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Organisation, Management  
and Control Model  
pursuant to Legislative Decree 231/2001

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Ethical code

Approved with ruling of the Board of Directors on 20/12/2019

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## MISSION

Produce and keep,  
in compliance with the laws and business ethics, our competitive  
*leadership* in the market by creating innovation and value for the  
customer, collaborators, and other interested parties

Conceria Pasubio Spa is committed to following high *standards* of transparency and integrity in the conduct of its business, in compliance with the principles concerning human rights, workers' rights, environmental protection and the fight against corruption.

With this Ethical Code, the Top Management intends to clearly reiterate the ethical principles which inspire and to which all employees and external collaborators have the duty to comply, everyone for their respective competences, in the execution of their work.

Each recipient of the Ethical Code is required to know and implement it, as well as to report any deficiencies and / or violations.

Management



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### 1. INTRODUCTION

#### PREMISE

The Ethical Code adopted by Conceria Pasubio Spa is a set of principles and rules whose observance is of fundamental importance for the proper functioning and improvement of the Company's reliability.

It is an attachment and an integral part of the Organization, Management and Control Model (hereinafter the "**Model**") adopted by the Company pursuant to Legislative Decree no. 231/2001.

The Ethical Code is the "Charter of fundamental rights and duties" through which the Company:

- clarifies its ethical and social responsibilities towards the different stakeholders, both internal and external, such as: shareholders, employees, collaborators, suppliers, public bodies, customers, etc.
- research of forms of balance and /or points of balance between the multiple interests and the legitimate expectations put forward by the stakeholders.

The adoption of this Code sets the primary objective of satisfying, in the best possible way, the needs and expectations of the Company's interlocutors, with the aim of recommending and promoting a high level of professionalism and of prohibiting conduct which is not only contrary to the relevant legislative provisions but also to the values which the Company intends to promote.

The individual and collective behaviour of the Company's employees and collaborators must therefore be in tune with company policies and must translate effectively into collaboration, social responsibility and compliance with current legislation by following the *standards* of conduct identified in the Ethical Code.

#### RECIPIENTS

The Ethical Code is aimed at all those who, employees or collaborators, set up relations or relationships, direct or indirect, in a stable or temporary manner or in any case work to pursue corporate objectives. Hereinafter named with the term "Recipients".

The Company undertakes to bring the Ethical Code to the attention of all Recipients in the manner shown in Par. 6.

All Recipients must know the Ethical Code and respect the principles and rules held therein, as well as to contribute to its implementation, improvement, and dissemination.

The violation of the provisions set forth therein constitutes a disciplinary offence, and as such may lead to the imposition of sanctions against the interested party (as provided for by Par. 5).

#### ETHICAL PRINCIPLES

The principles on which the corporate Ethical Code is based are as follows:

- Behaviour of the Company and its various interlocutors ethically correct and in compliance with the laws.
- Loyalty of employees and collaborators towards the Company.
- Correctness, courtesy, and respect in relationships between colleagues.
- Professionalism and professional diligence.
- Respect for the environment and the health and safety of employees and collaborators.

The Company endeavours to give substance to the values and principles contained in the Code, taking on the responsibilities internally and externally and strengthening trust, cohesion, and spirit

of the company. It therefore engages in training / information on the contents of the Code with the aims of:

- Promoting and strengthening the corporate culture around recognized values.
- Disclose the rules, procedures, and practices to be followed.
- Broaden the consensus to the principles underlying this Code.

The ethical standards of conduct that the Company intends to pursue are the following:

- Equity and equality in the treatment and recognition of the value of the human resources.
- Diligence, transparency, honesty, confidentiality, and impartiality in conducting business activities.

Protection of the person and the environment.

## 2. GUIDING CRITERIA IN THE POLICIES TOWARDS THE RECIPIENTS

Conceria Pasubio Spa is committed to:

### IMPARTIALITY

Ensure equal employment opportunities for all employees and collaborators based on professional qualifications and performance abilities, without discrimination based on ethnicity, religion, opinions, nationality, gender, age, physical and social conditions.

### WORK ENVIRONMENT

Ensure that sexual harassment is not given rise in work relationships, internal and external, nor behaviours or initiatives are created that generate an intimidating, hostile or isolated work environment for individuals or groups of workers, which negatively interfere with the work performance of others or which hinders others' job and /or career prospects, for mere reasons of personal competitiveness.

### DEVELOPMENT

Develop the skills and competences of each employee and collaborator with training and updating activities.

### VALUE OF RESOURCES

Guarantee fair treatment based on criteria of merit and competence.

### PRIVACY

Protect information concerning employees and collaborators generated or acquired inside and outside the Company and activate any useful measure to avoid misuse of such information.

### HEALTH AND SAFETY

Promote and protect the health and safety of its employees and collaborators. It also undertakes to consider with particular attention the condition of those who experience discomfort in the presence of smoke, notwithstanding the address not to smoke in the workplace except in the areas authorized and marked by specific indications.

### ENVIRONMENT

Develop and design activities aimed at environmental protection and the safeguarding of resources, the containment of energy consumption, research, and technological innovation. In particular, produce

products and develop processes that are increasingly compatible with the environment and characterized by the minimization of environmental risks.

The Recipients undertake to:

### RESPONSIBILITY

Provide the contractually agreed performance, consistent with the tasks, aims and responsibilities assigned, without delegating to other employees or collaborators the performance of activities or the adoption of decisions for which they are responsible.

### DILIGENCE

Respect working hours, unless for justified reason and limit absences from the workplace to those strictly necessary, if employees; devote the appropriate resources, in terms of time and dedication, to the tasks assigned for the pursuit of the related objectives, if collaborators.

### RESPECT

Behave respectfully and sensitively towards others, refraining from serving under the influence of alcohol, drugs, or similar substances and from consuming or disposing of such substances in the course of work.

### COMPANY ENVIRONMENT

Contribute to the creation of a professional environment in which all colleagues feel positively involved in achieving corporate goals.

### HONESTY

Employ the assets and resources available in compliance with their intended business use and in order to protect the conservation and functionality as each recipient is considered to be directly and personally responsible for the protection and conservation of the property and resources entrusted to him for the performance of their duties. Therefore recipients undertake not to use the telephone lines of the office for personal needs, except in cases of emergency, and comply with the provisions of the company Regulations for the use of the computer system, for the use of the *internet* and e-mail; they also undertake not to use the company vehicles to conduct personal tasks, and not to transport persons extraneous to the Company, without the express permission of the same.

### CONFIDENTIALITY

Use the utmost caution and care in using non-public information deriving from the performance of your duties. The information and any other material obtained in the performance of one's work are owned by the Company. The Recipients undertake not to disclose, use or communicate information and / or any other kind of news, documents, data, etc., connected to the deeds and operations of each task or responsibility that have a confidential nature without specific authorization.

### CONFLICT OF INTERESTS

Avoid all situations and activities in which a conflict of interest may arise between personal economic activities and duties held in the Company or interests of the Company itself. However, if situations of conflict or situations of potential conflict should occasionally arise, immediate communication to your manager or to the referring function is asked, so that, if necessary, measures can be taken.



## GIFTS

Accept or offer directly or indirectly acts of commercial courtesy, such as gifts and benefits, only when they are such that they cannot be interpreted as aimed at acquiring advantages for oneself or for the Company in an improper way. The employee or collaborator who receives the offer of gifts that cannot be ascribed to a normal and correct courtesy relationship, must directly inform their manager or the referring function and refuse.

## HEALTH, SAFETY AND ENVIRONMENT

Participate in the process of risk prevention, environmental protection and health and safety protection towards themselves, colleagues and interested parties.

## ADMINISTRATIVE RESPONSIBILITY

Importance is given to transparency, accuracy, and completeness of the financial statement information. To this regard, each employee must collaborate so that the management facts are correctly represented.

The information that flows into periodic *reports* or accounting, both general and analytical, must follow the principles of transparency, correctness, completeness, and accuracy.

The accounting evidence must be based on correct information, comprehensive and verifiable. Each entry in the accounting books must reflect the nature of the operation, represent the substance, and must be based on adequate supporting documentation to allow:

- Easy accounting recording.
- The identification of the various levels of responsibility.
- The correct reconstruction of the operation.

## 3. GUIDING CRITERIA IN POLICIES TOWARDS THIRD PARTIES

Employees and collaborators must inform third parties of the content of the provisions of the Ethical Code, in order to standardize their behaviour with these provisions.

### RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS

Each recipient must perform their duties with the aim of obtaining maximum customer satisfaction. When asked, each Recipient must help and give information in a courteous, polite, correct, and comprehensive manner.

The choice of suppliers and the determination of purchase conditions must be based on an objective evaluation of:

- Quality of goods and services asked.
- Price of goods and services asked.
- Ability of the counterparty to promptly supply and guarantee goods and services of a level proper to the Company's needs.

### RELATIONS WITH THE PUBLIC ADMINISTRATION

The undertaking of commitments with the Public Administration is reserved exclusively to the specifically assigned corporate functions.

The Recipients must not promise, offer payments or goods to public officials to promote or favour the interests of the Company, unless they are commercial courtesies of modest value and such that they cannot be interpreted as aimed at acquiring advantages for themselves or for the Company improperly.

In the case of offers / proposals from public officials, the employee or collaborator must report to their manager or competent function and refuse.

During relations (contacts, requests, negotiations, etc..) with the Public Administration, internal and external personnel appointed by the Company for this purpose are not allowed to try to improperly influence the decisions of the counterparty.

Public tenders must be conducted following the rules and good business practice, respecting the rules of competition.

The Company undertakes to keep and make its employees and collaborators behave correctly towards the tax authorities.

The Company cannot be represented, in relations with the Public Administration, by third parties (consultants, etc..) when conflicts of interest can arise.

During relations (contacts, requests, negotiations, etc..) with the Public Administration it is not allowed to undertake, directly or indirectly, the following actions:

- Examine or propose job and /or commercial opportunities that may benefit public administration subjects or related to them.
- Solicit or obtain confidential information that could compromise the reputation or the integrity of one or both parties.

### **RELATIONS WITH POLITICAL ORGANIZATIONS, TRADE UNIONS AND WITH THE *MASS MEDIA***

Conceria Pasubio Spa does not make direct or indirect contributions, in any form, to parties, movements, committees, trade unions and political organizations, nor to their representatives and candidates.

The press relations are kept by authorized Functions and are conducted following the communication policy defined by the Company. The information provided must be true, complete, correct, transparent, and consistent with each other.

Employees and collaborators must refrain from issuing statements or interviews about the Company to representatives of the press and other media and to any third party without the authorization of the Managers.

## **4. INTERNAL AUDITS**

The internal control system consists of all the tools necessary, that is, useful to direct, manage and verify the business activities, orienting it towards the achievement of its objectives and at the same time preventing the risks related to the same.

The control system as a whole must provide reasonable assurance about compliance with the laws of the state, internal procedures, company codes, the achievement of the set objectives, the protection of the Company's assets and resources, the company management according to effectiveness and efficiency criteria, as well as the reliability of accounting and management information within and outside the Company.

The Company also adopted, pursuant to Legislative Decree no. 231/2001 an organization, management and control model - of which this Code forms an integral part - aimed at preventing and combating the commission of the offences contemplated by the aforementioned decree; as part of the Model, a procedural system has also been defined that is suitable for reducing the risk of violation of the Code, and assigned adequate responsibilities and resources to an internal supervisory and control body to be able to develop the appropriate guidelines alongside and to support the various corporate functions.

## 5. VIOLATION OF THE ETHICAL CODE

The rules contained in the Ethical Code are adopted by the Company in full autonomy and as such they complement the set of behavioural prescriptions that each Recipient is required to observe, by virtue of the civil and criminal laws in force and the obligations foreseen by the collective negotiation. Compliance with the principles and rules of conduct contained in the Ethical Code applies and is binding in the context of all employment relationships or assignments of any type and nature existing with the Company.

The violation of the provisions contained therein therefore constitutes a breach of the relationship of trust established with the Company and may result in the initiation of disciplinary proceedings against the person concerned and the consequent imposition of disciplinary sanctions.

To this end, the Company has adopted a specific disciplinary system suitable for sanctioning conduct that does not comply with the rules and principles set out in the Ethical Code, as envisaged in the General Part, of the Model (Chapter 4 - Sanctioning system), of which this Code is an integral part.

This disciplinary system, therefore effective also in relation to the violations of this Code (and to which therefore please refer), provides for the application of different types of sanctions (verbal, written, fine, suspension, dismissal), proportionate to the seriousness and especially of the infringement committed, and also differentiated *procedures* for disputes according to the subjects involved (directors, managers, subordinate workers and collaborators of various capacities of the Company). In the most serious cases, the violation in question can lead to the termination of the employment contract or to the interruption of the relationship with the collaborator or third party.

## 6. INFORMATION AND SIGNALS

Awareness of the importance that the disclosure activity has for the purposes of an effective implementation of this Code, the Company undertakes to make known to all the Recipients the principles and rules contained therein through an adequate and constant work of information, as part of the more general communication and dissemination plan of the Model, of which the Code itself is an integral part (for which see the General Part of the Model, Chapter 5 - Dissemination and Training).

In order to guarantee the maximum diffusion of this Ethical Code, it is therefore, published on the Company's *website*.

Furthermore, a copy of the Ethical Code is given to all employees of Conceria Pasubio Spa as well as posted on the specific notice boards inside the Company's factories and offices.

Again for the purpose of effective implementation of the Ethical Code, and in parallel with the disclosure of the Organization, management and control model as well as this Code, the Board of Directors of Conceria Pasubio Spa has entrusted an independent body with autonomous powers of initiative and control, the so-called Supervisory Body - SB (for the characteristics and functioning of which refer to the General Part of the Model, Chapter 3 - The Supervisory Body) the task of supervising the correct functioning of the Model and, in particular, of verifying the effective implementation of the same and of all the rules and behavioural and control principles referred to by the same, among which the pre-eminent positions are those expressed in the Code.

With specific reference to the Ethical Code, the SB conducts the following activities:

- The proper dissemination and correct application of the principles and rules held therein as follows:

- It acts as a proactive force aimed at evolving the Company's policy and actions in terms of sustainable development.
- It responds to the requests of the Recipients, from simple clarification questions to those relating to the interpretation and application of the Ethical Code.
- Receives and evaluates reports regarding violations - actual or presumed - of the rules of conduct contained therein (for which reference is made to the provisions of the General Part of the Model in Chapter 3 - The Supervisory Body, as well as to the *Whistleblowing Policy*).

Finally, if the Supervisory Board ascertains the effective violation of the provisions of the Ethical Code, in the exercise of its supervisory duties or following notification received, it will immediately notify the Employer and the Head of the HR Function so that the appropriate disciplinary actions against the interested party are taken.