

Code of Ethics & Conduct



More than 50 years of experience

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Introduction

Foreword

De Martini encourages constructive comments and suggestions from directors, managers, other employees, and third parties on the contents of the Code, its application, and related topics. The Company endeavours to ensure that these commitments are shared by consultants, suppliers, and any other parties doing business with the Company at any time.

The Company does not encourage business relationships with third parties who refuse to abide by the principles of the Code or who have repeatedly shown that they have not adopted them.

Guide to the use of the Code

1. About the Code

The Code is approved by the Board of Directors of De Martini SpA ("De Martini" or the "Company"). It summarises the principles of conduct when carrying out the Company's business activities, as well as the respective obligations and responsibilities of directors, managers and other employees. The Code is a key element in ensuring effective prevention and detection of violations of laws and regulations applicable to its business.

2. Who are the recipients of the Code?

The recipients of the Code (hereinafter referred to as "Recipients") are specifically:

- corporate bodies and their members;
- the Group's Management, including executives and heads of corporate departments;
- employees;
- external collaborators;
- suppliers of goods and/or services;
- any other subject the Group companies deal with in carrying out the activities required to achieve corporate objectives.



3. Where can the Code be found?

The Code can be accessed by all directors, managers and other employees on Company bulletin boards. It can also be downloaded from the Company's server. Copies of the Code may also be requested from the Human Resources Department.

4. Can the Code be modified?

The Code is subject to review by the Board of Directors once a year or more often, as needed.

The review takes into account, among other things, constructive comments and suggestions received from directors, managers, other employees and third parties, besides regulatory developments, as well as experience acquired from the application of the Code itself. Any changes to the Code introduced as a result of this review shall be published and made accessible as described above.

5. Is the Code an all-encompassing document?

Although the Code reflects the core ethical values to be shared by all Board members, managers, other employees, suppliers, customers, and individuals or companies acting on behalf of De Martini, the Code should be read and interpreted in conjunction with the Company's Policies and Guidelines. These Policies and Guidelines are an intrinsic part of the Code.

6. Why do we need a Code?

The communities in which we operate are affected by our conduct as employees and contractors of De Martini, and benefit when we behave correctly. However, it is not always easy to understand what the best choice is, and how to act in the right way.

This is why we need guidelines.

Our Code of Conduct is a tool to develop a work environment based on high ethical standards of conduct.

Our values, inspired by honesty, underpin the Group's corporate governance and comprise a fundamental system of Principles, Rules and Procedures, converging our business experience with legal requirements, research into best practices and discussions on ethical and compliance issues.

The Code is intended to ensure that all members of the Company behave with the utmost integrity, complying with applicable laws, building a better future for our Company and the communities in which we operate.

The Group shares, and its Code of Conduct incorporates, the principles of the "Universal Declaration of Human Rights" defined by the United Nations ("UN"), and the Conventions of the International Labour Organisation ("OIL").



Conducting business activities

Respecting the laws, rules and regulations

De Martini and its employees are obliged to comply with the law. Compliance with all applicable laws and regulations must never be compromised. In addition, employees shall comply with internal rules and regulations, as required by the circumstances. These internal rules are Company-specific and may include more stringent obligations than those established by law.

Conflict of interests

A conflict of interest occurs when an employee's personal interests or the interests of a third party conflict with the interests of De Martini. We can mention, by way of example, personal, financial, or family interests (e.g., the existence of financial or business holdings in supplier, customer, or rival companies; unfair advantages derived from one's role within the Company, etc.). In such a situation, it may be difficult for an employee to behave in a way that is totally in accordance with the interests of the Company. Employees should avoid conflicts of interest. In the event of a conflict of interest, or where an employee faces a situation of potential conflict of interest, the employee shall report the situation to his or her immediate supervisor and/or to the Human Resources Department in order to deal with the situation in a fair and transparent manner.

Antitrust and Fair Dealing (fair commercial practices)

De Martini competes successfully in the business world, and will always do so in full compliance with all laws governing competition law and fair commercial practices. Therefore, employees shall observe the following rules at all times:

- commercial policies and prices shall always be established independently, and shall never be agreed upon, either formally or informally, with competitors and third parties unrelated to the Company;
- customers and suppliers will be treated fairly.

All employees, particularly those who work in Marketing, Sales and Purchasing, or who are in regular contact with competitors, should ensure that they are familiar with regulations governing competition.

Confidential information

The know-how and intellectual assets developed by De Martini are a key resource that every director, manager, other employee and other recipient of the Code must protect. Indeed, in the event of unfair disclosure of such know-how and intellectual assets, the Company could suffer damage both financially and to its image.

Therefore, all directors, managers, other employees, and other recipients of the Code are required not to disclose to third parties information concerning technical and technological know-how, as well as other non-public information relating to De Martini. The sole exception to this provision is where such disclosure is required by law or by other regulatory provisions, or where it is expressly provided for in specific contractual agreements by which the counterparties have undertaken to use it exclusively for the purposes for which such information is transmitted, and to maintain its confidentiality.

The obligations of confidentiality set forth in the Code shall remain in place even after the termination of the employment or collaboration relationship.

Corruption

De Martini, its directors, managers, other employees and other recipients of the Code are committed to the highest standards of integrity, honesty and fairness in all dealings, both within and outside the Company, in accordance with national and international anti-corruption laws.

The Company does not tolerate any kind of bribery (accepting or offering money to obtain an unfair business advantage) to public officials, to representatives of international organisations, to other third parties related to a public official, to legal persons or individuals, or to other persons otherwise specified by applicable laws.

No director, manager, other employee, agent, or other representative may, either directly or indirectly accept, solicit, offer or pay sums of money or other benefits (including gifts or gratuities, except for commercial items of modest value), even as a result of unlawful pressure.

Preventing money laundering

De Martini and its directors, managers, and other employees shall not engage in or be involved in any activity that involves laundering (i.e., accepting or processing) income from criminal activities in any form or manner.

Before establishing business relations with a third party, the Company and its managers or employees should verify available information (including financial information) on potential business counterparts and suppliers in order to ascertain their respectability and the legitimacy of their activities.

Relations with suppliers

Relations with suppliers, including financial and consulting relations, are guided by the principles set forth in this Code, and are subject to constant and careful monitoring by the Company.

De Martini is committed to ensuring that suppliers respect the commitments undertaken, the protection and confidentiality of professional know-how, requiring from counterparts the same fairness in the management of the relationship.

The Company only uses suppliers who operate in accordance with current regulations and the provisions of this Code.

Recipients involved in the process of purchasing and procuring goods and services for the Company shall be responsible for subjecting suppliers to preventive audits and subsequent periodic monitoring aimed at ascertaining compliance with quality standards and applicable regulations.

Upon the negative outcome of the above checks, the Company will have the option of terminating the relationship, if initiated, or of selecting another supplier.



Employees

De Martini acknowledges that the motivation and professional conduct of its staff are essential in maintaining competitiveness, in creating value for stakeholders, and in ensuring customer satisfaction.

The following principles, in accordance with national laws, confirm the importance of respect for the individual.

They guarantee fair treatment and rule out any form of discrimination.

Child labour and forced labour

De Martini does not employ any form of forced labour, compulsory labour or child labour, i.e., it does not employ people younger than the age established for starting work by Italian regulations.

The Company also undertakes not to establish or maintain business relations with suppliers who employ child labour.

Freedom of association

De Martini employees are free to join a labour union, in accordance with Italian laws and the rules of the various labour organisations. The Company acknowledges and respects the right of its employees to be represented by unions or other elected representatives in accordance with applicable local laws and practices. When De Martini engages in negotiations with such representatives, its actions and conduct are aimed at a constructive approach and relationship.

Equal opportunities

De Martini is committed to providing equal opportunities in employment and professional advancement for all employees. The head of each department shall ensure that, for all aspects of the employment relationship, such as recruitment, training, compensation, promotions, transfers, and termination, employees are treated in a manner consistent with their ability to meet the requirements of the job, avoiding all forms of discrimination and, in particular, discrimination on the basis of race, gender, sexual orientation, social and personal status, physical and health condition, disability, age, nationality, religion or belief.

Discrimination and harassment

De Martini respects the dignity, privacy and personal rights of every employee, and is committed to avoiding any incident of discrimination and harassment in the workplace. Employees should, therefore, not discriminate on the basis of origin, nationality, religion, race, gender, age or sexual orientation, or engage in any kind of verbal or physical harassment based on any of the above factors, or on any other grounds.

Employees who feel that the above principles are not being adhered to in their workplace are encouraged to report this to the Human Resources Department.

Work environment

All employees must strive to maintain a decent and cooperative work environment in which the dignity of each individual is respected.

In particular, all employees of De Martini:

- shall not serve under the influence of alcohol or drugs;

- in places where smoking is not prohibited by law, they shall take into account the needs of those who may experience physical discomfort due to the effects of "secondhand smoke" in the workplace;

- shall avoid behaviour that may create an intimidating or offensive climate toward colleagues or subordinates in order to either marginalise or discredit them in the work environment.

Remuneration and working hours

The salaries and benefits paid to De Martini employees meet at least the legal requirements established.

Concerning working hours and paid leave, the Company shall comply with local legislation and Italian practices.

Confidentiality and privacy protection

The Company operates with full respect for the person and the right to privacy, complying with the relevant applicable regulations. The Company acquires and processes only personal data that are necessary and directly related to its functions, storing them in a way that prevents extraneous third parties from gaining knowledge of them, and communicating and disclosing them only within the framework of internal procedures or with the authorisation of the person delegated to do so.

The Company provides employees, collaborators and third parties with complete and up-to-date prior information on the processing of data acquired by the Company in the course of its business, requiring their informed consent, if necessary, exclusively for the purposes for which they are intended.

Fraud, Protecting corporate assets, accounting

Employees should never become involved in fraud or other dishonest behaviour involving either assets or property, or financial and accounting reports of De Martini or third parties. Such acts shall not only result in disciplinary sanctions, but could also lead to criminal prosecution of employees.

De Martini's financial data form the basis for managing the Company's activities and fulfilling its obligations to its various stakeholders. These data shall, therefore, be accurate and in line with De Martini's Accounting Standards. The Company condemns any behaviour aimed at altering accounting and corporate information and data that are communicated within and outside the corporate framework, to supervisory authorities or to the public of Stakeholders.

Employees shall safeguard and make proper and efficient use of corporate assets.

All employees shall seek to protect corporate assets against loss, damage, misuse, theft, fraud, misappropriation and destruction. These obligations cover both tangible and intangible assets, including trademarks, know-how, confidential or exclusive data and information systems.

To the extent permitted by applicable laws, the Company reserves the right to monitor and verify how its assets are being used by employees, including with an audit of all emails, data and files on the Company's network of terminals.

Corporate assets

All directors, managers, and other employees of De Martini shall use corporate assets and resources to which they have access, or which are in their custody, in an efficient manner, solely for the purpose of accomplishing the Company's goals and objectives. They shall also be required to use such assets in a manner appropriate to protect its value and efficiency. In addition, all directors, managers, and other employees of the Company are responsible for protecting such assets and resources against loss, theft, and unauthorised use or disposal.

Any use of said assets and resources that may be contrary to the interests of De Martini, or that may be dictated by professional motives unrelated to the employment relationship with the Company, is prohibited.

Recipients are required to work diligently to safeguard the corporate resources that constitute the assets of Group member companies (movable assets, real estate, technological resources, know-how, etc.), avoiding the non-rational use of means and resources, as well as improper uses that may cause damage or reduced efficiency, or otherwise go against the interests of the Company itself. It is also prohibited to download, install, duplicate, or disseminate licensed software to third parties without being entitled to do so.

Corporate image and reputation

De Martini's good reputation and image are essential resources for the Group, and all Recipients are expected to adopt behaviours aimed at protecting them, maintaining a decorous demeanour in accordance with standards common to companies of De Martini's size and prominence in dealings with colleagues, customers and third parties in general.

Personnel selection and management

Personnel recruitment is carried out on the basis of the match between the candidate's profile and the Company's requirements and needs. Hence, search and selection phases are carried out solely on the basis of objective, fair and transparent criteria, guaranteeing equal opportunities and avoiding any form of favouritism, nepotism or clientelism.

The information requested from the candidate is that which is necessary and sufficient to verify the aspects envisaged by the professional, psychological and aptitude profile required, respecting strictly personal aspects.

The Company prohibits any form of psychological, physical or sexual harassment of candidates, employees and collaborators, meaning any form of intimidation or threat that might hinder the serene performance of their duties, precisely abuse by the hierarchical superior in a position of authority.

A person who believes he or she has been either subjected to harassment or discriminated against for any reason must report it to the Human Resources Department, to the General Manager or to the Chief Executive Officer.

Any act of retaliation against an employee who complains or reports harassment is prohibited.

Obligations

The Code is an intrinsic and substantive part of the employment relationship of every manager and other employee of De Martini. Accordingly, the Company requires strict compliance with the provisions of the Code from all managers and other employees. Any violation of the provisions of the Code shall, therefore, be dealt with firmly with the subsequent application of appropriate sanctions (which, in certain cases, may lead to termination of employment).

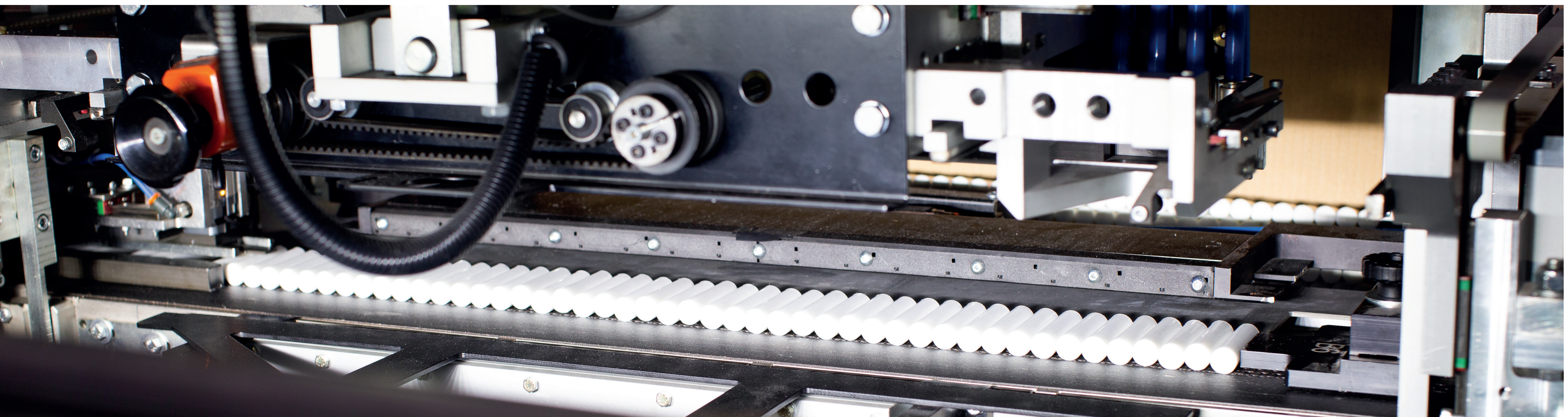
Therefore, all managers and other employees are required to:

- read and understand the Code;

- adopt actions and behaviours that are consistent with the Code, and refrain from any conduct that might harm the Company or compromise its honesty, impartiality or reputation;

- report, promptly and in good faith, any violations of the Code to the Human Resources Department.

If necessary, given the nature of the report, it may be directly forwarded to the highest levels, including the General Manager.





Health, Safety and Environment

Health and safety in the workplace

De Martini acknowledges that health and safety are fundamental rights of the employee, and key elements of corporate sustainability. De Martini intends to ensure adequate working conditions at the industrial level, according to the principles of hygiene, industrial ergonomics and individual organizational and operational processes.

The Company also believes in disseminating a culture of accident prevention and risk awareness among workers by actively promoting it, particularly through suitable training and information courses.

Employees shall hold themselves personally responsible, and adopt the preventive measures established by the Company for the protection of their health and safety, communicated through specific directives, instructions, training and information.

Each employee shall be responsible for the proper management of safety, and shall not expose themselves or other workers to hazards that may cause injury or harm to themselves.

Environmental protection in work processes

De Martini considers environmental protection a key factor to be promoted in the overall approach to business activities. The Company is committed to continuously improving the environmental performance of its production processes, and to meet all major legislative and regulatory requirements in this regard.

Environmental impact and product safety

De Martini is committed to producing and selling, in full compliance with legislative and regulatory requirements, products that meet the highest standards in terms of environmental performance and safety.



Implementation and Sanctions

The Code of Ethics is adopted by resolution of the Board of Directors of De Martini SpA on October 6th 2022.

Dissemination and awareness of the Code

De Martini is committed to disseminating this Code and to ensuring its extensive outreach through suitable tools and appropriate communication activities in order to ensure that all Recipients are aware of it. In particular, the Code and any subsequent amendments or additions shall be published on the Group's website (www.de-martini.com), and adequately disseminated and shared within the Company. Hard copies of the Code are also available at the HR Department.

De Martini also ensures, over time, that Recipients outside the Company are aware of the Code, and comply with it by including, in contracts entered into with agents, distributors, suppliers, consultants, collaborators and other business partners, a special clause informing the counterpart about the adoption of the Code, and by committing the same to compliance with the ethical principles and standards of conduct contained therein.

Application and interpretation

The Company is committed to ensuring compliance with the ethical principles and standards of behaviour and conduct contained in the Code by the Recipients, promptly applying the sanctions provided for in the Code itself in the event of violations or non-compliant behaviour.

In no case may the belief that one is acting in the interest or to the advantage of the companies justify the adoption of conduct contrary to the principles and rules of conduct of the Code. In case of uncertainty about the application or interpretation of the contents of the Code, or if any gaps or deficiencies are detected, Recipients shall be obliged to report such circumstances to the Human Resources Department or to the General Manager.

Reporting violations

Any Recipient who becomes aware of conduct that may be in violation of the principles and standards of conduct and behaviour is required to report it to the Human Resources Department, even anonymously.

Alternatively, if the situation requires it, the report may also be made to the General Manager or directly to the Chief Executive Officer.

Reports must be substantiated and based on precise and concordant elements. They must relate to facts that can be ascertained and are directly known, and they must contain all the information necessary to identify the perpetrators of the illegal conduct.

Anyone making such reports of violations of the Code will be guaranteed absolute confidential treatment.

The Company will also check that no retaliatory or harassing measures are taken against the person making the report.

Sanctions

In the event of ascertained violations of the principles and standards of behaviour and conduct contained in this Code, in compliance with the principle of adversarial process, De Martini shall adopt sanctions proportionate to the seriousness of the facts, the intensity of the intent or the degree of guilt, also taking into account any recurrence.

In the case of violations committed by external Recipients linked to the Company by contractual ties (agents, collaborators, consultants, suppliers, business partners, etc.), the sanction of immediate termination of the contract entered into shall be applied. Penalty measures shall be imposed by the HR Department, the B.o.D. or the legal representative pro tempore or signatory proxy on behalf of the Company, depending on whether the violation was committed by employees, individuals in managerial or leading roles, or individuals outside the same, respectively.

Updates

De Martini shall constantly and timely update the Code, consistently with regulatory developments and organisational, corporate and financial changes in the Company, providing for its due publicity in order to inform all Recipients.



DE MARTINI SpA
Via Pietro Zia, 29 | 13882 CERRIONE | BI | ITALY