

**BMC S.r.l.**  
**CODE OF**  
**ETHICS**

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## **FOREWORD - LETTER FROM THE PRESIDENT**

Ever since I founded BMC in 1973, as a company that is recognised as one of the world's leading manufacturers of air filters and intake systems in the automotive, road and racing and aerospace sectors, I have strongly wanted it to be underpinned by certain values, which I consider to be strong and solid foundations. These values guide our company and its men and women in their daily actions and decisions. This is why we wanted to draw up a code of ethics that unites the relationship between ownership, its employees and the social context in which we live. Values such as fairness correctness and respect have always inspired our choices and those of our collaborators, tracing a common line of our actions, addressed both internally and to the social reality in which we are immersed. You will find listed the fundamental principles and ethical rules that BMC pursues and through which it is possible to get in tune with the company. There is no lack of attention to the environment in which we live, to the territory that we strongly wish to respect and preserve for future generations, and to the social fabric. Finally, central is respect for our human resources, who are considered the heart of BMC. Through ' observance of the Code of Ethics we aim to be a model of corporate excellence, not only productive but also behavioural. It is not just an algid list of principles and rules to be observed, but a fundamental lever underpinning every present and future action of BMC, in the interest of the customers themselves and, more generally, of all those involved (stakeholders) in the production process.

The  
President  
Gaetano Bergami

## **INTRODUCTION**

This Code of Ethics contains ethical principles and general rules that, like the legal, regulatory and contractual ones, characterise organisation and activities of BMC S.r.l. (hereinafter also referred to as "BMC" for brevity).

**BMC**, within the entrepreneurial and economic dynamics and requirements, has in fact among its primary values the one of business ethics, through which it transmits a message of loyalty, fairness and respect that affects the Company as a whole, both for the employees and the management and for the collaborators, the partners and all the subjects that operate for/at and with BMC S.r.l.. The Code of Ethics applies to the corporate bodies, employees, proxies and collaborators that, in any capacity and regardless of the type of contractual relationship, operate in the name and on behalf of BMC.

BMC also requires compliance with the Code from third parties (partners, customers, suppliers, professionals, consultants, collaborators and other types of external parties) with whom it establishes relationships or business relations.

The Code of Ethics also represents an integral part and constituent element of the Organisational Model adopted by BMC in accordance with the Italian regulations on the 'liability of entities for administrative offences dependent on crime' contained in Legislative Decree No. 231/2001.

I values e inspiration at basis of our Code Code of Ethicsare strongly shared by the Management and the Executive Board, and guide the actions of the entire BMC structure. BMC wants to be an example for those who work with us and for us, for our partners and for those who buy and appreciate our products and services: we want to represent a model of excellence not only in production, but also - and above all - in behaviour.

For BMC, ethics is not only central in defining the company's objectives, but also represents one of the fundamental levers for planning future activities, with commitment to pursue value for years to come and for the benefit of new generations.

### **1 Addressees of the Code of Ethics**

The rules of the Code of Ethics apply without exception to the Director and employees of BMC and to all subjects who, directly or indirectly, permanently or temporarily, establish, for any reason, relationships and collaborative relations with it, cooperating in the performance of its activities and the pursuit of its goals.

The principles of the Code of Ethics shall inspire all the components of BMC in any decision or action related to the company management; likewise, the managers, in concretely implementing their management activities, shall be inspired by the same principles, also in order to represent a reference model for employees and collaborators.

## **2 Obligations of recipients**

All actions, operations and negotiations and, in general, the conduct of the "addressees" of this Code in the performance of their work must be marked by the principles of honesty, fairness, integrity, transparency, legitimacy, clarity and mutual respect. The "addressees" undertake to actively cooperate in the verification activities - internal and external - according to the regulations in force and internal procedures.

All activities must be carried out with commitment and professional rigour. Each "recipient" must provide professional contributions appropriate to the responsibilities assigned and must act in such a way as to protect the prestige and image of BMC.

All corporate functions, *first and foremost* the top management, must 'earn' respect by adopting exemplary personal conduct, demonstrating efficiency, loyalty and competence.

**Managers** shall grant their employees as much responsibility and freedom of action as possible, while emphasising that compliance with the company rules is required in all circumstances and at all times. All managers shall be available their employees who wish to bring concerns about company rules to their attention, ask questions or discuss professional or personal matters.

BMC employees, in addition to fulfilling their general duties of loyalty, fairness and execution of the employment contract in good faith, must refrain from carrying out activities in competition with those of the company, abide by the company rules and adhere to the precepts of the Code.

The 'addressees' must avoid situations and/or activities that could lead to conflicts of interest with those of the Company or that could interfere with their ability to make impartial decisions in safeguarding the Company's best interests.

Employees and all those who have a collaborative relationship with BMC are required to adapt their behaviour to the provisions and principles of the Code of Ethics.

### **1.3 Validity of the Code vis-à-vis third parties**

In dealings with third parties, all company personnel, by reason of their assigned responsibilities, shall

- provide adequate information on the commitments and obligations imposed by the Code; demand compliance with the obligations that directly affect their activities;
- implement appropriate internal and, if within its competence, external initiatives in the event of failure by third parties to fulfil their duty to comply with the rules of the Code.

### **1.4 Contractual value of the code of ethics**

Compliance with the rules and **canons** contained in the Code of Ethics is an integral and essential part of the contractual obligations arising from employment relationships, for employees, and from contractual regulations and clauses, for non-employee collaborators and third parties.

Violation of the aforementioned rules will constitute a breach of the obligations arising from the employment, collaboration or contractual relationship, with all consequences of law or contract.

### **1.5 Individual responsibility**

The quality and strength of BMC are the result of the actions of all its staff and employees. Everyone is responsible for the actions they take in the course of their work. In addition, for those who perform management functions, there is also the responsibility to monitor the activities performed by the personnel subject to their direction and control.

For these reasons, BMC has decided to adopt this Code of Ethics, which consists of three parts:

- *Principles and Values*: **where** the ethical principles and values to which BMC adheres and to which all those who work within BMC or who, for any reason, have relations with it, are called upon to adhere to;
- *Rules of Conduct*: **where** the criteria of conduct that must characterise BMC's activities are set out and, in particular, the guidelines and rules of conduct that those who work in the name and on behalf of BMC are called upon to adhere to in order to prevent the risk of committing unlawful or simply unethical behaviour;
- *Implementation, control and monitoring*: **this** sets out the rules describing how the Code is to be disseminated and how the principles and rules of conduct it contains are to be updated and implemented. The procedures for managing any violations are also defined and the persons called upon to supervise its correct application and observance are indicated.

## **1.6 Quality Policy - Code of Ethics**

The Quality Management System certified in accordance with the requirements of UNI EN ISO 9001, UNI EN ISO 9100, IATF 16949 is the essential tool for the implementation of the company's strategies and includes as its own processes those for systematically defining and reviewing quality objectives.

Consistent with the values expressed in the 'Quality Policy' BMC is aware of context and economic framework in which it operates and considers not only expectations of stakeholders, but of all economic subjects, sharing and supporting the fundamental principles of respect for **universally affirmed human rights, contributing to a social development that meets the needs of the present generations**, in addition to compliance with the mandatory aspects already applied.

For these reasons, the document entitled PCR-01 '*Quality and Ethics Policy*' must be fully incorporated and harmonised here.



## **THE VALUES OF BMC S.R.L.**

Network, creativity, innovation, excellence and collaboration have been BMC's core values since the beginning and they find concrete application in the conception and propagation of marketing activities that must always be conducted with the highest ethical sense, transparency and fairness. The following are the fundamental principles of BMC to which all Addressees of the Code must refer in the performance of their activities.

### **3.1 Protection of the person**

The **person** is always a fundamental value. The entire performance BMC's activities shall be characterised by respect for the centrality of the person and in full compliance with current legal provisions, as well as the principles and measures for the prevention of corruption.

The approach to the person (in particular to current and potential customers) must always be conducted in a fair and transparent manner (by way of example only: never abuse the trust granted, respect the lack of commercial skills of potential members/customers, and not take advantage of personal circumstances such as age, illness or incapacity. If there is even the mere suspicion of illness or incapacity, all commercial and marketing activities must be suspended immediately. In the organisation and conduct of events, it is explicitly forbidden to make 'proclamations' and in any case to promise the economic independence of members.

### **3.2 Centrality of Human Resources**

BMC recognises the centrality of human resources; that is why it promotes a working environment aimed at developing the potential and talent of its employees and collaborators. BMC manages human resources according to the principles of respect for individual personal and professional characteristics, equal opportunities and merit. BMC also enhances the professional experience of its employees and favours the passage/transfer of knowledge.

### **3.3 Correctness and moral integrity**

Ethics has been one of BMC's cornerstones since its inception: a set of behavioural rules to be followed, in the full knowledge that this is the only way to pursue social activities with honour and pride. Understanding and respecting these values are a fundamental point of reference in both internal and external relations. The pursuit of mere interest

economy can never justify conduct that is contrary to the principles of fairness and honesty, well as to applicable laws and regulations.

It is not permitted to grant unlawful advantages in exchange for gifts or benefits that exceed normal courtesy practices in any kind of bargaining and negotiation.

In the performance of any activity, BMC works to avoid situations of conflict interest, real or even only potential, following rules of fairness and impartiality.

In particular, BMC:

- consistent with the requirements of profitable management and without prejudice to supervisory obligations, promotes the separation of functions for the dual purpose of enabling the identification of the persons who have acted and preventing the emergence of situations of conflict of interest;
- calls upon all addressees to act in a fair and transparent manner, avoiding illegitimate favouritism, collusive practices or choices leading to illegitimate personal advantages for themselves or others.

### **3.4 Legality**

BMC, in carrying out its activities, acts in accordance with its Articles of Association, the laws and regulations in force in all countries in which it operates, and likewise expects the recipients of this Code to comply with them.

### **3.5 Corporate social value**

BMC has a natural inclination towards social responsibility; it intends to develop its business in a way that contributes to the economic and civil development of the context in which it operates and takes into account the needs of the community.

### **3.6 Non-discrimination**

Within its own internal relations and in the relations with third parties, BMC recognises and respects the principles of dignity and equality and does not discriminate on the basis of age, racial and ethnic origin, nationality, political and trade union opinions, religious beliefs, sexual orientation, gender identity, physical and psychic disabilities and any other personal characteristic not related to the work sphere.

### **3.7 Environmental**

BMC vigorously advocates ESG factors and promotes respect for the environment, understood as a common resource to be safeguarded for the benefit of the community and future generations with a view to sustainable development.

### **3.8 Confidentiality**

BMC promotes the confidentiality of the information in its possession in the management of all its business activities. All employees, collaborators, consultants of BMC are required not to use the information acquired in the performance of their activities for purposes not related to the strict exercise of the same.

### **3.9 Protection of competition**

In its business activities, BMC is inspired by the principles of legality, fairness and loyalty, faithfulness to the given word, promises and covenants, and promotes acting responsibly and in good faith in every activity or decision.

BMC recognises free and fair competition in a market economy as a decisive factor for growth, development and constant business improvement, and believes that its message of product quality and brand relevance can be developed in this context.

### **3.10 Transparency and clarity**

The communication and disclosure to the outside world (also through the mass media) of news, information and data concerning BMC is marked by the respect of the right to information and is reserved exclusively to the company functions in charge of it; in no case is it allowed to disclose news or comments that are tendentious or untrue.

All communication activities respect the laws, rules and practices of professional and business conduct and adhere to the principles of clarity, transparency, timeliness and accuracy.

## **4. RULES OF CONDUCT**

### **4.1 Relations with employees**

BMC supports a working environment aimed at the development of potential and talent, integrity and honesty, mutual respect and the protection of the health of employees and co-workers.

Every manager and/or manager must:

- act with objectivity and balance, with a view to valuing and empowering its employees and collaborators;
- pay attention to the individual peculiarities of employees and collaborators and promote the development of potential and talent, recognising the value of initiative, collaboration and innovation;
- ensure that no uncomfortable, prejudiced, disparaging or discriminatory situations occur within the working environment;
- promote relations between employees and collaborators marked by the values of loyalty, fairness, mutual respect and good manners;
- avoid situations that require employees and collaborators to act against the Code of Ethics or against the law;
- ensure that employees perform their work in safe and healthy conditions in accordance with the relevant laws;
- Facilitating the integration and training of foreign workers with regular residence permits, avoiding the phenomena of undeclared work and irregular immigration.

Every employee or collaborator of BMC is obliged :

- perform their services with diligence, efficiency, fairness and honesty, making the best use of the tools and time made available to them, assuming the responsibilities related to the fulfilments required by their role and avoiding carrying out activities that may, even only potentially, be in conflict of interest with BMC;
- imbuing relations with colleagues with values of civil coexistence and respect, avoiding all forms of discrimination;
- take care of company assets and behave in an environmentally friendly manner on a daily basis.

## **4.2 Relations with Suppliers**

The choice of suppliers and external collaborators (including consultants, agents) for the purchase of goods and services is based on evaluations that allow to rely on suppliers of proven quality, integrity, reliability and cost-effectiveness. Purchasing processes are based on compliance with the principles and laws protecting competition, ensuring transparency and efficiency in the selection process. Fees and sums paid for any reason to suppliers shall be in line with market conditions or in any case justified and verifiable. Each Addressee of this Code who participates in these processes is required to:

- act with objective and documentable criteria;
- not accepting any form of personal advantage;
- verify, by means of appropriate documentation, that those involved have adequate means and resources to meet BMC's needs and image;
- ensure the traceability of choices by keeping documents proving compliance with internal procedures and the purpose of the purchase;
- promptly report any behaviour potentially contrary to the Principles and Values of the Code.

BMC shall interrupt the entering into or continuation of any relationship if there is any suspicion of membership or facilitation of criminal organisations.

In the contractual relationships with its suppliers, BMC demands the commitment to share and respect the principles set out in this Code. The violation of the principles set forth in it constitutes a breach that may lead to the termination of the existing relationship.

## **4.3 Customer relations**

BMC aims to meet the expectations of its customers by providing products and/or services in compliance with competition and market regulations and by basing its conduct on values of fairness, honesty and professionalism.

Within the framework of their relations with customers, the addressees of this Code, to the extent of their competence and in relation to the tasks assigned to them, undertake not to discriminate arbitrarily against customers, respect the commitments and obligations undertaken, provide accurate, complete and truthful information, and abide by the truth in advertising or other communications, avoiding the use of any deceptive, elusive or unfair practice.

#### **4.4 Relations with political and trade union organisations and other forms of associations**

Also in order to contribute to the economic and social development of the territories in which it operates, BMC interacts with trade unions, politicians and other associations as part of its corporate mission.

Those who are delegated by BMC to deal with these parties are obliged to comply with the law by avoiding any collusive, corruptive or discriminatory phenomena.

#### **4.5 Relations with Public Administrations**

BMC's relations with subjects representing the Public Administration, Public Officials or subjects in charge of a public service are marked by principles of fairness, loyalty and maximum transparency, as well as compliance with the applicable laws and regulations. These relations are also maintained exclusively through contacts appointed and authorised for the purpose, within the limits of the powers assigned to them by formal power of attorney or within the scope and limits of their role and responsibilities.

In the context of relations with the Public Administration, Public Officials or persons in charge of a public service, the addressees of this Code may not offer, not even through intermediaries, money, gifts or benefits of any kind to the public official involved, to his or her family members or to persons in any way connected to him or her. It is not permitted to seek or establish relations of favour, influence, interference with the aim of directly or indirectly influencing their activities. These requirements cannot be circumvented by resorting to different forms of contributions that, under the guise of sponsorships, appointments and consultancies and/or advertising, have the same prohibited purposes as those indicated above.

#### **4.6 Relations with Supervisory and Antitrust Authorities**

BMC undertakes to fully and scrupulously comply with the rules dictated by the Supervisory Authorities, as well as to characterise its relations with the aforementioned Authorities with the utmost cooperation, respecting their institutional role, and committing itself to promptly execute their prescriptions.

In particular, all recipients are required to

- operate in accordance with applicable laws and regulations;
- adopt a conduct towards the Supervisory Authorities characterised by efficiency, cooperation and courtesy, complying with any request made within the scope of their inspection functions and cooperating in the relevant investigation procedures;

- provide accurate, complete and truthful information so that the Supervisory Authorities can acquire all the necessary knowledge for decision-making purposes;
- not hinder their work in any way by omitting data and/or information requested directly and/or indirectly.

Employees and collaborators are required to comply with fair competition law. **Conduct that may constitute a violation of antitrust law** includes:

- Discussing with competitors prices, production, capacity, sales, bids, profits, profit margins, costs, distribution methods or any other parameters that may determine or influence BMC's competitive conduct in order to induce the competitor to align with such conduct;
- to enter into non-compete agreements, to limit negotiations with suppliers, to submit bogus offers in tenders or to share customers, markets, territories or production programmes;
- Finally, avoid obtaining competitive information by resorting to industrial espionage, bribery, theft or electronic eavesdropping, or deliberately disclosing false information about a competitor or its products/services.

#### **4.7 Relations with persons required to make statements to the Judicial Authority**

BMC ensures and promotes correct, transparent and cooperative behaviour in relations with the Police and Judicial Authorities.

It is forbidden to put in place any form of conditioning towards anyone (employee, collaborator or third party) who is called upon to make statements before the Judicial Authority.

#### **4.8 Protection of Industrial and Intellectual Property**

The addressees shall act in full respect of the industrial and intellectual property rights legitimately belonging to third parties, as well as in compliance with the prescriptions contained in laws, regulations and conventions protecting such rights. To this end, all addressees shall abstain:

- from any conduct that may constitute usurpation of industrial property rights, alteration or counterfeiting of distinctive signs of industrial products, or of patents, designs or industrial models, whether domestic or foreign, as well as from importing, marketing or otherwise using or putting into circulation industrial products with distinctive signs that are counterfeited or altered or made by usurping industrial property rights;
- the unlawful and/or improper use, in the interest of the company or third parties, of intellectual works, or parts thereof, protected by copyright infringement legislation.

#### **4.9 Bookkeeping, budgeting and cash flow management**

BMC acts in accordance with the law, including regulations, concerning the keeping of accounts and the preparation of financial statements.

Recipients, to the extent of their competence and in relation to the tasks assigned to them, are required to provide the utmost cooperation so that management facts are correctly and promptly represented in the company accounts and to keep all supporting documentation, so that it can be easily found and consulted by the persons in charge of control.

BMC has adopted administrative-accounting procedures aligned with these principles, as well as with applicable regulations.

All transactions of a financial nature, as well as all incoming and outgoing money movements of BMC, are carried out by persons with the relevant powers, subject to prior authorisation, and are always justified, traced and recorded.

#### **4.10 Privacy**

BMC undertakes to ensure that the personal information acquired is appropriately protected and correctly managed, according to the terms provided for by the regulations in force, avoiding improper or unauthorised use, to protect the dignity, image and confidentiality of each subject that has relations with BMC.

BMC provides information about the type of data collected, intended use of that data, and how interested parties can contact BMC for information.

Personal information is collected and stored only when it is necessary for identified, explicit and legitimate purposes and is kept for as long as it is strictly necessary for the use for which it was acquired.

#### **4.11 Gifts, donations, contributions and sponsorships**

BMC supports social responsibility initiatives, including through sponsorship or contributions to foundations, institutions and organisations dedicated to carrying out activities aimed at improving living conditions and spreading culture and solidarity in the community in which it operates.

Sponsorships and donations to associations, including unrecognised ones, are duly authorised and unambiguously identify the counterparts involved and the motives underlying the disbursement; the transfer of the economic value is carried out through authorised intermediaries, so that traceability is guaranteed on the basis of appropriate documentation.



#### **4.12 Health and environment**

BMC counts among its primary values the principle of protection of health and safety at work and strives to ensure its employees and collaborators a safe, healthy and legally compliant working environment. BMC promotes the establishment of a culture of safety and health of workers within the workplace.

BMC respects the principle of environmental protection and contributes positively to the protection and preservation of the environment by seeking the most suitable solutions to reconcile the company's needs with a responsible use of resources, a reduction in energy consumption and a better management of emissions into the atmosphere.

#### **4.13 Prohibition of money laundering operations**

BMC scrupulously follows the regulations aimed at preventing money laundering, self-laundering and the financing of criminal activities. To this end, the Addressees are required to:

- immediately report potential anomalies of which they are aware in order to facilitate the prevention and combating of money laundering;
- carefully verify available information on counterparties and avoid entering into or maintaining commercial or financial relationships where there is reasonable doubt that counterparties may engage in conduct amounting to money laundering offences;
- make and accept cash payments only within the limits and amounts permitted by law;
- ensure appropriate cooperation with the competent authorities in preventing, combating and suppressing the phenomena of counterfeiting and forgery of banknotes, coins and any other means of payment.

In the management of financial flows, it is forbidden to tolerate irregularities that, according to normal professional diligence, give rise to suspicions as to the legality and regularity of the origin of the money received.

#### **4.14 External information and communication**

The recipients of the Code of Ethics undertake not to disclose sensitive information related to BMC. Any information learned by reason of the task or function performed shall be kept confidential and shall be considered the exclusive property of BMC.

All communication with the outside world takes place in accordance with current regulations and company procedures.

BMC shall establish its relations with operators in the field of information and communication systems and organs, mass media and advertising services in compliance with the principles of this Code.

#### **4.15 Harassment in the workplace**

BMC requires that no harassment, meaning harassment as such, takes place in internal and external labour relations:

- the creation of an intimidating, hostile or isolating working environment towards individuals or groups of workers;
- unjustified interference with performance of others' work;
- the hindering of individual job prospects of others for mere reasons of personal competitiveness.

BMC shall prevent, as far as possible, and in any case prosecute bullying and personal harassment of any kind, including sexual harassment.

#### **4.16 Alcohol or drug abuse**

BMC requires that each recipient personally contributes to maintaining a working environment that is respectful of the sensitivities of others:

- serving, attending events or cooperating with BMC in any capacity under the influence of alcohol, drugs or substances of similar effect;
- consume or dispose of drugs for any reason in the course of work. BMC undertakes to promote the social actions foreseen in this regard by current legislation.

#### **4.17 Smoke**

In compliance with current legislation, smoking is prohibited in the workplace and, in accordance with the regulations in force, the Company identifies the persons responsible for monitoring and applying administrative sanctions.

## **5. IMPLEMENTATION, CONTROL AND MONITORING**

The Board of Directors and the corporate management take care of the application and dissemination of the Code of Ethics, also by availing themselves of the competent corporate functions; a similar responsibility is assigned to the persons at the top of each corporate area guarantee its observance by all those work for BMC, including third parties, collaborators and consultants, parties to a valid contractual relationship.

### **5.1 Reports**

All addressees are required to comply with the Code and to report any conduct that does not comply with the principles and rules contained therein.

Requests for clarification on the interpretation of the Code may be addressed, in the case of employees, to the head of their department or directly to the Supervisory Board; whistleblowing reports may be made to the latter or to the manager of the internal channel.

In particular, this Code is also an integral part of the Organisational Model adopted by BMC pursuant to Legislative Decree No. 231/2001.

Any reports of offences or violations, with particular reference to the predicate offences provided for in Legislative Decree No. 231/2001, must be addressed to the specifically appointed Supervisory Board, using the e-mail address:

**[odv@bmcairfilters.com](mailto:odv@bmcairfilters.com)**

reports may also be made anonymously and addressed to the attention of the Supervisory Board at BMC.

Regardless of the communication channel used by the whistleblower, BMC undertakes treat each report received with confidentiality and discretion, in line with the legal provisions force, and to safeguard the anonymity of the whistleblower, ensuring that he/she is not subject to any form of retaliation.

## **5.2 Disciplinary Measures**

Compliance with the Code of Ethics is an integral part of the contractual obligations of employees, collaborators and, more generally, of all Addressees.

Any violations shall render measures applicable on the part of BMC, modulated in relation to the seriousness and within the limits of the applicable legal framework.

With regard to employees, non-compliance may lead to disciplinary proceedings and sanctions up to and including termination of employment and, for directors and any controlling bodies of BMC, suspension or removal from office.

Failure to comply by external parties may result in the termination of the contract, assignment or in general of the existing relationship with BMC, as well as - where there are prerequisites - compensation for damages, given the contractual binding value attributed by BMC to this Code, to the principles and values contained therein, and to the rules of conduct indicated.

## **5.3 Final Provisions**

The BMC Board of Directors approves the Code of Ethics by resolution, as well as any changes/additions to it.

The Board of Directors sees to updating and possible revision of the Code of Ethics, and assesses any proposals for amendment/supplementation coming from the Supervisory Board.

This Code of Ethics is available on the BMC website.