

ESTECO S.p.A. Code of Ethics

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1. INTRODUCTION

ESTECO SpA (hereinafter referred to as “ESTECO” or “Company”) was established in 1999. ESTECO produces software and provides services specifically for the engineering industry and more generally for the physical sciences industry. ESTECO’s innovative, quality software and services, its care for its clients, distributors and suppliers, and its principles of fairness and transparency in its dealings with employees and pertinent territory, derive from and are inspired by the Company’s history which is founded on research, excellence, innovation, meritocracy and the strict observance of ethical principles.

The Code of Ethics (hereinafter referred to as “Code”) promotes ethical conduct inside and outside ESTECO and reflects ESTECO’s belief that ethical behavior in business is one of the reasons for the Company’s success. The Code, envisaged by Legislative Decree 231/01 of Italian Law, is an integral part of ESTECO’s Organization and Management System.

The Code describes the rules of conduct that ESTECO collaborators, at all levels, are expected to adhere to and enforce when dealing with ESTECO stakeholders: fellow employees, distributors, clients, suppliers, shareholders, agencies, authorities, the community as a whole and financial institutions, etc.

The rules contained in the Code aim to recommend, promote or prohibit certain types of behavior in compliance with the laws of the countries where ESTECO operates.

ESTECO aims to conduct business with transparency and utmost care for economic, social and environmental sustainability.

The Board of Directors, the President, the Supervisory Committee and ESTECO management will do everything in their power to ensure that the Code is implemented and respected.

In carrying out their respective functions, duties and responsibilities, corporate boards, management, employees, collaborators and commercial, industrial and financial partners of ESTECO (hereinafter referred to as “Covered Persons”) are required to adhere to this Code.

The Code summarizes the principles and values of ESTECO – integrity and fairness – and serves as a reference for everyone who works for, and with, ESTECO.



2. VALIDITY, APPLICABILITY AND ACCESSIBILITY

The Code applies to ESTECO management and employees as well as to all subsidiary and associated companies of ESTECO.

ESTECO will endeavor to ensure that all subsidiary and associated companies, clients, suppliers and all external collaborators of ESTECO conduct business in a manner befitting the Code.

The Code is valid in Italy and abroad, irrespective of the cultural, social and economic differences of the countries where ESTECO operates.

The Code is to be brought to the attention of internal and external stakeholders in compliance with local laws and customs.

ESTECO must provide a copy of the Code (and any future updates and amendments) to all employees and employees are required to sign an acknowledgement of receipt. The consignment and subsequent acknowledgment of receipt is recorded in the Company Register in compliance with the laws in force.

The Code can be accessed by all ESTECO collaborators via the Company Intranet. The Code can also be accessed and downloaded by the general public at the Company website: www.esteco.com.

The rules of conduct contained in the Code are complementary to all other provisions of the law, regulations and organizational provisions valid in the various regulation systems of ESTECO and its subsidiary and associated companies.

ESTECO is responsible for raising employee awareness of the Code through training programs and for ensuring that employees understand the importance of adhering to the Code.

3. OBJECTIVE AND VALUES

The primary objective of ESTECO is to create value for its shareholders and pertinent territory in compliance with the Law and the principles established in this Code.

This objective shapes ESTECO's industrial and financial strategies and its conduct in carrying out those strategies, inspired by an efficient use of resources.



As a responsible and active member of the community it operates in, ESTECO:

- undertakes to respect, and ensure that its employees and collaborators respect the law in force and commonly accepted ethical principle of transparency, correctness and loyalty while conducting business, in accordance with international standards;
- shuns and censures behavior it deems unethical (toward the community, the pertinent territory, public authorities, clients, distributors, employees, investors, suppliers and competitors) to achieve its economic objectives; objectives that are to be achieved solely as a result of excellence in terms of performance, quality and the advantages brought by its products and services, all of which are founded on experience, customer care and innovation;
- adopts strategies to prevent the violation of the rules and principles of transparency, fairness and integrity by its employees and collaborators and ensures the rules and principles are implemented correctly;
- is impartial in its dealings with all parties and will not discriminate on the basis of age, race, ethnicity, nationality, political opinion, religious beliefs, sexuality, gender and the state of health of the people it deals with;
- provides a work environment that is safe, healthy and respectful of human dignity;
- assures clients/users, investors and the general public of the transparency of its actions, while safeguarding the competitiveness of the respective companies;
- undertakes to promote fair competition, which it believes is fundamental to maintaining the high standards of quality and innovation of its products and services. ESTECO believes that fair competition is in the interest of everybody: ESTECO, all workers, clients and stakeholders;
- safeguards the confidentiality of information in its possession in compliance with the law. Collaborators of ESTECO are prohibited from using confidential information for purposes not related to the performance of their work;
- pursues excellence and competitiveness by offering clients/users quality products and services that perform according to their requirements;
- is aware that the services it provides contribute to the well being and growth of the pertinent territory and the countries it operates in;
- undertakes to do everything in its power to avoid involvement in situations of real or potential conflict of interest. In addition to the conflicts of interest defined by the law, one possible “conflict of interest” is when a collaborator of ESTECO works against the interest of ESTECO and its shareholders for their own personal gain;
- safeguards and values its employees and collaborators, specifically by providing training and continuing education opportunities and ensuring that employees/collaborators are capable of performing their assigned duties;
- uses resources responsibly through a sustainable approach to development that respects the environment and the rights of future generations;
- undertakes to safeguard the environment by adopting strategies that ensure the compatibility between economic initiatives and environmental requirements in full



compliance with the law in force while taking into account the development and best practices of scientific research.

4. RELATIONSHIP WITH SHAREHOLDERS

4.1. SHAREHOLDERS

ESTECO undertakes to treat all shareholders as equals and to create value for all shareholders. ESTECO will refrain from giving preferential treatment to specific shareholders and ensure that all shareholders can exercise their rights.

4.2. CLIENTS/USERS

ESTECO will respect the law in force, this Code of Ethics and any and all internal procedures while carrying out its business operations and interacting with clients. ESTECO requires its employees and collaborators to do the same and to avoid situations where conflicts of interest may arise.

ESTECO bases the excellence and innovation of its products and services on its customer service and readiness to satisfy client requirements in the quickest, most efficient way possible.

ESTECO aims to provide a quick, qualified response to client/user requests and to conduct itself in a transparent, courteous and collaborative manner.

4.3. GOVERNMENT AGENCIES AND AUTHORITIES

ESTECO acts with utmost transparency and fairness in its dealings with government agencies and authorities, public officials and the employees of government agencies and authorities (hereinafter “Agencies”).

Dealings with employees of the Agencies are limited to appointed members of ESTECO management whose actions are subject to prior authorization. These actions must be conducted in compliance with the law and must not compromise the integrity and reputation of ESTECO.

It is prohibited to directly, indirectly or through intermediaries, offer or promise money, gifts or fees of any kind, to coerce, to promise any objects, service or favors to government management, officials or employees of government agencies and authorities or their relatives or related persons, with the aim of inducing them to act improperly in their official duty.

Anyone who receives implicit or explicit requests for benefits of any kind made by persons working for Agencies must immediately cease all contact with said persons and inform the Supervisory Board in writing as per Legislative Decree 231/01 of Italian Law and notify their supervisor.



The provisions outlined in the preceding paragraphs cannot be eluded by resorting to other kinds of assistance or contributions such as a contract, consultancy or publicity, etc. which share objectives analogous to prohibited actions.

Commercial interactions with Agencies must at all times be carried out in compliance with and in respect of the law and according to proper business practices.

4.4. COMMUNITY AND PERTINENT TERRITORY

ESTECO intends to contribute to the economic wellbeing and economic, social and cultural growth of the community it operates in by providing efficient services and technologically advanced products, also in the form of training programs.

In line with these objectives and ESTECO's responsibility to its stakeholders, ESTECO recognizes that research, innovation and advanced training are fundamental to growth and success. ESTECO believes that collaborating with other companies and institutions – universities, research centers – on research, innovation and advanced training adds economic value to the scientific and technological research activities of those companies and institutions.

When making business decisions, ESTECO takes into account the social relevance of software services in accordance with the requirements of efficient economic management and the needs of the community, especially its weakest members.

ESTECO is aware of the significance of the services it provides and consequent responsibilities towards the community and as such, maintains a collaborative and transparent relationship with Agencies that respects the autonomy of all parties, economic objectives and values expressed in this Code.

ESTECO looks favorably on, and supports, initiatives of a social, cultural or educational nature that aim to improve an individual's quality of life.

ESTECO believes that sustainable global growth is in the interests of its current and future stakeholders. Consequently, ESTECO's investment and business decisions take into account, and respect, the environment, the community and public health and safety.

4.5. SUPPLIERS AND PARTNERS

In its dealings with suppliers and partners, ESTECO complies scrupulously with the law, with the principles of this Code and with internal procedures and acts in accordance with the principles of transparency, equality, fairness and free competition.

When dealing with suppliers and partners, ESTECO directors, management and employees must observe and respect applicable law, contractual obligations and internal procedures regarding the selection and management of relationships.

4.6. THE MEDIA

ESTECO interacts with the media exclusively through appointed departments and employees who act in accordance with the principles of transparency, fairness and openness and in accordance with the Company's communication policy.

Appointed departments and employees are required to seek prior consent regarding how and when ESTECO's opinions and activities are represented in the media.

5. HUMAN RESOURCES

ESTECO recognizes that human resources are the primary reason for the success of any company, especially companies like ESTECO that conduct research and innovation. For this reason, ESTECO believes that its employees are entitled to fair remuneration.

ESTECO safeguards the safety and health of its employees in the workplace and believes that respecting employee rights, in particular the rights of individuals, is fundamental to the performance of day-to-day operations.

5.1. REWARDING

ESTECO guarantees equal opportunity and professional growth for all its employees.

ESTECO provides employees with fair and competitive compensation and benefits. ESTECO wages meet or exceed national collective labor agreements and other supplementary agreements and thus ensure an adequate standard of living for employees and their families. ESTECO's compensation systems are linked to company and individual performance. ESTECO encourages its employees to fully utilize their potential by offering ample training, education and personal development opportunities. Access to qualification and training activities is based on the principle of equal opportunities for all employees. ESTECO promotions are based on competences, skills, performance record as well as team fit and see the engagement of the employees as a critical success factor. ESTECO complies with all applicable laws and agreements on working time and paid leave, respecting the right to rest and leisure, including vacation with pay and the right to family life. Where possible ESTECO will aim to offer flexible work patterns to enable employees to balance company with personal demands.

The search and recruitment of staff is carried out in accordance with company rules and is conducted in an objective and transparent manner.



5.2. HARASSMENT AND DISCRIMINATION

Equal opportunities for all employees and a prohibition on discrimination based upon one's membership in a lawfully protected category are fundamental principles of ESTECO's corporate policy. No person is to be unfairly disadvantaged, favoured or ostracised because of ethnic or racial status, colour, nationality, descent, religion, caste, gender, gender identity, age, physical characteristics or appearance, genetic information, sexual orientation, physical or mental disability, union membership, military or veteran status, political affiliation, HIV/AIDS, parental status or any other category protected by applicable local law. Harassment of any kind is forbidden. ESTECO expects its employees to be honest and fair in their dealings with colleagues and third parties. ESTECO believes diversity is a key success factor for its business.

5.3. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

ESTECO is committed to an open and constructive dialogue with its employees and, if applicable, with their representatives. Employees are free to join organizations of their choice that represent them consistent with local organizing laws. These organizations may, if recognised as the appropriate agent, engage in collective bargaining according to the applicable legal regulations. Employees who act as representatives are neither disadvantaged nor favored in any way. In locations where employees have decided not to appoint representatives, we promote direct and open communication between employees and management.

5.4. MODERN SLAVERY AND CHILD LABOUR

Modern slavery is a crime and a violation of fundamental human rights. ESTECO is committed to the elimination of all forms of slavery and to the international effort to abolish child labor and human trafficking and refuses to tolerate such activities.

5.5. TRADE UNIONS

ESTECO does not make financial contributions to trade unions, their representatives or candidates with the exception of financial contributions envisaged by the law in force. In its dealings with trade unions, ESTECO acts in the interests of the Company and its employees and in accordance with the principles of fairness and collaboration.

6. ENVIRONMENTAL POLICY

ESTECO is committed to providing a quality service in a manner that ensures a safe and healthy workplace for its employees and minimizes the potential impact on the environment. ESTECO will operate in compliance with all relevant environmental legislation and will strive to use pollution prevention and environmental best practices in all its activities.

ESTECO therefore, will:

- include concerns and impacts on the environment into its decision making and activities
- minimize its waste and then reuse or recycle as much of it as is possible



- minimize energy and water use within its buildings and processes in order to conserve supplies and minimize the consumption of natural resources
- promote the use of renewable energy, efficient energy production and consumption systems, and reduction of greenhouse gas emissions
- act properly in shipping, use, storage and disposal of chemicals
- place office furniture and equipment with air circulation, temperature control, and pollutant removal functions
- use fresh air whenever possible by oftenly opening windows
- keep the office clean with regular professional cleaning to ensure a good level of indoor air quality
- as far as is possible, purchase products and services that do the least damage to the environment
- train, educate and inform its employees about environmental issues that may affect their work
- promote environmental awareness among employees and encourage them to work in an environmentally responsible manner
- communicate its environmental commitment to clients, customers and the public and encourage them to support it
- where required by legislation or where significant health, safety or environmental hazards exist, develop and maintain appropriate emergency and response programmes.

7. CORPORATE GOVERNANCE

ESTECO manages its corporate and accounting requirements in accordance with principles of truthfulness, fairness, transparency and legality.

All ESTECO management, employees, collaborators and auditors scrupulously adhere to the obligations imposed by regulations and the law and observe the provisions outlined in this chapter for their respective roles.

All ESTECO management, employees, collaborators and auditors involved in drawing up the balance sheet are required to act in compliance with regulations regarding the veracity and accuracy of accounting, data and estimates.

Management must collaborate fully and in a timely manner with inspection bodies and shareholders who legitimately request information and documentation regarding Company management.

Management must refrain from performing transactions on ESTECO shares, namely, operations that are detrimental to creditors and prohibited by law and must not engage in behavior that goes against the interests of the Company.

ESTECO management, directors, employees, collaborators and auditors are responsible for maintaining the confidentiality of information that does not fall within the public domain and is entrusted to them as a result of their roles in the Company.

Management, directors, employees, collaborators and auditors must take utmost care not to disclose confidential information.

Information that is for public consumption must only be disclosed by appointed departments and employees who act in accordance with the principles of openness, full disclosure and truthfulness.

8. BUSINESS ETHICS

The conduct of Covered Persons when performing their work and in their work relationships must comply with the provisions of the law, the Code and Company procedures.

The following is prohibited:

- illegal behavior or behavior that does not comply with the rules of conduct outlined in the Code – even if that behavior is the result of the intention of benefiting the company;
- the pursuit of personal or third party interests that are detrimental to the Company;
- illegal use of the name and reputation of ESTECO or illegal use of information and business leads Covered Persons have knowledge of through the performance of their work, for personal or third party gain;
- providing, without permission, third parties with confidential information regarding the Company, clients or suppliers;
- using Company property for uses other than those permitted by the law.

Covered Persons must not perform work (including work without compensation) or behave in a manner that is incompatible with their work contract with ESTECO.

Employees and collaborators of ESTECO must inform their supervisor of any conflicts of interest, potential or real, direct or indirect, and even when in doubt.

8.1. COMPANY PROPERTY

The intellectual property of ESTECO comprises technical information, know-how, patents, trademarks, discovery, algorithms, software, written product and other work product produced by ESTECO and/or its employees and collaborators in the performance of their work in the Company or for the Company, in compliance with applicable rules and regulations.



8.2. INTELLECTUAL PROPERTY

ESTECO has the right to take precautions permitted by law to preserve and protect its intellectual property and verify whether its employees – who have a duty to safeguard the Company’s intellectual property and who are prohibited from using intellectual property for personal or third party gain – do not violate or damage the intellectual property rights of ESTECO.

8.3. PRIVACY

Employees, customers, partners and suppliers entrust ESTECO with their personal and sensitive data and ESTECO will apply maximum caution when safeguarding these information. The aim is ensuring its confidentiality and integrity, implementing the technical and organizational measures in accordance with legislation n.679/2016 (General Data Protection Regulation) with respect to the custody, storage and conservation of the data.

Data privacy is covered in all employees’ periodic GDPR training as required by the EU Regulation n.679/2016.

8.4. CORRUPTION, EXTORTION AND BRIBERY

A fundamental principle in the ESTECO business ethics is no tolerance for any form of corruption, extortion or bribery, in accordance with current legislation. This includes avoiding all forms of bribery and discouraging any person to promise, offer or give any benefit or advantage that may reward or influence a business decision.

8.5. FINANCIAL RESPONSIBILITY

ESTECO financial records provide valuable information for the business and evidence of company actions, decisions and obligations. These records must accurately and fairly reflect company transactions in sufficient detail and in accordance with the national accounting practices.

8.6. ANTITRUST AND FAIR COMPETITION

ESTECO believes in free and open competition and prevents improper practices that may limit competition. The general purpose is to act professionally, fairly and with integrity in all business situations and relationships.

8.7. WHISTLEBLOWING AND PROTECTION AGAINST RETALIATION

ESTECO is extremely committed to protecting whistleblowers against retaliation. Whenever wrongdoing is reported the company has a duty to institute remedies and take disciplinary action.

8.8. COUNTERFEIT PARTS

ESTECO only uses reliable suppliers for purchases of raw materials and components. These materials are verified on receipt and held in secure warehouses.



9. CODE OF ETHICS GUARANTOR

ESTECO appoints the Supervisory Committee as the Guarantor for the correct implementation of this Code of Ethics in compliance with the Organization and Management System envisaged by Legislative Decree 231/01.

The Guarantor:

- continuously verifies that the Code is adhered to, also based on suggestions the Guarantor has received;
- provides answers to questions regarding the interpretation of the Code and assists in resolving issues;
- notifies the Board of Directors of any complaints and any anomalous situations;
- expresses binding opinions on any possible amendments to the Code or to the most relevant Company policies and procedures in order to guarantee adherence to the Code.

The Guarantor must immediately inform the Legal Representative and the Statutory Board of Auditors of any complaints received and the actions taken as a result.

At the request of the Legal Representative and Board of Statutory Auditors, the Guarantor expresses opinions on the correctness of the conduct of persons who work for ESTECO.

The Guarantor performs their duties in collaboration with management and employees in the Company.

10. HEALTH AND SAFETY POLICY

The respect for individual and collective health and safety and respect for the environment is an inviolable principle in the activities of ESTECO. To this end, ESTECO bases its business decisions and guides the behavior of its employees. ESTECO actions are inspired by the guidelines based on the sustainable and responsible industrial development that is valued by the community as a whole.

Health and Safety are primary objectives for ESTECO which the Company achieves by using the best technology available and by providing continuing education to everyone who works in the company with the aim of promoting responsible behavior.



ESTECO believes that adopting a management system that complies with international regulations ensures good governance over health and safety. Specifically, ESTECO believes that:

- duties, roles and responsibilities must be clearly defined in the Company organization chart;
- integrated planning in the planning and development phases of every single process must have the objective of achieving sustainable development and the minimization of risk to workers;
- the efficacy of the management system must be guaranteed by a systematic auditing process;
- the manner in which ESTECO deals with the issues of health, work and environmental safety must be continuously updated to encompass stakeholder contributions and the provisions of the law.

11. ADHERENCE TO THE CODE

ESTECO undertakes to adopt the procedures, rules and regulations that ensure that the values outlined in the Code are reflected in the provisions of the aforementioned procedures, rules and regulations and reflected in the conduct of all employees, collaborators and partners. ESTECO further undertakes to adopt specific sanctions for any violations where appropriate and according to applicable provisions.

11.1. VIOLATIONS OF THE CODE

All employees must adhere to the rules and regulations of the Code; the conduct and work of all employees must be in compliance with the provisions contained in the Code. In the event employees violate the provisions of the Code, employees cannot cite ignorance of all, or part of, the Code and its contents as justification for the violation.

The purpose of the Code is not just to provide a set of rules to be abided by, but above all, to serve as a guide for ethical conduct. The Code aims to achieve spontaneous, wide-reaching support for shared principles regarding the management of work relationships inside and outside ESTECO and aims to go beyond a purely punitive approach.

It is desired and desirable that all persons directly or indirectly involved or affected by the Code adhere fully and voluntarily with the Code.

Employees must notify the Guarantor, in a timely manner, in writing or by email to: organismodivigilanza@esteco.com or their supervisor of the following:

- any violations or inducements to violate the rules of law, regulations, provisions of the Code or internal procedures;



- any irregularities or negligence in the keeping of accounts, conservation of related accounting documents, the carrying out of accounting reporting obligations or internal management;

The Guarantor of the Code:

- upon receiving complaints, investigates the complaint, speaks to the perpetrator of the presumed violation in order to ascertain the facts and subsequently takes appropriate action, including taking punitive measures where applicable and according to the law, collective agreements and contracts;
- takes measures to protect complainants against retaliation of any kind. By “retaliation” it is intended any action that can be construed as discrimination or disadvantage;
- ensures the confidentiality of the complainant, without prejudice to obligations imposed by law;
- in the event of a confirmed violation of the Code, informs management or appointed persons of the violation and depending on the gravity of the violation, may make suggestions they deem necessary. The appointed bodies define the actions to be taken in accordance with the laws in force and according to the disciplinary system adopted by the Company. The appointed persons take actions and report the outcome to the body responsible for monitoring compliance with the Code.

The violation of the provisions contained in the Code implies legal action against the person or persons responsible for the violation in addition to disciplinary sanctions envisaged by applicable regulations.

12. REVIEW AND AMENDMENTS TO THE CODE

Having heard the opinion and proposals of the Board of Statutory Auditors and the Supervisory Committee, the Board of Directors of ESTECO reviews and makes amendments to the Code, if required, on an annual basis.