

CORPORATE CODE OF ETHICS

Rev.04 of 08-11-2023



Rev.04: Update whistleblowing and confidentiality procedure

Rev.03: Update for sustainability index adjustment

Rev.02: Update § "Relations with the Environment

Rev.01: Adaptation to IAT

Foreword and introduction

Mollificio Lombardo's (ML) business is made possible by the work of its internal staff and the companies that supply it with goods and services.

Awareness of these relationships and of the consequent responsibilities, as well as the protection of customers and their needs, are part of ML's corporate culture, which intends in this Code of Ethical Self-Regulation (Code) to summarise the fundamental principles and rules of conduct that ML Directors, Managers, Employees as well as suppliers are required to comply with in conducting ML's business and in performing their respective services as well as in internal and external relationships (referred to as the parties).

Effectiveness of the Code

- ✓ Compliance with the Code is an essential part of the employee's contract of employment pursuant to and in application of Article 2104 of the Italian Civil Code, the principles and contents of the Code being an expression of the obligations of diligence, loyalty and good faith in the performance of work that contribute to the proper fulfilment of the latter. To this end, each employee shall sign a declaration of receipt of a copy of the Code and an undertaking to comply with its provisions. A similar declaration shall be signed on the occasion of each amendment to the Code.
- ✓ Compliance with the Code is also required from suppliers who have access in any capacity to ML's computer network, who acknowledge in writing receipt of a copy of the Code and its subsequent amendments, with a commitment to comply with them.
- ✓ The Code is brought to the attention of other suppliers, consultants, and third parties involved in ML activities, with an invitation to comply with its principles and standards of conduct.

General Principles

- ✓ ML aims to conduct its business according to the principles of sustainable development, which meet the needs of present generations without compromising the ability of future generations to meet theirs. ML especially pursues economic efficiency without compromising social development and the environment.

1. Human Resources

- ✓ ML promotes and defends inviolable human rights, repudiating in external and internal relations any discrimination based on gender, ethnicity, language, religious belief, political affiliation, sexuality and other personal and social conditions.
- ✓ ML acts in strict compliance with the national and international laws applicable in Italy and in any other country in which it operates and is aware that the adoption of and respect for ethical principles is an essential element in the prevention of unlawful acts in general and of offences covered by the liability of legal persons pursuant to Legislative Decree no. 231 of 8 June 2001. To this end, the rules of conduct set out in the Code constitute the basic reference to which the addressees must adhere in the performance of the sensitive company activities referred to in the aforementioned decree and in their relations with stakeholders.
- ✓ ML also observes the principles of integrity and transparency and carries out correctly authorised, verifiable, consistent and congruent operations and transactions.

ML firmly rejects bribery as a way of conducting business, no one being able to promise or deliver money or other benefits to obtain undue services, and no one being able to demand or receive money or other benefits to perform undue services.

- ✓ ML recognises that fair competition is fundamental to the development of business activity and therefore under no circumstances does it engage in acts and conduct contrary to free and fair competition.
- ✓ The belief that one is acting to the advantage or in the interest of ML can in no way justify the adoption of conduct contrary to the principles inspiring the Code.

Customer relations

The organisation does not discriminate between customers without objective reasons and bases its relations with them on helpfulness, professionalism and honesty, as well as the general principles of this code: human rights, financial integrity, protection of intellectual property, fair competition.

Believing customer satisfaction to be an essential element of the correct relationship with the customer, ML prepares procedures and instruments to verify and assess the level of this satisfaction and to be in a position to promptly undertake actions to quickly and effectively recover the aforementioned level. ML gives clear feedback to customer observations, requests and complaints.

The organisation pursues the technological innovation of its activities in order to anticipate market demands and satisfy customer needs. To this end, it dedicates adequate resources to the study and development of new techniques and solutions, and also provides continuous training for its staff in order to have a workforce that is aware of the most innovative solutions and operating techniques and capable of applying them correctly.

The organisation guarantees the safety of the products it supplies to customers by ensuring scrupulous compliance with all regulatory standards and the implementation of appropriate control procedures.

It refrains from any misleading, aggressive or otherwise unfair practices in its advertising and commercial communications with customers, which will be characterised by clarity and completeness of information about its activities and services.

It carefully assesses the feasibility of customer requests, with regard to regulatory, technical and economic conditions, in no case assuming contractual commitments that might put it in a position to resort to savings in the quality of performance or safety of products and services.

In respect of privacy and in order to maintain the highest confidentiality of customers' intellectual property, the disclosure by any means, especially through social networks, of any information pertaining to ML's work is categorically prohibited. Such information includes, drawings, components, equipment, production processes, financial situations, prices, prototypes or machinery in general.

Any request for information about the Company from external individuals or entities must be forwarded to the Executive Board in order to obtain a response.

Relations with Suppliers

ML procures on the basis of the quality of the goods and services offered, their cost, the technical and economic reliability of the supplier and the punctuality of deliveries, recognising on this basis conformity of treatment to present and future suppliers. In particular, the selection of suppliers

is based on the qualification of those whose performance relates to the quality of the manufacturing processes.

It is committed to preserving the health and safety of suppliers and their employees and collaborators who may occasionally work in the organisation's premises in accordance with current legislation, and calls on suppliers to respect workers' rights and the protection of child labour in all circumstances.

It adopts procedures for the transparent and impartial evaluation of the reliability and competence of each supplier, the cost-effectiveness of its offer and the guarantees of service and timeliness.

The organisation bases its relations with suppliers on fairness and loyalty.

Relations with employees

Employees of Mollificio Lombardo are all those who have an employment relationship financed with the pursuit of the corporate purpose.

ML demands the utmost respect for people and applicable labour legislation and strongly condemns human trafficking, irregular, child, forced and compulsory labour and is committed to full compliance with local laws and international standards.

ML does not allow work performed by persons it employs to be obtained under threat of any penalty. To ensure the full voluntariness of any performance, ML is committed to ensuring that all workers are fully aware of their rights and obligations under their employment contract. No worker has ever left money or original copies of documents on deposit in the company. With each new update of the national collective agreement, ML undertakes to provide each worker with a hard copy of the same in a timely manner.

ML rejects discrimination between employees based on gender, ethnicity, religious belief, political affiliation, sexuality, and social and personal conditions. In particular, it encourages and promotes equal opportunities between women and men.

ML condemns any form of discrimination and the use of coercion, deception or lack of transparency in the employee selection and recruitment process; personnel selection is carried out in accordance with the real and specific company needs and on the basis of the professional requirements of the job.

It fosters a working environment where the dignity of each individual is guaranteed and relations between people are conducted on a basis of respect, honesty, fairness and cooperation. Specifically, it does not perform acts and behaviours that are not provided for in the applicable collective and individual agreements, also respecting the personal dignity of employees and collaborators in the exercise of authority and hierarchy and avoiding all forms of abuse.

It valorises the skills, potential and commitment of each individual, evaluating them uniformly, also with regard to the organisation of work.

ML operates in full compliance with local laws and international industry standards with regard to working hours, wage, insurance and social security conditions, overtime and employee benefits.

Working hours are established in accordance with local legislation and in full compliance with the relevant ILO Conventions and with particular regard, where applicable, to the provisions of national collective labour agreements and their supplements. Employees and collaborators have at least one day off per week and paid holidays, leave and sick leave.

It complies with all the legal, regulatory and technical standards applicable from time to time regarding the protection of workers' health and safety and adopts appropriate control systems, implementing the general principles of eliminating risks; of assessing non-avoidable risks; of adopting protective measures at source; of choosing workplaces and equipment; the planning of prevention to create a coherent whole integrating technology, work organisation, working conditions, social relationships and the influence of factors in the working environment; the prioritisation of collective protection measures; the provision of appropriate instructions and information to personnel.

The organisation's Quality Management System is certified in accordance with UNI EN ISO 9001:2015 and IATF 16949:2016 by the certifying body ICIM S.p.A.

In processing the personal data of its employees, it strictly adheres to the provisions of the law, any investigation of their ideas, preferences, personal tastes and private lives being excluded in all cases.

Gifts from customers and suppliers and their acceptance by directors and employees of the organisation are only allowed when they are of a symbolic nature and cannot therefore even abstractly justify favourable treatment. The General Management reserves the right to analyse particular cases and if it deems it necessary to fix their destination or the way they are distributed among all personnel.

Directors and employees, as well as consultants and suppliers who have access in any capacity to ML's computer network, ensure and protect the utmost confidentiality of news and information constituting company assets or inherent to the activity in compliance with the provisions of the law, regulations and internal procedures.

Directors and employees perform their services with diligence, efficiency, honesty and fairness, making the best use of the time and tools at their disposal and assuming the related responsibilities. In particular, they shall not use for personal purposes any information, property or equipment at their disposal in the performance of their function, task or assignment.

Relations with institutions and the community

ML maintains relations with local, national, EU and international public institutions and with public officials or persons in charge of a public service, in the utmost compliance with the regulations in force and marked by loyalty, fairness and transparency.

The organisation can only accede to requests for contributions from non-profit organisations and associations that have a cultural, sporting or benefit value and involve a significant number of citizens.

When choosing proposals, pay particular attention to conflict situations of personal or corporate interest.

Confidentiality

All information exchanged with Customers and Suppliers (the Parties) is to be considered non-confidential. If the Parties intend to communicate, receive, exchange confidential information, they undertake to enter into and sign a specific confidentiality agreement (NDA or equivalent).

In the presence of agreements of this kind, Mollificio Lombardo's organisation takes every necessary measure to ensure that the processing of customer/supplier data complies with the provisions of the law, guaranteeing the confidentiality of such data according to their specific

indications. In any case, it uses the information obtained only in close connection and dependence on business relations, excluding any insider trading behaviour.

With regard to the disclosure of supplier-customer information, it similarly ensures and maintains the confidentiality of any information of a technical or commercial nature learned in the course of relations with the customer/supplier.

Each Mollificio Lombardo Employee personally undertakes to respect the Confidentiality Agreements that the Company has established with its Customers/Suppliers. ML considers itself relieved from any responsibility for improper or even wilful conduct perpetrated by the Employee in disregard of the confidentiality agreements established with the Customer/Supplier. It is the responsibility of the Employee to ensure that it is possible to disclose technical or commercial information learned in the course of the relationship with the customer / supplier.

Processing of personal data

Mollificio Lombardo informs that the personal data of the CUSTOMER and/or its collaborators and employees, provided by the CUSTOMER or in any case collected by Mollificio Lombardo, will be processed in accordance with the applicable legislation on the processing of personal data (Legislative Decree. 196/2003 and, as of 25 May 2018, the General Data Protection Regulation, Reg. (EU) 2016/679 known as the "GDPR", jointly referred to as the "Privacy Legislation") as well as the contents of the "Information for the processing of personal data addressed to Clients" pursuant to Articles 13 and 14 of the GDPR, sent to the CUSTOMER by DERGA Consulting.

The CUSTOMER undertakes to communicate in advance and in writing to Mollificio Lombardo if, in the execution of the activities that are the object of the stipulated contracts, it is necessary for Mollificio Lombardo to process the CUSTOMER's personal data, in accordance with the Privacy Regulations; in this case, it is understood that Mollificio Lombardo will operate exclusively as Data Processor in accordance with art. 28 GDPR, according to the instructions and security measures indicated in the deed of appointment as Data Processor to be signed by the Parties. It is understood that, in the absence of the aforesaid communication, the activity carried out by Mollificio Lombardo does not provide for any processing of personal data and that in any case the CLIENT shall hold Mollificio Lombardo harmless from any prejudicial consequences arising from non-compliance, not attributable to DERGA Consulting, with the provisions of the Privacy Law, including the failure to appoint DERGA Consulting as Data Processor

Relations with the environment

ML is inspired, in its activity, by the protection and safeguard of the environment, respecting Community and national legislation on environmental protection and regularly verifying the impact of the activity itself on the environment in order to make possible and timely actions to remedy any negative effects and correct operational deviations.

In particular, it is proposed to respect the principles of implementing production processes with criteria to prevent pollution and reduce environmental impact as well as adopting the best criteria for environmental and quality management.

ML constantly, continuously and concretely undertakes a 'green' strategy to be an active part of a cultural and generational change. Specifically, anticipating the requests of the European Community, it has abolished the use of disposable plastic (water bottles, coffee cups, etc.), promoting the use of reusable or recyclable materials; moreover, for its normal production activities, it has chosen to use only materials that are already recycled or that can be 100% recycle

Employee whistleblowing

ML invites employees and members of corporate bodies to report any suspicion of fraud, illegal or irregular conduct and/or any type of serious danger or risk that may involve or otherwise harm employees, consultants, customers, suppliers, stakeholders, the public or the company's own reputation, and of which they have become aware during their work activities in accordance with the provisions of the whistleblowing activity covered by the IATF 16949:2016 standard and internal procedure P05.01.01 rev.00 of 31/10/2023 (e.g., but not limited to, workplace hazards, environmental damage, unlawful financial transactions, health threats, suspected corruption or bribery).

In particular, the organisation specifies that any circumstantiated report made within the company, provided that it is not anonymous, will be given adequate consideration, ensuring the confidentiality of the reporter's identity, without prejudice to the legal obligations concerning the enforceability of anonymity and confidentiality; a circumstantiated report made in good faith will not have any negative effects on the reporter.

The submitter, in good faith, of a substantiated and reasonable report shall be protected against retaliation or otherwise by the persons involved in the facts that are the subject of the report.

Implementation of the Code

The Code and any future amendments to it are adopted by ML by resolution of the Board of Directors.

In view of the size of the organisation, the implementation of the Code and its updating are entrusted, at least in the first application phase of the Code, to the Managing Director, who for this purpose acts as Ethics Committee. Should reports or other relevant facts directly concern the Managing Director, the relevant investigation and final assessment shall be exclusively entrusted to the Board of Directors, to which the report and other circumstances involving the position of the administrative body must be immediately communicated in writing.

ML adopts appropriate initiatives to spread knowledge of the Code among all its directors, managers, employees, consultants, temporary collaborators, suppliers and stakeholders in general. In particular, the Code is delivered to employees, ongoing consultants and those who have access in any capacity to the ML computer network, and is brought to the attention of the other consultants and suppliers when contractual relations are established. The Code is available in electronic format on the website (at www.mollificio lombardo.com).

ML ensures adequate communication channels to receive reports of possible violations or observations on the application of the Code. In particular, such reports may be made:

- ✓ by e-mail to the mailbox molle@molle.com with 'Confidential to Ethics Committee' in the subject line;
- ✓ by ordinary mail to the address Mollificio Lombardo S.p.A., via Sant'Uguzzone 5, 20126 Milan with the indication "Reserved for Ethics Committee" on the outer envelope.

The identity of the whistleblower is kept confidential as is the handling of the report, without prejudice to legal obligations. As a result of the appropriate investigations, the Ethics Committee shall assess any conduct in ascertained violation of the principles and rules incorporated in the Code that may motivate the application of disciplinary sanctions in internal relations or the application of contractual termination mechanisms in external relations, without prejudice to ML's right to take legal action and claim damages. Blatantly unfounded and instrumental reports shall also be subject to sanctions.