



GRUPPO

MASTROTTO

Leather experience, next level

CODE OF ETHICS

2022

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1 WHY A CODE OF ETHICS

We were established in 1958, when Santo and Bruno Mastrotto, with their father Arciso, laid the foundations of what has now become a global industrial enterprise and a major international player in the tanning industry. We specialise in the processing of cow leather for all uses: upholstery, footwear, leather goods, car interiors, boating and aviation.

We recover a by-product of the food industry, raw leather, and we enhance it to the point of making it a qualifying element of artefacts at the centre of our daily lives such as shoes, bags, sofas, cars and clothes. We can truly consider ourselves forerunners of the architecture of the Circular Economy.

Our products, exported all over the world, are the result of an original combination of craftsmanship and cutting-edge technology. The craftsmanship of the hands is complemented by sensors and automation.

We operate in an articulated, complex, ever-changing global context that we seek to understand in order to prevent risks, reduce our vulnerabilities and seize opportunities. We identify and implement global business strategies, involving the people who work with us, aware that we are part of a territory and a community from which we derive our deepest values.

It is therefore fundamental to listen to and involve our stakeholders, to grasp their expectations and act consistently, aware that today a company must perceive and interpret itself as an all-round social stakeholder, capable of deciding and acting from several perspectives: social, environmental and economic.

In this context, the Code of Ethics expresses the formal assumption of a clear ethical responsibility towards our stakeholders, as a basic condition for us to develop in a balanced and continuous way over time.

It is a guide that:

- identifies the reference principles for the behaviour of people working in and for the company;
- indicates some fundamental commitments to our stakeholders with whom we want to build long-term relationships based on dialogue and mutual collaboration.

The Code of Ethics also represents:

- the founding element of the Organisational Model and control system pursuant to Legislative Decree 231/01 concerning the criminal liability of entities for Group companies based in Italy.
- the main guideline of ethical horizon for all other Gruppo Mastrotto subsidiaries based in foreign countries.

The Code of Ethics is inspired by the main existing national and international laws, guidelines and regulations on corporate social responsibility, corporate governance, human rights and the environment, including:

- UN International Charter of Human Rights;
- Charter of Rights of the European Union;
- Fundamental Conventions and Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO);
- Ten Principles of the UN Global Compact.

We adopted an initial Code of Ethics in 2010, which has brought us to the present day. We have decided to renew our commitment by reaffirming its fundamental principles and integrating them in the light of the experience and evolution of the last few years and the initiatives we have also taken in the area of "Sustainability, next level", Green Innovation and the publication of the sustainability report.

THE 10 PRINCIPLES OF THE GLOBAL COMPACT

We are inspired by and committed to the “Ten Principles of the UN Global Compact”. These principles are the reference point for our choices and actions in order to make a constructive contribution to the promotion of balanced, sustainable and inclusive development.

HUMAN RIGHTS

1. Promoting and respecting universally proclaimed human rights within their respective spheres of influence.
2. Make sure you are not, even indirectly, complicit in human rights abuses.

JOB

3. Support freedom of association for workers and recognise the right to collective bargaining.
4. Eliminate all forms of forced and compulsory labour
5. Effectively eliminate child labour
6. Eliminate all forms of discrimination in employment and occupation..

ENVIRONMENT

7. Support a precautionary approach to environmental challenges.
8. Undertake initiatives that promote greater environmental responsibility.
9. Encourage the development and diffusion of environmentally friendly technologies.

FIGHTING CORRUPTION

10. Commit to fighting corruption in all its forms.

2 RULES OF CONDUCT

2.1. PRINCIPLES AND GENERAL RULES OF CONDUCT IN BUSINESS MANAGEMENT

Every operation, carried out in the interest or to the advantage of Gruppo Mastrotto - from a management point of view - must be inspired by the following principles:

- LEGALITY** Comply with applicable national, EU and international laws, regulations and standards in all transactions.

- RESPONSABILITY** Act considering the consequences of one's actions, with reference to the impacts they may have both inside and outside the organisation.

- TRASPARENCY** Provide clear, truthful and complete information to stakeholders and ensuring verifiability through adequate formalisation of management processes.

- CONFIDENTIALITY** Protect the confidentiality of information and data in its possession, acting in compliance with the relevant laws and regulations, with specific regard to obligations relating to personal data.

- COST-EFFICIENCY** Achieving its objectives and carrying out each work activity through a rational use of the resources at its disposal.

The following is forbidden:

- the pursuit of personal or third-party interests to the detriment of those of the company;
- the realisation of the interest or advantage of Gruppo Mastrotto in violation of the law;
- abusive exploitation, in the personal interest or in the interest of third parties, of the name and reputation of Gruppo Mastrotto, as well as of information acquired and business opportunities learned in the course of the performance of one's duties;
- the use of corporate assets for purposes other than those for which they are intended.

Each addressee must act diligently to protect the company assets, using - with care and responsibility - the resources entrusted to him/her, avoiding improper uses that may cause damage, reduction of efficiency or that are in conflict with the interest of Gruppo Mastrotto.

Employees and contractors of Gruppo Mastrotto must report in writing to their hierarchical superior and to the Supervisory Body (OrganismoVigilanza@mastrotto.lan) situations of potential conflict of interest between their own interest (direct or indirect) and that of Gruppo Mastrotto; the report is also due in doubtful cases.

In any case, anyone (among the addressees of this Code) who becomes aware of illegal situations or conduct of others must immediately inform their hierarchical superior and the Supervisory Body in writing.

Directors and employees must not give or promise to third parties, public officials - not even when subject to unlawful pressure - sums of money or other benefits, in any form or manner, that are aimed at promoting or favouring the interests of Gruppo Mastrotto.

They may also not accept, for themselves or for others, sums of money or other benefits, to promote or favour the interests of third parties in dealings with Gruppo Mastrotto, except for those of very modest value, falling within the practice of certain business relationships and provided that they cannot be interpreted as aimed at acquiring favourable treatment in the conduct of any activity of Gruppo Mastrotto.

Any director or employee who receives requests or offers - explicit or implicit - of the above-mentioned gifts or promises, must immediately inform the Supervisory Body (OrganismoVigilanza@mastrotto.lan), in writing.

The director or employee must also suspend all relations with the third parties concerned until specific instructions are issued by the Board of Directors, after consulting the Supervisory Body.

These provisions concerning relations with employees extend to all possible collaborators, consultants, etc. of Gruppo Mastrotto.

2.2. ADDRESSEES

The addressees of this Code of Ethics are:

- the members of the Board of Directors, Board of Auditors and Supervisory Body pursuant to Legislative Decree 231/2001;
- special attorneys and all those who de facto manage or direct the entity, its units or autonomous organisational structures;
- shareholders;
- employees, collaborators, consultants and, in general, all those who are subject to the management and control of the persons indicated in the preceding points;
- employees, collaborators, consultants and, in general, all those acting in the name and/or on behalf of Gruppo Mastrotto.

The addressees of this Code are also bound to abide by the principles set out in section 2.1 of this Code of Ethics.

Employees, in particular, are obliged to comply with the rules of the Code of Ethics as well as with all the rules prescribed by the Civil Code.

2.3. ADOPTION OF THE CODE OF ETHICS

This Code of Ethics is applied globally.

It is binding for all the companies belonging to the Mastrotto Group and for all staff members, regardless of their occupation and position, their role and the tasks they perform.

With the adoption of the Code, Gruppo Mastrotto has established regulations governing:

- its own conduct, in its relations with employees, the Public Administration, external stakeholders in various capacities, collaborators, public service providers, competitors, the market and the environment; Gruppo Mastrotto conducts its activities, both internal and external, in accordance with these rules and requires compliance with them by all employees, collaborators, consultants and, to the extent of their competence, other external stakeholders;

- the organisation and management of Gruppo Mastrotto's activities; the related rules are aimed at creating an efficient and effective system of planning, execution and control of activities, suitable to ensure constant compliance with the rules of conduct and to prevent their violation, by any person working for Gruppo Mastrotto or otherwise dealing with it.

The obligation to apply the Code of Ethics is expressly provided for in the employment contracts of employees, who receive a copy of it when they are hired, with simultaneous information and training by a contact person in the Human Resources area.

2.4. DISSEMINATION OF THE CODE OF ETHICS

This Code of Ethics is widely disseminated internally to directors, auditors and employees, by posting it in a place accessible to all and delivering a copy to each.

The same is made available to any party, including external parties, dealing with the company.

The Code of Ethics is also published on the company website.

Furthermore, each employee of Gruppo Mastrotto is obliged to be familiar with and comply with the provisions contained therein.

Gruppo Mastrotto is committed to enforcing compliance with the provisions of this Code in all economic relations established, for example, also in relations with suppliers.

Gruppo Mastrotto carefully monitors compliance with the Code of Ethics; prepares adequate information, prevention and control tools; intervenes, if necessary, with corrective actions and appropriate sanctions, based on the provisions of the disciplinary system of the organisation, management and control model.

The Supervisory Body of Gruppo Mastrotto is assigned the functions of Supervisor of compliance with this Code.

2.5. MONITORING AND UPDATING THE CODE OF ETHICS

This Code of Ethics is subject to review and possible update by the Board of Directors of Gruppo Mastrotto, after hearing the opinion and proposals made by the Board of Statutory Auditors and the Supervisory Body, if it deems that it is no longer appropriate to the activity and structure of Gruppo Mastrotto itself.

2.6. RELATIONSHIPS WITH SHAREHOLDERS

In respect of its shareholders, Gruppo Mastrotto undertakes to.

- provide accurate, truthful and timely information;
- continue to ensure the best conditions for their participation in corporate decisions, within the framework of their specific prerogatives;
- simultaneously promote the economic, social and environmental sustainability of the company as a way of creating value in a responsible manner.

It is Gruppo Mastrotto's commitment to safeguard and increase the value of its business against the commitment made by its shareholders with their investments, through the enhancement of management, the pursuit of high standards in the production process and the soundness of the assets. Gruppo Mastrotto also undertakes to safeguard and protect the company's resources and assets.

2.7. RELATIONSHIPS WITH WORKERS

2.7.1. A respectful and cooperative working environment

Gruppo Mastrotto protects the physical and moral integrity of its employees:

- ensuring working conditions that respect their human dignity;
- safeguarding them from any form of psychological violence;
- opposing any attitude or behaviour that is discriminatory or detrimental to their dignity.

It promotes diversity and avoids all forms of discrimination based on age, gender, health, religion, nationality, political and sexual orientation.

It condemns all forms of harassment, including sexual harassment.

It undertakes to monitor and intervene to prevent and interrupt any discriminatory behaviour between employees.

In this regard, the persons designated as security officers shall also ensure that respect for the moral character of each individual is guaranteed and that intimidating behaviour, unlawful conduct or undue hardship is prevented.

2.7.2. Workers' health and safety

Gruppo Mastrotto protects the health and safety of workers, ensuring safe and healthy working environments, in full compliance with the relevant legislation in force.

To this end, Gruppo Mastrotto:

- promotes an ongoing analysis of the risks associated with work activities;
- take appropriate technical, organisational and economic measures, including the introduction of a health and safety management system for workers;
- undertakes to disseminate a "safety culture" that raises awareness of risks and encourages responsible behaviour, including through specific training and communication activities aimed at all levels of the organisation.

All employees are constantly reminded to:

- comply with company rules and procedures to protect their own safety and that of their colleagues.
- use the personal protective equipment made available.
- promptly report any anomaly to their direct superior.

All persons designated as responsible for safety (employer, general managers, delegates for each local unit and supervisors) ensure, each within the scope of their role, that the working environment is adequate from the point of view of health and safety.

2.7.3. Industrial relationships

Gruppo Mastrotto recognises and respects the freedom of workers to:

- form and join freely chosen trade union associations;
- carry out trade union activities in the workplace without engaging in discriminatory behaviour.

The company undertakes to respect the work of the trade unions and to engage with them in a constructive spirit of industrial relations.

2.7.4. Personnel selection and placement

The personnel selection process is geared towards finding the best match between the

candidates' profile and the company's needs, while respecting equal opportunities for all parties involved and the legal obligations to protect the physical and moral personality of future employees.

Candidates:

- are asked to provide information strictly related to the verification of the aspects envisaged by the professional and psycho-aptitude profile, while respecting the candidate's privacy and opinions;
- are provided with complete and detailed information about the company and the job position for which the search is being conducted.

All employees are employed by Gruppo Mastrotto under a regular employment contract; no form of employment relationship that does not comply with or in any way circumvents the provisions in force is permitted.

The employment relationship is carried out in accordance with the law and the collective bargaining agreement for the sector (where provided for by current legislation), as well as social security, tax and insurance regulations.

Gruppo Mastrotto hires employees and manages their employment relationship on the basis of competence and merit, regardless of race, religious beliefs, gender, age, ancestry, personal disability, seniority, always in compliance with applicable laws and regulations.

Gruppo Mastrotto is committed to facilitating the integration of new recruits through customised paths through which they can:

- be informed and trained on the essential elements of the organisation (code of ethics, internal regulations, national collective labour agreement, ...);
- get to know their colleagues in the department/office in which they will be placed and their roles;
- properly train for the task, especially in terms of safely carrying out the planned activities.

Personnel undertake to comply with the obligations laid down in this Code of Ethics and in the Organisation, Management and Control Model, and to abide by the law and the principles of integrity, fairness and loyalty when performing their duties.

2.7.5. Training, evaluation and development

People are the heart and engine of our company.

Gruppo Mastrotto considers it essential to foster their professional development and is committed to developing their skills, stimulating their abilities and bringing out their potential. On the basis of the training needs highlighted by the various company areas, the human resources area prepares the annual training plan, approved by the company management, which workers can access according to opportunity.

They are asked to contribute to this commitment, both by actively participating in training initiatives and by sharing and applying the content learned.

Gruppo Mastrotto values everyone's contribution, guaranteeing equal opportunities for growth based on the evaluation of results achieved and skills acquired.

The evaluation process is carried out with the involvement of the managers, the Human Resources function and the employees evaluated through fair, transparent and known systems. Employees are committed to being participatory and proactive in the evaluation process.

2.7.6. Protecting the confidentiality of personal data

Gruppo Mastrotto protects the privacy of its employees, collaborators, customers and suppliers by undertaking to process data concerning them in compliance with privacy legislation, including through the identification of a person responsible for the correct handling of data.

Gruppo Mastrotto undertakes not to communicate or disseminate, without prejudice to legal obligations, the relevant personal data without the prior consent of the data subject.

The acquisition, processing and storage of this information takes place within specific procedures aimed at ensuring that unauthorised persons cannot gain knowledge of it, in full compliance with the rules on the protection of privacy.

2.7.7. Protection of company assets

The employee shall use and safeguard the assets at his disposal for reasons for professional reasons; the improper use of Gruppo Mastrotto's assets and resources is not allowed.

Each employee is directly and personally responsible for the protection and legitimate use of the assets and resources entrusted to him/her for the performance of his/her duties. Gruppo Mastrotto, in compliance with applicable laws, takes the necessary measures to prevent the improper use of such assets.

2.7.8. Correct use of telecommunications/computer systems

With regard to the use of computer systems, each employee is responsible for the security of the systems used and is subject to the applicable regulations and the conditions of the licence agreements.

Without prejudice to the provisions of civil and criminal laws, the improper use of corporate assets and resources includes the use of network connections for purposes other than those inherent to the employment relationship (e.g. use of chat rooms and/or social networks), as well as for sending offensive messages or messages that may damage the company's reputation.

Each employee is also required to make the necessary efforts to prevent the possible commission of offences through the use of IT tools.

2.7.9. Confidentiality of company information and duty of confidentiality

Among the data collected by Gruppo Mastrotto is information which is:

- personal, protected by law for the protection of privacy (see section 3.1.5);
- reserved and confidential having economic value and subject to control measures, which constitute a significant component of the company's assets.

The latter, by way of example only, may relate to Gruppo Mastrotto's know-how, R&D projects, industrial processes and data, technical, production, commercial and marketing information and statistics, financial and operational results; information on salaries and personnel.

It is knowledge and information that define the value of Gruppo Mastrotto's intangible assets, assets that each employee must protect in order not to create, even unintentionally, damage to assets, image or reputation.

Therefore, all information - not in the public domain - relating to Gruppo Mastrotto and its business, of which an employee or collaborator has knowledge, by reason of the functions performed or, in any case, of the relationship that binds him/her to the entity, must be considered confidential.

Employees and collaborators shall ensure the confidentiality of information acquired or processed in the course of or in connection with the performance of their duties, taking the utmost care to avoid the undue dissemination of such information.

The handling of confidential information is governed - in accordance with applicable law - by specific internal procedures.

In any case, they may only be used by an employee or collaborator for the performance of their work and within the limits of their respective powers, in any case not beyond the termination of the employment relationship.

2.7.10. Gifts, gratuities and other benefits

Employees may not ask for or receive, for themselves or for others, gifts or other benefits, nor accept them, except for those of modest value, in accordance with normal business practice and courtesy.

The employee may also not offer gifts or other benefits to any person from whom he/she may obtain favourable treatment in the conduct of any activity related to the company, except those of very modest value, falling within the practice of certain business relationships and provided that they cannot be intended as aimed at acquiring favourable treatment in the conduct of any activity of Gruppo Mastrotto.

Gifts and advantages offered or requested but not accepted, which exceed a modest value, must be immediately reported to the hierarchical superior and to the Supervisory Body, in order to allow for a proper assessment thereof.

2.8. ENVIRONMENTAL PROTECTION

Gruppo Mastrotto considers the environment to be everyone's heritage and is consequently committed to responsible behaviour:

- acting in scrupulous compliance with the applicable regulations, as well as with the limits defined by any authorisations and prescriptions received from the competent bodies;
- striving for the correct and efficient use of natural resources;
- ensuring adequate monitoring of its relevant environmental parameters;
- minimising the environmental impact of its activities through appropriate purification treatments of effluents and polluting emissions;
- informing, training and involving their staff on how to minimise the environmental

impact of production processes;

- raising awareness and involving its supply chain on environmental issues.

Specifically, Gruppo Mastrotto's commitment to the proper management of environmental issues is expressed through:

- reduction of water use, including through the application of reuse techniques;
- purification of process water in order to minimise negative consequences on the environment, in cooperation with consortium purification plants where present;
- separation of the waste produced, its recovery and reduction of packaging waste;
- increased energy efficiency and acquisition of energy from renewable sources;
- measurement and reduction of greenhouse gas emissions, in particular carbon dioxide (CO₂);
- development of new leathers through the application of eco-design techniques;
- adoption of advanced process technologies;
- collaboration with their supply chain, including on deforestation issues.

2.9. RELATIONSHIPS WITH THE PUBLIC ADMINISTRATION

Public administration means any public body, agency, authority - including those with powers of inspection and supervision - company or body, however named, as well as any natural or legal person, acting in the capacity of public official or person in charge of a public service.

The definition of a public body also includes private bodies that exercise a public function in order to pursue a general interest.

Gruppo Mastrotto imprints its relationships with the Public Administration on the principles of transparency, clarity and fairness so as not to lead to biased, false, ambiguous or misleading interpretations by persons in the Public Administration.

In relationships with the Public Administration, the addressees of this Code of Ethics must comply with the following rules:

- relationships with the Public Administration are maintained exclusively through contact persons who have received an explicit mandate from the Board of Directors of Gruppo Mastrotto or from the Director delegated to it, and who are not in a situation of conflict of interest with respect to the representatives of the institutions themselves;
- Gruppo Mastrotto (and those who work for it) must always act in compliance with the law and proper business practice, with the express prohibition of carrying out acts that,

even if aimed at pursuing an interest or providing an advantage to Gruppo Mastrotto, are such as to constitute the types of offence;

- It is not permitted - neither directly nor indirectly - to offer money, gifts, compensation or other benefits, in any form whatsoever, nor to exert unlawful pressure, nor to promise any object, service or favour to representatives, managers, officials or employees of the Public Administration, or to their relatives or cohabitants;
- only gifts of modest value (authorised and adequately documented) that do not exceed normal business or courtesy practices are permitted, and provided that they cannot be construed as aimed at acquiring favourable treatment and, therefore, likely to compromise the integrity, independence and reputation of one of the parties;
- in the course of business negotiations or commercial dealings with the Public Administration, no conduct must be undertaken, directly or indirectly, that may imply employment and/or commercial opportunities from which advantages may be derived, for oneself or for others, to employees of the Public Administration or to their relatives or associates;
- where Gruppo Mastrotto is represented by a “third party” in dealings with the Public Administration, the same directives that apply to the company and its personnel shall apply to the latter;
- It is strictly prohibited to submit untrue declarations to public, national or EU bodies in order to obtain public grants, subsidies or subsidised loans, or to obtain tax savings, as well as to obtain concessions, authorisations, licences or other administrative acts.
- public financing and the relevant application and disbursement procedures, in favour of Gruppo Mastrotto, must be documented and verifiable, in order to be able to reconstruct ex post the characteristics and motivations of the operation, and to identify the persons involved. it is in any case mandatory to carry out a verification activity, so that the financing obtained is actually used for the performance of the activities or the realisation of the initiatives for which it was granted;
- it is strictly forbidden to alter the operation of a computer or telematic system or in any case to manipulate the data contained therein, in order to obtain an unfair profit, thereby causing damage to the Public Administration.

2.10. CUSTOMER RELATIONSHIPS

Gruppo Mastrotto bases its relationship with its customers on the desire to build long-term cooperation relationships and to best meet their demands.

Gruppo Mastrotto:

- establishes a relationship with customers that is characterised by a high degree of professionalism and is characterised by willingness, respect, courtesy and the search for and offer of maximum cooperation;
- undertakes to ensure the achievement of the required quality and safety standards and to periodically monitor the quality of the product supplied to the customer;
- is committed to facilitating interaction with customers through the handling and prompt resolution of any complaints, using appropriate communication systems;
- does not recognise litigation as a means of obtaining undue advantages and resorts to it on its own initiative only if its legitimate claims are not duly satisfied by the other party;
- protects the privacy of its customers, in accordance with the relevant regulations, undertaking not to communicate or disseminate their personal, economic, technological and consumer data, without prejudice to legal obligations.

Contracts and communications with customers must not only comply with applicable regulations and the Authorities' instructions, but also be clear, simple, and formulated in the closest possible language to that of the customers.

2.11. RELATIONSHIPS WITH SUPPLIERS

The selection of suppliers and the purchase of goods and services (including financial and consultancy services) are carried out by the competent corporate functions:

- in compliance with the principles of impartiality and independence;
- on the basis of objective requirements for integrity, quality, efficiency and cost-effectiveness on the part of suppliers;
- ensuring sufficient competition, including considering several companies in the selection process.

Any selection procedure must be carried out under the broadest conditions of competition and any derogation from this principle must be authorised and justified.

In particular, Gruppo Mastrotto uses suppliers who comply with the principles and rules of conduct identified in its "Code of Conduct for Suppliers" and relating to:

- protection of human rights;
- respect for the health and safety of workers;

- ethics;
- environmental protection.

in addition to ensuring the implementation of appropriate company quality systems, the availability of organisational means and structures and the ability to meet confidentiality obligations.

Gruppo Mastrotto shall put in place appropriate procedures to ensure maximum transparency in supplier selection and the purchase of goods and services.

The following can be envisaged:

- systems of rotation of procurement personnel in order to favour greater impartiality;
- the functional separation between the activity of requesting supplies and concluding the contract;
- an accurate documentation system of the entire selection and procurement process, allowing for the reconstruction of each transaction.

Gruppo Mastrotto and the supplier must work to build a collaborative and mutually trusting relationship in accordance with good business practice.

Gruppo Mastrotto undertakes to inform the supplier in a correct and timely manner regarding the characteristics of the business, the forms and timing of payment in compliance with the applicable regulations, having regard to the circumstances, the negotiations and the content of the contract.

Gruppo Mastrotto shall in any case verify that the Supplier's performance of the contractual services complies with the principles of fairness, correctness, diligence and good faith, in compliance with the contractual terms and conditions and the provisions of the law.

Relations with suppliers, governed by the rules of this Code, are subject to constant and careful monitoring by Gruppo Mastrotto.

2.12. RELATIONSHIPS WITH COMPETITORS

Gruppo Mastrotto acts in accordance with free and fair competition.

Any action aimed at altering the conditions of fair competition (e.g. with regard to participation in public and private tenders) is contrary to Gruppo Mastrotto's policy and is prohibited to any person acting on its behalf.

In particular, Gruppo Mastrotto refrains from business practices such as:

- creation of signs;
- partitioning of markets, or limitations on production or sales, such as to constitute a violation of competition laws.

2.13. RELATIONSHIPS WITH LOCAL COMMUNITIES

Gruppo Mastrotto, as a company of reference for its local community, is committed to contributing to the social, cultural, relational and economic development of the local community.

It is committed to building stable relations with its stakeholders, so as to understand their needs and make a constructive contribution to the formation of human and social capital, exercising its business activities in a manner consistent with proper business practice.

Health care, the elderly, schools and young people are the areas in which Gruppo Mastrotto has historically shown its solidarity with the territory, its being a neighbour; both through financial support and through an active contribution to various initiatives.

2.14. RELATIONSHIPS WITH PARTIES, TRADE UNIONS AND ASSOCIATIONS

Gruppo Mastrotto does not grant contributions, advantages or other benefits - direct or indirect - to political parties, movements, committees, political organisations or trade unions, nor to their representatives or candidates, nor does it support them in any other way, without prejudice to compliance with applicable regulations.

Each employee must recognise that any involvement in political activities takes place on a personal basis, on his/her own time, at his/her own expense and in accordance with applicable laws.

2.15. RULES OF CONDUCT IN THE ADMINISTRATION OF GRUPPO MASTROTTO

The directors and employees, in whatever capacity involved in the activities aimed at drawing up the financial statements, are required to comply with the rules guaranteeing the truthfulness and transparency of data, representations and assessments.

Accounting records must be based on accurate and verifiable information and must fully comply with internal accounting procedures.

Every operation carried out, such as the submission of tax declarations (VAT declarations, income declarations, Intrastat forms, declarations of intent, etc.), must be correctly recorded and supported by adequate documentation, in order to be able to carry out checks that attest to the characteristics and reasons for the operation, and identify who authorised, carried out, recorded and verified the operation itself.

Directors and employees shall provide the utmost and timely cooperation to the control bodies, internal and external to Gruppo Mastrotto, in order to ensure the best performance of their duties.

Any person who becomes aware of any omissions, errors or falsifications is obliged to notify his hierarchical superior and the Supervisory Body, by written communication.

2.16. EXPORT CONTROLS AND ECONOMIC SANCTIONS

Gruppo Mastrotto complies with all applicable export control laws and all personnel are required to comply with such laws.

Under no circumstances are employees of Gruppo Mastrotto permitted to make transfers, exports, re-exports, sales or assignments of products, technical data or services that are not permitted under applicable export control laws.

Gruppo Mastrotto is committed to complying with all economic sanctions against specific entities or countries, including economic sanctions imposed by the United Nations, the European Union and other jurisdictions in which the company operates.

2.17. DATA PROTECTION

Gruppo Mastrotto recognises that, over time, both personal data and digital intangibles assets have become increasingly important and considers information security and compliance with the related principles of confidentiality, integrity and availability of data to be an integral part of its activities.

Gruppo Mastrotto is committed to protecting its information systems from illegitimate access and unauthorised disclosure of processed information and is fully committed to ensuring full compliance with applicable data protection regulations and information security standards.

In particular, Gruppo Mastrotto has IT tools and procedures in place to ensure the continuity of business activities, the protection of company data from any threat, and the minimisation of any damage resulting from "Data Breach" episodes.

3 METHODS OF IMPLEMENTATION

3.1. THE PREVENTION SYSTEM

Gruppo Mastrotto adopts appropriate organisational, management and control measures in compliance with the regulations in force, as well as with a view to planning and managing company activities - aimed at efficiency, fairness, transparency and quality.

These measures are aimed at:

- preventing unlawful conduct (or in any case conduct contrary to the rules of this Code), by any person operating within its structure or in any way related to it;
- identifying and eliminate any risk situations in good time.

In view of the articulation of activities and the complexity of the organisational structure, Gruppo Mastrotto adopts a system of delegation of powers and functions.

In particular, it provides - in explicit and specific terms - for the assignment of well-identified tasks to persons with suitable skills and competence, guaranteeing them adequate autonomy in the management of resources, subject, however, to control by the Gruppo Mastrotto.

3.2. COMPLIANCE WITH THE CODE AND INTERNAL CONTROLS

Gruppo Mastrotto disseminates a control-oriented mentality at all levels, in view of the contribution it makes to improving efficiency.

By “internal controls” we mean the tools necessary to verify the activities of each individual company function, with the aim of ensuring compliance with the law and company procedures, protecting the Group’s resources, efficiently managing activities and, finally, providing accurate and complete accounting data.

To this end, Gruppo Mastrotto is committed:

- to the adoption of appropriate control procedures to ensure that the concrete conduct of the Group and of its employees or collaborators is an expression of the values established in this Code;
- to the introduction of specific penalty systems for possible violations.

The responsibility for implementing an effective internal control system is common to every level of the organisational structure. It follows that all the addressees of this Code, within the scope of their functions, are responsible for the definition and proper functioning of the control system.

Employees shall promptly report to their hierarchical superior and to the Gruppo Mastrotto Supervisory Body:

- any violation or inducement to violate laws or regulations, the provisions of this Code or internal procedures;
- any irregularity or negligence in the keeping of accounts, in the preservation of related documentation in the fulfilment of internal accounting or management reporting obligations.

The Supervisory Body carries out the necessary checks on the reports received, in order to ascertain the facts and to promote the most appropriate initiatives, including the proposal to impose, when applicable, sanctions on the persons responsible in accordance with the provisions of the law, collective agreements and contracts.

No negative consequences result for anyone who has, in good faith, made a report.

The confidentiality of the identity of whistle-blowers is, in any case, ensured, without prejudice to legal obligations.

3.3. THE DISCIPLINARY SYSTEM

The Supervisory Body (OrganismoVigilanza@mastrotto.lan) has the task of verifying and ascertaining possible violations of the duties laid down in this Code, as well as forwarding the results to the Board of Directors and the Board of Statutory Auditors.

Failure to comply with the obligations prescribed by this Code may result in the application of disciplinary sanctions, also taking into account the provisions of the relevant section of the organisation, management and control model.

For any disciplinary sanctions against Gruppo Mastrotto employees, the Board of Directors or the director delegated to it shall take action, taking into account the seriousness of the offence committed by the employee, in compliance with the provisions of the Civil Code, Law no. 300 of 20 May 1970 ("Workers' Statute") and the provisions of the relevant collective agreement, as well as the relevant section of the organisation, management and control model.

Breach of the rules contained in this Code of Ethics by members of the Board of Directors of Gruppo Mastrotto shall be sanctioned, in consideration of the seriousness of the breach, by order of the Board of Directors or of the shareholders' meeting.

The decision will be taken in the absence of the vote of the component(s) concerned.

In the event of violation of the rules contained in this Code of Ethics by members of the Board of Auditors, Article 2400 of the Civil Code will be applied, provided the conditions are met.

If the violation of the rules is committed by collaborators, external consultants and those who supply goods or services to Gruppo Mastrotto, the sanction will be established by the Board of Directors or by the Director delegated to it and, in the most serious cases, may lead to the termination of the contract, in addition to the right of Gruppo Mastrotto to obtain compensation for damages suffered as a result of the illegal conduct.

3.4. REPORTING MISCONDUCT (WHISTLEBLOWING)

Gruppo Mastrotto is equipped with a system for reporting unlawful conduct relevant pursuant to Legislative Decree 231/2001 and/or violations of the Organisation, Management and Control Model, including the Code of Ethics, (so-called “whistleblowing”), in the awareness that fraudulent conduct damages the tangible and intangible assets of the Group and that the cooperation of everyone is necessary to counter it.

The operating methods for managing this process are governed by a specific company procedure.



GRUPPO

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