
ORGANISATIONAL AND MANAGEMENT MODEL

of

SANTA MARGHERITA S.p.A.



CODE OF ETHICS

Rev.	Date of drafting	Date of effect	The Chairman of the Board of Directors
00	04/2020	2 0 0 7 2 0 2 0	
01			

TABLE OF CONTENTS

1	CODE OF ETHICS.....	2
2	THOSE TO WHOM IT APPLIES	3
3	GENERAL PRINCIPLES	4
	3.1 RESPECT AND CONFIDENTIALITY	4
	3.2 IMPARTIALITY	4
	3.3 TRANSPARENCY	4
	3.4 TRUTHFULNESS.....	5
	3.5 FAIRNESS AND LAWFULNESS	5
	3.6 TRUST AND FAIRNESS	5
	3.7 EQUITY.....	5
	3.8 COLLABORATION	6
	3.9 RESPECT FOR HUMAN DIGNITY AND EQUAL OPPORTUNITIES	6
	3.10 DILIGENCE AND PROFESSIONALISM	6
	3.11 ENVIRONMENTAL PROTECTION AND SUSTAINABLE DEVELOPMENT.....	6
	3.12 HEALTH AND SAFETY PROTECTION	6
	3.13 STANDARDS OF CONDUCT	7
4	PREVENTING OFFENCES UNDER LEGISLATIVE DECREE No. 231/01	8
	4.1 INTERNAL CONTROL SYSTEMS.....	8
	4.2 BEHAVIOURAL RULES.....	8
	4.2.1 RELATIONS WITH PUBLIC ADMINISTRATION BODIES	8
	4.2.2 CONFLICTS OF INTEREST	9
	4.2.3 RELATIONS WITH FOREIGN WORKERS, CHILD PORNOGRAPHY AND SEX TOURISM	9
	4.3 CASH	10
	4.4 DRAFTING FINANCIAL STATEMENTS	10
	4.5 PROTECTING THE DEMOCRATIC SYSTEM, FEMALE GENITAL MUTILATION AND ORGANISED CRIME	10
	4.6 MONEY LAUNDERING AND POSSESSION OF STOLEN GOODS	11
	4.6.1 COPYRIGHT.....	11
	4.6.2 ACCESSING COMPUTER AND TELEMATIC SYSTEMS.....	11
	4.6.3 PROTECTING THE ADMINISTRATION OF JUSTICE	12
	4.6.4 ENVIRONMENTAL PROTECTION	12
	4.6.5 CONTROLLING FINANCIAL FLOWS.....	12

5	RELATIONS WITH PERSONNEL, STAKEHOLDERS, SUPPLIERS AND CUSTOMERS..	13
5.1	RELATIONS BETWEEN CORPORATE BODIES	13
5.2	RELATIONS WITH STAKEHOLDERS.....	13
5.3	HUMAN RESOURCES RELATIONS AND OCCUPATIONAL SAFETY	13
5.4	DUTIES OF EMPLOYEES AND COLLABORATORS - TRADE UNION RELATIONS - RELATIONS WITH THE PRESS.....	14
5.5	CUSTOMER RELATIONS.....	16
5.6	RELATIONS WITH SUPPLIERS - SUPPLIERS' DUTIES.....	16

1 CODE OF ETHICS

This Code of Ethics sets out the principles that inspire the Company to prevent offences from being committed, specifically those referred to in Legislative Decree No. 231/01, as a prerequisite for its administrative liability and to ensure that all aspects of the Company's activities comply with the basic principles of the legal system.

This document lays out the commitments, behavioural rules and rules of conduct that the Company's directors, corporate bodies, employees and collaborators must follow when conducting business and in performing their duties within the Company or on its behalf.

The Code of Ethics is intended to align the operations, behaviour and *modus operandi* of the Company, as regards both internal and external relations, with the general principles listed below, while placing emphasis on the importance of compliance with current laws and regulations and with corporate procedures. Compliance with the Code of Ethics is a fundamental and essential requirement of the corporate 231 system, which is specifically formulated according to the characteristics of SANTA MARGHERITA S.p.A and to meet its needs.

All persons associated in any capacity with the Company are expected to be familiar with this Code of Ethics, to contribute to its implementation and to report any shortcomings or violations as expressly laid out in this Model.

The Company undertakes to make sure that those to whom the Code applies are familiar with it, by providing specific training and implementing awareness-raising activities, and to take appropriate measures to ensure its full and effective implementation.

Any behaviour that is against the rules and spirit of the Code of Ethics will be sanctioned in accordance with the provisions set out in the Code and in the Disciplinary Regulations. In this respect, the following violations will be deemed significant and punishable if they occur during work activities:

- violations that constitute criminal offences referred to in Legislative Decree No. 231/01, either committed or attempted;
- violations that constitute other criminal offences referred to in the penal code, either committed or attempted;
- violations which, although not constituting a criminal offence, are in breach of the rules and principles of the Code of Ethics.

The violations referred to above will be sanctioned in accordance with the Disciplinary Regulations, regardless of the outcome of any concurrent criminal proceedings and without prejudice to any claims for damages.

The Model lays out the rules on information flows to the Supervisory Board, which is tasked with reporting to the management any violations of this Code that may come to its attention.

2 THOSE TO WHOM IT APPLIES

Those to whom the Code of Ethics applies are anyone who directly or indirectly participates in the company's activities, in any capacity, either permanently or temporarily: members of corporate bodies, directors, managers, partners, employees, collaborators, customers and suppliers.

The Company regards compliance with the rules contained in the Code of Ethics as an integral and essential part of the entrusted tasks and of the contractual obligations arising, in the case of employees, from employment relationships pursuant to art. 2104 of the Italian Civil Code and, in the case of independent collaborators, from their respective contractual regulations. Any violation of the above-mentioned rules will be considered a breach of the obligations arising from the employment relationship or collaboration agreement, with all the legal and contractual consequences that this entails, as set out below under "Behavioural rules".

3 GENERAL PRINCIPLES

3.1 RESPECT AND CONFIDENTIALITY

Personal data relating to personnel associated in any way with the Body and its customers and suppliers must be processed in accordance with the regulations on privacy and confidentiality, and with respect for the dignity of the data subject.

The information acquired by employees and collaborators is the property of the Company and may not be used, communicated or disclosed without specific authorisation. The Company takes appropriate measures in order to protect the data collected and stored in its paper or computer files.

The data collected must be used for purposes directly related to the company's business.

The Company does not tolerate statements or behaviour that are detrimental to a person's moral or personal beliefs and preferences.

The Company undertakes to avoid any discrimination based on age, gender, sexual preference, state of health, race, nationality, political opinions, membership of trade unions and religious beliefs.

The disclosure of information concerning the Company to third parties, regardless of the means used, is reserved for the corporate bodies appointed for this purpose, and must be carried out in accordance with the principles of truthfulness and completeness.

3.2 IMPARTIALITY

In all aspects of corporate life and activity, the Company does not give preferential treatment to anyone. This principle applies to all parties, whether public or private.

In accordance with positive laws and company procedures, the Company does not succumb to any kind of pressure from anyone that may be aimed at disrupting business activities.

3.3 TRANSPARENCY

The Company undertakes to provide complete, transparent, comprehensible and accurate information, both in carrying out its day-to-day business and during checks and audits.

Transparency is the foundation of fair relationships and is what allows all those involved to make informed decisions, knowing the facts and interests at stake.

In bilateral relations, transparency is achieved by entering into negotiations that are clear and comprehensible to both parties.

All operations and transactions must be properly recorded, authorised, verifiable, legitimate, consistent and adequate. The decision-making, authorisation and implementation processes must be verifiable at any time, and it must be possible to identify those involved.

3.4 TRUTHFULNESS

Truthfulness is the basis for day-to-day internal and external relations and for providing information, no matter to whom.

Accounting practices and the provision of information concerning administrative matters are based on the principles of truthfulness and completeness of all information, not only information imposed by law or required to obtain certifications.

3.5 FAIRNESS AND LAWFULNESS

Honesty is the foundation of the company's reputation and is part of the company's moral values.

The activities performed by corporate bodies, managers, employees and collaborators comply with the laws in force in all the countries in which the Body operates, and also comply with this Code, internal and external regulations, and company procedures. This principle also applies to consultants, suppliers and customers.

When carrying out business activities, any criminal law violation, whatever the legal asset protected and excluding the cases referred to in Legislative Decree No. 231/01, constitutes a disciplinary offence and is sanctioned in accordance with the Disciplinary Regulations.

The pursuit of the company's interest may not, under any circumstances, justify actions that do not comply with these rules.

3.6 TRUST AND FAIRNESS

The Company fosters an environment of trust. Internal and external relations are based on mutual trust.

Internal relations are based on fairness and recognition of each other's good faith. Bona fide employees are committed to working hard and pursuing substantive excellence, not just to performing their duties correctly.

Personnel at all levels must not make decisions that conflict with the Company's interests.

Fair competition forms the basis of and inspires the Company's activities, in compliance with current legislation and company procedures.

3.7 EQUITY

The Company ensures that all members of the corporate bodies, personnel at all levels, collaborators in any capacity and stakeholders are treated equally and that, when appropriate, their merit is recognised, balancing the interests at stake.

The Company protects the fundamental rights and freedoms recognised by the Constitution.

3.8 COLLABORATION

The Company acknowledges the importance of cooperation between all those who contribute to the company's activities, and promotes team spirit. Collaboration is a value fostered among all stakeholders, to whom conditions and practices that encourage dialogue and mutual listening are offered.

3.9 RESPECT FOR HUMAN DIGNITY AND EQUAL OPPORTUNITIES

The Company promotes equal opportunities and mutual respect. It has always rejected all forms of discrimination on the grounds of race, religious belief, political belief, trade union opinion, age, state of health, sexual orientation and, in general, with regard to everything that has to do with a person's most intimate sphere. It supports and promotes diversity, which is synonymous with growth and continuous improvement.

3.10 DILIGENCE AND PROFESSIONALISM

In conducting its business, the company strives to achieve high quality standards in its processes and related services. Contracts and assignments must be drawn up as agreed between the parties, and imply a commitment on the part of the employees to carry out their tasks as effectively as possible and to the best of their abilities. The Company maintains that an essential factor for business development and for enhancing people's value is to contribute individually and as a group to work processes and their improvement.

The Company promotes professional development by implementing training programmes at all levels.

3.11 ENVIRONMENTAL PROTECTION AND SUSTAINABLE DEVELOPMENT

The Company is committed to respecting the environment as much as possible in order to safeguard all stakeholders.

It strives to continuously improve working practices in order to ensure that current legislation is complied with and that the best solutions are implemented, using the best available techniques.

3.12 HEALTH AND SAFETY PROTECTION

The Company ensures that working conditions respect the individual's dignity, in compliance with current legislation on prevention and protection, with the aim of ensuring well-being in the workplace.

The Company strives to continuously improve health and safety in the workplace and makes sure that all personnel are involved, within the scope of their duties, in preventing potential risks to all stakeholders.

3.13 STANDARDS OF CONDUCT

The standards of conduct are meant to serve as guidelines to be followed by those to whom the code applies on a day-to-day basis and in drawing up internal procedures aimed at preventing the offences referred to in Legislative Decree No. 231/01 from being committed.

4 PREVENTING OFFENCES UNDER LEGISLATIVE DECREE No. 231/01

4.1 INTERNAL CONTROL SYSTEMS

The Company adopts appropriate monitoring protocols to ensure compliance with these principles. A hierarchical control system is in place, which is consistent with the organisational chart and delegated tasks. Regular audits are performed by delegated officers, in collaboration with the parties concerned, in order to monitor compliance of all those to whom this Code and Model apply.

Specifically, the Disciplinary System adopted by SANTA MARGHERITA S.p.A., the Organisational Management Model and this Code of Ethics also set out, in a general but analytical manner, all types of violation of the precepts as outlined below.

The same document also establishes specific sanctions to be applied when a violation is detected, or when an act that is likely to lead to the violation of the general principles and rules of conduct contained in the adopted Model is committed, following a specific procedure based on industry regulations, which depends on the qualification or subjective quality of the alleged perpetrator.

The Disciplinary System reflects the Company's values and is intended to reduce the number of offences committed, in accordance with the principles of proportionality, justice and transparency and in compliance with applicable law.

4.2 BEHAVIOURAL RULES

4.2.1 RELATIONS WITH PUBLIC ADMINISTRATION BODIES

The Company undertakes to cooperate with central public administration bodies and associated bodies by promptly providing clear and complete information, and to act in a transparent and respectful manner towards public stakeholders.

Only the relevant corporate departments, unless otherwise delegated, may have contact with the public administration and make commitments with the latter, in strict compliance with the procedures established in accordance with the law and good business practices.

Documents relating to all contacts with the public administration must be retained so that the process that led to the outcome of the procedure can be traced at any time and the persons involved can be identified.

Company procedures lay out the different roles and duties of those involved in the various stages of the proceedings. Those who deal directly with public administration are generally not the same persons as those who have direct access to financial resources.

For instance, the following must be managed in accordance with company procedures: tenders; contracts; authorisations; concessions; licences; requests for funding or grants; relations with the tax office, with civil, criminal and administrative judicial authorities, and with bodies in charge of environmental protection and occupational safety.

As for relations with public administration, all Company personnel, whether or not they are employees, must refrain from offering, even through a third party, money or other benefits to the public official involved, to his/her family members or to persons in any way connected to him/her, and must not establish preferential relationships for the purpose of influencing his/her activity. Specifically, benefits could include, for example, offering employment or business opportunities that could benefit the public official personally, offering promotions that are usually exclusively reserved for employees, or paying for travel expenses.

It is prohibited to demand or obtain confidential information that may compromise the integrity or reputation of either party.

SANTA MARGHERITA S.p.A. rejects any behaviour that could be interpreted as a promise or offer to make payments or to provide goods or other benefits in order to further its own interests and gain an advantage.

Gifts and presents are only allowed if they are of modest value and cannot be intended as a means of receiving illegal favours, and only with prior authorisation from the directors.

The Company also refuses requests for favours, gifts or benefits of any kind made by public administration representatives.

Any employees who are offered benefits by public officials, public service appointees or public administration employees in general must immediately report this to the Supervisory Board.

If it were to receive contributions, subsidies or funding from the State, public bodies or the European Community, the Company undertakes to use them in accordance with their intended purpose and, in order to receive them, to submit truthful and complete documents and statements.

4.2.2 CONFLICTS OF INTEREST

All personnel, whether or not they are employed, and Corporate Bodies, must act in the exclusive interest of the Company, and must refrain from acting whenever there is a conflict between the corporate purpose and their personal sphere.

Any conflict, including potential conflict, must be reported to the Company and to the Supervisory Board.

It is prohibited for anyone to use their position in the company to gain personal advantages of any kind.

4.2.3 RELATIONS WITH FOREIGN WORKERS, CHILD PORNOGRAPHY AND SEX TOURISM

If the Company employs foreign workers, checking that they are legally resident in Italy, that they follow normal working hours and that they are regularly paid.

The Company does not employ workers illegally.

The Company employs only people who freely choose to work and deprecates slavery in all its forms; it carefully selects foreign partners in order to prevent such crimes from being committed even in countries at risk.

The Company condemns the trafficking of foreigners and the purchase or sale of slaves.

The Company condemns child pornography, including virtual child pornography, and makes sure that such content cannot be accessed within the Company, also with the aim of punishing those who misuse company equipment to access child pornography material. Any violation of this principle is sanctioned in accordance with the Disciplinary Regulations, except in the case of action for damages and possible criminal proceedings.

The Company does not enter into any relations that go beyond the scope of normal business practice with countries known to be associated with sex tourism.

4.3 CASH

The Company discourages cash transactions, to the extent permitted by business practices and applicable regulations, by checking that banknotes handled are valid and that they are not counterfeit or altered. It pays the same attention to tax stamps and legal tender.

The Company avoids using cash as much as possible for small current expenses, and generally prefers payments by bank transfer.

4.4 DRAFTING FINANCIAL STATEMENTS

In drafting financial statements, all those involved comply with the general principles of completeness, fairness, diligence and transparency, and are trained to draft such company documents.

In particular, directors are trained on their legal obligations, on corporate crimes (civil and criminal, also in the light of the amendments introduced by Law No. 69/2015) and on conflict of interest offences.

Any violation of the above-mentioned principles is sanctioned also as a disciplinary offence, except in the case of further actions that may be taken by the Company for the compensation of damages and possible criminal implications.

4.5 PROTECTING THE DEMOCRATIC SYSTEM, FEMALE GENITAL MUTILATION AND ORGANISED CRIME

The Company condemns acts that subvert the democratic order. Any violation of this principle is sanctioned under civil and criminal law and constitutes a disciplinary offence.

The Company condemns the practice of female genital mutilation and makes sure to select its foreign partners with great care in countries where such practices take place.

The Company also condemns criminal conspiracy offences, including mafia conspiracy, regardless of the offences for which it is intended, kidnapping for the purpose of extortion, drug trafficking and the trafficking of war weapons.

The mere facilitation of such conduct constitutes a breach of this Code and a disciplinary offence.

4.6 MONEY LAUNDERING AND POSSESSION OF STOLEN GOODS

The Company condemns practices such as money laundering, the possession of stolen goods and self-laundering and, by following specific procedures, checks where money and goods that are purchased through third parties come from.

Specifically, it ensures that the goods purchased come with a certificate of origin and a valid invoice from the manufacturer or authorised retailer, as part of a regular contractual relationship and with appropriate guarantees. Untraceable goods are not purchased.

The checks performed must be documented in writing to keep a record of the checks carried out and of the persons who did them.

Suppliers are specially monitored before signing supply contracts, in accordance with company procedures. In particular, the integrity and professionalism of the newly selected suppliers are checked.

When paying suppliers, it checks that the person issuing the invoice is the owner of the current account into which the agreed amount is paid, which is always at current market value.

Compliance with anti-money laundering legislation is a requirement of this Code. Any such violations are punishable under civil and criminal law and constitute a disciplinary offence.

4.6.1 COPYRIGHT

The Company operates in accordance with copyright law. The duplication and dissemination of copyright-protected works (e.g. operating manuals, computer programs, databases, TV or film work) by any means whatsoever is prohibited.

Any violation is sanctioned under civil and criminal law and constitutes a disciplinary offence.

4.6.2 ACCESSING COMPUTER AND TELEMATIC SYSTEMS

The Company ensures compliance with the rules concerning the protection of computer or telematic systems, including those of the public administration, in order to prevent unauthorised access.

A procedure is in place for managing computer systems, which identifies the party in charge of carrying out checks and the method used to assign passwords.

If the above rules are violated, this Code of Ethics will be considered breached and, consequently, sanctions will be imposed in accordance with the Disciplinary Regulations.

4.6.3 PROTECTING THE ADMINISTRATION OF JUSTICE

The Company does not put pressure on personnel who may be required to make statements to judicial authorities, and all personnel, whether or not they are employed, are free to make correct, transparent and exhaustive statements.

If this principle is violated, sanctions will be imposed in accordance with the Disciplinary Regulations.

4.6.4 ENVIRONMENTAL PROTECTION

This code requires compliance with Legislative Decree No. 152/06 and related regulations, and with Law No. 68/2015. All violations are sanctioned in accordance with the Disciplinary Regulations.

In particular, the Company makes sure that waste management complies with the regulations mentioned above, taking all the precautions required by law and complying with company procedures.

The Company constantly strives to apply the best available techniques, and monitors scientific progress and regulatory developments.

The Company manages special non-hazardous waste with a simplified regime. It makes sure that, if not mixed, waste is collected and then taken to a fully licensed waste treatment facility.

The Company keeps loading and unloading registers, which are filled in clearly and accurately, on a regular basis.

Environmental matters are managed based on the principles of preventive action and precaution.

4.6.5 CONTROLLING FINANCIAL FLOWS

In order to settle payable invoices, the invoice must correspond exactly to the order, the service performed or the goods purchased, subject to authorisation based on the system of delegations and powers, so that the company's evidence of expenditure is clear.

Cash outflows are prohibited, with the exception of small routine expenses for the procurement of consumer goods. Small expenses can be reimbursed following authorisation and after providing evidence of expenditure.

Documents relating to financial flows must be kept so that all transactions can be easily traced.

5 RELATIONS WITH PERSONNEL, STAKEHOLDERS, SUPPLIERS AND CUSTOMERS

5.1 RELATIONS BETWEEN CORPORATE BODIES

Relations between corporate bodies are conducted in strict compliance with civil and criminal law, according to the respective roles and responsibilities, which are also set out in the memorandum and articles of association.

5.2 RELATIONS WITH STAKEHOLDERS

In relations with such persons, fairness is a fundamental value for SANTA MARGHERITA S.p.A., since it is the key principle of the Code of Ethics. In this respect, by way of example only, the Company promotes the following principles:

- to manage relations with suppliers, external collaborators and business partners in a reliable and transparent manner;
- to continuously improve relations between employees;
- to establish a constructive dialogue with local institutions;
- to manage relations with the public administration in a spirit of cooperation and fairness;
- to manage relations with the authorities in a spirit of collaboration;
- to manage relations with potential shareholders in a transparent and consistent manner.

For this reason, in relations with stakeholders, all those to whom the Code applies must comply with the principles of this Code of Ethics; consequently, contracts between the Company and agents, consultants, collaborators, suppliers and other third parties, with whom the Company enters into some form of collaboration agreement – if such activity concerns the areas defined as sensitive in the Model pursuant to Legislative Decree No. 231/01 – must be made in writing and must include the terms and conditions.

5.3 HUMAN RESOURCES RELATIONS AND OCCUPATIONAL SAFETY

Selection processes take place with due regard for equal opportunities and the privacy and opinions of candidates. Appropriate measures are taken to avoid any favouritism or cronyism during the selection and recruitment process.

The Company does not employ irregular workers.

Upon recruitment, the candidate is provided with information on the contract, regulations and remuneration, in accordance with the collective bargaining agreement for the relevant sector, and on the behavioural rules aimed at protecting health and preventing work-related risks.

When it comes to managing its human resources, the Company recognises existing skills and merit, and bans all forms of discrimination.

Specific procedures are in place to provide guidelines on how to recruit personnel. With regard to career development, the Company meets objective and measurable requirements that allow it to reasonably exclude advancement resulting from unlawful or inappropriate conduct of any kind.

Workers who believe they have been harmed or discriminated against may report the incident – as provided for in this Model – to the Supervisory Board, which will determine whether the Code has been breached.

The Company considers the skills and experience gained by personnel at all levels to be a valuable strategic asset; it encourages personnel to develop these qualities by providing both basic and specialised training courses and refresher courses, for groups or individuals. If a hierarchical superior requests personal favours and services outside the scope of the achievement of company goals, this will be considered an abuse of authority.

The Company is committed to protecting the privacy of all its personnel, whether or not they are employed. The data subjects are informed about which personal data are retained and the measures taken to protect such data. It also grants the data subject access to such data, and does not disclose such information to third parties without the data controller's consent, except in cases provided for by law.

The Company ensures safe and healthy working conditions for its employees and takes steps to protect their physical and moral integrity. It implements management systems aimed at identifying and preventing possible risks in order to ensure health and safety for all its personnel.

The Company promotes a culture of safety, especially through preventive measures.

The Company implements all the requirements of Legislative Decree No. 81/08, from drafting the Risk Assessment Document to appointing responsible persons (Head of the Prevention and Protection Service, Workers' Safety Representative, competent doctor etc.), periodically trains all workers on generic and specific risks in relation to the tasks performed and handles emergency management (firefighting and first aid). When necessary, it also relies on the assistance of external professionals that support it in carrying out the activities imposed by Legislative Decree No. 81/08.

The basic principles that guide the Company are those set out in Art. 15 of Legislative Decree No. 81/08.

Workers are required to comply with their obligations as laid out in Legislative Decree No. 81/08. Any violation will be considered a breach of this Code of Ethics and sanctions will be imposed in accordance with the Disciplinary Regulations.

5.4 DUTIES OF EMPLOYEES AND COLLABORATORS - TRADE UNION RELATIONS - RELATIONS WITH THE PRESS

All personnel, whether or not employed, carry out their duties with commitment, care, responsibility, fairness and professionalism, in compliance with the law, current contracts and regulations and the Company's procedures and directives.

The corporate purposes and those laid out in Legislative Decree No. 231/2001 cannot be fully achieved without the committed, conscious and positive involvement of each and every member of the Company, whatever their role.

As for personal relationships, any behaviour or remarks that may be offensive or that may hurt the sensitivity of someone, including images, constant innuendos and any kind of harassment must be avoided.

Coordinators must behave in a polite and respectful manner towards their co-workers and promote their professional development.

Everyone must diligently work to protect company assets by behaving responsibly and making sure not to use equipment and materials improperly.

Everyone is required to respect the confidentiality of data and of any information they learn about while performing their duties. Everyone must protect the integrity, confidentiality and access to company information.

Everyone is required to follow and respect the training programmes established both nationally and by the Company itself so as to make sure that the service offered is always professional and competitive.

All collaborators must avoid conflicts of interest with the Company, and must not profit personally from business opportunities that they may learn about while performing their duties. The collaborator must inform the Company of any external activities that may conflict with the interests of the latter; if there appears to be a conflict, the collaborator must inform the Supervisory Board, which will decide whether the conflict actually exists and to what extent.

If any independent third party (collaborators, consultants or suppliers) should behave in a manner that breaches the Code of Ethics, employees are required to report this to the Supervisory Board, and to take measures to stop such behaviour. After assessing the severity of such behaviour, the Supervisory Board may suggest that the relationship with the third party concerned be terminated.

All collaborators are required to comply not only with health, safety and environmental rules and obligations, but also with all the measures laid out in internal procedures and regulations.

Everyone must comply with the guidelines provided by the parties that the Company has entrusted to fulfil safety and environmental requirements.

All collaborators must perform their duties by complying with all safety and prevention measures so as to avoid risks to themselves and their colleagues, and to the Company itself.

The Company fosters dialogue with trade union representatives, also locally.

Relations with the press are only handled by specifically delegated departments. Associates and employees are not allowed to speak to the media unless it is for personal reasons, and it is forbidden to use the name or trademark SANTA MARGHERITA S.p.A. without specific authorisation to do so.

5.5 CUSTOMER RELATIONS

The Company does not arbitrarily discriminate against its customers. Everyone must be helpful, clear, respectful, polite and understanding towards customers, since customer satisfaction is a strategic intangible asset for the Company.

All customers who feel they have been discriminated against may apply to the Supervisory Board to demand that the Code of Ethics be fully applied.

Customers are forbidden from handing out gifts to the Company's employees or facilitating them in any way that may lead them to behave in a manner that conflicts with the interests (including moral interests) of the Company.

Customers must report inappropriate behaviour by personnel.

The Company ensures that its products and services meet high quality standards. It accepts suggestions and complaints with a view to improving customer relations.

5.6 RELATIONS WITH SUPPLIERS - SUPPLIERS' DUTIES

The Company does not arbitrarily discriminate against its suppliers, and treats them equally and in good faith throughout the entire process (from pre-contract negotiations to the final outcome). In all purchasing processes, the Company ensures free competition, and purchasing personnel do not prevent those who meet the requirements from competing for contracts.

The criteria for choosing between several competitors (e.g. skills, competitiveness, quality and price) and those in charge of the selection process are set out in specific company procedures.

Those who deal with suppliers on behalf of the Company must not receive gifts or benefits, unless they are merely of symbolic value.

Suppliers must comply with the applicable regulations on contracts, social security, occupational safety and hygiene, and environmental protection.

The Company believes that a priority factor when selecting suppliers is their commitment to applying the above-mentioned regulations correctly.

Suppliers are forbidden from offering gifts or benefits of any kind to Company personnel, which may lead them to behave in a manner that conflicts with the interests (including moral interests) of the Company.

Suppliers must report any improper behaviour by Company personnel whenever it comes to their attention.

In performing their tasks, suppliers must not employ child labour, forced labour or workers without a valid residence permit.

In selecting local suppliers, the Company favours those that meet the highest standards in terms of product safety, hygiene and on-time delivery.

When drafting contracts, reference must be made to this Code of Ethics, which must always be available on request. Failure to comply with the fundamental principles of this Code of Ethics may result in contract termination, without prejudice to any claims for damages.