



CODE OF ETHICS

FRIULCHEM SpA

ED. 1

approved by the Board of Directors of 5 July 2019

1. INTRODUCTION

1.1 VISION – MISSION

Friulchem is a chemical-pharmaceutical company with decades of experience that deals with research, development, and production of pharmaceutical products for veterinary and human use.

Our fully equipped research and development laboratory has been recognized as one of the high-value laboratories of the Friuli Venezia Giulia (Italy) region and offers outside services to third party companies.

We are trusted partners of many leading pharmaceutical companies

Our primary mission is to support the market with the best solutions through innovative projects and niche products, which represent solid business opportunities for the customer.

The key principles that are the foundation of our company, which has been active for more than forty years, are:

- high staff skills;
- state-of-the-art and constantly evolving R&D activities;
- latest generation plant equipment and fully equipped laboratory;
- product portfolio in continuous evolution and enrichment;
- highly qualified suppliers and partners.

1.2 CODE OF ETHICS

FRIULCHEM SpA has always based its activity on the conviction that ethics in the conduct of business are to be pursued together with the success of the company and, in order to better clarify the values of the company culture, has considered it appropriate and necessary to adopt this Code of Ethics, which regulates the set of rights and responsibilities that the Company expressly assumes towards those with whom it interacts in the performance of its activity

The Company believes in the value of work and considers the legality, correctness, and transparency of acting as essential prerequisites for the achievement of its economic, productive and social objectives.

The Code of Ethics also aims to introduce and make binding on the Company the principles and rules of conduct relevant for the reasonable prevention of the crimes indicated in Legislative Decree 231/2001

The Code of Ethics, considered as a whole and together with all the specific implementing procedures approved by the Company, is considered an integral part of the employment contracts in place and to be concluded, pursuant to art. 2104 c.c. (Diligence of the employer)

The violation of its provisions will therefore constitute an offence of a disciplinary nature and, as such, will be prosecuted and sanctioned by the Company pursuant to and in accordance with art. 7 (Disciplinary sanctions) of Law No 300/1970 (Workers' Statute - Rules on the protection of the freedom and dignity of workers, trade union freedom and trade union activity in the workplace and rules on placement) and may result in compensation for damages caused to the organization.

As for collaborators, consultants and self-employed workers, suppliers (below specified among the Recipients) who provide their activity in favour of the company and other third parties, the signing of this Code of Ethics or an extract of it or, in any case, adherence to the provisions and principles provided for in it represent a sine qua non for the conclusion of contracts of any kind between the Company and these subjects. The provisions thus signed or, in any event, approved, including for concluding events, form an integral part of the contracts themselves

Due to what has been described so far, any violations by the subjects referred to in the previous paragraph of specific provisions of the Code of Ethics, depending on their seriousness, may legitimize the withdrawal by the company of the contractual relationships in place with these subjects and can also be identified ex ante as causes of automatic termination of the contract pursuant to art. 1456 c.c. (express termination clause).

2. RECIPIENTS OF THE CODE OF ETHICS

Through the adoption of the Code of Ethics, the company wanted to define moral values, clear rules, and procedures with which to comply

The Code of Ethics is aimed at:

- Members of the collegiate bodies
- Employees (both fixed-term and permanent)
- Project collaborators
- External and internal consultants
- Suppliers of goods and services
- Any other subject who may act in the name and on behalf of the Company both directly and indirectly, permanently or temporarily or those who establish relationships with the Company and work to pursue its objectives

The Recipients of this Code of Ethics are required to learn its contents and to respect its precepts

The Code of Ethics will be made available to them, as specified below

The Management, or a delegate, of the Company is responsible for the effective implementation of the Code of Ethics and its dissemination inside and outside the organization

Company employees, in addition to the respect due the regulations in force and the provisions provided for by collective bargaining agreements, where applicable, commit to adapting the methods of performance of the work activity to the purposes and provisions provided for in this Code of Ethics.

Both in intra-company relations and in relations with subjects outside the company and, in particular, with public administrations and other public authorities.

The essential requirement of any relationship of fruitful collaboration with the company is represented by the respect, by the other Recipients, of the principles and provisions included in this Code of Ethics.

In this sense, at the time of the conclusion of contracts or agreements with the other Recipients, the Company provides its interlocutors with a copy of this document.

3. VALUES AND RELATED CRITERIA OF CONDUCT OF THE COMPANY

The conduct of the subjects, both inside and outside the Company, must always be based on the respect for the values and principles contained in this Code. Recipients must act to best represent the Company's style of conduct and the contents of the Code.

The primary objective of FRIULCHEM SpA is in fact to establish relationships with stakeholders in compliance with the laws and their system of values, guaranteeing the maintenance of the commitments made to them, respecting their interests and pursuing their objectives.

3.1 Integrity in compliance with Laws and Regulations - Honesty - Equity

The company is committed to creating and providing quality products and services and to competing on the market according to principles of fair and free competition and transparency, maintaining correct relations with all public, governmental and administrative institutions, with citizens and with third-party companies

Everyone is required to operate, in any situation, with integrity, transparency, consistency and fairness, conducting with honesty every business relationship

The company operates in strict compliance with the Law and strives to ensure that all personnel act in this way: people must behave in accordance with the Law, whatever the context and activities carried out and the places where they operate. This commitment must also apply to consultants, suppliers, customers and anyone who has a relationship with our organization.

The Company will not start or continue any relationship with those who do not intend to align themselves with this principle.

3.2 Centrality, development and enhancement of human resources

The Company recognizes the centrality of human resources and considers that an essential factor of success and development is the professional contribution of the people who work there.

The Company has always placed the professionalism and individual contribution of the people at the centre of its work, giving continuity to a style of relationship that aims to recognize the work of each person as a fundamental element of business and personal development.

At the same time, the company places at the centre of its daily work the dialogue, the exchange of information - at any level -, the enhancement and professional updating of its employees and the establishment of a corporate identity and the relative sense of belonging.

This value translates:

- Into the creation of a working environment capable of enhancing the contribution and potential of the individual through the gradual empowerment of the staff.
- In the creation of a relationship system that favours teamwork over the hierarchical relationship.
- In the daily effort aimed at sharing skills and knowledge also through the use of innovative systems.

The Company attributes the utmost importance to those who work within their organization, contributing to its development since it is through human resources that the Company is able to provide, develop, improve and guarantee an optimal management of its services.

Without prejudice to the legal and contractual provisions regarding the duties of the workers, employees are required to exhibit professionalism, dedication to work, loyalty, spirit of collaboration, mutual respect, sense of belonging and morality. In the management of contractual relationships that involve the establishment of hierarchical relationships, FRIULCHEM SpA undertakes to ensure that authority is exercised fairly and correctly and that any form of abuse is avoided: in particular, the company ensures that the authority does not turn into an exercise of power that is harmful to the dignity and autonomy of the person.

These values must in any case be safeguarded when making choices regarding the organization of work.

3.3 Repudiation of all discrimination

FRIULCHEM SpA avoids any discrimination related to gender, age, health, sexuality, race, nationality, political opinions and religious beliefs in the decisions that affect its interlocutors, in the selection of its stakeholders and in the relations with them (as an example: the selection of the customers to be served, the management of the personnel or the organization of the work, the selection and the management of the suppliers, relations with the shareholders, relations with the surrounding community, the institutions that represent them).

3.4 Transparency and business ethics

The history, identity and values of the organization are expressed in a business ethic based on:

- *Reliability*
intended as guarantee of absolute seriousness in the projects launched, in the transactions and commitments made.

- *Solidity*
relative to an institution that rests on the capital bases defined, as evidenced by its prolonged activity.

- *Transparency*
resulting from the concept of the corporate role that requires not only respect for principles and ethical work but also the implementation of ways that allow the communities of reference and company players to have the information to be able to reconstruct their work.

- *Correctness in the contractual field*

preventing, in existing relationships, anyone operating in the name and on behalf of the company from trying to take advantage of contractual gaps or unforeseen events in order to renegotiate the contract for the sole purpose of exploiting the position of dependence or weakness in which the interlocutor has found himself

- *Protection of competition*

refraining from collusive, predatory behaviour and abuse of position

3.5 Protection of confidential information and personal data

All information is strictly the property of the Company and must be considered confidential.

FRIULCHEM SpA is committed to ensuring the correct application and processing of all the information used in the performance of its business activity. All information, data or document learned in the exercise of the activity of each individual worker is confidential and cannot be disclosed in any way, other than in accordance with company procedures. The Company's databases may contain data and information protected by the legislation on the protection of personal data and as such must be managed in compliance with the obligations imposed by the current provisions.

3.6 Protection of intellectual property and confidentiality obligation

FRIULCHEM SpA recognizes the importance of intellectual property as a fundamental resource of the Company itself and, as such, puts in place all the acts suitable to protect it.

All internal and external staff of FRIULCHEM SpA, even after the termination of their employment relationship, are required not to disseminate information regarding the technical, technological (in particular process and formula know-how) and commercial knowledge of the Company, as well as other non-public data and/or news relating to the Company, except in cases where such disclosure is required by law or where it is expressly provided for by specific contractual agreements with which the parties have undertaken to use them for specifically agreed purposes. In particular, it is necessary to deal with due confidentiality and protect the ideas, models and other forms of intellectual property developed in the context of the company's work activity.

The Company also undertakes not to carry out projects and/or products that may result in violation of the intellectual property rights of third parties.

3.7 Combating conflict of interest

"Conflict of interest" means the case in which the Recipients of the Code, or their spouse, or their partner, or a relative or relative of theirs up to the second degree, is the holder of an interest different from that of the Company.

FRIULCHEM SpA respects the private sphere of the Recipients of this Code, also with regard to their personal activity in the economic and commercial world, provided that they are not activities in conflict with the same interests of the Company and with the obligations assumed and deriving from the type of collaboration in place. In this regard, all Recipients must avoid situations in which conflicts of interest may arise, refraining from the possibility of personally taking advantage of possible business opportunities related to the performance of their duties.

In the exercise of its activity FRIULCHEM SpA avoids situations where the parties involved are in conflict of interest, even if they are consultants or "third parties" with respect to the Company.

It is in no way permissible, as an example but not limited to, to have economic and financial interests also through family members, with customers, suppliers, competitors, Public Administration; accept and offer money, gifts or favours of any kind, from persons, companies or entities that are, or intend to enter into, business relationships with the Company; use your position within the Company, or the information acquired in your work, so that a conflict could be created between your own interests and those of the Company.

Anyone who finds themselves operating in conflict of interest is required to immediately communicate it to the Chairman of the Board of Directors or to another Managing Director or the Board of Directors/ Sole Director, refraining from carrying out the conflicting activity. The latter jointly inform the Supervisory Body (hereafter also "SB") of the operational solutions to safeguard, in this case, the transparency and correctness of the behaviours in carrying out the activities, and of the actions put in place, aimed at ensuring the performance of the activity in normal conditions.

3.8 Unlawful compensation, representation costs, gifts

As a rule, it is not possible to accept, promise and give money, donations, gifts or other benefits in any capacity within FRIULCHEM SpA's business with customers, suppliers, public administration officials and third parties to take a personal advantage of them or for the company itself. The exception is donations and gifts which, according to objective criteria, are part of normal commercial and courtesy practices.

The donations of money allowed must always be authorized by the manager and adequately documented to permit verification.

No person in the company may give money or offer economic benefits or other types of benefits to public administration subjects for the purpose of obtaining assignments or other personal advantages or for the company itself

3.9 Quality, Environment, Health and Safety

The company is committed to offering a working environment able to protect the health and safety of its staff, spreading and consolidating a culture of safety, developing risk awareness and promoting responsible behaviour by all the staff

The company also works to preserve, especially through preventive actions, the health and safety of the workers

Among the main objectives is that of protecting the human resources by constantly seeking the necessary synergies not only internally but also with suppliers, external consultants and customers involved in the company activities themselves

All employees are required to comply with internal rules and procedures on risk prevention and health and safety protection and to promptly report any deficiencies or non-compliance with the applicable rules

The Company adopts the general measures for the protection of health and safety at work prescribed by the legislation with particular reference to the provisions of Legislative Decree 81/08 as amended. The Company is committed to the most scrupulous compliance with all regulations regarding health and safety at work for employees, collaborators and users. In particular:

- Defines the operational procedures to be followed and coordinates activities in the field of health and safety at work
- It ensures the application of current regulations also through the creation of risk assessment documents and the definition of processing procedures in line with current safety standards
- Constantly monitors legislative innovations and strives for their implementation

The company is also committed to ensuring:

- The assessment of all health and safety risks
- Prevention planning, aimed at a compilation that integrates operating conditions in a coherent way in the prevention, as well as the influence of environmental factors and work organisation
- The elimination of risks and, where this is not possible, their reduction to a minimum in relation to the knowledge acquired based on technical progress
- Respect for the ergonomic principles of the organization of the work, in the design of the workstations, in the choice of the equipment and in the definition of working and service delivery methods, in particular with a view to reducing the effects on health of monotonous and repetitive work
- Reducing risks at the source
- Replacing what is dangerous with what is not or is less dangerous
- Minimising the number of workers who are or may be exposed to the risk
- The limited use of chemical, physical and biological agents in the workplace
- The priority of collective protection measures compared to personal protective measures
- Health monitoring of the workers
- The removal of the worker from exposure to risk for health reasons relating to his person and moving where possible to another job
- Adequate information and training for the workers, managers, supervisors, Workers' Health and Safety Representative and all the staff
- Appropriate instructions to the workers
- Participation and consultation of the workers and the Health and Safety Representative
- The programming of measures deemed appropriate in order to ensure the improvement of safety levels over time also through the adoption of codes of conduct and good practices

- Emergency measures to be taken in the event of first aid, fire fighting, evacuation of workers and serious and immediate danger
- The use of warning and safety signals
- The regular maintenance of environments, equipment, installations with particular regard to any safety devices in accordance with the instructions of the respective manufacturers
- The appropriate instructions to employees, collaborators and users and training to them in accordance with the provisions of the law and the CCNL applied to the staff

The same approach is taken towards the environment and therefore FRIULCHEM SpA is committed to pursuing environmental protection through compliance with national and Community legislation and regulations

It is committed to the prevention of pollution and to spreading the awareness of the employees and collaborators to environmental issues

For both areas, the company has equipped itself with special Management Systems responding respectively to ISO 45001 and ISO 14001, with relative certification issued by Certiquality for the Environmental Management System with certificate number 26691 of 28/12/2018 and with expected ISO 45001 certification for the month of July 2019.

3.10 Transparency of accounting records

In the preparation of documents and accounting data, in reports or other social communications, required by law, directed to the shareholders and the public, as well as in any registration relating to the administration, internal and external staff must comply with the strictest principles of transparency, correctness and truthfulness.

In particular, all the Recipients called upon to prepare the aforementioned documents, are required to verify, each for the parts within their respective purview, the accuracy of the data and information that will then be transposed for the drafting of the relevant documents pursuant to the Decree.

The procurement and disbursement of the financial resources, as well as their administration and control, must always comply with the approval and authorization procedures provided for by the Company.

Each accounting record must reflect exactly what is written in the supporting documentation, which must be complete and subject to verification.

4. EXTERNAL RELATIONS

4.1 Relations with internal and external staff

▪ *Selection of the personnel*

The evaluation of the staff to be hired, or in collaboration, is carried out on the basis of the correspondence of the profiles of the candidates, with those expected and the internal needs, respecting equal opportunities for all interested parties. The requested information is closely related to the verification of the aspects provided for by the professional and psycho-aptitude profile, respecting the private sphere and the opinions of the candidate. General Management adopts, in the selection activity, appropriate measures in order to avoid favouritism and benefits of any kind and makes a careful selection based, in addition to the mandatory aspects, also on preferential aspects decided by the Board of Directors

▪ *Establishment of the employment relationship*

Staff are employed under regular employment, professional performance or internship contracts: no form of irregular work is tolerated

▪ *Integrity and protection of the person*

As part of the personnel management and development processes, as well as during the selection phase, the decisions made are based on the correspondence between expected profiles and the profiles held by the people and/or on considerations of merit. Access to positions and assignments takes place based on skills and abilities. In addition, in line with the general efficiency of the work, forms of flexibility in the organisation of the work are favoured, which facilitates people in maternity status as well as those who have to take care of their children

4.2 Customer relations

FRIULCHEM SpA considers customer satisfaction to be a primary objective by providing them with high levels of quality under competitive conditions, in compliance with rules on competition.

Company representatives must not promise or offer payments or goods to promote or favour the interests of the Company or personal: the satisfaction of the customer must take place through an excellent quality of products and services provided.

The Company provides accurate and comprehensive information about the products and services offered, so that the customer can make informed decisions.

The Company undertakes to maintain all confidential information concerning its customers and personal data completely secret, and to use the aforementioned information only for strictly professional reasons, requesting explicit authorization. Customers are also required to ensure confidentiality, with reference to information, documents and personal data, relating to the Company and its internal and external staff.

The Company ensures that its internal and external staff apply internal procedures for the management of customer relations in order to achieve and maintain correct and lasting relationships.

4.3 Relations with third parties

It is absolutely forbidden to offer third parties, directly or indirectly, or receive, gifts and/or benefits (money, objects, services, favours or other benefits) for the purpose of promoting or favouring an advantage for the Company or, even non-economic, contrary to mandatory legal rules, regulations and the principles of this Code.

Acts of commercial courtesy, such as gifts or forms of hospitality, are permitted provided that they are previously and duly authorized by the competent office, if and when they are of modest value¹, and in any case such as not to compromise the integrity or reputation of one of the parties.

4.4 Relations with suppliers

Given the fundamental role played by the suppliers, the selection process takes place according to principles of correctness, economy, quality and lawfulness, on the basis of objective assessments aimed at protecting the commercial and industrial interests of the Company and, in any case, at creating greater value for it. The adherence by those subject to this Code, as well as compliance with current regulations, with particular regard to Legislative Decree 231/2001, is a necessary condition for the start or continuation of the relationship.

FRIULCHEM SpA also adopts specific procedures in order to use objective criteria in the assignment of orders and in the management of relationships with suppliers in order to ensure transparency and correctness in full compliance with explicit commitments and governed by exhaustive contracts. The Company establishes these contracts in a legal, correct, complete and transparent manner, seeking to predict those circumstances that could significantly affect the relationship established.

The Company undertakes to maintain completely confidential the information concerning its suppliers and to use the aforementioned information only for strictly professional reasons, requesting explicit authorization. The compensation must be exclusively commensurate with the performance indicated in the contract and payments cannot be made to a person other than the contractual party, nor in a country other than that of the contractual parties.

4.5 Relations with public institutions and competent bodies

For the purposes of this Code, "Public Officials" means: bodies, representatives, exponents, members, employees, consultants, in charge of public functions or services of supervisory bodies or public administrations, public institutions or public bodies at national and international level and for representatives of the Competent Bodies officials of Specific Bodies in the pharmaceutical sector, such as FDA, third-party authors, system certifiers.

FRIULCHEM SpA bases and adapts its conduct on the respect for the principles of legality, correctness and transparency, in order not to induce the Public Administration and Competent Bodies to violate the principles of impartiality and good performance to which it is required.

¹ In accordance with Art. 4 paragraph 5 "Gifts, compensations and other benefits" of the "Regulation containing code of conduct of public employees" issued with Presidential Decree n.62/2013 as a result of the amendment made by Anti-Corruption Law n. 190/2012 to art. 54 Legislative Decree. 165/2001 "General rules on the organization of work under public administrations", are defined as gifts or other utilities of modest value those "of a value not exceeding, by way of guidance, 150 euros, also in the form of a discount".

The contacts with the Public Administration and Competent Bodies are managed, in accordance with the appropriate company procedures, by those who are specifically and formally appointed by the Company to deal or have contacts with Public Officials and /or Public Service representatives belonging to these administrations.

In the context of any business negotiation, request or relationship with the Italian and/or foreign Public Administration, no conduct must be carried out, for any reason, aimed at unlawfully influencing its decisions in order to obtain an undue or unlawful advantage from the Company.

It is forbidden to allocate for purposes other than those for which any contributions, grants or funding obtained from the State or other public body or the European Communities have been granted, including of modest value and/or amount.

FRIULCHEM SpA condemns any behaviour, undertaken by anyone, consisting in promising or offering directly or indirectly gifts and benefits (money, objects, services, favours or other benefits) to Public Officials and/or Public Service representatives, Italian or foreign, or their relatives, from which an undue or illegal interest or advantage may result. Such conduct is considered as acts of corruption by anyone carrying it out. Specifically, it is forbidden to promise or pay money or other assets or to grant other benefits to Public Officials with the purpose of promoting or favouring the interests of the Company, even as a result of unlawful pressure. It is also forbidden to induce Public Officials/Public Service Representatives, Italian or foreign, to use their influence on other subjects belonging to the Italian or foreign Public Administrations.

Finally, in the context of relations with the Public Administration, the Company cannot be represented by subjects who may be in any situation of conflict of interest.

4.6 Relations with the Judicial Authority

FRIULCHEM SpA undertakes to actively cooperate in order to support any needs of the Judicial Authority and refrains from engaging, towards the parties involved, in any behaviour, in any way, suitable to condition the way in which it operates and acts towards the Judicial Authority itself.

4.7 Rules governing relations with trade unions and political parties

Relations with political and trade union organizations are normally reserved for the company positions authorized to establish and manage these relationships on the basis of the assigned company tasks, and the provisions of the service orders and pro- tempore procedures in force. Any relationship with these subjects is also based on high criteria of transparency and correctness.

Contributions to trade unions, political parties and their representatives are not allowed by the Company unless expressly permitted and provided for by law and, in the latter case, authorized by the competent corporate bodies.

4.8 Rules governing relations with Independent Auditors and Statutory Auditors

FRIULCHEM SpA guarantees that all relations with Independent Auditors and Statutory Auditors are based on the utmost professionalism, diligence, transparency, collaboration and availability. The Company also acts in compliance with the institutional role of these subjects and guarantees full and timely execution of the required requirements and obligations, releasing the necessary information in a clear, timely and exhaustive manner.

As part of its relations with Auditors and Statutory Auditors, the Company guarantees to avoid any situation of conflict of interest and undertakes to evaluate in advance the possible assignment of duties different to their institutional functions that may affect their independence and objectivity.

4.9 Relations with the competition

FRIULCHEM SpA is inclined to guarantee maximum competitiveness on the market and, therefore, the company's commercial policy is developed in full compliance with all current laws and regulations regarding competition.

4.10 Communication and management of information

Corporate communications

FRIULCHEM SpA undertakes to provide all communications to which it is bound to Supervisory Authorities (Revenue Agency, Customs Agencies, etc.) in a clear, timely, correct and complete manner. Only the company functions specifically appointed can implement the aforementioned communications activities with regard to the Supervisory Authorities.

Relations with the media

Information relating to the Company and directed to the mass media may be disclosed only by the company functions delegated to it, in compliance with the procedures in force and/or to be implemented. Internal and external staff, if

requested to provide information or give interviews, must communicate it to the competent function, and receive a special and prior authorization.

In any case, the external communication of data or information must be truthful, clear, complete and transparent, but in any case within the limits provided by the rules on confidentiality obligations included in this Code, and such as to reflect in a homogeneous way the images and strategies adopted by the Company, favouring consensus with the company policies.

5. IMPLEMENTATION METHODS OF THE CODE OF ETHICS

5.1 Supervisory Body

The Board of Directors has appointed within the Company a Supervisory Body as organization responsible for overseeing the application of the Code, which coordinates appropriately with the competent bodies and functions for the correct implementation and control of the principles of the Code.

The activity and function of the SB are governed by a special and autonomous regulation. The Supervisory Body is the body responsible for monitoring the operation of the Model of Organization, Management and Control established pursuant to Legislative Decree 231/2001, and for its maintenance through periodic updating. The SB has the task of promoting the dissemination and knowledge of the Code and of taking care of its application and updating, taking action (at its own initiative or following report) to prevent or repress, through the competent corporate functions (e.g. HR, legal, etc.) any violations. The Supervisory Body, in the exercise of its functions, will have free access to data and company information useful for carrying out its activities. The corporate bodies and their members, employees, consultants, internal and external staff and third parties acting on behalf of the Company, are required to cooperate to the utmost in promoting the performance of the functions of the Supervisory Body.

Disciplinary system

Compliance with the rules of the Code is an essential part of the employees' contractual obligations pursuant to and in accordance with Articles 2104, 2105 and 2106 of the Civil Code.

Violation of the provisions of this Code of Ethics by the Company's staff may constitute non-compliance with the primary obligations of the employment relationship or disciplinary offence, in compliance with procedures established by art. 7 of the Workers' Statute (where and as applicable), with all legal consequences, also with regard to the preservation of the employment relationship, and may also be the cause of claims for damages.

In relation to the penalties that can be imposed, the provisions of the disciplinary system adopted by the Company, contained in the Model of Organization, Management and Control, apply. Violations will be pursued decisively, promptly and immediately, through the adoption – against those responsible for the violations themselves, where deemed necessary for the protection of corporate interests and compatible with the provisions of the current regulatory framework – of appropriate and proportionate disciplinary measures, regardless of the possible criminal relevance of such conduct and the establishment of criminal proceedings in cases where they constitute a crime. Disciplinary measures for violations of the Code are adopted by hierarchical superiors, after consulting the Supervisory Body, in accordance with current laws and related national or company employment contracts. They may go as far as the removal from the Society of those responsible.

In addition, in application of the provisions of Art. 6, paragraph 2-bis, point (d) of Legislative Decree 231/2001, that disciplinary system also provides for sanctions against "those who violate the measures of protection of the whistleblower, as well as those who make serious reports with malicious misconduct or gross negligence that prove to be unfounded". Therefore, any form of retaliation against those who have made reports of possible violations of the Code or requests for clarification on its application methods constitutes a violation of the Code.

The effects of the violations of the Code and internal protocols must be taken seriously by all those who in any capacity have relations with FRIULCHEM SpA: to this end the Company arranges to disseminate the Code and internal protocols, as well as to inform the sanctions anticipated in case of violation and the methods and procedures of incorporation.

The HR Manager arranges for the disclosure of the Code of Ethics and the principles contained in it through insertion on the institutional website, as well as through the delivery of a hard copy at the time of hiring.

FRIULCHEM SpA to protect its image and to safeguard its resources, will not maintain relationships of any kind with subjects who do not intend to operate in strict compliance with current legislation and /or who refuse to behave according to the values and principles provided for by the Code and comply with the procedures and regulations provided for in the attached protocols.

For this purpose, Third Party and Additional Subjects as defined in the Model of Organization, Management and Control (such as, but not limited to, suppliers, consultants, third-party professionals, intermediaries, project collaborators, interns,

temporary workers, etc.) must be bound by compliance with the requirements dictated by the Legislative Decree 231/2001 and the ethical and behavioural principles adopted by the Company through the Code of Ethics by signing specific contractual clauses, which allow the Company, in the event of non-compliance, to unilaterally terminate the contracts concluded and to claim compensation for any damages suffered (including the possible application of sanctions pursuant to the Decree).

Knowledge and application

This Code of Ethics is brought to the attention of all Recipients: any doubts regarding application related to this Code must be promptly discussed with the Supervisory Body. All those who collaborate with the Company, without distinction or exception, in Italy or abroad, are committed to enforcing the principles of this Code. In no way can acting in favour of FRIULCHEM SpA justify the adoption of conduct contrary to the legislation and to those principles. In particular, all Recipients are required to ensure that these rules are properly applied.

Every shareholder, director, employee or collaborator is obliged to:

- refrain from conduct contrary to these rules, principles and regulations;
- contact their superiors, company representatives and the Supervisory Body in case of request for clarifications on the methods of application;
- report to the Supervisory Body possible cases of requests or violation of the Code of Ethics. The communications must be in writing and sent to the Supervisory Body through the communication channels indicated in the General Part of the Organization, Management and Control Model adopted by the Company.

Anyone who becomes aware of violations of the principles of this Code or other events likely to alter its scope and effectiveness, is required to promptly report them to the Supervisory Body. In the event that even one of the provisions of this Code of Ethics conflicts with provisions provided for in internal regulations or procedures, the Code will prevail over any of these provisions. Any modification and/or addition to this Code must be made in the same manner as for its initial approval.

Revision of the Code of Ethics

The Board of Directors of the Company ensures the periodic revision and updating of the Code of Ethics, in order to adapt it to regulatory changes and environmental conditions, to the evolution of civil sensitivity, as well as in response to the reports of the Recipients and the experience acquired during its application.

5.2 Communication and training

The Code of Ethics is shared with all those who participate in the company mission (internal and external) through specific communication activities. To ensure the correct understanding of the Code to all collaborators, the Supervisory Body and the CEO will work to promote the knowledge of the ethical principles and rules.

The document can be consulted on the FRIULCHEM SpA website, from which it can be freely downloaded. It can also be requested from the Company's HR Manager.

5.3 Reports

The Recipients of the Code must always report any violation of the Code to the Supervisory Body, which will promptly evaluate the report, including by contacting the whistleblower, the person responsible for the alleged violation and any person potentially involved. The Supervisory Body undertakes to ensure the secrecy of the identity of the whistleblower, subject to legal obligations.