ANTITRUST PROCEDURE

(anticompetitive practices)

	Department / Function	Name	Date	Signature
Issued By:	Legal Dept.	E.Vettoretti	01.10.2022	
Verified by:				
Approved by:	Board of Directors		19.07.2024	See company Book

Summary:

1. Scope

1.1 SIT S.p.a., hereinafter referred to as the "***Company***" or "***SIT***," adopts this "***Antitrust Procedure***" in order to comply with the current "***Antitrust***" legislation regarding competition protection and free markets. This procedure applies to all countries in which SIT and its directly or indirectly affiliated companies (hereinafter the "***SIT Group***") operate. This procedure applies to all companies within the SIT Group. Every employee of the SIT Group is required to observe, apply, and disseminate the principles and guidelines contained in this procedure.

1.2 Antitrust regulations apply to relationships between different companies and do not apply to companies belonging to the same corporate group, such as the companies within the SIT Group.

1.3 This procedure applies not only in formal work contexts but also in informal contexts, social life, outside the company sphere.

1.4 The provisions contained in this procedure aim to ensure full compliance with Antitrust regulations, ensuring competitiveness in free markets and strengthening economic efficiency. This document summarizes the main behaviors (active or passive) that may have an impact in this regard, providing guidance and reference to all employees of the SIT Group.

1.5 Failure to comply with these rules will result in the application of penalties as provided by applicable regulations.

1.6 Antitrust regulations are complex, and therefore, this procedure cannot cover all possible scenarios. In case of doubts, every employee should refer to the Legal Office of SIT whenever a violation of Antitrust rules is likely (or even hypothetically). The Legal Office, possibly with the assistance of external law firms, can provide opinions on any operations that may present a remote probability or risk of violating current regulations in Italy or abroad.

2. EU Antitrust Rules and National Antitrust Rules (Overview)

2.1 European rules protecting competition in principle prohibit altering the normal functioning of the market, which should be based on merit.

2.2 These rules are already binding in all Member States of the Union and are primarily overseen by an Authority in each State. More complex and delicate cases can be handled directly by the Competition Directorate of the European Commission, which also utilizes the operational and investigative structures of the Authorities of the interested Member States.

2.3 Each country has its own national antitrust legislation, which reproduces the same rules and makes them enforceable at the national level. For Italy, reference is mainly made to:

Autorità garante della concorrenza e del mercato (AGCM)

Piazza G. Verdi n. 6/A- 00198 Roma

Tel.: 06/858211; fax: 06/85821256;

website: http://www.agcm.it

Where the following can be consulted:

CODICE DELLA CONCORRENZA - Systematic collection of primary and secondary rules on the protection and promotion of competition.

2.4 In Europe (and also globally), there is a complex system of market and competition surveillance.

2.5 This system ensures that the prohibition of any coordination and agreement between competing companies and the prohibition of abuse by a company holding a dominant position are respected.

3. Behavioral Rules - Illegitimate Actions

3.1 The rules protecting competition generally prohibit any coordination or agreement between competitors that negatively affects the existing market conditions and does not bring any benefit to consumers or the market in general. In certain situations, even a dominant position held by a company could constitute a violation of the law.

3.2 Agreements (such as cartels) that involve two or more companies trying to limit competition are prohibited. Agreements can be horizontal (between competitors at the same level of the supply chain, fixing prices or limiting production) or vertical (for example, between a producer and a distributor). Executives and employees of SIT are aware that horizontal agreements are assessed more severely as they can more easily result in competition restrictions harmful to consumers compared to vertical agreements.

3.3 In particular, agreements that include the following are always prohibited:

a) Direct or indirect price fixing and its policy;

b) Fixing other terms or conditions, not only contractual ones;

c) Sharing of information, particularly concerning prices, business lines, or market conditions;

d) Sharing of customers, suppliers, or other objects of competitive relevance;

e) Limitation or control of production;

f) Allocation of markets or business lines in which the Company competes.

For Antitrust regulations, whether these agreements have positive or negative effects is irrelevant. Such behaviors are inherently considered "illegitimate."

3.4 Some agreements may be illicit and therefore prohibited in certain circumstances, such as:

a) Purchasing or selling products or services from a competitor, as in the case where the agreement prohibits reselling products supplied by a competitor

below a certain price, especially if the goal is to ensure a certain profit margin for oneself or the competitor;

b) Granting distribution, especially exclusive distribution, of products to a competitor.

Employees of the SIT Group should promptly contact the Legal Office in case of any doubts.

3.5 Agreements can take various "forms." They will be considered agreements not only when they have clear or express "formality" (such as a contract between parties or a meeting's minutes) but also any type of informal, tacit, or implicit agreement or understanding regarding prices or other matters of competitive relevance. Therefore, tangible evidence of a potential illicit agreement is not necessary; even circumstantial evidence that reconstructs the parties' intentions is sufficient.

3.6 The Company considers it essential to never invite competitors to engage in collusion, whether explicitly (in the presence of an agreement concluded between two or more parties committing to maintain common pricing policies—often referred to as a "cartel") or implicitly (when there is no explicit communication between colluding companies, but they collude using the market as a signaling device to indicate their intentions).

3.7 Similarly, invitations of this nature received from third parties must be unequivocally rejected. Employees who receive an invitation or suggestion from competitors to participate in an illicit agreement must explicitly refuse, stating that this Procedure prohibits participating in collusion or even discussing such matters with competitors. The employee should agree with the Legal Office on the contents of the communication.

4. Relations between competing companies

4.1 In the work, professional, or social context, every employee of the Company may come into contact with individuals employed by competing companies. These encounters are not prohibited and do not constitute any wrongdoing, but they must be managed correctly and limited to what is strictly necessary. If an employee of the Company becomes involved in a conversation that touches upon topics prohibited by Antitrust regulations, they must promptly and clearly communicate their intention to terminate the conversation, highlighting the reasons for their dissent.

4.2 After expressing their objections, the employee is obligated to withdraw from the group, clearly stating that the Company does not participate, nor will participate, in such discussions to eliminate any doubt that the Company tacitly consents to addressing these topics. If the employee fails to express their dissent, they may be held personally responsible for any wrongdoing.

4.3 Each employee must avoid behaviors that constitute, or could be interpreted as, evidence of an agreement or understanding aimed at fixing prices or engaging in other activities prohibited by competition regulations. Therefore, employees should always use language that avoids potential misunderstandings or ambiguities, both during meetings and in the drafting of documents or emails.

4.4 This language could potentially be misinterpreted as evidence of an agreement among competitors, even if no such agreement exists. Therefore, references to "agreements" or "adoption" of practices or behaviors should be avoided if there is suspicion that they may refer to circumstances that could fall under illicit activities.

4.5 In particular, during meetings, if prohibited topics under Antitrust regulations are touched upon, employees should express their dissent, request the minutes to reflect their objection, and leave the meeting if the discussion on the prohibited topic continues.

5. Prices

5.1 Regarding price fixing, in addition to what was previously indicated in paragraph 3.3, price fixing also occurs when a specific price is not set but rather a range within which the price may fluctuate. Therefore, any agreement among competing companies that directly or indirectly impacts prices, whether increasing or decreasing, may be considered unlawful.

5.2 In particular, the following agreements among competitors are prohibited under Antitrust regulations, as examples and not an exhaustive list:

a) Any sales condition that has an effect on prices, such as discounts, credit terms, timing or announcement of price changes, or the use of pricing formulas.

b) Imposition of a surcharge or other additional charges or modification of existing charges.

c) Fixing a specific price increase as established in a specific price list or pricing formula.

6. Exchange of information

6.1 The pricing policy of the SIT Group is confidential information and of relevance to Antitrust regulations. Therefore, it is strictly prohibited for any employee to disclose any information about prices and the underlying policy to any competing entity. It is also prohibited to disclose any other competitively sensitive information to a competitor, even through the active involvement of a third party. Therefore, competitively sensitive information should not be confided to third parties for the purpose of transferring it to competitors. Similarly, it is prohibited to obtain information from third parties by using them as intermediaries to share commercially and/or strategically sensitive information among competitors.

6.2 Similar to information regarding the SIT Group, information about a competitor's prices is also considered "sensitive" and, if obtained by SIT, must exclusively come from

publicly available sources. Gathering such information during conversations or other communications with competitors is considered unlawful.

6.3 It is permissible to receive information from a customer about a competitor's offering as long as the source is documented. In the absence of a clearly documented source, it is prohibited to possess such information, even if it is only used to verify an offer or a price that a customer claims to have been proposed.

6.4 The SIT Group makes pricing decisions or decisions related to the business (market research, budget, PAM, etc.) by also considering competitively sensitive information, provided that it has been obtained from publicly available sources (industry publications, company websites, market research). Information from research companies or industry associations must be collected and stored in an aggregated form, in a way that it is not possible to identify or reconstruct data for individual companies.

6.5 The Company independently and autonomously conducts its pricing policy and sales conditions for products to customers and suppliers, based on relevant factors such as cost containment and maintaining profits set by management, reasoning within the scope of price competitiveness itself.

6.6 The sources of information collected about the competition must always be documented to prove their legitimacy and avoid potential future allegations of violating this Procedure. Paper documentation should always include the source of the information. Information collected in electronic format (websites, emails, etc.) should be archived in a clear and traceable manner. In particular, information gathered from the web should indicate the web address where it was collected. If there is no traceability of sensitive information, the responsibility falls on the Company, which may take action against the non-compliant employee. In certain circumstances, even a one-way exchange of information can be interpreted as illegal under competition regulations. Communications from competitors on sensitive

topics can be considered part of an illegal agreement, understanding, or arrangement. Sending sensitive information to competitors in any circumstance or form is strictly prohibited. It is also mandatory to send a clear refusal to be the recipient of an illicit communication and to keep such response as evidence of explicit refusal.
6.7 Employees may communicate "sensitive" information (e.g., offers to customers, price lists to dealers and/or agents, etc.) to third parties only to the extent strictly necessary for business management and with authorization from the management. Information sent to third parties must contain the phrase "Strictly Confidential" and indicate the recipient's name using watermarking or another equivalent method.
6.8 Employees are obligated to refrain from discussing and exchanging information "sensitive" in any way with employees, representatives, or agents of a competitor, regarding past, current, or future prices, price policies, surcharges or other additional costs, other sales conditions, or other competitively relevant matters of the Company or the competitor. In general, employees cannot provide such information or request such information from competitors. Any behavior that does not comply with these guidelines may be subject to internal evaluation by management.
6.9 Before acquiring information from market research companies, it must be verified with them how they obtained the data.
3.10 It is prohibited to provide sensitive information to research and market companies without first verifying how they will handle and forward such information to third parties. In case of doubt, consult the Legal Office.

7. Vertical Agreements - Customers and Suppliers

7.1 Each company is free to choose its customers and suppliers and to engage or not engage in business with anyone. The decision not to engage in business with certain customers or suppliers must be made autonomously and independently and cannot be the result of agreements or understandings reached with competitors.

7.2 The refusal to engage in business with potential customers and suppliers, and the termination of a business relationship with existing customers and suppliers, must always be motivated by legitimate interests as it may raise doubts about compliance with Antitrust regulations.

7.3 Employees must act cautiously and avoid giving the perception that the legitimate refusal to engage in business with a current or potential customer or supplier, or the termination of a business relationship with such entities, is the result of an illicit agreement with a competitor or a competing customer or supplier. For example, employees who receive complaints from one or more suppliers (or customers) regarding the prices or other business activities of another supplier (or customer) must clearly respond that the Company will evaluate them and take appropriate actions based on its independent judgment.

7.4 Exclusive agreements are potentially critical as they theoretically limit the ability of customers or suppliers to conduct business with competitors or engage in business in certain geographical areas. Exclusive agreements can also manifest themselves in implicit forms, such as contracts with guaranteed purchase and sales volumes that effectively obligate parties to buy or sell their entire or a significant portion of their needs or production from or to another party, relating (almost) exclusively to them. Such agreements may raise issues related to Antitrust regulations, and employees dealing with such agreements must consult with the Legal Office when there are doubts about appropriate conduct.

8. Specific Antitrust Relevant Agreements

8.1 It is the practice of the Company not to adopt unlawful limitations, whether agreed upon or imposed, on customers and suppliers. The types of agreements with customers and suppliers described in this section constitute a violation of Antitrust regulations as they impose restrictions on competition, although in certain

circumstances, some practices may be tolerated. Employees who are about to enter into agreements described below or raise similar doubts must consult the Legal Office in advance regarding the conduct to be followed.

8.2 A tying practice occurs when a customer is required to purchase one product or service to obtain another product or service that the customer is truly interested in. In general, customers are free to purchase only the products or services they want from the Company, and they cannot be forced to purchase products or services they are not interested in as a condition for acquiring those they are interested in.

8.3 The general prohibition on engaging in tying practices does not include legitimate efforts to sell multiple products or services in a bundle, provided, however, that the seller is willing to sell each product or service separately at realistic prices (if offering products or services separately is feasible).

8.4 Reciprocity agreements occur when the volume of the Company's business with current or potential suppliers is based on the supplier's purchase volume. It is the Company's policy to make all purchasing decisions solely based on price, quality, level of support, service, and other relevant factors and not on the supplier's business volume with the Company.

8.5 Employees must avoid any communication that could be interpreted as an indication that the Company's acquisitions from a current or potential supplier could be reduced if that supplier does not purchase the Company's products or services.

9. Dominant Position

9.1 Competition protection regulations prohibit actions taken by a single company that constitute an abuse of a dominant position.

9.2 The concept of a "dominant position" generally refers to a situation of economic power whereby the company holding it is capable, on the one hand, of preventing or hindering the existence of effective competition in the market and, on the other

hand, of acting significantly independently from its competitors, customers, and consumers.

The company in a dominant position can therefore behave independently, having the ability to benefit from considerable market power for a certain period of time. The actions and reactions of competitors, customers, and consumers are entirely irrelevant to the decisions made by the company.

9.3 Having a dominant position or substantial market power is not inherently illegal under Antitrust laws. A company may obtain a dominant market share through legitimate merits, competitiveness, or as a result of a historical incident.

9.4 However, the unfair use of market power derived from a dominant position to eliminate or harm competition, as well as the attempt to unfairly exploit a dominant position in one market to occupy another market, is prohibited.

9.5 SIT personnel must exercise particular care in any discussion concerning markets in which SIT holds a dominant position or in situations where an abuse of a dominant position may potentially be identified. To this end, any situation in which the Company holds a market share of at least 25% must be carefully assessed in consultation with the Legal Office.

9.6 Setting a "predatory price," i.e., a price below average variable costs or average total costs, with the aim of eliminating competitors in the short term and reducing competitiveness in the long term, is prohibited.

9.7 SIT employees must not engage in predatory pricing or other practices, strategies, or tactics that could be interpreted, without justified reason, as aiming to harm or exclude competitiveness or competitors, and they must consult the Legal Office before implementing such practices, strategies, or tactics.

10. Associations of Category

10.1 The company's membership and participation in trade associations (or other industry groups) may raise concerns as they involve meetings and other activities among competitors where potentially risky situations may arise, while acknowledging that this type of association has undeniable purposes aimed at the overall well-being of the economy.

10.2 Employees participating in the activities of trade associations should exercise caution, carefully evaluating each specific topic discussed and strictly avoiding engaging in any activity or conversation that could constitute illegal concerted action among competitors.

10.3 The membership of SIT Group companies in industry associations must be previously authorized by the Commercial Department and the Legal Office, and knowledge of the company's regulations is required.

10.4 Any employee who is a member or merely participates in the activities of such associations, groups, or entities has an obligation to immediately notify the Legal Office.

10.5 Employees cannot participate in the activities of trade associations (or other industry groups) that may involve antitrust violations without first consulting internally with the Legal Office.

10.6 It is always necessary to verify that the activities of industry associations (or other industry groups) comply with antitrust regulations, regardless of the individuals present at the meetings.

10.7 In industry associations or other industrial associations, discussions on prices, surcharges, or other ancillary charges, sales conditions, or other matters of competitive relevance are not allowed. This prohibition applies to both official events of trade associations and any informal meetings (which should generally be avoided) and casual conversations. SIT Group must make unilateral decisions regarding issues such as (i) price determination and its components, (ii) the management of said

components and their potential impact on price increases towards customers, and must not participate in any formal or informal initiative aimed at reaching an agreement on such matters within the industry.

10.8 To ensure that the activities of industry associations and other industrial associations are fully compliant with antitrust regulations, SIT Group is committed to complying with the following provisions:

a) In general, the industry associations in which employees participate must have an adequate program for compliance with antitrust and competition laws.

b) The agenda of the meetings should be obtained (in advance, if possible), ensuring that it is complete and does not contain points that could lead to anti-competitive discussions, and any doubts about the legitimacy of the agenda topics should be discussed with the Legal Office (in advance, when possible).

d) It is highly recommended to take and keep accurate and precise notes regarding the points discussed, and a copy of such notes should be retained to share with the Legal Office.

e) Discussions with competitors that take place before and after industry association meetings, as well as during breaks, must be managed with extreme caution.

f) Copies of any meeting minutes or documents should be promptly requested, and if necessary, shared with the Legal Office.

10.9 The following activities carried out by industry associations may raise concerns regarding competition regulations:

a) The expulsion or exclusion of actual or potential members (as under certain circumstances, these acts may constitute a group boycott);

b) Activities that establish "industry standards" (as under certain circumstances, these acts can be an unlawful means of excluding competition);

c) The collection, dissemination, and/or exchange of industrial data or other competitively relevant information (as under certain circumstances, such exchanges may be seen as part of a price-fixing agreement or a way to stabilize or increase prices), except in cases where the information is presented as aggregated data and does not disclose any confidential information (including more general information) about specific companies;

d) Expressing the industry's point of view to legislative bodies or government agencies or regulatory bodies (as these acts may be used to disguise efforts to harm or eliminate a competitor).

10.10 SIT employees are aware that any unlawful act committed by any member of a trade association (or other industry group) will be attributed to all attending members. Therefore, employees must exercise particular care when participating in the activities of trade associations or other industry groups. Employees who find themselves involved in what could be a prohibited or even equivocal conversation or activity must follow the procedures outlined above, terminate the conversation if necessary, and promptly inform legal consultants to ensure that no further action is required to address the situation.

11. Mergers and Acquisitions

11.1 In certain cases, situations where previously independent companies merge, acquire, or create a joint venture require consultation with the Legal Office to verify the applicable competition law. In this circumstance, competition authorities monitor such operations as they may disrupt competition in a market by creating or strengthening a dominant position. Above certain turnover thresholds, the Legal Office, when assessing the potential operation, will inform the relevant competition authorities to obtain prior authorization for conducting such activities. Failure to notify

may result in fines and the cancellation of the merger, acquisition, or divestiture decision.

11.2 In the case of potential merger or acquisition transactions, the following steps should be taken:

a) Inform and collaborate with the Legal Office before making any key decisions regarding mergers and acquisitions.

b) Assess competition risks related to the target company (litigation, fines, current or previous sanctions, or previous merger and acquisition approvals granted to the target company, and copies of any previous merger, acquisition, or divestiture transactions, etc.).

c) Inform the relevant competition authorities before any divestiture or acquisition operation above predetermined turnover thresholds.

d) Comply with commitments made to competition authorities.

11.3 Initiating a merger, acquisition, or divestiture process without involving the Legal Office is prohibited. During the operation, disclosing or providing access to sensitive information without prior authorization from the Legal Office is strictly prohibited.

12. Final Provisions

12.1 Employees who have doubts about the application of antitrust regulations or competition laws regarding the company's conduct of business or other activities are required to consult the Legal Office before taking any action when such doubts arise.

12.2 SIT employees who believe that the company is being harmed due to a potential violation of antitrust regulations must immediately report it to the Legal Office.

12.3 SIT employees cannot retaliate through ordinary business decisions, as such behavior may constitute a violation of competition protection regulations.

12.4 SIT employees who become aware of any behavior that may violate antitrust regulations must promptly report such matters through the email:

whistleblowing@sitgroup.it. This reporting channel ensures anonymity and protection of whistleblowers against any retaliatory conduct.

12.5 Any violation of antitrust regulations may result in disciplinary actions against the employee committing the violation.

12.6 For clarifications or consultations, please contact:

Legal Office (Egidio Vettoretti, egidio.vettoretti@sitgroup.it, Tel.: +39 340 8833324);

13. Revisions

Ed.	Data	Description	Issue	Check	Approval
1.0	19.07.2024		Legal Dept	Legal Dept	Legal Dept