

CODE OF ETHICS
LEGISLATIVE DECREE No. 231/2001
Appendix General Part
of the Organisational And Management Model

Legislative Decree No. 231 of 8 June 2001, and Art. 30
of Legislative Decree No. 81 of 9 April 2008

LARIOTEX

Lariotex S.p.A.

Strada Provinciale per Bulgorello, 5
22070 Vertemate con Minoprio (Co), Italia
Tel.: +39 031 90 14 61
Fax: +39 031 88 75 76

Mail: lariotex@lariotex.com
PEC: lariotex@legalmail.it

www.lariotex.com

Table of Contents

1.	Introduction and objectives	4
2.	Scope of application - recipients	4
3.	General ethical principles	4
3.1	Principle of legality	4
3.2	Principle of respect for people and impartiality - discrimination	4
3.3	Principle of transparency	4
3.4	Principle of protection of personal data	4
3.5	Principle of combating conflicts of interest	5
3.6	Principle of fair competition	5
3.7	Principle of the priority of protecting the health and safety of workers	5
3.8	Principle of environmental protection	5
4.	Rules of conduct with employees	5
4.1	Assessing and hiring staff	5
4.2	Staff management	6
4.3	Staff training	6
4.4	Managing people's work time	6
4.5	Interventions on the organisation of work	7
4.6	Control of work	7
4.7	Staff duties	7
5.	Rules of conduct with suppliers and consultants	8
5.1	Selecting suppliers/consultants	9
5.2	Integrity and independence in relations	9
5.3	Respect of the Code of Ethics by suppliers/consultants	9
5.4	Dominant position	9
6.	Rules of conduct with customers	9
6.1	Establishing customer relations	9
6.2	Impartiality	10
6.3	Employee's conduct towards customers	10
7.	Rules of conduct with Public Authorities	10
7.1	Transparency, clarity, correctness, traceability of information	10
7.2	Presents, gifts and benefits	10
7.3	Permitted activities	11
8.	Rules of conduct with the community	11
8.1	Relations with political, trade unions and business category representatives	11
8.2	Relations with the media and external stakeholders	11
8.3	Contributions and sponsorship	12
9.	Managing information concerning the company	12
9.1	Transparency of accounts and compliance with procedures	12
9.2	Control over sensitive information	12
10.	Partnerships, consortia, joint ventures and similar	12
11.	Criteria of conduct with the board of statutory auditors and the audit firm	13
12.	Use of company assets and information systems	13

13.	Prohibition of operations aimed at receiving stolen goods, money laundering and use of money, goods or profits of illegal origin	13
14.	Implementation and observance of the Code of Ethics	13
	14.1 Dissemination and communication of the Code	13
	14.2 Supervising the implementation of the Code of Ethics	14
	14.3 Stakeholder reports	14
	14.4 Operating procedures	14
	14.5 Breaches of the Code of Ethics and the sanctions system	14
15.	Final provisions	14

1. Introduction and objectives

The Code of Ethics is an official document of LARIOTEX S.P.A., constituting an integral part of the Organisational, Management and Control Model adopted by the company.

The above Code contains a series of principles of business ethics, i.e. a set of rights and obligations of the company in respect of its stakeholders, such as employees, suppliers, customers, public authorities, competitors, partners, etc.

The Code of Ethics has binding effectiveness in respect of the company's organisation: non-compliance is sanctioned according to that provided by the disciplinary and sanctions system of the Organisational Model pursuant to Legislative Decree No. 231/2001.

The values and principles contained in the Code reflect the ethical standards on which the company's work is based and that the Sole Director considered best market practice when formulating them.

2. Scope of application - recipients

The rules of conduct contained in the Code of Ethics adopted by LARIOTEX S.P.A. are applicable to internal and external persons who maintain contractual relationships with the company. The Code is, therefore, binding for the following recipients: Sole Director, employees, managers and consultants, agents, consultants, suppliers, sub-suppliers, business partners, members of the Board of Statutory Auditors, representatives, etc.

3. General ethical principles

The ethical principles laid down in the Code are general in scope and of primary importance. The company does not justify, in fact, any conduct contrary to that set out in this document.

All recipients of the Code are required to observe the behavioural rules set out herein.

3.1 Principle of legality

The recipients of the Code are obliged to comply with the law or other equivalent acts, including the national legislation of any country in which the company has trade relations.

3.2 Principle of respect for people and impartiality - discrimination

LARIOTEX S.P.A. guarantees all persons with whom it has relations respect of their rights and physical, cultural and moral integrity.

The company rejects any form of discrimination by prohibiting behaviour that is sexually coercive, threatening, abusive or aimed at exploitation, and that might upset the person's sensitivity. The company the fight against all forms of discrimination based on age, sex, sexuality, race, state of health, nationality, political opinions and religious beliefs.

3.3 Principle of transparency

LARIOTEX S.P.A. undertakes to ensure the correctness, completeness and timeliness in the management and communication of corporate information, avoiding misleading conduct leading to undue advantages. In particular, contractually, the company undertakes to draw up clear and understandable contractual clauses.

3.4 Principle of protection of personal data

LARIOTEX S.P.A. ensures compliance with the legislation in force on the matter of data protection

(EU Regulation 679/2016 as well as any other legislation). Employees authorised to process personal information - adequately formatted - are required to comply with the regulations cited above and the instructions issued by the company.

3.5 Principle of combating conflicts of interest

In conducting its business, the company avoids creating situations where the persons involved are in a position of a conflict of interest, which arises if a recipient pursues an different objective from that pursued by the company, or voluntarily obtains a personal benefit when carrying out the activities performed in the company's interest.

Any fact that might suggest a situation of potential conflict with the company's interests must be made known to the Supervisory Board.

3.6 Principle of fair competition

LARIOTEX S.P.A. shall refrain from collusive, predatory behaviour and abuse of position while protecting the value of fair competition. The company ensures that competition with other companies, organisations or entities operating in the same sector, must be based on the principles of correctness, fair competition and transparency.

3.7 Principle of the priority of protecting the health and safety of workers

The company ensures and spreads a culture of safety and health in the workplace in respect of the physical and moral integrity of workers, ensuring conditions of use respectful of individual dignity and safe and healthy working environments.

LARIOTEX S.P.A. undertakes to provide adequate information and training, both for employees and contributors, in accordance with the legal provisions, in relation to the behaviours to adopt on matters of health and safety at work, in order to avoid hazards. For these reasons, the company guarantees the respect of the legal technical-structural standards relating to equipment, systems, workplaces, chemical, physical and biological agents, in addition to the risk monitoring, evaluation, management and control procedures, taking into account the level of development of science and technology.

3.8 Principle of environmental protection

LARIOTEX S.P.A. preserves the environment, guaranteeing compliance with the relevant legal provisions by correctly using available resources.

The company undertakes to avoid any conduct that might lead to incorrect management of environmental activities, in order to prevent any pollution or environmental disasters.

The company shall ensure the sustainable development of the territory also when conducting day-to-day business by means of a balanced and reasonable consumption of paper, water and energy.

4. Rules of conduct with employees

The relationship with employees of LARIOTEX S.P.A. is managed according to the following procedures.

4.1 Assessing and hiring staff

The company assesses the staff to hire based on the correspondence of the profiles of the candidates with those expected and the business needs in respect of equal opportunities for all stakeholders as well as the existing regulations (in particular Articles 4 and 8 of Law 300/1970).

During selection, the personnel department shall adopt appropriate measures to avoid favouritism

and advantages.

The company only hires employees by means of regular work contracts: any form of irregular or improper work relationship or somehow circumventing the provisions in force on the matter is prohibited.

LARIOTEX S.P.A. undertakes not to establish any kind of work relationship with persons who do not have a residence permit, and not to carry out any activity designed to encourage the unlawful entry into Italy of illegal immigrants. The company also guarantees not to establish any kind of work relationship with persons included in the reference lists (so-called black list).

When the work relationship is established, each employee shall receive detailed information relating to the following:

- a. Characteristics of their department, the responsibility of their role and tasks to be carried out;
- b. Regulatory and pay elements, as regulated by the national collective labour agreement applied to the work relationship, by law or by internal regulations;
- c. The rules and procedures to be adopted in order to avoid behaviour contrary to legislation and company policies, including the Organisational and Management Model referred to in Legislative Decree No. 231/2001 and the Code of Ethics..

4.2 Staff management

With regard to relations with staff, the company shall adopt the following procedures:

- a. Avoid discrimination of any nature ensuring respect of the values of equal opportunities, so that each employee can enjoy fair treatment based on criteria of the merits of the case, without discrimination. Any reports of discriminatory acts must be immediately reported to managers, contact persons and the Supervisory Board, without fear of any kind of retaliation. Any individual who believes they have been subjected to harassment or have been discriminated against for reasons related to their age, sexuality, race, state of health, nationality, political opinions, religious beliefs or similar, must report the incident to the Supervisory Board as well as to their contact persons. Individuals who engage these acts will incur disciplinary sanctions that may even result in dismissal.
- b. Ensure data protection and the right of employees to work without undergoing conditioning offences. LARIOTEX S.P.A. undertakes not to perform any investigation into the ideas, preferences, personal tastes and, in general, the private lives of employees.
- c. The company undertakes to protect the processing of personal data in full compliance with the legal provisions on the matter, and in particular, in accordance with EU Regulation 679/2016.
- d. Promoting a culture of safety at work, even through informative meetings and direct training to staff, and respect for the environment.

4.3 Staff training

LARIOTEX S.P.A. attaches primary importance to training its staff, with particular reference to health and safety at work and the safe processing of personal data, to prevent the crimes referred to in Legislative Decree No. 231/2001 and the guiding principles of this Code.

4.4 Managing people's work time

Each manager is required to develop people's work time by requiring performance in line with carrying out their duties and with work organisation plans.

Any attempt by a hierarchical superior to request or demand of a subordinate any service, personal

favour and behaviour in breach of this Code of Ethics is an abuse of authority.

4.5 Interventions on the organisation of work

In the case of work reorganisation, the company meets the following criteria:

The burdens of work reorganisation must be distributed as evenly as possible between all people, in line with the effective and efficient running of the business - in the case of new or unexpected events, which must be clarified, a person can be assigned to different jobs compared to those previously carried out, taking care to safeguard their professional skills, as far as possible and in compliance with existing regulations.

4.6 Control of work

The company can only adopt work control and verification procedures, for safety or organisational reasons, in compliance with the regulations in force and the provisions of the Workers' Statute and within certain limits of reasonableness.

4.7 Staff duties

Workers are required to perform a series of duties related to the work relationship established with the company. Specifically:

Confidentiality - business know-how

Business information and know-how are protected with the utmost confidentiality.

The employee is prohibited from wholly or partially disclosing or making known any data concerning the production, marketing, technologies, scientific research, quantities and type of products placed on the market, any information, communicated or company, corporate, administrative, fiscal, tax or procedural news concerning companies, as well as any branches and secondary offices, that are associates and shareholders of the company to anyone else, be it an employee, director or external third party, by any shape and means.

Both for the duration of the work relationship and after it ceases, people will only be able to use the confidential data in their possession in the interest of the company and never to their own benefit or that of third parties.

Confidential information

No staff of LARIOTEX S.P.A. will be able to use illegal means to acquire confidential information on companies and third-party entities. Those who, in the context of a contractual relationship, become aware of confidential information regarding other persons will be obliged to exclusively use it as set out in the relationship in question.

Without prejudice to cases of necessity, related to the normal conduct of the company's business and/or that of third-party companies, people will refrain from obtaining data whose use could involve the offence of misuse of confidential information.

People who are aware of data of this nature, during their work activities are obliged not to disclose such data to third parties, provided that they do not need to have access to it to perform their tasks.

Conflict of interest

All employees are expressly prohibited from situations that may lead to a conflict of interest. Merely by way of example:

1. Performing an activity in competition with those of the company, also via family members;
2. Assuming a senior management role (CEO, director, department manager) and having economic

interests with suppliers, customers or competitors (professional assignments, etc.) in the meantime, also via family members;

3. Looking after relations with suppliers and at the same time performing work, also by a family member, for the same suppliers;
4. Accepting money, favours from persons or companies that have or intend to have business relationships with LARIOTEX S.P.A.

All conflicts of interest, without exception, even if only potential or apparent, must be reported by the individual to their contact persons and to the Supervisory Board. The employee is obliged to provide information on activities carried out outside of the workplace, if they may appear to conflict with the company's interests.

Illegal fees, gifts, representation expenses

Employees of the company are expressly forbidden - even by recourse to third parties - to accept or receive any present, gratuities or another gift with a not insignificant monetary value, from suppliers, customers or other subjects with whom they have a professional relationship or company or with whom negotiations are ongoing.

People in the company who receive gifts or benefits other than those covered in the cases permitted, shall be obliged to notify to their contact persons, in order for the necessary actions to be taken, also with regard to disclosure to third parties of company policy.

Use of company assets

Company assets should be used with the due diligence, avoiding misuse and ensuring proper custody, promptly informing the units in charge in the event of any threats or harmful events for the company.

With regard to computer applications and telephone systems, each employee is obliged to:

1. Observe the company procedures in order not to compromise the functionality and protection of information systems;
2. Not send threatening or insulting email messages or avoid using low-level language or express inappropriate comments that might cause offence to persons and/or damage the company's image;
3. Not browse websites with improper and offensive content and in any case not related to their work activities.

Participation in antisocial and criminal activities

LARIOTEX S.P.A. combats any antisocial and criminal activity. Company employees are banned from entering into any relationship with organisations and elements involved in antisocial and criminal activities that threaten the company or the life of citizens.

In the face of extortion requests, from antisocial and criminal persons, individuals will refuse to compromise and shall refrain from any cash payments or other provisions and will instead inform their contact persons immediately.

5. Rules of conduct with suppliers and consultants

In relations with suppliers and consultants, the company ensures compliance with the principles of transparency, fairness, confidentiality, diligence, professionalism and objectivity of judgement. In the event of a breach of these principles, LARIOTEX S.P.A. is entitled to adopt appropriate measures to terminate the relationship with the supplier.

5.1 Selecting suppliers/consultants

The selection of suppliers/consultants must comply with the current legislation and internal procedures adopted by the company.

Undue pressure aimed at favouring one supplier to the detriment of another and such as to threaten the credibility and confidence that the market places in the company, in relation to the transparency and thoroughness of the application of laws is prohibited.

The company undertakes to build efficient and transparent relationships, maintaining an open dialogue in line with best trade practices.

LARIOTEX S.P.A. uses a register-list of suppliers according to their type and scope.

- a. The company can ask suppliers to prove that they meet the following requirements:
- b. Duly documented access to resources, including financial resources, organisational structures, design capabilities, know-how, etc.;
- c. Existence and effective implementation, in cases in which the company's needs so require, of adequate company quality systems;
- d. Any certifications required by law or regulations.

5.2 Integrity and independence in relations

LARIOTEX S.P.A. ensures the constant monitoring of financial and consultancy contracts. In general, short- or medium-term contracts are favoured provided they contain clauses for a price review.

The stipulation of a contract with a supplier must always be based on clear relations, avoiding forms of dependency.

The documents relating to the suppliers/consultants must be archived: in particular, those of an accounting nature must be kept for the periods established by the current regulations.

5.3 Respect of the Code of Ethics by suppliers/consultants

Suppliers and consultants are required to comply with the principles of conduct contained in the Code of Ethics and in the Organisational and Management Model referred to in Legislative Decree No. 231/2001 adopted by the company. This obligation is expressly stated in an appropriate contractual clause.

5.4 Dominant position

LARIOTEX S.P.A. does not intend to abuse, outside of normal commercial relationships, any dominant positions.

6. Rules of conduct with customers

In relations with customers, LARIOTEX S.P.A. guarantees respect of the principles of professionalism, competence, availability, respect and fairness.

6.1 Establishing customer relations

Contracts concluded with customers and communications must have clear and correct content and comply with the regulations in force, the trade policies of LARIOTEX S.P.A. and the parameters defined therein.

The company undertakes not to resort to elusive or otherwise improper practices in respect of customers.

6.2 Impartiality

LARIOTEX S.P.A. guarantees the non-arbitrary discrimination of its customers, in respect of its company choices.

6.3 Employee's conduct towards customers

Employee's conduct in respect of customers must be based on availability, respect and courtesy, with a view to fostering a highly professional and collaborative relationship on all levels.

7. Rules of conduct with Public Authorities

"Public Authorities" means any authorities, bodies and persons entrusted with looking after public interests, including, without limitation:

1. National, EU and international public institutions, meaning organisational structures tasked with pursuing the interests of the community with legal instruments;
2. Public officers who, irrespective of a relationship of dependence on the State or other public authority, exert a legislative, administrative or judicial public function;
3. Officers of public services or public functions who perform activities in the public interest. As a further example, it should be noted that "Public Authorities" also refers to private entities that perform a public service function to protect general interests, government entities (Italian and foreign), independent administrative agencies (Italian and foreign), bodies of the European Union, employees of these institutions and any persons related to the concepts of "public official" or "public service officer".

7.1 Transparency, clarity, correctness, traceability of information

In relations with Public Authorities, LARIOTEX S.P.A. guarantees maximum transparency, clarity and correctness in order to not to cause partial, false, ambiguous or misleading interpretations for the institutional actors with whom it has relations in various capacities.

All company staff must ensure the traceability of any relevant information when performing operations with Public Authorities.

Staff must refrain from any behaviour that may adversely affect the impartiality and independent opinion of the Public Authorities. In particular, the company pays particular attention to contractual relations, such as for example, those related to authorisations, concessions, licences and requests for public funding (regional, national or EU).

The company may not engage in misleading conduct that could inadvertently mislead the Public Authorities. In particular, using or submitting false declarations or documents or evidencing things that are untrue is prohibited, including omitting information to achieve, for the benefit or in the interest of the company, contributions, funding or other donations however denominated, granted by the State, a public body or by the European Union.

It is forbidden to use contributions, funding, or other donations however denominated, granted by the State, a public body or the European Union, for purposes other than those for which they were assigned

It is forbidden to alter the operation of a computer or communications system of a public entity in any way or illegally intervene in any way on the data, information and programs contained therein or relevant thereto, in order to achieve an unfair advantage to the detriment of others.

7.2 Presents, gifts and benefits

The company is prohibited from giving money or offering economic advantages or of any other nature

to individuals who work for Public Authorities in order to obtain personal benefits or for the company.

Only forms of gifts corresponding to normal commercial practice or courtesy are permitted: vice versa, gifts intended to acquire favourable treatment in the conduct of any activity which can be connected to the company are prohibited. In particular, any form of gifts to public officials or members of their families that may influence independence of judgement in order to obtain more favourable treatment or undue benefits or advantages of various kinds is prohibited. These rules may not be circumvented by using third parties acting on behalf of such entities.

Gifts offered must be documented - with the subsequent retention of significant documents, such as, for example, a transport document - to allow checks and permissions from the department manager or contact persons.

In the event of requests of the company's staff - express or implied - for benefits from a member of the Public Authorities, except in the case of gifts for commercial use and of a modest value, staff are obliged to immediately inform their line manager or the person they report to to take the appropriate measures.

The company, if it considers it appropriate, can support public body programmes with the aim of achieving profit and benefits for the community as well as the activities of foundations and associations, always in compliance with the regulations in force and the principles of this code.

In any case, LARIOTEX S.P.A. shall refrain from practices that are not permitted by law, commercial uses or the ethical codes of companies and entities with which it has relations.

7.3 Permitted activities

Activities that support public body programmes with the aim of achieving profit and benefits for the community, as well as the activities of foundations and associations, always in compliance with the regulations in force and the principles of this code, are permitted.

If the company wants to make donations of money, equipment or goods, it must comply with the procedures laid down by law.

8. Rules of conduct with the community

8.1 Relations with political, trade unions and business category representatives

LARIOTEX S.P.A. ensures fair discussions with trade union organisations, internal workers' representations and trade associations, based on the principles of correctness and transparency, as part of the legislative provisions in force and those set out in the contents of the national and company contracts.

The company does not finance political parties, their representatives or candidates, either in Italy or abroad, and does not sponsor conventions or events organised solely for political purposes. Similarly, the company does not intend to submit to any direct or indirect pressure from politicians - by way of example, it does not accept recommendations for appointments, nor conclude consultancy contracts with similar objectives.

LARIOTEX S.P.A. does not make contributions to organisations with which it may have a conflict of interest (for example, trade unions). It may, however, cooperate, even financially, with these organisations for specific projects, provided that there is a clear and documented destination for the resources as well as an express authorisation from the departments concerned, within the company.

8.2 Relations with the media and external stakeholders

The company maintains relations with the press, means of communication and information and, more

generally, external stakeholders, exclusively via persons expressly appointed, in accordance with the corporate procedures adopted.

External communications must adhere to the principles of truth, correctness, transparency and prudence and must be aimed at promoting knowledge of company policies; in no case can false and biased news or comments be disseminated.

Relations with external actors must ensure compliance with the law, the Code of Ethics and internal protocols with the aim of protecting the company's image, also safeguarding information affects the market and industrial secrets.

Any form of pressure or acquisition of attitudes of favour by means of communication is prohibited.

8.3 Contributions and sponsorship

The company is allowed to make contributions to not-for-profit organisations and associations that have regular articles of association and memoranda and which are of a sports, cultural or beneficial value or involving a large number of citizens.

LARIOTEX S.P.A. can accept sponsorship requests related to social issues, the environment, sport, entertainment and art, paying particular attention to any possible personal or business conflict of interest. By way of example, a conflict of interest can arise in the event of family relationships with stakeholders or links to bodies that may, by the tasks they perform, in some way favour the business.

9. Managing information concerning the company

9.1 Transparency of accounts and compliance with procedures

LARIOTEX S.P.A. guarantees correct, truthful and comprehensive representation of the economic and financial situation. In particular, the company ensures the accuracy and completeness of the budgets, reports, social communications and any other documentation relating to the company's economic and financial situation. For these reasons, the departments involved in drafting the accounting entries are required to keep them in an accurate, complete and timely way in accordance with the regulations and company procedures regarding accounting.

The company guarantees the adequate and correct recording of all actions and operations to enable a check of the decision-making, authorisation and implementation processes.

9.2 Control over sensitive information

External communication of company information which is not in the public domain must be previously authorised by the Sole Director or by delegated persons.

In no case, in information management, must behaviour be adopted that may encourage phenomena that lead to the impoverishment of company assets or cause undue personal advantages or to third parties.

10. Partnerships, consortia, joint ventures and similar

The company guarantees the observance of the regulations and the ethical principles contained in this Code in the event of a constitution and development of partnerships or consortia, joint ventures and similar. Secret covenants or agreements and/or that are contrary to the law are prohibited.

In particular, the company undertakes to only establish relationships with partners who have a respectable reputation and are only engaged in lawful activities in accordance with the principles contained in this Code.

LARIOTEX S.P.A. shall refrain from reserving favourable treatment for a partner that is disproportionate to their contribution.

11. Criteria of conduct with the board of statutory auditors and the audit firm

The company ensures maximum transparency, clarity and correctness in relations with the Board of Statutory Auditors and audit firms, in order to establish a relationship of professionalism and collaboration. Information on the afore-mentioned persons is provided subject to supervision and coordination by the Sole Director or company departments set up for this purpose.

12. Use of company assets and information systems

The documents, work tools, systems and anything else supplied or IT assets (including intellectual property and any trademarks) must be used by employees of the company and contributors with the utmost diligence and exclusively for company purposes. Any illegal and irregular uses can be sanctioned, also in a disciplinary way, irrespective of the constitution of conduct that is a punishable offence.

Employees and contributors of LARIOTEX S.P.A. are obliged to avoid improper and/or personal use of company assets, in full compliance with all company procedures as well as the Regulations on the subject of the privacy adopted by the company on the matter IT and computerised tools. In particular, the following are prohibited:

- a. Abusive access to an IT or computerised system;
- b. The unauthorised possession and abusive disclosure of IT or computerised system access codes;
- c. The circulation of equipment, devices or computer software for the purpose of causing damage to or interrupting an IT or computerised system;
- d. The interception, prevention or illicit interruption of IT or electronic communications;
- e. The corruption of information, data and programs and information and computerised systems.

13. Prohibition of operations aimed at receiving stolen goods, money laundering and use of money, goods or profits of illegal origin

LARIOTEX S.P.A. ensures full compliance with the rules in force on the subject of the combating money laundering and the provisions adopted by the competent authorities.

All company departments are required to check the information available in advance (including financial information) on commercial counterparts, consultants and suppliers, in order to certify their moral integrity, respectability and the legitimacy of their business prior to establishing business relationships with them. They are obliged to strictly observe the laws and company procedures in any economic transaction they are involved in, ensuring the full traceability of inbound and outbound financial flows and full compliance with the laws on the subject of the combating money laundering where applicable.

14. Implementation and observance of the Code of Ethics

14.1 Dissemination and communication of the Code

LARIOTEX S.P.A. undertakes to disseminate the Code of Ethics by dissemination to all internal subjects and specific training activities, publishing on company message boards and on company websites, as well as provided to third parties of the organisation and any others.

The company encourages adequate information and training about the content of the Code of Ethics in order to ensure proper understanding of the rules of conduct.

14.2 Supervising the implementation of the Code of Ethics

The Sole Director of the company and the Supervisory Board have the task of checking the implementation and application of the Code of Ethics. In particular, the Supervisory Board is tasked with:

1. Communicating reports received on the matter of breaches of the Code of Ethics to the Sole Director;
2. Promoting the review of procedures and of the Model in order to ensure consistency with the Code of Ethics;
3. Contributing to the periodic review of the Code of Ethics.

14.3 Stakeholder reports

Anyone who becomes aware or is reasonably convinced of the existence of a breach of this Code, a specific law or company procedures, is duty bound to immediately notify their manager or contact person as well as the Supervisory Board, in accordance with company procedures.

LARIOTEX S.P.A. shall ensure that the identity of the whistleblower remains confidential, insofar as the law allows.

On the proposal of the Supervisory Board, the Sole Director shall conduct investigations on any breaches of the Code of Ethics, with the possibility of listening to the whistleblower as well as the person responsible for the alleged breach. All staff are obliged to cooperate with any internal investigations.

14.4 Operating procedures

ARIOTEX S.P.A. has adopted specific procedures aimed at preventing breaches of the Code of Ethics and the legislation in force.

In general, the company ensures the segregation of the company departments for the purpose of preventing the assignment of unlimited or excessive powers to individuals.

All company actions and activities must be properly recorded to allow a check of the process for decision-making, authorisation and conducting operations. It is necessary to have proper documentary evidence for each operation in order to be able to carry out checks, at any time, of the nature and reasons for the operation and to identify the person who authorised, executed, recorded and checked the operation.

14.5 Breaches of the Code of Ethics and the sanctions system

Compliance with the rules of the Code of Ethics is considered an essential part of the contractual loyalty and diligence obligations of employees pursuant to and for the effects of Articles 2104, 2105 and 2106 of the [Italian] Civil Code, as well as of the general obligation of good faith expected of contributors of any kind and suppliers of services.

Breaches will be prosecuted effectively, in a timely and immediate manner, by means of the adoption - in respect of those responsible for the breaches, where they are considered necessary to protect the company's interests and in line with that provided by the current regulatory framework - of adequate and proportionate disciplinary measures and/or sanctions regardless of any criminal relevance of such behaviour and by the establishment of criminal proceedings in cases that constitute a criminal offence.

15. Final provisions

Any changes and/or additions to the Code of Ethics must be approved by the company's Board of Directors and adequately and promptly disseminated to all the recipients concerned.



LARIOTEX