

CODE OF CONDUCT

LANIFICIO DI TOLLEGNO S.r.l.

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LANIFICIO DI TOLLEGNO



Rev. 0 del giorno 15.05.2024

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01.

BASIC PRINCIPLES OF LANIFICIO DI TOLLEGNO S.R.L.'S CODE OF CONDUCT.

The values that inspire the entire activity of LANIFICIO DI TOLLEGNO S.R.L. are respect for individual rights, social responsibility, transparency and, more generally, sustainable corporate activity carried out with the utmost fairness and lawfulness.

Should any conflict with the internal regulations of the Italian State or with community and international regulations arise, the rules in the code of conduct will be derogated in favour of local/state/supranational regulations.

Each corporate stakeholder (customers, employees, business partners and creditors, public, competitors, etc. ...), as well as individual shareholders, is treated with fairness, transparency and total equal conditions.

Therefore, the Company undertakes to conduct its business in an ethical and legal manner: in this regard, it provides specific directions to its employees to help them make the right decisions and undertakes to improve training and work experience to ensure that the personnel is fully aware of the fulfilment of its duties and responsibilities.

This code of conduct applies to all company personnel and represents an important guide for identifying and managing challenging situations and for making ethical business decisions, thus ensuring that the Company's values are respected on a daily basis.

02.

PRINCIPLE OF LAWFULNESS IN OUR BUSINESS ACTIVITY.

The Company conducts its business activities in full compliance with all local/national/supranational laws and regulations, ensuring a notable ethical behaviour as well as financial integrity at the same time: to this end, company personnel are trained to know the laws and regulations relating to their work area and comply with them scrupulously.

The Company has assessed the main sources of risk of illegal behaviour during its business activity and has developed suitable procedures to reduce the possibility of this risk actually occurring.

02.1

CORRUPTION AND SUBORNATION.

The Company prevents corruption and subornation with the aim of guaranteeing ethical conduct of its business activities: this mandatory principle also applies to company Stakeholders who are authorised to act in the name and on behalf of the Company.

The Company is committed to conducting its global business honestly, fairly, without corruption or bribery, and responsibly, since bribery and corruption have a negative impact on image, brand and sustainability: in light of this, any violation of this policy is considered a serious matter and will result in firm disciplinary action according to applicable rules and regulations.

The Company explicitly prohibits bribery and subornation in any form, directly or indirectly, including making, promising, offering or authorising a payment or gift to an agent, business partner, government official, political party or any other third party with the aim of corrupting the recipient in the exercise of their functions, duties or judgements and vice versa.

The Company has established adequate guidelines and limits for the offer or acceptance of any gifts or donations (always of modest value) to private stakeholders, provided that these remain in line with regular business habits and do not require an illegal service or a reward for an illegal service.

However, any form of gift or donation to public bodies or public officials is prohibited.

02.2

DONAZIONI E SPONSORIZZAZIONI.

Sebbene le donazioni benefiche, i contributi filantropici e le sponsorizzazioni siano parte integrante della responsabilità sociale d'impresa, essi possono essere sfruttati o usati come copertura per attività illecite: l'Azienda ritiene pertanto essenziale un adeguato controllo dei precedenti di tutte le entità caritative e filantropiche quando si effettuano donazioni.

E' fatto espresso divieto di sponsorizzare partiti politici o progetti non ritenuti legali ed eticamente meritevoli.

02.3

PROCESSING OF DATA AND INFORMATION.

The Company guarantees that internal information, as well as data owned by all stakeholders, will remain confidential and be used and/or shared in compliance with national and European regulations, which all personnel must scrupulously comply with.

02.4

BUSINESS PRACTICES.

The Company is required to conduct its business practices in compliance with local/national/supranational regulations, preventing any potential commission of offences.

In particular, the Company's top management has the task of carefully ensuring that the company's business is carried out in the most transparent and ethical manner possible.

Company personnel are required to avoid situations of conflict of interest, whether their own or those relating to their family members and, if this does not occur, they are required to immediately report to their superior regarding the occurrence of any situation that may violate local/state/supranational regulations or this code of conduct.

02.5

PROTECTION OF INTELLECTUAL PROPERTY.

The Company shall protect the intellectual property of third parties and implement all behaviours and controls necessary to avoid infringing these rights, which are considered a priceless asset and, as such, worthy of maximum protection.

Company personnel are absolutely prohibited from using trademarks, patents and third parties' individual properties in a denigrating, defamatory or otherwise illicit manner.

03.

RELATIONSHIPS WITH PERSONNEL.

The Company encourages diversity in its workforce, since it wishes to represent a combination of business experiences, as well as race, colour, gender, age, religion, sexual orientation, country of origin, nationality, ethnicity, family status, cultural background, socio-economic status, physical ability, way of thinking, education and training.

The Company believes that employees from different cultural, linguistic and national backgrounds provide valuable knowledge for understanding complex international markets and is committed to offering equal opportunities to all workers.

The Company guarantees maximum commitment to ensure that the work environment is respectful, fair, ethical, productive for all employees, as well as diversified and inclusive, where all employees treat each other with respect and dignity.

This has led to the development of procedures aimed at preserving the criteria of maximum transparency and non-discrimination in the selection of personnel.

The Company believes that extensive training and total awareness of employees are fundamental.

03.1

PRINCIPLES WHEN SELECTING PERSONNEL.

We hire new personnel complying with respect for diversity and with fairness, equality and consistency for all candidates: hiring practices will be inclusive and suitable candidates will not face barriers to employment.

The Company has set up suitable personnel recruitment and selection procedures to guarantee transparency, fairness and meritocracy in the workers' hiring system.

The Company believes that it is of the utmost importance that candidates are assessed during the selection and interview process, to ensure, as far as possible, that they are able to comply with the policies and procedures contained in this code of conduct.

03.2

PERSONNEL TRAINING

At the time of hiring and subsequently during the employment relationship, the Company guarantees adequate training to personnel both from a technical point of view and from the point of view of compliance with the principles contained in this code of conduct.

It is vitally important that all employees are aware of the types of offences they could commit in carrying out their work duties, the risks of being involved in corruption activities, the existence of a Code of Conduct and the policies implemented by the Company in order to make the company's activity as transparent and fair as possible.

03.3

FAIRNESS AND EQUAL TREATMENT.

The Company is committed to protecting its employees, as well as the remaining stakeholders, from all forms of discrimination, bullying and harassment (sexual and non-sexual) based on ideological views, race, colour, religion, gender, sexual orientation, nationality, ethnicity, family status, social origin, cultural background, age, disability, socio-economic status or any other status considered a human right.

Reasonable and inclusive practices are implemented in all company procedures and any form of prejudice, discrimination, bullying and harassment is rejected.

The Company treats all employees with respect, integrity and honesty and will honour its commitments to all personnel according to the terms and conditions of employment, including local laws or practices.

The Company will provide its employees with the necessary orientation and training to ensure the effective implementation of this policy and to make sure to be an inclusive employer and service provider.

The Company will take all reasonable steps to ensure that its buildings and premises are accessible to employees, customers and visitors with disabilities.

Working hours will comply with guidelines and national regulations applicable to the sector; employee compensation will be fair and reflect local markets and conditions, and the Company will always respect the national minimum wage.

The Company does not tolerate illegal child labour, forced or bonded work and expects the same from its customers and suppliers.

The Company does not use or tolerate corporal punishment, mental or physical coercion, or verbal abuse.

The Company respects the right of employees to form and join (or not join) an association without fear of retaliation, interference and harassment, as long as such association complies with relevant laws.

03.4

REPORTS OF ILLEGAL ACTIVITIES.

It is Company policy to allow Company employees who detect an unethical or improper practice (whether or not it is a violation of the law, including, but not limited to, potential fraud, corruption, or other serious irregular conduct), to report it without the obligation to necessarily inform their direct superiors and without revealing their identity; if, however, the anonymity of the whistleblower cannot be ensured, the Company guarantees protection from any possible form of retaliation.

The Company has internal procedures for reporting unethical practices, illicit acts or crimes in any way connected to the company's activity.

If an employee, as well as any other stakeholder, becomes aware of any problem or practice that entails a potential or actual violation of company procedures, they are required to immediately report the matter through the channels made available by the Company.

The report will be followed by an evaluation of the same which must be independent, objective, impartial, fair and which respects the highest levels of ethical and moral integrity.

However, the defence of the accused person will be guaranteed.

The Company will protect the identity of anyone who makes a report through one of these channels and will safeguard the individual from any possible form of retaliation against them as a result of the report.

04.

RESPECT FOR HUMAN RIGHTS.

The Company firmly believes, in promoting ethical conduct and prevent violations of human rights in compliance with its own values: therefore, the Company expects all stakeholders to adopt solid standards on human rights in line with the Universal Declaration of Human Rights and the two corresponding covenants, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

The Company shall not violate any human rights, shall not contribute to human rights violations by third parties, and shall comply with state and supranational laws.

The Company is committed to constantly improving its human rights policy, in order to meet the highest standards.

05.

ENVIRONMENT AND SAFETY.

The Company considers Responsibility towards the environment and the health of its employees and stakeholders to be an imperative duty.

From this perspective, in terms of environment and safety, the company vision is: "Protect our people and our planet, which allow us to thrive."

The Company pays particular attention to its standards regarding the environment, health and safety: in particular, in addition to the environmental impact of the company's activity, the risks to which employees are subjected depending on the role held as well as the measures more suitable for mitigating the probability of occurrence, in addition to any consequences of such potential harmful events, are analysed.

The Company continually seeks to monitor and reduce environmental and safety risks and encourages its employees to stop any work they deem unsafe and raise concerns about consequent risks to their superiors without fear of retaliation.

The Company will comply with all regulations regarding the environment and safety and hygiene in the workplace.

The Company ensures that all known incidents and risks are appropriately reported and classified.

In conducting its activities and making related decisions, the Company puts the well-being of its employees, customers, environment and community in which it operates first.

The Company is committed to operating in a safe and environmentally friendly manner, providing its stakeholders and other third parties with the information necessary to manage its products safely and in compliance with environmental regulations.

06.

RELATIONSHIPS WITH STAKEHOLDERS.

The Company believes that relationships with each of its stakeholders must be based on conduct, justice and fairness, an essential condition in order to build and maintain positive relationships: the Company's policy aims at treating all its stakeholders in a fair, equitable and ethical manner: in order to guarantee such transparency in relationships, it provides them with accurate, sufficient, timely and useful information on company activity, without intentionally misleading or hiding its content.

The Company allows its stakeholders to report unethical and illegal practices through suitable reporting channels.

06.1

RELATIONSHIPS WITH CUSTOMERS.

The Company is committed to meeting the expectations of its customers by adhering to the highest standards of business integrity, product safety and quality.

To maintain this commitment, the Company undertakes to provide services and products in an honest, simple and precise way, keeping faith with its commitments and always providing all the necessary information on the product, without ever misleading its customers.

Complaints submitted by customers are handled in a fair, accurate and timely manner.

The Company considers the broadest protection of customer rights to be a fundamental and essential principle and undertakes to inform them in a transparent and timely manner in case of doubts about the safety of the products.

06.2

RELATIONSHIPS WITH SUPPLIERS.

The Company is committed to working with its suppliers to develop lasting and meaningful relationships based on mutual respect, trust and understanding and sharing of mutual values.

In order to maintain this commitment, the Company will communicate, negotiate and enter into agreements with its suppliers in a professional, fair, truthful and transparent manner, respecting all commitments undertaken during negotiations.

The Company undertakes to respect all rights of suppliers by keeping all their information confidential. For its part, the Company expects its suppliers to satisfy all the necessary safety and quality standards and to immediately report any safety problem with the products supplied, also guaranteeing compliance with the ethical and moral conditions essential for maintaining any business relationship with the Company.

06.3

RELATIONSHIPS WITH CREDITORS.

The Company will honour its commitments regarding the terms and conditions established in the agreements with its creditors and will transparently report the financial status of the Company to them.

06.4

RELATIONSHIPS WITH COMPETITORS.

The Company conducts its activities in a free, fair and lawful manner in an environment characterised by mutual respect, with the aim of supporting market growth and development for the benefit of the

industry as a whole.

The Company undertakes to follow a conduct that respects its business competitors, avoiding making negative remarks about them or addressing them in denigrating or offensive tones.

All competitive information will be obtained ethically and from publicly accessible sources.

06.5

RELATIONSHIPS WITH THE PUBLIC ADMINISTRATION.

The Company honours its relationships with state and regulatory authorities in all jurisdictions in which it operates and will comply with their instructions, regulatory requirements and applicable laws in all aspects of its operations.

The Company will avoid behaving in a manner that may be interpreted, when interacting with government officials, as an attempt to improperly gain influence or collude in an illegal act.

06.6

RELATIONSHIPS WITH THE MEDIA.

When interacting with the media, the Company is committed to providing accurate and relevant information, as these media outlets play a crucial role in disseminating information about the Company to the general public: for these reasons, only authorised spokespersons can be interviewed or speak on behalf of the Company.

07.

SUPERVISION OF THE CORRECT APPLICATION OF THE CODE OF CONDUCT.

Each employee and stakeholder must promptly report to their department manager any circumstance that involves, or appears to involve, a deviation from the rules of conduct set out in this Code and/or a violation of existing company operating procedures/instructions.

The function manager who receives the report must forward it to the Supervisory Body or, if not yet appointed, to the Human Resources Manager.

THANK YOU

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