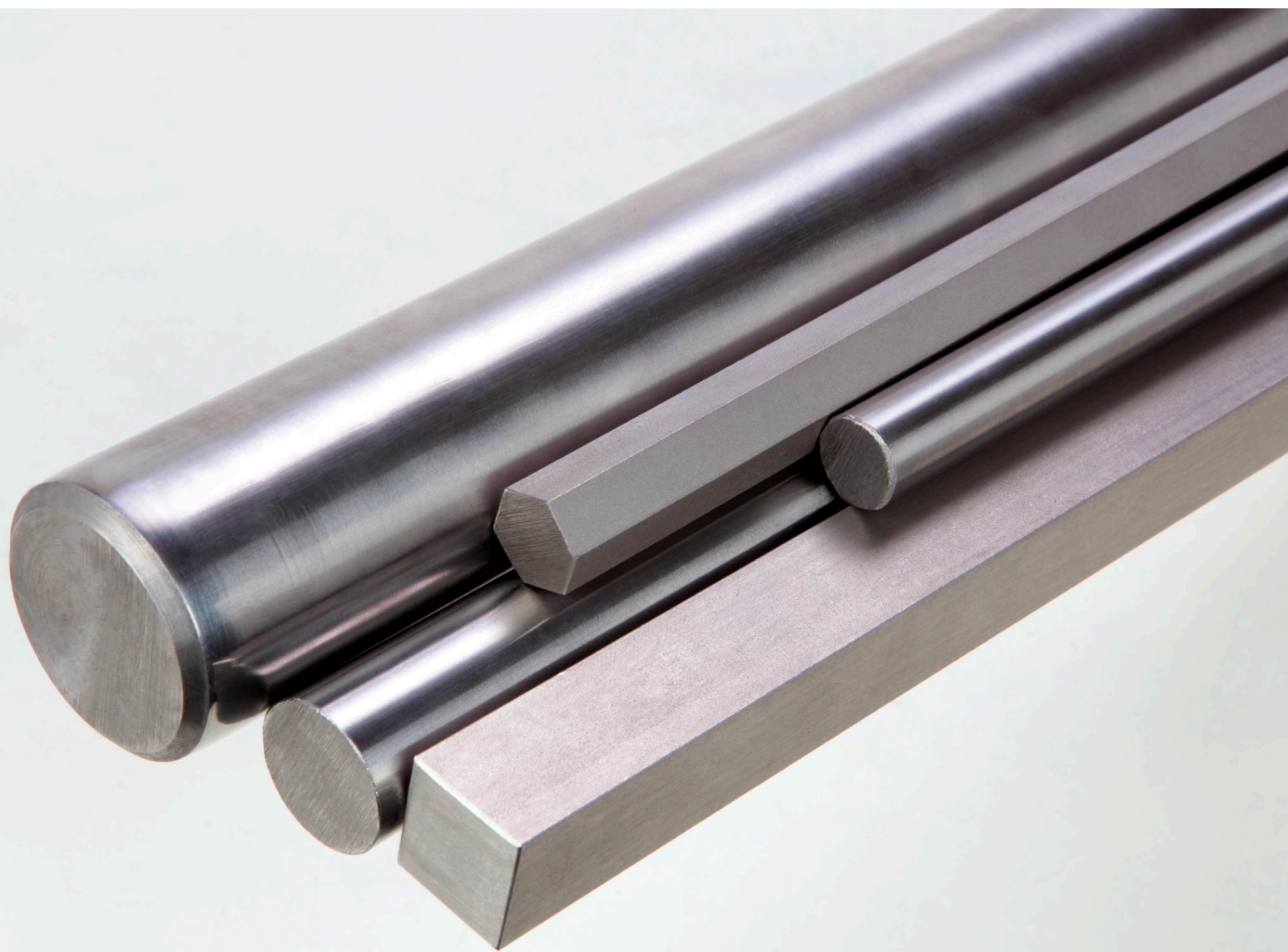




**TRAFITECH**

## ETHICAL CODE



**TRAFITECH SRL**

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# SUMMARY

Premise .....	3
<b>1. General provision</b>	
1.1. Addressees .....	4
1.2. General principles .....	4
1.3. Safety and health .....	4
1.4. Environment and sustainability.....	5
1.5. Fundamental rights.....	6
1.6. Illegal work and child labor .....	6
1.7. Discrimination and harassment .....	6
1.8. Confidentiality and privacy.....	7
1.9. Accounting and tax obligations.....	7
1.10. Public communication and marketing.....	8
1.11. Intellectual property .....	8
1.12. Protection of company assets.....	8
<b>2. Internal relations</b>	
2.1. Corporate structure.....	9
2.2. The top management of the companies.....	9
2.3. Employees and external collaborators.....	9
2.4. Relationships with shareholders.....	9
<b>3. External relations</b>	
3.1. Relationship with suppliers.....	10
3.2. Relationship with customers.....	10
3.3. Relations with public institutions .....	10
3.4. Gifts, gratuities, and sponsorships.....	11
3.5. Conflicts of interest.....	11
<b>4. Implementation methods</b>	
4.1. Dissemination and implementation.....	13
4.2. Disciplinary system.....	14
4.3. Final provisions.....	14



**TRAFITECH**

# ETHICAL CODE

## Premise

This Ethical Code (hereinafter also referred to as the "Code") applies to all individuals who perform their work activities within Trafitech S.r.l. (hereinafter also referred to as "Trafitech") and represents a set of rules, principles, and guidelines that these individuals must follow in the execution of their duties.

Trafitech operates in the steel industry and, more specifically, is involved in the transformation, processing, and marketing of drawn, peeled-rolled, and ground steels in a wide range of different sections (flat, round, square, hexagonal, and special profiles).

With the aim of better satisfying customer requests, Trafitech also carries out specific processing on order, as well as thermal treatments and non-destructive testing.

Moreover, it is important to emphasize that the Ethical Code is intended to serve as a guide for indicating the essential values, optimal reference standards, and lines of conduct that all parties involved in Trafitech's activities (managers, employees, colleagues, customers, suppliers, public institutions) should adhere to.



**TRAFITECH**

## 1. General provisions

### 1.1. Addressees

This document is to be considered binding for the members of the Administrative and Control Body, managers, and employees, as well as for all collaborators and external consultants acting in the name and on behalf of Trafitech.

This Ethical Code also applies to external parties that have relationships with Trafitech (suppliers, customers, public institutions).

Adherence to the rules and principles contained within this Code is fully part of the duty of diligence required of anyone performing work activities, as provided by labor law regulations under Article 2104 of the Civil Code.

### 1.2. General principles

The activities of individuals within Trafitech are inspired by the principles of legality, transparency, honesty, and dignity, both in relations involving internal personnel and in relationships that may be established with external parties.

In particular, recipients of this Code are required to conduct their activities in accordance with current laws and applicable regulations, as provided both at the national level and at the community level (with particular regard to the legislation of foreign countries where Trafitech operates), reconciling these principles with the pursuit of competitiveness in the market.

Moreover, Trafitech conducts its activities with professionalism and good faith, treating employees, collaborators, external consultants, customers, and suppliers equally and impartially.

While generating economic value from business activities is central to the management of Trafitech's operations, it must also create a positive impact on individuals who come into contact with Trafitech, whether they are internal or external to the organization.

### 1.3. Safety and health

Trafitech is committed to ensuring work environments that safeguard the health, safety, and physical and mental integrity of its workers, in compliance with the laws (with particular reference to Legislative Decree No. 81/2008) and current regulations.

Trafitech also adopts appropriate measures to prevent the commission of criminal offenses under Articles 589 and 590, third paragraph, of the Criminal Code (respectively, involuntary manslaughter and serious or very serious involuntary injuries) committed in violation of safety regulations and health protection laws in the workplace.



**TRAFITECH**

## 1. General provisions

In particular, Trafitech is committed to:

- i.* eliminating risks and, where this is not possible, minimizing them in light of the best practices and available technologies;
- ii.* assessing any risks that cannot be eliminated;
- iii.* respecting the principles of ergonomics and health and safety in the workplace in organizing work, designing workspaces, selecting equipment, and defining work and production methods to reduce the health effects of monotonous and repetitive work;
- iv.* replacing hazardous elements as quickly as possible or those that may become hazardous in the future;
- v.* planning appropriate measures to ensure continuous improvement of safety levels over time, including through the adoption of internal codes of conduct or best practices;
- vi.* prioritizing collective protection measures over individual protection measures;
- vii.* providing adequate instructions to workers to prevent accidents in the workplace.

Trafitech requires its employees to actively contribute to maintaining optimal standards of health and safety, as well as to refrain from engaging in any conduct that may potentially endanger their own integrity and that of others present in the workplace.

### 1.4. Environment and sustainability

Trafitech conducts its production activities with full respect for the environment, recognizing its preeminent value in every decision related to business operations, in compliance with current legislation (with particular reference to Legislative Decree No. 152/2006).

Trafitech's sustainability policy is aimed at creating a positive economic, environmental, and social impact, sharing these values with its stakeholders, with whom it maintains a continuous process of listening and dialogue.

In particular, Trafitech is committed to adopting all necessary measures to reduce and, where possible, eliminate negative environmental impacts, both when there is demonstrated risk of harmful or damaging events and when there is uncertainty regarding negative consequences for the environment, following a sustainability policy focused on prevention and precaution.

Trafitech also commits to accurately and continuously monitoring scientific and regulatory progress in environmental matters to implement appropriate protective measures in its production model, promoting and fostering awareness of the importance of these issues both internally and externally.



**TRAFITECH**

## 1. General provisions

Trafitech aims to reduce the exploitation of environmental resources and promote the development of a circular economy through measures such as:

- the responsible management of waste resulting from the production cycle, by directing it to recovery centers rather than disposal, and minimizing the production of hazardous waste as much as possible;;
- the continuous monitoring, according to the main international reference standards, and the gradual reduction of greenhouse gas emissions associated with its activities.

### 1.5. Fundamental rights

Trafitech is committed to respecting fundamental human rights recognized at the national and international levels, including workers' rights. To this end, it promotes and requires the respect of these rights both in its own activities and in those carried out by business partners, agents, and suppliers.

### 1.6. Illegal work and child labor

Trafitech does not resort to illegal, clandestine, or undeclared work, nor does it engage in any other form of labor employment that may result in the exploitation of an individual. Similarly, Trafitech condemns all forms of child labor exploitation.

In this regard, it is required that Trafitech does not enter into contracts with third parties if they engage in the aforementioned forms of exploitation, and that such contracts be terminated immediately if such practices are discovered after the contract has been signed.

To ensure effective protection in this area, Trafitech is committed to reporting any forms of child labor exploitation and/or other forms of illegal, clandestine, or undeclared work to the relevant authorities.

### 1.7. Discrimination and harassment

Trafitech also repudiates all forms of discrimination regarding hiring, pay policy, access to training, promotion, termination, or retirement, whether based on gender, gender identity, race, age, religion, social origin, disability, ethnic origin, nationality, membership in workers' organizations, political opinions, sexual orientation, family responsibilities, marital status, or any other circumstance or condition that may be subject to discrimination.

Trafitech is opposed to and punishes any type of harassment, intimidation, bullying, or any humiliating behavior, both psychological and sexual, or that may constitute an abuse of power.

Furthermore, Trafitech requires that all recipients of this Code refrain from engaging in behaviors that contradict the aforementioned principles, and insists that they abstain from conduct that is detrimental to the dignity and rights of others.



**TRAFITECH**

## 1. General provisions

### 1.8. Confidentiality and privacy

TrafiTech protects privacy and ensures the confidentiality of sensitive information acquired in the course of its activities in compliance with applicable regulations.

TrafiTech recognizes and respects the value of personal data belonging to employees, customers, and external collaborators, and is committed to enhancing security and protecting sensitive information.

To ensure effective and efficient privacy protection, TrafiTech expects all recipients of this Code to adhere to the following guidelines when handling personal data:

- i.* Personal data must be processed only by authorized individuals and only to the extent and for the purposes for which such authorization has been granted;
- ii.* Personal data must be stored, processed, and made accessible only to the extent and for the time necessary for authorized operations;;
- iii.* Necessary precautionary measures must be adopted to ensure the confidentiality and integrity of personal data, primarily by preventing unauthorized individuals from accessing it.

### 1.9. Accounting and tax obligations

The management of accounting records and the preparation of tax obligations for TrafiTech must be guided by principles of clarity, correctness, truthfulness, transparency, and completeness of information.

With regard to accounting, it is forbidden to include any false or artificial entries in the accounting records of TrafiTech.

In the process of recording corporate operations, employees and collaborators are required to scrupulously comply with current regulations and internal operating procedures so that each operation is not only correctly recorded but also authorized, verifiable, legitimate, consistent, and appropriate.

To ensure TrafiTech's tax compliance, individuals involved in these obligations are required to provide the competent authorities with truthful, timely, and legally compliant information to achieve the correct determination of taxes owed.

TrafiTech is committed to preventing conduct aimed at tax evasion or actions that may involve the commission of one or more offenses falling under tax crimes as governed by Article 25-quinquiesdecies of Legislative Decree No. 231/2001.



**TRAFITECH**

## 1. General provisions

### 1.10. Public communication and marketing

Trafitech is committed to communicating with employees, business partners, shareholders, investors, the media, and other external stakeholders based on the principles of loyalty, clarity, and transparency, and in full compliance with legal provisions.

In general, the recipients of this Code must refrain from engaging in behaviors or making statements that may harm the image of Trafitech in connection with their work.

### 1.11. Intellectual property

The recipients of this Code must operate in compliance with copyright laws, as well as those related to trademarks and patents.

In this regard, all subjects to whom the Code applies are prohibited from improperly using or counterfeiting trademarks or other distinctive signs protected by current legislation.

Anyone utilizing intellectual property belonging to third parties in relation to Trafitech must ensure the legitimacy of such use, guaranteeing that it is authorized by the actual owners of the work.

Similarly, all employees of Trafitech are required to protect and safeguard, through conscious use, any works protected by industrial property laws (trademarks, patents, and works subject to copyright).

### 1.12. Protection of corporate assets

The corporate assets include tangible goods (such as mobile phones, computers, or vehicles) and intangible goods (such as email or internet access), which may be made available to one or more recipients of this Code.

In any case, when using such resources, the aforementioned individuals are required to protect and preserve them, refraining from improper behaviors or uses, as well as any other usage that could cause malfunction to the asset or, more generally, cause damage to Trafitech in connection with their work.





**TRAFITECH**

## 2. Internal relations

### 2.1. Corporate structure

Trafitech is owned by two companies: Precision Metals holds 70%, and Trafiflix SpA holds 30%. The relationship between the two shareholders is governed by a "shareholders agreement".

### 2.2. The top management of the companies

The top management of Trafitech carries out their activities in full compliance with the rules established by current regulations and the Company's By-Laws. The activities of the governing bodies must indeed be oriented towards full collaboration and information sharing, aiming to achieve the goals and objectives set by Trafitech. These individuals are also required to adhere to the obligations concerning confidentiality and loyalty towards Trafitech as a whole.

### 2.3. Employees and external collaborators

All relationships with employees must be inspired by principles of fairness, correctness, and loyalty, without any acts of discrimination. Trafitech offers equal opportunities for professional advancement, ensuring that all employees have the same opportunities for career progression, based on meritocratic criteria that align with the company's needs.

Employees are expected to exhibit collaborative behavior, fulfilling their responsibilities with diligence, efficiency, and care. Regardless of their level of responsibility, it is required that interactions among employees are conducted with loyalty, correctness, and respect, while acknowledging their roles and differing functions within the company.

Each manager must exercise the powers associated with their function and position with objectivity and balance, fostering the professional growth of their collaborators and improving their working conditions.

Employee training is regarded as an essential tool for developing the knowledge and skills of the staff employed at Trafitech. Training should be provided with the utmost attention to the needs of Trafitech, while also addressing the individual and professional development expectations of employees. Conversely, employees are expected to participate in training activities with commitment, professionalism, and a spirit of engagement.

### 2.4. Relationships with shareholders

Trafitech maintains relationships with shareholders (financing, contracts for services, etc.) in order to meet the operational needs that may arise (cash requirements, goods, services); in particular, for certain specific activities, a service contract is in place.



TRAFITECH

## 3. External Relations

### 3.1. Relations with suppliers

Relations with suppliers must be based on the principles of fairness, correctness, professionalism, and efficiency. In this context, the recipients of the Code of Ethics must refrain from receiving or offering donations or other benefits, except for those of modest value and only on the condition that they are not aimed at improperly acquiring or offering advantages.

The selection of suppliers and other collaborators must always be guided by criteria of appropriateness, efficiency, and cost-effectiveness, with the aim of creating a solid foundation for long-term reciprocal relationships.

Trafitech requires its suppliers and collaborators to behave correctly and diligently, as well as to comply with legal provisions, with particular attention to regulations concerning safety, health, and hygiene in the workplace, as well as those established for environmental protection.

To this end, it is expected that suppliers also adhere to the principles contained in this Code, and they are required to commit to observing and respecting regulations concerning, among others:

- i.* Child labor;
- ii.* Fundamental human rights of employees;
- iii.* Safety, health, and hygiene of employees;
- iv.* Corruption (both of public officials and among private parties);
- v.* Environmental protection.

### 3.2. Relations with customers

Trafitech manages relationships with customers in full compliance with the values of fairness, transparency, loyalty, efficiency, and professionalism, ensuring adherence to the law, particularly with regard to regulations aimed at combating money laundering, private corruption, and usury.

### 3.3. Relations with Public Institutions

Relationships with the Public Administration, entities, associations, political and trade union organizations, and any other public institution must be guided by the principles of fairness, impartiality, and independence.

Individuals within Trafitech who engage with these public subjects must operate with transparency. In any case, with a view to combating all forms of corruption and extortion, it is prohibited to receive and/or offer or promise to public employees or officials, or to those entrusted with public functions, benefits, gifts, or any kind of advantage, both directly and indirectly, to influence their decisions,



**TRAFITECH**

### 3. External Relations

to influence their decisions, obtain preferential treatment, undue benefits, or for any other purpose, including the performance of acts belonging to their office. Trafitech is prohibited from allocating contributions, grants, or funding obtained from the State or other public institutions, received at both national and supranational levels, for purposes other than those for which they were granted. Similarly, it is forbidden to use or present false statements or documentation, to omit required information, or to engage in any form of deceit or fraud in order to obtain the aforementioned public funding, in any form it may be provided.

In the event of requests from the Judicial Authority or in any contact with it (e.g., inspections), Trafitech commits to providing maximum cooperation and to making truthful statements, refraining from any behavior that could obstruct justice, in absolute compliance with laws and in accordance with the principles of fairness, loyalty, and transparency.

#### 3.4. Gift, gratuity, and sponsorship

In relations with consultants, clients, suppliers, or other external parties to Trafitech, it is permissible to accept gifts or other acts of courtesy, provided they are of modest value and do not in any way influence the activities of the recipient. Such gifts should not exceed normal business or courtesy practices and must not be aimed at obtaining any preferential treatment from individuals working at Trafitech.

In any case, it is prohibited to offer gifts or other benefits to representatives of public administration, public officials, or individuals engaged in public services, nor to their family members, if such actions could influence them in the performance of their duties.

Sponsorships are limited to activities of a social, cultural, or sporting nature and are directed only to qualified entities that do not have conflicting interests with those of Trafitech.

#### 3.5. Conflict of interest

All employees of Trafitech are required to act in the interest of the Company and to remain faithful to its values in the performance of all activities.

In the event that administrators, employees, or external collaborators find themselves in a situation of conflict of interest, even a potential one, they must immediately inform their superior or designated contact, who will assess the appropriate course of action. Additionally, they must refrain from engaging in any activities that could harm Trafitech or third parties, or compromise its reputation.



**TRAFITECH**

### 3. External Relations

In any case, the subjects to whom this Code applies are required to comply with the following rules of conduct:

*i.* the aforementioned subjects are required to show openness and transparency in the event of a conflict between personal interests and those of Trafitech;

*ii.* employees are not authorized to work for Trafitech while simultaneously managing a competing business;

*iii.* employees are not allowed to work for Trafitech's clients or suppliers;

*iv.* it is prohibited to offer favorable commercial conditions to companies in which a personal interest is directly or indirectly held;

*v.* it is prohibited to offer a job to close associates (friends or family) unless that individual is the most qualified candidate for the position and the relevant manager or Human Resources has been informed in writing;

*vi.* it is prohibited to accept gifts or presents with a value exceeding the limits set internally for the business area unless this has been agreed upon with the respective manager.



**TRAFITECH**

## 4. Implementation procedures

### 4.1. Dissemination and implementation

It is in the interest and obligation of Trafitech that this Code is widely disseminated among all its recipients, as well as to third parties involved in Trafitech's activities in various capacities.

To this end, it is planned that a copy of this Code will be provided to every new Trafitech employee and will also be made available to all employees who request one.

Furthermore, a copy of the Code will be delivered to all suppliers, clients, external collaborators, or other stakeholders who have relationships with Trafitech or who wish to consult its content.

To ensure a full understanding of the content of this Code, all recipients are encouraged to seek any necessary information for the correct interpretation of the Code, as well as regarding the application of the rules contained therein.

### 4.2. Disciplinary system

The compliance with the provisions contained in this Code is considered an integral part of the contractual obligations of all employees and collaborators of Trafitech. Indeed, adherence to the rules of conduct set forth herein is deemed an essential condition for the establishment and continuation of the employment relationship.

A violation of this Code undermines the trust established with Trafitech and, consequently, may lead to the imposition of disciplinary sanctions or the initiation of legal actions against the individual, in accordance with contractual provisions and legal regulations.

The disciplinary sanctions applied in such cases must be inspired by the principle of proportionality, adjusting them based on the severity and nature of the offenses committed. Furthermore, the principle of adversarial proceedings is guaranteed, ensuring the full involvement of the individual concerned in the evaluation of the violation and the resulting sanction.

In any case, the management of disciplinary proceedings, along with the imposition of sanctions, remains the responsibility of the designated and delegated functions. These procedures also take place in compliance with the provisions established by Law No. 300 of May 20, 1970 ("Workers' Statute"), the National Collective Labor Agreement (CCNL), and the internal regulations of Trafitech. Violations of the provisions of this Code by external collaborators constitute a source of contractual liability and, as such, may be pursued through the appropriate channels provided by the relevant regulations.



**TRAFITECH**

## 4. Implementation procedures

### 4.3. Final provisions

This Code will be approved by the Board of Directors of Trafitech. Any amendments and/or additions to the provisions contained herein will also be approved by the Board of Directors and will be promptly communicated to the recipients of the Code.



# TRAFITECH

## **TRAFITECH SRL**

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