

ORGANISATION, MANAGEMENT AND CONTROL MODEL

(pursuant to Legislative Decree no. 231/2001 and subsequent amendments)

Annex 6

Group Code of Conduct 231



PASSION BEAUTY S.P.A.

INDEX

1	INTRODUCTION.....	4
1.1	INTERNAL REGULATORY FRAMEWORK	4
1.2	ADDRESSEES.....	4
1.3	LIABILITY OF THE GROUP COMPANIES	5
1.4	CONTRACTUAL VALUE OF THE CODE	5
2	RULES OF CONDUCT EX LEGISLATIVE DECREE 231/2001	6
2.1	GENERAL PRINCIPLES	6
2.2	CONDUCT IN RELATIONS WITH INSTITUTIONS, PUBLIC ADMINISTRATION AND BODIES TO WHICH THEY BELONG	7
2.3	PRIVATE CORRUPTION CONDUCT	12
2.4	CONDUCT IN RELATIONS WITH POLITICAL AND TRADE UNION ORGANISATIONS.....	13
2.5	HEALTH AND SAFETY CONDUCT AT WORK	13
2.6	ENVIRONMENTAL CONDUCT.....	14
2.7	CONDUCT WITH REGARD TO ACCOUNTING RECORDS	15
2.8	CONDUCT IN TAX MATTERS	16
2.9	CONDUCT IN CORPORATE MATTERS.....	17
2.10	ANTI-MONEY LAUNDERING CONDUCT.....	18
2.11	CONDUCT IN THE FIELD OF INFORMATION SYSTEMS MANAGEMENT AND PERSONAL DATA PROTECTION.....	19
2.12	CONDUCT TO COMBAT COMMERCIAL FRAUD AND PROTECT FREE COMPETITION	20
2.13	PROTECTION OF INTELLECTUAL AND INDUSTRIAL PROPERTY AND COPYRIGHT	20
2.14	CONDUCT WITH REGARD TO COUNTERFEITING CURRENCY	22
2.15	ON NON-CASH PAYMENT INSTRUMENTS AND FRAUDULENT TRANSFER OF VALUES	22
2.16	CONDUCT TOWARDS WORKERS AND PROTECTION OF THE INDIVIDUAL	23
2.17	CONDUCT AGAINST ORGANISED CRIME (INCLUDING TRANSNATIONAL)	24
2.18	CONDUCT AGAINST RACIST AND XENOPHOBIC OFFENCES.....	25
2.19	CONDUCT RELATING TO FRAUD IN SPORTS COMPETITIONS	25
2.20	CONDUCT RELATING TO SMUGGLING.....	26
2.21	CONDUCT TO COUNTER OFFENCES AGAINST CULTURAL HERITAGE	27
2.22	CONDUCT ON CONSUMER PROTECTION	28
2.23	PRODUCT RESPONSABILITY CONDUCT.....	29
3	EFFECTIVENESS OF THE CODE AND CONSEQUENCES OF ITS VIOLATIONS.....	31
3.1	COMPLIANCE WITH THE CODE AND VIOLATIONS REPORT	31
3.1.1	Companies with Model 231	31
3.1.2.	Companies not having a 231 Model	32
3.2	SANCTIONS.....	32
3.3	DISSEMINATION OF THE CODE	32
4	REFERENCES	33

1 INTRODUCTION

1.1 INTERNAL REGULATORY FRAMEWORK

PASSIONE BEAUTY S.P.A. (hereinafter referred to as "the Company" or "PASSIONE BEAUTY") has promoted, within the Group Companies (towards the subsidiaries and also towards the parent company) the development of compliance 231 and in particular has defined and disclosed this Group Code of Conduct 231.

The Code has a preventive function: the codification of conduct rules that all recipients must comply with is the expression of the Company's commitment to guarantee the legality of their activities, with particular reference to the prevention of offences.

1.2 ADDRESSEES

The rules of the Code apply, without exception, to the following subjects (hereinafter, "**Addressees**"):

- *Internal Parties* (hereinafter also referred to as '*Personnel*'): those who have a continuous, fixed-term or open-ended relationship with one of the Group Companies; by way of example, the corporate bodies, employees, collaborators (including para-subordinate workers), interns and trainees;
- *Third Parties* (hereinafter also referred to as '*Third Parties*'): external professionals, partners, suppliers and consultants, supply companies and, in general, those who, although not belonging to one or more Group Companies, have business relations with or act on behalf of the Group.

With regard to third parties, the personnel of Group Companies, by reason of the responsibilities assigned, shall

- provide adequate information on the commitments and obligations imposed by the Code;
- demand compliance with the obligations that directly concern their activity
- implement the appropriate internal and external corrective measures in the event of failure by third parties to fulfil their obligation to comply with the rules of the Code.

In any case, in the event that third parties, in the performance of their activities in the name of and/or on behalf of one or more Group Companies (or in any case, in the performance of their activities for the Group Company), violate the Code, the same Company is entitled to adopt any measure provided for by the law in force, including the termination of the contract. To this end, the Group Companies shall adopt an express termination clause pursuant to Article 1456 of the Italian Civil Code (so-called Safeguard Clause) in their contracts with the aforesaid parties.

1.3 LIABILITY OF THE GROUP COMPANIES

The Group Companies undertake to:

- ensure the dissemination of the Code to all Personnel and Third Parties;
- disclose (in accordance with the procedures provided for by a specific information plan) the Code to third parties who have relations with the Company;
- ensure that the Code is constantly updated, in line with changing business requirements and current legislation;
- ensure all possible means of knowledge and clarification regarding the interpretation and implementation of the rules contained in the Code;
- carry out verifications in order to every news of violation of the norms of the Code, evaluating the facts and taking - in case of verified violation - adequate sanction measures.

1.4 CONTRACTUAL VALUE OF THE CODE

The rules of the Code form an integral part of the contractual obligations of the personnel pursuant to Article 2104 of the Civil Code (Diligence of the employee) and Article 2105 of the Civil Code (Duty of loyalty)¹ ; as far as Third Parties are concerned, they supplement the contractual commitments already agreed upon.

Conduct contrary to the provisions of the Code shall be assessed by the Company from a disciplinary point of view, in accordance with the regulations in force, with application of the sanctions that the different seriousness of the facts may justify.

¹ Art. 2104 C.C. "The service provider must use the diligence required by the nature of the service, the interest of the enterprise and the superior interest of national production. He shall also comply with the instructions for the performance and discipline of work given by the employer and the employer's employees on whom he is hierarchically dependent".

Art. 2105 C.C. "The employee shall not deal with business, on his own account or on behalf of third parties, in competition with the entrepreneur, nor divulge information relating to the organisation and methods of production of the enterprise, or make use of them in such a way as to be prejudicial to it".

2 RULES OF CONDUCT ex Legislative Decree 231/2001

2.1 GENERAL PRINCIPLES

Personnel are required to have knowledge of the rules contained in the Code and of the internal and external reference rules that regulate the activities carried out within their function. If there are doubts regarding how to proceed in the conduct of activities, the Company will adequately inform its employees.

Personnel are also obliged to:

- diligently observe the rules of the Code, of the Company's Model and of the Whistleblowing Procedure, refraining from conduct contrary to them;
- contact their managers if they need clarification about the interpretation and implementation of the rules contained in the Code and the Model of the reference company;
- report any violations or suspected violations to the direct superior or the Supervisory Body and the Whistleblowing Procedure to the Whistleblowing Managers;
- offer maximum cooperation to ascertain possible violations.

Each person in charge of an organisational function has the obligation to:

- set an example for its employees;
- guide employees and para-subordinate workers to comply with the Code, the Model of the Reference Company and the Whistleblowing Procedure;
- ensure that employees and para-subcontractors understand that compliance with the rules of the Code, the Model Reference Company and the Whistleblowing Procedure is an essential part of the quality of work;
- promptly inform the Supervisory Body and/or the Whistleblowing Managers, about news directly acquired or provided by employees about possible cases of violation of the rules;
- implement appropriate corrective measures promptly, when required by the situation;
- prevent any kind of retaliation.

Personnel must act loyally in order to comply with the obligations subscribed to in the employment contract, ensuring the required performance; Personnel are prohibited from communicating, disclosing to third parties, using or exploiting, or allowing third parties to use, for any reason not inherent to their work, any information, data, news they have come to know on the occasion of or as a result of their employment with the Company. To this end, Personnel are required to comply with the specific corporate policies on information security, drawn up to guarantee the integrity, confidentiality and availability of such information.

In order to protect the Company's assets, Personnel is required to work with diligence and through responsible behaviour.

In particular, Personnel must:

- 1) use the assets entrusted to them scrupulously and sparingly
- 2) avoid improper uses of corporate assets, which may cause damage or reduce efficiency, or otherwise be in conflict with the interests of the Company
- 3) avoid improper use of corporate assets for purposes and ends unrelated to one's duties and work, especially if detrimental to the image and decorum of the reference Company.

Personnel are responsible for the protection of the resources entrusted to them and have the duty to promptly inform their supervisor of any events harmful to the Company.

The Management and those who perform management functions are responsible for supervising the activities performed by the personnel subject to their direction and control.

Adequate documentary support must be kept for each operation at risk, so that checks can be carried out at any time on the characteristics of the operation, the relative decision-making process, the authorisations issued for it and the checks carried out on it.

Each company of the Group, in its business activities, intends to avoid any contact with subjects at risk of relationships with criminal organizations and strives to know its business partners and suppliers, verifying their commercial and professional reliability.

Moreover, it is strictly forbidden to make available assets, movable or immovable, or instruments forming part of the corporate complex for purposes of an illegal nature from which an advantage may be derived to the same.

2.2 CONDUCT IN RELATIONS WITH INSTITUTIONS, PUBLIC ADMINISTRATION AND BODIES TO WHICH THEY BELONG

Relations with Institutions, the Public Administration and its affiliated entities of any nature must be transparent and consistent with the Group's policy and must be maintained by the corporate functions formally delegated to it.

Corruption and trafficking of illicit influences

The Group considers as acts of corruption both illicit payments made directly by Italian Subjects and/or Entities or by their employees, and those made through Subjects acting on their behalf in Italy or abroad.

In particular, it is expressly forbidden to:

- making cash donations to public officials or persons in charge of a public service;
- offer money or gifts, unless they are gifts or utility of modest value and in any event such as will not affect the integrity or reputation of either party and cannot be construed as being intended to obtain undue advantage;
- granting other advantages of any kind (such as promises of direct employment or of close relatives, giving appointments to reported persons, etc.) in favour of representatives of the Public Administration, which may lead to the same consequences as those set out in the previous point;
- for Personnel (corporate bodies, employees, para-subordinate workers, etc.), accepting or receiving money, gifts or presents from suppliers or other third parties.

The conduct described above is also forbidden if it derives from coercion or inducement by the Public Official or the person in charge of a Public Service; in such cases, the Personnel must report this circumstance to their hierarchical superior and to the Supervisory Body.

It is forbidden to pay or promise money or other economic benefits (e.g. fictitious consultancies or higher fees that are not adequately justified in relation to the type of assignment, etc.) to persons who intentionally use existing relations with public officials or persons in charge of a public service for this purpose:

- as the price of unlawful mediation by the mediator on the Public Official or the Person in Charge of a Public Service for the benefit of the company,
- as remuneration to a public official or a person in charge of a public service for the performance of duties (or for performing an act contrary to the duties of office, aggravated hypothesis)

all in the interest or to the advantage of a Group company.

It is also expressly prohibited to be given or promised money or other benefits, intentionally using for this purpose existing relations with a Public Official or a Person in Charge of a Public Service:

- as the price of one's own unlawful mediation (offer) on the Public Official/Public Service Commissioner;
- as remuneration to be paid to the Public Official or Person in Charge of a Public Service for the performance of his/her duties (or for performing an act contrary to his/her official duties: aggravated hypothesis)

all in the interest or to the advantage of a Group company.

The conduct described above is also forbidden in the event that it derives from coercion or inducement by the Public Official or the person in charge of a Public Service; in such cases, the Personnel must report this circumstance to their hierarchical superior, who shall in turn report it to the competent Supervisory Board.

In the selection of suppliers and the conferral of professional appointments, objective and transparent selection mechanisms must be respected, inspired by principles of competence, cost-effectiveness, transparency and fairness, and the stages concerning the establishment, management and termination of the aforementioned relations must be adequately documented.

All fees and/or sums paid in any way to the assignees of assignments of a professional nature must be properly documented and in any case proportionate to the activity carried out, also taking into account market conditions.

It is forbidden to recognize compensation in favor of external professionals who do not find adequate justification in relation to the type of task to be carried out and the practices in force in the local area.

The assessment of staff to be recruited should be based on matching candidate profiles with business needs, while safeguarding equal opportunities for all stakeholders.

Interference with competitive bid processes - Restricted freedom in the choice of contractor

In relations with the Public Administration, it is expressly forbidden to carry out any behavior - in the interest or for the benefit of the Company - that prevents or disturbs a race or displaces other competitors from the same, through the use of fraudulent means or gifts, promises, collusion or intimidation (violence or threat). All acts and/or collusive conduct with third parties, including private entities, which have the purpose of preventing or disrupting public tenders or private tenders on behalf of Public Administrations are also prohibited. Thus, for example, agreements to agree with competitors on the prices offered or not to participate in tenders are prohibited.

In relations with the Public Administration, it is also forbidden to disrupt the administrative procedure aimed at establishing the content of a call for tenders, or other equivalent act, in order to condition the manner in which the Public Administration chooses a contractor. It is therefore expressly forbidden to engage in acts of violence or threats, the payment of gifts, promises, collusion or the use of other fraudulent means that result in the unlawful conditioning of the choice of the competitor.

It is therefore prohibited, by way of example, any behaviour that suggests or induces a public official to include in the invitations to tender or requests for tenders characteristics of products or services, thus conditioning the determinations of the PA.

Public grants, subsidies and State aid

Declarations made to public entities for the purpose of obtaining grants, subsidies or funding, as well as any documentation used for reporting on the service, must only contain truthful information.

It is forbidden to:

- produce false or altered documents and/or data or omit due information, also in order to obtain contributions/grants/financing/State aid or other disbursements from the State or Public Bodies or the European Community; this prohibition also applies in the event that contributions/grants/financing/disbursements are received from customers in relation to products supplied by or to Group Companies;
- requesting or obtaining contributions/grants/financing, or state aid, outside the conditions provided for by law;
- allocate public contributions/grants/financing/State aid for purposes other than those for which they were obtained;
- incorrectly reporting to the competent authority on the use of grants/grants/public funding/State aid;
- unauthorised access to the information systems of the Public Administration to obtain and/or modify information to the advantage of a Group company.

Those who perform a control and supervision function on fulfilments connected to the performance of the aforementioned activities (payment of invoices, allocation of funding

obtained from the State or Community bodies, etc.) must pay particular attention to the implementation of such fulfilments by the persons in charge.

Computer fraud

The sending of computer or telematic communications to the P.A. and the receiving of computer or telematic communications from the P.A. are reserved exclusively to the designated staff, in compliance with the authorisation system in place at each Group Company. Such personnel are authorised to use the company's computer and telematic systems on the basis of the access profiles assigned to them.

It is forbidden for anyone operating in the name of a Group Company to use instruments other than the company ones as assigned above or specifically made available, once or from time to time, by the P.A. itself (e.g. Entratel channel), for the processing of data and information relevant to relations with the P.A., and/or for sending computer or telematic communications to the P.A. or for receiving documents.

However, it is mandatory to use traceable means for communications to the PA, preferably the Certified Electronic Mail (PEC) account, especially if electronic documents are to be communicated to the PA. Where applicable, such electronic documents must bear the digital signature of the person responsible for signing them.

E' fatto espresso divieto a chiunque i) intrattenga rapporti con la P.A. che implicino comunicazione informatiche o telematiche in nome di, o dalla P.A. verso, una Società del Gruppo, o ii) operi a qualsiasi titolo su dati, informazioni, o programmi contenuti in un sistema informatico o telematico (di proprietà o comunque nella disponibilità di una Società del Gruppo, ovvero della stessa P.A. itself), to alter in any way the operation of a computer or telematic system or to intervene without having the right to do so, in any manner whatsoever, on data, information or programs contained in a computer or telematic system, or pertaining to them, in order to procure for oneself or others an unfair profit to the detriment of others.

It is recalled that all the above applies even in the hypothesis aggravated by the realization of a transfer of money, monetary value or virtual currency to private subjects.

Relations with public inspection bodies and judicial authorities

Each Group Company fully and scrupulously implements its obligations towards the Supervisory Authorities and actively cooperates in the course of inspection activities.

Each Company fully and scrupulously implements the provisions of the Judicial Authority.

It is forbidden to directly or indirectly exert undue pressure (in any form whatsoever exerted or attempted) aimed at inducing the Judicial Authority to favour the relevant Company in the decision of the dispute.

In the event of an investigation by the Judicial Authority (or delegated Judicial Police), the utmost cooperation and transparency must be provided, without reticence, omissions or statements not corresponding to the truth. Anyone requesting their subordinates not to provide the requested information or to provide untrue information will be sanctioned.

In relations with the Judicial Authorities, Addressees and, in particular, those who should turn out to be under investigation or accused in a criminal proceeding, also related, concerning the work activity performed for a Group Company, are required to freely express their representations of the facts or to exercise the right not to answer granted by the law.

The Group expressly prohibits anyone from coercing or inducing, in any form or manner, in the misunderstood interest of a Group Company, the will of the Addressees to answer to the Judicial Authority or to avail themselves of the right to remain silent.

Protection of public faith

The Group condemns any behaviour that may falsely attest to a public official, in a public act (or equivalent, such as e.g. a declaration replacing a notorial act, self-certification, etc.), facts of which the act is intended to prove the truth.

By way of example but not limited to, it is expressly prohibited to:

- submitting to the public official false declarations and/or communications required by law in which one certifies to be in possession of the requirements provided for by the regulations;
- making false declarations to the customs agent in charge of drawing up the customs bill (e.g. submitting to the Customs Office documentation certifying the possession of the status of "Authorised Exporter" to a third country that is not among those included in the authorisation held);
- when making a declaration in lieu of affidavit, falsely certify that they have not been convicted of any criminal offence;
- making false declarations of being in possession of the requirements for participation in a tender (e.g. being in order with the payment of contributions);
- producing false certificates intended to influence the award of a tender;
- falsely reporting the loss of documents such as driving licences, insurance documents, bank cheques, credit cards, etc. to the police.

Furthermore, the Group condemns any conduct that leads to:

- the creation, in whole or in part, of false public documents or the alteration of public documents;
- forgery or alteration of certificates or administrative authorisations, or, by forgery or alteration, making it appear that the conditions required for their validity have been fulfilled;
- faking a copy of the deeds and issuing it in legal form;
- the issue of a copy of a public or private deed that differs from the original.

By way of example but not limited to, it is therefore expressly prohibited to:

- forging a document (driving licence, vehicle registration certificate, etc.) by making it appear to have been issued by a vehicle registration agency;
- forging false vehicle registration plates;
- forging deeds of incorporation of companies by manipulating the notary's seal;

- falsifying bank proxy receipts for tax payments and receipts for postal payments (e.g. altering receipts certifying the payment of motor vehicle taxes and customs bills);
- materially falsifying F24 tax payment forms;
- falsifying notarial authentication documents;
- destroying protest documents after they have been drawn up by the presenter of the securities.

In general, anyone who becomes aware of conduct at risk of an offence under Legislative Decree no. 231/2001, either directly or indirectly, must report it to the Supervisory Body in accordance with the provisions of para. 3.1. (this, also in the case of attempted extortion by a public official against Personnel or other Third Parties).

2.3 PRIVATE CORRUPTION CONDUCT

The cd. Private corruption (referred to in art. 2635 C.C.) occurs when money or other utility is given or promised in favour of an entity belonging to a private entity, so that, in violation of the duties of loyalty towards this entity, omits or performs an act related to the role played within the entity.

It is expressly forbidden to:

- offer, deliver or promise, even through an intermediary person, to anyone, himself or others, money not due for the recipients to perform or omit acts in violation of their official duties or their obligations of loyalty towards the entity for which they operate;
- grant or promise to any other person, including but not limited to, entertainment, gifts, travel and other valuable goods, for the purposes set out above;
- solicit or receive, unowed money or accept the promise thereof, for himself or for others, even for an interposed person, to perform or omit acts in violation of the obligations inherent in his office or his obligations of fidelity;
- solicit or receive other undue advantages or accept the promise thereof for the above purpose.

The Group considers as acts of corruption both unlawful payments made directly by Italian Subjects and/or Entities or by their employees, and those made through Subjects acting on their behalf in Italy or abroad.

In order to ensure a better understanding of the above, the following is the definition of the duty of loyalty, the breach of which constitutes a constituent element of the criminal offence provided for in Article 2365 of the Italian Civil Code, known as private bribery, and is governed by Article 2105 of the Italian Civil Code: *'An employee shall not deal in business, on his/her own account or on behalf of third parties, in competition with the entrepreneur, nor shall he/she disclose information concerning the organisation and production methods of the company, or use them in such a way as to be prejudicial to the company'.*

The violation of obligations inherent in one's office also constitutes a constituent element of the criminal offence of private bribery. These must be understood as all the obligations laid down, on the part of the corrupt party, by law or by any other legislative, regulatory or deontological act.

In general, anyone who becomes aware of conduct at risk of an offence pursuant to Legislative Decree No. 231/2001, either directly or indirectly, must report it to the Supervisory Board in accordance with the provisions of paragraph 3.1 below.

2.4 CONDUCT IN RELATIONS WITH POLITICAL AND TRADE UNION ORGANISATIONS

Group Companies shall refrain from any direct or indirect pressure to political representatives.

None of the Group Companies make contributions to political parties or organisations, either in Italy or abroad, or to their representatives or candidates, and they do not sponsor congresses or parties whose sole purpose is political propaganda.

It is, however, possible to cooperate with such organisations where all the following prerequisites are met simultaneously:

- legality of the cooperation;
- purpose traceable to the mission of the reference company or the Group;
- clear and documentable allocation of resources;
- express authorisation, by the functions in charge, to manage such relations within the reference Company.

Any relationship of a Group Company with the aforementioned organisations or their representatives must be marked by legality and the utmost transparency, integrity and impartiality, in order to establish a correct dialectic.

In general, anyone who becomes aware of conduct at risk of an offence pursuant to Legislative Decree No. 231/2001, either directly or indirectly, must report it to the Supervisory Body in accordance with the provisions of paragraph 3.1. below (this, also in the case of attempted extortion by a public official against Personnel or other Third Parties).

2.5 HEALTH AND SAFETY CONDUCT AT WORK

In order to prevent occupational health and safety offences (article 25 septies of Legislative Decree No. 231/2001), it is expressly required to:

- implement the legislation on health and safety in the workplace (Legislative Decree 81/08);
- respect and implement the regulatory provisions defined by the Consolidation Act on health and safety at work in order to ensure the reliability and legality of the work environment and, consequently, the physical safety and protection of the moral personality of employees, through compliance with the provisions defined in the corporate organisational schemes;
- avoid conduct which, although not constituting offences per se among those considered herein, potentially increases the risk of 231 offences occurring.

Decisions, of any kind and at any level, concerning health and safety at work are based, also in the light of Article 15 of Legislative Decree 81/2008, on principles and criteria that can be identified as follows:

- a) eliminate risks and, where this is not possible, reduce them to a minimum in relation to the knowledge acquired on the basis of technological progress;
- b) assess all risks that cannot be eliminated;
- c) reduce risks at source;
- d) respect ergonomic and health principles in the workplace in the organisation of work, in the design of workplaces and the choice of work equipment, in the definition of work and production methods, particularly with a view to reducing the health effects of monotonous and repetitive work;
- e) replacing what is dangerous with what is not dangerous or is less dangerous;
- f) planning the measures deemed appropriate to ensure the improvement of safety levels over time, including through the adoption of codes of conduct and good practices;
- g) prioritise collective protection measures over individual protection measures;
- h) impart adequate instructions to workers.

In general, anyone who becomes aware of conduct at risk of an offence under Legislative Decree 231/2001, either directly or indirectly, must report it to the Supervisory Body in accordance with the provisions of section 3.1 below.

2.6 ENVIRONMENTAL CONDUCT

All Group companies are committed to comply with environmental legislation and implement preventive measures to avoid or at least minimize the environmental impact.

In particular, each Group Company shall:

- a. adopt measures to limit and - if possible - cancel the negative impact of business activity on the environment not only when the risk of harmful or dangerous events is proven (principle of preventive action), but also when it is uncertain whether and to what extent the business activity exposes the environment to risks (precautionary principle);
- b. prioritise the adoption of measures to prevent possible damage to the environment, rather than waiting for the time to repair damage that has already been done;
- c. plan an accurate and constant monitoring of scientific progress and regulatory developments in the environmental field;
- d. promote the values of training and sharing the principles of the code among all persons working in the company, whether senior or subordinate, so that they adhere to the established ethical principles, particularly when decisions have to be made and, subsequently, when they have to be implemented.

In waste management activities, each Group company requires compliance with the following rules of conduct:

- prohibition of abandoning or depositing waste in an uncontrolled manner or discharging it into surface or groundwater
- prohibition of keeping waste in "temporary storage" outside the requirements and beyond the time limits set by the regulations
- ban on mixing waste (in the absence of any appropriate authorisation);
- prohibition of declaring false information on nature, composition and chemical/physical characteristics of waste when preparing a waste analysis certificate or prohibition of using a false certificate when transporting waste;
- prohibition of delivering the waste produced to a treatment facility that is not specifically authorized;
- prohibition of discharging waste of any kind, in solid or liquid form, into surface or underground waters;
- prohibition to set fire to waste produced by the company itself, inside or outside the company area and to set fire to third party waste that is found abandoned or deposited;
- prohibiting the abandonment and/or deposit of waste on which third parties will subsequently set fire;
- in the event that third party waste is found within the areas owned by the Company, treat it as internally produced waste and dispose of it in accordance with the rules governed by the relevant procedure.

Upon the occurrence of an event potentially capable of contaminating a site, it is compulsory to notify the relevant public bodies.

Every subject, be it an internal subject or a third party, must ensure full cooperation with the competent authorities, during inspections and/or controls carried out in the company.

Finally, it is expressly forbidden to engage in conduct that directly or indirectly could potentially lead to the commission of an environmental offence.

Every person, whether internal or third party, must contribute to good environmental management, always operating in compliance with the regulations in force, and must not subject other employees or collaborators to risks that may cause damage to their health or physical safety.

2.7 CONDUCT WITH REGARD TO ACCOUNTING RECORDS

All legal provisions must be strictly complied with, also considering the instructions issued by the competent public authorities, and the policies/procedures adopted by the Group on the preparation of tax declarations and the settlement and calculation of taxes.

All actions and accounting operations must be adequately recorded and it must be possible to verify *ex post* the process of decision, authorisation and performance.

Every operation must have adequate documentary support, in order to be able to carry out checks at any time to certify the characteristics and motivations of the operation and identify the persons who authorised, performed, recorded and verified it.

Accounting entries - all the documents that numerically represent management facts, including internal expense reimbursement notes - must be kept in an accurate, complete and timely manner, in compliance with the company's accounting procedures, in order to provide a faithful representation of the equity/financial situation and management activities.

Each Company, also through external professionals, ensures that the persons involved in the processes at risk concerning the preparation of tax declarations and the settlement and calculation of taxes are informed and trained in tax matters.

Personnel are required to give their utmost cooperation by promptly providing, to the extent of their competence, complete, clear and truthful data and information; likewise, all internal or third parties are required to communicate - within the terms provided by corporate procedures - any information in their possession that is relevant for the purposes of accounting records.

The financial statements and corporate communications required by law and by the applicable special regulations must be drawn up clearly and give a fair and truthful representation of the Company's equity and financial situation.

Personnel are required to promptly inform their Managers and/or the Supervisory Body of any discovery of omissions, serious negligence or falsification of accounts and/or of the documents on which accounting records are based.

2.8 CONDUCT IN TAX MATTERS

Declarations, settlements, as well as any other compulsory communication for tax purposes must be made and submitted in compliance with the methods and timeframes provided for by the applicable regulations in force.

It is the responsibility of each Group Company and Reference Staff, within their respective duties and roles, to ensure a constant update and transposition of new legislation, official practice as well as OECD guidance in tax matters as far as relevant.

Internal information and training on tax matters must be promoted and the widest possible dissemination and knowledge of the policies/procedures adopted by the Group to comply with tax constraints, obligations and fulfilments in general, as well as to prevent their violation, must be guaranteed to competent corporate functions.

It is forbidden to engage in conduct that violates tax laws and is aimed at evading taxes or obtaining non-existent, fictitious or otherwise undue tax credits/returns; in particular, it is expressly forbidden to engage in (i) deductions of fictitious or non-existent tax items, (ii) objectively or subjectively simulated conduct, (iii) fraudulent conduct likely to hinder tax assessment activities or to mislead the tax authorities, (iv) producing false, fictitious or otherwise artificial documents.

It is forbidden to put in place any conduct intended to allow the use of undue, non-existent or fictitious tax credits; declarations, projects, reports, as well as any further documentation

used and aimed at obtaining benefits, must contain only truthful information and in any case must comply with the regulatory provisions.

In particular, it is forbidden to produce false or altered documents and/or data or omit due information.

Those who perform a function of control and supervision on compliance related to obtaining tax credits/ refunds (payment of invoices, entrusting projects and/ or assignments, etc.) shall pay particular attention to the implementation of these requirements by the entities entrusted with them.

It is also forbidden to engage in conduct that could constitute an abuse of law in tax matters, i.e., carrying out transactions devoid of economic substance that, while formally complying with tax rules, essentially realise undue tax advantages. A concrete example could be the case of the transfer of shares between companies belonging to the same group aimed at circumventing the provisions on the non-deductibility of capital losses for participations falling under the *participation exemption* regime (pursuant to Article 87 of the TUIR).

It is prohibited to issue or use invoices for non-existent transactions.

The prohibition concerns (i) both objective and subjective non-existence (where the issuer of the service is not the real one), (ii) both total and partial non-existence or so-called over-invoicing.

It is prohibited to engage in any conduct aimed at concealing or destroying, in whole or in part, accounting documents that must be kept for both tax and civil purposes.

It is prohibited to simulatenously dispose of or carry out fraudulent acts on the *assets* of the individual company, so as to render ineffective, in whole or in part, the compulsory collection procedure (it is not excluded that such a challenge may also occur during the tax assessment phase), in order to evade the payment of income tax or VAT or of the related interest or penalties if the total amount exceeds fifty thousand euro.

It is prohibited to indicate in the documentation submitted for the purposes of the tax settlement procedure (e.g. during the procedure of arrangement with creditors or other insolvency procedures) assets for an amount lower than the actual amount or fictitious liabilities for a total amount exceeding fifty thousand euro in order to obtain for oneself or others a partial payment of taxes and related accessories.

2.9 CONDUCT IN CORPORATE MATTERS

Complaints, communications and filings to the Register of Companies that are mandatory for the Group Companies must be made by the entities identified by the laws in a timely manner, truthfully and in compliance with current regulations.

It is expressly forbidden to prevent or hinder, through the concealment of documents or other suitable artifices, the performance of control or auditing activities legally attributed to Shareholders, other Corporate Bodies or Auditing Firms.

It is forbidden to engage in simulated or, otherwise, fraudulent conduct aimed at determining the majority at the shareholders' meeting.

It is forbidden, also by means of disguised conduct, to return contributions made by shareholders or to release them from the obligation to make them, except in cases of legitimate reduction of share capital.

It is forbidden to distribute profits or advances on profits not actually earned or allocated to reserves or to distribute unavailable reserves.

It is forbidden to form or increase the capital of the Group Companies, by assigning shares or quotas for an amount lower than their nominal value, reciprocal subscription of shares or quotas, significant overvaluation of contributions in kind or credits, or of the assets of the Group Companies in case of transformation.

It is forbidden to perform any kind of operation that may cause damage to Shareholders or Creditors.

It is forbidden to perform operations, real or simulated, that may distort the correct dynamics of the formation of the demand and supply of financial instruments and the performance of operations that may unduly benefit from the dissemination of incorrect information.

2.10 ANTI-MONEY LAUNDERING CONDUCT

The Group condemns any activity that involves money laundering, i.e. the performance of transactions involving the proceeds of criminal activities in any form or manner whatsoever, or that facilitates the commission thereof, including by fictitiously allocating to others or making available to others assets, money or other benefits.

To this end, Management, Personnel in general as well as third parties who carry out activities in the name of and/or on behalf of a Group Company are obliged to comply with and apply Italian and EU anti-money laundering laws, and to report to the competent Authority any operation that may constitute an offence of this nature.

In particular, persons in top management positions and those who carry out their activities in areas at risk must undertake to ensure compliance with the laws and regulations in force in every geographical context and operating environment, with regard to measures to limit the use of cash and bearer securities in transactions.

The transfer of cash or bearer securities is prohibited when the value of the transaction, even fractioned, is overall equal to or greater than the limit provided for by law. Any other conduct aimed at perfecting such transfer (e.g. promise or agreement to transfer, etc.) is also prohibited.

Knowledge of the third parties with whom legal relations are maintained is an essential condition for preventing the financial system of each Group company from being used for money laundering purposes, as well as for identifying any suspicious transactions.

In any case, it is absolutely forbidden to entertain relations with parties (natural persons and/or legal entities) of which it is known or suspected that they belong to criminal organisations or in any case operate outside the law, such as, purely by way of example but not limited to, parties linked or in any case traceable to organised crime, money laundering, drug trafficking, usury, receiving stolen goods and exploitation of labour.

The Group intends to protect itself against the risk of purchasing goods or services from illegal activities.

It is forbidden to proceed to certify the regularity of the receipt of goods/services in the absence of a careful assessment of merit and congruity in relation to the good/service received and to proceed to authorise the payment of goods/services in the absence of a check on the congruity of the supply/service in relation to the contractual terms.

It is compulsory to be guided by criteria of transparency in the exercise of business activities and in the choice of suppliers, paying the utmost attention to news concerning third parties with whom Group companies have relations of a financial or commercial nature that may even only give rise to the suspicion of the commission of an offence constituting a predicate offence of Self-Money Laundering.

It is in any case not allowed to recognize compensation in favor of third parties that do not find adequate justification in relation to the type of task to be carried out or performed.

2.11 CONDUCT IN THE FIELD OF INFORMATION SYSTEMS MANAGEMENT AND PERSONAL DATA PROTECTION

Users of computer systems are prohibited from:

- intercept communications or information of third parties by means of Information Systems;
- damage in any way information, data and computer programs and computer or telematic systems, including those used by the State, by other public bodies or in any case of public utility;
- illegally access a computer or telematic system;
- unauthorised dissemination of access codes to computer or telematic systems;
- falsely forming the content of a communication or altering and suppressing the content of communications previously intercepted, relating to an information or telematic system or between several systems, in order to gain profit or cause damage to others.

The Group prohibits the possession, reproduction, commercialisation, distribution or sale of copies of software protected by intellectual property law without the authorisation of the owner of these rights.

Furthermore, it is forbidden to alter the operation of a computer or telematic system or manipulate, without having the right to do so, the data, information or programs contained in it or pertaining to it, procuring for oneself or others an unfair profit to the detriment of others.

In this regard, please refer to the obligations and prohibitions set out in Section 2.2 - CONDUCT IN RELATIONS WITH INSTITUTIONS, PUBLIC ADMINISTRATION AND BODIES TO WHICH THEY BELONG - **Computer Fraud** Section.

It is mandatory to comply with the procedures and instructions provided for privacy in favour of data subjects, including those that are the subject of written commitments made in this regard by each Group Company to third parties acting as external data processors.

2.12 CONDUCT TO COMBAT COMMERCIAL FRAUD AND PROTECT FREE COMPETITION

The Group, in the context of its business activities, intends to avoid any possible form of disturbance to the freedom of industry or trade, as well as any possible conduct of unlawful competition, fraud, counterfeiting or usurpation of property rights (industrial, intellectual, etc.) of others.

Therefore, the Group condemns and prohibits fraudulent conduct, expressions of dishonest and unfair commercial practices, insofar as lacking the fairness and honesty that must always characterise commercial transactions and/or in any case capable of preventing the consumer public from making informed choices on the basis of the real qualitative and product characteristics of the products sold.

It is therefore prohibited:

- the intentional communication to the customer (even if only potential) of untrue or incomplete information regarding the products or services sold;
- the delivery to the customer of products that differ in origin, provenance, quality or quantity from those declared or agreed upon (e.g. the manufacture of products with the use of toxic substances or, in any case, substances prohibited by specific Regulations or by law, the affixing of the CE marking or other certification/declaration of product conformity in the absence of the essential requirements required by the standard (voluntary or mandatory), or discrepancies concerning even non-essential product qualifications in relation to its usability, value or degree of preservation, etc.);
- the holding for sale, offering for sale or circulation of industrial products, with national or foreign names, trademarks or distinctive signs, likely to mislead the buyer as to the origin, provenance or quality of the work or product.

They are also obliged to refrain from unfair competition practices towards third parties. Personnel are obliged to scrupulously respect any non-competition agreements entered into with third party former employers and effective after the termination of the relationship with the same, notifying the relevant Company without delay in writing of any possible risk of violation thereof.

2.13 PROTECTION OF INTELLECTUAL AND INDUSTRIAL PROPERTY AND COPYRIGHT

It is necessary to comply with the regulations on the protection of trademarks, patents and other distinctive signs and on copyright. The Group, therefore, does not permit the use, for any reason and for any purpose, of products with counterfeit trademarks or signs.

In particular, the use of intellectual works without the mark pursuant to Law 633/1941 or with an altered or counterfeit mark, the reproduction of computer programmes and the contents of databases, as well as the appropriation and dissemination, in any form, of protected intellectual works, including through the disclosure of their contents before they are made public, are not permitted.

Similarly, the Group prohibits - apart from the cases provided for by law or any agreements with authorised parties - the manufacture or marketing or any activity in violation of third-party patents.

Furthermore, the following are prohibited:

- the publication of another person's intellectual work, or part thereof, without having the right to do so or with usurpation of authorship, deformation, mutilation or other modification of the work, causing offence to the honor or reputation of the author;
- the duplication, import, distribution, sale, holding for commercial and/or business purposes or leasing of programs protected by copyright laws;
- the duplication, reproduction, transmission or dissemination in public by any process, in whole or in part, of an original work intended for the television or film circuit;
- the unauthorized reproduction, transmission or dissemination in public by any process of literary, dramatic, scientific or educational, musical or dramatic-musical or multimedia works or parts thereof;
- the importation, possession for sale, distribution, sale, rental, transfer for any reason, commercial promotion, installation of special decoding devices or elements that allow access to an encrypted service without payment of the due fee;
- the sale, import, promotion, installation, modification, use for public and private use of apparatus or parts of apparatus suitable for decoding audiovisual transmissions with conditional access made over the air, by satellite, by cable, in both analogue and digital form;
- the manufacture or industrial use of objects or other goods made by usurping an industrial property title or in breach thereof (being aware of the existence of the industrial property title) and, in particular, the use of information or data, owned by the customer or a third party, protected by an industrial property title, without specific authorization from the customer or the third party;
- the production or introduction into the territory of the State in order to trade therein (in breach of the rights of the legitimate owner), of intellectual works or industrial products bearing counterfeit national or foreign trademarks or distinctive signs;
- the production or introduction into the territory of the State for the purpose of marketing intellectual works or industrial products by usurping designs or models, national or foreign, or counterfeiting, altering the same designs or models.

In business activities, any contact with persons at risk of relations with criminal organizations must be avoided and, moreover, efforts must be made to get to know one's business partners and suppliers and any other Third Parties with whom the Company cooperates, verifying their commercial and professional reliability.

2.14 CONDUCT WITH REGARD TO COUNTERFEITING CURRENCY

Any activity involving counterfeiting, forgery, alteration and/or spending of coins, public credit cards and revenue stamps is prohibited.

To this end, Management and Personnel in general are obliged to comply with and apply Italian and EU legislation, and to be vigilant to prevent even the possession and use or spending in good faith, and to report to the competent (internal or external) bodies any situation that may be attributable to offences of this nature.

2.15 ON NON-CASH PAYMENT INSTRUMENTS AND FRAUDULENT TRANSFER OF VALUES

In carrying out its activities, the Group prohibits the following:

- a) unduly using credit or payment cards or any other document enabling the withdrawal of cash or the purchase of goods or the provision of services (e.g. electronic wallets, viacard cards, fuel cards, postal money orders),
- b) forging or altering credit or payment cards or any other document enabling the withdrawal of cash or the purchase of goods or the provision of services,
- c) possessing, transferring or acquiring the instruments or documents referred to in the above points that are of unlawful origin or in any case falsified or altered, as well as payment orders produced with them,
- d) manufacture, import, export, sell, transport, distribute, make available or otherwise procure to itself or to other equipment, devices or computer programs which, by design or construction characteristics, are constructed primarily for the purpose of committing the offences referred to in the preceding paragraphs, or are specifically adapted for the same purpose,
- e) possess or disseminate computer equipment, devices or programs intended to commit offences involving non-cash payment instruments.

It is also specified that it is prohibited to transfer money, monetary value or virtual currency by altering the operation of a computer or telematic system or manipulating, without having the right to do so, data, information or programs contained therein or pertaining thereto, procuring for oneself or others an unfair profit to the detriment of others.

In this regard, please refer to the obligations and prohibitions set out in Section 2.2 CONDUCT IN RELATIONS WITH INSTITUTIONS, PUBLIC ADMINISTRATION AND BODIES TO WHICH THEY BELONG - Section **Computer Fraud**.

The fictitious allocation or making available to others of money, goods or other utilities aimed at facilitating the commission of the offences of receiving stolen goods, money laundering and use of money, goods or utilities of unlawful origin and aimed at circumventing the provisions of the law on measures of patrimonial prevention and smuggling is also prohibited.

It should also be noted that any act/behaviour leading to a legal appearance which deviates from reality is prohibited.

2.16 CONDUCT TOWARDS WORKERS AND PROTECTION OF THE INDIVIDUAL

It is not permitted to employ or in any case use - including through staff leasing companies - foreign workers who do not hold a residence permit as provided for by the law in force, or whose permit has expired and whose renewal, revocation or cancellation has not been requested within the legal deadlines.

Each foreign worker, required to be in possession of a residence permit or other documentation required by the law in force, undertakes to hand over a copy of this document when hired, to apply for renewal to the competent offices well in advance and to inform the company to which he/she belongs of the renewal, with the relevant expiry date, as well as of any non-renewal, revocation or cancellation that may have occurred.

Each Group company keeps track of the residence permits of foreign workers employed by the company, with the relevant expiry dates and any changes (revocation, cancellation or non-renewal).

It is absolutely forbidden to:

- 1) recruiting labour for the purpose of sending it to work with others in exploitative conditions, taking advantage of workers' need;
- 2) using, recruiting or employing labour, including through the intermediary activity referred to in point 1), subjecting workers to exploitative conditions and taking advantage of their state of need.

Furthermore, it is a criminal offence to promote, direct, organise, finance or transport foreigners into the territory of the State, or to carry out other acts aimed at illegally procuring their entry into or facilitating their stay in the territory of the State or of another State of which the person is not a citizen or does not hold permanent residence status in the event that:

- a) the act relates to the unlawful entry or stay in the territory of the State of five or more persons;
- b) the transported person has been exposed to danger to his life or safety in order to procure his illegal entry or stay
- c) the transported person has been subjected to inhuman or degrading treatment in order to obtain his or her illegal entry or stay;
- d) the offence is committed by three or more persons in complicity with each other or by using international transport services or documents that are forged or altered or in any case illegally obtained
- e) the perpetrators have the availability of weapons or explosive materials.

The penalty is increased if the above facts:

- a) are committed for the purpose of recruiting persons to engage in prostitution or sexual or labour exploitation, or involve the recruitment of minors for use in illegal activities with a view to facilitating their exploitation;

b) are committed for the purpose of profiting, even indirectly.

Furthermore, it is strictly forbidden to keep, on computer or paper supports, on the Group Company's premises or to disseminate through the website of the reference Company or of the Group or through the publications edited or promoted by the reference Company or of the Group, pornographic material or virtual images made using images of minors under the age of eighteen.

Virtual images are images created using graphic processing techniques that are not associated in whole or in part with real situations, whose quality of representation makes non-real situations appear to be true.

Therefore, the Group, in its business activities, intends to strictly avoid any contact with subjects at risk of relationships with criminal organizations and strives to know its business partners and suppliers and any other Third Party with whom the Company collaborates, verifying their commercial and professional reliability.

2.17 CONDUCT AGAINST ORGANISED CRIME (INCLUDING TRANSNATIONAL)

All activities and transactions carried out within the Group, or by or on behalf of one of the Companies of the same, must be based on compliance with applicable laws, as well as the principles of fairness and transparency, in order to prevent the commission of organized crime (including transnational) by Recipients of the Model.

It is forbidden to make use, even through the interposition of third parties, of labour supplied by persons illegally present on the national territory and/or in possession of forged or altered identity documents or in any case illegally obtained.

It is forbidden to use even occasionally a Group Company or its organizational unit in order to allow or facilitate the commission of the crimes indicated by art. 24-ter of the Legislative Decree 231/2001 and at art. 10 of Law n. 146/2006, or, by way of example:

- criminal conspiracy;
- mafia-type associations, including foreign ones;
- exchange electoral political mafia;
- other offences committed by availing oneself of the conditions laid down in Article 416 bis (mafia-type association) or by facilitating the activities of mafia-type associations;
- criminal association for the purpose of smuggling foreign processed tobacco or for the purpose of illicit trafficking in narcotic or psychotropic substances;
- provisions against illegal immigration;
- personal abetting (possible for transnational offences only);
- assistance to members of associations with the purpose of terrorism, including international terrorism or subversion of the democratic order.

Furthermore, it is forbidden to provide, directly or indirectly, funds in favour of persons intending to commit the above-mentioned crimes.

It is forbidden to take or assign any business and/or financial transaction, either directly or through an intermediary, with entities - natural or legal persons - at risk of having links with

criminal organisations or by entities controlled by them where such a control relationship is known.

It is also forbidden to undertake or carry out operations that may be anomalous in terms of type or object, or that may lead to the establishment or maintenance of relations that present anomalous profiles from the point of view of their reliability and/or the reputation of the counterparties.

For these purposes, each Group Company strives to know its business partners and suppliers and any other third party with whom the company collaborates, verifying their commercial and professional reliability, including by consulting databases or special lists (e.g. white list of prefectures, list of companies adhering to the Protocol of legality between Confindustria and the Ministry of the Interior, rating of legality, etc.).

2.18 CONDUCT AGAINST RACIST AND XENOPHOBIC OFFENCES

Participation in organizations, associations, movements or groups which incite to discrimination or violence on racial, ethnic, national or religious grounds, or which wholly or partly propagate, incite or instigate denial, shall be considered a criminal offence; the minimisation or apologia of the Shoah or crimes of genocide, crimes against humanity and war crimes.

Therefore, it is necessary for each Group Company, in its business activities, to avoid any contact with subjects at risk of relations with similar organisations and to make every effort to get to know its business partners and suppliers and any other Third Parties with which the company collaborates, verifying their commercial and professional reliability.

It is prohibited to accept money or other forms of financing for the purpose of supporting groups propagating the Holocaust, crimes of genocide, crimes against humanity or war crimes.

It is also forbidden to disseminate and use - through the communication tools traceable to one of the Group's companies (e.g. social networks, social media, company blogs, leaflets or other internal paper communication tools, etc.) - expressions that could incite discrimination or violence on racial, ethnic, national or religious grounds or, more generally, be construed as racist and xenophobic propaganda.

It is also forbidden to rent or loan company premises and spaces to organisations or movements whose purpose is to incite political propaganda or the commission of the offences in question.

2.19 CONDUCT RELATING TO FRAUD IN SPORTS COMPETITIONS

It is a criminal offence and therefore strictly prohibited:

- the offer or promise of money or other benefit or advantage to a participant in a sporting competition organized by the federations recognized by the Italian National Olympic Committee (CONI), by the Italian Union for the Increase of Horse Breeds (UNIRE) or by other sporting bodies recognized by the State and by their member associations, so that

a result other than that resulting from the proper and fair conduct of the competition is achieved;

- the unauthorized exercise of the organization of lotteries or betting or prediction contests which the law reserves to the State or to another body recognized by the State or on sporting activities managed by the Italian National Olympic Committee (CONI), by organizations dependent on it or by the Italian Union for the Increase of Horse Breeds (UNIRE) or, again, on other competitions of persons or animals and games of skill;
- the sale on the national territory, without authorisation from the Customs and Monopolies Agency, of lottery tickets or similar lottery events of foreign States, or participation in such operations by collecting bets and crediting the relevant winnings, and promotion and advertising carried out by any means of dissemination;
- the organization, operation and collection at a distance, without the prescribed concession or - if holder of the prescribed concession - by technical means other than those provided for by law, of any game established or regulated by the Customs and Monopolies Agency;
- the advertising of competitions, games or bets operated in the manner described above, and outside the cases of complicity in one of the offences indicated in the preceding points, or the advertising in Italy of games, bets and lotteries, by whomsoever accepted abroad;
- taking part in competitions, games, bets or wagers operated in the manner described above, and outside the cases of participation in one of the offences indicated in the preceding points;
- the carrying out in Italy of any activity organised for the purpose of accepting or collecting or in any way favouring the acceptance or collection, even by telephone or telematic means, of bets of any kind accepted by anyone in Italy or abroad, in the absence of a concession, authorisation or licence;
- the collection or booking of lotto bets, betting competitions or bets by telephone or telematic means, in the absence of specific authorisation from the Ministry of Economy and Finance - Customs and Monopolies Agency for the use of such means for the aforementioned collection or booking.

Any behavior is prohibited - by business entities or third party members of sports associations recognized by the State - that may lead to an alteration of the results of sporting competitions from which the Group or one of the Companies belonging to it may derive an advantage (e.g. in the context of a sponsorship).

Any activity involving the performance by corporate entities and/or facilitating the performance by third parties (e.g. lessees) of the above-mentioned offences in relation to the abusive exercise of betting and gambling, in the interest or for the benefit of a Group Company is prohibited. Therefore, the Group companies make every effort to know their commercial counterparts and verify their commercial and professional reliability..

2.20 CONDUCT RELATING TO SMUGGLING

All activities and operations carried out by and/or on behalf of a Group Company must be characterized by compliance with the laws in force (in particular, Legislative Decree 141/24,

"National provisions complementary to the Union Customs Code" and Legislative Decree 504/1995 Consolidation Act on Excise), as well as with the principles of fairness and transparency, in order to prevent the commission of smuggling offences by the Recipients of the Model.

Each Group company undertakes to ensure the issuance of accounting or tax documentation that is consistent, both objectively and subjectively, with the import/export operations actually carried out by the same.

It is therefore forbidden to introduce, transport, hold or exchange goods in violation of the prescriptions, prohibitions and limitations in force on the subject.

More specifically, it is forbidden to

- to hold, introduce, circulate in the customs territory or remove from customs supervision, in any way and for any reason, non-Union goods, by failing to submit the customs declaration
- to bring EU goods out of the customs territory in any manner whatsoever by failing to lodge a customs declaration;
- declaring the quality, quantity, origin and value of the goods, as well as any other element necessary for the application of the tariff and the settlement of duties in a manner that does not correspond to the ascertained
- in the case of non-Union goods imported duty-free or duty-reduced, attribute a destination or use other than that for which relief was granted;
- using fraudulent means to obtain an undue refund of duties established for the importation of raw materials used in the manufacture of goods being exported;
- in the case of temporary export transactions and special-use or processing arrangements, subject goods to artificial handling or use fraudulent means to evade the payment of border duties due
- evading detection or payment of excisable goods;
- fictitiously attributing to others the ownership or availability of money, goods or other utilities, in order to evade the provisions of the law on smuggling.

2.21 CONDUCT TO COUNTER OFFENCES AGAINST CULTURAL HERITAGE

Conduct against cultural heritage and provided for in Title VIII-Bis of the Criminal Code "Crimes against the cultural heritage" constitutes a criminal offence.

More specifically, it is strictly forbidden to

- taking possession of movable cultural property belonging to others or to the State by removing it from its owner or appropriating cultural property belonging to others in order to gain profit for oneself or others
- acquiring, receiving or concealing cultural goods originating from another offence.
- drawing up, in whole or in part, a false private contract or altering, destroying, suppressing or concealing a true private contract, in relation to movable cultural property, in order to make it appear lawful
- placing cultural goods on the market without having the relevant authorization;

- failing to file within thirty days a report on the transfer of ownership or possession of cultural goods;
- unlawfully importing and exporting cultural goods as provided for in Articles 518-decies and 518-undecies of the Italian Criminal Code;
- failing to return to the national territory at the expiry of the term cultural goods things of artistic, historical, archaeological, ethno-anthropological, bibliographic, documentary or archival interest or other things subject to specific protection provisions pursuant to the legislation on cultural goods for which the temporary exit or export has been authorised;
- make false declarations in order to prove to the competent export office in accordance with the law that things of cultural interest are not subject to authorisation to leave the national territory;
- destroying, dispersing, deteriorating, defacing, defacing and unlawfully using cultural or landscape assets of one's own or of others
- counterfeit, alter or reproduce a work of art by engaging in one of the forms of conduct set forth in Article 518-quaredecies of the Criminal Code
- replacing or transferring cultural goods resulting from a non-culpable offence in such a way as to hinder the identification of their criminal origin;
- committing acts of devastation or looting involving cultural or landscape assets or cultural institutions or places.

On the subject of offences against cultural heritage, in the absence of a legislative definition of 'cultural heritage', case law adopts a substantive approach. For the applicability of the offences provided for in Title VIII-Bis of the Criminal Code and referred to in Articles 25 septiesdecies and 25 octiesdecies of Legislative Decree no. 231/2001, the asset must be considered cultural both when it is expressly declared as such in an administrative manner and when the asset, due to its objective characteristics, "*such as type, location, rarity or other similar criteria*" is of cultural interest (see. Court of Cassation no. 44354 of 04.12.2024, in a case concerning the receiving of a handwritten letter dating back to 1562 for which proceedings were brought under Article 518-quater of the Italian Criminal Code).

2.22 CONDUCT ON CONSUMER PROTECTION

Consumers are obliged to comply with consumer protection regulations in any contractual and pre-contractual contact with them. Notwithstanding the generality of the above, therefore, company personnel must:

- fully respect consumers' rights, guarantee a safe product and provide clear and accurate information;
- provide truthful and complete information on products, prohibiting any form of misleading or false communication;
- clearly state the price of products and any additional costs, avoiding deceptive pricing practices;
- protect the privacy of consumer data and ensure that it is handled securely and responsibly;

- establish clear and reasonable policies for returns and refunds and to inform consumers on how to proceed in case of problems with products;
- adequately handle consumer complaints and reports, ensuring a timely and professional response.

In addition to the above, it should be noted that it is forbidden to:

- engage in unfair or improper commercial practices, prohibited by law
- use misleading or false communications concerning products or prices charged to consumers,
- improperly use or disclose consumers' personal data,
- provide customer service that does not comply with the minimum requirements of the regulations
- implement unfair or non-transparent return, refund and complaint handling policies.

In particular, Personnel are required to comply punctually, at the various levels, with the compliance requirements set out in the relevant protocols.

2.23 PRODUCT RESPONSABILITY CONDUCT

It is mandatory to observe scrupulously the regulations in force regarding the safety of products intended, for direct or indirect sale, to be marketed to the final consumer, adhering meticulously to the clauses specified in the company's protocols.

Therefore, a constant effort must be made to monitor the effectiveness of the safety measures implemented, ensuring that they meet the legal requirements for consumer protection as well.

In particular, the Addressees of this Code are required to:

- comply with all laws, regulations and industry standards applicable to product safety;
- perform quality and safety checks at all stages of production, from design to distribution;
- provide accurate, complete, reliable and truthful information on products subject to product safety regulations and intended for consumers;
- collaborate with regulatory authorities, industry partners and any consumer protection associations to resolve product safety issues;
- document and report, also to the public, any potential product safety risks that may harm consumers.

Consequently, it is prohibited to:

- conceal, alter or destroy any product safety information;
- ignore or circumvent product safety regulations or quality control procedures;
- failing to report product safety issues or delays in resolving critical issues;
- make product safety decisions based on personal or financial interests;
- manipulate or falsify the results of product safety and quality tests.

Personnel are required to participate actively in training and professional updating programs to stay up-to-date with regulatory and technological developments in the field of product safety. Furthermore, it is essential to establish proactive cooperation with the regulatory authorities by participating in inspections and providing all required information. An important aspect is the effective management of non-conformities: any deviations from standards must be identified and recorded in a timely manner, with corrective actions taken without delay to mitigate risks and ensure safety.

3 EFFECTIVENESS OF THE CODE AND CONSEQUENCES OF ITS VIOLATIONS

3.1 COMPLIANCE WITH THE CODE AND VIOLATIONS REPORT

3.1.1 Companies with Model 231

Any violations of the prescriptions contained in this Code must be transmitted and handled in the manner and through the channels provided for in the "**Whistleblowing Procedure**".

Reports may also be made anonymously, i.e., they may not state the identity of the reporter or allow the identity of the reporter to be reconstructed or retrieved.

The Group also takes appropriate measures to ensure that the identity of the whistleblower is kept confidential at all times, including in the management of the report; all this, also in compliance with privacy regulations.

The Group provides for and guarantees appropriate forms of protection for "Whistleblowers" who make reports in good faith from any form of retaliation, penalisation or discrimination, whether direct or indirect, for reasons directly or indirectly linked to the report. For the specific rules on the safeguards provided, please refer to the provisions of "Appendix B - Safeguards" of the "**Whistleblowing Procedure**".

In general, the information and personal data acquired in application of this paragraph shall be processed by the Whistleblowing Managers and the persons authorised by the Company exclusively for purposes related to compliance with the obligations deriving from Legislative Decree 24/2023 and Legislative Decree 231/2001, in compliance with the principles established by the privacy legislation in force (EU Regulation 679/2016 - "GDPR").

For anything not expressly regulated herein, please refer to the "**Whistleblowing Procedure**".

The handling of Whistleblowing Reports and the rules set out in this document are without prejudice to the criminal and disciplinary liability of the Whistleblower in the event of malicious, slanderous or defamatory reporting pursuant to the Criminal Code and Article 2043 of the Civil Code.

If the Whistleblowing Managers consider that they find elements such as to reveal the unfoundedness of the report made in bad faith or with serious misconduct, they assess any useful action in order to activate sanctioning procedures. In this regard, moreover, the Disciplinary System adopted by the reference Company and contained in **Annex 5 - 231 Sanctioning System** provides for specific sanctions against those who make reports that turn out to be unfounded with malice or serious misconduct.

It is understood that the Company of reference may take the most appropriate disciplinary and/or legal measures to protect its rights, assets and image, against anyone who, in bad faith or with gross negligence, has made false, unfounded or opportunistic Reports and/or

with the sole purpose of slandering, defaming or causing prejudice to the reported person or to other persons mentioned in the Report.

3.1.2. Companies not having a 231 Model

Each Company of the Group shall appoint a Guarantor of the Code of Ethics and Conduct 231 to whom any breach of this Code may be reported, according to the procedures and through the channels specifically provided.

3.2 SANCTIONS

Violation of the rules of conduct set out in the Code and company procedures compromises the relationship of trust between the individual Group Company and whoever commits the breach (Addresses).

It should be noted that a violation of the Model and the Whistleblowing Procedure also constitutes

- any form of retaliation against anyone who has in good faith reported possible violations of the Model and the Whistleblowing Procedure;
- any accusation, with intent and gross negligence, made against other employees of violation of the Model and the Whistleblowing Procedure and/or unlawful conduct, with the knowledge that such violation and/or conduct does not exist;
- violation of the measures protecting the confidentiality of the whistleblower.

The violations, once ascertained, shall be pursued incisively, promptly and immediately, through the adoption - compatibly with the provisions of the applicable regulatory framework - of appropriate and proportionate disciplinary measures, regardless of the possible criminal relevance of such conduct and the institution of criminal proceedings in cases where they constitute a crime.

Disciplinary measures for violations of the Code are taken by the company in line with applicable laws and relevant national or company labour contracts. Such measures may also include the expulsion from the Company to which they belong and any other Group Company of those responsible.

With regard to persons who are not linked to a Group Company by an employment relationship, violations of the code will be sanctioned with the application of the civil remedies provided for by law.

3.3 DISSEMINATION OF THE CODE

In order to ensure the correct understanding of the Code, each Group Company shall prepare an information plan to ensure full disclosure and explanation.

The Code is published with adequate prominence by each Group Company on its corporate website.

Updates and revisions of the Code are defined and approved by the Board of Directors of Passione Beauty S.p.A., after consulting the Supervisory Body.

4 REFERENCES

- Legislative Decree no. 231 of 8 June 2001 and subsequent updates
- Confindustria Guidelines for the construction of the Organisational Model D.Lgs. 231/2001 - March 2014 edition
- CNDCEC, ABI, CNF and Confindustria document, Consolidated principles for the drafting of organisational models and the activity of the supervisory body and prospects for the revision of Legislative Decree no. 231 of 8 June 2001, February 2019
- Safety Consolidation Act (Legislative Decree 81/08)
- Legislative Decree No. 24 of 10 March 2023 implementing Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law