



CODE OF ETHICS

G. CANDIANI S.r.l. – TRADATE (VA)

Revision no. 3 dated 30/06/2023



GENERAL PRINCIPLES

1. Foreword. Reference framework.

This Code of Ethics, drawn up and approved in its revision no. 3 on 30/06/2023 by G.CANDIANI S.r.l. (hereinafter referred to as the Company), with registered offices at no. 82 Via Monte San Michele TRADATE (VA) Italy 21049, contains the ethical principles and general rules that, in addition to the legal, regulatory, and contractual rules, characterise the organisation and its business activities, and must be observed by all those who act in the name and on behalf of the Company, and who are in contact with the Company in any way.

In fact, the Company aims to maintain an adequate level of fairness and ethical conduct, both in carrying out its activities and in its relations with all third parties involved in its business activities, in any form and any capacity. More specifically, within the context of the nevertheless relevant dynamics and needs of a business and economic nature, the Company has always upheld corporate ethics as one of its primary values, in order to convey a message of integrity, fairness, and respect, and, above all, to serve as a benchmark for the social dynamics and development of Italy's economic system.

This Code of Ethics is also an important prerequisite and foundational element for the adoption of an organisational and control model aimed at maintaining certain levels of business organisation, efficiency, and quality, and is also a suitable tool for preventing potential unlawful conduct and offences.

2. Basic ethical principles and rules.

2.1 Compliance with the applicable laws.

Compliance with the laws and regulations in force within the Italian Republic, and the rules of the European Union, is a fundamental and binding principle that regulates all the Company's activities. For all activities carried out abroad, the Company does everything in its power to avoid any behaviour or conduct that is lawful in Italy but may be in violation of the laws and regulations in force in the countries in which it operates.

All of the Company's employees, consultants, suppliers, and customers, and anyone who has dealings with it, must comply with the laws and regulations in force.

2.2 Business ethics and fairness.

The Company considers one of its primary roles to be the endorsement, transmission, and promotion of its ethical and social message, and always strives to remain consistent and avoid any conflicts with the activities and initiatives deriving from that message.

The Company therefore operates in accordance with the principles of ethics and fairness in its business dealings and its conduct towards third parties.

All the actions and operations undertaken and conduct adopted by each of the Company's subjects, employees, collaborators and consultants in carrying out their duties or assignments must be inspired by formal and substantial legality, in accordance with the current regulations and internal procedures, as well by the principles of fairness.

The pursuit of the Company's interests is never a justification for conduct in violation of the principles of fairness and integrity or the applicable laws and regulations.

2.3 Non-discrimination.

Within the context of its internal and third party relations, the Company avoids any discrimination based on the age, race, ethnic origin, nationality, political affiliation, religious beliefs, gender, sexual orientation, or health status of the individuals with whom it interacts.

2.4 Company communications.

The Company believes that it has a fundamental duty to ensure that all communications, both inside and outside the Company, are accurate and truthful, while at the same time respecting the requirements of prudence and confidentiality essential to its business activities. Any communications provided must therefore be designed to avoid any misleading situations that could lead to potential liability or damages of any kind.

2.5 Valuation and empowerment of human resources.



The Company guarantees an adequate degree of professionalism in the execution of the tasks assigned to its employees, consultants, and collaborators. The management and valuation of the human resources is based on respect for their individuality, skills, and professionalism, within the general context of the Company. Each individual must perform his or her work and/or services with diligence, efficiency, and professional integrity, making the best use of the tools and time made available, while at the same time assuming the responsibilities associated with the required tasks.

2.6 Confidentiality and prohibition on the misuse of confidential information.

The Company guarantees the confidentiality of the information in its possession, in accordance with the current legal provisions. The Company's employees, collaborators, and consultants are prohibited from using confidential information for purposes unrelated to the performance of their duties and/or from unduly disclosing confidential information.

It is expressly forbidden to use or disclose confidential or inside information to any third parties without justification and/or the Company's authorisation.

2.7 Conflicts of interest.

The Company's employees, collaborators or consultants must pursue the general objectives and interests of the Company in carrying out their activities and/or assignments.

In accordance with the requirements of profitable management, and without prejudice to its supervisory obligations, the administrative body must ensure the segregation of duties in order to guarantee the identification of the individuals who carry out the tasks and to prevent any conflicts of interest from arising.

The Company always strives to avoid any real or potential conflicts of interest in carrying out its business activities. In addition to those established by law, conflicts of interest also include instances in which an employee, collaborator, or consultant acts within the scope of his or her activities and/or assignment, in pursuit of interests other than those of the Company, in order to gain an advantage of a personal nature.

2.8 The market and free competition.

In carrying out its business activities, the Company is inspired by the principles of legality, integrity, and fairness. The Company recognises free and fair competition within a market economy as a decisive factor for growth, development, and continuous improvement, and believes that its message of product quality and brand relevance can be developed within this context.

2.9 Health protection.

The Company considers the principle of health protection to be one of its primary objectives, in keeping with its business activities and economic initiatives.

The Company considers the physical and moral integrity of its employees, collaborators, and consultants to be of primary importance, and therefore guarantees working conditions that are respectful of individual dignity, with safe and healthy working environments.

2.10 Environmental protection.

The Company respects the principle of environmental protection, and pursues the goal of environmental protection in a manner that's compatible and consistent with its business activities and economic initiatives.

2.11 Worker protection.

The Company considers the principle of worker protection to be of primary importance. The Company renounces and opposes child exploitation and the exploitation of workers in general.

Within the scope of their own roles, all of the Company's employees and collaborators undertake to foster a working environment that's free of any forms of prejudice, respecting the individuality and safety of the workers, and actively collaborating to maintain an internal climate that's respectful of each individual's health and dignity.



Relations between the Company's employees are conducted in accordance with the values of civil coexistence and with respect for the rights and freedom of individuals and the fundamental principles affirming equal social dignity, with zero tolerance for any forms of discrimination based on nationality, language, sex, race, religious beliefs, political affiliation, trade union membership, or physical or mental conditions.

Regardless of their levels of responsibility, all relations between Company employees must be conducted in accordance with the values of integrity, fairness, and mutual respect.

Every department manager must exercise his or her powers with objectivity and in a balanced fashion, with the aim of ensuring the valuation and empowerment of his or her subordinates and collaborators. Every employee must exhibit a spirit of collaboration and carry out his or her duties in a responsible, efficient, and diligent manner.

The company does not hinder its employees' freedom of association in any way.

2.12 Policy against harassment and abuse

The Company does not condone corporal punishment, threats of violence, and/or any other forms of mental or physical coercion, or sexual abuse, and does not reprimand its employees or collaborators publicly, whether in written, electronic, verbal, or any other form.

2.13 Prevention of child and forced labour.

In accordance with the UN Convention on the Rights of the Child and all the applicable domestic and international laws, the Company does not make use of child labour, and maintains a staff register indicating each worker's date of birth. The company does not make use of forced, compulsory, or involuntary labour. It also ensures that its employees are able to freely leave the work areas at the end of their shifts. No identity documents or security deposits are withheld from the employees.

2.14 Occupational safety.

The Company considers the principle of occupational safety to be of primary importance.

In carrying out all of its work activities, the Company aims to avoid the risks associated with workplace accidents, and to assess and eliminate any risks that can be avoided, by constantly improving the working conditions, using all the latest technologies available, and implementing appropriate accident and injury prevention systems, including collective protection measures and worker training and instruction courses on occupational safety. In this regard, the provisions of Legislative Decree no. 81/2008 are fully recognised and implemented, in collaboration with the HSM and the Company's Medical Officer.

2.15 Relations between employees and parties within the company.

Relations between individuals within the Company must be conducted in accordance with the principles of fairness, transparency, integrity, and clarity, compliance with the laws and regulations, and respect for each other's specific roles, as well as the requirements of responsibility, professionalism, and civil coexistence, and tolerance of the prerogatives and duties of others.

2.16 Relations with suppliers and partners.

The purchasing processes are geared towards obtaining a maximum competitive advantage, and granting equal opportunities to all suppliers. The conclusion of a contract with a supplier must always be based on fully transparent relations, avoiding any forms of subordination, wherever possible. The subjects in charge of the selection processes are required to ensure a sufficient level of competition for each selection, taking the proposals from various suppliers into account. For certain product categories, the company has a supplier list, which is established based on an internal procedure, with qualification criteria that do not constitute an access barrier. Whatever the case, in the event that, in carrying out its activities, the supplier engages in conduct that is inconsistent with the general principles of this Code, the Company has the right to take appropriate measures, including the possibility of terminating the relationship or precluding the stipulation of further contracts. The managers involved are required to respect the internal procedures for the selection and the awarding of supply contracts and the acceptance of products and services; they must also scrupulously respect the established



contractual conditions. Any employee who receives explicit or implicit requests for benefits must immediately suspend relations with the supplier and notify their Manager.

2.17 Prevention of the use of drugs, psychotropic substances, and alcohol.

The Company is aware that the use of alcohol, drugs, and other similar substances by employees can compromise their work performance and can have serious detrimental consequences for themselves, as well as for the safety, efficiency, and productivity of their colleagues. The Company's policy is to establish and maintain a safe, healthy, and productive working environment for all its employees. The improper use of drugs with psychotropic effects and/or the improper use and possession, distribution, or sale of alcohol and narcotics on company premises are strictly prohibited and constitute grounds for appropriate disciplinary action, which, in compliance with the legal guarantees granted to workers, may lead to the application of the disciplinary measures envisaged within the applicable contract. Although the policy explicitly refers to drugs and alcohol, its application has also been extended to include inhalants and all other forms of drug abuse. The Company is also aware that drug and alcohol addiction is a treatable condition, and those who believe they are addicted to the aforementioned substances are therefore urged to seek medical advice in order to assess the possible need to undergo appropriate therapeutic treatment before their condition compromises their ability to work, or endangers their own safety, or that of their colleagues and third parties, and/or the safety of company property. Within the context of the employer health surveillance envisaged under Legislative Decree no. 81/2008, the worker may undergo a medical examination upon request, if considered by the Medical Officer to be related to occupational risks or health conditions suffered by the employee that are likely to worsen as a result of the work performed, in order to evaluate the employee's suitability for the specific task, in compliance with all the guarantees envisaged by the applicable legal, contractual, and privacy regulations. In addition to the provisions of the preceding point, if the employee's addiction to alcoholic or narcotic substances is such as to constitute a potential risk to his or her own safety, that of his or her colleagues or third parties, or safety at the workplace (with regard to the performance of specific duties to which he or she has been assigned), the Employer reserves the right to assign the employee to different duties, within the limits envisaged by law, and subject to the Medical Officer's opinion regarding his or her suitability for the new duties pursuant to Legislative Decree no. 81/2008. It is prohibited to use alcohol, drugs, or other similar substances during work activities. Employees are also advised to avoid using drugs, alcohol, and other similar substances outside of working hours, as the effects of these may persist and may affect their subsequent work performance. The Employer reserves the right to check for the possible presence of drugs or alcohol on the company's premises, in the manner and within the limits envisaged by law, and to request the intervention of the competent authorities, if necessary.

2.18 Relations with Public Institutions.

The Company's relations with the national, European, and international Public Institutions (hereinafter the "Institutions"), as well as with Public Officials or Public Service Officers, or rather any bodies, representatives, agents, members, employees, consultants, or officers in charge of public functions or services, Public Institutions, Public Administrations, public bodies, including economic ones, or public bodies or companies of a local, national, or international nature (hereinafter "Public Officials"), shall be conducted by each director and employee, regardless of his or her function or duties, or, where appropriate, by each collaborator or consultant, in compliance with the laws in force, and in accordance with the general principles of fairness and integrity.

2.19 Anti-corruption policy.

The Company prohibits all forms of corruption, without exception. In particular, the Company prohibits:

- offering, promising, giving, paying, soliciting, or authorising others to give or pay an economic advantage or other benefit to a Public Official or a private individual, either directly or indirectly, even through an intermediary (Active Corruption);
- accepting, soliciting, or authorising/soliciting others to accept an economic advantage or other benefit from any counterparty, either directly or indirectly, even through an intermediary (Passive Corruption).



Prohibited conduct includes the offering or receiving of an economic advantage or other benefits by Company personnel (direct corruption) or by anyone acting on behalf of the Company (indirect corruption) in relation to business activities, even in relation to conduct of mere incitement, which is not reflected in the finalisation of the corrupt act.

This prohibition is not limited to payments alone, but also includes, by way of example:

- gifts, sponsorships and donations;
- hospitality costs for third parties, meals, and transportation;
- supply contracts, professional assignments, employment or investment opportunities;
- more favourable sales conditions;
- assistance or support for family members;
- other advantages or benefits, if aimed at carrying out an act of corruption.

Any gift, economic advantage, or other benefit (including hospitality) may be made or received if it falls within the context of normal acts of business courtesy, and is such as not to compromise the integrity and reputation of either party, and not to influence the recipient's independent judgement. Such gifts, economic advantages, or other benefits are only permitted if they comply with the established company procedures, and must not be given/received if they would result in a violation of the company's anti-corruption policy or the relevant regulations. Any gift, advantage, or other benefit (including hospitality and entertainment expenses) given directly or through a third party must meet the following criteria:

- it must not be motivated by an attempt to exert undue influence (e.g. as a bribe to a public or private third party aimed at influencing the recipient's independence of judgement or inducing him or her to offer an undue advantage);
- it must be reasonable and made in good faith;
- it must be made in relation to legitimate business purposes, and be of modest value (maximum 100 Euros);
- it must not consist of a sum of money (e.g. cash, cheques, transfers, or any other form);
- it must not violate the anti-corruption regulations, the local laws, and the applicable regulations;

If the Company personnel receive offers of gifts, economic advantages, or other benefits (including hospitality) that cannot be construed as acts of business courtesy of modest value, they must refuse them and report them to their Managers.

SCOPE OF APPLICATION.

3. Recipients of the code of ethics.

The principles and rules contained within this code of ethics are applicable to the following individuals:

- A) the Company's shareholders, possibly also in the form of legal entities and trustee shareholders in the case of trusteeship management of the shareholding;
- B) the Company's legal representatives and directors;
- C) the Company's general attorneys, special attorneys, persons with special power of attorney ad acta, and any proxies;
- D) the Company's managers and middle managers;
- E) work providers and individuals with coordinated and ongoing collaboration, project collaboration, and programme collaboration relationships with the same;
- G) persons (natural and/or legal persons) who perform supervisory and control functions for the Company, in accordance with the law, the articles of association, and the internal regulations and models;
- H) persons (natural and/or legal persons) that have consultancy and/or external professional or technical service relationships, agency or mandate relationships, with or without representation, and agency, mediation, and business procurement relationships with the Company;



l) the Company's employees.

4. Methods of disseminating the code of ethics.

The administrative body is responsible for the application, dissemination, and knowledge of this Code of Ethics throughout the company; similar responsibility is borne by the heads of each Company department, who are specifically required to ensure that everyone who works within their area or department complies with the Code of Ethics.

The company establishes its relationships with operators in the fields of information and communication systems, mass media entities, and advertising services, in compliance with the principles of this Code of Ethics, based on the assessments and indications of the Company's administrative body.

Any conduct engaged in by the recipients of this Code of Ethics must meet the criteria of clarity and transparency, and must not be detrimental to the decorum of the Company, or cast doubt on the legitimacy of the Company's activities.

If any doubts should arise with regard to the conduct to be adopted in relation to the principles and rules contained in this Code of Ethics, the recipients shall refer to their department managers or contact persons for further details and clarifications. If any doubts should remain, the department manager may request assistance or clarifications from the administrative body, within the terms and in the manner envisaged in the internal procedures. The Company's administrative body shall determine the most effective means to disseminate this code of ethics to its employees, collaborators, consultants, and third parties.

IMPLEMENTING PROVISIONS

5. Disciplinary and sanctioning systems

In the event of conduct in violation of the provisions of this Code of Ethics, the Company's internal disciplinary and sanctioning procedures shall apply, which are governed by the disciplinary regulations and/or organisational and control models aimed at endowing the company with certain levels of business organisation, efficiency, and quality, within the terms and limits governed therein.

In the case of any violation of the principles contained within this Code of Ethics, where necessary for the protection of the Company's interests, and in compliance with the current regulatory framework, even in terms of the provisions of the collective labour contracts, the Company's competent bodies shall assess the possible initiatives to be taken, and the measures (including disciplinary and sanctioning measures) to be adopted against the persons who have violated this Code of Ethics. In this latter case, the possible sanctions (to which the Company's further claims for damages may be added) may be applied:

- a) against the Company's employees (blue-collar, white-collar, and middle-managers), within the limits of the legal framework of the labour laws, and even in relation to the employee's duty to ensure due diligence in carrying out the services assigned to him/her;
- b) against the managers, in accordance with the specific provisions of the labour laws in this respect;
- c) against the directors, by way of suspension or removal from office;
- d) against external collaborators and third parties, even through the termination of the relevant contractual relationships.

All of the above procedures must nevertheless guarantee the confidentiality of the relevant information and indications, without prejudice to any legal provisions and/or other specific provisions to the contrary.

6. Final provisions

This Code of Ethics has been approved by the Company, which shall determine the terms and methods by which it shall be disseminated and brought to the recipients' attention.

Any changes and/or additions hereto shall be approved by resolution of the Company and promptly disseminated to all the recipients.



This document entitled CODE OF ETHICS (Revision 3) consists of a total of seven pages, plus the cover page. Drafted and approved in Tradate (VA) Italy on 30/06/2023 by Carlo Candiani, Sole Director of the Company G. CANDIANI S.r.l. in Tradate (VA) Italy.

This document supersedes the previous revisions 0 of 20/01/2016, 1 of 06/12/2016 and 2 of 09/01/2023 in all respects.

Carlo Candiani
CEO