

CODE OF ETHICAL CONDUCT

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PREAMBLE

Tonello S.r.l. (hereinafter the "Company") operates in the industrial sector as a manufacturer of machinery for the processing of ready-made garments.

The Company bases the performance of its activities on observance of the ethical principles enshrined in this Code of Ethical Conduct and on compliance with the laws in force, and is also guided by the corporate values it has developed internally in the development of its business and in pursuit of its Mission.

The Company is aware that the objective of creating value on a continuous basis for shareholders and for other stakeholders must co-exist with the ethical principles laid down in this Code of Ethical Conduct.

The Company observes the following general principles in pursuit of its objectives:

- Full and constant compliance with current regulations in the countries where the Company is active;
- The preparation and maintenance of accounting records based on the principles of clarity, transparency, timeliness and simultaneous provision of control;
- Fairness:
 - In dealings with members of the corporate bodies and with the Company's staff;
 - In dealings with third parties: suppliers, customers and the public administration;
 - In the Company's representation mechanisms, including during negotiations with outside parties, so as to avoid possible conflicts of interest.
- Equity and impartiality:
 - The Company, in its dealings with stakeholders and in its staff management, operates in a fair and impartial manner, adopting the same behavior toward all those with whom it comes into contact, while taking into account the different forms of relationship required, from time to time, by the nature and institutional role of the interlocutors.

1. SCOPE OF APPLICATION AND RECIPIENTS

The Company acknowledges that the principles and rules of conduct laid down in this Code of Ethical Conduct (hereinafter the "Code") are a fundamental value in the performance of its business. Furthermore, the application of the contents of this document, in order to ensure transparency and lawfulness in all the activities associated in any way with the Company, is also considered fundamental.

The Company's Corporate bodies and their members, employees (people with a paid employment relationship, including managers), collaborators (including interns), even if temporary, external consultants, suppliers, customers, contractors, agents and other parties who act in the name or on behalf of the Company companies under a mandate or other contractual relationship (hereinafter jointly referred to as "Recipients") are under obligation to observe the principles and values specified in this Code.

The Company actively informs and raises awareness of all Recipients about the Code's contents, its future developments, and makes third parties aware of the Code as laid down in section 10.

The Company also works to ensure that, in the formalization of internal and external relationships, appropriate contractual clauses recalling compliance with the Code are included, where necessary.

2. ETHICAL PRINCIPLES

This Code of Ethical Conduct clarifies the following fundamental ethical principles of the Company.

2.1. LAWFULNESS

The Company considers lawfulness an essential value in the conduct of its business activities. Therefore, the Company is committed to compliance with the current and applicable Law and Regulations in all countries where it is active and with the provisions of this Code, as well as the corporate procedures and rules in force and generally recognized practice.

This is also imperative for consultants, suppliers, customers and for anyone who has dealings with the Company. The Company will neither initiate nor continue any relationship with parties that do not intend to align themselves with this principle.

In no case does the pursuit of the Company's interests justify or render acceptable any conduct in contrast with the Law or Regulations.

Recipients must be aware of the laws, regulations and the consequent conduct to be adopted. Should any Recipients have doubts as how to proceed in conducting their respective activities in compliance with the Law and Regulations, they can contact the Company, which will promptly provide the appropriate information.

The Company ensures that appropriate training, information and awareness-raising activities are carried out with regard to the provisions of this Code and its application.

2.2. LOYALTY AND TRANSPARENCY

All the activities performed in the name and on behalf of the Company are founded on observance of the principles of loyalty and transparency, fairness and good faith, in the principal sense of loyalty to the Company's values, references and principles as well as to the relationships linking the individual Recipients and the Company with the market.

Therefore, each relationship, whether inside or outside the Company, must be founded on compliance with the Law and Regulations applicable at the time as well as with the provisions of this Code.

2.3. SOCIAL EQUALITY AND VALUE OF THE PERSON

The Company respects the fundamental rights of the people with whom it interacts, in any capacity, protecting their physical and moral integrity.

The Company rejects and condemns any form of discrimination including discrimination based on age, gender, sexual orientation, health, race, nationality, cultural background, political opinions and religious beliefs, and membership of associations and trade unions.

To this end, any survey of the ideas, preferences and personal tastes of employees, members of the Corporate bodies and the Company's collaborators as well as of Recipients in general is prohibited.

The Company requires that in work relations, internal and external, no form of intimidation, threat, verbal or physical behavior or insult, or request for personal favors that is an obstacle to the peaceful and normal performance of one's duties shall occur. Anyone who, in carrying out his or her work for or on behalf of the Company, believes that he or she has been subjected to harassment or has been discriminated against for any reason whatsoever, has the right to report the incident to the Head of the HR Function or to his or her supervisor, it being understood that the person making the report is protected from any form of retaliation.

2.4. DILIGENCE AND PROFESSIONALISM

Members of the Corporate bodies, employees and collaborators are committed to performing their duties with diligence and professionalism with all due care for the constant realization of high quality products and services, designed and continuously innovated through research in order to guarantee:

- The safety and wellbeing of the consumer;
- The cost-effectiveness and durability of the product;
- Production with the highest possible level of environmental compatibility.

They undertake to operate in the Company's interest, pursuing objectives of effectiveness and efficiency, though with the awareness that ethics holds primary importance for the Company and so conduct which in abstract may favor the Company, but which contravenes the laws and regulations in force and this Code will not be tolerated. The Company constantly focuses on the involvement of collaborators – of all types and at all levels – in the achievement of the Company's development objectives through their assumption of responsibility and enhancement of their skills.

2.5. PROTECTION OF CONFIDENTIALITY

The Company protects the confidentiality of the information and data in its possession, operating in compliance with the relevant Law and Regulations in force.

The Company also guarantees the protection of personal data and protection of privacy in compliance with the relevant Law and Regulations.

With regard to such aspects, reference is also made to section 3.1.5.

2.6. PROTECTION OF THE CORPORATE IMAGE

Observance of the ethical principles referred to in this Code is a fundamental requirement in the creation and maintenance of a good reputation, and is a major contributing factor to the pursuit of the Company's objectives and its success, encouraging relations with investors, consumers, customers, suppliers and the community in general.

The Recipients, in observance of the provisions of this Code, contribute to protecting the Company's corporate image and good reputation.

Everyone must be found to be committed at all times to acting in accordance with the principles dictated by this Code in relations between colleagues, customers, suppliers and third parties in general, maintaining a relational style marked by quality, helpfulness, decorum and politeness.

2.7. PROTECTION OF THE ENVIRONMENT

The Company's business is based on the principle of safeguarding the environment and public health, in compliance with specific applicable regulations.

The Company is aware of the effects of its activities on economic and social development and on the general wellbeing of the community and plans its activities by attempting to balance economic initiatives with environmental needs, also with due regard for future generations.

This commitment ensures that projects, processes, methodologies and materials take into account the development of scientific research and improved experience with regard to the environment, with the aim of respecting the territory, preventing pollution and protecting the environment and the landscape.

Furthermore, the waste generated from conducting business activities is duly stored and disposed of by specialized and qualified parties.

Suppliers and external collaborators should also be encouraged to in turn adopt conduct consistent with principles of environmental prevention, safety, health, sustainability and corporate social responsibility.

The Company requires employees and contractors to perform their assigned duties in diligent safety, aware of the responsibilities they have both to the Company and to interested third parties.

2.8. FOCUS ON THE CONSUMER AND ON THE CLIENTS

In conducting its business, the Company considers focusing on its current and future consumers as fundamental. Listening to their differences is a source of inspiration when offering superior solutions able to anticipate and influence new market trends.

The Company's clients take up the challenge of consumer expectations; they demand distinctive innovation, product reliability and focus on service quality.

The Company is committed to guaranteeing consumers and clients its expertise, timeliness, attention, openness, courtesy, collaboration and passion in ensuring high standards of quality and offering the highest level of service.

3. STANDARDS OF CONDUCT IN THE MANAGEMENT OF ACTIVITIES

3.1. GENERAL PRINCIPLES

3.1.1. COMPLIANCE WITH CURRENT REGULATIONS

Each operation and transaction must be legitimate, authorized, consistent and congruous in compliance with current regulations and with the provisions of this Code, as well as the corporate procedures and rules in force.

In particular, in performing their activities, the Company and the Recipients act in full compliance with national and international law and regulations, including fiscal and tax law, the laws protecting industrial property and privacy, governing competition and antitrust as well as market abuse.

3.1.2. CONFLICTS OF INTEREST

Should a Recipient find themselves, directly or indirectly, in a situation of conflict, even if only potential, with the Company's interests, they must inform their line manager and/or contact person of this. The latter is responsible for assessing - either alone or with the involvement of the relevant bodies and/or those identified by internal regulations - whether the conflict exists and what appropriate measures to adopt.

Furthermore, the Corporate bodies, employees and collaborators and all those who act in the name and on behalf of the Company must ensure that each business decision is taken in the interests of the Company, in line with the principles of good corporate and business management of the Company itself. They must therefore avoid all situations and activities in which a conflict of interest may arise between economic, personal or family activities and the position held, such as to interfere or undermine the capacity to make impartial and objective decisions. For example, a collaborator must not pursue interests other than those of the Company, benefit from a company's business opportunity or pursue a personal interest using their own company role.

Recipients must avoid any abuse of their position with the aim of gaining undue advantage for themselves or for others, in compliance with the Law and Regulations.

3.1.3. VIGILANCE IN COMMERCIAL TRANSACTIONS

In commercial transactions, vigilance is required in the sending and receiving of monies, banknotes, debt instruments and securities in general, to avoid the risk of issuing counterfeit securities on the market.

3.1.4. CONTRIBUTIONS AND SPONSORSHIPS

Any contributions and sponsorships undertaken by the Company to non-profit entities and/or associations must be made within the limits and in compliance with the Law and Regulations in force.

The power to allocate such sums for contributions and sponsorships as defined in this section lies with the management bodies of the Company, in accordance with the powers delegated to them and the related limits.

These initiatives (concerning social, environmental, sporting, entertainment, artistic issues) require a prior check of the beneficiary's good reputation.

3.1.5. CONFIDENTIALITY OF CORPORATE INFORMATION AND PROTECTION OF PRIVACY

Recipients are obliged to comply with the principle of confidentiality, ensuring, in general, the utmost confidentiality of news and information concerning corporate assets or relating to the activities of the Company and of third parties with whom the Company has dealings.

In particular, each Recipient is obliged not to use confidential information for purposes unconnected with the performance of their tasks and duties.

Furthermore, the Company ensures that the personal data of its employees, customers, suppliers, third parties or other Recipients that are provided or communicated as part of its business (hereinafter "Personal Data") are processed in full compliance with the relevant pro tempore national and European regulations in force.

In particular, the Company ensures that the Personal Data are not disseminated except in cases where disclosure to the Recipients or third parties is necessary for the proper management of its business.

As previously mentioned in section 2.3, any survey of the ideas, preferences, personal tastes and, in general, the private lives of employees or other Recipients in general is prohibited, except for those data that are strictly necessary for the proper execution of the employment relationship, which will in any case be processed in compliance with the regulations.

3.1.6. COMMUNICATION WITH THE EXTERNAL ENVIRONMENT

In addition to the provisions with regard to confidentiality, communication and disclosure to the external environment (including through mass media) of news, information and data related to the Company must be founded on compliance with the right to information and is exclusively reserved to the designated company departments. False or biased news or comments may not be disclosed under any circumstances.

Any communication activity is carried out in compliance with the law, rules and professional best practices and with clarity, transparency, timeliness and accuracy.

Any form of pressure or acquisition of bias from the means of communication must be avoided.

Information must be clear, complete and truthful and must not be misleading. It must be such as to enable recipients of such information to make fully informed decisions.

3.1.7. PROHIBITION ON MONEY LAUNDERING OPERATIONS

Recipients must never be involved in activities involving the laundering of proceeds from criminal activities, in strict compliance with the anti-money laundering laws.

For this reason, before initiating any business relationship employees and collaborators must check available information on trading partners, consultants and suppliers to ascertain their moral integrity and compliance with the law when conducting business.

The Company complies with the application of national and international anti-money laundering laws, under any competent jurisdiction, and compliance with the laws, regulations and decisions of competent fiscal and tax authorities.

3.1.8. PROTECTION OF INDUSTRIAL AND INTELLECTUAL PROPERTY

The Company acts in full compliance with the industrial and intellectual property rights legitimately held by third parties as well as with EU and/or international Law, Regulations and conventions protecting such rights.

Recipients must respect the legitimate industrial and intellectual property rights of third parties and must not make any unauthorized use of such rights.

3.1.9. FIGHT AGAINST ORGANIZED CRIME

The Company condemns and fights against any form of organized crime, including Mafia practices.

For this reason, Recipients are obliged to prevent the risk of criminal infiltration by carefully checking the requirements of good repute and reliability of trading partners, and excluding any partner suspected of belonging to, having proximity with or facilitating criminal organizations.

3.2. DEALINGS WITH CLIENTS

Client satisfaction and the establishment of constructive relations are fundamental objectives for the Company.

The Company wants to be a reliable and safe partner for its clients and intends to develop its markets by adhering to this principle and providing first class and high quality products and services.

Dealings with clients must be conducted in compliance with the Law and Regulations applicable at the time as well as with the provisions of this Code and the corporate procedures and rules in force.

In particular, dealings with clients must be founded on fairness, courtesy, professionalism and helpfulness, satisfying clients with impartiality and in line with the set quality standards.

In this respect, the Company regularly monitors the quality of its products, fulfilling the obligations undertaken with regard to clients and always operating within the limits of the law.

With regard to client relations, directors, employees, agents and collaborators are under an obligation to:

- Develop and maintain favorable and long-lasting relations founded on utmost efficiency, collaboration and courtesy;
- Respect the obligations and commitments made to clients;
- Provide accurate, complete, truthful and timely information so that the client can make informed decisions;
- Require clients to abide the principles contained in this Code of Ethical Conduct;
- Operate under the legislation in force, requiring careful observance of such legislation and of the corporate procedures and rules in force;
- Comply with section 4 specifically when the clients are representatives of a Public Administration.

Recipients are prohibited from involvement of any kind in the marketing of products and services with characteristics (in terms of origin, provenance, quality, quantity) other than those stated or agreed or bearing names, trademarks or distinguishing marks that could mislead the end consumer with regard to the quality, origin and provenance of the products/services offered.

3.3. DEALINGS WITH SUPPLIERS

In dealings with suppliers, the selection processes must be based on an objective competitive comparison (in terms of expertise, competitiveness, quality, fairness, respectability, reputation, price, guarantees of execution and assistance) avoiding any form of favoritism or discrimination.

Procurement processes are founded on the search for the best value for the Company and providing equal opportunities for each supplier as well as on transparency, loyalty and collaboration during the pre-contractual and contractual stages.

The same suppliers, when engaging in any kind of relationship with the Company, are obliged to fully comply with the provisions of law and with this Code.

The Company's suppliers must ensure that their employees' working conditions comply with fundamental human rights, international conventions and the laws in force.

In particular:

- The use of child labor is absolutely prohibited and is considered unacceptable. The age of workers engaged in production must not be below the minimum age legally permitted in each country;
- The exploitation of child labor or adult labor, the use of forced labor, physical or psychological abuse or corporal punishment are considered absolutely unacceptable and will entail the immediate cessation of any and all relations between the supplier and the Company;
- Pay and benefits for workers engaged in production must comply with local regulations, the law and be in line with international conventions on this issue.

Suppliers must ensure that any form of production is carried out using processing that protects the health of workers appropriately and is suitable for the production processes actually used.

Suppliers are obliged to send this Code to their subcontractors.

With regard to supplier relations, directors, employees and collaborators are under an obligation to:

- Establish efficient, transparent and collaborative relations, maintaining open and frank dialogue in line with best business practices;
- Obtain the collaboration of suppliers in constantly ensuring the most cost-effective ratio between quality, cost and delivery times;

- Demand the application of the conditions agreed under the contract;
- Demand that suppliers adhere to the provisions of this Code of Ethical Conduct and include such a provision in the related contracts;
- Operate under the legislation in force, requiring careful observance of such legislation and of the corporate procedures and rules in force.

In particular, stipulating a contract with a supplier must always be founded on relations of total clarity and avoiding, where possible, forms of dependence.

3.4. DEALINGS WITH CONSULTANTS, AGENTS, BROKERS AND OTHER COLLABORATORS

Under the general principles laid down by this Code regarding dealings with suppliers, it must be specified that, with regard to dealings with consultants, agents, brokers and other collaborators, directors and employees are under an obligation to:

- Carefully assess the opportunity to resort to the services of consultants, agents, brokers or other collaborators and select partners who are appropriately qualified in terms of professionalism and reputation;
- Establish efficient, transparent and collaborative relations, maintaining open and frank dialogue in line with best business practices;
- Obtain the collaboration of such parties in constantly ensuring the most cost- effective ratio between service quality and cost;
- Demand the application of the conditions agreed under the contract;
- Demand that such parties adhere to the provisions of this Code of Ethical Conduct and include such a provision in the related contracts;
- Operate under the legislation in force, requiring careful observance of such legislation and of the corporate procedures and rules in force.

Furthermore, the Company does not engage in trading relations with natural persons or legal entities who are known to or there are reasonable grounds to believe that they carry out unlawful activities with respect to those criminal offences punishable by immigration laws, and condemns any conduct aimed at promoting or facilitating illegal immigration in any way.

4. DEALINGS WITH THE PUBLIC ADMINISTRATION

The undertaking of commitments and management of relations of any kind with the Public Administration (understood in its broadest sense and including the Public Administration of Foreign States, as well as all those parties that may be qualified as such in accordance with national, EU and international legislation in force and as per current doctrinal and judicial interpretation, and therefore including public officials, persons appointed to public service and private entities appointed to public service and private parties subject to public law) are founded on strict compliance with the applicable national, EU and international law and regulations in force.

Recipients involved in any kind of dealing with the Public Administration are obliged to maintain total transparency, clarity and fairness in order to establish a highly professional and collaborative relationship.

Offering of money or gifts to Public Administration managers, officials or employees or to their relatives is not permitted, not even via an intermediary, except in the case of goods or gifts of a low value.

With respect to the Public Administration, corrupt practices are not permitted:

- In the request for and management of authorizations, permits/concessions;
- During inspections or investigations;
- During reporting activities of any kind;
- In the conclusion of any commercial transaction.

In countries where it is the custom to offer gifts to customers or to other parties as a sign of courtesy, such gifts must be of the appropriate type and value and must not conflict with the current law and regulations of the countries concerned or in any way be interpretable as a quid pro quo in requests for favors and/or advantages.

During business negotiations, requests and/or dealings with the Public Administration, the appointed personnel must not attempt to influence the counterpart's decisions, and this includes officials who negotiate or make decisions on behalf of the Public Administration.

In the specific case of bidding for a Public Administration tender, Recipients must operate in compliance with the Law and Regulations applicable at the time and proper business practice.

If the Company uses an entity and/or third party as a representative in dealings with the Public Administration, the same directives that are valid for the members of the Corporate bodies, employees and collaborators of the Company are also applied to that entity and/or third party, to members of its Corporate bodies, employees and/or collaborators.

The Company may not be represented by third parties whose collaboration could involve conflicts of interest.

During business negotiations, requests and/or dealings with the Public Administration, the following actions must not be taken (either directly or indirectly):

- Examining and/or proposing commercial and/or job opportunities that could personally benefit the employees of the Public Administration;
- Offer and/or give gifts (of any kind or nature);
- Solicit and/or obtain confidential information that could jeopardize the integrity or reputation of one or both parties.

Dealings with Judicial Authorities and Judicial Police bodies, at all levels, must be founded on maximum transparency, fairness and collaboration; in this respect, the Recipients – particularly when they are involved in judicial proceedings – must refrain from any reticence or omission or which could, directly and/or involuntarily, obstruct the work of judicial bodies. Similarly, Recipients must refrain from any pressure or threat, including the use of physical violence, and any kind of offer of money or other benefit in order to induce a party not to make statements or to make false statements before a Judicial Authority.

The Company requires that Recipients offer as much openness and assistance to anyone performing inspections and audits on behalf of any Public Administration.

It is forbidden to destroy or alter records, minutes, accounting records and any kind of document that could be useful for the investigations of the competent Authorities or to lie or make false statements to them.

5. DEALINGS WITH OTHER STAKEHOLDERS

5.1. TRADE ASSOCIATIONS, TRADE UNIONS AND POLITICAL PARTIES

The Company does not contribute in any way to the financing of political parties, movements, political, trade union and worker representation committees and organizations and representatives or candidates which could cause a conflict of interest.

The Company does not adopt conduct that could exert pressure directly or indirectly on political figures and may cooperate, including financially, with non-political organizations only for specific projects, based on the following criteria:

- Purposes related to the Company's business;
- Clear and documented use of resources;
- Express authorization from the relevant departments to manage such relations in the Company.

5.2. COMPETITORS

The Company shares and intends to protect fair competition, refraining from any conduct that contravenes this principle, including collusion, predatory conduct and/or abuse of dominant position.

Fair competition is understood as the realization and supply of high quality products and services that meet client needs and comply with contractual promises.

In particular, the Company and the Recipients will avoid practices that are detrimental to the regulations laid down to protect competition and will refrain from making any undue pressure, threats, violence or fraudulent means to hinder or disrupt the performance of business by others and from adopting conduct that could distort competition in the purchase of goods and services, e.g. by corrupting private contracting counterparts.

5.3. MEDIA ORGANS

Transparency in the Tonello Company's conduct must connote any relationship with the media organs. Communication with the outside world through the press and media is coordinated and conveyed by the Company and its consultants.

6. GIVING AND ACCEPTING GIFTS OR OTHER BENEFITS

Recipients are not permitted (either directly or via third parties) to give, promise, offer or receive from anyone - whether customers, suppliers, consultants or other parties - any gift (money, goods, services or other benefit) that might even only be simply interpreted as exceeding normal business practices or courtesy, or be understood as aimed at acquiring favorable treatment in the conduct of any activity capable of being connected to the Company, or which is aimed at conditioning the beneficiary and forcing them to conduct themselves in a way that is contrary to their official duties, their obligations of loyalty or in any way able to falsify competition (e.g. promises of economic benefits, favors, referrals, job offers, bonus trips of a dubious nature).

In countries where it is the custom to offer gifts to customers or to other parties as a sign of courtesy, such gifts must be of the appropriate type and value and must not conflict with the current Law and Regulations of the countries concerned or in any way be interpretable as a quid pro quo in requests for favors and/or advantages.

Should a Recipient receive offers, promises and/or requests for gifts or benefits – except for gifts for business use or of low value – they must inform their line manager, or their contact person of this. The latter is responsible for assessing – either alone or with the involvement of the relevant bodies and/or those identified by applicable internal regulations – the directives and parameters to adopt to manage the case in question and whether a risk actually exists and what appropriate measures to adopt.

7. ADMINISTRATIVE AND ACCOUNTING MANAGEMENT

Each Recipient, within the limits of their responsibility, is responsible for truthful, complete, proper, clear and accurate keeping of accounting records, which must be compiled in compliance with current law and regulations in order to enable, at any time, the transactions carried out to be reconstructed from the full supporting documentation that has been appropriately archived.

Anyone who becomes aware of any omissions, falsifications or oversights in the accounting records or in the supporting documentation must promptly inform their immediate line manager or the appropriate control bodies. All the Company's actions and operations must be appropriately recorded so that it is possible to verify the decision- making, authorization and execution processes.

Each record has appropriate traceability support so that controls can be carried out at any time to ascertain the characteristics and reasons for the operation and identify the person who authorized, carried out, recorded and checked the operation itself.

8. DILIGENCE IN THE USE OF CORPORATE ASSETS AND PROTECTION OF IT TOOLS

Each member of the Corporate bodies, employee or collaborator is under obligation to protect and make diligent use of the company assets and equipment made available them for the performance of their tasks and duties, avoiding any improper use liable to damage them or reduce their efficiency, and not using them for personal purposes.

With particular regard to computer systems (hardware/software) and communication systems (telephones/internet, etc.), use must take place in compliance with security procedures, regulations in place at the Company, as well as the rules applicable from time to time. Altering the operation of a Company's telematics or computer system or the data and information contained therein is not permitted in any way.

It is forbidden to use the Company's computer and telematic tools and services for illicit purposes as well as for purposes not permitted and authorized by the Company. The Company, in particular, expressly prohibits any conduct aimed at altering the operation of computer or telematic systems and/or manipulating the data contained therein, which is likely to cause damage to others, as well as any conduct aimed at entering or remaining within another person's computer or telematic system abusively or, in any case, against the owner's will.

Any exchange of information regarding confidential data, including through questionnaires, must be authorized at the appropriate level of approval. Documents may carry the classification "confidential" and, where appropriate, be covered by explicit "non-disclosure" agreement.

9. MANAGEMENT OF HUMAN RESOURCES

9.1. STAFF SELECTION AND NEW HIRES

Human Resources are considered a primary factor for achieving the Company's objectives owing to the professional and personal contribution that they bring, as part of a relationship founded on loyalty, fairness and mutual trust.

Assessment of staff to hire is carried out according to how candidates' profiles match the expected profiles and the company's needs, in compliance with equal opportunities for all the persons concerned.

Any information requested is strictly associated with checking the professional and psychometric profile of candidates while respecting their private life and opinions.

The department responsible for staff selection, within the limits of the available information, adopts appropriate measures to avoid favoritism, nepotism or clientelism during selection and hiring.

9.2. EMPLOYMENT RELATIONSHIP

Respect for the freedom and personal dignity of all workers and collaborators is one of the Company's fundamental values.

Staff are hired using a normal employment contract. Irregular employment of any kind is not tolerated.

Relations between the various hierarchical levels (related to the different levels of responsibility within the Company) must be founded on loyalty, equality and fairness, according to the principles mentioned above.

The use of child labor is absolutely prohibited and is considered unacceptable. The age of workers must not be below the minimum age legally permitted in each country where the Company is active.

The exploitation of child labor or adult labor, the use of forced labor, physical or psychological abuse or corporal punishment are considered absolutely unacceptable.

The Company rejects any form of exploitation of or profiting from workers in need and refrains from any dealings with intermediaries who are even suspected of recruiting their workforce by exploiting people in need.

Hiring foreign staff without valid work permits under the law in force in the country of employment is specifically prohibited.

When establishing the employment relationship, each worker receives accurate information on:

- The characteristics of the job and the tasks to be performed, also taking into account any health or safety risks associated with the work;
- Regulatory and wage aspects, as regulated by the national collective labour agreement.

This information is provided to the worker so that their acceptance of the job is based on proper understanding.

9.3. PERSONNEL MANAGEMENT

The Company avoids any form of discrimination (such as on the grounds of sex, race, language, religion, political opinion and union membership) against its employees and collaborators, offering equal opportunities in employment and professional advancement.

In the personnel management and development processes, as in the selection stage, all decisions taken are based on how the profiles of employees and collaborators match expected profiles (in the case of promotion or transfer, for example) and/or on considerations of merit (in the awarding of incentives for results achieved, for example).

Access to roles and positions is also established based on expertise and ability. Moreover, where compatible with the general efficiency of the work, preference is given to flexible work organization which facilitates maternity, paternity and childcare arrangements.

Personnel performance evaluations are carried out widely and are documented, involving managers, the relevant HR department and, where possible, people who have worked with the person under evaluation.

The Company undertakes to strictly comply with the regulations in force regarding working hours, rest periods, weekly rest, compulsory leave and holidays.

The Company also undertakes to give workers' wages that are proportionate to the quality and quantity of work produced and in any case in line with the applicable collective labor agreement.

The Company condemns degrading or potentially hazardous working conditions, surveillance methods or accommodation, which it considers are absolutely unacceptable.

9.4. HEALTH AND SAFETY AT WORK

The Company offers working conditions that respect the individual's dignity and physical and psychological integrity and working environments that are safe and healthy, in compliance with the laws in force and workers' rights.

More specifically, the Company carries out its operations by focusing in particular on the working environment and on the health and safety of its staff and those of third parties, in full compliance with the applicable legislation in force. Each Recipient is required to take the utmost care to prevent the risk of accidents at work or occupational diseases. Each Recipient is therefore under obligation to devote their full attention when performing their work, strictly observing all the safety and prevention measures laid down and following the instructions and directions given by those persons delegated by the Company to fulfil the obligations with regard to health and safety in the workplace.

The fundamental principles and standards guiding the Company's decisions with regard to health and safety at work are:

- Avoiding risks;
- Assessing the risks that cannot be avoided;
- Combating risks at the source;
- Adapting the work to the worker, particularly as regards workstations and the choice of equipment and work and production methods in order to mitigate monotonous and repetitive work and to reduce its effects on health;
- Taking account of the level technical development;
- Replacing anything hazardous with something that is not hazardous or is less hazardous;
- Developing a coherent overall prevention policy which covers technology, organization of work, working conditions, social relationships and the influence of factors related to the working environment;
- Giving collective protective measures priority over individual protective measures;
- Issuing appropriate instructions to workers with regard to the rules and procedures to adopt in order to avoid the possible health and safety risks associated with the work.

10. DISSEMINATION AND UPDATE OF THE CODE OF ETHICAL CONDUCT

To ensure adequate knowledge of this Code of Ethical Conduct, the Company disseminates it to the Recipients through special, effective and appropriate information and communication activities.

To this end, the Code is published on the Company's website.

The Company also undertakes to update the contents of this Code where there are changes in the context, the applicable regulation in force, the environment or the company organization that make this necessary or appropriate.

11. MONITORING THE APPLICATION OF THE CODE OF ETHICAL CONDUCT AND THE CONSEQUENCES OF INFRINGEMENT

The Company implements and applies procedures and provides specific instructions to ensure that Recipients comply with this Code.

Infringements of this Code, the policies and procedures adopted by the Company or of the laws or rules in force will give rise to disciplinary sanctions, including possible termination of the employment relationship and/or cessation of the business relationship.

Le sanzioni verso i lavoratori dipendenti rientrano tra quelle previste nella normativa vigente in materia lavoristica applicabile.

With regard to executives, in view of the special fiduciary relationship with the employer, in the event of violation of the rules of conduct imposed by the Code, the Board of Directors of the company involved will take against those responsible the measures deemed appropriate depending on the violations committed, in accordance with the provisions of the applicable National Collective Labor Agreement, taking into account that the same constitute failure to fulfill the obligations arising from the employment relationship.

For clarification regarding the interpretation or application of this Code, the personnel of the Company may contact the management of the Company.

Infringements or suspected infringements of the Code of Ethical Conduct must be reported in accordance with the procedures adopted by the Company on this issue.