

THUN S.p.A.



GROUP CODE OF CONDUCT

adopted by Thun S.p.A.

**pursuant to Legislative Decree No. 231 of 8th June
2001**

TABLE OF CONTENTS

- 1. MISSION.....5**
- 1.1. VISION 5
- 1.2. GUIDING VALUES 5
- 2. INTRODUCTION TO THE CODE OF CONDUCT.....5**
- 2.1. CONTENT OF THE CODE OF CONDUCT 5
- 2.2. OBJECTIVES OF THE CODE OF CONDUCT 6
- 3. SCOPE OF APPLICATION OF THE CODE OF CONDUCT7**
- 4. KEY ETHICAL STANDARDS.....8**
- 4.1. COMPLIANCE WITH THE LAW 8
- 4.2. IMPARTIALITY 8
- 4.3. PROFESSIONAL COMPETENCE AND DEVELOPMENT OF HUMAN RESOURCES 8
- 4.4. CONFIDENTIALITY 9
- 4.5. PROPRIETY IN CASE OF CONFLICT OF INTEREST 9
- 4.6. ENHANCING THE VALUE OF SHAREHOLDERS’ INVESTMENT..... 9
- 4.7. FREE AND FAIR COMPETITION 9
- 4.8. FAIRNESS IN THE EXERCISE OF AUTHORITY 9
- 4.9. DILIGENCE AND ACCURACY IN THE PERFORMANCE OF DUTIES AND CONTRACTS..... 9
- 4.10. TRANSPARENCY AND COMPLETENESS OF INFORMATION 10
- 4.11. PROTECTION OF HEALTH AND OF PERSONAL WELLBEING 10
- 4.12. ENVIRONMENTAL PROTECTION..... 10
- 5. RELATIONS WITH STAKEHOLDERS10**
- 5.1. SHAREHOLDERS 10
- 5.2. CUSTOMERS 11
- 5.3. SUPPLIERS 11
- 5.4. PUBLIC ADMINISTRATION 11
- 5.5. LOCAL COMMUNITY..... 12
- 5.6. COLLABORATORS 12
- 5.7. MARKET 12
- 5.8. MASS MEDIA AND EXTERNAL COMMUNICATIONS 13
- 5.9. INTRAGROUP RELATIONS 13
- 6. GENERAL PRINCIPLES AND RULES OF CONDUCT14**
- 6.1. CONFLICT OF INTEREST 14
- 6.2. GIFTS, COMPLIMENTARY ITEMS, AND BENEFITS..... 15
- 6.3. ANTITRUST LEGISLATION AND REGULATORY BODIES, COMPETITION
AND FREEDOM FOR INDUSTRY AND COMMERCE 16
- 6.4. PROTECTION OF PRIVACY 16
- 6.5. TRANSPARENCY OF ACCOUNTING, DOCUMENTATION, AND REPORTS..... 17
- 6.6. ANTI-MONEY LAUNDERING POLICY 18
- 7. HUMAN RESOURCES18**
- 7.1. PERSONNEL SELECTION 18
- 7.2. SET-UP OF EMPLOYMENT CONTRACTS 18
- 7.3. PERSONNEL MANAGEMENT 19
- 7.4. DEVELOPMENT AND TRAINING OF RESOURCES 19
- 7.5. FAIRNESS IN THE EXERCISE OF AUTHORITY 19
- 7.6. INTERVENTIONS ON WORK ORGANIZATION 20

7.7. WORKPLACE HEALTH AND SAFETY	20
7.8. WORKERS' PRIVACY.....	20
7.9. PROTECTION OF PERSONAL DIGNITY	20
7.10. PROTECTION OF COMPANY PROPERTY.....	21
8. RELATIONS WITH CUSTOMERS.....	22
8.1. OBTAINING ORDERS AND DEVELOPING CUSTOMER PORTFOLIO	22
8.2. CONTRACTS AND NOTIFICATIONS TO CUSTOMERS	22
8.3. COLLABORATORS' BEHAVIOUR GUIDELINES FOR DEALING WITH CUSTOMERS	22
8.4. CONTROL OF QUALITY AND OF CUSTOMER SATISFACTION	22
9. RELATIONS WITH SUPPLIERS	22
9.1. CHOICE OF A SUPPLIER.....	22
9.2. INTEGRITY AND INDEPENDENCE OF DEALINGS.....	23
9.3. DEFENDING ETHICAL CONCERNS IN SUPPLY ARRANGEMENTS	23
10. RELATIONS WITH THE COMMUNITY	24
10.1. ENVIRONMENTAL POLICY	24
10.2. STRATEGIES AND TOOLS TO IMPLEMENT THE ENVIRONMENTAL POLICY	24
10.3. BUSINESS RELATIONS WITH PARTIES, TRADE UNIONS, AND ASSOCIATIONS.....	24
10.4. CONTRIBUTIONS AND SPONSORSHIPS	25
10.5. INSTITUTIONAL RELATIONS	25
11. COMMUNICATIONS AND COMPANY INFORMATION	26
11.1. PROCESSING INFORMATION.....	26
11.2. EXTERNAL COMMUNICATION	26
12. COMPLIANCE WITH THE LAW AND OBLIGATIONS OF THE FUNCTIONS	26
12.1. OBLIGATIONS OF DEPARTMENT HEADS.....	27
12.2. OBLIGATIONS OF THE INDIVIDUALS MANAGED AND SUPERVISED BY DEPARTMENT HEADS	27
13. CONTRAVENTIONS OF THE CODE OF CONDUCT AND SANCTIONS	28
13.1. CODE OF CONDUCT AND CONTROL SYSTEM	28
13.2. OBSERVANCE OF THE CODE OF CONDUCT	28
13.3. REPORTING CONTRAVENTIONS TO THE SUPERVISORY AND CONTROL BODY	29
14. SANCTIONS.....	29
14.1. SANCTIONS AGAINST DIRECTORS	30
14.2. SANCTIONS AGAINST WORKERS	30
14.3. SANCTIONS AGAINST NON-EMPLOYEE WORKERS, ADVISORS, AND OTHER PARTIES TO CONTRACTS WITH THE COMPANY	30
15. IMPLEMENTATION OF THE CODE OF CONDUCT	31
15.1. ADOPTION AND CIRCULATION OF THE CODE OF CONDUCT	31

1. MISSION

The philosophy and guidelines of THUN Group constitute its basic principles, principles that have been part of its identity since its formation and set it apart from all other undertakings operating in the global market. This creates a continuous drive towards corporate success. The company philosophy clearly states the purpose for which THUN exists as a company and is the mainspring of all its strategic decisions

1.1. VISION

“In our wonderland we rekindle the emotions of childhood, its dreams, its magic and its warmth: with our handmade products, our images, and our actions, we turn them into something real to be experienced every day and in so doing impart, from the heart, joy that is felt by ourselves and by others.”

1.2. GUIDING VALUES

Countess Lene Thun, who passed away in 2004, had a natural and spontaneous instinct for getting along with people. This special facility for striking up personal relations, which still lives on today in her son,

Peter Thun, and in her grandchildren –who are now managing the Company – has been the basis for developing the company guidelines, which have been collected in a written document.

The values that guide the company’s endeavours and are a determinant of its success are:

- to impart joy;
- to give the best of oneself;
- to innovate within a framework of tradition;
- to feel warmth;
- to have regard for others;
- to share and to give expression to difference;
- to be customer oriented;
- to aim for success.

The detailed description of the meaning underlying each **Guiding Value** is circulated through the Corporate *Vademecum*.

2. INTRODUCTION TO THE CODE OF CONDUCT

2.1. CONTENT OF THE CODE OF CONDUCT

The Code of Conduct is the document approved by the Board of Directors of THUN S.p.A. that applies as well to all its subsidiaries and to the companies that are related to THUN S.p.A. for particular business relations, subject to their formal adoption of the Code.

In general terms, it represents the tool of governance through which top management of the Company and the Companies in the Group give clear expression to the values, the principles

of conduct, the commitments, and the responsibility they accept both with regard to in-house affairs and to the external environment, since this is integral part of the Internal Control System and the reference standard.

In particular, the Code sets out the rights, the duties, and the responsibilities of all those that, in whatever capacity, pursue their aims in association with the Company, be they employees, consultants, agents, business partners or entities/persons that have any sort of working relationship with the Company.

The Code of Conduct is, by design, a synthesis of the principles of economic management and ethics, something seen as essential for the long-term sustainable growth of the business. As a matter of fact, THUN S.p.A. and the companies related to THUN, are committed to the achievement of the utmost standards for best practices related to their moral, social, and business-related responsibilities towards all the stakeholders.

Indeed, the Company is of the view that observance of high ethical standards enhances its reputation, an intangible resource that is essential for achieving its objectives, facilitating customer loyalty, attracting the best human resources, promoting supplier serenity and reliability towards creditors.

The Company adopts a set of rules to prove its commitment both with regard to in-house affairs and to the external environment, in order to ensure conditions of fairness and transparency in the management of corporate activities. These rules contribute to making and implementing decisions smoothly and to managing activities without superfluous bureaucratic inspections or excessive appeal to authority required by the necessary hierarchical organization.

2.2. OBJECTIVES OF THE CODE OF CONDUCT

The main objective of the Code of Conduct is to define the guidelines and the rules of conduct towards each stakeholder, and those who work with the company must adhere to them in order to avoid the risk of conduct that is unethical, or worse, unlawful.

In particular, the corporate regulatory *corpus* is based on the following principles:

- conduct that is ethically correct and in accordance with the law;
- loyalty to the Company;
- propriety, courtesy, and personal regard in dealings between colleagues;
- regard for the interests of any other interlocutors or stakeholders (customers, business partners, government authorities, local communities, environment);
- compliance with the rules of competition;
- professionalism and professional diligence.

In addition, the Code of Conduct aims to pinpoint the general ethical principles that are the core values in conducting Company affairs and also to establish a system of monitoring for effective compliance with the Code and for its constant improvement.

All the individuals, in whatever capacity, interacting with THUN S.p.A. must guarantee the observance of the specific obligations deriving from the professional ethics and from their

role and have the duty of maintaining – and, at the same time, require their collaborators to maintain – a behaviour of absolute honesty, loyalty, good faith, balance, fairness, diligence, collaboration and transparency.

In no way shall the belief of acting for the purposes or for the benefit of the company justify the adoption of behaviours against the principles included in this Code of Conduct.

3. SCOPE OF APPLICATION OF THE CODE OF CONDUCT

The rules of the Code of Conduct apply without exception to the persons/entities below:

- employees and collaborators;
- statutory auditors, external auditors;
- persons charged with representative, administrative, and managerial functions;
- all persons/entities that have business relations of any type and duration with the Company;
- all those who work to achieve the aims of the Company.

In particular, the Code of Conduct applies to:

- members of the Board of Directors in setting the aims to be pursued, in recommending investment and carrying through projects, in decision-making processes, and in any action of management;
- managers, in giving practical effect to the policies laid down by the Board of Directors;
- employees and non-employee workers, in making their contribution to the achievement of the aims of the Company.

Given that the Code of Conduct is the basis for all guidelines, protocols, and procedures – present and future – adopted and/or applied within the Parent Company, the decision-making and control bodies and the Supervisory Body of every Company adopting this Code, cooperating closely with one another and each within its sphere of responsibility, shall:

- guarantee the widest circulation of the Code at all levels within the organisation through a proper plan to ensure information and awareness;
- guarantee prompt updating of the Code both to ensure its more efficacious application and in response to changes in the needs of the business and/or in the legislation;
- be the central co-ordinators in providing tools for fact finding and in interpreting the rules of the Code;
- ensure a proper and prompt exchange of information;
- safeguard those that have reported possible violations of the Code against reprisals of any type.

The Code of Conduct is the basis of all policies, guidelines, protocols, and procedures, present and future – adopted and/or applied within the Parent Company and the Group, as well as by those legal entities established to manage specific tenders for works, supplies and services (such as. Limited liability consortium, EEIG, joint ventures, staffing agencies).

The interpretation of these policies, guidelines and procedures shall be constantly guided by the spirit of the Code of Conduct. Furthermore, the Code makes known the position of the Company on issues that significantly affect it.

The Code of Conduct applies in Italy and in all countries in which THUN S.p.A. and the other Companies in the Group conduct their business activities.

The Code of Conduct also addresses a number of key areas of individual responsibility in carrying out work for the company:

- use and protection of business information;
- conflicts of interest;
- privacy;
- accounting entries and records;
- relations with public administration bodies, political organisations, and trade unions;
- health, safety, and the environment.

4. KEY ETHICAL STANDARDS

In adopting this Code, THUN S.p.A. and the individual Companies of the THUN Group that adopted this Code of Conduct (hereinafter the “Company”) repudiate, without exception, conduct not in line with the ethical standards below.

4.1. COMPLIANCE WITH THE LAW

The Company shall operate in accordance with the applicable law, with professional ethics, with in-house and external regulations, and with those of trade and other associations. Pursuit of personal interest can never justify conduct that offends against the principles of honesty, propriety, legality, and transparency. All situations should be avoided that are intended solely to sway the impartial judgment and action of the parties involved.

4.2. IMPARTIALITY

In dealing with its stakeholders (choice of customers and business partners, relations with the shareholders, personnel management, work organisation, selection and management of suppliers, contacts with institutions) the Company shall avoid any discrimination based on age, racial and ethnic origin, nationality, political opinion, religious belief, gender, sexuality, or state of health of its interlocutors.

4.3. PROFESSIONAL COMPETENCE AND DEVELOPMENT OF HUMAN RESOURCES

The Company shall assist in maintaining an adequate level of professional competence in the performance of the duties assigned to its workers and business partners. For this purpose, the Company is committed to developing and enhancing the skills of its human resources by providing them with proper means of training, professional updating, and development.

4.4. CONFIDENTIALITY

In accordance with the law, the Company guarantees the confidentiality of the information in its possession. Its workers are prohibited from using confidential information for purposes unconnected with their professional work and, in any case, in breach of the limits set by legislation and in-house rules.

4.5. PROPRIETY IN CASE OF CONFLICT OF INTEREST

In carrying out any activity, the Company shall strive to avoid being involved in situations where there is a conflict of interest, real or merely potential. Cases of “conflict of interest” shall include, in addition to those defined in law, a situation where a worker/director acts mainly in pursuit of their personal interest to gain an advantage.

4.6. ENHANCING THE VALUE OF SHAREHOLDERS’ INVESTMENT

The Company shall strive to deliver an economic/financial performance such as to safeguard and increase the value of the undertaking in order to compensate adequately the risk that the shareholders take by investing their capital.

4.7. FREE AND FAIR COMPETITION

The Company acknowledges free competition in a market economy to be a decisive factor in the growth and constant improvement of businesses. The Company intends to defend the value of fair competition by avoiding all collusion, predatory action, or abuse of a dominant position.

4.8. FAIRNESS IN THE EXERCISE OF AUTHORITY

In signing and administering contracts that entail hierarchical relations and dealings with workers, be they employees or non-employees, the Company shall ensure that authority is exercised with fairness and propriety, so avoiding any abuse of that authority. In particular, the Company guarantees that authority shall not turn into an exercise of power detrimental to the dignity and independence of employees and other workers, and decisions on work organisation shall take account of the values of the workers.

4.9. DILIGENCE AND ACCURACY IN THE PERFORMANCE OF DUTIES AND CONTRACTS

Contracts and work assignments must be performed according to what has been knowingly agreed by the parties. The Company undertakes not to exploit a state of ignorance or incapacity on the part of parties with which it deals. In an existing relationship no one acting in the name and on behalf of the Company must take advantage of oversights in contracts or any unforeseen events to renegotiate contracts for the sole purpose of exploiting a state of dependence or weakness in which the other party finds itself.

4.10. TRANSPARENCY AND COMPLETENESS OF INFORMATION

Information released by the Company must be complete, transparent, intelligible, and accurate, so that the addressees – public or private – can make informed decisions as to their dealings with it.

The Company shall not, whatever the circumstances, provide information that is untrue or even merely tendentious.

4.11. PROTECTION OF HEALTH AND OF PERSONAL WELLBEING

Because the physical and psychological wellbeing of its workers is a top-priority value for the Company, it guarantees them working conditions that befit their personal dignity in workplaces that are safe and hygienic and are at least in line with the requirements of the legislation in the matter.

The Company repudiates any possible form of exploitation or reduction of the person to a state of subjection and any activity that may involve physical injuries to the person, such as, for example, the practice of female genital mutilation.

The Company condemns any form of acquisition, use, circulation, and transfer of child abuse material.

4.12. ENVIRONMENTAL PROTECTION

The Company considers the environment its primary good to be safeguarded. Accordingly, in all its action it strives for the right balance between essential environmental needs and economic value.

5. RELATIONS WITH STAKEHOLDERS

The widespread presence of the Company and of the companies within the Group on national and international markets, its business operations in several institutional, economic, political and social contexts, and the diversity of its interlocutors imply a crucial role of the management of the relations with the stakeholders, that is, all the public and private interlocutors, Italian or foreign – individuals, groups, companies, institutions – which, for any reason, are in contact with the Company and/or have an interest in the activities carried out by the Company as well as legitimate expectations resulting from those activities.

5.1. SHAREHOLDERS

The Companies that adopt this Code undertake to ensure equal treatment among all categories of shareholders, avoiding any preferential treatment. The advantages resulting from belonging to a group of companies are pursued in compliance with the applicable regulations and respecting the autonomous interest of every Company in the profitability of their activity and in the creation of value for their shareholders.

5.2. CUSTOMERS

The excellence of the services and products offered is based on the focus on the customer and on the availability to meet their requests. The objective to be pursued is to ensure a prompt, qualified and competent response to the customers' needs, maintaining proper and professional behaviour.

The corporate targets cannot be met without the satisfaction and the trust of the customers; therefore, the Company maintains a behaviour based on availability and propriety towards the customers.

The Company has always committed to establishing relations with their customers aiming at providing the highest standards of cooperation and continuous support.

5.3. SUPPLIERS

When dealing with tenders, procurement, and generally speaking, the supply of goods and/or provision of services, the Company acknowledges the value of its suppliers, whose cooperation enables the concrete daily performance of its business activities.

All the purchasing processes undertaken shall aim at combining – on one hand – the pursuit of the greatest competitive advantage possible and the concession of equal opportunities to every supplier, in a context of mutual loyalty, clarity, fairness and impartiality.

The Company bases its conduct in the stage of purchasing goods and services on the pursuit of the best price/performance ratio with criteria as objective as possible, protecting and ensuring at the same time the concession of equal opportunities for every supplier and loyalty and independence of judgment.

The choice of supplier and the purchasing of goods and services are made based on objective assessments on competitiveness, quality, price, integrity, and reliability.

5.4. PUBLIC ADMINISTRATION

While fully respecting their roles and functions, the Company maintains business relations with State administrations, public bodies, local government authorities, public-law bodies, concessionaires of public works or services, private individuals subject to public law, European Communities, and other supranational organisations.

The company shall aim to ensure that the relations with public authorities, given their specific relevance for its social activity and for the discipline of the markets in which it operates, are based on the criteria of transparency, professionalism, and utmost cooperation.

The relations with Public Institutions aimed at overseeing the Company's overall interests and connected to the implementation of its plans that involve commitments towards public Institutions are reserved exclusively to the functions and managers specifically delegated for the task.

The Company does not tolerate and opposes any type of corruptive action towards public officials and or persons in charge of a Public Service, any persons connected or related to public officials and/or persons in charge of a Public Service, in any form or manner whatsoever, in any jurisdiction.

The Company declines any incitement to give or promise unduly money or other benefits to persons who work for the Public Administration, judicial authority, public supervisory authorities, European Communities, and other supranational organisations.

The respect for the essential principle of integrity results directly from the observance of the legislation and regulations and from the moral integrity of the subjects inside and outside the company, which does not tolerate any form of violations of such principle. The abovementioned rules cannot be circumvented by anyone, including third parties that maintain business relations of any kind with the Company.

The Company promotes and support the supervisory and control activities of both Public Authorities and Magistracy and requires its collaborators to provide them with their fullest cooperation.

5.5. LOCAL COMMUNITY

The Companies that adopt this Code are willing to contribute to the economic wellbeing and to the development of the communities in which they operate by providing effective and technologically advanced services.

In accordance with such objectives and with the responsibilities assumed towards the stakeholders, the Companies consider research and innovation a major condition towards growth and success.

The Companies view favourably and, if appropriate, support social, cultural and educational initiatives aimed at promoting the human being and at improving their living conditions; consider environmental issues in the decision-making processes, proposing to adopt – even beyond the specific applicable regulations, provided that it is sustainable at operational and economical level – eco-friendly technologies and methods for production, aiming at reducing the environmental impact of their activities.

5.6. COLLABORATORS

The Companies acknowledge the central importance of human resources in the belief that the key factor for success of every company is made up of the professional contribution of the people who work in it, within a framework of mutual loyalty and trust; they protect health and safety at the workplace and consider respect of the workers' rights fundamental in the performance of business activities.

The management of the relations with workers is aimed at ensuring equal opportunities and at promoting the professional growth of each individual.

5.7. MARKET

Being aware that correct information about their activities plays an important role for the market, investors, and –generally speaking – for the communities, without prejudice to the confidentiality

required by the business activities, the Companies that adopt this Code consider transparency their goal when dealing with all stakeholders.

The communication with the market and with investors shall be managed respecting the criteria of propriety, clarity, and equal access to information.

5.8. MASS MEDIA AND EXTERNAL COMMUNICATIONS

THUN S.p.A. acknowledges the fundamental information role played by the so-called social media towards the public, in general, and the investors, in particular.

News provided by the media is of key importance for the purpose of promoting the image of the Company: all the information concerning the Company must be exact, truthful, uniform, and transparent.

For that reason, the Company undertakes to cooperate fully with the news media, without discrimination, and having regard for their respective roles and the need for business confidentiality. In this way it can respond promptly, comprehensively, and transparently to their need for information.

Any contact with institutions (national and international) and with the mass media is confined to communication of a kind that meets specific obligations, represents the activities of the Company, responds to requests, and makes known the position of the Company on issues that significantly affect it.

For that reason, the Company undertakes to represent its interests and its positions in a transparent, rigorous, and consistent manner, avoiding conducts of collusive nature.

No individual, unless specifically authorized, may provide information of any kind to media representatives, nor have with them any kind of contact aiming at the disclosure of corporate news.

Institutional advertising and advertising of the products/services of the Company shall take account of the fundamental ethical values of the civil society in which it circulates, its content shall always be truthful, and it shall eschew the use of messages that are vulgar and offensive.

5.9. INTRAGROUP RELATIONS

THUN S.p.A. recognises full autonomy of the Companies that are required to adopt this Code and to adhere to the values expressed therein, as well as a loyal cooperation in order to pursue the targets of compliance with applicable laws and regulations.

The Parent Company shall not engage in conduct which – even though adopted in its own exclusive interest – may prejudice the integrity or the reputation of one of the Companies that are required to adopt this Code.

Therefore, THUN S.p.A. requires the abovementioned Companies not to engage in conduct or make decision that – although they generate benefits in their favour – may prejudice their integrity or their reputation as well as the integrity and reputation of other related companies.

Any persons appointed with corporate governance posts or corporate offices have the duty to participate regularly in the meetings they are required to attend, to perform the tasks assigned to them with loyalty and propriety, to facilitate communication, to promote and make use of the intra group synergies cooperating in the interest of common targets.

The circulation of information within THUN Group, in particular for the preparation of the consolidated financial statement and for other communications, shall be performed in accordance with the principles of truth, loyalty, propriety, completeness, clarity, transparency, caution, respecting the autonomy of each company and of the specific range of activities.

6. GENERAL PRINCIPLES AND RULES OF CONDUCT

6.1. CONFLICT OF INTEREST

In carrying out any activity, each recipient of this Code of Conduct shall strive to avoid being involved in situations where there is a conflict of interest, real or merely potential. All the decisions made, and all the entrepreneurial choices made on behalf of THUN S.p.A. shall pursue its best interest, obviously in compliance with the applicable laws. Therefore, each worker is required to avoid any potential conflict of interest, with particular reference to personal or family interests that might affect the independence of judgment of the workers or contrast with their obligations towards the Company.

No unlawful conduct shall be tolerated, even if this is done in the belief of conferring an advantage to the Company or of acting in its interest.

The list below, which is not exhaustive, includes typical examples of conflict of interest:

- a situation where an interest that is different from the mission of the Company is pursued;
- engaging in activity that can interfere with the capacity to take decisions in the sole interest of the Company;
- engaging in activity through which direct and/or indirect personal gain can be secured from opportunities connected with the business of the Company;

And, more especially:

- The worker engaging in activity – evident or hidden – in businesses run by suppliers, customers, competitors;
- using one's functional position to pursue interests in conflict with those of the Company;
- using information acquired in the performance of one's work to personal advantage or the advantage of third parties or in conflict with the interests of the Company.

Every employee and non-employee worker must immediately report to their superior and/or to the Supervisory Body any situation that represents or creates a conflict of interest.

In particular, employees must give notice in writing of the existence of a stable working arrangement they have with a company with which their Company works, or of any relationship of a financial, commercial, professional, or family nature, or of a friendship, such as might affect the impartiality of their conduct towards a third party.

Whatever the case, any person who feels they are in a situation that entails a conflict of interest must avoid any decision and/or action that directly or indirectly affects the Company.

6.2. GIFTS, COMPLIMENTARY ITEMS, AND BENEFITS

The Company operates in compliance with the law, with professional ethics, and its in-house rules. Accordingly, no conduct that is improper or dishonest can be justified on the grounds that the interest of the Company was being pursued. If only for this reason any type of benefit or gift, received or offered, that might be construed as affecting the impartial judgement and conduct of the parties involved shall be refused.

The Company does not tolerate and opposes any type of corruptive action towards public officials and or persons in charge of a Public Service, any persons connected or related to public officials and/or persons in charge of a Public Service, in any form or manner whatsoever, in any jurisdiction.

Complimentary items, gifts, and/or benefits of modest economic value may be given only when they are compatible with what is normal generosity and etiquette in business practice. Any donations, taken or given in order to acquire favourable treatment in the performance of any activities connected with THUN S.p.A. are forbidden.

Any kind of gifts, including those of modest economic value, to Italian or foreign public officials, or to their families, which might affect the impartial judgment or induce them to grant any benefit are forbidden.

The above rule, which admits of no exceptions even in those countries where offering valuable gifts to business partners is customary, concerns both gifts promised or offered and those received. By gift it is meant any kind of benefit (free participation in congresses, promise of a job offer, etc.).

Whatever the case, the Company shall not engage in practices forbidden by the law, by the commercial customs and by the codes of conduct – where known – of the companies or bodies with which it has business relations.

The workers who receive complimentary items or benefits not allowed by the regulations, are required – according to the procedure – to report the case to the Company Management that shall judge their propriety and communicate to the sender the relevant corporate policy.

The respect for the essential principle of integrity results directly from the observance of the legislation and regulations and from the moral integrity of the subjects inside and outside the company. No violations of such principle shall be tolerated.

The abovementioned rules cannot be circumvented by third parties that maintain business relations of any kind with the companies related to THUN S.p.A.

6.3. ANTITRUST LEGISLATION AND REGULATORY BODIES, COMPETITION AND FREEDOM FOR INDUSTRY AND COMMERCE

THUN S.p.A. acknowledges free competition in a market economy to be a decisive factor in the growth and constant improvement of businesses. The Company intends to defend the

value of fair competition by avoiding all collusion, predatory action, or abuse of a dominant position; on the contrary, it will fully and scrupulously abide by the principles and the rules of free competition and antitrust legislation.

In strict compliance with the law on competition, the Company avoids any conduct as might mislead, or is an act of collusion and, more generally, any behaviour as might be construed as constituting unfair competition.

Accordingly, no act of competition accompanied by violence or threats will be tolerated, nor any disruption of industry or commerce brought about through violence on property or through fraudulent means.

The Company establishes the policy for competition valid for all Companies that adopt this Code and provides the necessary assistance to the management for its implementation.

Wherever there is a potential conflict with antitrust rules, an assessment must first be sought from legal advisors.

Information requested by the antitrust regulator, or by other regulatory agencies as part of an inspection must not be withheld, concealed, or delayed. On the contrary, the request of the Company is that active cooperation be given during investigations.

6.4. PROTECTION OF PRIVACY

When conducting its business activities, the Company ensures the confidentiality of all information in its possession, does not seek to obtain, or use confidential or sensitive data, and is careful at all times to comply with the legislation relating to this matter and with company procedures.

Persons who gain knowledge of confidential information:

- must not disclose it to third parties unless for official reasons and only after authorisation from their superior and, in any case, having regard for the legislation in force;
- must expressly declare the confidential nature of the information passed on and
- make it a duty of the third party to observe confidentiality;

The following are typical examples of confidential information. The list is not intended to be comprehensive:

- personal data;
- projects, tendering procedures, and anything else that in law is not in the public domain;
- budgets and end-of-period accounts (prior to their duly authorised
- publication).

6.5. TRANSPARENCY OF ACCOUNTING, DOCUMENTATION, AND REPORTS

The Company management and the corporate functions shall strive to deliver an economic/financial performance such as to increase the value of the undertaking in order to compensate adequately the risk that the shareholders take by investing their capital.

The Company's commitment is aimed at maximising the long-term value for shareholders: to maintain this commitment the Company shall adopt high standards of financial planning and control, as well as accounting systems that are consistent with and fitted to the accounting standards applicable. It undertakes also to maintain an administrative and accounting system that can be relied on to properly represent what is happening in the business and to identify, prevent, and cope with risks of any kind, fraud, and impropriety, also in order to meet tax obligations.

To fulfil this commitment, THUN S.p.A. shall operate with the utmost transparency in accounting, in a consistent manner with the best business practices. Said transparency shall be based on the truth, accuracy, and completeness of the information underlying the matching accounting entries.

For each transaction adequate supporting documentation of the action taken shall be held on record so that the accounting entries can be easily made, the various levels of responsibility identified, and the transaction reconstructed. Each accounting entry shall, in its turn, accurately record what is shown by the supporting documentation. Likewise, there shall be clear evidence of all checks performed and of all the communications with external consultants and with third parties and persons outside the company.

It shall be the task of all employees to cooperate so that what is happening in the business is properly and promptly represented in the accounts and to ensure that the matching

documentation can be easily traced and filed on a logical basis. Accordingly, employees who learn of omissions, falsification, or serious negligence in the accounts or in the documentation on which the accounting entries are based, or omissions also concerning obligations resulting from fiscal and tax laws, have a duty to report the facts to their superior and to the relevant Supervisory Body, or – when this is not possible for reasons of expediency – only to the relevant Supervisory Body.

The Companies that adopt this Code shall see to the prompt preparation of periodic financial reports that are complete, accurate, reliable, clear, and understandable.

Through its decision-making bodies, the management units and business function as may be involved from time to time, as well as through the Board of Statutory Auditors and the independent auditors, where the latter are appointed, every Company shall also check that the accounting entries are true and that they conform to the provisions of the (Italian) Civil Code, to the tax laws, and to the law in general in this connection.

The concern of the Company to ensure compliance with the rules does not regard solely its employees but extends also to persons/entities that routinely or occasionally provide it with advice.

6.6. ANTI-MONEY LAUNDERING POLICY

THUN S.p.A. undertakes its activity in compliance with the anti-money laundering legislation in force, refusing to engage in transactions that are suspicious in terms of propriety and transparency.

The Company initiates business relations with third parties only after checking the respectability and legitimacy of their activity. It is strictly forbidden to obtain proceeds in cash, in kind or any other economic benefits for the Company by undertaking illegal activities. Nobody shall have free access to the financial resources. It is mandatory, in any event and with no exceptions, to ensure the traceability of the cash flow, in order not to hinder the activities of monitoring and identification of such operations.

7. HUMAN RESOURCES

The Company ensures that its workers always have an appropriate level of professionalism in the performance of the assigned tasks. For this purpose, the Company is committed to developing and enhancing the skills of its human resources by providing them with proper means of training, professional updating, and development.

Because the physical and psychological wellbeing of its workers is a top-priority value, the Company guarantees them working conditions that befit their personal dignity in workplaces that are safe and hygienic.

7.1. PERSONNEL SELECTION

The assessment of personnel to be included on the staff is made in accordance with the match between candidates' characteristics, qualities, qualifications, etc. and the needs of the business, while guaranteeing equal opportunity to the persons involved.

Information sought is strictly related to a check on those matters necessarily associated with professional ability and psychological aptitude and avoids intrusion into the private life and opinions of the candidate.

The Human Resources Function, within the limits of the information available, takes steps to avoid favouritism, nepotism, infiltration by organised crime, conflicts of interest between persons charged with selection and the candidates, the various effects of mutual self-interest in the employment processes.

7.2. SET-UP OF EMPLOYMENT CONTRACTS

Personnel are taken on through a due and proper employment contract. No type of work that is irregular or not lawfully registered is tolerated.

At the set-up of the employment contract, every worker shall receive accurate information about:

- characteristics of the function and of the duties to be performed;
- the legal conditions and remuneration, as governed by the national collective bargaining contract;

- standards and procedures that must be observed to avoid the possible health risks associated with the job.

The above information shall be given to the worker in such a way that their acceptance of the work is based on their effective understanding of it.

7.3. PERSONNEL MANAGEMENT

The Company avoids any kind of discrimination towards its workers. Decisions made with regard to personnel management and development are based on the match between expected characteristics, qualities, qualifications, etc. of workers and those they possess (in the case of promotions and transfers, for example) and/or on considerations of merit (the payment of results-based incentives).

Applications for jobs or appointments are likewise decided taking account of skills and abilities. In addition, in so far as is compatible with general working efficiency, the Company is in favour of flexible work organisation that accommodates maternity needs and, in general, childcare commitments.

7.4. DEVELOPMENT AND TRAINING OF RESOURCES

Senior staff shall fully use and develop all the professional ability in the Company. They shall use the mechanisms available for promoting the development and growth of their subordinates, ensuring they have the supervision of expert staff and a range of experience that will groom them for posts with greater responsibility.

To this purpose, it is of particular importance for the managers to give feedback concerning the workers' strengths and weaknesses, so that the latter may aim at improving their competencies also through specific training.

All workers, depending on their job and the needs of the business, shall be provided with information and training aids, either on-site or remotely, directed at developing their specific competence and maintaining their professional standing.

In particular, training is provided concerning the application of the Organisational, Management, and Control Model operated by the Company.

Where work organisation is changed, the value of human resources will be safeguarded with – where necessary – the provision of schemes for training and/or for upgrading professional skills.

7.5. FAIRNESS IN THE EXERCISE OF AUTHORITY

In establishing a hierarchy within the organisation, Company Management undertakes to ensure that authority is exercised with fairness and propriety, so avoiding any abuse of that authority. In particular, it guarantees that authority shall not turn into an exercise of power to the detriment of the dignity and independence of employees and other workers and that decisions on work organisation shall take account of the value of the workers.

To seek services, personal favours, or any conduct that contravenes the Code of Conduct as though they were a duty to a superior is an abuse of a position of authority. The use of any

sort of influence/pressure in any proceedings concerning the Company in which a worker may be called on to make a statement shall not be tolerated.

7.6. INTERVENTIONS ON WORK ORGANISATION

Where work organisation is changed, the value of human resources will be safeguarded with – where necessary – the provision of schemes for training and/or for upgrading professional skills.

7.7. WORKPLACE HEALTH AND SAFETY

Because the physical and psychological wellbeing of its workers is a top-priority value, the Company guarantees them working conditions that befit their personal dignity in workplaces that are safe and hygienic and are at least in line with the requirements of the legislation in the matter.

The Company undertakes to promote and consolidate a culture for safety by developing awareness of risks and by encouraging responsible behaviour by all who work for it, either directly or indirectly. In addition, it shall preserve the health and safety of workers, especially through preventative action, as well as the interest of other stakeholders.

To this end a special internal unit will undertake a technical and organisational role, entailing:

- the introduction of an integrated system of risk and safety management;
- continual analysis of risk and difficulties in processes and resources to be protected;
- the adoption of the best technology;
- reviewing and updating work methodology;
- training and communication.

7.8. WORKERS' PRIVACY

Workers' privacy shall be protected by adopting standards that specify the information the undertaking shall seek from workers and the way it shall be processed and held.

No enquiry shall be made into the ideas, the preferences, the personal tastes, and, in general, the private lives of workers.

Barring where the law states otherwise, those standards also prohibit the disclosure/release of personal data without the prior consent of the data subject, and they lay down rules for a check by each worker on the rules for protecting privacy.

7.9. PROTECTION OF PERSONAL DIGNITY

The Company undertakes to defend its workers' psychological wellbeing by guaranteeing their right to conditions of work that take account of their sense of dignity. For this reason, it safeguards from acts of psychological violence, and it opposes any attitude or behaviour (for example, insults, threats, isolation, excessive invasiveness, professional restrictions) that

discriminates against or offends the individual, their convictions, and preferences. Sexual harassment is not allowed, and all conduct or talk must be avoided as may be felt to be offensive (for example, displaying pictures with explicit sexual references, insistent and repeated innuendo).

Workers who feel that they have been the object of harassment or have been discriminated against for reasons linked to their age, gender, sexuality, race, state of health, nationality, political opinions, or religious beliefs, etc. may report the event to the Company, which will decide whether there has effectively been a contravention of the Code of Conduct. Differences in treatment shall not be considered discriminatory when justified or justifiable on the basis of objective criteria.

7.10. PROTECTION OF COMPANY PROPERTY

All workers have a duty to be diligent in protecting the property of the Company through acting responsibly and in accordance with the operating procedures regulating its use, including keeping meticulous record of its use. In particular, every worker must:

- be scrupulous and frugal in the use of the property entrusted to them;
- avoid improper use of company property that may be damaging or impair its efficiency or be contrary to the interest of the Company;
- adhere to company policies on the security of information so that the latter is soundly protected.

The Company reserves the right to prevent the misuse of its property and infrastructure by means of accounting systems, financial control reporting and risk analysis and prevention tools, this without prejudice to compliance with existing statutory provisions (Privacy Law, Workers' Statute, etc.).

In particular, with regard to data-processing applications, every worker must:

- scrupulously abide by the provisions of the Company's security policy in order to avoid damage to the working order and protection of information systems of the Company and of others;
- not send threatening or insulting email messages, nor use unseemly language, or express inappropriate comments that may be personally offensive or harm the image of the Company;
- not install software that is pirated or has no proper license;
- not use the Company's computer equipment to transfer programmes and other documents protected by copyright;
- comply with the Company's procedures on the use of computer equipment and promptly take the prescribed action in the case of theft or loss of computer phones and/or company computers;
- not browse Internet websites with unseemly and offensive content.

8. RELATIONS WITH CUSTOMERS

8.1. OBTAINING ORDERS AND DEVELOPING CUSTOMER PORTFOLIO

The quest to obtain orders and to develop the customer portfolio must be conducted having regard for sound economic principles, in a proper market environment, and in fair competition with competitors, while complying with the applicable laws and regulations.

In particular, in tendering for contracts and supplies, whether through open competitive procedures or otherwise, the Company must meet its due obligations regarding insurance cover for accidents and national insurance levies.

8.2. CONTRACTS AND NOTIFICATIONS TO CUSTOMERS

Contracts and notifications to customers must be:

- in accordance with the rules in force, without resorting to practices that circumvent the law or are in any case improper;
- complete, so as not to neglect any factor of importance in the customer's decision;
- promptly notified and adequately supported with the right documentation in the event of changes in the charges made and the method of delivering the service and/or sale of the products;
- clear as to the intent, and in their wording, and not vexatious.

8.3. COLLABORATORS' BEHAVIOUR GUIDELINES FOR DEALING WITH CUSTOMERS

Conduct with customers must always be distinguished by availability, respect, and courtesy, and directed at a cooperative relationship of a highly professional nature.

8.4. CONTROL OF QUALITY AND OF CUSTOMER SATISFACTION

The Company undertakes to guarantee proper and high standards of quality for the services/products it offers based on pre-defined levels and to systematically monitor that its own quality system, as well as that of its business partners and its subcontractors, are operating correctly.

9. RELATIONS WITH SUPPLIERS

9.1. CHOICE OF A SUPPLIER

Procurement processes aim to identify suppliers with the professional and qualitative requisites needed to meet the corporate needs and to offer equal opportunities, loyalty, propriety, and impartiality to every supplier.

In particular, workers that administer these processes must:

- not deny any person/entity with the stipulated requisites the possibility of competing for contracts and, for this purpose, must apply objective criteria that can be documented when shortlisting candidates;
- ensure adequate competition, by always negotiating with a number of firms when selecting a supplier; any departures from this practice must be authorised and documented;
- check that goods for purchase intended for industrial processing have not been produced through the misappropriation or infringement of industrial property.

For certain types of goods, the Company uses a Supplier Register that defines qualifying criteria for suppliers. These criteria do not constitute a barrier. The following are regarded as key requisites:

- the properly documented availability of means, including financial means, organisational units, design capability and resources, know-how, etc.;
- the existence of proper company quality systems and, where they are provided, their effective implementation.

9.2. INTEGRITY AND INDEPENDENCE OF DEALINGS

Dealings with suppliers are governed by principles common to all Companies and are kept under constant scrutiny.

A contract made with a supplier must always be based on dealings of the greatest clarity and avoid dependence in any form.

9.3. DEFENDING ETHICAL CONCERNS IN SUPPLY ARRANGEMENTS

With a view to ensuring the conformity of its procurement activities with the ethical principles it has adopted, the Company undertakes to introduce, for certain types of supply, requisites of a social nature (for example the presence of an environmental management system, the absence of child labour etc...).

Contravention of the general principles of the Code of Conduct triggers sanctions aimed at preventing offences against the personal dignity, against the public administration, and environmental disasters linked to the activity of the Company.

For this purpose, contracts can include special safeguard clauses.

In particular, in contracts with suppliers from countries defined as “at risk” by recognised organisations, contracts shall include clauses that provide for:

- self-certification by the supplier as to its compliance with specific social obligations (for example, measures that guarantee workers respect of fundamental rights, principles of parity of treatment and non-discrimination, protection of child labour);
- self-certification by the supplier guaranteeing that the goods supplied are of lawful and documented origin, are not counterfeited, and conform to the agreed standards;
- possible inspections at suppliers’ production units or operating premises to verify that the above requisites are satisfied.

10. RELATIONS WITH THE COMMUNITY

THUN S.p.A. is conscious of the possible influence, direct and indirect, of its activities on the conditions, the economic and social development, and the general wellbeing of the community. It is likewise aware of the importance of being socially accepted by the community in which it operates.

For this reason, in undertaking investment, it shall be mindful of the community, both locally and nationally, and support cultural, social, and educational activity that will promote an improvement of its reputation and social acceptance.

10.1. ENVIRONMENTAL POLICY

The formulation of environmental policy and its implementation is managed along uniform and consistent lines. That management activity covers:

- formulating policy on the environment and on sustainable industrial development;
- working out the guidelines for implementing environmental policy that must be used as a reference by the Companies that adopt this Code;
- pinpointing the indicators of the environmental impact of the action by the Company and guaranteeing monitoring and control;
- keeping up to date with changes in national and EU environmental legislation and setting the direction for its in-house application;
- maintaining contacts with bodies, institutes, and agencies in the environmental sphere.

10.2. STRATEGIES AND TOOLS TO IMPLEMENT THE ENVIRONMENTAL POLICY

The Company encourages the following tools of environmental policy:

- environmental management systems, certified according to ISO 14001 international standard, for continually improving environmental performance and organisation;
- a system of periodic environmental reporting that enables control over the performance of its various industrial activities;
- action to raise awareness of its workers and to train them in relation to the environment, so that its initiatives are widely known in-house and the competence and professionalism of its workers are increased.

10.3. BUSINESS RELATIONS WITH PARTIES, TRADE UNIONS, AND ASSOCIATIONS

Any relations with trade union organisations, political parties, or committees and associations linked to a political party or to their representatives or candidates will be conducted with the utmost transparency and propriety.

Economic contributions by the Company are allowed only if obligatory or where expressly allowed by law and, in the latter case, if authorised by the members of its governing bodies.

Any contributions by employees and also any activity they might undertake are to be understood as made/performed in a purely personal and voluntary capacity.

THUN S.p.A. shall not pursue any activity that may result in pressure, either direct or indirect, in Italy or abroad, towards trade unions, political parties, committees and associations linked to a political party as well as representatives and/or candidates of political parties. Furthermore, the Company shall not promote any initiative of propaganda having objectives of political nature.

THUN S.p.A. shall not grant financial contributions to organisations with which a conflict of interest may be envisioned; however, it is possible to cooperate, including the provision of financial contributions, with such organizations for specific projects, in accordance with the following criteria:

- goals that are related, even if only indirectly, to the mission of the Company;
- application of the resources in a way that is clear and can be documented;
- express authorisation by those functions whose responsibility it is to handle such relations;

10.4. CONTRIBUTIONS AND SPONSORSHIPS

The Company may grant requests for contributions only if made by bodies and associations of an expressly non-profit-making nature that have proper articles and memoranda of association and are of the highest standing for their contribution to culture and to the public good that are of national relevance, or, in any case, that involve a significant number of citizens.

Whatever the case, in the choice of the proposals to support, particular attention shall be paid to any potential conflict of interest at a personal or corporate level.

For reasons of consistency the following requisites are set when deciding to grant contributions and sponsorships:

- goals that are related, even if only indirectly, to the mission of the Company or that entail a benefit, even indirect, provided it is consistent with the Company's values;
- application of the resources in a way that is clear and can be documented;
- express authorisation by those functions whose responsibility it is to handle such relations within every Company that adopts this Code;
- compliance with the ethical principles and professional morality applicable and also with the applicable provisions of law.

10.5. INSTITUTIONAL RELATIONS

Any contact with institutions national and international is confined to communication of a kind that assesses the implications of legislation and administration activities towards the Company, responds to requests, and makes known the position of the Company on issues that significantly affect it.

To this end, the Company undertakes to:

- set-up, without discriminations of any kind, stable channels of communication with all institutional interlocutors at international, community and local level;
- Represent the Company's interests and position in a transparent, rigorous, and consistent manner, avoiding conducts of collusive nature.

In order to ensure the utmost clarity in relations, contacts with institutional interlocutors shall be maintained exclusively through representatives that have received specific mandate by the Company management.

11. COMMUNICATIONS AND COMPANY INFORMATION

11.1. PROCESSING INFORMATION

Information about stakeholders is processed with full respect for the confidentiality and the privacy of the latter. The current law, as well as specific policies and procedures, are applied in this connection and are constantly updated to protect the information. In particular, the Company:

- has organised the processing of information in a way that ensures a proper separation of roles and responsibilities;
- classifies information according to its level of sensitivity and adopts security measures at each stage of the processing;
- requires third parties that are involved in the processing of the information to sign confidentiality agreements and identifies the area in which those third parties can carry out the processing.

11.2. EXTERNAL COMMUNICATION

Communication directed at stakeholders shall be based on their right to information. In no circumstances is it allowed to release news or comments that are untrue, tendentious, or misleading.

Any communication activity shall comply with the law, the rules, proper professional practice, and shall be performed in a clear, transparent, and timely manner safeguarding “sensitive” information, industrial secrets, and copyright.

Any form of pressure or preferential attitude by the means of communication shall be rejected. All press release communications shall be available on the websites, in order to promote their circulation.

In order to provide complete and consistent information, relations with mass media are reserved exclusively for the Company’s top management.

12. COMPLIANCE WITH THE LAW AND OBLIGATIONS OF THE FUNCTIONS

Compliance of the conduct with the law is an imperative requirement for the Company and for all its workers. All workers must be aware of the implications of law related to their

activity.

In addition to being in line with the company policies, the workers' conduct must be based on the principles of cooperation, responsibility, professionalism, and diligence. Any worker that shall notice non-compliant conduct of one of the Companies related to THUN or of any other worker, shall timely report to their superior and to the Supervisory Body.

Should the coherence between the rules of professional diligence and the law not be easily understood, judgment skills and common sense shall prevail; where necessary, every worker shall discuss the issue and receive advice by their manager.

12.1. OBLIGATIONS OF DEPARTMENT HEADS

Every Department Head must:

- Lead by example for their co-workers;
- raise awareness and encourage the employees to comply with the Code and promote its importance as an essential factor of the quality of work;
- perform with utmost care and diligence the activity – connected with their function – of managing and monitoring their co-workers;
- expressly include, in all contracts of non-employee collaborators, the requirement to comply with the principles of the Code;
- within their frame of responsibility, select qualified persons with a good reputation in order to prevent the assignment of tasks to persons who are potentially not fully ready to comply with the rules of the Code;
- report to the Supervisory Body any news concerning possible contraventions to the Code;
- implement, when necessary, proper corrective measures;
- prevent any kind of reprisal.

12.2. OBLIGATIONS OF THE INDIVIDUALS MANAGED AND SUPERVISED BY DEPARTMENT HEADS

Every worker must:

- know and observe the rules of the Code of Conduct and the other rules of reference, internal and external, which regulate the activity performed within their function, and must not engage in conduct contravening to these rules;
- contact their managers for clarifications concerning the interpretation and implementation of the rules of the Code;
- timely inform their manager about news directly obtained or reported by the employees about possible cases of contravention to the rules;
- offer their utmost cooperation to ascertain possible contraventions of the Code;
- inform third persons having relations with the Company about the obligations defined in this Code and demand their compliance therewith;
- act in a professional, transparent, proper, and honest manner, contributing

to the pursuit of the common goals in an atmosphere of civilised coexistence and of full collaboration and cooperation;

- base their activity on the utmost efficiency and effectiveness, in compliance with the directions received by higher hierarchical levels.
- report to the Supervisory Body any news concerning possible contraventions of the Code;
- consider confidentiality the fundamental principle of their activity.

13. CONTRAVENTIONS OF THE CODE OF CONDUCT AND SANCTIONS

13.1. CODE OF CONDUCT AND CONTROL SYSTEM

The Code of Conduct is one of the foundation stones of the prevention and control system and is an integral part of the Organisational, Management, and Control Model put in place by the Company under Legislative Decree no. 231/2001.

The system of internal control must be geared to the use of tools and methodologies for countering potential business risks, so that there is a reasonable guarantee of compliance not only with the law but also with in-house rules and procedures.

The management shall constantly pay attention to the compliance of the behaviours with the provisions in the Code and, if necessary, set-up specific monitoring programmes.

The Supervisory Body, in order to facilitate the integration of the procedures with the guidelines and the values of this code, must examine the conformity of actions and behaviour with the rules of conduct, propose the necessary revisions of the business procedures in the light of the Code, and update the Code itself.

The Supervisory Body also has advisory and guidance tasks, such as:

- providing clarification on the meaning and application of the Code, of the Organisational, Management, and Control Model, and of the procedures;
- running checks on the application of and compliance with the Code and the Organisational, Management, and Control Model;
- receiving and vetting reports on possible contraventions of the Code and of the Organisational, Management, and Control Model;
- expressing views on the ethical problems that can arise when making business decisions;
- taking the most appropriate steps in cases of contravention of the rules of the Code and the Organisational, Management, and Control Model;
- advising the Board of Directors as to the merits of supplementing or revising the Code and the Organisational, Management, and Control Model.

13.2. OBSERVANCE OF THE CODE OF CONDUCT

Observance of the Code of Conduct should be seen as an essential part of the contractual obligations of employees in accordance with article 2104 of the (Italian) Civil Code. It should also be viewed as an essential part of the contractual obligations accepted by non-employee workers and/or persons/entities that do business with the Company.

The Management of the various business lines and functions is responsible for seeing that the expectations the Company has of such workers are understood by them and put into practice. Accordingly, management must ensure that the commitments expressed in the Code of Conduct are carried out by the business lines and functions.

13.3. REPORTING CONTRAVENTIONS TO THE SUPERVISORY AND CONTROL BODY

So that the Code of Conduct is effectively applied, THUN S.p.A. having regard for privacy and individual rights – shall provide information channels so that anyone who is aware of contraventions of the code can make report, freely, directly, and confidentially, to the Supervisory and Control Body.

Whatever the circumstances, reports shall be made in writing and not anonymously. Personal investigations are not allowed and nor may information be reported to entities/persons other than the ones officially designated.

Top management shall ensure that nobody in the workplace shall be subject to reprisals, unlawful pressure, inconvenience, and discrimination of any kind because they have reported a contravention or attempted contravention of the Code of Conduct or of in-house procedures to the Supervisory and Control Body. Moreover, following the report the Company shall waste no time in promptly making appropriate checks and applying the proper sanctions.

14. SANCTIONS

Contravention of the principles in the Code of Conduct and in the procedures laid down in internal protocols undermines the relationship of trust between the Company and its directors, employees, advisors, its various non-employee workers, customers, suppliers, and its commercial and financial business partners.

Contraventions shall be dealt with firmly, promptly, and immediately, by subjecting the person in question - where judged necessary for protecting the interests of the Company and in as far as is compatible with the regulatory framework – to appropriate and proportional disciplinary measures, regardless of the possible criminal nature of such conduct and of any trial proceedings where it amounts to a criminal offence.

It shall likewise be a contravention of the Code of Conduct to effect any type of reprisal against someone who in good faith has reported possible contraventions of the Code or sought clarification about how it is applied. In addition, an accusation of contravention against other employees made in the knowledge that there has been no such contravention, shall also be adjudged a contravention of the Code of Conduct.

The effects of contraventions of the Code of Conduct must be given serious consideration by all those who in any capacity deal with THUN S.p.A., which

shall see that the Code of Conduct is widely circulated and provide information on the sanctions applicable and on the manner and procedures for their application.

THUN S.p.A, to protect its reputation and safeguard its resources, shall have no relations with any sort of person/entity that does not intend to act in rigorous compliance with existing laws and/or that refuses to conduct themselves in accordance with the values and the principles in the Code of Conduct and to abide by its provisions.

The Company undertakes to apply – consistently, impartially, and uniformly – disciplinary sanctions that are proportional to the contraventions of the Code, having regard to statutory provisions, the Collective National Labour Contract applicable to the Company or the individual employment contract, and the company procedures relating to labour relations.

14.1. SANCTIONS AGAINST DIRECTORS

Where the Code of Conduct has been contravened by directors, the Supervisory Body shall inform the entire Board of Directors and the Board of Statutory Auditors (where there is one) and they shall take the appropriate steps in accordance with the existing law such as, where applicable, convening a meeting of the members of the Company and recommending to it the removal of the directors and a stockholders' suit.

14.2. SANCTIONS AGAINST WORKERS

Contravention of the principles and the rules of behaviour of this Code of Conduct by the employees of the Company is a breach of the obligations of their employment contract under article 2104 of the (Italian) Civil Code and a disciplinary offence.

Sanctions shall be applied having regard for the procedures laid down in Law 300/70 (Workers' Statute) and the relevant National Collective Labour Contract and shall be proportional to the seriousness of the contravention.

Ascertaining contraventions, handling disciplinary procedures, and applying sanctions shall be the responsibility of the Human Resources function.

14.3. SANCTIONS AGAINST NON-EMPLOYEE WORKERS, ADVISORS, AND OTHER PARTIES TO CONTRACTS WITH THE COMPANY

Where non-employee workers, advisors, and other parties to contracts with THUN S.p.A. act in a way to contravene the Code of Conduct, the Company reserves the right to terminate their contracts, in accordance with the provisions of the relevant contract clauses in the respective letters of appointment and without prejudice to any claim for damages to the Company or to one of its related companies, regardless of the termination of the contract.

15. IMPLEMENTATION OF THE CODE OF CONDUCT

15.1. ADOPTION AND CIRCULATION OF THE CODE OF CONDUCT

Updates and revisions of the Code of Conduct shall be decided and approved by the Board of Directors of THUN S.p.A. They shall take account of the contributions received from employees and third parties, changes in the law, best international practices, and also the experience gained in applying the Code.

Using whatever way seems best, the Code of Conduct, in its current version at the time, shall be brought to the attention of all employees and non-employee workers of the Company, as well as of suppliers/partners/advisors. Employees and collaborators may ask for a copy of the Code to the Human Resources Management to the Company Management, or to the Supervisory and Control Body.

The Code of Conduct shall be clearly displayed on the Company's intranet network.

To ensure that the Code of Conduct is properly understood, THUN S.p.A. shall prepare and carry out a training plan. The arrangements entailed (which shall include the use of multimedia tools and remote training) shall differ in accordance with the function, the role, and the responsibility of its workers.

The responsibility for the application of this Code is assigned to the Board of Directors of THUN S.p.A. and to the management bodies of every company within the Group that shall adopt it for internal use.