

CODE OF ETHICS

Attachment to the Organisational Model of Texno S.r.l.

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1. INTRODUCTION

Texno S.r.l. (hereafter, also “the Company”, or “Texno”), whose premises are in Briga Novarese (near Novara, Italy), is a limited liability company that is a leader in the production of non-fabric fabrics, intended primarily to cover the interiors of cars, commercial vehicles and lorries produced by major international Automotive Brands.

TEXNO’s Board of Directors adopted the this Code of Ethics, which reflects the Company’s commitment to:

- maintaining focus on the methods of managing risk areas;
- providing guidelines to personnel, to contribute to recognising and dealing with ethical matters;
- contributing to maintaining a culture of integrity, honesty and responsibility within the company.

This document, which is an integral part of the Organisation Model, Italian ex Leg. Dec. No. 231/01, sets out the relevant values and principles of conduct to achieve good management, reliability, respect for laws and regulations and image of TEXNO S.r.l.

The Code of Ethics contains a set of rights, duties and responsibilities of the parties concerned, both inside and outside the Company, beyond and independent of what is stipulated by the legislation.

Those required to observe this Code of Ethics when conducting business and company activities include all Stakeholders who work to achieve the corporate goals, including Directors, Auditors, Managers and employees, as well as external collaborators and consultants acting in the interest of the Company.

All subjects who have relations with the Company, such as suppliers and commercial partners, are also required to respect the principles contained in the Code.

In the broad sense, stakeholders also include individuals, groups and organisations and institutions that represent them, whose interests are influenced by the direct and indirect effects of the Company’s activities.

Stakeholders must maintain conduct that respects the fundamental principles of honesty, moral integrity, correctness, transparency, objectivity and respect for the individual person, when pursuing the corporate goals and in all relations with people and organisations inside and outside the Company.

Under no circumstances can pursuit of the interest of TEXNO justify any deed that does not conform to the principles expressed in this Code.

Consequently, the Company reserves the right not to begin or continue any type of relations with anyone that adopts conduct that is different from what is established by the Code of Ethics.

2. GENERAL ETHICAL PRINCIPLES

This Code of Ethics seeks to clearly present the ethical values of TEXNO S.r.l., which are considered essential when carrying out any company activity:

— PRINCIPLE OF LEGALITY

TEXNO S.r.l. considers respecting the law an indispensable, binding condition of its work. Thus, when carrying out their work, Stakeholders are required to respect the law and any provisions equivalent to it.

This principle is valid also in reference to the national legislation of any country with which the Company has commercial relations.

Stakeholders are also required to respect instructions issued by the Company, as well as the Organisation Model and internal procedures, considering the fact that their precise goal is to make it easier to respect legal provisions.

— CORRECTNESS AND IMPARTIALITY

Stakeholders are required to respect professional rules, with particular reference to duties of diligence and skill, which apply to operations carried out in the interest of the Company.

Furthermore, when carrying out their activities, Stakeholders must act in accordance with criteria of objectivity, transparency and impartiality.

— TRANSPARENCY

All activities carried out in the interest of the Company are characterised by respect for the principles of integrity and transparency and are carried out with fairness and a sense of responsibility, correctness and in good faith. The Company undertakes to guarantee correctness, completeness, precision, uniformity and timeliness when managing and communicating corporate information, to prevent deceptive conduct that may cause an undue advantage.

— CONFIDENTIALITY

The Company defends the principle of confidentiality for all information, data and news relating to its business, and guarantees that it is respected and safeguarded by all Stakeholders, who receive this document.

Without prejudice to the transparency of the activities carried out and the obligations of information set by current provisions, Stakeholders are obliged to ensure the maximum confidentiality required by the circumstances for any news that they come to hear of while carrying out their job or function.

3. HUMAN RESOURCES

The company protects and promotes the value and development of human resources, and, based on criteria of merit, encourage their full professional potential.

The Company offers equal opportunities of work and of professional advancement to all employees on the basis of specific professional qualifications and performance abilities, without discrimination. Indeed, the appropriate functions select, hire and manage employees based on the criteria of ability and merit, without discrimination of race, religious beliefs, sex, age, political or trade union membership, in accordance with the laws and regulations in force.

3.2. Selecting and making the most of employees

The practices of hiring, transferring and promoting must in no way be influenced by offers or promises of sums of money, goods, benefits, special conditions or services of any kind.

No form of irregular employment is tolerated; in addition to the mere failure to declare employment, irregular employment is understood to be any use of labour that does not conform to a contractual, prescriptive arrangement that is in line with that of the reference country.

In particular, TEXNO S.r.l. prohibits the payment of salaries that are less than those indicated for the individual employment levels indicated by the national or territorial collective bargaining contracts stipulated by the most representative, national trade union organisations, or, in any case, disproportionate with respect to the quantity and quality of the work done by the employee and by the collaborator.

Furthermore, TEXNO S.r.l. encourages respect for sector labour law in relation to work hours and rest periods, weekly rest period, compulsory leave and holidays.

When managing employment that implies establishing hierarchical relations, the Company requires that authority be exercised with fairness and correctness, avoiding any conduct that may be considered harmful to the dignity of the employee.

The responsible functions check that the work place is (as well as being suitable from the point of view of safety and personal health) free of prejudice and that every individual is treated with

respect, preventing illegal influence, hardship, offensive conduct and alienation within the work place.

Furthermore, all stakeholders must maintain conduct that respects company property.

3.3. Protection of Confidentiality

TEXNO S.r.l. is committed to protecting any information about its People and about third parties generated or acquired within the Company and in business relations, in order to prevent any improper use of this information.

The Company seeks to ensure that personal data is treated in a legal manner, in accordance with correctness, and that it is collected and registered only for certain explicit and legitimate purposes, and kept for a period of time no greater than is necessary for the purposes for which it was collected.

The Company also undertakes to adopt suitable, preventive safety measures for all of the databases in which personal data is collected and stored, in order to avoid any danger of destroying or losing it, or any unauthorised access or treatment.

In any case, an employee's privacy is protected, in accordance with EU Regulation No. 2016/679, and with Italian Leg. Dec. No. 196/03 and subsequent amendments and additions.

3.4. Representation expenses

An employee may agree to and sustain only reasonable representation expenses while working on behalf of the Company.

In relations with suppliers, Public Administrations, competitors and in other commercial relations, it is absolutely forbidden for employees of TEXNO S.r.l. to hand over or receive sums of money or other goods for the purpose, also indirect, of altering the natural course of negotiations or of relations with these subjects, of obtaining favouritism, of boasting of or exploiting existing or declared relations with a Public Official or a public service representative, and in general, of committing crimes against the Public Administration.

3.5. Protecting health and safety at work

The Company considers the pursuit of objectives for improving the health and safety of workers an integral part of its business and one of its strategic values.

To this end, the Company undertakes to:

- spread and reinforce a culture of health and safety at work, by developing awareness of the risks, and promoting responsible conduct on the part of all collaborators;

- carry out all communication, training and information activities that are required by law and are necessary, to ensure a high level of awareness and ability in all personnel involved;
- promote and implement every initiative required by law that reduces the risks to a minimum and to remove the causes that might endanger the health and safety of employees, by carrying out technical and organisational interventions, also by introducing a system for managing the risks, safety, and the resources to be protected.

The Company considers its commitment to the health and safety of its employees to be of fundamental importance, and consequently, is confident that everyone will collaborate, to achieve the correct management of all activities and processes.

In line with this objective, all employees must conform to the legislation concerning the safety of their workplaces, as part of their respective functions and responsibilities, to eliminate or progressively reduce the risks at source and improve working conditions.

More specifically, every employee must look after his own health and safety and that of the other people present in the workplace, who may be affected by his actions or omissions, in accordance with the training, instructions and means supplied by his employer.

For this reason, the use of drugs, alcohol or illegal pharmaceuticals will not be tolerated in the workplace.

3.6. Ethical work environment

The Company guarantees working situations based on the values of fairness, equality, non-discrimination and respect for the dignity of the person.

All forms of verbal and sexual harassment are prohibited.

TEXNO S.r.l. also undertakes to ensure the refusal of forced and/or child labour, respecting workers' rights and trade union freedoms.

4. DUTIES OF EMPLOYEES

The Code of Ethics is a guide for employees in their workplace, that establishes specific duties for the individual Stakeholders.

Every employee must understand and adopt the ethical conduct set out in this Code.

Every Stakeholder must avoid situations that are, or appear to be, non-compliant or irregular with respect to this Code.

The Company will not tolerate conduct that is in violation of the Code of Ethics, or that might appear not to conform to it.

Any member of the personnel that has doubts about his responsibilities is invited to ask his immediate superior or the Surveillance Body for help.

In carrying out his functions, each Stakeholder must:

- maintain conduct that is based on moral integrity and transparency, as well as values of honesty and good faith;
- acknowledge and respect personal dignity, the private sphere and the personality rights of any individual;
- reject any discrimination based on a difference of race, culture, religion, sex or political, trade union or sexual orientation;
- not cause trouble or personal offence of any kind.

Every employee must inform colleagues if their actions appear to be in violation of this Code.

If the apparent violation persists, it must be reported to the immediate superior.

4.2. Conflicts of interest

Members of Corporate Bodies, employees of the Company and consultants, collaborators, delegates and third parties that act on behalf of it, are required to avoid situations in which conflicts of interest may arise and to abstain from personally profiting from business opportunities that they become aware of while carrying out their functions.

If an employee or, as far as he knows, one of his relatives (spouse, child, parent, sibling), has a significant interest of a financial nature, or of any other type, in a company or business that supplies the Company with products or services, or that is a competitor of TEXNO S.r.l., the SB must be informed of this interest in good time.

Every recipient of this Code of Ethics must avoid any considerable financial interest in competitors, suppliers and clients of TEXNO S.r.l., unless they have previously informed the Company itself.

If the Company is involved in a commercial operation with a third party that an employee is linked to by family or economic relations, these must report this situation immediately in writing.

A financial interest may exist in the following cases:

- shareholding, partnerships, ownership of shares or bonds;
- debt securities;

- relations of brokership, mediation or consultancy;
- corporate positions;
- ownership of real estate and securities.

4.3. Use of company property and of computer systems

Every employee of TEXNO S.r.l. is responsible for the correct management of the resources used to do business.

This property includes physical property (such as offices, personal computers, etc.) and intangible goods (such as confidential information, commercial plans and ideas), stored on paper, computer or as knowledge of the individuals. Intangible goods may be of greater value than the physical goods and are usually more difficult to protect against theft and unauthorised use.

Documents, work tools, systems and equipment and any other material and immaterial goods, that are the property of the Company are used exclusively to achieve the company goals, using the methods established by it; they may not be used for illegitimate purposes, and must be used and kept with the same diligence as personal property. Indeed, every Stakeholder is responsible for protecting the company property placed under his direct control.

Everyone must pay attention to the safety procedures and keep an eye on situations that might lead to the loss, theft or illicit use of company property.

Personnel are always, and in any case, prohibited from:

- installing equipment, devices and software intended to damage computer and telecommunications systems or interrupt or damage information, data and software;
- installing equipment intended to intercept, prevent or interrupt computer and other communications;
- accessing Internet sites that are unrelated to carrying out the assigned tasks;
- passing on their passwords and access codes;
- illegally accessing a computer or telecommunications system;
- unauthorised possession and illegally passing on access codes to computer and telecommunications systems;
- sending or receiving, with full knowledge, illegal messages or files, or messages that have explicitly sexual, abusive or offensive contents.

Each employee is called upon not to violate, and to verify respect for, the legislation on the rights of third parties, in relation to their intellectual property.

As part of corporate policy, the Company purchases official licences that govern the use of software, respecting their clauses and conditions. For this reason, it is not possible to upload

software that is borrowed, unauthorised or without the necessary licences onto the Company's systems, just as it is forbidden to make unauthorised copies of licensed software for personal or company use or for third parties, except for copies made for back-up purposes.

5. CORPORATE MANAGEMENT

TEXNO S.r.l. is required by law to keep accounting records that represent its activities and transactions, accurately and objectively. Thus:

- Every operation or transaction must be precise, verifiable and legitimate.
- All support documents, including agreements, invoices, requests for cheques and expenditure reports must be truthful and accurate.
- All invoices issued must reflect the commercial operation that took place exactly.
- No false or misleading items must be entered into the Company's accounting books or registers, for any reason.
- It is absolutely forbidden to set up or keep funds or accounts for a purpose that is not thoroughly documented.
- It is forbidden to prevent or, in any case, obstruct the course of auditing activities legally attributed to partners or to other corporate bodies.
- It is forbidden to adopt simulated or fraudulent conduct that is intended to influence the Board of Administration, in order to obtain an unfair advantage for oneself or for others.

Activities and actions carried out by Stakeholders as part of their work must be documented, in accordance with the applicable laws.

In the case of audits, this documentation must make it possible to identify the characteristics and motivations of the operation, as well as the subjects that, respectively, authorised and carried out and/or noticed the operation.

All stakeholders must provide full and timely collaboration to all of the auditing bodies inside and outside the Company, so that they can perform their job to the full.

5.2. Ban on operations aimed at receiving, laundering or using money, goods or utilities from illegal sources

The Company carries out its business, in full compliance with existing anti-laundering laws.

One of the Company's principles is to maintain maximum transparency in commercial transactions, and it uses the most appropriate tools to fight the phenomena of receiving, laundering and using money, goods and benefits of illegal origin, and self-laundering.

Furthermore, personnel must never carry out or be involved in activities that entail laundering (accepting or treating) receipts from criminal activities in any form or manner.

Furthermore, personnel must not carry out operations that entail self-laundering, such as the use, replacement or transfer to economic, financial, entrepreneurial or speculated activities, money, goods or other benefits obtained from a crime, that is, from offences resulting from a failure to respect of the tax legislation.

In particular, employees and collaborators must undertake to check beforehand the information available about the other commercial parties, consultants and suppliers, and investors, in order to ascertain their moral integrity, their respectability and the legitimacy of their business. These subjects must also undertake to work in such a way as to avoid implications in operations that may potentially encourage the laundering of money from illegal or criminal activities, by acting in full compliance with the antilaundering law.

Thus, employees and collaborators must respect the Company's procedures that concern the documentation and the keeping of accounting records.

6. EXTERNAL RELATIONS

All relations with State authorities, with the Public Administration and with Public Institutions (Ministries and their local offices, Organisations and Companies that operate in the public services sector, Territorial organisations, Local organisations, the Italian Antitrust Authority, Authority for the Protection of Personal Data, etc.) must be carried out in compliance with the law, with the Company Statute and with the provisions of this Code of Ethics, and in strict observance of the principles of correctness, transparency and efficiency.

In order to guarantee maximum clarity in relations, any contacts with institutional interlocutors must be made exclusively by Company Representatives or authorised people responsible for this, that is, by people specifically appointed.

In compliance with the above, it is specified, purely by way of example and not exhaustively, that:

- it is forbidden to use contributions, funds or other payments however called, given by the State, by a Public Authority or by the European Union, for purposes other than those for which they were granted;

- in the event of commercial relations with the Public Administration, including participation in public tenders, it is always necessary to act in compliance with the law and with correct commercial practice;
- it is not permitted, either directly or indirectly, or through a third party, to offer or promise money, gifts or payment, under any form, or to apply illegal pressure, or to promise any object, service, or benefit to managers, officials or employees of the Public Administration, or to public service officers or their relatives or cohabitees, with the aim of convincing them to perform an official act or not fulfil official duties;
- it is not permitted to adopt deceptive conduct that might mislead the Public Administration; in particular, it is not permitted to use or present statements or documents that are false or that make false claims, or to omit information in order to obtain, for the benefit, or in the interest of the company, contributions, funds or other payments however called, granted by the State, by a Public Authority or by the European Union;
- it is forbidden to alter in any way how a computer or telecommunications system of a Public Authority operates, or to intervene illegally in any way on the data, information and software contained in it or relating to it, in order to obtain an unjust advantage, while harming others.

The correct operation of the Public Function, particularly of the Judicial Function, is guaranteed by prohibiting all subjects who are required to comply with this Code of Ethics from undertaking, directly or indirectly, any illegal action that might favour or harm one of the parties involved in civil, criminal or administrative proceedings.

In particular, it is forbidden to apply undue pressure (offers or promises of money or of another benefit) or illegal coercion (violence or threats) to encourage anyone called upon to make statements before the judicial authorities that can be used in a criminal trial, not to make the statements or to make false statements, when this person has the right to remain silent.

6.1. Anti-corruption policy

TEXNO S.r.l. rejects corruption in all of its forms, even when only attempted.

Corruption destroys the integrity and ethical foundations of all institutions: it is an offence. All forms of corruption are prohibited by the Company.

The Company does not tolerate corruption of any kind, by employees or by third parties.

No stakeholder can offer or supply representatives of other Companies, or public officials something of value that might be perceived as a bribe. This includes not only money and gifts, but also materials, equipment, services and information.

In any relations with the Public Administration, none of the following actions may be undertaken:

- examining or providing employment and/or commercial opportunities that might personally benefit employees of the Public Administration;
- offering or supplying free gifts;
- requesting or obtaining confidential information that might compromise the integrity or reputation of both parties;
- it is forbidden to accept from third parties (public or private), also through another party, the promise or payment of sums of money or any undue benefit, intended to apply illegal influence on a Public Official or Public Service Officer, so that they act against their official duties or unduly carry out their functions;
- it is forbidden to exploit knowledge or private relations with public entities in order to obtain, from third parties, undue promises and/or payments of money or other benefits;
- it is forbidden to promise or pay sums of money or any benefit in order to get third parties to apply illegal influence on public officials or public service officers, so that they act against their official duties or unduly carry out their functions.

The prohibitions described above cannot be circumvented by appealing to different forms of contributions which, under the guise of granting professional appointments, consultations, advertising or other, have the same purposes prohibited above.

Anyone acting on behalf of the Company must do so in accordance with the principle of reciprocity, on the basis of which, every commercial partner must contribute to the commercial relationship, creating a benefit for both parties.

Consequently, it is forbidden to promise or pay sums of money or goods in kind, and to give advantages of any kind (promise of employment, etc.) to representatives of authorities and of other companies, to promote and favour the interests of TEXNO S.r.l.

Furthermore, it is forbidden to give out gifts and presents other than what is permitted by common sense and by corporate practice, or, in any case, with the aim of obtaining preferential treatment when carrying out any corporate activity.

It is also forbidden to stipulate agreements or contracts that do not conform to existing laws and apply a pricing policy that does not give the freedom to choose the supplier.

6.2. Presents and contributions

In accordance with corporate provisions, and in compliance with anticorruption legislation, the recipients of this Code must not offer or promise gifts, presents or benefits of another kind to public or private individuals, except those of moderate value given occasionally and solely at Christmas and Easter.

It is absolutely forbidden to accept, ask for or demand, for oneself or for others, recommendations, favourable treatments, gifts or other benefits from individuals with whom you have dealings, beyond the normal commercial or courtesy practices, that might compromise the impartiality of judgement.

Anyone who receives offers of gifts or hospitality treatment or financial advantages, or other benefits that cannot be considered courtesy acts of small value, must reject them and immediately inform the immediate superior and the SB, indicating where the gift or promise came from and the size and type of gift received or promised.

In general, any gift, financial advantage or other benefit must have the following characteristics:

1. it does not consist of a cash payment;
2. it is given as part of a commercial relationship or, in any case, legitimate activities of TEXNO S.r.l. and in good faith;
3. it conforms to generally accepted standards of professional courtesy;
4. it is carefully documented in a summary dossier.

In the event of sponsorships and donations to organisations that operate in the social or non-profit sectors, in the selection of proposals to adhere to, particular attention will be paid to any possible conflict of interest of a personal or corporate nature.

6.3. Relations with representatives of the Public Administration

Relations between the Company and the Public Administration are reserved exclusively for authorised employees, respecting the roles and functions attributed on the basis of the law and with the maximum collaboration with the Public Administration.

Relations with the Public Administration must in no way compromise the integrity and reputation of the Company, and are managed in compliance with the principles of collaboration, transparency, correctness and rigour.

Employees must not inappropriately influence the decisions of the Public Administration and/or of its representatives, and must not adopt illegal conduct, such as offers of money or other benefits that might alter the impartial judgement of representatives of the Public Administration.

When the Company hires a consultant or a third party to represent it in relations with the Public Administration, these must formally accept the principles of this Code. In any case, the Company cannot allow itself to be represented in relations with the Public Administration by third parties, when there might be, albeit only abstractly, a conflict of interest.

6.4. Management of government grants

If the Company receives funding from national or international Public Administrations, intended for specific activities or projects, these will be used exclusively for the purposes for which they were allocated by the backer, in compliance with the current applicable law.

The documentation prepared, as well as the accounting documentation relating to the expenses incurred, will be carefully filed and forwarded if requested by the backer. The activities of requesting contributions, managing them and reporting will be carried out on the basis of the principles of honesty, truthfulness, transparency and correctness.

Furthermore, in such cases, the Supervisory Body will be promptly notified.

The Company undertakes not to:

- use the funds received to encourage initiatives aimed at carrying out works or activities with purposes other than those for which they were obtained;
- use or present false declarations or documents, or documents certifying falsehood, or omit necessary information, in order to obtain undue funds;
- mislead a potential backer, by means of tricks or deceptions, in order to obtain financing or contributions for the Company.

6.5. Negotiation

During a business negotiation, a request or an institutional relationship with representatives of the Public Administration (Italian, or of another country), the Company undertakes not to be involved, directly or indirectly, in the following actions:

- proposing, in any way, employment and/or commercial opportunities that may directly or indirectly benefit the representatives of the Public Administration in a personal capacity;
- soliciting or obtaining confidential information that may compromise the integrity or reputation of one or both parties;
- performing any other act aimed at inducing the representatives of the Public Administration (Italian or of another country) to do or omit to do any act in violation of the laws of the legal system to which they belong;
- abusing one's position or powers to induce or force someone to unduly promise money or other benefits for themselves or for others.

Company employees are required to diligently keep the documentation relating to operations, transactions and activities during which the Company came into contact with the Public Administration, to ensure maximum transparency and traceability of relevant information.

6.6. Relations with the Judicial Authority and with the Control Bodies

If there are investigations or checks by the Public Administration or its appointees, the conduct of each member of the Company will be inspired by the principles of loyal collaboration, non-opposition and transparency.

The correct operation of the Public Function, particularly of the Judicial Function, is guaranteed by prohibiting all subjects who are required to comply with this Code of Ethics from undertaking, directly or indirectly, any illegal action that might favour or harm one of the parties involved in civil, criminal or administrative proceedings.

To this end, it prohibits any conduct aimed at or capable of interfering with the investigations or checks carried out by the competent Authorities and, in particular, any conduct aimed at hindering the search for the truth, also by inducing individuals called upon by the Judicial Authority not to make statements or to make false statements.

In particular, it is forbidden to apply undue pressure (offers or promises of money or other benefits) or to unlawfully coerce (with violence or threats) in order to induce any person called upon, by the judicial authority, to provide statements that can be used in criminal proceedings, not to make these statements or to make false statements, when he has the right not to respond.

TEXNO S.r.l. maintains relations, with all of the Authorities that inspect and supervise, based on full and effective collaboration, promptly making available any information requested by them in carrying out the preliminary activities and confirming the provisions issued.

6.7. Relations with the control bodies and with the auditing company

In relations with the Control Bodies (board of auditors, supervisory body, etc.) and with the auditing firm, TEXNO S.r.l. as well as each Stakeholder, abides by the provisions of this Code of Ethics, in compliance with the various institutional roles.

TEXNO S.r.l. undertakes to promptly process requests for compliance and documentation, and clearly accepts responsibility for the truthfulness, completeness and accuracy of the information provided. The data and documents requested are made available in a timely and exhaustive manner; the information provided must be accurate, complete, faithful and truthful, avoiding or, in any case, reporting any conflict of interest situations, in the appropriate form and manner.

6.8. Relations with the media

TEXNO S.r.l. attaches the utmost importance to correct information to the outside world. The process of communicating with the media (including via the Internet) is the exclusive responsibility of specialised personnel.

This communication must always be based on principles of correctness, willingness and transparency in compliance with the communication policy defined by the Company.

Non-specialised personnel are therefore prohibited from providing or commenting on confidential information about TEXNO S.r.l. to representatives of the media.

Information and communications relating to the Company must be accurate, complete, truthful and transparent.

6.9. Relations with suppliers

Relations with suppliers are based on principles of transparency, loyalty, integrity, confidentiality, diligence, professionalism and objectivity of judgment.

The purchasing processes are based on the search for the maximum competitive advantage for the Company, on granting equal opportunities for each supplier, on loyalty and on impartiality.

The choice of suppliers and the purchase of goods and services are carried out by the appropriate company functions, based on objective assessments of legality, ability, competitiveness, quality, fairness, respectability, reputation and price.

TEXNO S.r.l.'s suppliers must not be involved in any illegal activities and must guarantee for their employees working conditions that are based on respect for fundamental human rights, international conventions and existing laws.

Furthermore, suppliers must refrain from offering goods or services, particularly in the form of gifts, to collaborators of the Company, that exceed normal courtesy practices.

Stakeholders may not offer goods or services to personnel of other companies or organisations in order to obtain confidential information or direct or indirect benefits for themselves or for the company.

6.10. Relations with external collaborators

External collaborators (including consultants, intermediaries, agents, etc.) are required to comply with the applicable legislation and (when instructed to do so by the Company) the principles expressed in this Code.

The Company selects its external collaborators with impartiality, autonomy and independence, considering ability and professionalism as the only judgement parameters.

All employees who have relationships with external collaborators are called upon to bear testimony to the Company's policies and values, contributing to their spread and knowledge.

Conduct that is incompatible with the Code may be considered a serious breach of the duties of fairness and good faith in the execution of the contract, the cause of damage to the fiduciary relationship and just cause for termination of contractual relationships.

6.11. Fair competition

The Company intends to protect the value of fair competition by refraining from collusive and predatory conduct.

The Company and its collaborators must respect the principles and rules of free competition and must not violate the existing laws on competition, antitrust and consumer protection.

It is therefore forbidden to engage in any conduct that violates the habitual and free exercise of trade and industry, and that as such harms commercial trust and good faith in trade.

The Company prohibits the acquisition of information by improper means, such as industrial espionage, and undertakes not to hire employees of a competitor in order to obtain confidential information or encourage the employees of competitors to reveal confidential information.

Furthermore, the Company and its collaborators undertake not to violate the rights of third parties relating to intellectual property, and to comply with the rules set up to protect the distinctive signs of intellectual works and of industrial products (trademarks, patents), by putting in place checks on full compliance with the legislation on protecting industrial property rights.

6.12. Environmental protection

The Company recognises the high value of environmental protection as part of a vision of sustainable development of the territory, and for this purpose, it undertakes to adopt all necessary measures to ensure a lower environmental impact.

In carrying out his duties, each employee is called upon to respect and protect the environment. In addition, the Company is committed to involving and motivating all of its employees.

TEXNO S.r.l. aims to contribute positively to sustainable development, by managing and reducing the direct and indirect environmental impacts associated with its activities.

7. IMPLEMENTATION AND CONTROL OF COMPLIANCE WITH THE CODE OF ETHICS

With the Code, the goal of TEXNO S.r.l. was to formalise its adherence to the highest ethical standards it believes in, and in which it recognises itself.

Anyone who collaborates or comes into contact with the Company, without distinction or exception, must agree to observe the principles of this Code.

The pursuit of the Company's interest does not justify conduct, including omissions, and/or in concert with others, that is incompatible with the legislation and/or with the Code.

Directors, employees and anyone acting for the Company are required to comply with this Code as well as to demand compliance by third parties who, for any reason, establish or continue any kind of relationship with the Company.

Compliance with the Code, and its guiding principles, is an essential part of the present and future obligations between the Stakeholders and the Company, in accordance with and for the purposes of the applicable regulations.

The Company is committed to enforcing this Code also by means of the timely application of sanctions in accordance with the disciplinary system provided for by the applicable national

collective bargaining agreements or by the reference contracts stipulated with the relative counterparties.

7.1. Communication, training and updating the Code of Ethics

The Code of Ethics is brought to the attention of internal and external stakeholders through specific communication activities aimed at promoting knowledge of ethical principles and rules, such as posting on the notice board or publication on similar media (company Intranet and website), inclusion of an information note on the adoption of the Code of Ethics in all contracts, targeted communication activities, etc.

TEXNO S.r.l. is also involved in the continuous activity of informing the outside world, its customers, suppliers and contractors and, in general, all other interlocutors, both private and institutional, about the values it intends to promote and the corporate policy that has inspired this.

The Company also undertakes to update the contents if needs dictated by changes in the context, the reference legislation, the environment or company organisation make it appropriate and necessary.

The Company's Board of Directors is responsible for any modification and/or integration of this Code of Ethics.

7.2. Duties of the Supervisory Body and Whistleblowing

TEXNO S.r.l. adopts specific tools and appropriate procedures in order to implement the Code of Ethics and to ensure it is complied with. To this end, TEXNO S.r.l. entrusts these functions to the 231 Supervisory Body, appointed by the Board of Directors. The Supervisory Body is responsible for:

- ensuring the verification of the maximum spread of the Code among employees and third parties;
- discussing with the responsible functions to encourage adequate training courses;
- clarifying doubts about how to interpret the Code of Ethics;
- carrying out checks on any report of a violation of the rules of the Code, evaluating the facts and suggesting adequate sanctions, if the violation is confirmed;

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beyond textile

- ensuring the confidentiality of the identity of the person who made the report, protecting him from any retaliation;
- proposing updates to this Code, in relation to its actual effectiveness and to changes in corporate needs and in current legislation.

Communications to the SB, including communications relating to whistleblowing, (such as reporting an alleged violation, requesting clarification or an opinion) must be made preferably in a non-anonymous form and can be sent by stakeholders and all other interlocutors, to the following e-mail address: **segnalazionitexno@caravatipagani.it**

With regard to whistleblowing, the following, additional email address has been created: **odv@texno.it**.

The Company has also put up letterboxes, for communications on paper.

On receiving a report, the Supervisory Body carries out the necessary checks, also making use of the competent corporate functions.

In the event of a violation of the Code of Ethics by one or more members of the Company's Board of Directors or by members of the Board of Auditors, the Supervisory Body will inform the entire Board of Directors and the Board of Auditors, who will take the appropriate action in line with the seriousness of the violation committed and in accordance with the powers provided by the law and/or by the Statute.

The information received by the Supervisory Body is handled in absolute confidentiality.

Anyone making a report in good faith must be guaranteed protection against any form of retaliation, discrimination and penalty, and, in any case, the confidentiality of the identity of the whistleblower will be ensured, without prejudice to legal obligations, as will the protection of the rights of persons accused erroneously or in bad faith.