

Employee obligations	Page 30
Reporting of breaches and requests for advice	Page 30
Liability	Page 31
Investigation of breaches	Page 32
No retaliation	Page 33
Application of the Code and disciplinary consequences	Page 33
Further information	Page 35
Preventive identification of breaches	Page 35

INTRODUCTION

The present Ethical Code (also the “**Code**”) expresses the ethical principles and values applying to Motor Power Company s.r.l. and all its affiliates companies (“**M.P.C.**” or the “**Company**”) staff¹ in conducting company business and activities.

The Code also represents the ethics and conduct-related measures that the Company wishes to adopt to ensure compliance at all levels of the company with Legislative Decree No 231/2001 (also the “**Decree**”) and establishment of internal and external Company conduct guidelines to be adopted in the achievement of the Company objectives. The principles contained in the present Code will therefore form an integral part of the Organisational, Management and Control Programme adopted by Motor Power Company s.r.l., within the meaning of Articles 6 and 7 of Legislative Decree No 231/2001.

The Ethical Code consists of:

- **General Principles** or those values regarded as fundamental, shared and recognised by Motor Power Company s.r.l. in the fulfilment of its mission, to which all those involved must refer to ensure the proper operation, trustworthiness and reputation of the Company;
- **Standards of business conduct:** or the guidelines and rules that M.P.C. Staff must obey to ensure observation of the General Principles and prevent the risk of unethical conduct;
- **Implementation procedures:** describe the system for monitoring observance of the Code and its ongoing improvement.

¹ Staff means management, employees and any individuals representing the company before third parties, by virtue of specific authorisations or powers of attorney.

Motor Power Company s.r.l. confirms – also by means of the present document – its desire to pursue a new programme of conduct to tackle the challenges posed by contemporary society and global-scale markets.

All members of Staff therefore undertake to comply with the principles and provisions contained in the present Code, as well as in any other ethical and conduct-related policy documents adopted by Motor Power Company s.r.l.

The Company - by putting in place suitable information, prevention and monitoring instruments - guarantees the transparency of all conduct, taking action whenever necessary to stop any breaches of the Code and monitoring its effective observance.

PERSONS COVERED BY THE CODE

The Persons Covered by the present Code (the “**Persons Covered**”) are:

- i. the members of the Board of Directors (the “**BOD**”);
- ii. the company governing bodies (Sole Statutory Auditor and any other governing bodies);
- iii. employees on permanent or renewable contracts;
- iv. external consultants;
- v. other third parties with whom the Company has contractual dealings for the achievement of the Company objectives, albeit involving only temporary provisions of service, or performance of activities in the name of and on behalf of the Company, in such a way as to create a relationship of trust with the company.

The Company undertakes with regard to the Persons Covered to:

- put in place suitable training and awareness programmes on the contents of the Code;
- ensure its prompt circulation, by delivering a copy of the Code to all staff, in such a way as to demonstrate prior knowledge, with suitable acknowledgment of receipt and a simultaneous undertaking to comply with the Code, as well as by publication on the company website;
- periodically check for compliance and observance of the Code, jointly with the Supervisory Body (SB);
- ensure periodical revision and updating of the Code to bring it into line with any changes in Company organisational or management structure, trends in social awareness, environmental conditions and the applicable regulations;
- adopt suitable instruments of prevention, and put in place suitable sanctions, ensuring their swift application in case of proven breaches of the provisions of the Code.

Lastly, the Persons Covered by the Code, since the Code is an essential part of the work relationship, must undertake to act and behave in accordance with the guidelines provided in this document, reporting breaches as soon as they become aware of them and cooperating in any internal procedures established to implement the Code.

GENERAL PRINCIPLES

Transparency

Motor Power Company s.r.l. Staff members are required to provide transparent, accurate, complete and intelligible information in such a way that, in their dealings with the Company, all stakeholders are able to take independent decisions, aware of the interests involved, of the alternatives and of any important consequences. Specifically, in drawing up any contracts, Motor Power Company s.r.l. must take care to instruct the contractors in a clear and intelligible manner on the conduct to be adopted in all foreseeable circumstances.

Respect for personal dignity, equal opportunities, human rights and harassment.

The Company, committed to the goal of *Decent Work* report promoted by ILO, respects the fundamental rights of individuals protecting their moral integrity, ensuring equal opportunities, dignity, a safe working conditions and fair income.

No conduct of a discriminatory nature based on race, religious beliefs, age, state of health, political and trade union-related opinions, nationality, sexual orientation and in general any private personal traits will be tolerated in either internal and external dealings.

The Company furthermore guarantees working conditions that apply the essential rules of well-mannered behaviour. Finally, all efforts will be made to avoid any episodes involving intimidation, bullying or stalking.

Motor Power Company is committed to respecting the United Nations Convention on the Rights of the Child, including the right to free education and contributing to the eliminate the use of child labor. In practice, Motor Power Company is not engaged in or does not support the employment of

children under the age of 18. Some exceptions are accepted for children between the age of 15 and 18 when professional experience is part of their education path (e.g. trainees, apprentices).

The Company, according to the principles and guidelines of ILO, neither uses nor supports the use of forced or involuntary labor of any kind, directly or indirectly (*Modern Slavery*). Motor Power Company, refrains from working with business partners that are using forced or compulsory labor in their operations.

Motor Power Company undertake and declare, according to the “Frame agreement against harassment and violence on workplace” of April 26th, 2007 , to consider unacceptable any act or behavior that takes the form of harassment or violence in the workplace and undertakes to adopt adequate measures against the person or persons who have put them in place.

Harassment and violence are unacceptable behaviors of one or more individuals and can take different forms, some of which are more easily identifiable than others. The work environment can affect people's exposure to harassment and violence. Harassment occurs when one or more individuals are repeatedly and deliberately abused, threatened and/or humiliated in a work context. Violence occurs when one or more individuals are attacked in a work context. Harassment and violence can be exercised by one or more superiors, or by one or more male or female employee, with the purpose or effect of violating the dignity of the person, harming health and/or creating a working environment hostile.

Sexual harassment means unwelcome sexual conduct (physical, visual, verbal or written) which affects an individual's dignity and creates an intimidating, hostile or uncomfortable working environment.

Sexual harassment can take on various forms such as:

- Verbal manifestations: words, advances or requests for sexual favors.

- Written manifestations: sending any type of written communication, including emails or text messages, with unwelcome or offensive sexual requests;
- Visual manifestations: leering, making sexual gestures, displaying offensive sexually suggestive objects or pictures, cartoons or posters, subtle or explicit demands for sexual favors;
- Physical manifestations: unsolicited or unwelcomed actions including touching or assault.

Sustainable development undertaking

The Company undertakes to act in accordance with the applicable regulations, using the best available technology, to foster and plan development of its own business activities that optimises use of natural resources, conserves the environment for future generations and supports initiatives aimed at its protection.

We take our people, our company and the environment to heart.

We are committed to increasing the sustainability of every aspect of our company in order to keep people and the surrounding environment safe.

Motor Power Company is walking its talk by adopting low-environmental-impact production processes and offering products featuring energy-saving technology.

We promote waste reduction and recovery through recycling and support sustainable purchasing practices, engaging our supply chain.

We foster inclusion and gender parity. We support the right balance between work and free time.

These principles underlie everything we do every day and our sights are always raised to see possibility, to make our habits and processes more sustainable for our people, our company, the environment and all stakeholders.

Our commitment for the environment:

- Reducing our carbon footprint by 50% off by 2025
- Energy-saving production and work procedures
- Sustainable purchasing for the environment and society
- Designing safe products with the least environmental impact
- Minimizing waste and applying recycling

Our commitment for the society:

- Equal opportunity for genders
- Inclusiveness for employees with disabilities
- Health and safe workplace
- Pension contribution for family expenses
- Flexible work schedule arrangements to support work and family balance
- Support for local schools/universities to sponsor young talent
- Charitable foundation donations

Our governance:

- Anti-corruption practices and principles
- Lean and transparent relationship with customers, suppliers, employees, local community and business partners
- Supply chain classification system (Ecovadis certification system)

Legality

The Company, in carrying out its business activities, will act in accordance with the applicable laws and regulations of the relevant local territories, with the Ethical Code and with internal company rules.

Confidentiality

All members of Company Staff undertake to treat all information acquired during their work activities as confidential and, therefore, not to disclose it, except for the purposes of such work activities. Motor Power Company s.r.l. furthermore prohibits use of any information thus acquired for personal ends in order to obtain unfair advantage in an unlawful manner or in such a way as to cause loss or damage to the rights, assets and objectives of the Company.

Honesty and fair dealing

Motor Power Company s.r.l. demands respect for the essential rules of fair dealing, integrity, cooperation and mutual respect in all relations with stakeholders². Under no circumstances can pursuit of the interests of the Company justify dishonest conduct. No members of Company Staff may accept gifts, favours or benefits or allow themselves to be influenced by any form of pressure that might guide their conduct in the interest of external interests.

² "Stakeholders" means all subjects (persons, organisations, groups of people) having any form of interest in the Company.

Occupational health and safety and work conditions

Motor Power Company s.r.l. undertakes to act strictly in accordance with the applicable regulations on occupational health and safety, as well as to encourage their internal implementation.

The Company furthermore undertakes to spread and promote a culture of safety, enhancing awareness of risks and encouraging responsible conduct by all employees.

Motor Power Company s.r.l. constantly monitors all premises and their utility systems, whether owned, rented or possessed on any other account, above and beyond any legal requirements and prevention of risks judged to be imminent, in order to ensure the highest standards of health and safety in the workplace.

All members of Company Staff must provide full cooperation and availability to the Prevention and Protection Service Manager (also “**RSPP**”) as well as to anyone performing monitoring or inspection activities for any relevant public body.

Should any members of Motor Power Company s.r.l. Staff discover anomalies or irregularities in this area, they must immediately report them to their employer, or, where required, to the employer authorised in accordance with Article 16 of Legislative Decree No 81/2008, as well as to the RSPP.

STANDARDS OF BUSINESS CONDUCT

a. Standards of business conduct in shareholder relations and accounting matters

Interviews

Should any party external to the Company, such as the media, financial analysts or investors, ask questions regarding the Company directly, indirectly or through an intermediary, no reply should be given without relevant authorisation. Interview requests made to Motor Power Company s.r.l. must be approved by a Member of the Board of Directors of the Company, or by a suitably authorised person, prior to any external communication. Except with regard to already published financial information, it is essential that the present provisions are strictly adhered to, since an inappropriate or inaccurate reply, or indeed a denial or ignorance of information, might have negative effects on the Company.

Good reputation of counterparties

The Persons Covered, prior to establishing business relationships or concluding contracts with prospective regular suppliers, must ensure that they enjoy good reputation, that they engage exclusively in lawful activities and that they adopt ethical standards on a par with those adopted by the Company.

AML

The Company undertakes to ensure that its own business and financial affairs are not used as a vehicle for promoting, albeit potentially, unlawful activities and criminal and terrorist organisations.

Motor Power Company s.r.l. applies both Italian and international anti-money laundering (AML) regulations.

The Company will therefore proceed to verify with the utmost diligence all available information on business counterparties, suppliers, partners and independent contractors in order to ensure that they are respectable and that their business activities are lawful prior to establishing business relations with them.

Motor Power Company s.r.l. will furthermore verify that any operations in which it engages do not, albeit potentially, involve the risk of receiving, converting or using moneys or assets deriving from criminal activities.

Financial reports (to be understood as financial statements and other notices on earnings and financial situation)

The Company undertakes to comply with the applicable guidelines for preparing financial reports. All Persons Covered involved in preparation of the Company's financial reports must act in a such a way as to avoid misleading conduct that might affect the fair representation of the real state of affairs in such reports. In order to ensure the highest standards in the disclosure of financial information, any misleading conduct by the Persons Covered involved in preparation of the Company's financial reports, any real or apparent conflict of interest involving such persons, or any breach of the ethical rules applying to such persons must be reported to the SB or to the relevant superior.

Internal controls

Motor Power Company s.r.l. promotes the adoption of an approach based on sound economic criteria at every level.

A positive attitude to control activities makes a significant contribution to enhancing company efficiency.

Internal controls are to be understood as all of the instruments adopted by the Company to guide, manage and monitor company business in order to ensure compliance with the law and company procedures, protect the Company's assets, manage its business efficiently and provide full and accurate accounting and financial data.

Every organisational level of the Company is required to put in place an efficient and effect internal control system. All Motor Power Company s.r.l. employees are therefore responsible, within the scope of their own functions and duties, for the proper working of the internal control system. The Company will ensure free access by Company governing bodies with control functions as well as by the SB, to all documentation and information useful for the performance of their duties.

The Persons Covered are required to provide the utmost cooperation to those entrusted with control duties; any hampering of control functions performed by the institutional bodies is forbidden.

Transparency of accounting records

Accounting transparency is based on the accuracy, truthfulness and completeness of the information underlying the relevant accounting records. All members of the Company's governing bodies, top management and all employees are required to cooperate, each within their own area of responsibility, to ensure that all relevant business information is recorded fairly and punctually in the accounting records.

All operations and transactions must be authorised, verifiable, lawful, accurate, coherent and fairly and punctually recorded in the Company's accounting system in accordance with the applicable regulatory criteria and the relevant accounting standards.

Any conduct that might damage the transparency and traceability of accounting disclosures is strictly forbidden.

Suitable supporting documentation must be kept on file for all operations, so as to allow:

- easy and punctual entry into the accounting records;
- swift determination of the characteristics of and reasons for such operations;
- identification of the various levels of responsibility and of the allocation and separation of duties;
- accurate reconstruction of the operation, also to reduce the probability of objective and interpretive errors.

Employees and independent contractors - the latter insofar as they have been entrusted to do so - who become aware of omissions, misrepresentations or errors in accounting or the documentation underlying the accounting records are required to report such matters to the appropriate governing body or to the body on which they sit.

Should such reporting not have the desired effect, the employees or independent contractors must refer the matters to the Supervisory Body.

Independent contractors, within the scope of the Company business, will report directly to the Supervisory Body.

Accuracy and safekeeping of company documents

It is the duty of each Person Covered to document and disclose all information regarding company business operations truthfully and accurately. This rule applies, inter alia, to information regarding applications for employment, recording of hours worked, entertainment costs, manufacturing output data, sales and/or marketing activities. Misrepresentation or alteration of such documents, or deliberate approval of false documentation, will result in serious liability on the part of the person(s) involved.

Company documentation must provide an exact image of Company business operations and be prepared in accordance with the applicable regulatory criteria and the relevant generally accepted accounting principles. It is forbidden to deliberately conceal or disguise the real nature of, and/or to omit to report, any fact pertaining to the Company entered into the accounting records; this provision also applies to any other Company documentation having a bearing on the representation of the financial situation of Motor Power Company s.r.l.

No employee or external contractor may make payments in the interest of or on account of the Company in the absence of proper supporting documentation and formal authorisation.

It is strictly forbidden to establish and/or maintain hidden funds or reserves. The Company promotes training and refresher courses to make Persons Covered aware of rules (including legal requirements for the keeping of mandatory documents and records, regulations, internal instructions, and professional association rules) for preparing and managing accounting records.

All Persons Covered must ensure that Company information is used in an appropriate manner.

Documentation must be kept on file and destroyed in accordance with Motor Power Company s.r.l. retention/destruction rules.

Any documents that do not need to be kept on file in accordance with the Company's retention/destruction rules must be definitively destroyed or removed.

Persons Covered must refer to their superiors or to the SB with regard to document filing procedures in their own sector.

The above-mentioned persons/entities must be contacted immediately if any Person Covered becomes aware of or is informed of a notice of criminal investigation.

Any documents possibly relating to the notice of criminal investigation or to any other notices received during the course of the investigation or subsequently must be kept in file, regardless of the relevant rules for filing of documents. Any query regarding the relevance of a given document to a current or closed criminal procedure must be referred to the above-mentioned persons/entities.

b. Standards of business conduct in relations between Staff and the company

Confidential information

As part of their obligations toward the Company, all Persons Covered must protect the confidential information of Motor Power Company s.r.l. and use it only internally and in the exclusive interest of the Company. “**Confidential information**” means information regarding the current and planned activities of Motor Power Company s.r.l. that has not been publicly disclosed and that, if wrongly used or publicly disclosed, could allow third-party financial advantage to be gained, causing undue loss or damage to the Company.

Confidential information might include, by way of example and not limited to, business secrets and know-how, nondisclosure agreements/contracts, inventions, marketing and sales programmes and strategies, customer and supplier information, strategies to determine prices and purchases, financial data, manufacturing processes and techniques, computer software, data, formulae, compositions, techniques, service and new product protocols. Confidential information also includes third-party information entrusted to Company.

All confidential information is the property of Motor Power Company s.r.l. (and/or the owners of intellectual property licensed for use) and must not be used except for the achievement of the company objects.

Specifically, Persons Covered possessing or having access to confidential information must:

- avoid disclosing such information to persons outside the Company; avoiding any discussion of such matters with family members, with those with whom they have business or social relations, or in public places, including taxis, lifts and restaurants;
- avoid using such information for their own advantage or the advantage of persons outside of Motor Power Company s.r.l.;
- ensure that confidential information is password-protected; alternatively it may be kept on file in a safe place, and in any case under the strict supervision of the Responsible Persons when used;
- avoid disclosing confidential information to other Persons Covered, unless absolutely necessary for the achievements of Company objectives.

The obligation to treat all information in a confidential manner will remain in place after employment has ceased with the Company. Even after cessation of employment, confidential information may not be disclosed to new employers or to others.

On ceasing employment, all documents and other materials must be delivered to direct superiors, together with any other material containing confidential information on the Company. Failure to comply with this nondisclosure undertaking will result in serious liability on the part of the person in breach. In addition to protecting its own confidential information, Motor Power Company s.r.l. undertakes to respect all third-party confidential information. Should Persons Covered become aware of

confidential information in an unauthorised manner, or of disclosures by persons bound by secrecy, they must refer the matter to the Supervisory Body.

Conflict of interest

Persons Covered by the Code must ensure that all business decisions are taken in the interest of Motor Power Company s.r.l. They must therefore avoid situations of conflict of interest between personal or family-related financial activities and their work in the Company that might influence the independence of their judgement or choices.

Should any Persons Covered find themselves in a situation which might, even potentially, constitute or bring about a conflict of interest, they must refer the matter punctually and in writing to their direct superior or to the Supervisory Body.

In cases of possible conflict of interest, an immediate and full report must first of all be submitted to the appropriate person or entity.

With particular regard to employees, it should be added that no employee may take advantage of opportunities arising thanks to the use of Company assets, information in their possession, or their own position within the Company, and may not perform any activity in competition with Motor Power Company s.r.l.

Situations bringing about conflict of interest for Persons Covered include, by way of example and not limited to:

- having economic and financial interests (possibly through family members) with suppliers, customers or competitors;
- accepting gifts, money, benefits or favours of any nature from persons, companies or entities that have or intend to establish business relationships with the Company;

- using their own position within the Company or information acquired in their work in such a way as to create conflict between their own interests and those of the Company.

Computers and means of communication

All Persons Covered are required to adopt the necessary measures for ensuring the security of their computers or access credentials. Use of passwords must obey the following rules:

- save passwords in “encrypted” fashion;
- use non-obvious passwords containing 8 digits with well-defined criteria so that the system will recognise them as valid;
- change passwords at least once every six months;
- do not disclose passwords internally or externally, nor record them where they might be accessed by others.

All sensitive, confidential or reserved electronic information must be password-protected. If for any reason employees think their password might be at risk or that the Company computer or means of communication, including computer and email, might be at risk, they must change their password immediately and report the matter to their direct superior.

Company resources must not be used for unlawful purposes, or to cause annoyance or offence to others. When sending an email, file or other recorded messages, it is advisable not to send comments, or to use language, images or other types of content that might cause embarrassment if read by third parties. Remember that “**private**” emails can easily be forwarded to a very large audience and that once they are sent they cannot be recalled. The use computers and means of communication of the Company to send emails or access the internet has an effect on the image of Motor Power Company s.r.l. The use of such

means must not reflect negatively on the Company and must under no circumstances harm its image. All use of computers and means of communication must be in accordance with Company policies, privacy rules, copyright, trademarks, business secrecy and other considerations relating to intellectual property, as well as with Company IT regulations.

Consultancy and professional services

Consultants and temporary external workers, as well as suppliers, are obliged to observe the same standards of conduct as company employees in their dealings with or on behalf of the Company.

No employee is authorised, albeit indirectly through third parties, to act in breach of Company policy.

Those acting in the name and/or on behalf of Motor Power Company s.r.l. are required to maintain and protect the Company image of reliability, respectability and fairness.

Protection of privacy

The Company is committed to protecting the privacy of all Persons Covered, by putting in place the most suitable precautions and security measures when processing the personal and/or sensitive data collected from the Persons Covered at any time.

In accordance with the applicable laws, no investigation may be made of the opinions, preferences, personal tastes and in general private life of the Persons Covered. It is furthermore prohibited, except where required by law, to communicate or disclose personal data without the prior consent of the data subject; rules are therefore required to ensure that all Persons Covered consult the relevant privacy protection regulations.

Any activities discovered that do not comply with the privacy regulations or relevant Company policies, or with security standards, must be

immediately reported to the relevant direct superior, to the data processor and to the SB.

Use and protection of company property

Each employee has the duty to act diligently to protect Company property by conducting themselves in a responsible manner and in accordance with the relevant operating procedures, accurately recording any use.

Specifically, all Motor Power Company s.r.l. employees and operatives must:

- use property entrusted to them sparingly;
- avoid improper use of the company property that might damage it or affect its working, or in any case any use not in the interest of the Company;
- obtain the necessary authorisations for any use outside of the Company environment.

All necessary measures must be adopted against theft, damage or wrongful use of Company property.

Use of alcohol and drugs

All Persons Covered must personally contribute to promoting and maintaining a climate of reciprocal respect in the work environment.

Being under the effect of alcoholic substances, drugs and similar substances during work or in the workplace will be considered knowingly jeopardising this environment.

Recruitment and onboarding

Recruitment reflects on the one hand the need to acquire competencies and professional skills on the market not already present in the Company, and on the other the need to employ young workers in whom to invest so as to guarantee the growth and development of the Company.

The search for and selection of personnel to be employed is carried out by the personnel management of the parent company and must be performed in such a way as to respect the privacy of the candidates, based exclusively on objective and transparent criteria, ensuring equal opportunities and avoiding any form of favouritism.

All employees are taken on with a valid work contract in accordance with the applicable local regulations; any form of informal work arrangement is expressly forbidden and will not be tolerated.

At the time of recruitment and during the Company 'onboarding' period, each employee will receive detailed information on the rules governing their employment, as well as on the rules and procedures relating to health & safety in the workplace, Company policies and the regulations contained in the present Code, thus ensuring familiarity from the outset with their provisions and encouraging swift integration into the life and culture of the Company.

a. Standards of business conduct in relations with the general public

Expense accounts

Expenditure on items such as meals, travel and entertainment of third parties must involve modest amounts, for legitimate business reasons. All such expenses must be in accordance with the applicable laws and relevant Company policies.

Grants and sponsored trips

During the normal course of its business activity, Motor Power Company s.r.l. naturally promotes itself and its products or makes efforts to promote the development of the sector in which it operates, assigning grants, sponsoring events or organising trips for current or potential customers, covering related costs and expenses.

Such costs and expenses must be examined in advance to determine whether they comply with the present Code, the Decree, other applicable laws and relevant Company policies. Any eventual doubts must be submitted for prior examination by the SB or the Company's BOD.

Gifts and benefits

It is expressly forbidden to give any type of gift that might even potentially be seen as exceeding ordinary business practice and courtesy (gifts must be of modest value and cost not more than 50 euro), or in any case gifts aimed at gaining favourable treatment in any activity connected to the Company in relations with public officials or their families, or with private persons or entities having dealings with Motor Power Company s.r.l. (customers, suppliers, bank officials, etc.).

This rule of conduct applies both to gifts promised or given and those received. It should be noted that "gift" means any type of benefit including discounts exceeding ordinary Company practice, promises of employment, etc..

In any case, the Company must refrain all practices forbidden under the law, good business practice or the ethical codes of companies or bodies with which it has dealings.

In case of doubt, Persons Covered should contact the SB.

Relations with the Public Administration

Relations between the Company and the Public Administration, public officials, persons charged with public services or public agents must be governed by the strictest observance of the applicable laws and regulations, as well as the specific relevant policies approved by the Company and must not in any way compromise the integrity and image of the Company.

The assumption of undertakings and management of relations of any nature with the Public Administration, public officials or persons charged with public services may be conducted exclusively by the departments within the Company specifically designated for the purpose and by authorised persons only.

Relations with the judicial authorities

In case of participation in judicial procedures (whether administrative, civil or criminal), the Company must undertake to act in accordance with the law and the provisions of the present Ethical Code.

It is strictly forbidden, in particular for the governing bodies of the Company and for employees empowered to represent the Company in legal proceedings, to promise or give money or other benefits to magistrates, judges, court officers and witnesses so as to influence the outcome of proceedings in a manner favourable to Motor Power Company s.r.l.

d. Standards of business conduct in relations with suppliers and independent contractors

Motor Power Company s.r.l. undertakes, in selecting suppliers and external independent contractors, to seek suitable professionalism and commitment to sharing the principles and provisions of the Code, and to promote the building of long-term relationships to foster progressively

improved standards of protection and promotion of the principles and provisions of the Code.

All Persons Covered dealing with procurement, supply of goods and external consultancy relationships (including, agents, etc.) are bound to:

- obtain the cooperation of suppliers and external independent contractors in ensuring continuing satisfaction of customer and consumer requirements, in line with legitimate expectations, in terms of quality, cost and delivery times;
- observe internal procedures for the selection and management of relationships with suppliers and external independent contractors and not to exclude any eligible person or entity from competing for Company supply contracts, and in such selection, to adopt only objective assessment criteria in accordance with declared and transparent methods;
- observe and require the observance of the agreed contractual provisions;
- maintain a frank and open dialogue with suppliers and external independent contractors in line with good business practice;
- refer any breaches of the Code to their own superiors and the SB in a timely manner.

Consideration to be paid must be commensurate with the service specified in the contract only and payments may not under any circumstances be made to persons or entities other than the contractual counterparty, or in a third country other than the domicile of the parties or the place of performance of the contract.

All suppliers and independent contractors must be paid by cheque or bank orders or by bank transfer to the current account held by the counterparty.

PROCEDURE FOR IMPLEMENTING THE ETHICAL CODE

Third-party application of the Code

Any person, including those acting in the name of and/or on behalf of the Company, coming into contact with third parties with whom Motor Power Company s.r.l. intends to establish legal relationships or who is required to have institutional, social, political or any other type of relations with such third parties, must:

- a) inform such third parties of the required duties and obligations under the Code;
- b) require fulfilment of all obligations relating to their work;
- c) adopt any suitable internal measures for ensuring observance of the Code in case of refusal by third parties to adhere to the Code or in case of noncompliance or incomplete compliance with the undertakings assumed under its provisions.

The contractual value of the Code

The Code, taken as a whole and together with all of the specific implementing procedures approved by the Company, must be considered an integral part of current and future Employment Contracts, in accordance with Article 2104 of the Civil Code.

Breaches of its provisions will therefore constitute a disciplinary offence prosecutable and punishable by the Company in accordance with Article 7 of Law No 300/1970; such offences may involve, inter alia, payment of relevant damages to the Company.

In the case of independent contractors, consultants, contractors and other third parties, signed acknowledgment or in any case adherence to the provisions and principles of the Code represents an absolute precondition for conclusion of contracts of any nature between the Company and such parties; therefore all approved, notified and accepted provisions will form an integral part of such contracts. In the light of the foregoing, any breaches by third parties of specific provisions of the Code will entitle the Company to suspend any current contractual relationships with such third parties and may also be regarded *ex ante* as just cause for express termination of such contracts in accordance with Article 1456 of the Civil Code.

The function of the SB

The Company confers the function of “**Guarantor**” of the Code on the Supervisory Body.

This function requires fulfilment of the following duties:

- a) to establish, in accordance with Company top management, criteria and procedures aimed at compliance with the Code;
- b) to help issue guidelines and operating procedures with the Departments having relevant drafting functions;
- c) to draw up communication and training courses for employees aimed at spreading awareness and understanding of the Code within the Company;
- d) to verify effective implementation of the Code;
- e) to examine alleged breaches of the Code;
- f) to communicate to the Chair and/or the Vice-chair of the Board of Directors the results of any investigations launched in relation to breaches of the Code, so as to adopt possible sanctions and in any

case to offer, where requested, consultation during the course of the relevant disciplinary procedure;

- g) to submit to the Chair and/or the Vice-chair of the Board of Directors any initiatives judged useful for wider circulation and updating of the Code;
- h) to launch and maintain a suitable flow of information among those appointed to various roles to ensure adherence to the Organisational Programme;
- i) to present an annual report to the Board of Directors on the implementation status of the Code.

Operational principles

The implementation of the present Ethical Code is based on these operational principles that have defined the Company since its foundation:

- conduct in accordance with Company values and customer needs (fairness in business relationships);
- constructive, transparent, direct, honest and punctual communication;
- commitment to development based on the trust of others;
- participation in group work;
- progressive and constant improvement of business positions;
- definition of ambitious objectives, thinking "outside the box".

Common undertakings

It is Motor Power Company Group policy to comply with the laws and regulations applicable to its sector. No act that does not comply with such laws and regulations may be performed in the name of the Company. All Persons Covered must adopt the legal and ethical principles applying to

Company business and should, if they have doubts regarding the appropriateness of any proposed conduct, contact the Supervisory Body for an opinion on whether the conduct is in accordance with the rules laid down in the present Code.

The Company undertakes to act with integrity and to manage its business in accordance with the highest ethical standards. All staff must undertake to interact appropriately with customers, suppliers, competitors and co-workers. Staff must not attempt to achieve positions of advantage in employment relationships by manipulating, hiding or wrongly using privileged information, or in any case by misrepresenting objective facts. Each person must act in a fair manner towards all others.

The present Code contains rules on both personal and professional conduct, although adoption of the Code may not be construed as the conclusion of a work contract or a guarantee of permanent employment.

Rules of conduct for top management

The members of the Board of Directors and department heads of the Company are required to comply with the present Code and to conduct themselves with honesty, loyalty, fairness and integrity, consciously adhering to the Company's mission.

It is the duty of the members of the BOD to tangibly implement the principles contained in the present Code, reinforcing the trust and cohesion underlying all company work.

To this end, the Board of Directors must adhere to the values expressed in the Code, also when setting company objectives. In conducting its business, the BOD must consciously strive to interpret the principles expressed in the present Ethical Code.

Obligations of Department Heads

Each Company Department Head must:

- a) make their own conduct an example for their own subordinates;
- b) oversee compliance with the Code by their subordinates;
- c) make every effort to ensure that employees understand that compliance with the provisions of the Code constitutes an integral and substantive part of their work;
- d) select employees and independent contractors who are committed to respecting the principles of the Code;
- e) refer any report of breaches or requests for clarification submitted by employees to the SB in a timely manner;
- f) prevent any form of reprisals within their own Departments against employees or independent contractors who have cooperated in the observance or the tangible implementation of the Code.

Employee obligations

Each employee is required to familiarise themselves with the provisions contained in the Code and the laws applying to work in their department.

Employees are required to:

- a) comply with the Code and avoid any conduct in breach of the said provisions and regulations;
- b) contact, in case of doubt, their own superiors or the SB for any necessary clarification on how to implement the Code or the applicable regulations;
- c) refer to their direct superiors in a timely manner any information of possible breaches of the Code, unless the irregularities involve the head of their office, in which case they should be referred to the superiors of the "**direct superior**" in question;
- d) cooperate with the Company in all internal investigations aimed at verifying and possibly punishing possible breaches.

Employees are not authorised to conduct investigations regarding alleged unethical conduct in person and are obliged to report any information they possess regarding such conduct to their own superiors only.

“**Direct superior**” means the person formally placed higher in the Company hierarchy who is responsible for supervising and/or monitoring the activity in question, either because appointed to do so or because otherwise entitled to do so.

Reporting of breaches and requests for advice

All Persons Covered by the provisions contained in the present Code are required to report to the SB or to their own direct superiors any conduct that is considered, even potentially, in breach of the provisions of the present Code. No such persons will be subject to retaliation for having reported justified suspicion of breach of these rules.

Should any doubts arise during the performance of Company activities regarding whether given conduct complies with the present Code or with other policies of an ethical or conduct-related nature adopted by the Company, the relevant Persons Covered are required to contact the SB or their own direct superiors. Each person is individually responsible for the application of these rules and no-one is required to “apply them on their own”.

All Persons Covered by the present Ethical Code must report in writing, through the channels used for confidential reports, any breach or suspected breach of the Ethical Code of Business Conduct; the SB will guarantee the anonymity of those submitting reports and assess in each individual case whether an investigative procedure should be launched given the tangible circumstances of the case.

Reports should be sent to the following email address:

odvmpec@gmail.com

The identity of the sender will be protected, except where required otherwise by law.

Liability

An essential precondition for working with Motor Power Company s.r.l. is the ability to behave in accordance with the applicable legal requirements as well as those contained in the present document. Failure to observe such rules of conduct may result in the application of disciplinary measures based on the relevant sections of this Code, possibly including dismissal.

The foregoing is without prejudice to the civil and criminal liability of the Persons Covered for conduct in breach of the present Code.

As soon as the Company receives a report of an alleged breach, it will assess the matter in accordance with the relevant criteria, based on the seriousness of the breach and the circumstances leading up to it; the Company should take into account the seniority of the relevant employee, their conduct and their contribution to the Company. Disciplinary procedures might range from temporary suspension from work without pay to dismissal. Furthermore, should Motor Power Company s.r.l. suffer financial loss or damage, it reserves the right to sue the person responsible for damages.

The Company will cooperate with the competent authorities in case of unlawful conduct and where deemed appropriate will report the conduct in question to the said authorities.

Investigation of breaches

All breaches will be subject to investigation immediately in a confidential manner; in particular, in the case of employees, investigations will be conducted in accordance with the relevant legal provisions and the

collective bargaining provisions on disciplinary procedures (see the relevant section of the present Code).

The person reporting the breach is prohibited from conducting preliminary investigations on their own account. Investigations of alleged breaches may involve complex juridical questions; own-initiative investigations might compromise the legitimacy of the investigations and have negative consequences for the employees in question and the Company.

All reports relating to possible breaches of the present Code, or any refusal to apply it or other policies adopted by the Company on ethical and conduct-related matters, must be submitted to the relevant direct superiors.

Should any members of the BOD wish to derogate, on justified grounds, from the provisions of this Code, they must request prior authorisation from the SB.

Immediately following granting of such authorisation by the SB, the Company must make the reasons for the derogation public.

No retaliation

Motor Power Company s.r.l. will apply the necessary measures to investigate any breaches of the law or Company policies.

The Company requires employees to behave fairly and in good faith when reporting any breaches of the law or Company policies: no retaliation will be tolerated against employees who have made a report in good faith on the said breaches or who have taken part in the investigation into an alleged breach.

Application of the Code and disciplinary consequences

Any breaches of the present Code may have serious consequences for the Company.

Given that the present Code is not a mere statement of the moral principles underlying Company activities but also a specific instrument for ensuring compliance with the provisions of Legislative Decree No 231/2001, it follows that the criteria adopted by the Board of Directors of the Company for authorising derogation from the said Code must be implemented with great care, ensuring in each case that such derogations do not conflict with the principles of the Decree or the proper workings of the Code and, more generally, the Programme: in any case, all derogations must be made public immediately. All employees must inform their own superior or the SB promptly of any activity constituting or that might constitute a breach of the rules of conduct or the values laid out in the present document.

Breaches of the rules of conduct of the present Code by employees may result in application of disciplinary sanctions, in accordance with the law, the National Collective Employment Contract (Metalworking Industry) (the “**CCNL**”) and the Code.

Once a possible violation of the present Code, or of other Company policies, has been recorded, Motor Power Company s.r.l. will launch a disciplinary procedure against the employee in question in accordance with Article 7 of Law No 300/1970 and the CCNL.

In particular, disciplinary breaches of the CCNL and any Company regulations as well as the Ethical Code may be punished in accordance with the seriousness of the breaches and the provisions of the relevant section of the Organisational Programme.

Without prejudice to the provisions of the section on the “**Contractual value of the Code**”, formal acceptance of or adherence to the provisions, or to some of the provisions, and the principles of the present Code by third parties with whom the Company has relations as independent contractors, professional consultants or business partners represents an essential

prerequisite for conclusion of any form of contract between the Company and such persons or entities. The specific provisions contained in the Code, once signed for acknowledgement by such persons or entities or, in any case, approved tacitly as specified in the previous paragraph, will form an integral and substantive part of any contracts concluded between them and Motor Power Company s.r.l.

Any breaches by third parties of specific provisions of the Code will entitle the Company to suspend any current contractual relationships with such third parties and may also be regarded *ex ante* as just cause for express termination of the contracts in accordance with Article 1456 of the Civil Code.

The Company requires employees to behave fairly and in good faith when reporting any breaches of the law or Company policies: no retaliation will be tolerated against employees who have made a report in good faith on the said breaches or who have taken part in the investigation into an alleged breach.

Further information

For further information on these and other related matters, Persons Covered should contact the Supervisory Body using the following email address odvmipc@gmail.com .

Rules on sanctions, breaches for which sanctions can be imposed and relevant appeals procedures must be covered by a single disciplinary code and must be made public to all workers by posting in a common area.

The disciplinary rules must apply the provisions of the relevant collective agreements.

Preventive identification of breaches

The Code does not need to contain an exact and accurate description of individual infractions, their various gradations and the corresponding sanctions. It is sufficient for suitable correlation to exist between specific types of infraction, even if this is schematic rather than specific, and the corresponding types of sanction, possibly subject to discretionary application and adaptation to the tangible and effective circumstances of the employee breaches. The principle to be applied is that disciplinary sanctions should have a sufficient degree of specificity to avoid a situation in which the employer can deal with the conduct of disciplined employees using unilateral and broadly discretionary evaluations (Cassation 9 August 1996, No 7370).

Conduct outside the workplace may also be subject to sanctions where employees are involved in work which by its nature requires a considerable degree of trust, possibly also extending to their private lives (Cass. 12 September 2000, No 11986).