



# RINO MASTROTTO

CODE OF ETHICS and CONDUCT

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## GENERAL PROVISIONS

### PURPOSE OF RINO MASTROTTO GROUP S.P.A.'s CODE OF ETHICS AND CONDUCT

RINO MASTROTTO GROUP S.p.A. is a company whose roots are sunk in a family tradition which dates back to the mid 1900s and today is a prestigious brand recognised at international level. The constant commitment to reliability and entrepreneurial expertise, research, style innovation, environmental policy, managerial and financial capacity have allowed RINO MASTROTTO GROUP S.p.A. (hereinafter also the "Company") to establish itself in the leather tanning sector in Italy and abroad, also through its subsidiaries in Brazil, Mexico the United States and Sweden.

With the management of its production divisions and subsidiaries, structured in a network system, RINO MASTROTTO GROUP S.p.A. satisfies the complete tanning cycle, from the supply of carefully selected raw materials to the wide and specialised production of products that meet all market requirements. Individual production divisions are expressly dedicated to creating the best leathers for manufacturers and brands in the automotive, leather goods, upholstery and footwear sectors.

One of the priority objectives of RINO MASTROTTO GROUP S.p.A. is to achieve and maintain competitive positions over time while safeguarding at the same time the core values and principles of the action of the founder of the Company, which today are the heritage not only of the owner, but of all the people who work there.

The Company adopts, both in its internal relations and with third parties, a set of rules of conduct aimed at spreading, at all company levels, solid ethical integrity and a strong respect for the law. Company business objectives is of central importance for the proper conduct of its activities.

Furthermore, in the capacity of Parent Company, it promotes the same commitment towards the companies of the Group (hereinafter also "RINO MASTROTTO GROUP").

This document (hereinafter the "**Code of Ethics and Conduct**" or, for the sake of brevity, the "Code") has been approved by the Board of the Company, according to the best corporate governance, on the assumption that its observance is an essential condition for a correct functioning of the Company, for the protection of its reliability and reputation and for ever greater customer satisfaction, factors that contribute to determining the current and future success and development of the Company itself and of the Group.

RINO MASTROTTO GROUP follows the principles and values of this Code in all the actions, operations, relationships and transactions carried out in the management and operation of the different business activities.

RINO MASTROTTO GROUP, in particular, wants to:

- maintain and support a profitable and sustainable entrepreneurial management, i.e. based on ESG (Environmental, Social & Governance) criteria through compliance with the highest international standards in terms of environmental protection, climate responsibility, animal welfare and human rights,
- guarantee an ever-increasing quality of its products and production efficiency, thanks to continuous Research & Development activities, which are able to conform to the needs of its customers and the context in which it operates,
- motivate, sensitise and enhance the value of its staff as an important contributor to the company's quality and innovation (regular training courses, meetings and work groups),
- seek the best solutions to reduce the environmental and climate impact of the production process, committing to respecting the territory in which it operates, involving the staff in order to create a greater awareness of environmental and climate protection,
- pay attention to and enhance its human resources by supporting their professional growth on the basis of merit.

The Company is aware that it belongs to a value chain in which there may be detrimental impacts on the protection of human rights, animal welfare, climate and the environment, and intends to work to ensure its customers, engaged in paths of sustainability, its full adherence to the behavioural principles defined by them. To this end, it is committed to structuring a process for the periodic verification of the contents of the Codes of Ethics disclosed by customers and gradually updated by them, as well as the integration of any additional conduct in its own Code of Ethics and Conduct or in any case in the alignment with these Codes of its own Code, which is disclosed internally and to subcontractors.

## SPHERE OF APPLICATION AND INTENDED AUDIENCE.

By means of this Code of Ethics and Conduct, RINO MASTROTTO GROUP defines, in **Section I**, the **Ethical Principles** to which its activities must aspire, with the aim of spreading a solid ethical integrity and a corporate culture sensitive to the observance of the laws in force in the contexts in which it operates. The commitment to the Principles relates to the **Company's Stakeholders**, with respect to the Ten principles of UN Global compact and principles, which are identified in the following categories:

- Shareholders and investors
- Employees, Agents and associates
- End customers and consumers
- Distributors and Business partners
- Suppliers and their employees
- Competitors
- Public administration authorities and institutions
- Universities and Research bodies
- Local communities, society and surroundings
- Natural environment (with attention also to the wellbeing of the animal species from which the raw materials come).

The implementation and credibility of the Ethical Principles require coherence between what is stated, on the one hand, and the conduct that is implemented, on the other, i.e. the actions that make the principles operational.

To this end, the company defines, updates and disseminates specific Policies as well as, in **Section II** of this Code, **obligations and conduct restrictions** aimed at:

- define a set of values and conduct rules to be respected and implemented in the behavior of business and in relations with customers, suppliers, employees, collaborators, competitors, the community, and the environment, as well as in the organization and management of Group's companies, in order to achieve an effective control system of the activities for ensuring the prevention of the commission of crimes (e.g. for Italy, the model pursuant to Legislative Decree 231/2001). No business activity or operation can result in conduct that violates the relevant legislation.
- maintaining and supporting a profitable and sustainable entrepreneurial management, i.e. based on ESG (Environmental, Social & Governance) criteria through compliance with the highest international standards in terms of environmental protection and human rights, and contributing to the reduction of the negative impacts from an ESG standpoint by means of the selection of suppliers in line with said criteria

all of which, by setting up appropriate information, prevention and control tools, also intervening with corrective measures and/or appropriate sanctions.

Section II of this Code of Ethics addresses and applies to all the companies of RINO MASTROTTO GROUP, in Italy and abroad, and, moreover, to all those who:

- i) cover functions of representation, administration or management or exercise, even *de facto*, the management and control of the company or one of its divisions (hereinafter the "**Senior management**");
- ii) belong to the employees of the companies of RINO MASTROTTO GROUP, including therein temporary or part-time workers and workers treated as such (hereinafter the "**Employees**");
- iii) directly or indirectly, permanently or temporarily, collaborate with RINO MASTROTTO GROUP (including, by way of example, consultants, suppliers, agents, representatives, intermediaries, etc.) and anyone who, for various reasons, has business relations with the Company (hereinafter the "**Suppliers**").

For the purposes of this Code of Ethics, Section II, Senior Management, Employees and Suppliers are hereinafter jointly referred to as the "**Intended Audience**". The Intended Audience is therefore required to be familiar with the provisions of the Code of Ethics, Section II - **within the limits and to the extent applicable to each of them** -, obliged to comply with the principles contained therein and subject to sanctions for violation of its provisions, as well as called upon to actively promote its observance.

RINO MASTROTTO GROUP expects and requires that the conduct of all the Intended Audience is in line with the provisions of this Code of Ethics, Section II. With the second edition of the Code of Ethics introduced in 2017, RINO MASTROTTO GROUP has already adopted the precautionary principle, making important updates to the text of the previous version by providing provisions in terms of environmental protection and product safety responding to the most appropriate criteria.

With the third update of 2021, RINO MASTROTTO GROUP has not only reaffirmed the ethical principles that must continue to guide the Company, but has also strengthened its commitment to sustainable development, respect for the environment, climate change and animal welfare, with a view to pursuing ambitious objectives for the years to come, shared together with all those involved in the Company's activities for whatever purposes, in the deep conviction that also for them this is the best guarantee of continuity of development, longevity and growth in the various contexts in which it operates.

To this end, RINO MASTROTTO GROUP undertakes to ensure the widest disclosure of the Code of Ethics to all the Intended Audience - as defined above - and to the public in general, also by including it on the Company's website ([www.rinomastrotto.com](http://www.rinomastrotto.com)), as well as to apply the ethical principles and behavioural rules defined in this Code of Ethics to all its suppliers and associates, also by means of constant updating and increasing disclosure and implementation of the Code itself.

With the 2022 edition, RINO MASTROTTO GROUP intended to fine-tune and enhance the Code by specifying the different but complementary purposes of the Code: commitments towards its stakeholders, on the one hand, and at the same time request for compliance with clear behavioural rules by its staff and those who collaborate with the company in various ways.

## **ADOPTION AND DISCLOSURE OF THE CODE OF ETHICS AND CONDUCT AND RELATED AMENDMENTS.**

This Code of Ethics and Conduct comes into force on 31 May 2023, the date on which it was approved by the Board of Directors of the Company, and fully replaces the previous version adopted by RINO MASTROTTO GROUP on 22 September 2021.

Any amendments and/or updates will be approved by the same corporate body and promptly communicated to the parties concerned.

The Company has granted a mandate to Senior Management to disseminate this Code of Ethics and Conduct in order to bring it to the attention of the Intended Audience and all other parties who, for any reason, have dealings with the Company, by means of the most appropriate communication or disclosure activities (publications, communications, conferences, educational activities and any other means deemed appropriate for this purpose), such as, for example, via the publication on the Company's website ([www.rinomastrotto.com](http://www.rinomastrotto.com)) or through the inclusion of a specific clause in the contracts that the Company will enter into with its Suppliers and with its Employees at the time of hiring.

RINO MASTROTTO GROUP requires that all the Intended Audience and any other party that, for any reason, has dealings with the Company, are suitably aware of the provisions of this Code of Ethics and Conduct, Section II, and that they scrupulously observe them.

It is understood that RINO MASTROTTO GROUP will not start or continue any collaboration relationship with those who have not undertaken the commitment to comply with the provisions of this Code, Section II, or have intentionally or unintentionally violated its provisions.



## SECTION I - ETHICAL PRINCIPLES

At the basis of the strategic choices and operational conduct, RINO MASTROTTO GROUP shares, accepts and complies with the following Ethical Principles:

- **legality;**
- **equality and impartiality;**
- **transparency, fairness and reliability;**
- **professionalism;**
- **confidentiality;**
- **value of the human resources;**
- **health and safety;**
- **environmental, climate protection and principles of conduct in the procurement of raw materials, in particular animal species;**
- **fair competition;**
- **protection of intellectual and industrial property;**
- **Information protection and security based on risk perspective.**

### I.1. LEGALITY.

RINO MASTROTTO GROUP considers the respect of the laws and of the national and international regulations as a necessary condition to carry out its activities and to maintain the success and the trust of the various stakeholders. The Company therefore undertakes to promote conduct based on the strict observance of the laws and regulations in force in the various contexts in which the Company operates, in order to avoid the committing of crimes and any other type of offence.

### I.2. DISCRIMINATION AND IMPARTIALITY.

RINO MASTROTTO GROUP safeguards and furthers the respect of human dignity, which must not be discriminated on the basis of age, gender, sexual orientation, personal and social conditions, race, language, nationality, political and trade union opinions and religious beliefs. This form of compliance with social requirements is furthered by having as reference, among others, the principles expressed by the SA (Social Accountability) 8000, the main international agreements (ILO) about the workers' rights, above all regarding to juvenile labour, and the main requirements about social accountability, environmental respect and professionalism, or similar standards. Consequently, discriminatory conduct when employing staff, in remuneration, training, access to the company structures, work conditions and any other sphere is not tolerated. The Intended Audience is required to collaborate actively in order to maintain a climate of maximum collaboration, as well as respect for the dignity and skills of each individual.

**In managing the various corporate activities and in all related decisions, the parties to whom this Code of Ethics applies must operate impartially in the best interests of the Company, making decisions with professional rigour and objectivity according to objective and neutral assessment criteria, consistently with the corporate ethical principles set out in this Code of Ethics and Conduct.**

### **I.3. TRANSPARENCY, FAIRNESS AND RELIABILITY.**

The actions, operations, negotiations and, more generally, the behaviour of the parties to which this Code of Ethics and Conduct applies, are inspired by the utmost transparency, fairness and reliability.

In the management of the activities, the information provided shall be transparent, truthful, complete and accurate, and all actions and operations shall be duly authorised and properly recorded, as well as verifiable, legitimate, congruous and adequately documented in order to allow, at any time, the verification of the related decision-making, authorisation and performance process.

### **I.4. PROFESSIONALISM.**

The Company protects professionalism as an essential value for its growth and success in the national and international markets. Therefore RINO MASTROTTO GROUP furthers the performance of the corporate activities on the basis of criteria of professionalism, commitment and diligence in line with the nature of the tasks and responsibilities entrusted to each one respectively.

### **I.5. CONFIDENTIALITY.**

RINO MASTROTTO GROUP recognises confidentiality as an essential rule of conduct. The Company therefore ensures the confidentiality of the information, in the most rigorous observation of the legislation in force on the subject of data and information protection.

### **I.6. VALUE OF THE HUMAN RESOURCES.**

The human resources represent an indispensable and precious value for the existence and future development of RINO MASTROTTO GROUP.

In order to enhance the skills and expertise of each one, merit criteria are adopted, and equal opportunities are guaranteed to all. The management of the human resources aims to improve and increase the skills of each one, also through training and refresher activities, but always having this Code as a baseline.

Working conditions that help people to carry out their duties in a climate of cooperation, respect and serenity are guaranteed.

In order to guarantee the complete respect of the person, the Company, in each of the contexts in which it operates, opposes child labour, refraining from any form of exploitation in compliance with the provisions of the International Labour Organization (ILO), and in particular with the conventions aimed at the elimination of child labour and the abolition of slavery and forced and compulsory labour.

RINO MASTROTTO GROUP guarantees its employees workplaces free from any form of harassment, intimidation or violence, mental or physical coercion, bullying, and prohibits any behaviour that may lead to an intimidating, offensive or hostile work environment.

In addition, RINO MASTROTTO GROUP recognises the right of its employees to form, be involved in or join trade unions and/or industrial organisations that defend and promote their interests. The Company also guarantees - and requires from its Suppliers - the respect of collective agreements, freedom of opinion and the protection of workers' representatives. No form of retaliation may arise from the exercise of this right. The Company undertakes to maintain a constructive and open dialogue with trade union representatives and all personnel.

## **I.7. HEALTH AND SAFETY.**

RINO MASTROTTO GROUP undertakes to arrange and to maintain safe and healthy work environments in observance of current legislation regarding the protection of workers and the prevention of accidents in the workplace or during business travels, for the purpose of ensuring the physical and moral integrity of its Employees and associates.

The Company promotes the dissemination and consolidation among all its Employees and associates of a culture of safety and awareness of the risks connected to the work activities carried out, requiring from everyone, at every level, including Suppliers, responsible conduct and respect for the safety system adopted and the company procedures that form part of it. Employees, associates and anyone else who, for various reasons, has access to the Company's structures is called upon to contribute personally to maintaining the safety and quality of the working environment in which they operate.

The Employees and associates contribute to the process for the prevention of the risks and the protection of the health and safety vis-à-vis themselves, their colleagues and third parties, without prejudice to the individual responsibilities in accordance with the applicable provisions of the law on this matter.

They must also maintain a climate of reciprocal respect of the dignity, honour and reputation of each one, also in observance of the organisation existing within the company.

## **I.8. ENVIRONMENTAL AND CLIMATE PROTECTION AND PRECAUTIONS IN THE PROCUREMENT OF RAW MATERIALS, IN PARTICULAR ANIMAL SPECIES.**

RINO MASTROTTO GROUP furthers production policies that reconcile the needs for economic development and value creation, typical of its business activities, with the needs to respect and protect the environment.

The Company considers the protection of the environment and the sustainable development of the area in which it operates to be of primary importance, in consideration of the rights of the community and of future generations.

It undertakes - and so it requires also of its Suppliers - to consider, within the sphere of operational management and business initiatives, the unavoidable environmental needs and to minimise the negative impact that its business activities have on the environment and climate.

Moreover, it is the primary business objective of RINO MASTROTTO GROUP to produce leathers that are more compatible with ecological needs and safe for the final users and consumers.

RINO MASTROTTO GROUP S.p.A. and its subsidiary Elmo Sweden AB have an environmental management system certified according to the UNI EN ISO 14001:2015 standards.

In its business activities, RINO MASTROTTO GROUP acts in full compliance with the provisions indicated in EC Regulation No. 1907/2006 of the European Parliament and of the Council dated 18 December 2006 (so-called REACH) regarding the registration, authorisation and restriction of chemical substances, as well as in the contractual documents that may be more restrictive from time to time drawn up by the Company and/or agreed with its customers. Applicable legislation in each country respectively is respected and implemented in each subsidiary that the company operates in.

On a consistent basis with the compliance with the policy of the international programme "Zero Discharge Hazardous Chemicals", the Company undertakes to adopt, and also request its Suppliers to adopt, the highest technological standards in the sector, resorting to the principle of precaution, so as to considerably reduce - also under the current limits and legal tolerances - or in any event progressively eliminate, insofar as is technically possible, from its production chain, the use of chemicals that are toxic/harmful for the health and safety of the individual and the environment, with explicit reference to the MRSL of ZDHC and in any case aligning itself with the best science, technique and experience of the moment, in the specific sector in which RINO MASTROTTO GROUP operates.

RINO MASTROTTO GROUP undertakes to implement, also via its Suppliers - which it asks to adopt all the necessary measures - all the necessary precautions to avoid or in any case drastically minimise, during all the procurement phases, such as breeding, transport and slaughter, suffering and discomfort for the animals from which the materials destined to be used in its production activities derive, in compliance with the applicable provisions of law and regulations, including EU ones, and with internationally recognised animal welfare standards, such as those drawn up by the World Organisation for Animal Health (OIE).

RINO MASTROTTO GROUP refrains from using in its production chain raw materials that have been obtained from mistreated animals, which have been inflicted suffering or brutally killed or have been subjected to experimentation.

Accordingly, the Company requires its Suppliers to operate in full compliance with the applicable local and international regulations aimed at guaranteeing the traceability of material of animal origin and in particular its provenance and geographical origin.

RINO MASTROTTO GROUP undertakes not to treat and/or purchase leathers of specimens mentioned in the Washington Convention (EC Reg. No. 228/1997 and subsequent amendments).

#### **I.9. FAIR COMPETITION.**

Being aware that a healthy and correct system of competition contributes to the best development of its corporate mission, RINO MASTROTTO GROUP observes the rules in force concerning competition in the contexts in which it operates and refrains from implementing and/or encouraging conduct that may represent forms of unfair competition.

#### **I.10. PROTECTION OF INTELLECTUAL AND INDUSTRIAL PROPERTY.**

The Company ensures, in implementation of the principle of observance of the law, compliance with internal, EU and international rules for the protection of industrial and intellectual property.

The Intended Audience shall further the correct use, for any purpose and in any form, of trademarks, distinctive signs and all creative works, to protect the economic and moral rights of the author.

#### **I.11. INFORMATION PROTECTION AND SECURITY BASED ON RISK PERSPECTIVE**

The company implements control systems for information security within the organization with particular attention to the corporate IT world, that is to the support processes for all the company's businesses.

Recognizes confidentiality, integrity and availability as founding requirements in relation to information security.

Confidentiality, or privacy, as the ability to exclude that the information is used by people or resources without explicit authorization to be achieved through user authentication, together with appropriate access restrictions.

Integrity as a condition for guaranteeing unaltered and consistent information, to be achieved by taking care of the adequacy of storage and transmission measures, as well as the prevention of illegitimate access.

Availability understood as a situation in which information is readily accessible, when it becomes necessary, to be guaranteed with information processing and transmission systems that always function correctly.

Any type of data affecting personal information follows the GDPR legislation in the EU and applicable legislation in the other countries involved.

## SECTION II - CODE OF CONDUCT

### CHAPTER I - ENVIRONMENTAL PROTECTION

#### I.1. LOCAL ENVIRONMENTAL IMPACT.

All the local and international regulations and norms must be observed regarding protection and preservation of the environment and the local communities, for each environmental system, including therein, merely by way of example, those regarding acoustic impact, asbestos, etc.

Possession of the necessary environmental licences and authorisations pertinent to the activities carried out is mandatory and the communications required by the Public Administration Authorities must be provided.

An environmental management system aspiring to the principles and the international standards of the sector must be adopted.

The adoption of policies aimed at the furthering of activities and processes as compatible as possible for the environment and climate is mandatory, by means of the use of advanced criteria and technologies regarding environmental protection, energy efficiency and sustainable use of the resource, preferably using the Best Available Technology (BAT).

The company's production policies must tend towards a circular economy concept (zero waste), the prevention of pollution of the ground, water and air and must be implemented via procedures suitable for the purpose.

Provision must be made for the procurement of raw materials and energy sources not originating from territories or areas protected by national laws or international conventions. The supplier shall strive to reach circular economy and to use renewable resources.

It is necessary to collaborate with all those who provide their activities, for any reason, within and for the company or the Supplier or vis-à-vis any subsidiary and/or investee company of the same, so as to optimise the handling of the environmental and climate problems. The pursuit of increasingly higher protection standards must take place by means of the implementation of suitable systems for managing and monitoring the whole value chain.

The production structures must be constructed or converted in such a way as to ensure their harmonious integration in the local context, whether they are natural or constructed by man, and in observance of the laws and local regulations and international agreements.

Furthermore, a periodic assessment must be carried out on the social and environmental impact of the activities on the local communities.

It is mandatory to comply with environmental legislation and to implement preventive measures to avoid or at least minimise the environmental impact with particular reference to water use, waste management, air emissions, use of energy resources.

In particular, it is necessary to:

- Reduce the impact of climate change by reducing the emissions of Greenhouse gases, with relevant activities throughout the value chain
- adopt measures to limit and - if possible - to eliminate the negative impact of the economic activities on the environment not only when the risk of harmful or dangerous events is proven (principle of preventive action), but also when it is uncertain whether and to what extent the business activity exposes the environment to risks (precautionary principle);
- prioritise the adoption of measures to prevent possible damage to the environment, rather than waiting until the moment of rectification of damage that has already been done;
- plan accurate and constant monitoring of scientific progress and the evolution of environmental legislation;
- promote the values of training and sharing of the principles of the code among all persons working in the company, whether senior or subordinate, so that they comply with the established ethical principles, in particular when decisions have to be made and, subsequently, when they have to be implemented.

- further activities and processes as compatible as possible with the environment. by means of the use of advanced criteria and technologies regarding environmental protection, climate change, energy efficiency and sustainable use of the resources;
- resort to the procurement of raw materials and energy sources not originating from territories or areas protected by national laws or international conventions and undertaken exclusively through Suppliers committed to the protection of environmental resources and the Ten principles of UN Global Compact;
- assess the environmental impacts of all the company processes and activities;
- collaborate with stakeholders, both internal (e.g. Employees) and external (e.g. Institutions and Suppliers), to optimise the management of environmental issues;
- pursue environmental protection standards by means of the implementation of appropriate management and monitoring systems for its value chain;
- engage in the reduction of emissions and control of the main pollutants in the atmosphere and in the fight against deforestation;
- manage the waste produced in compliance with the regulations in force, also with regard to authorisations, registrations or communications required by the Public Administration Authorities, working towards the traceability of the process and the control of the supply chain;
- monitor the effectiveness of the measures put in place to ensure correct management of industrial waste water discharges, in particular with regard to discharges containing hazardous substances, in full compliance with the provisions of current legislation;
- adopt all necessary measures to strengthen the protection of human health and the environment from the harmful effects of chemicals.

Full cooperation with the pertinent authorities must be ensured during inspections and/or controls carried out in-house.

Finally, it is expressly forbidden to engage in conduct that directly or indirectly could potentially lead to the commission of an environmental offence.

Each employee or associate of the company or of the Supplier must contribute towards sound environmental management, always operating in compliance with the regulations in force, and shall not subject other employees or associates to risks that may cause damage to their health or physical safety.

## **I.2. CHEMICALS AND DANGEROUS SUBSTANCES.**

The presence of chemicals in the finished products must be contained within the limits established by the applicable regulations, as well as by the contractual documents from time to time supplied by the Company (such as, for example, specifications drawn up by the Company and/or by its customers).

The chemicals used by the company or by the Supplier in the production processes which concern products and/or services intended for RINO MASTROTTO GROUP must be compliant with the provisions of the relevant and applicable legislation and in particular with RECh (EC Regulation No. 1907/2006 of the European Parliament and the Council dated 18 December 2006) which the Supplier is obliged to comply with or, where this is not applicable, provisions aspiring to said principles.

On a consistent basis with the compliance by the Company with the policy of the international programme “Zero Discharge Hazardous Chemicals”, the Supplier undertakes to adopt the highest technological standards in the sector, resorting to the principal of precaution, so as to considerably reduce - also under the current limits and legal tolerances - or in any event progressively eliminate, insofar as is technically possible, from its production chain, the use of chemicals that are toxic/harmful for the health and safety of the individual and the environment, with explicit reference to the MRSL of ZDHC and in any case aligning itself with the best science, technique and experience of the moment, in the specific sector in which RINO MASTROTTO GROUP operates.

The storage of prohibited chemicals in the areas of the workplace is not permitted.

Measures must be adopted for the prevention of accidental damages to the tanks containing chemicals. These tanks must be kept in a good condition, following each and every country's applicable legislation. This includes during transportation.

Each storage point for the chemicals must be equipped with a secondary containment tank, and available emission protection equipment.

Knowledge and awareness are essential on operational level to one and each that can affect the fulfilment of applicable legislation.

### **I.3. WASTE MANAGEMENT.**

All the waste and in particular hazardous waste must be disposed of responsibly and in compliance with legislation and regulations in force on the subject. We strive for implementing a circular material flow in every production step.

The adoption and implementation of procedures for the disposal of all the flows of potential hazardous waste must be suitably documented. Suitable storage, treatment and recycling of the hazardous waste must be organised.

The employees tasked with the disposal of hazardous waste must be aware of the risks associated with these materials and act in such a way as to protect themselves, third parties and the environment from the damages which may derive from said risks.

All the storage areas for hazardous waste must be kept in a safe state (at least covered and protected), have a secondary containment tank and be inspected at least weekly.

It is necessary to be able to provide the documentation which bears witness to the effective final destination of the hazardous waste at all times.

In its waste management activities, the Company requires the following rules of conduct to be observed:

- prohibition of abandoning or depositing waste in an uncontrolled manner, or of releasing it into surface or groundwater;
- prohibition of keeping waste in "temporary storage" outside the requirements and beyond the time limits provided for by the regulations;
- prohibition of mixing waste (in the absence of appropriate authorisation);
- prohibition of declaring false information on the nature, composition and chemical/physical characteristics of waste when preparing a waste analysis certificate or prohibition of using a false certificate when transporting waste;
- prohibition of delivering the waste produced to a treatment facility that is not specifically authorised;
- prohibition of the discharge of waste of any kind, whether in a solid or liquid state, into surface or groundwater;
- prohibition of setting fire to waste produced by the company itself, whether or not within the company area, and of setting fire to third-party waste that is found abandoned or deposited;
- prohibition of the abandonment and/or deposit of waste that third parties will subsequently set fire to;
- in the event that third party waste is found within the areas owned by the Company, it must be treated as internally produced waste and disposed of according to the rules governed by the relevant procedure.

The occurrence of an event with the potential to contaminate a site must be reported to the relevant public bodies.

### **I.4. WATER TREATMENT.**

All the waste water deriving from the production process must be treated, before being discharged, in compliance with the legislation and regulations in force on the subject.

All the waste water drains must be monitored as envisaged by sector legislation. If within the value chain a waste water treatment system is present, the delivery of the discharge of the wash-out rain water generated by the drainage surfaces must take place in a different and protected place with respect to the treatment system. If, by contrast, it is envisaged that the wash-out rain water flows within the waste water treatment process, this must take place without this giving rise to any negative interference for said treatment process nor any damage for the environment.

If the waste water treatment system indicated above is present, what is more, the staff in charge must be aware of the process for making the system function correctly.

#### **I.5. ATMOSPHERIC EMISSIONS.**

All the emission must be treated in a suitable and transparent manner in compliance with the legislation and regulations in force on the subject and within the limits envisaged by any applicable regulations.

The sources of atmospheric emission must be identified, authorised and equipped with devices that control pollution which, when necessary, remove or filter the pollutant substances before the release into the atmosphere.

#### **I.6. WELLBEING OF THE ANIMALS.**

Observance of ethical practices for the capture, keeping, reproduction, breeding, transportation, handling and slaughtering of the animals in the hides procurement chains is mandatory.

In these production phases, a minimum impact on the environment and biodiversity must be ensured.

Methods and procedures must be adopted in compliance with national and international norms regarding animal wellbeing, such as those issued by the World Organisation for Animal Health.

It is necessary to observe the highest standards of animal wellbeing. Specifically, all the animals - in observance of the requirements of each species - must have a minimum level of the following freedoms guaranteed:

- free from hunger and thirst, guaranteeing a healthy diet and access to drinking water;
- free from discomfort, by means of their accommodation in a suitable environment which also envisages a sheltered area where they can rest;
- free from pain, injuries and disease, via prevention, rapid diagnosis and treatment;
- free to express their natural behaviour, providing sufficient space and the company of animals of the same species;
- free from fear and stress, envisaging treatment and procedures which do not involve psychological suffering;
- free from experimentation on specimens still alive.

It is therefore acknowledged that the Company will deem the products of animal origin delivered to the same which have been mistreated, which have suffered or which have been brutally killed or which have not been obtained from animals bred for food purposes (whose hide does not therefore represent a waste product), as well as obtained in violation of the provisions for the safeguarding and wellbeing of the animals, to be non-compliant. It is therefore obligatory to ensure that the products supplied comply with the breeding, transport and slaughtering regulations in force in the main supply areas of relevance to the Company and which apply these principles.

In detail, for hides and skins of EU origin, it is necessary, purely by way of example and without limitation, to ensure compliance with Directive 98/58/EC on the protection of animals kept for farming purposes, EC Regulation 1/2005 on animal welfare during transport and EEC Regulation 1099/2009 on slaughtering rules. In addition to the EU regulations, compliance is also required with any further regulations that may exist on the subject in individual member countries, both at national and local (regional, municipal) level.

For hides and skins of US origin, compliance with the regulations of the individual state from which the hides and skins originate, as well as with federal regulations, is required; in particular: Animal Welfare Act, Twenty-Eight Hour Law and Humane Methods of Slaughter Act.

For hides and skins of Brazilian origin, compliance with Regulation No. 56/2008 on good animal husbandry practices, Resolution No. 675/2017 on transport rules and Regulation No. 03/2000 on slaughter methods is required, by way of example but not limited to.

For hides and skins of Australian origin, in addition to compliance with the general animal protection regulations present in the individual states, compliance with the mandatory standards and guidelines on breeding, transport and slaughter is required, including for individual animal species, in force since 2017 and applied uniformly throughout Australia.



For hides and skins coming from other origins, any existing relevant and applicable regulation about animal welfare shall be fully respected by RINO MASTROTTO GROUP and/or third parties.

#### **I.7. CONTROL AND ORIGIN OF THE ANIMALS.**

At all the levels of the procurement chain, the full traceability of the skins and hides must be ensured, so as to be able to permit the tracing back to their origin. In the specific case of hides and skins supplied in raw or semi-finished form, at least the following information must be provided:

- Country (nation) and place (company name/establishment) of origin of the raw hide/skin supplied to the Company or used as raw material for the semi-finished product supplied to the Company (refer to the country and place where the flaying of the animal took place),
- Country (nation) and place (company name/establishment) of rearing of the animal from which the raw hide supplied to the Company or used as raw material for the semi-finished product supplied to the Company was recovered (refer to the country and place where the animal was reared in its most substantial stage of life),
- Country (nation) and place (name of company/establishment) of origin of the semi-finished hide/skin supplied to the Company, specifying the stage of processing (refer to the country and place where the transformation process from raw to semi-finished hide/skin took place),
- common and scientific name of the animal,
- information on the type of farming (intensive, semi-extensive, extensive, regenerative, eco-farming etc).

It must be indicated whether the identification of the hides/skins for their traceability is by batch or by individual hide/skin and with what type of medium (documentary, stamping, etc.).

### **I.8. PROTECTION OF THE SOUTH AMERICAN FOREST AND ENVIRONMENTAL HERITAGE.**

It must be ensured that the raw materials supplied comply with applicable legislation and local government implementation policies on environmental and forest conservation.

The origin must be ascertained, guaranteed and certified of the raw materials or processed or semi-processed materials from companies other than those involved in the deforestation of the Amazon rainforest as from 2006, or from companies included in the list of the embargo of the Brazilian Institute of Environment and Renewable Natural Resources, IBAMA ([www.ibama.gov.br](http://www.ibama.gov.br)), or located in Native Forest Land in Argentina protected by the Zoning Law.

Conservation actions in the most important regions of South America straddling Argentina, Bolivia, Brazil, Colombia and Paraguay shall also be extended to those lands that have so far received less attention than the Amazon, such as the Cerrado savannah, or the ecosystem of the Gran Chaco rather than the alluvial plains of the Pantanal, where the promotion of good agricultural practices, the management of protected areas, public policies for conservation and awareness of the environmental impacts linked to consumption choices are just some of the actions joint efforts to promote conservation and reduce major threats to these biomes.

It must be ensured that the supplies of hides do not come from companies which use, directly or indirectly (via the production of fodder for animals), land of sensitive natural ecosystems (in particular forests and meadowlands) with an elevated value in terms of conservation converted into pasture as from 2009, or in any event land forming part of protected natural habitats.

It must be ascertained that the hide does not come from operations of grazing of livestock on land contested by indigenous groups or on areas protected by international, EU, federal, state or local laws, or from companies included in the list of the embargo of the Brazilian Ministry of Employment, MTE (Ministério do Trabalho e Emprego: [www.mte.gov.br](http://www.mte.gov.br)).

It must be ensured that the hides and skins come from farms that comply with the environmental legislation that prohibits or regulates the activities of transformation and conversion of areas with forest cover in Paraguay, with particular reference to the Forestry Law No. 422/73 and the protection resolutions issued by Paraguay's National Forestry Institute (INFONA), in Argentina, with particular reference to the Native Forest Law (Law No. 26.331/2007), in Colombia with reference to the Global Strategy of Deforestation Control and Forest Management promoted by the Government and in Bolivia by acting in compliance with the Forest Law 1700, which represented the first sectoral application of the principles of sustainability in the country and which established the new Forest Code.

## **CHAPTER II – SOCIAL, THE HUMAN CAPITAL**

### **II.1. HUMAN RESOURCES.**

Any relevant and applicable labour law legislation must be accessible to all the staff, in the local language or at least in English. Specifically, but not limited to, the provisions regarding minimum wages, limits and overtime costs, working hours, holiday entitlement and leave must be published.

All the staff must be employed by virtue of a contract written in the local language or, in any event, in a language accessible to each employee. The recruitment process is owned and paid by the company.

To protect illiterate employees, it is necessary to acquaint the same, by means of suitable forms and methods, with the staff policies, the provisions of the employment contract and the methods for calculating their salary.

The following are absolutely prohibited:

- recruiting labour for the purpose of assigning it to work for third parties in exploitative conditions, taking advantage of the workers' state of need;
- using, recruiting or employing labour, including by means the intermediary activities referred to in point 1), subjecting workers to exploitative conditions and taking advantage of their state of need.

It should be noted that "exploitative conditions" include violations of the principles/provisions listed below.

### **II.2. CHILD LABOUR.**

It is possible to employ staff only in observance of the provisions of the International Labour Organisation (in particular, the ILO Convention No. 138 or the more stringent national legislative provisions concerning child labour) and any other Convention of the United Nations concerning the rights of children.

All the employees from the permitted minimum age until the age of 18 must be relieved from carrying out dangerous activities, working beyond the contractual hours and during night shifts. Furthermore, any other limitation envisaged by any applicable legislation for employees under the age of 18 must be considered as operative.

All the employees under the age of 18 must be easily identifiable by means of any measure useful for this purpose.

### **II.3. FORCED LABOUR, COERCION AND HARASSMENT.**

It is mandatory to refrain from using any form of illegal, forced or in any event involuntary labour.

All the staff must be treated with dignity and respect. No form of corporal punishment or psychological violence nor any other abuse must be envisaged.

Clear policies must be adopted on the inadmissibility of harassment and any other abuse (e.g. exploitative conduct related to working conditions, pornography, child pornography, etc.) by the supervising staff and on the procedures which permit the employees to report this type of incident.

Asking for monetary deposits, financial guarantees or collateral or personal assets is prohibited as a condition of employment, and the terms and conditions in the case of advances and loans to its employees must be defined and communicated clearly and transparently in order not to tie them to employment.

The right of the employees to leave the workplace during their free time must not suffer any limitation.

Security officers who exercise pressure on the employees must not be envisaged.

The employees must be free to present their resignation in accordance with the rules which discipline the institute.

The original copies of the documents of the staff (identification documents, passports and birth certificates) cannot be kept by the employer on a permanent basis. The personal data shall be secured and follow the European GDPR or any other corresponding national legislation.

Monetary deposits payable by the staff must not be envisaged, either at the time of employment or for the entire duration of the employment.

Furthermore, keeping, on computer or hardcopy mediums, on the Company's premises or disclosing through the Company's website or the publications edited or promoted by the Company itself, pornographic material or virtual images made using images of minors under the age of eighteen, it is absolutely forbidden.

Virtual images are images created using graphic processing techniques that are not associated in whole or in part with real situations, the quality of the representation of which makes non-real situations appear real.

#### **II.4. DISCRIMINATION.**

It is mandatory to safeguard and further the respect of human dignity, which must not be discriminated on the basis of age, gender, sexual or gender orientation, personal and social conditions, race, language, nationality, political and trade union opinions and religious beliefs.

Consequently, discriminatory conduct when employing staff, in the remuneration, training, access to the Company's or Supplier's structures, work conditions and any other sphere is not tolerated.

The employees originating from foreign countries must enjoy the same rights which local employees enjoy. Any expense associated with the employment of foreign employees must be incurred by the employer.

Pregnancy tests must not represent a condition for employment. Employees must not be obliged to use contraception. The employees who benefit from maternity leave for the duration established by local laws must not be dismissed or forced to present their resignation, they must not lose their length of service or suffer reductions to their salary to an extent greater than that permitted by the law, and at the end of the leave they must not be demoted.

#### **II.5. FREEDOM OF ASSOCIATION.**

The right to establish or join trade union associations and the right to comply with collective agreements under the terms permitted by local laws must be guaranteed.

All the employees must have the right to choose the trade union association to join.

The trade union association must be guaranteed the right to carry out its activities during working hours under the terms established by local legislation and refrain from any sort of discrimination according to the provisions envisaged by local legislation.

All the staff must be guaranteed the right to anonymously express their opinion by means of the arrangement of a mailbox, via e-mail or by means of any other channel arranged by the employer.

A whistle-blower system is established on each Company site respectively.

## **II.6. SALARY AND WORKING HOURS.**

All the staff must be guaranteed the minimum wage envisaged by the sector law or by the collective bargaining applicable in the place the work is performed, if this envisages better conditions for the employee.

It is mandatory to correctly calculate the pay of its employees and pay it over together with a precise payslip which permits the checking thereof.

It is mandatory to guarantee income security, social security contributions and any other sector-related legislative provision in observance of the applicable legislation. Unjustified deductions from the payslip are not permitted.

The employees must be paid the amount envisaged for every form of remunerated leave which they have the right to access.

The working hours must not exceed the daily, weekly, monthly, quarterly and annual limits envisaged legally.

Each employee must be guaranteed at least one days rest a week.

Overtime must be voluntary and always remunerated.

The whole value chain is required to apply same practices.

## **II.7. EMPLOYMENT OF FOREIGN CITIZENS.**

The employment or in any case use - including through staffing agencies - of foreign workers who do not have a residence permit as envisaged by the law in force, or whose permit has expired and whose renewal, revocation or cancellation has not been requested within the terms of the law, is not permitted.

Furthermore, it is recalled that it is a criminal offence to promote, direct, organise, finance or transport foreigners into the territory of the State, or to carry out other acts aimed at illegally procuring their entry into or facilitating their stay in the territory of the State or of another State of which the person is not a citizen or does not have a permanent residence permit, in the event that:

- the act relates to the unlawful entry into or residence in the territory of the State of five or more persons;
- the person transported was subjected to danger to his or her life or safety as a result of his or her illegal entry or presence;
- the person transported has been subjected to inhuman or degrading treatment in order to procure his or her illegal entry or presence;
- the act is committed by three or more persons acting in complicity with each other or using international transport services or documents that are forged or altered or in any case unlawfully obtained;
- the perpetrators of the fact have the availability of weapons or explosive materials.

The punishment shall be increased if the facts referred to above:

- are committed in order to recruit persons to be intended for prostitution or in any case sexual or labour exploitation or concern the entry of minors to be employed in illegal activities in order to favour their exploitation;
- are committed with a view to gaining profit, even indirectly.

## **II.8. DISCIPLINARY MEASURES.**

No form of physical or psychologic violence must be envisaged as disciplinary measures.

The disciplinary procedure must be made accessible to all the employees in the local language or in any event a language comprehensible to the employees. The procedure must observe all the applicable laws and, where present, the collective contracts which ensure greater protection for the employees.

All disciplinary action must be carried out in accordance with the applicable law, and such respect has to be granted by the whole value chain.

## **II.9. TRANSPARENCY OF THE PRODUCTION CHAIN**

The transparency of the information regarding the origin of the raw materials and the operations carried out on the same must always be guaranteed.

The production forecast and any possible production excess under contract must be precisely communicated.

The Supplier is not permitted to resort to sub-contracting without the prior written consent of RINO MASTROTTO GROUP.

In any event, the Supplier is obliged to make the sub-contractor aware of, observe and sign a copy of this Code, Section II, by way of acceptance.

In the event sub-contracting is indispensable, RINO MASTROTTO GROUP must be immediately informed.

## **II.10. HEALTH AND SAFETY MANAGEMENT SYSTEMS.**

It is mandatory to arrange and maintain safe and healthy work environments in observance of current legislation regarding the protection of workers and the prevention of accidents in the workplace, for the purpose of ensuring the physical and moral integrity of its Employees and co-workers.

Procedures suitable for identifying and reducing the risks for health and safety in the workplace must be identified. In particular, it is necessary to: avoid the risks; assess the risks which cannot be avoided; contrast the risks at source; adapt the work to the man, especially with regard to the conception of the work stations, the choice of the equipment, the work and production methods, also so as to mitigate monotonous, repetitive work and reduce the effects on health; replace that which is dangerous with that which is not dangerous or is less dangerous; plan the measures deemed appropriate to ensure the improvement of safety levels over time, also through the adoption of codes of conduct and good practices; give priority to collective protection measures over individual protection measures; impart adequate instructions to workers, ensure that all those who carry out their work are trained and informed on the risks to which they are exposed, ensuring the means and individual protection devices deemed necessary in relation to the risk profile detected; continuously monitor the efficiency of the system to guard against risks related to safety, in the pursuit of objectives of continuous improvement in this sensitive area, taking into account the degree of technical evolution.

Emergency plans and specific intervention procedures must be defined in relation to the assessment of the risks made. A qualified representative must be appointed who ensures a safe and healthy workplace for all the staff.

All the staff must be instructed with regard to the safety of the workplace via periodic drills.

All the staff must be equipped with personal protection equipment and accident-prevention clothing required by sector legislation and by the industrial standards, without this leading to any cost for the staff.

All the staff must be obliged to wear the personal protection equipment for the entire duration of the work shift.

If in the areas of the workplace a specific risk of accidents to eyes exists, stations must be set up for washing eyes in areas rapidly and easily accessible.

The employees who use dangerous equipment and/or who are at risk of coming into contact with high voltage must have suitable technical qualifications.

In addition, RINO MASTROTTO GROUP recognises that the abuse of alcohol, drugs or similar substances by employees may negatively affect the effectiveness of their performance and may have harmful consequences for themselves, for the safety, efficiency, and productivity of their colleagues. For this reason, the improper consumption, possession, distribution or sale of alcohol, drugs and similar narcotic substances on Company premises is strictly prohibited.

## **II.11. EMERGENCIES AND ACCIDENTS.**

It is necessary to ensure that the emergency lights and alarms are in perfect working order. The evacuation route and the emergency exits must be kept clear and indicated suitably in the local language.

The fire-fighting equipment must be provided by the employer and required in the whole value chain. A periodic control of the extinguishers and the other fire-fighting systems must also be envisaged so that they are kept in a good condition and are easily accessible and well distributed throughout the workplace.

Environmental protection shall be secured even in emergency situations.

A fire-fighting team must be appointed, and periodic fire drills must be organised in compliance with local laws. These drills will involve all the staff and must be recorded.

The list of the emergency phone numbers must be easily accessible to all the employees.

First aid equipment in keeping with the possible needs must be available and, where envisaged by law, a qualified doctor/nurse must be present during working hours.

A first aid team must be appointed which must be subject to periodic drills.

An up-dated report of the accidents must be kept, which cannot be altered by those in charge of safety.

## **II.12. WORK ENVIRONMENT.**

The areas where the work activities are carried out must be in keeping with the needs and compliant with the provisions of the law for the use they are intended for. The buildings which house said areas must observe the legislative provisions concerning construction. If necessary, a specific periodic structural check must be envisaged.

The workplace must be suitably ventilated, clean, illuminated and have a comfortable temperature. In the same way, access to drinking water resources must be ensured.

The existence of the requirements mentioned above must be periodically checked, with particular attention to temperature, light, noise, ventilation, and dust.

A suitable number of bathrooms must be envisaged, in accordance with the provisions of the law. The bathrooms for the men and for the women must be separate and must be kept clean.

The wiring, electrical systems and other devices must be suitably indicated and maintained in a satisfactory condition.

Each piece of machinery must be endowed with a maintenance register, a declaration of compliance and the safety manual also in the local language. Protection devices and prevention measures are adopted for dangerous machinery. Out-of-order machinery must be suitably labelled to prevent use. Risk assessment in respect of safety and environment should be done when purchasing new equipment with risk of health and emissions to air, sewage or water.

The risk assessment in relation to safety and the environment must be carried out whenever new equipment with risks to health, emissions into the air, waste water or water in general is purchased.

If a dormitory and/or canteen are present, these must comply with the provisions of the law applicable as and when.

Chemical containers must be properly labelled and stored. The instructions for use and health protection of the chemical product must be available in a language which can be understood by the pertinent staff and must be observed by the same.

Insofar as is technically possible, the chemicals must be used in separate areas and all the precautions must be adopted for avoiding the spillage of said substances in the floor of the premises of the Supplier or on the ground as well as their emission into the atmosphere. All the inflammable substances must be kept in areas separate from those in which production takes place.

## **CHAPTER III – GOVERNANCE, LEGISLATIVE COMPLIANCE AND SOUND GOVERNANCE**

### **III.1. REGULATORY COMPLIANCE AND MONEY LAUNDERING.**

Possession of a suitable commercial licence is mandatory and financial accounts must be kept compliant with national legislative provisions and, in any event, accurate.

All the actions, operations, negotiations and, more in general, any conduct which this Code refers to, must aspire to the maximum correctness, reliability and transparency.

Within the sphere of these activities, the information must be rendered in a transparent, truthful, complete and accurate manner.

Each of these activities, what is more, must be duly authorised and correctly registered, as well as verifiable, consistent and suitably documented for the purpose of permitting - at any time - the checking of the related decision-making, authorisation and performance process.

RINO MASTROTTO GROUP condemns any activity that involves money laundering, i.e. the accomplishment of transactions concerning proceeds from criminal activities in any form or way, in order to effectively hinder the identification of the criminal origin.

RINO MASTROTTO GROUP also intends to protect itself from the risk of purchasing goods originating from illegal activities and high risks in sustainability perspective such as climate or energy related risks.

Certification of the regularity when receiving goods/services without a careful evaluation of merit and congruity in relation to the good/service received is forbidden as is authorising the payment of goods/services without checking the congruity of the supply/service in relation to the contractual terms.

It is mandatory to aspire to criteria of transparency in the exercise of the company's activities and in the choice of the Supplier, paying the utmost attention to information concerning third parties with whom the Company has relations of a financial or commercial nature that may even only give rise to the suspicion of the commission of an offence that is a precondition for the offence of Self-laundering.

In any case, the payment of fees to external consultants that are not adequately justified in relation to the type of task to be performed or carried out, is not permitted.

Therefore, one shall in no way be implicated in events related to money laundering and self-laundering of money deriving from criminal activities or to receiving goods or other profits of unlawful origin and, in particular, to propose or hand over goods deriving from criminal activities carried out by him or her.

Therefore, the information available on commercial counterparties, suppliers, partners, associates and consultants shall be checked in advance in order to ascertain their respectability before establishing business relations with them, and the utmost attention shall be paid to information concerning third parties with whom the Company has financial or commercial relations that may even only give rise to the suspicion of the commission of an alleged money laundering offence.

It is mandatory to comply with all applicable rules and regulations, both national and international, on the fight against money laundering and self-laundering, with the invitation to report to the competent authorities any transaction that may constitute a crime of this nature. In particular, Senior Management and all those who carry out their activities in areas at risk must undertake to ensure compliance with the laws and regulations in force in every geographical context and operational sphere, with regard to the measures to limit the use of cash and bearer securities in transactions.

The transfer of cash or bearer securities is prohibited when the value of the transaction, even if split, is equal to or greater than the limit laid down by law. Any other conduct aimed at accomplishing such a transfer (e.g. promise or agreement to transfer, etc.) is also prohibited.

The knowledge of the customers is an essential condition to prevent the use of the production - financial system of RINO MASTROTTO GROUP for money laundering purposes, as well as to evaluate possible suspicious transactions.

In any case, having relations with persons (natural persons and/or legal entities) known to belong or suspected of belonging to criminal organisations or in any case operating outside the law is absolutely forbidden, such as, purely by way of example but not limited to, persons linked or in any case traceable to organised crime, money laundering, drug trafficking, usury, receiving stolen goods and labour exploitation.



### III.2. CONDUCT PREVENTING TAX OFFENCES

Declarations, settlements, as well as any other compulsory communication for tax purposes, must be made and submitted in compliance with the formalities and timescales envisaged by the relevant regulations in force.

It is the duty of the Company and of the Employees, within the sphere of their respective duties and roles, to constantly update and implement new legislation, official practices as well as OECD indications on tax matters insofar as relevant.

Internal information and training on tax matters must be furthered, and the widest possible dissemination and knowledge of the policies/procedures adopted by the Company to comply with tax constraints, obligations and fulfilments in general, as well as to prevent their violation, must be guaranteed to the competent corporate functions.

Engaging in conduct that violates the provisions of tax law and that is aimed at evading taxes or obtaining non-existent, fictitious or otherwise undue tax credits/withholdings is prohibited; in particular, it is expressly prohibited to engage in (i) deductions of fictitious or non-existent taxable elements, (ii) objectively or subjectively simulated conduct, (iii) fraudulent conduct likely to hinder the assessment activities or mislead the tax authorities, (iv) producing false, fictitious or otherwise artificial documents.

Engaging in any conduct aimed at enabling the use of undue, non-existent, or fictitious tax credits is prohibited; declarations, projects, statements of account, as well as any other documentation used and aimed at obtaining benefits, must contain only truthful information and in any case must comply with regulatory provisions.

In particular, producing false or altered documents and/or data or to omitting due information is forbidden.

Those who carry out a control and supervision function on fulfilments connected to the attainment of tax credits/reimbursements (payment of invoices, entrusting projects and/or assignments, etc.) must pay particular attention to the implementation of such fulfilments by the persons in charge.

Engaging in conduct that may constitute an abuse of the law on tax matters is also forbidden, i.e., transactions without economic substance which, while formally complying with the tax rules, essentially achieve undue tax advantages. A tangible example could be the case of transfer of shares between companies belonging to the same group aimed at circumventing the provisions on the non-deductibility of capital losses for equity investments falling within the scope of the participation exemption regime (pursuant to Article 87 of the TUIR - Income Tax Consolidation Act).

The issue or use of invoices for non-existent transactions is prohibited. The prohibition concerns (i) both objective and subjective non-existence (where the issuer of the service is not the real one), (ii) both total and partial non-existence or so-called over-invoicing.

Engaging in any conduct aimed at concealing or destroying, in full or in part, accounting documents which must be kept both for tax and statutory purposes, is forbidden.

Simulating the disposal of or carrying out fraudulent acts on the assets of the company, so as to render ineffective, in full or in part, the compulsory collection procedure (it is not excluded that such an objection may also occur at the stage of the tax assessment), in order to evade the payment of income taxes or VAT or of the relevant interest or penalties if the total amount exceeds Euro fifty thousand, is prohibited.

Indicating in the documentation submitted for the purposes of the tax settlement procedure (e.g. during the prior arrangement with creditors procedure or other insolvency proceedings) assets for an amount lower than the actual amount or fictitious liabilities for a total amount higher than Euro 50,000 in order to obtain for oneself or others a partial payment of taxes and related charges, is prohibited.

### III.3. ANTI-CORRUPTION

#### **Dealings with Public Administration Authorities and with other third parties**

An anti-corruption policy will have to be adopted and observed in line with the matters envisaged by this Code and, in any event, with the reference legislation.

In particular, addresses who represent a Group's company, or act in its interest, or have business relationships with it, must refrain from any form of corruption with reference to both public and private entities.

Dealings with national, European Union or international public administration authorities and institutions must be based on the strictest compliance with the legislative provisions in force, as well as on the principles of honesty, good standing and transparency.

Within the sphere of the relationships with the national, EU or international public Institutions and Administration Authorities, it is necessary to observe the legislative provisions in force and, in any event, aspire to principles of honesty, good standing and transparency.

Within the sphere of the dealings with the national, EU or international public Institutions and Administration Authorities, as well as with public officials or public servants, or bodies, representatives, agents, exponents, members, employees, consultants, those appointed with public functions, the decisions of said Authorities or Institutions and in particular the officials who negotiate or decide on their behalf must not be inappropriately influenced.

During the course of a negotiation or a business relationship, including commercial, with public Institutions or Authorities, one must refrain from the following conduct:

- offering or granting opportunities of employment and/or commercial benefits to public officials involved in the negotiation or dealings, or to the related family members;
- offering gifts and other benefits, unless these are acts of commercial courtesy of a modest value;
- providing untrue information or omitting to communicate important facts, when requested.

In any event, paying, or offering, directly or via third parties, sums of money or benefits of any kind or entity to public officials, whether they are public officers, government representatives, public employees, public servants so as to compensate or pay them for an act under their office or to accomplish the execution of an act contrary to the duties of their office, is not permitted. This also applies in the event of coercion by a public official who abuses his or her position or powers.

Paying or promising money or other benefits (e.g. fictitious consultancies or higher fees that are not adequately justified in relation to the type of appointment, etc.) to persons who exploit or benefit from relationships (alleged or existing) with public officials or public servants is prohibited:

- by way of the price for unlawful mediation by the mediator vis-à-vis the public official or public servant for the benefit of the company,
- as remuneration to a public official or a public servant for the exercise of the latter's functions or powers (or for performing an act contrary to the official duties, aggravated hypothesis).

Giving or promising money or other benefits, by exploiting or benefiting from existing dealings with a public official or a public servant is also expressly prohibited:

- by way of the price for one's own unlawful mediation (offer) to the public Official/public servant;

- as remuneration to be paid to the Public Official or Public Servant for the exercise of their functions or powers (or for performing an act contrary to their official duties: aggravated hypothesis)

Also, with regard to private subjects, it is necessary to avoid offering and granting directly or indirectly money, job opportunities, gifts or other benefits, in order to commit or omit acts in violation of the obligations of office or loyalty, (e.g. for Italy pursuant to articles 2635 and 2635 bis of the civil code) or to take unfair advantage for the individual company and / or the Group.

RINO MASTROTTO GROUP does not in fact allow any form of payment or granting of advantages to customers, commercial counterparties and third parties in general, which is not strictly derived from a contractual obligation or from a business relationship governed by a contract. RINO MASTROTTO GROUP also expects its customers, suppliers and other parties to share this principle and act in compliance with it.

The Supplier must base its dealings with RINO MASTROTTO GROUP on the needs of its customers, on loyalty, on professionalism, on willingness and promptness in meeting the commercial requests and on the accurate fulfilment of the obligations undertaken, encouraging on-going collaboration and solid and long-lasting relationships of trust.

The same principles must be applied by the Supplier vis-à-vis its suppliers and sub-contractors and the entire value chain. In the selection of Suppliers and in the conferral of professional appointments, objective and transparent selection mechanisms must therefore be observed, inspired by the principles of competence, cost-effectiveness, transparency and fairness, and the phases relating to the establishment, management and termination of the aforementioned relationships must be adequately documented.

It is necessary to contribute towards the wellbeing and growth of the entire community in which it operates. Accordingly, the company and the Supplier must align themselves, in the performance of their activities, with the respect of the local and national communities, encouraging dialogue with the same, with the public institutions which represent them, the trade union associations or other associations.

There must be no dealings with national or international organisations, associations or movements which pursue, directly or indirectly, unlawful ends or, in any event those prohibited by law.

#### **Public grants, subsidies and funding and State aid**

The declarations made to public bodies in order to obtain grants, contributions or funding, as well as any documentation used for reporting on the service, must contain only truthful information.

The following is forbidden:

- producing false or altered documents and/or data or omitting due information, also in order to obtain contributions/grants/financing/aid or other funds from the State, the European Community, national economic institutions and authorities, or any other public bodies; this prohibition also applies in the event that contributions/grants/financing/disbursements are received from customers in relation to products supplied by the Company;
- applying for or obtaining of disbursements, contributions or financing, or state aid, outside the conditions legislatively provided for; or
- allocating public contributions/grants/financing/State aid for purposes other than those for which they were obtained;
- gaining unauthorised access to the information systems of the Public Administration Authorities in order to obtain and/or modify information to the benefit of the Company;
- reporting incorrectly to the Competent Authority on the use of disbursements, grants or loans, or State aid.

Those carrying out any control and supervision function with regard to requirements regarding the accomplishment of such activities (invoice payments, use of funds/aids granted by the State or any EU body, etc.) shall pay particular attention to the implementation of said requirements by the appointed parties.

## **Cyber fraud**

The sending of computer or telematic communications to the Public Administration Authorities (P.A.A.) and the receiving of computer or telematic communications from the P.A.A. are reserved exclusively for the identified personnel, in compliance with the authorisation system in place care of the Company. Such personnel are authorised to use the Company's computer and telematic systems on the basis of the access profiles assigned to them.

It is forbidden for anyone working in the name of RINO MASTROTTO GROUP to use for the processing of data and information relevant to the dealings with the P.A.A., and/or for the sending of computer or telematic communications to the P.A.A. or for receiving documents, instruments different from the company ones as assigned above or made available, once or once in a while, by the P.A.A. themselves (e.g. Entratel channel).

Communicating electronic documents to the P.A.A. by means other than the authorised e-mail account (PEC) or sending communications to the P.A.A. via PEC with an electronic document attached which does not bear the digital signature of the person responsible for signing it, is in any event forbidden.

It is expressly forbidden for anyone i) to have dealings with the P.A.A. involving computer or telematic communications in the name of, or from the P.A.A. to the Company, or ii) to operate in any way on data, information or programs contained in a computer or telematic system (owned or otherwise available to the Company, or to the P.A.A. themselves), to alter the operation of a computer or telematic system in any way or to intervene without having the right to do so, by any means whatsoever, on data, information or programs contained in a computer or telematic system, or pertinent to them, in order to procure an unfair profit for oneself or others to the detriment of others.

## **Dealing with public inspection bodies and judicial authorities**

It is necessary to implement the fulfilments vis-à-vis the Supervisory Authorities fully and scrupulously and to actively cooperate during the inspection activities.

Directly or indirectly exerting undue pressure (in any form exercised or attempted) aimed at inducing the Judicial Authority to favour the Company in the decision on the dispute is forbidden.

In the event of investigation by the Judicial Authority (or delegated CID), the utmost cooperation and transparency shall be provided, without reticence, omissions or statements not corresponding to the truth. Anyone requesting their subordinates not to provide the information requested or to provide information that does not correspond to the truth shall be sanctioned.

In dealings with the Judicial Authority, those who may be investigated or accused in criminal proceedings, including related proceedings, concerning their work activities in the Company, shall freely express their declarations of the facts or freely assess the exercise of the right to remain silent granted by law.

It is expressly forbidden for anyone to coerce or induce, in any form or manner whatsoever, in the misunderstood interest of the Company, the will to answer to the judicial authority or to make use of the right to remain silent.

### **Safeguarding of public faith**

It is forbidden to behave in such a way as to falsely declare to a public official, in a public deed (or equivalent, such as a declaration in lieu of an affidavit, self-certification, etc.), facts of which the deed is intended to prove the truth.

By way of example and without limitation, it is expressly prohibited to:

- submit to the public official false declarations and/or communications required by the law in which one certifies that one possesses the requirements envisaged by the regulations;
- make false declarations to the customs agent in charge of drawing up the customs bill (e.g. submitting to the Customs Office documentation certifying possession of the status of "Authorised Exporter" to a third country that is not among those included in the authorisation held);
- falsely certify, in the declaration in lieu of affidavit, that they have not been convicted of any criminal offence;
- make false declarations of possession of the requirements for participation in a tender (e.g. being in order with the payment of contributions);
- falsely report the loss of documents such as driving licences, insurance documents, bank cheques, credit cards, etc. to the Police.

In addition, any conduct involving the following is forbidden:

- the creation, in full or in part, of false public documents or the alteration of public documents;
- the counterfeiting or alteration of certificates or administrative authorisations, or, by counterfeiting or alteration, making it appear that the conditions required for their validity have been fulfilled;
- simulating a copy of the deeds and issuing it in a legal form;
- the issue of a copy of a public or private deed that differs from the original.

By way of example and without limitation, it is therefore expressly prohibited to:

- forge a document (driving licence, vehicle registration certificate, etc.) by making it appear to have been issued by a vehicle registration agency;
- create a false registration plate;
- forge deeds of incorporation of companies by manipulating the notary's seal;
- falsify bank collection orders for tax payments and receipts for postal payments (e.g. altering receipts certifying payment of vehicle taxes and customs bills);
- physically falsify tax payment forms;
- falsify notarial deeds;
- destroy protest documents after they have been drawn up by the presenter of the securities.

### **Customer relations**

RINO MASTROTTO GROUP bases the company activities and the performance of business on quality, intended not only

as a merit of the product but also as attention to the particular needs of the Customers, on professionalism, availability and timeliness in responding to commercial requests and on the punctual examination of complaints, for a full satisfaction of its Customers.

In dealings with Customers, correct and clear conduct shall be adopted, favouring, whenever possible, the written form, in order to avoid misunderstandings or misinterpretations regarding the content of the existing commercial relations.

It should be noted that the restriction on offering or granting job opportunities, gifts or other benefits - specified in point III.3 "ANTI CORRUPTION" - " Dealings with Public Administration Authorities and with other third parties", in order to make them perform or omit acts in violation of their official or loyalty obligations, in order to take undue advantage for the individual company and/or for the Group, also applies to relations with Customers( e.g. for Italy understood as the subjects indicated in articles 2635 and 2635 bis of the Civil Code).

The following is therefore expressly prohibited:

- offering, handing over or promising, even through an intermediary, to anyone, for himself or for others, undue money in order for the recipients to perform or omit acts in violation of the obligations inherent to their office or their loyalty obligations vis-à-vis the entity for which they work;
- granting or promising to any person other undue advantages, including but not limited to forms of entertainment, gifts, travel and other goods of value, for the above purpose;
- soliciting or receiving undue money or accepting a promise thereof, for oneself or for others, including through an intermediary, in order to perform or omit acts in violation of the obligations inherent in one's office or one's loyalty obligations;
- soliciting or receiving other undue advantages or accepting the promise thereof for the above purpose;
- compelling anyone to perform or omit an act by means of violence or threat, in order to procure an unfair profit for the Company to the detriment of others;
- appropriating money or movable property in one's possession in order to obtain an unfair profit for the Company.

The Company considers as acts of corruption both unlawful payments made directly by national institutions and/or entities or by their staff, and those made through entities acting on behalf of the same in Italy or abroad.

The Company is aware that it belongs to a value chain in which there may be detrimental impacts on the protection of human rights, climate, environment, and intends to work to ensure its customers, engaged in paths of sustainability, its full adherence to the behavioural principles defined by them. To this end, it is committed to structuring a process for the periodic verification of the contents of the Codes of Ethics disclosed by customers and gradually updated by them, as well as the integration of any additional conduct in its own Code of Ethics and Conduct or in any case in the alignment with these Codes of its own Code, which is disclosed internally and to subcontractors.

#### **III.4. ORGANISED CRIME (INCLUDING CROSS-BORDER)**

In its activities RINO MASTROTTO GROUP intends to avoid any contact with parties at risk of dealings with criminal organisations and does its best - and also asks the Suppliers to do their best - to know its commercial partners and suppliers, verifying their commercial and professional reliability, also through consultation of databases or appropriate lists locally established.

In light of this, all the activities and transactions carried out within the corporate context of the company or of the Supplier, or on behalf of the same, must be marked by compliance with the laws in force, as well as with the principles of fairness and transparency, in order to prevent the commission of organised crime offences (including cross-border ones).

The following is prohibited:

- undertaking or assigning contracts or carrying out any commercial and/or financial transaction, either directly or through an intermediary, with parties - natural or legal persons - whose names are contained in contained in databases or specific locally established lists (e.g. prefectural white lists, legality rating, etc. for Italy also companies adhering to the legality protocol between Confindustria and the Ministry of the Interior) or by parties controlled by the latter when this control relationship is known;

- taking on or assigning contracts or carrying out any transaction that may be anomalous in terms of type or subject matter, or that may lead to the establishment or maintenance of relations that are anomalous in terms of their reliability and/or the reputation of the counterparties.

It is forbidden to make use, even through the interposition of third parties, of labour provided by persons illegally present in the national territory and/or in possession of identity documents that are counterfeit or altered or in any case illegally obtained.

It is prohibited to use, even occasionally, the Company or one of its organisational units for the purpose of enabling or facilitating the commission of organized crime offenses, including transnational ones (e.g. for Italy indicated by art. 24 ter of the Decree and art. 10 of the law n.146/2006) or, by way of example but not limited to:

- criminal association;
- mafia-type associations, including foreign;
- votes in exchange for favours between Mafia and politicians;
- other offences committed by mafia-type associations or by facilitating the activities of mafia-type associations (e.g. for Italy making use of the conditions set out in article 416 bis)
- criminal association aimed at smuggling foreign tobacco products or aimed at the illegal trafficking of narcotic or psychotropic substances;
- provisions against illegal immigration;
- aiding and abetting (possible only for cross-border offences);
- assistance provided to associates of associations for the purpose of terrorism, international or otherwise, or the subversion of democratic order.

Furthermore, it is forbidden to provide, directly or indirectly, funds in favour of persons who intend to commit the above-mentioned offences.

It is forbidden to undertake or assign contracts or carry out any commercial and/or financial transaction, either directly or through an intermediary, with parties - natural or legal persons - at risk of relations with criminal organisations or with parties controlled by the latter when this control relationship is known.

Taking on or assigning contracts or carrying out any transaction that may be anomalous in terms of type or subject matter, or that may lead to the establishment or maintenance of relations that are anomalous in terms of their reliability and/or the reputation of the counterparties is prohibited.

### **III.5. CONFIDENTIALITY AND PROTECTION OF THE INDUSTRIAL AND INTELLECTUAL PROPERTY.**

For the purposes of this Code of Conduct, “Confidential and Proprietary Information” is understood to be all and every confidential information, protected and/or not generally available to the public, revealed in any form and by any means by RINO MASTROTTO GROUP to the Supplier, including therein but not limited to the information relating in full or in part to trade secrets, financial information, business plans and marketing strategies, prices, intellectual property rights (such as distinguishing signs, registered and unregistered trademarks, logos, domain names, patents, utility models, drawings, designs and models, rights on designs owned by the Company and/or third parties), copyrights, all the original works of a creative nature covered or otherwise by copyright, technical and commercial information including, but not limited to, information and/or data regarding the existence of the contractual relationship outstanding with the Company.

The confidentiality of the Confidential and Proprietary Information must therefore be guaranteed by the company personnel, by the Supplier and its staff, in compliance with the most rigorous observation of the legislation in force on the subject of data protection, industrial property and copyright.

In the event of access to electronic information protected by password, the latter can be known exclusively by the parties assigned the same, who have the obligation not to divulge them and to keep them in such a way so that they cannot be accessed by unauthorised parties.

It is therefore necessary to undertake to protect and maintain the confidentiality of all the Confidential and Proprietary Information adopting standards of maximum diligence for preventing that the confidential information is revealed, or subject to divulgence, directly or indirectly, to third parties or persons, including therein any of its co-workers, employees, managers, office workers and legal consultants or those of another kind, except for those co-workers, managers, office workers and legal consultants who: (i) need to have access to the same and awareness of which is necessary for the correct execution of the contractual relationship with the Company; (ii) have been informed of the confidential nature of the Confidential and Proprietary Information; and (iii) have been bound by the same confidentiality obligations the Supplier is responsible for.

It is understood that any other divulgence may be made solely subject to the written consent of the Company.

The obligations relating to the Confidential and Proprietary Information contained in this Code do not apply to information which:

- is or has become public domain not as a result of an illicit act committed by the Supplier;
- has been legitimately revealed to the Supplier by third parties without violation of a confidentiality agreement or similar pact and without violation of this Code of Conduct;
- has become possible to divulge due to the express authorisation of RINO MASTROTTO GROUP; and
- whose divulgence is required by the law or the order of a judge or government agency or regulatory authority.

It is understood that the burden of the proof that the Confidential and Proprietary Information has been revealed in compliance with the exceptions envisaged by the previous point is the responsibility of the Supplier.

All the Confidential and Proprietary Information and any derivative information shall remain the exclusive property of the Company. The Supplier in fact acknowledges that this Code does not grant any right to use the Confidential and Proprietary Information for purposes other than those agreed expressly in writing with RINO MASTROTTO GROUP.

Specifically, using on one’s own account, duplicating, reproducing, imitating, patenting in any form and with any means for any purpose, the Confidential and Proprietary Information, as well as adopting any conduct aimed, in general, at forging, altering, duplicating, reproducing or disclosing others work, in any form and without the right to, also by means of the revelation of the related content before it is made public, is forbidden.

In fact, compliance with the applicable regulations on the protection of trademarks, patents and other distinctive signs and on copyright must be ensured.

In particular, the Company does not allow the use of intellectual works without the mark used to protect and exercise copyright brokerage or with an altered or counterfeit mark (if required by applicable local legislation), prohibits the reproduction of computer programs and the contents of databases, as well as the appropriation and dissemination, in any form, of protected intellectual works, including through the disclosure of their contents before they are made public.

RINO MASTROTTO GROUP condemns and prohibits:



- the intentional communication of untruthful or incomplete information concerning the products or services sold;
- the delivery of products that differ in origin, provenance, quality or quantity from those declared or agreed (e.g. different from what is foreseen by the Reach Regulation, or that present divergences concerning also non-essential qualifications of the product in relation, for example, to the conditions/place of breeding, its usability, quality or degree of preservation, etc.);
- the sale or circulation of industrial products, with names, national or foreign brands or distinguishing signs, likely to mislead the buyer about the origin, source or quality of the work or product.

We reiterate the obligation, in the business activities of the company and the Supplier, to avoid any contact with parties at risk of dealings with criminal organisations and to make every effort to get to know their business partners and suppliers, verifying their commercial and professional reliability.

The use, for any reason and for any purpose, of products with counterfeit marks or signs is not permitted.

Similarly, it is forbidden - except in the cases envisaged by law or any agreements with authorised parties - to manufacture or market or engage in any activity in violation of third-party patents.

Furthermore, the Company condemns and prohibits:

- the publication of another person's intellectual work, or part of it, without having the right to do so or with usurpation of authorship, deformation, mutilation or other modification of the work itself, causing offence to the honour or reputation of the author;
- the duplication, importation, distribution, sale, possession for commercial and/or entrepreneurial purposes or leasing of programs protected by copyright laws;
- the duplication, reproduction, transmission or dissemination in public by any process, in full or in part, of an original work intended for the television or cinema circuit;
- the abusive reproduction, transmission or dissemination in public by means of any procedure, of works or part of literary, dramatic, scientific or didactic, musical or dramatic-musical works, or multi-media works;
- import, possession for sale, distribution, sale, rental, transfer for any purpose, commercial promotion or installation of special decoding devices or elements which permit access to an encrypted service without payment of the fee due;
- sale, import, promotion, installation, modification, use for public or private use of equipment or parts of the same suitable for decoding audio-visual transmissions involving conditional access made via ether, satellite, cable, in analogue or digital form;
- the sale or circulation of industrial products, with names, national or foreign brands or distinguishing signs, likely to mislead the buyer about the origin, source or quality of the work or product;
- the manufacture or industrial use of objects or other goods made by usurping an industrial property right or in violation thereof (having knowledge of the existence of the industrial property right) and, in particular, the use of information or data, owned by the customer or by third parties, protected by an industrial property right, without specific authorisation from the customer or the third party;
- the production or introduction into the territory of the State in order to trade in them (in violation of the rights of the legitimate owner), of intellectual works or industrial products bearing counterfeit national or foreign trademarks or distinguishing signs;
- the production or introduction into the territory of the State in order to trade in intellectual works or industrial products usurping national or foreign designs or models, or counterfeiting, alteration of the same designs or models.

### **III.6. ANTI-FRAUD CONDUCT IN TRADE**

It is necessary, in the context of one's business activities, to avoid any possible form of disturbance to the freedom of industry or trade, as well as any possible conduct of unlawful competition, fraud, counterfeiting or usurpation of industrial property rights.

Therefore, fraudulent conduct, the expression of dishonest and unfair business practices, as this lacks the fairness and honesty that must always characterise business transactions, is prohibited.

The following are therefore condemned and prohibited:

- the intentional communication to the customer (even only potential) of untruthful or incomplete information concerning the products or services sold;
- the delivery to the customer of products that differ in origin, source, quality or quantity from those declared or agreed (e.g. the manufacture of products using toxic substances or, in any case, substances prohibited by specific Regulations or by law, discrepancies concerning even non-essential product qualifications in relation to its usability, value or degree of preservation, etc.);
- the sale or circulation of industrial products, with names, national or foreign brands or distinguishing signs, likely to mislead the buyer about the origin, source or quality of the work or product.

### **III.7. FAIR COMPETITION AND CONFLICT OF INTERESTS.**

It is necessary to contribute towards the development of a healthy and correct system of competition, in observance of the laws which discipline the subject.

Furthermore, it is necessary to refrain from adopting and/or encouraging conduct which may take on the form of unfair competition, such as the diversion of customers, the cornering of customers also via the violation of the principle as per section III.3.

When carrying out its activities, it is necessary to avoid situations where the parties involved in the transactions are, or may also just appear to be, in conflict of interest.

Conflict of interests must be understood to be the cases where the party involved has an interest differing from the purpose pursued with the transaction or carries out activities which may in any event interfere with their capacity to make decisions in the exclusive interest of the company for which they work, or they personally taken advantage of business opportunities which the Supplier has due to dealings with RINO MASTROTTO GROUP.

It is necessary to refrain from carrying out activities contrary to the interest of the Company, being aware that the pursuit of such interest shall not however legitimise conduct contrary to the Principles of the Company.

In the event of conflict of interest, the Supplier must promptly inform RINO MASTROTTO GROUP and comply with the decisions the latter adopts in this connection.

### **III.8. GOOD STANDING AND TRANSPARENCY OF THE INFORMATION;**

Every action, operation or transaction must be correctly recorded in the company's accounting system according to the criteria indicated by the law and by the relevant accounting principles; it must also be duly authorised, verifiable, legitimate, consistent and congruous.

Accounting records - all documents that numerically represent management events, including internal expense reimbursement notes - must be kept accurately, completely and promptly, in compliance with the company's accounting procedures, in order to provide a faithful representation of the financial situation and management activities.

Internal information and training on tax-related matters must be furthered, and the widest possible dissemination and knowledge of the policies/procedures adopted by the Company with regard to the drawing up of the tax and settlement declarations and calculation of the taxes, must be guaranteed to the competent corporate functions.

So that the accounts comply with the requisites of truth, completeness and transparency of the data registered, for each transactions suitable and complete documentation supporting the activities carried out must be kept in the official documents, so as to permit:

- the accurate accounts registration;
- the immediate identification of the characteristics and justifications underlying the same;
- the easy formal and chronological reconstruction of the transaction;
- the checking of the decision-making, authorisation and accomplishment process, as well as the identification of the various levels of responsibility.

Each Employee shall ensure, to the extent of his/her responsibility, that any fact relating to the management of the Company is correctly and promptly recorded in the accounts.

Each accounting entry must accurately reflect the results of the supporting documentation. Therefore, it shall be the duty of each Employee in charge of this task to ensure that the supporting documentation is easily available and ordered according to logical criteria.

The financial statements and corporate communications envisaged by Law and by the special applicable regulations shall be drawn up clearly and provide a true and fair view of the Company's equity and financial situation.

### **III.9. CONDUCT IN CORPORATE MATTERS**

Reports, communications and filings with the Companies' Register that are mandatory for the Company must be made by the parties identified by law in a timely and truthful manner and in compliance with the regulations in force.

It is expressly forbidden to prevent or hinder, through the concealment of documents or other suitable devices, the performance of control or audit activities legally assigned to Shareholders, other Corporate Bodies or Audit Firms.

It is forbidden to engage in simulated or otherwise fraudulent conduct aimed at determining the majority at the general meeting.

It is prohibited, even by means of disguised conduct, to return contributions made by shareholders or to release them from the obligation to make them, except in cases of legitimate reduction of the share capital.

It is forbidden to distribute profits or advances on profits not actually earned or allocated to reserves or to distribute restricted reserves.

It is forbidden to fictitiously form or increase the share capital of the Company, by assigning shares or holdings for a sum lower than their nominal value, reciprocal subscription of shares or holdings, significant overestimation of contributions in kind receivables, or of the Company's assets in the event of transformation.

It is forbidden to carry out any kind of transaction that may cause damage to Shareholders or Creditors.

It is forbidden to carry out real or simulated transactions that may distort the correct dynamics of the formation of the demand and supply of financial instruments and the performance of transactions that may unduly benefit from the dissemination of incorrect information.

### **III.10. USE OF THE IT SYSTEMS, PERSONAL DATA PROTECTION AND PROTECTION OF THE COPYRIGHT.**

Every member of Senior Management and Employee is responsible for the security of the IT systems used and is subject to the legislative provisions in force, the conditions of the licence agreement and the internal company procedures.

The Company shall use the IT resources assigned exclusively for the performance of its activities, in full compliance with the regulations on the use and management of IT systems and the defined corporate procedures.

Furthermore, it is not permitted to install unlicensed software on computers or devices owned by and/or in use by the Company, or to use and/or copy documents and material protected by copyright (audio-visual, electronic, paper or photographic recordings or reproductions) without the express authorisation of the legitimate owner and except in cases where such activities are part of the normal performance of the functions entrusted to him/her.

Illegal downloads or the transmission of copyright-protected content to third parties is expressly prohibited.

Without prejudice to the provisions of statutory and criminal laws, in general improper use of company assets and resources includes the use of the same for purposes other than those inherent to the employment relationship or for sending offensive messages or which may cause damage to the image of the Company.

Employees are required to make the necessary efforts to prevent the possible commission of offences through the use of IT tools. In particular, in order to exclude unlawful conduct contrary to the rules in force on information technology, employees and other parties working on behalf of the Company are forbidden to do the following, including via third party systems:

- illegally access a computer or telematic system protected by security measures, or remain in the same against the express or tacit will of the party who has the right to exclude them;
- illegally possess and disseminate access codes to computer or telematic systems protected by security measures, procuring, reproducing, disseminating or handing over codes, passwords or other means suitable for access, or provide others with instructions suitable for the aforementioned purpose;
- disseminate equipment, devices or programmes intended to damage a computer or telematic system or to interrupt its operation either totally or partially;
- fraudulently intercept information relating to a computer or telematic system (or between several systems), or unlawfully prevent or interrupt such communications, or instal equipment designed to intercept them;
- damage information, data or computer programmes of others, including those used by the State or other public body or in any case of public utility, by introducing or transmitting data, information or programmes;
- commit computer fraud by violating the legal obligations for the issue of a qualified certificate of electronic signature.

It is obliged to comply with the procedures and instructions provided by the Company regarding privacy in favor of the data subjects, including, but not limited to, those that are the subject of written commitments made in this regard by the Company in favor of third parties in the capacity of any external data processor.

It is also required to refrain from unfair competition practices towards third parties. Personnel are obliged to scrupulously comply with any non-competition agreements entered into with former third-party employers and effective after the termination of the relationship with them, notifying the Company without delay in writing of any possible risk of relative violation.

### **III.11. CONDUCT PREVENTING COUNTERFEITING OFFENCES**

RINO MASTROTTO GROUP condemns any activity that involves forgery, counterfeiting, alteration and/or use of coins, banknotes and revenue stamps.

To this end, it is mandatory to observe and apply the Italian and EU legislation, and to be vigilant in order to prevent the possession and use or use in good faith, with the invitation to report to the competent Authority any situation that may be related to this kind of crime.

### **III.12. CONDUCT PREVENTING OFFENCES INVOLVING RACISM AND XENOPHOBIA**

It is recalled that it is a criminal offence to participate in organisations, associations, movements or groups which incite discrimination or violence on racial, ethnic, national or religious grounds, or which propagandise, incite or instigate, in full or in part, the denial, minimisation or apologia of the Holocaust or crimes of genocide, crimes against humanity and war crimes.

Therefore, RINO MASTROTTO GROUP in its business activities intends to avoid - and also asks its Suppliers to avoid - any contact with parties at risk of relations with similar organisations; therefore it strives - and also asks its Suppliers to strive - to get to know its commercial partners and suppliers, verifying their commercial and professional reliability.

It is also forbidden to disseminate and use - through the communication tools attributable to the Company (e.g. social networks, social media, corporate blogs, leaflets or other internal hardcopy communication tools, etc.) - expressions that could incite discrimination or violence on racial, ethnic, national or religious grounds and, more generally, be understood as racist and xenophobic propaganda.

### **III.13. CONDUCT PREVENTING FRAUD IN SPORTING COMPETITIONS, UNLAWFUL GAMING OR BETTING AND GAMBLING**

RINO MASTROTTO GROUP prohibits any conduct - by company parties or third parties - that can determine an alteration of the outcome of sporting competitions from which the Company can obtain an advantage (e.g. within a sponsorship).

RINO MASTROTTO GROUP prohibits any activity that implies the performance by company parties and/or facilitates the performance by third parties (e.g. tenants) of the above mentioned offences concerning the abusive exercise of betting and gambling, in the interest or to the advantage of the Company. Therefore, the Company strives - and asks Suppliers to strives- to get to know its commercial counterparts, verifying their commercial and professional reliability.

### **III.14. CONDUCT PREVENTING SMUGGLING OFFENCES**

All the activities and transactions carried out by and/or on behalf of RINO MASTROTTO GROUP must be based on the observance of the laws in force, as well as on the principles of correctness and transparency, in order to prevent the commission of smuggling offences.

The Company undertakes to guarantee the issue of accounting or tax-related documents consistent with the import/export operations actually carried out.

It is therefore forbidden to introduce, transport, hold or exchange goods in violation of the provisions, prohibitions and limitations in force on the subject.

Specifically, the following is prohibited:

- introducing foreign goods across the border by land, sea or air in violation of the requirements, prohibitions and limitations;
- unloading or storing foreign goods in the intermediate space between the border and the nearest customs post;
- concealing foreign goods on one's person or in one's luggage or among other goods or in any means of transport, in order to evade customs inspection;
- removing goods from the customs areas without having paid the duties due or without having guaranteed their payment;
- taking out of the customs area national or nationalised goods subject to border duties without having paid such duties;
- hold foreign goods subject to border rights if their legitimate origin is not proven in accordance with customs laws (e.g. for Italy when the circumstances set forth in the second paragraph of article 25 for the crime of smuggling apply);
- setting up, in the extra-customs areas, unauthorised warehouses of foreign goods subject to border duties, or setting them up to an extent greater than that permitted;
- holding, as a concession holder of a privately owned customs warehouse or with the help of a concession holder, foreign goods for which there has not been the prescribed declaration of introduction or which are not entered in the warehouse registers;
- using fraudulent means for the purpose of obtaining undue repayment of duties laid down for the importation of raw materials used in the manufacture of domestic goods which are exported;
- in importation or temporary exportation or in re-exportation and re-importation operations, for the purpose of evading payment of duties due, subjecting the goods to artificial manipulation or using other fraudulent means.

### **III.15. SUPPLIER RELATIONS.**

Similarly, RINO MASTROTTO GROUP manages the relationships with the Suppliers with loyalty, correctness, professionalism, encouraging continuous collaboration and solid and lasting relationships of trust.

The selection of the Suppliers and the determination of the purchase conditions take place on the basis of objective and impartial evaluations, based on the quality, environmental awareness, the price and the guarantees provided also with regard to the respect of the provisions of this Code and of the Code of Conduct drawn up by the Company and delivered by it to its own Suppliers.

In dealings with Suppliers, the following principles must be followed:

- purchasing is entrusted to dedicated offices;
- no forms of "reciprocity" are allowed with Suppliers: the goods/services that the Company purchases are selected and purchased exclusively on the basis of their value in terms of price and quality;
- any negotiation with a Supplier, current or potential, must relate exclusively to the goods and services that are the subject matter of the negotiation with the Supplier;
- the personnel in charge of purchasing goods and services shall not be subject to any form of pressure, from Suppliers, to donate materials, products and/or sums of money to charitable/solidarity associations or similar.

In dealings with Suppliers, transparent and clear conduct must be adopted, favouring, whenever possible, the written form, in order to avoid misunderstandings or misinterpretations regarding the content of the existing commercial relations.

The undertaking of commitments and the handling of dealings with current and potential Suppliers must be carried out in compliance with the provisions contained in this Code.

It should be noted that the restriction on offering or granting job opportunities, gifts or other benefits - specified in point III.3 "ANTI CORRUPTION" - "Dealings with Public Administration Authorities and with other third parties", in order to make them perform or omit acts in violation of their official or loyalty obligations, in order to obtain due advantage for the individual company and/or the Group also applies to relations with Suppliers (e.g. for Italy understood as the subjects indicated in articles 2635 and 2635 bis of the Civil Code).

### **III.16. RELATIONS WITH POLITICAL, TRADE UNION AND SOCIAL ORGANISATIONS.**

RINO MASTROTTO GROUP contributes towards the wellbeing and growth of the community in which it operates. Accordingly, the same must align itself, in the performance of its activities, with the respect of the local and national communities, encouraging dialogue with the local communities, the public institutions which represent them, the trade union associations or other associations.

However, it is possible to contribute with the above organisations if all the following conditions are met simultaneously:

- legality of the cooperation;
- purpose related to the company's mission;
- clear and documentable allocation of resources;
- express authorisation from the relevant departments to handle such relations within the Company.

Relations with representatives of political institutions shall be based on the strictest compliance with current legislation and corporate directives and on the utmost transparency, integrity and impartiality, also refraining from any direct or indirect pressure.

No relationship of any kind shall be furthered or maintained with national or international organisations, associations or movements that pursue, directly or indirectly, aims that are criminally illegal or, in any case, prohibited by law.

### **III.17 CONTROL ACTIVITIES, VIOLATIONS AND SANCTIONS**

All Whistleblower, in the event that they become aware of alleged violations of this Code, Section II, or violations provided for in the Whistleblowing Procedure must immediately inform the Whistleblowing Committee in the manner, through the channels, and with the guarantees provided by the PQAS-MOG-WH Procedure "Whistleblowing Procedure", which forms an integral part of the Organizational Model and published on the Company's institutional website (<https://www.rinomastrottogroup.com>, section "Whistleblowing") or made separately available to recipients of this code by the Company and by applicable whistleblowing regulations.

Whistleblower are obliged to:

- offer the maximum collaboration in the verification of possible and/or presumed violations of this Code, Section II;
- inform their sub-Suppliers or other similar third parties (e.g. business partner, customer, consultant), with

whom business relations exist, of the provisions of the Code, Section II, by submitting the clause prepared for this purpose by the company.

Information relating to official documents received, such as measures by the judicial police, requests for legal assistance med by executives and/or employees in the event of a legal proceeding, shall also be sent to the Whistleblowing Committee (e.g. for Italy those resulting from non-compliance with the provisions of Legislative Decree 231/2001 or more generally of Legislative Decree 24/2023).

Relations between Employees at any level and third parties with whom they come into contact as result of their work activities are based on cooperation, loyalty and mutual respect.

Compliance with this Code, Section II shall be considered an essential part of the contractual obligations of the relationship (employment or other nature) between the Employees or Senior Management and the Company (e.g. for Italy pursuant to and by effect of art. 2104 civil code) according to the applicable legislation. Consequently, any violation of the provisions of the Code, Section II, may constitute a breach of the obligations of the employment relationship and / or a disciplinary offense, with all legal consequences regarding the imposition of disciplinary sanctions, up to the termination of the relationship with consequent compensation for damages in compliance with the applicable legislation (in particular for Italy, as required by Article 7 of the Workers' Statute and the applicable collective bargaining agreement) .

In any case, each company of the Group is entrusted to define its own system of sanctions to be applied in the event of violations of this Code, in compliance with the applicable local legislation.

Compliance with the principles of this Code, Section II, is part of the contractual obligations undertaken by Senior Management; consequently, any breach of the provisions contained herein by Senior Management constitutes a breach of the contractual obligations undertaken, with all legal consequences regarding the termination of the contractual relationship and compensation for damages, in accordance with the provisions of the applicable local legislation. It is also understood that violations committed by Senior Management of the Company will result in the competent corporate body adopting the sanctions deemed most appropriate in relation to the nature and seriousness of the violation committed and the status of the party committing the violation, in accordance with the applicable local legislation.

### **Third parties**

Compliance with the provisions of this Code constitutes an essential part of the obligations of third parties (suppliers, commercial partners, customers, collaborators, consultants, etc.) having commercial relations with RINO MASTROTTO GROUP both in the event that this Code is expressly accepted, and if it has been expressly referred to in the contractual agreements or in the general contract conditions or in further contractual documentation accepted by third parties in writing or in any other form required by applicable law.

Consequently, any violation of the provisions of this Code in the context of the activities done by third parties in favour of one of the companies of the Group may constitute a cause for breach of contract with all legal consequences.

Third parties are also required to verify that their suppliers and sub-contractors observe the provisions agreed herein and undertake to release the Group and keep it unharmed from any damages and/or other party claims deriving from and/or associated with the failure to observe the provisions envisaged herein also by its suppliers or sub-contractors.

For the purpose of permitting the check of the observance of the obligations contained in this Code, third parties undertake to permit each representative of RINO MASTROTTO GROUP and/or each inspector and/or appointed auditor free access, also during working hours, to the premises, plants, offices, installations, equipment, documents, accounting ledger and reports, without prejudice to the commitment of RINO MASTROTTO GROUP to maintain any information acquired during the inspection confidential. The access must also be ensured vis-à-vis the investee companies and the sub-contractors of the Group, without any prior notification being necessary, without prejudice to the commitment of the third parties to offer any assistance which should become necessary during the above-mentioned inspections and to keep all the documentation relevant and/or functional for the purposes of said inspections.

It is the mandatory of the third parties above to report to the Whistleblowing Committee of RINO MASTROTTO GROUP

any news concerning presumed violations of this Code, Section II.

This body shall proceed to verify the validity of the alleged violations, consulting, where appropriate, the person who made the report and/or the alleged perpetrator. The sanctions imposed by the appointed corporate body shall be proportionate to the seriousness of the violations committed and, in any case, shall comply with the provisions in force on labour relations.

In any case, each company of the Group is entrusted to define of its own system of sanctions to be applied in the event of violations of this Code, in compliance with the applicable national or local law respectively.

With regard to the application on the Italian territory for the type and methods of implementation of the sanctions, please refer to the Organizational Model Section Four which expressly regulates the punitive measures of both this Code and the Organizational Model.