

*SNAI S.p.A.*

## **CODE OF ETHICS**

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## **PREAMBLE**

Snai S.p.A. (hereafter "Snai" or "Company") is a joint stock company listed on the Milan stock exchange, MTA segment, operating in the gaming and betting industry.

Snai performs the activity of management, organisation and acceptance, with its own means or those of third parties, subject to due concessions, authorisations and/or licences, of horse race and sports betting, betting pools, lotteries and games.

The Company manages the exercise of electronic and entertainment devices with which gaming is performed and in addition it deals with the activation, rental, management and use of telecommunications or electronic networks for the provision of the services set out above.

Snai owns the gallop and harness racetracks of Milan San Siro and Montecatini Terme and has holdings in other major Italian racetracks.

Snai, which has always been sensitive to principles of corporate social responsibility, implements its economic activities with a view to principles of sustainable development, with an idea of development according to which the requirements of economic efficiency and legitimate profit must be coherent with environmental protection and social development.

By adopting the choice of sustainability, Snai adds to its objective of satisfying customers that of creating value for shareholders, paying attention to the requirements of the community and respecting the environment; it develops the professional skills of employees and empowers management in achieving the corporate purposes.

To clearly define the relevant values and responsibilities, a new edition of the Code of Ethics ("Code" or "Code of Ethics") has been prepared, the compliance with which by directors, auditors, personnel and all those who operate to achieve Snai's purposes, each under their own remit and responsibility, is essentially important for the efficiency, reliability and reputation of Snai.

The new Code of Ethics is the fundamental text in which Snai enunciates the general ethical principles with which all company procedures must be brought in line, specifies the rules of conduct to which positive ethical value is attributed and defines the methods of implementation and control of the Code of Ethics itself.

In addition to laying down admissible and inadmissible behaviours, the principles expressed in the Code are aimed at increasing the efficiency of the organisation, guiding the recipients towards positive objectives able to produce utility both for the direct interested parties and for the environment of reference as a whole, strengthening the cohesion and coherence of the system, by improving internal relationships and paying attention to good reputation.

The adoption of the Code of Ethics is a public declaration of the commitment by Snai to pursue the maximum ethical levels in achieving its corporate purposes, and, more generally, in sharing the values of a business culture for which it is essential to respect the legitimate interests and requirements of all players, individual or collective, involved in the company procedures.

Snai undertakes to promote awareness and to respect and to ensure respect of the general principles and ethical rules indicated in the Code, as that respect, as well as having essential moral

purposes, corresponds to greater protection of the very corporate interest, also from the economic perspective.

Snai oversees compliance with the Code, preparing adequate prevention and control tools and procedures to ensure the transparency of the activities and behaviours adopted, intervening with continuous improvement actions.

The Code does not replace and does not overlap laws and other regulatory sources, such as the Collective Labour Agreement, the Company's Articles of Association, the Quality Manual and the Organisation, Management and Control Model already approved and operative in Snai.

It is, on the other hand, a document which is positioned at a different level from the purely legal aspect and which supplements and enhances the principles contained in those sources, with specific reference to the ethical profile of the corporate behaviours and the reputation of the company itself.

## **CHAPTER I - GENERAL PRINCIPLES**

### **Purposes and contents of the Code of Ethics**

The Code of Ethics (hereafter Code) is a self-regulation tool aimed at making the company's activity transparent and directing its conduct along ethical lines, even in addition to what is established by the rules in force and by the Labour Agreements followed by the company.

The Code aims to identify the principles and specific rules of conduct upon which the behaviour of Snai must be based when dealing with all stakeholders, internal and external, and which are at the basis of relationships between the same.

The Code regulates, by introducing a set of behavioural rules, the conduct of directors, auditors, managers, employees, suppliers, partners and customers of Snai and all those who operate to achieve the company purposes, in any guise, directly or indirectly, permanently or temporarily, in Italy or abroad.

Compliance with the Code is an essential condition for achieving Snai's business mission.

### **General principles**

Ethical integrity and correctness in relationships between people are essential values for Snai and, in particular, the principles of fairness and sustainability constitute the ethical basis of the relationships that the Company intends to establish with all its stakeholders.

To that end, with this Code, Snai undertakes to secure its corporate governance system.

All behaviours implemented by Snai's people in the conduct of their working activity are based upon the utmost correctness, completeness and transparency of information, legitimacy from the formal and substantial aspect and clarity and accuracy of accounting documents, in accordance with the rules of law and internal procedures.

Snai's activities must be performed with commitment and professionalism, in respect of the corporate purposes and with the aim of creating value and welfare for all stakeholders, protecting the prestige and reputation of Snai.

### **Recipients and dissemination of Code**

The provisions of the Code are aimed at all Snai's people: directors, auditors, management and employees, as well as all those who operate, in Italy and abroad, to achieve Snai's purposes, each as part of their own functions and responsibilities.

The Company undertakes to promote awareness of the Code by persons who operate in the organisation and other stakeholders so that the required principles and behaviours constitute pillars of a business culture based upon sustainable development and guide, on a daily basis, the company's conduct.

The following are recipients of this Code:

- i. the Shareholders;
- ii. the Corporate Bodies (management body, delegated bodies, board of auditors, as well as any entity that exercises, even on a de facto basis, representation, decision-making and/or control powers within the Company) and the Independent Auditing Company;
- iii. Staff (i.e. employees, agents, semi-subordinate workers and coordinated and continuous workers, etc.) of the Company;
- iv. Third Parties (i.e. the Sales Network, consultants and suppliers of goods and services, even professional, and anyone who performs activity in the name and on behalf of the Company or under the control of the same).

More specifically:

- collaborators, agents (where present) and representatives, consultants and in general persons who perform autonomous work activities to the extent that they operate within the field of sensitive activities on behalf or in the interest of the Company;
- suppliers and partners (even in the form of temporary association of companies, where present) which operate within the field of so-called sensitive activities on behalf or in the interest of the Company.

### **Effectiveness of Code**

The principles contained in the Code supplement, from the ethical profile, the relevant conduct for the purposes of comprehensively and correctly fulfilling the obligations of loyalty, diligence and good faith expected from personnel and from any person who is involved in any guise in Snai's activities.

Any failure to comply with the rules contained in this Code will be sanctioned proportionally in the disciplinary venue and, where necessary, in the civil or criminal courts.

Third parties involved in Snai's activities are made aware of the commitments imposed by the Code and, in the event of a breach, the appropriate internal and, if admissible and under Snai's remit, external initiatives, are adopted.

## CHAPTER II - APPLICATION OF CODE

### Adoption and entry into force

The Code enters into force from its approval by the Board of Directors of the Company on 3 August 2012 and replaces the previous drafts.

### Internalisation and externalisation

To acquire binding power, the Code is:

- i. shared within the Company, by delivering a copy of the same to the shareholders, corporate bodies and staff of the Company. A copy of the Code is affixed to the company notice board, as well as included in a dedicated section of the company intranet;
- ii. externalised to Third Parties, i.e.: Sales Network, consultants, suppliers and customers, by way of information sent and/or noted in the Company brochures and/or published on the company website.

Copies of this Code will always be available and consultable in any case at Snai's Human Resources and Organisation Department.

The persons indicated above as recipients of the Code are therefore required to know the content of the Code of Ethics, to comply with it and to contribute to its implementation.

### Interpretation

Any conflicts of interpretation between the principles and contents of the Company procedures and the Code shall be understood to be resolved in favour of the latter.

In any case, the Board of Directors and the Control Bodies (e.g. Supervisory Body) deal with resolving any problem regarding the interpretation and application of the Code.

This Code cancels and replaces in full any pre-existing instrument that may have existed.

### Supervision, violations and sanctions

The role of supervision on compliance with and functioning of the Code and the Organisation, Management and Control Model referred to in Italian Legislative Decree no. 231/2001 is the responsibility of the Supervisory Body (hereafter, the "SB") referred to in Art. 12, Letter d) below.

That body identifies any violations of the rules of the Code and reports them to the Board of Directors which disputes them to the transgressors, applying against them the sanctions provided by the Sanction System adopted, based upon the type of transgressor.

In particular, as regards subordinate workers, the sanctions will be applied in respect of Articles 2103, 2106 and 2118 of the Italian Civil Code, of Art. 7 of the Workers' Statute Law no. 300/1970 as well as the existing regulations on dismissals and the procedures provided by the National Collective Labour Agreement applied "**Private metalworking and engineering industry and systems installation**".

In cases of staff relationships, the identified and disputed violation by members of the Management Body and/or the Board of Auditors will be assessed based upon its severity and may even lead to the revocation of the assignment for "just cause", resolved by the Shareholders' Meeting.

In contractual relationships, depending upon the severity of the violation, the contract signed may be understood to be terminated due to breach, applied in accordance with Articles 1453 and 1455 of the Italian Civil Code.

### **Contractual value of Code**

Compliance with the rules of the Code of Ethics must be considered an essential part of the contractual obligations of all those who operate in the interest of the company, in accordance with and for the effects of the applicable law.

Any violation of the contents of the Code of Ethics may constitute a breach of the obligations of the employment relationship or a disciplinary offence, with every legal consequence, also with regard to the continuance of the employment relationship and any compensation for damages that may be caused.

The aforementioned recipients of the Code are obliged to comply with and to respect its principles and to abide by all its rules of conduct.

Awareness of and adjustment to the requirements of the Code are an essential requirement for the establishment and maintenance of collaborative relationships with third parties, in relation to which the Company undertakes to disseminate all connected information, in a context of absolute transparency.

### **Update of Code**

The content of the Code may be amended and supplemented based upon suggestions, indications and proposals that are made by the Supervisory Body as provided by Italian Legislative Decree 231/01.



## **CHAPTER III - PRINCIPLES AND VALUES - ETHICS AND VALUES**

The Company bases its decisions and rules of conduct on the ethical principles and values summarised below, which constitute the company policy.

### **Correctness**

The Company, in business relationships, bases its actions on principles of integrity, correctness, transparency, efficiency and openness to the market. All actions and operations completed and behaviours implemented by each of the entities, employees, collaborators or consultants of the Company, in the conduct of activities, are based upon legitimacy from the formal and substantial aspect, in accordance with existing rules and internal procedures as well as correctness.

The pursuit of the Company's interests can never justify conduct contrary to the principles of correctness and honesty, as well as the laws and regulations in force.

### **Non-discrimination**

Within its internal relationships and in relationships with all third parties, the Company avoids any discrimination based upon age, racial and ethnic origin, nationality, political opinions, religious beliefs, gender, sexuality or state of health of its stakeholders.

### **Development and responsibility of human resources**

Snai recognises the value of human resources, by protecting their physical and moral safety and encouraging the continuous growth of technical and professional skills.

The management and development of human resources is based upon respect of the personality and professionalism of each person within the general context of the company.

Everyone must perform their working activity and provide their services with diligence, efficiency and correctness, using to the best possible extent the tools and time made available, whilst also accepting the responsibilities related to the requested fulfilments.

Human resources are an essential element for the Company's existence. The dedication and professionalism of employees are crucial values and conditions for achieving the corporate purposes.

Snai offers to all employees the same opportunities of professional growth, ensuring that everyone enjoys fair treatment based upon criteria of merit, without any discrimination, in order to:

- ✓ adopt criteria of merit, skill and in any case strictly professional for any decision relating to an employee;
- ✓ proceed to select, recruit, train, remunerate and manage employees without any discrimination;
- ✓ create a working environment in which personal characteristics cannot give rise to discrimination.

Each employee must actively collaborate to maintain a climate of mutual respect of the dignity and reputation of each person.

The recipients of this Code, in addition, are required to process personal data, of which they become aware during their work, in the most adequate manner so as to protect the confidentiality, image and dignity of persons.

### **Business integrity**

The Company's members of staff must conduct themselves correctly and honestly, both when performing their duties, and in relationships with other members of the Company, avoiding pursuing illicit and illegitimate purposes, or generating cases of conflict of interests to obtain an undue benefit for themselves or third parties.

It is prohibited for employees to hold gaming accounts managed by the Company.

In no case may the interest or advantage of the Company lead to and/or justify dishonest conduct.

### **Transparent and complete information**

The Company, respectful of the principle of transparency, undertakes to disclose correct, true and complete information in favour of Third Parties.

The Company also undertakes not to disclose news of acts and measures prior to the same being formalised and communicated to the interested parties.

Members of staff must only acquire and process data required for the purposes of the office to which they belong and in direct connection to their roles and they must prevent any dispersion of data by complying with the security measures imparted, storing the deeds entrusted carefully and in an orderly manner.

The principles of transparency and completeness are based upon the truthfulness, clarity and accuracy of information provided by the Company in relation to the activities and services offered.

The compliance with those principles implies the commitment to provide adequate information clearly and comprehensively.

Snai, both in its internal communications and in communications sent externally, adopts verbal or written forms that are easily and immediately understood.

In information provided to customers, in formulating contracts and advertising campaigns, the Company communicates in a clear and comprehensible manner, avoiding information asymmetries which may lead to illegitimate advantages being gained.

### **Confidentiality**

Snai's activities constantly require the acquisition, storage, processing, communication and dissemination of news, documents and other data relating to negotiations, administrative proceedings, financial transactions, know-how (contracts, deeds, studies, software, etc), which, by contractual agreements, cannot be made known externally, or whose inopportune or untimely disclosure could produce damage to the company interests.

Without prejudice to the transparency of the activities implemented and the reporting obligations imposed by existing provisions, all those who work with Snai are obliged to ensure the confidentiality required by the circumstances for all information gleaned whilst at work.

The information, knowledge and data acquired or processing during working activity belongs to Snai and may not be used, communicated or disclosed without specific authorisation of the superior in a managerial position, in respect of specific procedures.

Relationships with the media are reserved exclusively to the business functions and responsibilities delegated for this purpose; all employees, collaborators and consultants of Snai are required to agree in advance with the relevant structures data and news to be provided to representatives of the media, as well as the commitment to provide it.

## **Market and free competition**

The Company, as part of its business activity, bases its conduct upon principles of legality, integrity and correctness.

Snai recognises free and correct competition in a market economy as being a crucial factor for growth, development and constant business improvement.

## **Impartiality**

The Company undertakes to ensure that all members of the Company act with impartiality and integrity, not only in the conduct of their duties, but also in relationships between companies and with their stakeholders.

## **Diligence and accurateness**

The Company ensures that its personnel fulfil their duties with the necessary diligence and accuracy, in respect of agreed directives and, in general, the Company's quality standards.

## **Professionalism**

Persons operating within the Company, or those to whom the Company entrusts the performance of certain services, are equipped with proven requirements of competence, professionalism and experience. With particular reference to its members of staff, the Company deals with their constant training, update and professional growth.

## **Protection of the individual**

In respect of the rules of law protecting physical and moral integrity, the Company ensures that its personnel have decent working conditions, in safe and secure workplaces.

The Company considers the principle of health protection to be a primary objective, in coherence with the business activity and the economic initiatives descending from the same.

Snai's activities are conducted in compliance with the laws and regulations on protecting the health and safety of workers, the environment and public safety.

Employees, collaborators or consultants of the Company, whose physical and moral integrity is considered a primary value, are guaranteed working conditions that respect individual dignity, in safe and secure workplaces.

When a new employee is recruited, guidelines are provided to the same, indicating the risks present in the company and the various exposures to them. A risk assessment has been defined, indicating the risks present in the Company.

Snai undertakes to spread and strengthen a culture of safety, developing awareness of risks, promoting responsible behaviours by all collaborators and acting to preserve, particularly with preventive actions, the health and safety of workers.

The Company, in view of the regulations in force on the matter and the desire to create a safe and comfortable environment for its employees and visitors, has imposed a general prohibition on smoking in the workplaces.

## **Economic-financial transparency**

Every economic-financial operation and transaction must be correctly recorded, authorised, verifiable, legitimate, coherent and congruous, as well as verifiable also by way of paper and/or IT media with an indication, where possible, of the respective author. It must be correctly accounted for and the related documents retained.

## **Environmental protection**

Snai is attentive to environmental issues and is aware of the strategic role of the environment as a business development tool. In this sense, it considers essentially important the assumption of responsible and scrupulous behaviours in relation to environmental protection.

Snai undertakes to adopt strategies aimed at continuous improvement of the results in the field of environmental protection, concentrating its efforts on preventing pollution and minimising environmental risks and impacts and operating in line with the following principles:

- ✓ manage sustainably natural resources and energy, encouraging their correct use and increasing the use of renewable sources, paying particular attention to reducing waste and to the rational use of resources;
  - ✓ plan and implement business activities with criteria suitable to prevent pollution, reduce environmental impacts and safeguard the health and safety of employees and the population; define specific environmental objectives and improvement programmes aimed at minimising significant environmental impacts;
  - ✓ use adequate tools of control and monitoring systems on the main environmental aspects generated by its activities and on the improvement programmes adopted;
  - ✓ promote environmental awareness-raising and training activities within the company, pursuing the increase and dissemination of ecological awareness and a sense of responsibility;
- draft the Social Accountability report, to act as a fundamental information tool aimed at all company stakeholders which refers to the social and environmental repercussions of the business activity and assesses the coherence between the results achieved by the company and the objectives deriving from its values and its mission.

## **CHAPTER IV - CORPORATE GOVERNANCE**

The Company considers an essential element of its organisation an adequate and effective environment of control, as a set of tools, processes and bodies necessary and useful for directing, managing and verifying the corporate operations, in a perspective of efficient and ethical business activity.

### **Shareholder structure**

The Shareholders are among the primary recipients of the Code and, therefore, they undertake to comply with its precepts, promoting its dissemination and awareness.

The Company ensures that Shareholders do not position themselves in contrast with the corporate interests, by pursuing their own or third parties' interests, extraneous or contrary to the corporate purpose, or by adopting partial behaviours or operating in an antithetical manner or in conflict with the Company.

The Company involves all Shareholders in adopting the company decisions under their remit, also taking into consideration and guaranteeing the minority interests.

Prompt and comprehensive information is guaranteed, along with the transparency and accessibility to data and documentation.

### **Management Body and delegates**

The Management Body acts and resolves on an informed basis, with professionalism, responsibility and in autonomy, pursuing the main objective of maximising the value for the shareholders.

The Directors must be aware of their role and responsibilities, as well as being sensitive to their role of leadership and example in relation to those who operate in the Company.

The Management Body must not prevent or hinder the exercise of control activities.

It is responsible for refraining from performing any collateral activity that may harm the interests of the Company, or from pursuing its own interests or those of third parties even only potentially in conflict with and/or prejudicial for the Company. In that case, it is obliged to report the same, pursuant to Art. 2391 of the Italian Civil Code, promptly to the Board of Auditors as well as to the Supervisory Body.

In addition to its responsibilities, the Management Body has the commitment of ensuring scrupulous compliance with the values enunciated in this Code and promoting its sharing and dissemination, even in relation to Third Parties, as well as the behavioural requirements set out in the Organisation, Management and Control Model of the Company.

### **Board of Auditors**

The members of the Board of Auditors fulfil their duties with impartiality, autonomy and independence, in order to ensure effective control and constant monitoring of the economic-financial situation of the Company, as well as the compliance and adequacy of the organisational and administrative structure adopted.

The same ethical principles apply even where the accounts audit is exercised by members of the Board of Auditors, in accordance with Art. 2409-bis.

It also proceeds, with particular attention, with the information and dialogue between the various internal and external corporate bodies.

### **Internal control system**

The internal control system is the set of rules, procedures and organisational structures aimed at allowing, through an adequate process of identification, measurement, management and monitoring of the main risks, for the running of a sound, correct business coherent with the set objectives.

Every person who forms part of the organisation of SNAI is an integral part of its internal control system and has the duty to contribute, as part of the functions and activities performed, to its correct functioning.

### **Control and Risks Committee**

The **Control and Risks Committee** has the duty of supporting, with informative, advisory and proactive functions, the assessments and decisions of the Board of Directors relating to Snai's Internal Control System and the approval of the periodic financial reports.

### **Internal control and risk management system manager**

The **Director assigned to oversee the internal control and risk management system:**

- a) deals with identifying the main company risks, taking account of the characteristics of the activities performed by the Company and submits them periodically to the examination of the Board of Directors;
- b) implements the guidelines defined by the Board of Directors, dealing with the design, implementation and management of the Internal Control System constantly verifying its adequacy and effectiveness;
- d) may ask the Internal Control function to conduct verifications on specific operating areas and on respect of the rules and internal procedures in the implementation of business operations, giving simultaneous notification thereof to the Chairman of the Board of Directors, the Chairman of the Control and Risks Committee and the Chairman of the Board of Auditors;
- e) reports promptly to the Control and Risks Committee or to the Board of Directors in relation to problems and criticalities emerging in the conduct of its activity or of which it has in any case become aware, so that the Committee or the Board may take the necessary initiatives.

### **Internal Control Function**

The **Internal Control Function** has the aim of providing to the *Internal control and risk management system manager* and, by way of the *Control and Risks Committee*, to the *Board of Directors* and also to the *Board of Auditors* assessments, analyses, evaluations and recommendations in relation to the design and functioning of the Company's internal control system for the purpose of promoting its efficiency and effectiveness.

### **Controls internal and external to the system**

Those controls are based upon the following principles:

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- ✓ **Separation of duties.** The assignment of duties and consequent levels of authorisation must be aimed at keeping separate the functions of authorisation, execution and control and in any case at avoiding their concentration to a single person;
- ✓ **Formalisation of powers of signature and authorisation.** The granting of those powers must be coherent and commensurate to the duties assigned and formalised by way of a system of delegations and proxies which identifies the scope of exercise and the consequent assumption of responsibility;
- ✓ **Conformity to the rules of conduct contained in the Code of Ethics adopted by SNAI.** All business procedures must comply with the principles dictated by the Code of Ethics;
- ✓ **Formalisation of control.** Sensitive business processes must be traceable (by way of documents or on computers, with strong preference for the latter) and include specific line controls;
- ✓ **Coding of processes.** The company processes are regulated in accordance with procedures aimed at defining their timescales and methods of conduct as well as objective criteria that govern the decision-making processes and anomaly indicators.

## **CHAPTER V - HUMAN RESOURCES AND STAFFING POLICY**

### **Staff selection and recruitment**

The Company pays particular attention to the selection and recruitment of staff, ensuring respect of the values of equal opportunities and equality in line with legal requirements in that regard (including those on foreign workers and permits to stay), with the Workers' Statute and with the National Collective Labour Agreement applied.

That process involves verifying the correspondence between the profile of the various candidates and the company requirements, performed by the Human Resources and Organisation Department under the supervision of the Management Body, in respect of the principles established by the legislator and the mandatory employment of personnel belonging to protected categories.

The recruitment of the selected candidate presupposes the signature, between the Company and the candidate, of the applicable employment contract, which must indicate all the essential elements of the relationship established.

The selection of personnel is performed in accordance with actual company requirements and based upon the need for specific professionalism with respect to the role or duties, with the methods provided by internal procedures and in respect of equal opportunities for all entities involved.

### **Relationship management**

The employment relationships established by the Company are based upon principles of mutual respect, fair treatment and meritocracy. In that sense, the Company combats any form of favouritism, nepotism or discrimination.

The management of the relationship and the choice of the type of employment contract are based upon a careful assessment by the Human Resources and Organisation Department, under the supervision of the Management Body, of the individual's profile, taking into consideration the requirements of the latter and adopting the flexible contractual models offered by existing regulations.

At the time of establishing the employment relationship, the interested party will receive all information on the roles and duties to be performed and the regulatory and remuneration elements.

As part of the staff management and development processes, Snai develops skills, potential and commitment, adopting objective and documented assessment criteria.

In line with the overall efficiency of the work, the Company aims to be flexible in organising its work so as to facilitate the management of maternity and child care aspects and, in general, the care of relatives.

### **Prohibition on accepting gifts and/or other benefits**

Snai's members of staff are not authorised to offer, accept or promise, for themselves or others, any form of gift, allowance, benefit or service, of any nature, even without economic nature, aimed at influencing or in any case achieving favourable treatment during the conduct of their duties.



Where, despite that prohibition, a member of the Company receives - even against his/her will - promises of gifts and/or other benefits from third parties, he/she must promptly inform the Head of the Human Resources and Organisation Department as well as the Supervisory Body.

### **Conflict of interests**

Members of staff may not pursue interests that are in conflict, even only potential or partial, with those indicated in the corporate purpose or in any case those of the Company, and they may not perform, directly or indirectly, collateral activities that may be in conflict, in any way, with the activities and interests of the Company.

Where members of the Company other than the corporate bodies are found to be in a potential conflict situation, they are obliged to refrain from participating in the operation, promptly informing the Management Body as well as the Supervisory Body of the same.

In addition, where a spouse, relative or in-law of a member of the Company is an employee or collaborator of competing companies or entities, he/she must promptly communicate this to his/her hierarchical superior, as well as to the Supervisory Body.

In any case, any member of the Company who becomes aware of cases of conflict of interests regarding other entities, internal and/or external to the Company, but with which it holds relationships, is obliged to inform the Management Body and the Supervisory Body of the same.

### **Workplace safety**

The Company is scrupulous in complying with the rules on workplace safety set out in Italian Legislative Decree 09.04.2008 no. 81, as well as encouraging their application in the company.

In particular, the Company performs constant monitoring of the workplaces even in excess of legal obligations and the prevention of imminent risks, to guarantee the maximum safety and quality of its services.

To that end, a Head of the Risk Prevention and Protection Service has been appointed and all persons operating in the Company must abide by his instructions.

If a member of the Company identifies anomalies or irregularities in that regard, he/she must promptly inform the Head of the Risk Prevention and Protection Service and the Management Body.

## **CHAPTER VI - EXTERNAL RELATIONSHIPS**

### **Relationships with the Public Administration**

The Company's relationships with public officials, officers of public services, public servants and concessionaires are based upon transparency, integrity and correctness.

With particular reference to the participation in tenders called by the Public Administration for the award of government concessions, the Company maintains professional and transparent relationships, complying with the requirements of the tender notice, regulatory provisions and guidelines, being subject to the control of the Principal and the other public bodies in charge.

The Company prohibits favouritism, pressure or other forms of privilege by all those who operate in its name and on its behalf in management and in relationships with the Public Administration with a view to inciting it to assume favourable behaviours or decisions in favour of the Company unlawfully or contrary to the principles of this Code.

The assumption of commitments towards the Public Administration and the Public Institutions is reserved exclusively to the company functions in charge of and authorised for the same.

Employees and external collaborators, whose actions may be attributable to Snai, must hold relationships with the Public Administration based upon conduct characterised by correctness, transparency and traceability.

In relation to employees of the Public Administration or officers who act on behalf of the Public Administration, the following applies:

- ✓ active or passive bribery or collusive conduct of any nature or in any form is not permitted. Acts of bribery include both unlawful payments to entities or to their employees, and unlawful payments made by way of persons who act on behalf of those entities;
- ✓ it is not permitted to offer cash or to complete acts of commercial courtesy (such as free gifts or forms of hospitality) to managers, officers or employees of the Public Administration or their relatives, except in the case of tangible goods of small commercial value. In any case, those acts must not be exercised as tools of pressure for obtaining unlawful favours;
- ✓ it is also prohibited to promise benefits or other utilities to public officers and to representatives of the Public Administration;
- ✓ during business negotiations or relationships with the Public Administration, the assigned personnel must not seek to influence improperly the decisions of the counterparty, including those of officers who make decisions on behalf of the Public Administration;
- ✓ any informal contacts with representatives of the Public Administration involved in tender processes or procedures for concession and/or authorisation must be specifically motivated and tracked;
- ✓ Snai must not be represented, in relationships with the Public Administration, by a consultant or by a third party, when this may create conflicts of interest.

Any act that contrasts with correctness in relationships with the Public Administration should be promptly reported to the relevant internal functions, by the methods defined in the specific procedure.

### **Public Administration as provider of loans and funds**

In the performance of its activity, the Company may benefit from loans, of any nature, provided by national and/or EU public entities, intended for and restricted to the specific use for which they were granted and/or requested.

The Company oversees and combats any trickery or deception (even by way of false declarations or omissions) implemented by any of its members and by any means, to obtain, unjustly, those loans, funds or grants from the P.A., or to use them for purposes other than those for which they were provided.

### **Relationships with the judicial authorities**

In line with what is laid out above, the Company actively collaborates with the judicial authorities, the forces of order and any public official as part of inspections, controls, investigations or judicial proceedings.

In that sense, it is expressly prohibited for members of the Company to promise gifts, cash or other benefits in favour of the relevant judicial authorities or those who materially perform inspections and control, in order to remove their objectivity of judgment in the interest of the Company.

### **Relationships with customers**

The preeminent company objective is to increase the degree of satisfaction and enjoyment of its services/products, gaining awareness of the requirements of customers (even potential) and providing to them extensive and comprehensive prior information.

Those relationships are managed according to the principles of utmost collaboration, openness, professionalism and transparency.

### **Relationships with Suppliers, Consultants and Outsourcers**

The selection of suppliers and the formulation of purchase conditions of goods and services are based upon values and parameters of competition, objectivity, correctness, impartiality, price fairness and quality of the good and/or service, carefully assessing the guarantees of assistance and the range of offers in general.

The purchasing processes must be based upon seeking the utmost competitive advantage for the Company and upon integrity and impartiality towards each supplier.

The stipulation of a contract with a supplier must always be based upon relationships of extreme clarity, avoiding, where possible, the assumption of contractual constraints that involve forms of dependence towards the contracting supplier.

The need to pursue the utmost competitive advantage for Snai must necessarily ensure that the Company and its suppliers adopt operating solutions in line with existing regulations and, more generally, with the principles of protection of the individual, the worker, health and safety and the environment.

To this end, Snai asks its Suppliers to accept this Code which regulates the principles and rules upon which Snai bases its activity.

Any non-compliance with the Code is a condition for the non-continuation of the professional relationship/collaboration in place with Snai and may involve actions for the compensation for damages caused by that violation.

### **Partners and Competitors**

The Company bases its relationships with its partners and competing companies on precise compliance with the laws, market rules and principles of fair competition, combating any form of agreement or conduct that is potentially harmful or collusive.

### **Trade union organisations**

The Company maintains constant relationships with the trade union organisations, even within the company, to guarantee participatory dialogue and agreed decisions in relation to social problems concerning the company.

### **Relationships with the mass media**

Those relationships on behalf of the Company are managed on a reserved basis by the relevant functions, in order to ensure the security, coherence, completeness, homogeneity and uniqueness of the information.

Consequently, members of staff of the Company, even if solicited in that sense, do not establish or hold direct relationships with the mass media, and they are not authorised to issue public statements, data and information regarding the Company, even more so if it is prejudicial or likely to influence the relevant market and/or to compromise the Company's commercial image, subject to express authorisation issued by the entities in charge.

### **Accounting and financial management**

The Company provides a clear, correct and true representation of its registrations, done in compliance with the Italian Civil Code, with accounting standards and with existing tax rules, so as to ensure transparency and promptness of auditing.

The Company prevents the creation of false, incomplete or misleading registrations and strives to ensure that no secret or unregistered funds are established, or funds deposited in personal accounts, or invoices issued for non-existent services.

It is expressly prohibited, in particular, for directors, managers in charge of preparing the corporate accounting documents, auditors and liquidators, in financial statements, corporate books and in communications sent to shareholders and/or third parties to represent material facts that do not correspond to the truth, or to omit information due by law regarding the economic, capital and financial situation of the Company, so as to lead the recipients into error, or to cause financial damage to the shareholders and to company creditors.

To that end, in accordance with the principle of control represented by the separation of duties, the individual accounting operations and their subsequent supervision and revision are performed by different persons, whose duties are clearly identified within the Company so as to avoid unlimited and/or excessive powers being attributed to those individual persons. Similarly, any action or omission capable of preventing, hindering or falsifying the control activity reserved to shareholders or attributed to control bodies and those extraneous to the company is prohibited.

It is expressly prohibited for anyone to use, without authorisation, the funds of the Company and to establish and hold funds, even abroad, not shown by the official accounting.

### **Corporate communications**

Code of Ethics of Snai S.p.A.

The corporate communications must be true, clear, correct, transparent and comprehensive.

They must be rendered in compliance with the principles, criteria and formalities provided by the Italian Civil Code, by accounting standards and in respect of the requirements of tax rules, as well as the applicable special laws and regulations.

The financial statements, for the financial year or interim, the information tables, the corporate books and, in general, the reports or communications on the economic, capital and financial situation required by law, are documents prepared in accordance with principles of transparency and correctness, in line with the provisions of the Italian Civil Code and the laws in force in that regard.

## **CHAPTER VII - SANCTION SYSTEM**

### **Reports of violations of the Code of Ethics**

Recipients of the Code are required to report, due to a sense of responsibility and loyalty towards the Company and by the methods established in the 231 Organisation, Management and Control Model, any violations of the ethical principles contained in this Code.

### **Violations and sanctions**

The adoption of the relevant ethical principles for the purposes of preventing the crimes pursuant to Italian Legislative Decree 231/01 constitutes an essential element of the preventive control system. To that end, the rules of conduct provided in the Code constitute a basic reference with which recipients must abide in the conduct of sensitive business activities for the purposes of the cited decree and in relationships with stakeholders, for which a preeminent reference is reserved to the Public Administration, both Italian and foreign, and to public servants.

Any violations of this Code of Ethics which harm the relationship of trust with the entity must as a consequence involve disciplinary actions, irrespective of any establishment of a criminal case in circumstances where the conduct constitutes an offence.

Any violation of the requirements contained in the Code of Ethics may therefore constitute a breach of the primary obligations of the employment relationship or a disciplinary offence, with the related consequences of law in relation to the continuance of the employment relationship and it may, where appropriate, involve compensation for damages deriving from that violation.

Any violation of the Code by members of the corporate bodies may involve the adoption of the most appropriate measures provided or permitted by law.

All violations committed by employees will involve the adoption of the sanction measures provided by the National Collective Labour Agreement applied, commensurate to the severity of the violation and the respective objective and subjective circumstances.

All violations committed by Third Parties may determine, depending upon the severity of the case, the termination of the contractual relationship in accordance with Articles 1453 and 1455 of the Italian Civil Code and a possible claim for compensation for damages.

The entity in charge of supervision and monitoring of compliance with the requirements contained in the Code is the Supervisory Body, established in accordance with the requirements contained in Italian Legislative Decree 231/2001.