

## CODE OF ETHICS

### 1. FOREWORD

SAME DEUTZ-FAHR Italia S.p.A. and SDF S.p.A. (each one hereinafter referred to as the "Company") as part of its activities and for the conduct of its business takes, as guiding principles, compliance with the law and regulations of the countries where it operates, as well as its internal rules, in a framework of legality, fairness, transparency, confidentiality and respect for human dignity.

Moreover, the Company aims to reconcile the search for competitiveness on the market with compliance with the competition laws and to promote, considering social responsibility and environmental protection, the proper and responsible use of resources.

The objectives of production and market share growth, as well as of strengthening the ability to create value are pursued ensuring adequate decision-making and operational safety standards for structures and processes preparatory to the development of new businesses, the efficiency of selection mechanisms and business management, quality management systems and risk measurement.

### 2. OBJECTIVE

This Code of Ethics has been developed to ensure that the ethical values of the Company are clearly defined and represent the main element of corporate culture, as well as the standard of conduct for all internal and external employees working for the Company (hereinafter the "employees") when carrying out corporate activities and business.

### 3. STRUCTURE AND SCOPE OF THE CODE OF ETHICS

The Code of Ethics (hereinafter the "Code") consists of the following sections:

- General Ethical Principles;
- Ethical Principles in Corporate Governance;
- Ethical Principles in Staff Relations;
- Ethical Principles for Third Parties;
- Respect of ethical principles and disciplinary and sanctions system.

This Code contains all the rights, duties and responsibilities of the Company relating to "*concerned parties*" (employees, suppliers, clients, partners, Public Administration, shareholders, etc.).

The following must also comply with the Code:

- representatives of Management Boards and managers, who must comply with all decisions and actions laid down in the Code, disseminating it and encouraging its acceptance among employees and third parties acting on behalf of the Company, such as agents, dealers, partners, financial agents (hereinafter more simply called "*Intermediaries*").

Managers must also, through their own behaviour, be a role model for the staff;

- employees, who are obliged to act in accordance with the Code and to report any violations to the Monitoring Committee;



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- consultants and goods and services suppliers, who must be properly informed of the rules contained in the Code and control their conduct throughout the entire contractual relationship with the Company.

The persons required to comply with the Code are called "*Recipients*".

#### **4. GENERAL ETHICAL PRINCIPLES**

##### Lawfulness

Recipients are required to comply with the laws and, more generally, with the regulations in the countries where they operate. Recipients are also required to comply with the company regulations, as implemented by the legal requirements.

##### Fairness

Recipients are required to observe the ethical, expert and professional rules applicable to transactions made on behalf of the Company. Recipients are also required to comply with the company regulations, as implemented by the ethical, expert or professional rules.

##### Transparency

Recipients are required to act with transparency, i.e clarity, completeness and relevance of information, avoiding deceptive situations in transactions carried out on behalf of the Company. Recipients are required to comply with the company regulations, as implemented by the principle of transparency.

##### Confidentiality

Recipients must ensure the confidentiality of information learned during the transactions carried out on behalf of the Company.

Recipients are obliged to process data and business information exclusively for the purposes of their own work activities but, however, not to disclose (communicate, disseminate or publish in any way) sensitive information without the express consent of the subjects concerned, and confidential information without the permission of the Company.

##### Respect of human dignity

Recipients must comply with fundamental human rights by safeguarding their moral integrity and ensuring equal opportunities.

For internal and external relations, behaviour that has a discriminatory content based on political and trade union opinions, religion, racial or ethnic origin, nationality, age, sex, sexual orientation, health status, and generally any intimate feature of the human person, is not permitted.

## **5. ETHICAL PRINCIPLES IN CORPORATE GOVERNANCE**

### Corporate Boards

The appointments of members of the Company's Boards must take place through transparent procedures.

Company's Boards act and make informed decisions autonomously, pursuing the objective of creating value for the Company in accordance with the principles of legality and fairness.

The decisions of members of Company's Boards must be autonomous, i.e. based on free assessment and pursue the interests of the Company.

Independent judgements are a requirement in the decisions of Company's Boards and, therefore, members must ensure maximum transparency when managing operations in which they have a particular interest. In such circumstances, the laws and the company regulations on the matter must be complied with.

In particular, Directors of the Company's Board must individually carry out their duties with seriousness, professionalism, and presence, thus allowing the Company to benefit from their expertise.

### Relationships with shareholders

The Company promotes transparency and regular information for shareholders, in compliance with the laws and regulations in force.

The interests of all shareholders are promoted and protected, rejecting any particular or partisan interest.

The Company promotes correct and steady communication with shareholders about any action or choice that may have effects or consequences for them or their investments.

The Company promotes the conscious and informed participation of shareholders in corporate decisions. The Company promotes:

- regular attendance of the Board of Company's shareholders at meetings;
- the correct running of meetings in accordance with the right of each Shareholder to obtain clarification;
- to express their own opinion and to make suggestions.

### Development of equity investments

The Company protects and enhances the business' value with the aim of compensating the risk assumed by shareholders investing their own capital.

### Transparency of the company accounts and fulfilments of fiscal obligations

The Company promotes maximum transparency, reliability and integrity of information related to the company accounts, and its fulfilments of fiscal and tax obligations.

Each operation and transaction must be correctly recorded, authorised, verifiable, legitimate, coherent and consistent.

All the Company's actions and operations must be appropriately recorded, and the process of deciding, authorising and carrying out such actions and operations must be verifiable.

There must be adequate written evidence of each transaction, in order that checks may be carried out at any time designed to certify the characteristics and reasons for the transaction, and to identify the person(s) authorising, carried out, recorded and verified the transaction itself.

The Addressees shall comply with the fiscal and tax regulations in force. In cases of interpretative doubts, before carrying out an operation or recording it in the company accounts, the professional opinions of experts must be sought.

Invoices issued for payables and receivables must be based on the principle of truthfulness. Any invoices that could subjectively or objectively be deemed false, or even partially false, are not allowed.

All tax statements issued for direct or indirect taxes must be truthful

Addressees who are aware of any omission, falsification or negligence are bound to report such to the Supervisory Body.

## Internal Audit

The Company has a system of internal audits<sup>1</sup>, which helps to improve the efficiency and effectiveness of business processes, as well as minimizing the risks of corporate transactions, of which the Recipients must be aware.

The Recipients, while carrying out their tasks, are responsible for the definition, implementation and proper functioning of the audits relating to operational areas or tasks assigned to them.

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<sup>1</sup> The internal audit system is understood as the set of rules, procedures and organisational structures aimed at ensuring the enforcement of corporate strategies and achieving effective and efficient business processes, the safeguarding of asset value and the protection of losses, the reliability and integrity of management accounting information, the compliance of transactions with the law, the regulatory provisions, and the internal rules of the body

## 6. ETHICAL PRINCIPLES IN STAFF RELATIONS

### Staff selection and recruitment

Recipients promote the respect of the principles of equality and equal opportunities in staff selection and recruitment activities, rejecting any form of favouritism, nepotism or clientelism.

### Formalisation of the employment relationship

Employment relationships are formalised with a standard contract, rejecting any form of illegal labour. Recipients promote full cooperation and transparency related to the new employee, so that the latter is clearly aware of the task conferred to him/her.

### Staff management and evaluation

The Company rejects any form of discrimination against its own employees, encouraging decision making and evaluation processes based on commonly accepted objective criteria.

### Safety and protection of health and working conditions

The Company undertakes to protect the physical and moral integrity of its employees, working conditions that respect human dignity and a safe and healthy workplace, in full compliance with the current regulations on the prevention of occupational accidents and the protection of workers.

The Company carries out its activities under technical, organisational and economic conditions that guarantee adequate accident prevention and a healthy and safe working environment.

The Company undertakes to disseminate and consolidate a culture of safety for all its employees, developing the awareness of risks and promoting responsible behaviour among all employees.

The Company undertakes to adopt specific organisation, management and control models for health and safety at work, in accordance with the current regulations in force. These models are formalised by means of formal documents in which the fundamental decision-making principles and criteria, related to health and safety at work, for all types of decision and at all levels, are laid down.

The guiding principles for this matter are as follows:

- a) avoiding risks;
- b) evaluating risks that cannot be avoided;
- c) combating risks at source;
- d) adapting the work to the person, particularly as regards the creation of jobs and the choice of work equipment, work and production methods, in particular to alleviate monotonous and repetitive work and to reduce the effects of this work on employees' health;
- e) taking into consideration the degree of technical progress;
- f) replacing dangerous items/ practices with non-dangerous or less dangerous items/practices;
- g) planned prevention, aimed at coherence in the workplace that includes the same technique, organisation of work, working conditions, social relationships and influence of factors in the work environment;
- h) give priority to collective protective measures over individual protective measures;
- i) give appropriate instructions to workers and make sure they have understood.



All Recipients must adhere to these principles, both when decisions must be taken or choices be made and, afterwards, when they must be implemented during operational activities.

### Professional development

The Company promotes the professional development of employees through appropriate instruments and training plans.



## **7. ETHICAL PRINCIPLES FOR THIRD PARTIES**

### Criteria for conduct towards final customers

Recipients promote maximum impartiality and reject any form of discrimination in dealing with customers. Recipients provide customers with messages, communications and transparent agreements, avoiding formulas that are difficult to understand and illicit or incorrect commercial initiatives. Recipients promote maximum courtesy and availability in managing relationships with final customers. Recipients promote the continuous improvement of the quality of services offered to final customers.

### Criteria for conduct towards suppliers

The processes for the selection and choice of suppliers are based on principles of legality, fairness and transparency. The choice of the supplier is based on objective and impartial criteria in terms of quality, innovative level, cost, additional services to services/products offered. Recipients may not accept bonuses, gifts or similar, if not directly attributable to normal courtesy relationships and of modest value. The violation of the principles of lawfulness, fairness, transparency, confidentiality and respect of human dignity are a just cause for the termination of the relationship with the suppliers. Where Recipients receive beneficial offers from a supplier to foster business activities, they should immediately discontinue the relationship and report the fact to the Monitoring Committee.

### Criteria for conduct towards consultants and their conduct

The processes for the selection and choice of consultants are based on principles of legality, fairness and transparency. Consultants are the recipients of transparent messages, communications and agreements which avoid formulas that are difficult to understand or promote unfair trade practices. Agreements with consultants should include, wherever possible, the obligation to comply with the Code and the Protocols applicable to any activity for which the consultants themselves are responsible on behalf of the Company that carries the risk of crime, as well as the termination clauses and damages in the case of the violation of these rules of conduct.

The consultants, as Recipients, shall comply with the Code and the Protocols applicable to them.

The violation of the principles of lawfulness, fairness, transparency, confidentiality and respect of human dignity is a just cause for the termination of the relationship with the consultants.

Where Recipients receive beneficial offers from a consultant to foster business activities, they should immediately discontinue the relationship and report the fact to the Monitoring Committee.

All form of donations or any type of benefit or advantage in the consultant's favour, which could, even potentially, be construed as exceeding the normal commercial or courtesy practices, is prohibited.



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In all cases, any form of donation, benefit, utility or promise of such advantages to the consultants, aimed at obtaining favourable treatment in the conduct of any activities related to the Company, is prohibited.

In particular, any kind of gift, benefit or advantage to consultants, or any promise to auditors, members of representative bodies or their relatives, with the aim of influencing independent judgement or lead to any advantage, is forbidden.

It is also forbidden to make payments to current accounts located in tax havens.

Recipients who become aware of violations, omissions, falsifications or negligence from consultants or any of their employees during the business relationship are required to report the facts to the Monitoring Committee.

### Criteria for conduct towards Public Administration and Public Institutions

In their relations with Public Administration and Public Institutions, Recipients promote lawful and proper relationships with maximum transparency and reject any form of promise or offer of payment or goods to promote or favour any interest or advantage.

Recipients are not allowed to offer money or gifts to directors, officers or employees of Public Administration and Public Institutions or their relatives, except in the case of gifts or items of modest value.

When a business negotiation, request or relationship with Public Administration and Public Institutions takes place, Recipients must not try to improperly influence the decisions of the other party, including those of the officials who negotiate or make decisions on behalf of Public Administration and Public Institutions.

In the specific case of a tender, the applicable laws and the correct commercial practice should be complied with. Where Recipients receive requests or beneficial proposals from public officers, they should immediately suspend the relationship and report the fact to the Monitoring Committee.

### Criteria for conduct towards political parties and trade unions

The Company is not related to any political party or trade union organisation.

In this regard, the Company does not in any way financially subsidise these forms of organisation or association, events, demonstrations or conferences for the purposes of political or trade union propaganda.

## **8. OBSERVANCE OF ETHICAL PRINCIPLES AND DISCIPLINARY AND SANCTION SYSTEM**

### Corporate Boards and members of Monitoring Committee

Compliance with the Code of Ethics by the members of Corporate Boards and Monitoring Committee includes and elicits the obligations of diligence in carrying out the task undertaken.

Any violation of the Code of Ethics therefore constitute a breach of the obligations arising from the relationship of organic representation, with the consequent application of the penalties laid down by the local law and/or the disciplinary and sanction system.

### Employees

Compliance with the Code of Ethics by staff includes and elicits the obligations of loyalty, honesty and fairness in good faith in the execution of the employment contract. This compliance is required by the Company pursuant to and for the purposes of the local law.  
In case of the violation of the Code the penalties provided and specifically approved by the local disciplinary and sanction system shall apply.

### Third parties

Observance of the Code of Ethics by suppliers and Intermediary Recipients includes the obligation to fulfil the duties of diligence and good faith in negotiations and execution of the current contracts with the Company.

Any violation of the Code of Ethics may, depending on the severity, be a just cause for revocation or termination of these contracts with all legal consequences, including damages.