



Dallara Automobili S.p.a.

**ETHIC CODE
PURSUANT TO
LEGISLATIVE DECREE
JUNE 8, 2001 NO. 231**

Approved with Organizational Model the first time by the Board of Directors in 2016 and afterwards updated several times, most recently with deliberation dated July 12th, 2021

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PREMISE

Dallara works since 1972 in the design and construction sector of racing cars, which contend for victory on the most important national and international circuits.

Over time the willing of improvement and the pursuit of excellence – from which derives Dallara slogan, as well as its daily challenge, “*The pursuit of excellence*” – led to the research of new and further challenges, which added to the activity of design and construction, engineering activity, aerodynamic research, vehicle dynamics, study, design and construction in composite materials, both for racing cars and high performance road cars, crossing automotive borders towards niche sectors like aerospace and military.

High technology, innovation in order to create high quality products, research of an easy, convenient and high-tech solution, quality, efficacy, rapidity and work efficiency are just some of the characteristics at the base of work in Dallara.

Another added value and point of strength of Dallara is the young age of its workers and designers that makes it a young company, aimed at the future and with a modern outlook. Aware of the fact that its strength is in its employees, Dallara feels a close connection and a debt of gratitude towards the land where it was born and settled, with whom it shares the values of honest and hard work, of social solidarity, of the importance of human rights.

Dallara is willing to honour this debt of gratitude with an assumption of social and environmental responsibility towards all the parts that interact with it in different ways; for this reason it is necessary an Ethic Code that clarifies the business principles that inspire Dallara in order to make this responsibility explicit.

INTRODUCTION

This Ethic Code (afterwards referred also as "**Code**") is expression of all the ethical principles and the values assumed by Dallara and its Collaborators¹. The Code applies to all the Companies of Dallara Group (afterwards referred also as "**DALLARA**" or "**Company**") – that have previously approved it thanks to their Boards of Directors – in the management of all the business deals and activities. Therefore, with the term DALLARA or Company is meant every society of Dallara Group under the direction and the management of the head company Dallara Group Srl.

This document is meant to be a rational incentive for all addressees of the Code in order to try to understand not only what is right to do in the working and private environment, in accordance with the current legislation (national and not national), but also to identify and underline why it needs to be done. The main objective is to make sure that an ethic evaluation is also introduced, both in deciding its own behaviour and evaluate the others one, joining together the moral and the managerial area, individual responsibilities and the company's ones as well as the personal and the organizational area.

This document must be a "moral agreement" signed by all the Collaborators of the Company, the external collaborators and the suppliers of the Company. It must become a moral personal bond. The compliance with the Code is important and essential for the correct functioning, reliability, reputation and image of the Company (and of the Dallara Group) and customer satisfaction. It will not strengthen directly the competitive position, but it will affect it indirectly if it will allow everyone to adopt an ethic outlook and a shared culture.

The Code represents also the measures that the Company intends to adopt in order to conform its own structure to the requirements laid down by d.lgs. No. 231/2001 (afterwards referred also as the "**Decree**") and to arrange the internal and external lines of conduct of the Company that need to be followed to achieve its objectives².

Therefore, the principles contained in this Code require and extend to the organizational and managerial models in accordance with Articles 6 and 7 of the d.lgs. No. 231/2001.

The Ethic Code is composed in this way:

- **general principles** which are the values considered as fundamental, shared and acknowledged by the Company to state its mission, to which the different *stakeholders* involved are bound to be inspired in order to promote the good working, the reliability and the reputation of the company;

¹ With "**Collaborators**" is meant employees (also administered and trainees), Administrators, Mayors, Managers and any other individual that, by virtue of specific mandates or proxies, represents the Company towards third parties.

² The reputation of a Company is one of its most valuable assets. Everyone has the duty to protect and improve that reputation and ensure that the Company complies with laws, regulations and ethical models that are applied to the typical activity. The recipients of the Code has to familiarize with those laws and ethical standards and with the policy and directives of the Company in this regard.

- **standards of conduct** towards each class of *stakeholders*, which provides the guide lines and the legislations to which DALLARA's collaborators are bound to follow in order to respect the general principles and to prevent the risk of unethical behaviours;
- **methods of fulfilment** that describes the control system for the compliance of the Code and for its continuous improvement.

DALLARA, since it is a reality that evolves continuously, confirms – also through this document – the willing of putting the basis of a new business ethic defining clearly all the values shared by the company in which it recognizes itself, with the aim of facing the challenges imposed by modern markets.

Collaborators and anyone who has contractual relationships with DALLARA are therefore committed to respect the principles and the regulations stated in this Code, as well as in the other policies regarding ethics and conduct adopted by the Company (and by the Dallara Group). DALLARA, arranging adequate communication, prevention and control means, guarantees the transparency of conducts, intervening, if necessary, in repressing any violation of the Code and it will check the effective observance of it.

Dallara People

The business values have guided DALLARA since its creation in 1972 and their application develops through the several challenges that DALLARA faces.

Those principles have always been in our business DNA and they have last been updated and spread during the past unusual year: 2020

They are listed below:

- **Humility:** do well the job with passion, determination and competence, giving value to mistakes, sharing our knowledge and overcoming with resilience the difficulties, aware of the fact that the biggest danger is believing we know;
 - **Loyalty:** believe in the word given, in the respect between people and in the commitments made; develop connection based on honesty, trust and seriousness of human relations;
 - **Curiosity:** do better than what has always done with readiness, enthusiasm and love of knowledge, challenging everything that exists in a new and flexible way with the continuous willingness to learn;
- (Together, "**Dallara People**").

This Ethic Code wants to be the confirmation that the decisions and the actions of DALLARA and Collaborators are based on values and that DALLARA style will never change if every individual who operates there will continue to be coherent and to respect the reference values.

- Growth paths

DALLARA has always considered people as the most important asset in order to achieve excellent results continuing in this way in investing in formation in order to make an improvement to the organisation. For this reason, a system of "*job rotation*", which allows workers to learn new skills or develop the ones they already had, has been implemented inside Dallara Group since a year.

In this way, through the *performance management output* and with the collaboration of the Human Resources department, DALLARA is committed to define and create transversal and vertical growth paths for its workers.

- Internal Job posting

In order to valorise Dallara people, DALLARA started to create "preferential lanes" for its own workers, through the publication, in the first moment only internal, of some open job positions (cd "*internal job posting*"). Employees, if they are interested and if they believe that they satisfy the requirements, could apply. DALLARA has created in this way a real recruitment process characterised by the evaluation of applications and curricula, technical and motivational interviews for people deemed to be suited for the job and the eventual role/department/Company of the Group change. Internal mobility passages are always supported by targeted training courses, which will assist the person during the change and will allow the individual to learn the new skills that are necessary to perform effectively the activities of the new role. Nowadays the internal *job posting* is a talent management tool which allows to improve the professional and personal growth of employees and at the same time to fulfil the business necessities.

DALLARA supports the fact that workers need to develop the ability of reinventing themselves in a work environment that is constantly changing, to think and act with flexibility and dynamism, learning new skills and taking new development opportunities, coherently with their attitudes and aspirations.

A. The Addressees of the Code

The addressees of the Code (afterwards referred also as the "**Addressees of the Code**") were:

- i. Members of Board of Directors (afterwards referred also as the "**B.o.D.**");
- ii. Controlling bodies of the Company;
- iii. Managers;
- iv. any employee (also administered and trainees) engaged under a contract of employment for an indefinite or fixed term, or a trainee (afterwards referred also as the "**workers**");
- v. external collaborators;
- vi. Anyone who has contractual relationships with DALLARA.

The Leaders of Company³ commit to:

- realise adequate training and awareness programmes regarding the contents of the Code;
- assure the timely spread, by submitting a copy of the Code to each member of the staff, so as that there is given proof of prior knowledge, with corresponding certificate of receipt and commitment to comply with it, as well as its publication on the website and in the business Internet;
- verify periodically the compliance and the observance of the Code;
- guarantee the periodical review and update so as to adapt the Code to any change in the organizational or managerial structure of the Company, to the evolution of the civil sensitivity, of the environmental and normative conditions;
- adopt adequate prevention tools, actualization of suitable sanctioning measures and the application of these in case of any violation of the Code statements.

Finally, the Company employees, since the Code is integrated part of the organizational model 231 and of the work relation, commit themselves to act and behave in line with what is stated in this document, to report any violation as soon as they become aware, to cooperate in compliance with the internal procedures arranged in order to implement the Code.

³ *Leaders of Company: members of the B.o.D. and/or Managing Directors and/or Chief Officers Managers of the Company.*

B. Fundamental principles Dallara People

Honesty and Fairness

Honesty represents the fundamental principle of all DALLARA activities, its initiatives, its products, its balance sheets and its communications.

DALLARA bases its relations with *stakeholders* in compliance with rules of fairness, loyalty, collaboration and mutual respect. In any case the pursuit of the Company interest can justify a dishonest behaviour. DALLARA collaborators will not have to accept giveaways, gifts and utilities or be influenced by any type of pressure that leads their behaviour towards external interests.

Legality

The Company, in carrying out its activities, acts in compliance with laws and regulations of the territory where it operates, of the Ethic Code and of the internal business laws.

Respect of rights and fundamental freedoms and principle of non-discrimination

DALLARA respects human rights and fundamental freedoms of people whilst carrying out its activities in the territory and abroad, aiming to prevent and avoid every potential negative direct or indirect impact on human rights of individuals and community, in line with the ones stated by the ONU Guiding Principles on Enterprise and Human Rights. DALLARA is therefore committed to realize its economic activities in compliance with the international tools regarding human rights and humanitarian law, including the Convention on the elimination of every form of women discrimination, the international Convention on the elimination of every form of racial discrimination, the Convention on the rights of people with disabilities, the Geneva Convention and additional protocols.

DALLARA recognizes the value of diversity as key resource for innovation, productivity and growth and it guarantees the absence of any direct or indirect form of discrimination related to genre, age, sexual orientation, race, ethnic background, disability, religion, language or any other condition in treatment and in working conditions, in professional training, in promotion or in job security. In internal and external relations, behaviours with discriminatory contents or effects are not allowed.

Mobbing

The company intends to prevent internal and external labour relations from causing harassment of any kind, from creating a hostile working environment for one or more workers, or from causing sexual harassment, as such, the subordination of opportunities for professional growth or other benefit to the provision of sexual favours or proposals for private interpersonal relationships that, by the fact of being disliked by the recipient, may disturb the serenity.

In any case, the Company does not tolerate abuse of power, acts of physical and/or psychological violence, episodes of intimidation, sexual harassment, bullying and operative mobbing.

However, attitudes that can be traced back to mobbing practices are prohibited.

Equal opportunities

DALLARA is committed to value diversity inside the business organization, with particular regard to equal opportunities between woman and man, by defining and implementing business policies that, starting from the leadership, involve all the levels of the organization in compliance with the principle of equal dignity and job treatment, overcoming genre stereotypes through adequate business policies, integrating the principle of equal treatment in the processes that rule all the professional life steps, sensitizing all the levels of the organization on the value of diversity and on the ways of dealing with it, providing internal tools to the staff in order to guarantee the effective protection of equal treatment and implementing concrete measures to promote an healthy work-life balance.

Commitment for a sustainable development

DALLARA believes that its activity, in order to be ethically responsible, has to follow development and production models that respect and protect human rights, environmental sustainability and the community wealth, promoting human development in a fair and sustainable way in line with Agenda 2030 goals for a sustainable development of the United Nations.

For this reason, the Company is committed to act in compliance with the current regulations, using the best technologies available, to promote and plan the development of its activities aiming to improve the use of natural resources, preserve the environment also for future generations and support initiatives for a wide protection of the environment.

Social responsibility

DALLARA believes in the territory, with the strict belief that in the global competition the challenge is not between firms, but between territorial systems which will contend for the future.

In this contest, DALLARA is committed in provision practices socially responsible according to not only what is stated in the regulations, but also to the behaviours that are usually ethically reasonable to expect.

Moreover, the spread of scientific culture and the integration between learning, education, innovative training and the economical-productive area represent a strategic factor in order to maintain, or improve, competitiveness on international markets.

In this context, the Company collaborates actively with the schools of the territory for orientation activities, work-school, international internships, educational labs and apprenticeship. DALLARA supports in this way training programmers after degree and of professional qualification organized by accredited training institutions. The Company decided to promote educational activities – tertiary education non-academic (ITS – Istituti Tecnici Superiori) for those students that cannot or do not want to apply to university but they wish more than the high school diploma. Finally, DALLARA is among the founders of *MotorVehicle University* of Emilia Romagna, an international inter-university master degree that is divided in six specialist courses

and that joins together the four universities of our region and the ten most important car brands in the world, which were born and work in the emilian *Motorvalley*.

The Company operates bearing in mind the needs of the community where it performs its activities, contributing to the promotion of the standards of life, to the economical, social, cultural and civil development.

Security, health protection and working conditions

The Company is committed to act scrupulously in compliance with current regulations in matters of security and hygiene at work, as well as to promote the application inside the company.

DALLARA is also committed to spread and strengthen a security culture, developing a greater risks awareness and promoting responsible behaviours from all the employees.

The Company carries out a constant check of the working places and of the related plants that it owns or leases or it has in any capacity even beyond the legal obligations and the prevention of risks considered imminent. All these measures are intended in order to ensure the highest level of security and hygiene at work, to avoid work accidents and to assure the well-being of workers.

DALLARA collaborators assure the maximum collaboration and availability towards the RSPP and towards anyone who does inspections and verifications on account of any public entity qualified for it.

In case DALLARA collaborators find anomalies or irregularities, they have to inform immediately the employer or, if any, the delegated employer in accordance with Article 16 of d.lgs. No. 81/2008, and the RSPP -" *Responsabile del Servizio di Prevenzione e Protezione*" - (or the *Health and Safety Manager*).

Individual work and teamwork

The job has to be based on trust and collaboration relations, in compliance with business regulations and relationships with colleagues.

Teamwork has to be supported and stimulated. Personal interests must not be put before social objectives.

Confidentiality

DALLARA collaborators are committed to treat every information acquired while performing the working activity as confidential and, as a consequence, not to spread it, except in the limits of use of that information in order to perform the activity. Moreover, the Company requires that the information obtained are not used for own purposes in order to gain undue advantage in an illegal way or in a way that causes damage to the rights, the assets and the aims of the Company .

Transparency

DALLARA collaborators are required to supply transparent, accurate, complete and comprehensible information so as to, whilst setting up relations with the Company, *stakeholders* are able to make independent decisions, aware of the interests involved, the alternatives and the relevant consequences.

In particular, whilst arranging eventual contracts, DALLARA is committed to specify in a clear and comprehensible way to the contracting party the conducts to have in all the provided circumstances.

2

STANDARDS OF CONDUCT

A. Standards of conduct in partners' relations and in accounting

Transparency of accounting registrations

Accounting transparency is based on accuracy, truth and completeness of background information for the related accounting registrations. Each component of the corporate units, of the direction or workers is required to cooperate, according to his skills, as long as management facts are reported correctly and on time on the accounting records.

Each operation or transaction has to be authorized, verifiable, legitimate, appropriate, coherent and correctly and timely identified and recorded on the business accounting system according to the law standards and on the base of the applicable accounting principles.

It is forbidden to put in place behaviours that could cause prejudice to the transparency and the traceability of the financial statement information.

For each operation is kept in the records an adequate support documentation of the activity performed, so as to allow:

- An easy and punctual accounting registration;
- A timely determination of the characteristics and motivations at the base of it ;
- The identification of the different levels of responsibility and of distribution and division of tasks;
- The accurate reconstruction of the operation, also in order to reduce the probability of material and interpretation mistakes.

Workers and collaborators – the last in the measure of which they are responsible for this – that come to know omissions, falsifications or neglects of the accounting or of the documentation on which accounting registrations are based, are bounded to communicate the fact to the superior unit or to the unit that they are a part of. In case the reporting does not give any result, that is the case when the worker or the collaborator feels uncomfortable in reporting it to his direct superior, the worker or the collaborator has to report it to the supervisory body. Consultants, limitedly to the activity performed in favour of the Company, have to carry out the reporting directly to the supervisory bod (afterwards referred also as "OdV").

Accuracy and conservation of business documentation and internal controls

It is a duty of every Addressee of the Code to document and report all the financial information in a truthful and accurate way. This regulation concerns also the information about the requests of application and the

ones about working hours, representative expenses, production data, sales and commercial or marketing activities.

The falsification or alteration of these documents, or the aware approval of false documentation, implies serious responsibility for the interested party. No worker or collaborator can make, without any adequate documentation of support and formal authorization, payment in the interest and on behalf of the Company. Financial documentation has to reflect exactly the management facts of the Company and it has to be drafted in accordance with the standards of the law and the accounting principles applied and generally accepted. It is forbidden to deliberately hide or conceal the real nature of any business fact recorded on the accounting books and to omit its reporting; the same is true for any other Company documentation that is capable of influencing the economical situation of the Company.

It is strictly forbidden to create and hold hidden funds or reserves. The Company promotes the beginning of training and updating programmes with the aim of making Addressees of the Code aware of the regulations (legal regulations on the matter of compulsory documents and books conservation, regulations, internal prescriptions, provisions of trade associations) that preside at the formation and management of accounting information.

The documentation has to be preserved and destroyed according to DALLARA policy of conservation.

Financial relations

DALLARA takes responsibility of respecting all the regulations regarding the drafting of financial relations. All Addressees of the Code that take care of drafting financial relations have to operate so as that do not occurs any infidelity that could damage the right representation of the reality in the area of financial relations of the Company. In order to assure high quality in the spread of financial information, it has to be reported to the OdV, that is one's own superior, any unfaithful conduct from Addressees of the Code, who take care of the preparation of the financial relations of the Company, any real or apparent conflict of interest that involves Addressees of the Code and any inobservance of ethical rules applicable always to Addressees of the Code.

Respectability of counterparties

The Addressees of the Code, before entering in business relationships or stipulate contracts with non-occasional suppliers, have to make sure that they have a respectable reputation, that they are involved only in legal activities and that they are inspired by ethical principles equal to DALLARA ones.

Interviews

If someone external to DALLARA, like media, financial analysts or investors, should ask, directly or indirectly or through another person, some questions about the Company, the Addressees of the Code must refrain from answering, unless they are authorized to do so for this purpose. The interviews required by the Company have to be approved by the President of the Company (or by the legal representative), or by someone specifically delegated, before being communicate outside. Apart from requests regarding public

financial information, the strict compliance with these provisions is fundamental, since an inappropriate or incorrect answer, or a denial or a disclaimer of information, may have downsides for the Company.

Anti-money laundering

The Company guarantees that its economical and financial activity does not become an instrument to favour, not even potentially, illegal activities and criminal and terroristic organizations. DALLARA always applies national and international anti-money laundering laws. Therefore, the Company proceeds to verify with the maximum diligence the available information about commercial counterparties, suppliers, partners, consultants, in order to verify their respectability and the legitimacy of their activity before entering in business relationships. The Company verifies also that the operations of which it is a part do not present, even if only potentially, the risk of favouring the reception, the substitution or the use of money or goods from criminal activities.

B. Standards of conduct in the relations between collaborators or society

Consultations and professional services

Temporary external consultants and workers, as well as suppliers, have the duty to follow the same standards of conduct of DALLARA employees whilst conducting business with or on behalf of the Company. No collaborator is authorised, neither in an indirect way, through third parts, to do what is not permitted by the social policy.

Who acts on behalf of DALLARA are required to maintain and protect the serious, respectable and fair image of the Company. The use of the name and prestige of DALLARA is strictly forbidden to the ex-service provider and consultant after the termination of the working relation with the Company. The commercial integrity is a standard key factor for the selection and the maintenance of the relations with who represents the Company.

Confidential information

In the field of the duties towards the Company, all the Addressees of the Code have to protect the confidential information of DALLARA and use them only inside the Company and in the exclusive interest of it. The term "**confidential information**" indicates information related to both current and planned activities of the Company that are not of public domain and that, if used or made public illegitimately might cause economical advantages to third parts with unjust damage to the Company.

Confidential information might be, in a simplified and non-exhaustive way, commercial secrets and *know-how*, inventions, programmes and both marketing and sale strategies, information on clients and suppliers, strategies to determine prices and purchases, financial data, processes and techniques of production, *software*, data, formulas, compositions, techniques, services and new products protocols. Information from third parties and entrusted to the Company are also to be considered confidential information. All the

confidential information are owned or licensed to use by DALLARA and do not have to be used unless for the pursuit of the social interest.

In particular, the Addressees of the Code that are in possession or have access to confidential information have to:

- Avoid the spread of these information to people from outside the Company. For this reason, they have to avoid the discussion of these topics with family members, with people with whom they have business or social relationships, in public places including taxi, elevators and restaurants;
- Refrain from using information to take advantage or to give advantage to individuals from outside the Company;
- make sure that those information are marked with the mention "**confidential**", "**reserved**" or with similar annotations;
- make sure that confidential information are only accessible with a *password*; alternatively they have to be kept in a safe place, and they have to be under the supervision of the individuals responsible for them when used;
- Refrain from spreading confidential information to others Addressees of the Code, unless it is fundamental in order to pursue business aims.

The bond to treat all the information confidentially does not cease to exist when interrupting the relation with the Company. Also after the termination of the working relation it is forbidden to communicate confidential information to a new employer or others. With the termination of the relation appears the obligation to give to the direct superior all the documents and the other materials containing confidential information about DALLARA. The non-compliance of this confidentiality obligation is a source of serious responsibility for the defaulter. In addition to protecting its own confidential information, the Company is committed to respect others' confidential information. If Addressees of the Code become wrongfully aware of confidential information, or of revelations from individuals bound by secrecy, they have an obligation to contact the OdV.

Privacy protection

The Company is sensitive to Addressees of the Code's privacy, through the adoption of the most suitable precautions and security measures in the field of the treatment of personal and sensitive data collected, time after time, by Addressees of the Code.

According to the applicable law, it is forbidden any investigation on opinions, preferences, personal tastes and, in general, private life of the Addressees of the Code.

It is also excluded, apart from the hypothesis provided with the law, to communicate/spread personal data without prior consent of the interested party; rules to consent control by each Addressee of the Code of the regulations of privacy protection are therefore necessary.

In case of emersion of activities deemed non-compliant with privacy regulation or with Company policies on that matter, that is not complying to security standards, it will have to be immediately reported to the direct superior, to the responsible for the treatment of personal data and to the supervisory body (OdV).

People's employment and integration

On the one hand, hiring respond to the necessity of acquiring on the market skills and professionalism that are not in the firm, on the other hand, to the need of inserting young people to invest in in order to guarantee the growth and the development of the Company. The research and selection of the personnel to recruit is attributed to the responsibility of the management of the employees and it is performed in compliance with candidate's privacy, only according to criteria of objectivity and transparency, ensuring equal opportunities and avoiding any form of favouritism.

Every employee is hired with regular contract in compliance with the regulations applicable in the place of employment; and it is expressly forbidden and not tolerate any form of irregular job.

At the time of hiring, and during the first period of integration in the firm, every Collaborator is given accurate information with particular reference to the rules that control the working relation, the rules and procedures of prevention related to safety and health on the working place, the business policies and the rules of this Code in order to ensure an immediate knowledge and to promote a quicker integration in the life and culture of the Company.

Computer and communication means

Every Addressee of the Code is bounded to adopt the necessary measures to ensure the security of his own computer and of any *voicemail* or password. While using passwords the following rules must be followed:

- Make sure to choose a password that is not obvious, for example do not use your name or surname;
- Make sure to modify the password at least once in three months;
- Do not give your password to anyone inside or outside the Company, do not record it making it accessible to others.

All the delicate, confidential or reserved electronic information must be protected by a password. If for any reason it is believed that your own password or the security of the Company computer or the communication means, including computers, *voicemail* or e-mail, are at risk, it is necessary to change the password immediately and report the fact to the employer. The resources of the Company do not have to be used for illegal purposes, to disturb or to offend others. When sending an email or other recorded messages, it is appropriate not to send comments, not to use a language, images or other types of registrations that could cause embarrassment if read by third parties. It should be remembered that "private" emails may be easily forwarded to a wide audience and once that they have been sent they cannot be withdrawn. The use of computers and communication means owned by DALLARA for sending emails and surfing the Internet, binds the image of the Company. The use of this means must not reflect

in a negative way on the Company and in no way it must damage its image. The use of computers and communication means has to be in line with business *policies*, privacy, copyrights, trademarks, commercial secrets and other considerations on intellectual properties.

Use and protection of business' goods

Every worker has the duty to operate diligently to protect business goods, through responsible behaviours in line with operative procedures predisposed in order to regulate its use, accurately documenting their use.

In particular, every DALLARA collaborator must:

- Use with parsimony the goods entrusted to him;
- Avoid improper uses of business goods that could cause damage or reduce efficiency, or that are against the Company interest;
- Obtain the necessary authorizations in case of use of a good outside the firm contest.

All the necessary measures against thefts, damages and bad use of the goods of the Company must be adopted.

Use of drugs and alcohol

Every Addressee of the Code has to contribute personally and promote and maintain an atmosphere of mutual respect of the work environment. It will be considered conscious assumption of the risk of affecting those environmental characteristics being under the effect of alcohol, drugs or other substances with similar effects during the working activity and in the working place.

Conflict of interests

The Addressees of the Code of the Code have to make sure that every decision is made in the interest of the Company.

Therefore, they have to avoid situations of conflict of interest, between economical, personal or family activities and duties covered by the Company, which could affect their independence of judgment and decision making.

In case one of the Addressees of the Code finds himself in a situation that, even potentially, might constitute or determine a conflict of interests, he has to report it timely to the employer or to the supervisory body (OdV).

In case of possible conflict of interests, in the first place it is necessary to submit a timely and complete report to whom it concerns.

With particular reference to workers, it is added that no employee has to take advantage of opportunities that might show up thanks to the use of assets, information in their possession or their position in the Company, and they must not perform any activity in competition with DALLARA.

In an example and not exhaustive way, the following situations might result in conflict of interest:

- Having economical and financial interests (also through relatives) with suppliers, clients or competitors;
- Accepting gifts, money, giveaways or any type of favours from people, firms or entities that are or are going to enter a business relation with the Company;
- Using your one's own position in the firm or the information acquired through one's own job so as to create conflict of interests between one's own interests and the firm's ones.

C. Standards of conduct in social relations

Gifts and benefits

It is expressly forbidden any form of gift that can even just be interpreted as excess of the normal commercial or courtesy practices or anyway directed to acquire preferential treatments in the management of any activity related to the Company.

In particular, it is forbidden any form of gift to public officials or their relatives.

This rule of conduct is related both to promised and offered gifts and to the received ones. It is underlined that with gift is meant any type of benefit (discounts outside the business practice followed by the Company, promise of a job offer etc.).

In any case, the Company refrains from practices not allowed by laws, commercial uses or ethical codes of firms or entities with which it has relations.

The gifts offered – apart from the ones with a moderate value – have to be dealt with and authorized following business processes and they have to be adequately recorded.

Representation costs

The costs of meals, travel expenses and entertainment offered to third parties, will have a moderate value and for justified commercial reasons. All the expenses will be done in compliance with the current regulations and the Company policies on the matter.

Subsidies and sponsored travels

During the normal course of its activity it is natural that DALLARA promotes itself and its products or that it is committed to promote the development of the sector in which it operates, allocating subsidies, sponsoring events or organizing travels for current or potential clients, taking charge of the related costs and expenses.

Those costs and expenses has to be examined in advance in order to determine if they are compliant with this Code, the Decree, other current regulations and the Company policies on the matter. Every eventual doubt on the subject has to be subjected to the first examination of the OdV or B.o.D of the Company.

Relations with Public Administration

The relations between the Company and Public Administration, public officials, individuals in charge of public service or public agents have to be inspired to the most severe observation of the applicable laws and regulations, in addition to the specific policies on the matter approved by the Company and they cannot damage the integrity and the image of the Company.

The assumption of commitments and the management of any type relations with Public Administration, public officials or individuals in charge of public service are exclusively reserved to dedicated business functions and to the authorized personnel.

It is expressly forbidden any dation or promise of money or other utility made for illegal purposes or to take advantages.

This line of conduct is applicable not only to payment or direct promises, but also to indirect ones in any form, also operated through consultants or third parties. In case of any doubt, the Addressee of the Code has to report it to the OdV.

Relations with Jurisdictions

In case of participation to (administrative, civil, tax-related or criminal) judicial proceedings, the Company is committed to act in compliance with the law and the regulations of this Ethic Code.

D. Standards of conduct in the relations with suppliers and consultants

The Company is committed to look for a suited professionalism and commitment to the sharing of the principles and contents of the Code in suppliers and external collaborators and it promotes the construction of lasting relationships for a progressive improvement of performances in protection and promotion of the principles and the contents of the Code.

In relations of procurement, supply of goods and external collaboration (including consultants, agents, etc...) it is duty of the Addressees of the Code to:

- Obtain the collaboration of suppliers and external collaborators in constantly ensuring the satisfaction of clients and consumers' needs to an extent appropriate to their expectations, in terms of quality, costs and delivery time;
- Observe the internal procedures for selection and management of relations with suppliers and external collaborators and not preclude to any individual in possession of the required requirements the possibility to compete in order to win a supply from the Company; adopt in the selection, exclusively objective criteria of evaluation according to declared and transparent methods;
- Observe and ask for the observance of the contractually stated conditions;
- Maintain a frank and open dialogue with suppliers and external collaborators in line with good business practices;
- Report timely to one's own superior and to the OdV the possible violations of the Code.

The fee to be paid has to be only related to the performance indicated on the contract and the payments may in no way be made to a different individual other than the contractual counterparty, neither in a nation different from the one of the parties or of execution of the contract.

Every supplier or consultant will be paid with a bank check, bank receipt or through bank transfer on the bank account of the contractor.

3

METHODS OF FULFILLMENT OF THE ETHIC CODE

Efficacy of the code towards third parties

Anyone, also acting on behalf of the Company, who gets in touch with third parties with whom the Company is going to undertake legal relations or is bound to have institutional, social, politics, or any other type of relations, has the duty to:

- a) Informs those individuals of the commitments and duties imposed by the Code;
- b) Demand the respect of the duties related to their activity;
- c) Adopt the internal initiatives useful to guarantee the observance of the Code or, in case of failed or partial execution of the commitment, to observe the provisions contained in it.

Contractual value of the Code

The Code, considered as a whole and together with all the specific implementation procedures approved by the Company, has to be considered as integrated part of the Contracts of work outstanding subordinated and to be stipulated, in compliance with Article 2104 of Italian Civil Code. The violation of those provisions will integrate a disciplinary offence and, as such, can be prosecuted and sanctioned by the Company in accordance with Article 7 of Law No. 300/1970; that offence may entail, among other things, compensations for the damages caused to the Company.

As for collaborators, consultants, contractors and other third parties, the subscription or the acceptance of the provisions and the principles of the Code represent a *conditio sine qua non* of the stipulation of any kind of contract between the Company and those individuals; therefore, the approved provisions, made public and accepted, constitute integrated part of the contracts. Due to the foregoing, eventual violations of specific provisions of the Code by third parties legitimate the Company to interrupt the contractual relation with those individuals and may be identified *ex ante* as causes of expressed termination of the contract in accordance with Article 1456 of the Italian Civil Code.

The Company demands to the OdV the role of "**Guarantor**" of the Code.

This role has the following duties:

- a) To state, in accordance with the top management of the Company, standards and procedures aimed at the complying with the Code.
- b) To promote the emanation of guide lines and operative procedures with the help of Functions competent for their definition;

- c) To arrange programmes of communication and training of the employees aimed at spreading the knowledge and the comprehension of the Code inside the Company;
- d) To verify the effective implementation of the Code;
- e) To take into consideration reports of possible violations of the Code;
- f) To communicate to the B.o.D. or to the CEO the results of eventual investigations relating to violations of the Code, in order to adopt eventual sanctioning measures or make, if requested, an advisory function during the sanctioning measure;
- g) To submit to the Chairman of the B.o.D. or to the CEO useful initiatives for a better spread and update of the Code;
- h) To activate and maintain an adequate information flow between the interested individuals deputies in various capacities to the observance of the Organisational Model;
- i) To present to the B.o.D. an annual report of the state of implementation of the Code.

Operative principles

The implementation of the Ethic Code is based in the operative principles that have characterised the Company since its foundation:

- Actions compliant with business values and clients' (fairness in contractual relations);
- Constructive, transparent, direct, honest and timely communication;
- Commitment to create thanks to others' trust;
- Participation to teamwork and use of mutual errors;
- Progressive and constant improvement of positions;
- Definitions of ambitious goals, thinking in an unconventional way;
- Commitment and valorisation of the territory.

Shared commitments

It is a business policy of the Company to respect laws and regulations applicable to the sector to which it belongs. No action that violates laws and regulations must be undertaken in the name of the Company. Each Addressees of the Code must make the ethical and legal principles that apply to business activities their own and in case of any doubt about the adequacy of the proposed conduct, they have to relate to the OdV in order to obtain an opinion on the conformity of their behaviour to the rules stated by this Code. The Company is committed to act with integrity and to manage its activity in line with the highest ethical standards. Everyone must commit to interact correctly with clients, suppliers, competitors and colleagues. One must not strive to achieve supremacy positions in working relations through manipulation, concealment or abuse of privileged information, or anyway with the misrepresentation of material facts. Each one's attitude must be fair to all.

This Code contains the rules on the matter of both personal and professional conduct, so that adherence to the Code does not integrate in any way the stipulation of an employment contract or the guarantee of permanent employment.

Leadership conducts rules

The B.o.D. members, the heads of departments of the Company, as well as mayors are required to respect the present Code and to align its business to values of honesty, loyalty, fairness and integrity, sharing consciously the mission of the Company.

It is duty of the B.o.D. components to give concrete implementation to the principles continued in the Code, strengthen trust and cohesion which inspire business operations.

For that purpose, the B.o.D. is inspired also in setting the business goals by the values expressed in the Code. The B.o.D. acts in full awareness of accurately interpreting the principles expressed in the Ethic Code.

Department manager's duties

Every business department manager has the duty to:

- a) Represent with their behaviour an example for their subordinates;
- b) Take care of the observance of the Code by the subordinates;
- c) Strive to ensure that subordinates understand that the compliance of the implementations of the Code constitutes in integrated and substantial part of their working position;
- d) Selection together with the Human Resources Department employees that guarantee the compliance with the principles of the Code;
- e) Report timely to the OdV eventual reports of violations or requests of clarifications by the subordinate or other workers;
- f) Stop any form of retaliation inside their departments, to the detriment of worker or collaborators that collaborated to the observance or the concrete implementation of the Code.

Employees' duties

The knowledge of the provisions contained in the Code and the reference laws that regulate the activity carried out in their department is required to every employee. Employees have the duty to:

- a) Respect the Code and refrain behaviours contrary to those provisions and regulations;
- b) Address to their direct superiors or to the OdV in case of any doubt about necessary clarifications on the methods of application of the Code or of the reference laws;
- c) Report timely to their direct superiors eventual news about Code violations, apart from detected irregularities that involve the department manager; in this case the news have to be reported to individuals superordinate to the "direct manager" involved;
- d) Collaborate with the Company inside investigations aimed to verify, and eventually punish, possible violations.

The employee is not authorized to lead in person investigations related to alleged illegal conducts and he is required to report news in his possession about those conducts only to his direct superiors.

For "direct superior" is meant the individual formally superordinate in the hierarchy, responsible for it since in charge or legitimate to vigilante and control the activity.

Report of a violation and request of advice

The Addressees of the Code of the provisions contained in this Code are required to report to the OdV or to their direct superiors every behaviour that is, even potentially, in contrast with the provisions of this Code. No one will be subject to retaliations for having reported a founded suspicion of violation of this regulation. If while performing the business activity there should be any doubt on the compliance of any kind of conduct with this Code, or other ethical-behavioural policies adopted by the Company, the Addressees of the Code are required to get in touch with the OdV or their own superior. Everyone is individually responsible of the applications of these regulations and no one is required to "apply them by himself".

Every Addressees of the Code of this Ethic Code can report in writing, through protect informative channels, every violation or suspicion of violation of the Ethic Code of Professional Behaviour: the OdV, in ensuring the anonymity of the person who made the report, will evaluate from time to time the opportunity to begin an investigative proceeding in consideration of the concrete circumstances.

Reports can be sent to this email address:

vigilanza231@dallara.it

It is assured the confidentiality of the whistle-blower, apart from legal obligations.

Responsibility

Fundamental condition of working with the Company is to maintain a conduct compliant with all the legal requirements and key principles contained in this document. The non-compliance of these rules can legitimize the application of disciplinary measures according to the provision of the related paragraphs in the Code, up to an eventual dismissal. It is without prejudice the civil or criminal liability of Addressees of the Code behaviours put in place in violation of the regulations of this Code. As soon as the Company will receive the communication of alleged violations, it will evaluate them in the same way of the parameters of relevance, represented by the seriousness of the action and the circumstances that have brought to the violation of them or the business procedures; the Company will have to considerate the seniority in the company of the employee, his behaviour and his contribute. Disciplinary sanctions might consist in temporary suspension of payment or service or in dismissal. Furthermore, in case the Company suffered a loss, in terms of assets, it might take legal action against the guilty party for compensation of the damages. The Company will cooperate with competent authorities where there was a violation of the law and, if it is deemed appropriate, it will report directly to those authorities such violations.

Investigations on violations

All the violations will be immediately investigated (in the sense of verification and ascertainment of the facts/violations reported put in place by the OdV) and treated with the maximum confidentiality; in

particular, with regard to workers, the investigations will be done according to the legal provisions and to collective bargaining on the matter of disciplinary proceeding (see the related paragraph in this Code). It is forbidden to those who reported the violation to conduct preliminary investigations on their own. Investigations on alleged violations can lead to complex legal issues; acting on their own initiative may therefore compromise the authenticity of the investigations and it may have a negative impact on the worker and on the Company.

All the reports related to possible violations of the Code, that is the refrain of applying it or other ethical-behavioural business policies have to be communicated to one's own direct superiors. In case of one of the members of the B.o.D. intends to derogate, for justified reasons, to the rules of this Code, it will have to ask in advance the authorisation of the OdV. Immediately after the approval of the derogation by the OdV, the Company will publically communicate the reasons of this derogation.

No retaliation

DALLARA will adopt the necessary measures to investigate on eventual violations of the law or of the business policies. DALLARA requires to its workers to behave with fairness and in good faith also for what concerns the communication of any violation of the law or of business policies: it will not tolerate any retaliation against employees that reported in good faith by word a report related to one of the violations or that participated in the investigation of an alleged violation.

Violations related to performance

The Company has a transparent relation with its workers and consequently it communicates directly and in advance what it is expected by them. Sometimes there could be situations so serious that they could have a negative impact on workers, activities, reputation, service supplied to clients and DALLARA profitability. Employees can receive reports related to their performances. Sometimes the leadership may decide that the improvement is not reasonably possible or that the infringement committed is so serious to involve the immediate interruption of the work relationship.

Application of the Code and disciplinary consequences

Eventual violations of the Code may have a serious impact on the Company.

Given that this Code represents not only a mere enunciation of the moral principles that inspire the activities performed by the Company, but also a specific tool of adjustment to the requirements in accordance with d.lgs. No. 231/01, it follows that the criteria adopted by the board of directors of the Company to authorise derogations to the Code must be really strict, after verification, time after time, that those derogations do not affect the principles of the Decree or the effective operation of the Code and, more in general, of the Model: the derogations must be immediately made public in any case.

Every worker must therefore timely inform his supervisor, who is the OdV, of any activity of which he is aware that constitutes or might constitute a violations of the rules of conduct or of the values stated here.

Violations of the rules of conduct of this Code by employees might involve the application of disciplinary sanctions, in compliance with rules of law, of the "*Contratto Collettivo Nazionale di Lavoro*" (afterwards referred also as the "**CCNL**") and of the Code. Once noticed a possible violation of the Code, or any other DALLARA policy, the Company will begin a disciplinary proceeding towards the employee according to Article 7 of the Law 300/70 and the CCNL.

In particular, disciplinary infringements of the regulations of the CCNL and eventual business regulation and Ethic Code, can be punished, taking into account the seriousness of the shortcomings, according to what is described in the related paragraph of the organizational model.

Notwithstanding what stated in the paragraph related to the "**Contractual value of the Code**", the subscription or the adhesion to the provisions, or some of them, and the principles provided by this Code by third parties with whom the Company has collaborative relations, professional advice or commercial partnership, represent a *conditio sine qua non* of any type contracts stipulation between the Company and those parties.

The specific provisions contained in the Code, subscribed by those parties or, in any case, approved for conclusive facts by them, constitute integrated and substantial part of the contrast stipulated by them with the Company. Eventual violations of specific provisions of the Code by third parties legitimate the Company to interrupt the contractual relation put in place with those individuals and may be identified ex ante as causes of expressed termination of the contract in accordance with Article 1456 of the Italian Civil Code.

The Company requires to its workers to behave with fairness and in good faith also for what concerns the communication of any violation of the law or of business policies: it will not be tolerate any retaliation against employees that reported in good faith by word a report related to one of the violations or that participated in the investigation of an alleged violation.

For any further information

For any further information on these topics or related ones, DALLARA invites the Addressees of the Code to contact the OdV (vigilanza231@dallara.it).

Regulations related to punishments, infringements in relation to which each one of them can be applied and procedures for contesting them must be collected in a disciplinary code and they must be brought to employees' attention by posting in a place accessible to all.

Disciplinary rules must apply what is stated on the matter of collective agreements.

Preventive identification of infringements

It is not necessary that the Ethic Code contains a precise and systematic forecast of every single infringement, of their gradations and of the correspondent sanctions, since it is sufficient a proportionate correlation between the single hypothesis of infringements, even schematic and not detailed, and the correspondent forecasts of sanctions, even if they are susceptible to discretionary implementation and adaptation according to the concrete and effective non-compliances of the employee, in compliance with the principle for which the disciplinary sanctions must have a degree of specificity sufficient to exclude that

the collocation of the employee's disciplinary conduct is completely devolved to an unilateral and largely discretionary evaluation by the employer. (Sentence of Cass. 9 august 1996, No. 7370).

It is subject to disciplinary sanctions also the non-working behaviour when the nature of the employee's performance requires a wide margin of trust, extended to private behaviour (Sentence of Cass. 20 september 2000, No. 11986). Every employee, in proportion to the nature of the duties performed and to the position held in the company, is required to fulfil and comply with the trust relation with the Company also in private life and even more so when they are in delicate and important job position, which involves relevant economic interests and represents outside the image of the Company in a relevant and significant way.