

# Code of Ethics and Conduct

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## 1. Introduction

### 1.1. About the company

**Past and present.** Dalter Alimentari was founded in **1978** by a group of Italian entrepreneurs from the Emilia-Romagna region with experience in the packaging industry and in Parmesan cheese.

Boasting an annual turnover of 38 million euro, Dalter Alimentari is now the leading company in the packaging of grated and portioned cheese products for both the hotel and catering industry and the food industry.

**Recipe for success.** Dalter Alimentari owes its success to two main factors: **the focus on quality**, of the product (selection of only the best raw materials) and the process (manufacturing phases), and its **aptitude for innovation**. Case in point, thanks to Dalter Alimentari, **grated cheese packed in a protective atmosphere** was launched onto the Italian market, which along with many other products introduced over the years, has changed the way in which Italians consume cheese.

**Conquering the world.** With this strong vocation for innovation and quality, Dalter Alimentari continued to set itself increasingly challenging tasks. After consolidating its place as the leader in the hotel and catering industry and commercial and mass catering, it launched an **internationalisation policy**, concentrating first on the more demanding European markets before expanding to cover non-EU territory. Today, the company serves **40 countries around the world** and owes almost **60% of its turnover** to sales abroad. Some important milestones:

- the beginning of a partnership in **Spain** with the importer Star Gourmet (2008)
- the founding of **Italia Formaggi** in the **United Kingdom** (2011)
- the acquisition of **VIP Italia** in **Germany** (2013)
- the opening of the **Dalter Nordic** and **Dalter Usa** branches, in Denmark and the USA respectively (2015).

**Retail channels.** The **Campirossi** brand was designed by Dalter Alimentari for consumers who love to be creative in the kitchen. This brand combines cheese-making tradition with Made-in-Italy quality and encompasses considerations for new ways of living and practicality of use. In terms of retail, the company is currently working to strengthen the sales network for the traditional retail channel. Over the years Dalter Alimentari has also developed expertise as a co-packer and supplies **premium quality private-label products**. Today, the company is seen as a strategic partner in this sector for some of Europe's leading operators in large-scale retail trade.

**Diversified product portfolio.** Another factor that sets Dalter Alimentari apart is its wide range of products. This is first and foremost down to **raw materials**: over time, the company has brought in other Italian cheeses of long-standing tradition to join the ranks of **Parmesan cheese**, such as **Grana Padano** and **Pecorino Romano**, and went on to include a **selection of cheeses from abroad**, such as Emmenthal, Edamer and Pastamore. It did not stop there; Dalter Alimentari introduced a wide variety of **cuts**, such as cubes, flakes, nuggets, shavings, sticks and fillets, and **packaging**, with the goal consistently being to offer convenient and practical products to customers. Alongside 1-kg tins of Parmesan cheese, other packages were also brought in such as single-serving trays, bags and dishwasher-proof and rechargeable graters.

**Integrated supply chain.** In the case of **Parmesan cheese**, the company created **its own integrated supply chain model**: a trajectory spanning more than 10 years which began in 2005 with the acquisition of the multi-award winning **Caseificio Colline di Canossa**. From collecting the milk to packaging the finished product, from processing at the dairy plant to ageing, today Dalter controls the entire production chain for the "King of Cheeses", guaranteeing value and benefits to operators involved, such as the farmers, cheese factories, the packaging company and end customers. **Every day, 110 wheels of Parmesan are made** which require approximately **220,000 quintals of milk to be processed per year**. The cheese factories at the centre of this production chain are **Caseificio Colline di Selvapiana e Canossa** (tollbooth 417), BRC and IFS certified, and **Caseificio del Cigarello** (tollbooth 320), BRC certified. Cheese factories are certified in accordance with **strict quality standards**, constituting another added value for Dalter's integrated supply chain.

**Certification.** With regard to production processes, as a reflection of its unfailing attention to quality standards, Dalter Alimentari has been granted numerous and noteworthy certifications. Highlights include the **BRC Grade A, IFS Higher Level** and **ICEA** standards for the production of organic products.

## 1.2. The value of Ethics in the DALTER group

The value of ethics plays a vital role in DALTER's credibility in relations with stakeholders and, more generally, with the entire civil and financial context in which it operates. For this reason, in order to prevent criminal offences pursuant to Italian Legislative Decree No 231/01 on the regulation of administrative responsibility, specific principles pertaining to conduct have been laid down and which must be adhered to in relations with the government, the market, and particularly with end consumers and third parties.

According to DALTER, complying with these standards of ethics and with transparency in business constitutes a precondition as well as a competitive advantage with regard to pursuing and achieving the objective of creating and increasing value for customers, those who work at DALTER, partners and the community as a whole.

An environment founded on a strong sense of ethical integrity decidedly improves the effectiveness of policies and control systems, which is why DALTER intends to cultivate this.

This document, known as the Code of Ethics and Conduct (hereinafter also known as the 'Code of Ethics' or simply as the 'Code') sets out the ethical commitments and responsibilities of carrying on business and company activities undertaken by **employees of DALTER ALIMENTARI S.p.A., be these managers or members of staff of any kind and by all those who carry out functions, whether by right or not, of representation, administration, senior management, management or supervision of the company (hereinafter known as 'employees' of DALTER)**. In particular, this Code of Ethics applies to all companies of the

DALTER group, including related companies and undertakings and their separate organisational units which shall implement the latter. Effective adherence to this Code constitutes the basis on which DALTER's reputation is judged.

The DALTER ALIMENTARI S.p.A company forms part of the Italian Industrial Federation system and as such, commits to its standards of ethics in order to ensure transparency and abide by the behavioural models founded on autonomy, integrity and ethics, and develop coherent actions. The entire Italian Industrial Federation system, from the individual member entrepreneur to the highest senior level of the federation, is a partner engaged in the pursuit of the objectives and in complying with the relative procedures, as every single act of unethical conduct does not only have a negative impact on membership to this federation, but also damages the image of the entire sector and federation system through public opinion, the legislature and the government.

Nevertheless, ethical conduct is not only assessed in terms of strict compliance with the law and statutes. It is founded on the basis of clear adherence to the highest standards of conduct in all circumstances.

As such, with regard to employees and consultants which provide a service to DALTER ALIMENTARE S.p.A, as well as other third-party entities, i.e. trading partners, suppliers, contractors and subcontractors, signing this Code, or any part of it, or in any case, adhering to the provisions and principles provided herein, stands as a precondition for entering into agreements of any kind between DALTER ALIMENTARI S.p.A. and such entities; provisions that are signed as such, or in any case, accepted by clear demonstration of intent to enter into a contract, constitute an integral part of the agreements themselves.

### 1.3. The mission

In acknowledgement of its role in the region and food industry, and specifically in the dairy/cheese-making sector, DALTER ALIMENTARI S.p.A. is committed to **guaranteeing a safe, high-quality product to the consumer**: this mission statement is reflected in the large number of product and process controls which are entirely carried out by external entities, and in cutting-edge projects such as the electronic nose.

With the goal being to protect its customers as much as possible, DALTER ALIMENTARI S.p.A. does not only carry out internal controls but also commissions research to **international research centres** on the natural mechanisms responsible for the ageing process, and the impact that this has on the flavour and aroma of hard and semi-firm cheeses. Customers themselves also perform audits on production processes on a regular basis. These constitute important checks and controls as they are designed to gradually improve working methods.

Lastly, qualified suppliers guarantee the control of the raw materials and packaging used in the production process.

In particular, DALTER aims to create value for customers and foster continuous and lucrative growth for the company through the **development of high, innovative and sustainable technology** from an environmental point of view, whilst enhancing the professionalism of individuals, and incentivising and encouraging new talents in order to **sustain and achieve increasingly higher standards of excellence and quality**.

DALTER ALIMENTARI S.p.A. also contributes to the growth of the global market through the transformation of its own products and organisation, as well as to the **creation of a better world, one that is founded on the protection of the consumer and the environment**.

### 1.4. A collaborative approach to stakeholders

DALTER ALIMENTARI S.p.A. aspires to sustain and develop a relationship based on trust with its stakeholders (fiduciary duties), or rather with those categories of individuals, groups or institutions whose share is required in order to accomplish the mission and that in any case have an interest at stake in pursuing it.

Stakeholders are those who make investments in connection to DALTER's business activities, firstly actual stakeholders themselves, and then employees, customers, suppliers and business partners. In a broader sense, stakeholders are also all those individuals or groups, as well as

organisations and institutions that represent them, whose interests are affected by the direct and indirect consequences of DALTER's business activities.

### **1.5. Effectiveness and scope of the Code of Ethics**

This Code was also drawn up pursuant to Italian Legislative Decree No 231/2001 and together with the Organisation and Management Model prepared in compliance with the above-mentioned law, and was adopted by decision of the board of directors on 22 June 2016.

The Code of Ethics applies to DALTER ALIMENTARI S.p.A. and is subsequently binding for the conduct of all its employees, agents and/or distributors.

As such, DALTER ALIMENTARI S.p.A. requests that all related companies and undertakings and all main suppliers conduct themselves in line with the general principles of this Code.

This Code of Ethics is enforceable both in Italy and abroad, in spite of consideration for cultural, social and economic differences between the various countries in which the group operates.

## **2. DALTER's general principles and inspirational values**

### **2.1 Honest and lawful conduct**

Honesty constitutes an underlying principle for all business activities of DALTER ALIMENTARI S.p.A., on its own initiative, and a fundamental value of organisation management.

Relations with stakeholders, on all levels, must be built on standards and conduct founded on propriety, cooperation, loyalty and mutual respect.

Under no circumstances shall the pursuit of interests of DALTER ALIMENTARI S.p.A. serve as a means to justify dishonest conduct.

As part of their professional activity, partners and employees of DALTER ALIMENTARI S.p.A. are required to comply with the laws in force, the Code of Ethics and internal regulations with due care.

### **2.2 Conflicts of interest**

When conducting business activities, any situation where the entities involved in the operations are or may simply appear to be in a conflict of interest must be avoided. This means situations in which an employee works to satisfy interests other than those of the company mission or to gain an advantage of a personal nature.

By way of example but not limitation, the following also constitute conflicts of interest, in the situations defined by the law:

- Exploiting one's own position and role to achieve objectives of interests other than those of DALTER ALIMENTARI S.p.A.;
- Using information acquired on account of or in connection with one's job to gain an advantage for oneself or for third parties;
- Entering into agreements or initiating negotiations that may be attributed to DALTER ALIMENTARI S.p.A. and whose counterparties are relatives of the subjects of the Code of Ethics.

### **2.3 Honest conduct in operations and transactions**

All operations and transactions must be accurately recorded, authorised, verifiable, legitimate, coherent and consistent. All assets and transactions of DALTER ALIMENTARI S.p.A. must be properly recorded and it must be possible to verify the decision-making, authorisation and execution process.

## **2.4 Confidentiality**

DALTER ALIMENTARI S.p.A. shall ensure and guarantee the confidentiality of information in its possession and shall abstain from examining confidential information, except with express and informed authorisation and in compliance with the legal regulations in force. In addition, employees of DALTER ALIMENTARI S.p.A. are required to keep information relating to the business activities of DALTER ALIMENTARI S.p.A. confidential, and shall not use confidential information for purposes other than those related to their work activities.

## **2.5 Value of human resources**

Employees of DALTER ALIMENTARI S.p.A. play a crucial role in its success. For this reason, DALTER ALIMENTARI S.p.A. protects and promotes the value of human resources, providing them with the necessary tools for professional learning and training in order to improve and develop the assets and the competitiveness of the skills of every employee.

## **2.6 Equity of authority**

In the signing and management of contractual relationships in which hierarchical relationships are necessarily formed, in particular with employees, DALTER ALIMENTARI S.p.A. undertakes to ensure that authority is exercised with equity and fairness, without any abuse. In particular, DALTER ALIMENTARI S.p.A. shall ensure that authority does not transform into a power exercise with damaging effects on the dignity and autonomy of employees, and that the way in which work is organised safeguards employees' values.

## **2.7 Integrity and dignity of individuals**

DALTER ALIMENTARI S.p.A. shall ensure the physical and moral integrity of its employees, working conditions that respect personal dignity, and safe and healthy working environments that are founded on a strong spirit of collaboration between employees.

DALTER employees are offered equal working opportunities on the basis of professional and performance capabilities, without any discrimination, and in full compliance with the rights of the individual.

As such, requests or threats shall not be tolerated which aim to lead people to act against the law and the Code of Ethics, or to engage in conduct that damages the individual's moral and personal beliefs, and preferences.

## **2.8 Transparency, accuracy and integrity of information**

The company undertakes to operate in a clear, honest and transparent manner, without favouring any particular group of interests or individual. All operations, transactions, negotiations and in general, any conduct engaged in when carrying out the business activities of DALTER ALIMENTARI S.p.A. must be founded on the utmost managerial propriety, integrity and transparency of information, legitimacy in formal and material terms, and clarity and truthfulness of account reconciliation, in accordance with the regulations in force and internal procedures.

Employees of DALTER ALIMENTARI S.p.A. are required to provide complete, transparent, comprehensible and accurate information. In particular, in the drawing up of any contract, DALTER ALIMENTARI S.p.A. shall endeavour to set out in a clear and comprehensible manner the conduct that the contracting party must employ in all the circumstances provided for.

## **2.9 Diligence and care in performing duties and contracts**

Contracts and tasks must be performed in accordance with that which has been knowingly laid down by the parties. DALTER ALIMENTARI S.p.A. shall undertake not to exploit the ignorance or incapacities of counterparties.

## **2.10 Impartiality**

When making decisions (choosing which customers to serve, in relations with financing banks, in staff management or work organisation, selecting and managing suppliers, in relations with the surrounding community and institutions that represent it), DALTER ALIMENTARI S.p.A. shall abstain from discriminating against the entity in question on the grounds of age, gender, sexuality, state of health, race, nationality, political opinions or religious beliefs.

## **2.11 Entrepreneurship**

DALTER undertakes to manage the company based on the standards of cost effectiveness and efficiency to provide profitable solutions and services and to achieve full customer satisfaction.

## **2.12 Quality of services and products**

DALTER undertakes to satisfy and protect its customers by listening to requests in order to facilitate an improvement in the quality of products and services. As such, DALTER directs its own research, development and marketing activities towards achieving high quality standards for both its services and products.

## **2.13 Safeguarding quality and the health, safety and environment of employees**

The quality of the products and the safeguarding of the health, safety and environment of employees have always been objectives pursued by the company.

The company therefore conforms to the regulations in force concerning health and safety in the workplace and works towards the structuring of an integrated company quality, environment and safety system.

In particular, the environment constitutes a primary asset which DALTER ALIMENTARI S.p.A. undertakes to protect by endeavouring to strike a balance between financial initiatives and instrumental environmental requirements in all its activities, taking into account the rights of future generations. DALTER therefore undertakes to ameliorate the impact of its business activities on the environment and landscape and to prevent risks for individuals and the environment, not only in compliance with the legislation in force, but also in consideration of scientific research and development and the best expertise in this area.

In addition, when performing their tasks, all employees must take the utmost care to ensure that they comply with all the safety and prevention measures in place, as well as with all instructions and directions provided by entities to which the company has delegated the compliance with obligations on safety, in order to prevent any possible risk for themselves or for their colleagues and co-workers.

## **2.14 Product safety and authenticity and protection of trademarks and patents**

DALTER operates in compliance with the laws in force in the food industry and its business is founded on the continuous control of the production process in order to guarantee the health and safety of its products.

As such, the company has a **Plan of self-control for hygiene based on the application of the HACCP procedure** (Hazard Analysis Critical Control Point), which constitutes the company's operational guidelines and the prime and most effective preventative measure to guarantee the hygienic safety and authenticity of the food products placed on the market.

In particular, for years, Dalter has chosen to invest in a modern quality assurance department comprising a team of three highly specialised individuals, a unit which controls every stage of the production process and of the development of new products on a daily basis, ensuring consistently high quality standards.

The internal laboratory continuously conducts physicochemical analyses on every raw material and finished product batch, on the facilities and on the working environment. Staff also follow regular training, education and refresher courses as a **guarantee of the credibility** of the controls performed at every phase of production.

But this does not stop here. DALTER does not settle for internal controls only, and also commissions research to **international research centres** on the natural mechanisms responsible for the ageing process, and the impact that this has on the flavour and aroma of hard and semi-firm cheeses. Customers themselves also perform audits on production processes on a regular basis. These constitute important checks and controls as they are designed to gradually improve working methods. Lastly, qualified suppliers guarantee the control of the raw materials and packaging used in the production process.

DALTER is therefore committed to **guaranteeing a safe, high-quality product to the consumer**, which is reflected in the large number of product and process controls which are entirely carried out by external entities, and in cutting-edge projects such as the electronic nose.

Furthermore, DALTER expressly prohibits any conduct which aims to alter, counterfeit or use trademarks or distinctive signs and national or foreign designs and models.

Moreover, any conduct that aims to introduce into Italian territory or that of other countries in which the company operates, industrial and/or food products with altered or counterfeited trademarks or other distinctive signs, as well as the marketing of products with trademarks or distinctive signs that are deceptive in terms of the origins, place of provenance or quality of the product, shall be condemned.

Similarly, the company shall not tolerate any manufacturing, marketing or distribution activities or the mere use of products, objects or goods that have been made by usurping or violating industrial property rights or which mislead the buyer as to the origins, place of provenance or quality of the product.

## **2.15. Quality Guarantee: labelling – traceability – classification – packaging – transport**

For the purposes of placing its products on the market and selling/distributing these products, as better indicated in the Organisation and Management Model in accordance with Italian legislative Decree No 231/01, DALTER undertakes to punctually comply with legislation in force on the labelling, traceability, classification, packaging and transport in the food industry.

To this end, DALTER guarantees that the information complies with the requirements of the law and adheres to the following principles:

- No deception in terms of the characteristics of the food product (nature, identity, properties, composition, quantities, shelf life, country of origin and place of provenance, manufacturing or production method).
- Accuracy, clarity and comprehensibility: exactness, readability, intelligibility for the average consumer.

DALTER is responsible for the information on the food products and the required indications pursuant to the law, and shall ensure that this information is exact and non-deceptive in compliance with applicable legislation, in order to guarantee the traceability of the product, the protection of the consumer and the right of informed choice of the customer.

Moreover, through the provision of appropriate training/information to its haulers and warehouse workers, DALTER undertakes to promote the adoption of safety measures designed to ensure that the haulage of products is performed using trained staff and under suitable transport conditions in consideration of the type of product being sold, and in compliance with regulations in force.

## **2.16 Protection of competition**

DALTER complies with the principles and laws in force on the protection of competition in the markets in which it operates and shall abstain from any conduct that may have a distortionary effect on the competition.

Any conduct aimed at committing crimes shall be condemned, and any form of agreement, be it with entities employed by the company or with third-party entities, directed in any way towards the pursuit of illegal objectives, is expressly prohibited.

### **3. Internal Control and Supervisory Body (SB)**

All subjects of the Code are called upon to contribute to and ensure that this Code operates in the most effective manner possible.

In addition, an authority was set up within DALTER ALIMENTARI S.p.A., with its own-initiative power (hereinafter known as the Supervisory Body or SB) which is responsible for supervising and monitoring the operation, effectiveness, suitability and compliance with the Organisation and Management Model in accordance with Italian Legislative Decree No 231/ 2001, as well as any amendment thereof.

This Body is also responsible for receiving and assessing reports of conduct that are contrary to this Code of Ethics, and for carrying out investigations into the matter, whilst maintaining the utmost confidentiality and privacy when conducting inquiries.

To this end, dedicated communication channels shall be set up, such as the email address odv@dalter.it, or the locked mail box located in the café next the entrance to the production area locker room, which constitutes a direct information channel with the SB for those who do not have Internet access.

In order to promote and maintain a corporate culture founded on compliance with internal regulations, DALTER ALIMENTARI S.p.A encourages employees to raise problems and issues in relation to moral integrity.

In particular, every subject is required to report, without delay, any conduct in violation of the principles and rules of conduct pursuant to this Code.

To this end, DALTER ALIMENTARI S.p.A. shall ensure that it provides a protective system that is effective in enabling employees to raise any doubts without fear of retribution.

This means that any information received shall be managed with the utmost discretion, in compliance with the applicable legal provisions. As such, the company shall be responsible for ensuring that the informer's identity remains confidential, except in the case of requirements related to the fulfilment of duties of the Supervisory Body, as well as for safeguarding the informer against retaliation, illegal conditioning, harassment or discrimination of any kind in the workplace, for having reported the violation of the Code.

#### **3.1 Internal control in the DALTER group framework**

Each company of the group shall be called upon to independently draw up, adopt and review its own organisation and management model and to appoint its own supervisory body vested with its own-initiative and supervisory powers.

The internal auditing function was set up and is responsible for checking the suitability and functionality of the internal control system by monitoring the controls carried out by each company, and for proposing an appropriate plan of action to implement to senior management.

In this respect, the internal auditing function of the parent company is authorised to carry out spot checks and may support the management team of other companies of the group (particularly if these do not have an audit or internal review system of their own) in initiatives that require special attention pursuant to Italian Legislative Decree No 231/2001.

In particular, the internal auditing function may promote the overall consistency of actions in line with the directions given by the parent company, at the request of any of companies of the group and in any case without infringing on the decision-making autonomy of any of the companies.

Relations between the parent company and other companies of the group shall be founded on the utmost propriety and transparency, and communications shall be made through official information channels: infra-group communication channels have been defined regarding the state of implementation of the system adopted pursuant to Italian Legislative Decree No 231/2001, any violations of the model and sanctions applied, as well as amendments made to the model following the emergence of new crimes.

Furthermore, the parent company encourages the exchange of information between bodies and corporate functions with regard to amendments in the event of an update to legislation or organisational changes that affect the entire DALTER group.

The supervisory bodies of the companies of the group are called upon to develop informative relations with one another on the basis of timing and content so as to ensure the integrity and timeliness of news relevant to the response activities of the inspection bodies.

Similarly, the communication flows and exchange of information in this case shall be founded on the utmost transparency, propriety and equality between the bodies, shall be essentially for the purposes of fact-finding and shall focus on: defining the activities carried out; the initiatives undertaken; the specific pre-defined measures; and any critical situations found during inspection.

#### **4. General standards of conduct**

##### **4.1. Fight against unlawful conduct**

In line with the values of honesty and transparency, the company undertakes to implement every measure necessary to prevent and impede the commission of unlawful conduct. In particular, it is prohibited to pay sums of money or to carry out other forms of bribery for the purpose of gaining direct or indirect advantages for the company.

It is also prohibited to accept gifts or favours from third parties which go beyond the normal standards of hospitality and etiquette.

##### **4.2. Staff selection**

The assessment of staff for hire is carried out on the basis of the conformity of candidates' profiles with the vacant positions and with company requirements, whilst upholding equal opportunities for all interested entities.

Any information that is requested is strictly for the purposes of verifying the aspects that are required by the professional and psychometric profile, whilst upholding the privacy and opinions of the candidate.

Within the limits of the available information, human resources management shall take appropriate measures to prevent favouritism, nepotism or forms of clientelism during the selection and hiring stages (for example, ensuring that the selector has no family relations with the candidate), as well as conflicts of interest.

DALTER ALIMENTARI S.p.A. also undertakes not to favour in any way candidates that have been recommended by third parties, and in particular by members of the government, or by clients of the company. In the event that candidates are recommended to functional managers or to employees by members of the government, the Supervisory Body shall be immediately informed thereof, and shall proceed to carry out appropriate checks as it sees fit.

##### **4.3. Foundation of the employment relationship**

Staff shall be hired under a legal employment agreement; no form of illegal employment shall be tolerated. Upon formation of the employment relationship, each employee shall receive accurate information concerning:

- ✓ the Code of Ethics;
- ✓ characteristics of their role and duties to perform; regulatory and remunerative provisions, as governed by the national collective employment agreement;
- ✓ regulations and procedures to undertake in order to avoid any health risks linked to work activities.

This information shall be presented to all employees so that in accepting the appointment, they also confirm their comprehension thereof.

#### **4.4. Staff management**

Managers and supervisors of company functions are responsible for ensuring that equal opportunities are also upheld in the management of the employment relationship and that the workplace remains free from discrimination, guaranteeing equal treatment based on merit and identifying and solving any problems in this respect in a timely manner.

All managers are required to take advantage of employees' working time by requesting services that are consistent with the execution of their specific duties and with work organisation plans. Requesting services or personal favours as though these were an obligation to the immediate superior, or any conduct deemed a violation of this Code, constitutes an abuse of authority.

#### **4.5. Health and safety**

DALTER ALIMENTARI S.p.A. undertakes to cultivate and foster a culture of safety by reinforcing risk awareness, the compliance with legislation in force and by encouraging the responsible behaviour of all employees; it also works to safeguard the health and safety of employees, particularly through preventative measures.

The objective of DALTER ALIMENTARI S.p.A. is to protect the human, asset and financial resources of the company, whilst constantly striving to build the synergies required, not only within the company, but also with suppliers, enterprises and the customers involved.

To this end, DALTER ALIMENTARI S.p.A. shall take technical and organisational measures by ensuring:

- a continuous analysis of the risk and level of criticality of the processes and of the resources to protect;
- a continuous improvement of prevention measures;
- the timely preparation/updating of the measures and means necessary;
- the adoption of more advanced technologies;
- the control and update of working methods;
- the provision of training and communication initiatives.

In accordance with the provisions of the applicable legislation on safety, pursuant to the above, DALTER ALIMENTARI S.p.A. shall conform its conduct to the following principles:

- eliminate risks and, where not possible, reduce risks to a minimum;
- take into account risks that cannot be avoided;
- reduce risks at the source;
- substitute what is hazardous with what is not hazardous or less hazardous;
- comply with ergonomic principles in the design of workstations and in the choice of working equipment and methods, in particular to attenuate monotonous and repetitive work and to reduce the effects of this type of work on health;
- take account of the degree of development of techniques;
- develop a coherent, overall prevention policy that incorporates techniques, work organisation, working conditions, social relations and the impact of work environmental factors;
- prioritise collective protection measures as opposed to individual protection measures;
- provide workers with sufficient instructions and adequate training.

These principles are used by the company to take the necessary measures to safeguard the health and safety of workers, including professional risk prevention activities,

information and training, and to prepare the necessary arrangements and resources. The entire company, from operational to senior levels, shall abide by these principles, particularly when decisions or choices need to be made and, following this, when these decisions or choices need to be implemented.

#### **4.6. Harassment in the workplace and alcohol and drug abuse**

Referring to European Commission Recommendation 92/131/EEC on the protection of the dignity of men and women at work, DALTER ALIMENTARI S.p.A. shall guarantee all those who work for DALTER ALIMENTARI S.p.A. a peaceful environment where interpersonal relations are founded on propriety, equality and the mutual respect of the freedom and dignity of each individual.

DALTER ALIMENTARI S.p.A. shall also guarantee the right to protection against any act or conduct that generates detrimental effects on or that discriminates male and female workers, even if indirectly.

DALTER ALIMENTARI S.p.A. undertakes to carry out prevention and training programmes in relation to the topics discussed, with a particular focus on fostering a culture of respect of the individual and aimed at preventing sexual and moral harassment.

With Italian Legislative Decree No 81/08 of the new Consolidated Act, regulations governing the use of alcohol by company employees have also been introduced.

This provision affects individuals who hold a driving licence type B, C, D or E, and especially those who regularly use company vehicles.

Pursuant to the Decree, given that the alcohol content permitted in the blood is equal to 0 mg, the above-mentioned individuals are required to abstain from consuming alcoholic beverages.

In accordance with the law, checks performed by the competent doctor shall take place on recommendation of the work giver, the worker or any other individual that may have had contact with the alleged use, in the event of that any abnormal situations arise.

Furthermore, Provision 18 September 2008, published in the Official Journal No 236 of 8 October 2008, contains the applicable procedures for carrying out checks on workers to ensure no drug abuse and no use of narcotic drugs or psychotropic substances.

All employees shall undertake to abstain from consuming the above-mentioned substances and therefore the risk of harming an optimal environment and carrying out work under the influence of the abuse of alcohol, narcotic drugs or substances of a similar effect shall be deemed informed risk-taking.

#### **4.7. Privacy policy and processing confidential information**

The privacy of each employee is protected by the adherence to standards which specify the information that the company requires from employees and the relevant processing and retention procedures.

This excludes any inquiry as to the ideas, preferences, personal tastes and, in general, the private life of employees. Without prejudice to situations provided for by the law, these standards also stipulate that it is prohibited to communicate/disclose personal data without prior consent from the interested party and also lay down the rules for monitoring the regulations by each employee on the privacy and processing of data pursuant to Italian Legislative Decree No 196/03.

DALTER ALIMENTARI S.p.A. also guarantees that the information and data acquired in the carrying out of company operations shall be used within the limits and in accordance with company procedures and in compliance with national legislation on the protection of privacy.

#### **4.8. Integrity and protection of individuals**

DALTER ALIMENTARI S.p.A. undertakes to protect the moral integrity of employees by upholding the right to working conditions which respect the dignity of individuals. For this reason, it shall safeguard workers against acts of psychological violence, and shall oppose any behaviour or conduct that discriminates or is detrimental to individuals, their beliefs and

their preferences (for example, in the event of insults, threats, isolation or excessive intrusiveness, or professional limitations).

Sexual harassment will not be tolerated and conduct or discussions that may upset an individual's sensitivity (for example, the displaying of images with explicit sexual references, insistent and continuous allusions). Employees of DALTER ALIMENTARI S.p.A. who believe that they have been subjected to harassment or discrimination on account of their age, gender, language, sexual orientation, race, state of health, nationality, political opinions, political and trade union memberships or religious beliefs, etc. may report the incident to the company, which will assess whether it is an effective violation of the Code of Ethics. Nevertheless, unequal treatment shall not be deemed discriminatory if it is justified or justifiable on the basis of objective criteria.

#### **4.9. Employee obligations**

Employees must behave in an honest manner with a view to abide by the obligations under the employment agreement and the Code of Ethics, ensuring that they perform the services required and are required to report any violation of the rules of conduct laid down by internal procedures via the appropriate channels.

Employees are also required to actively participate in cultivating a peaceful, collaborative ambiance within the working environment.

### **5. Standards of business conduct**

#### **5.1. General rules**

In business relations with third parties, employees of DALTER ALIMENTARI S.p.A. are required to conduct themselves ethically, with the utmost propriety and integrity, and in compliance with the law. In business and promotional relations, it is prohibited to engage in unlawful or collusive practices and conduct, make illicit payments, attempts at bribery and favouritism or to make direct requests through third parties for personal or professional advantages, for the benefit of themselves or of others, which are contrary to the law, regulations or standards under this Code of Ethics.

The acquisition of third-party information, be it through a public or private source, via entities and/or specialised organisations, must be carried out by legitimate means in compliance with the law in force. In the event that employees find themselves on the receiving end of confidential information, they shall undertake to manage this information with the utmost privacy and confidentiality in order to prevent DALTER ALIMENTARI S.p.A. from being accused of misappropriation and of having wrongfully used this information.

#### **5.2. Rewards, gifts and benefits**

It is prohibited to directly or indirectly offer/receive money, rewards, or benefits of any kind for personal use to/from managers, officials or employees of customers, suppliers, government entities, public institutions or other organisations for the purpose of gaining undue advantages in influencing the autonomous judgement of the beneficiary.

With the exception of gifts or rewards of little value ('little value' meaning goods or services with a price on the European market that does not exceed a total of EUR 100.00), whose purpose is not to gain advantages in an illegitimate manner, it is prohibited to offer any form of reward that may also be perceived as exceeding the normal standards of business practices and etiquette, or in any case that is aimed at gaining preferential treatment during any operation that can be linked to DALTER ALIMENTARI S.p.A., to customers or government officials, or in relations with suppliers, agents, distributors and/or employees and partners. In particular, it is prohibited to offer any form of reward to public officials, auditors, councillors, mayors or their relatives, which may influence their free or autonomous judgement or result in the securing of any kind of advantage.

This rule, which does not allow waivers, applies to both rewards that have been promised, offered or received; 'reward' refers to any kind of benefit (broadly speaking, also free attendance to conventions, promises of a job offer, etc.).

Rewards that have been given (with the exception of those of little value) must be appropriately

recorded so that they can be verified and authorised by the functional manager.

Employees of DALTER ALIMENTARI S.p.A. who receive or impart gifts or benefits that are not provided for in the permitted situations (namely which exceed the above-mentioned concept of 'little value'), are required to notify the Supervisory Body and to share the policy of DALTER ALIMENTARI S.p.A on this matter with the rewarder.

In any case, the expenses incurred for this purpose must always be authorised in accordance with specific company procedures and recorded in an appropriate manner.

### **5.3. Relations with suppliers, distributors, consultants and business partners**

The acquisition processes are based on the pursuit of the maximum competitive advantage for DALTER ALIMENTARI S.p.A., the granting of equal opportunities to every supplier, and on fairness and equality, propriety and transparency.

Particularly with regard to the procurement of products/services that are non-recurring or of considerable value, namely goods that are not taken account of during budgeting (extra-budgetary), it is good practice to obtain and retain at least two offers on file from different supplies which are not linked through supervisory relations, by connections and/or the same management or coordinating body, and to assess the latter on the basis of:

- a) quality;
- b) reliability;
- c) service;
- d) price;
- e) other relevant factors.

The above-mentioned selection procedure for suppliers shall be carried out by DALTER ALIMENTARI S.p.A. whenever these suppliers are not monopoly suppliers, namely single suppliers that are highly specialised in the supply of a product that requires specific qualities.

When choosing suppliers, it is not acceptable or permissible to use undue pressure in order to favour one supplier over another or to undermine the credibility and trust that the market places in the company with regard to transparency and its rigorous application of the law and company procedures.

In any case, in the event that in performing their business operations, the supplier, distributor, consultant or business partner were to conduct themselves in a manner contrary to the general principles of this Code, DALTER ALIMENTARI S.p.A. reserves the right to take appropriate measures in order to impede any further opportunities for collaboration.

As such, in accordance with these principles, DALTER ALIMENTARI S.p.A. shall contractually oblige its suppliers, distributors, consultants and business partners to comply with the law, as well as to be informed of and to adhere to the principles set forth by this Code of Ethics.

By contract, DALTER also reserves the right to take any appropriate measure (including termination of the agreement) in the event of a violation of the legal provisions and this Code by a third party which carries out operations in the name of and on behalf of DALTER.

### **5.4. Customer relations**

DALTER ALIMENTARI S.p.A. strives to satisfy the best and legitimate expectations of its customers by supplying high-quality products and fulfilling its commitments and obligations to customers, as well as complying with the regulations to protect competition and the market.

Relations with clientèle must be continually strengthened by maintaining the cost-effectiveness and quality of the services offered, the degree of technological development, product reliability and by promptly responding to suggestions and complaints made by customers.

To this end, the company undertakes to ensure high-quality production standards, with the understanding that customer loyalty and trust is achieved through a relationship based on integrity, willingness to help, transparency, reliability and professionalism.

## **5.5. Government and institutional relations**

Institutional relations must be founded on the utmost transparency, clarity, propriety, equality and autonomy and must not lead to biased, false, ambiguous or misleading interpretations by institutional, public or private entities with which relations are maintained for various purposes.

In particular, the necessary relations must be maintained in accordance with the roles and functions allocated by law, as well as the utmost spirit of collaboration with government departments.

Relations with officials of public institutions must be restricted to the company frameworks that have been set up for this purpose and duly authorised in accordance with the strictest adherence to provisions of the law and regulations and must not compromise the integrity or reputation of the company in any way whatsoever.

To this end, the company undertakes:

- to operate, without any kind of discrimination, through the communication channels set up for this purpose with representatives of the government on a national, international, community and regional scale;
- to represent the interests and positions of the company in a transparent, rigorous and consistent manner, avoiding conduct of a collusive nature;
- to use the utmost cooperation with public officials during possible inspections, promptly providing clear, transparent and true information;
- not to offer or to promise, either directly or indirectly or via intermediaries, sums of money or other means of payment to public officials;
- not to resort to other forms of contribution which, under the guise of entrusting professional duties, consultancy, publicity or other, aim to influence the activities of public officials when carrying out of their duties.

It is also prohibited to forge, alter or omit data and/or information for the purpose of gaining an undue advantage or any other benefit for the company.

## **5.6. Environment**

DALTER ALIMENTARI S.p.A. undertakes to protect the environment as a prime asset and shall take the measures that are most suitably qualified to preserve the environment through the promotion, planning and development of activities in line with this objective.

## **5.7. Financial relations with parties and trade unions**

DALTER ALIMENTARI S.p.A. shall not subsidise political parties in Italy or abroad, nor their delegates or candidates, and shall not fund congresses or events whose purpose is to disseminate political propaganda. DALTER ALIMENTARI S.p.A. shall abstain from influencing politicians, either directly or indirectly (for example, by accepting recruitment recommendations, consultancy agreements, etc.).

DALTER ALIMENTARI S.p.A. shall not grant contributions to organisations with which a conflict of interest may arise (such as trade unions).

## **5.8. Subsidies and funding**

Contributions, subsidies or funding granted by the European Union, the State or any other public body, even if of little value and/or of a small amount, must be used for the purposes for which they were requested and authorised.

Similarly, in the event of participation in procedures open to public scrutiny, subjects of this Code are required to operate in compliance with the law and with fair business practices, particularly ensuring that they do not lead the government to operate unduly in favour of the company.

## 5.9. Mass Media

Relations with mass media shall be based on adherence to the right to information.

Any outward communication of data or information must be true, accurate, correct, clear, transparent, observant of the reputation and confidentiality of individuals, consistent and coherent with the policies of DALTER ALIMENTARI S.p.A.. Information relating to DALTER ALIMENTARI S.p.A. and intended for mass media may only be published by corporate functions appointed for this purpose, or by authorisation of the latter, in accordance with defined procedures.

## 6. Prohibited conduct

### In government relations

Relations with public institutions shall be maintained by entities which have been expressly appointed for that purpose or which, by virtue of their role, have capacity to do so.

Gifts and acts of courtesy towards public officials or civil servants are permitted provided they are of little value, do not compromise the integrity or autonomy of the parties in any way whatsoever and cannot be interpreted as an instrument to gain advantages in an illegitimate manner. These types of expenses must nonetheless be authorised and recorded in accordance with the procedures in force.

In particular, all employees and representatives of DALTER ALIMENTARI S.p.A. are prohibited from:

- engaging in conduct that is contrary or which may become contrary to the law;
- directly or indirectly paying or offering payments or material benefits, either to civil servants or public officials, in order to influence or pay for by way of reward an act carried out under their charge or to secure advantages of any kind for the company;
- bestowing advantages of any nature on civil servants/public officials;
- using recruitment or the pay scheme as a means of bestowing direct or indirect advantages on civil servants or public officials;
- using or presenting untruthful statements or false documents or documents attesting to facts that are not true before the government, or omitting obligatory information in order to obtain public grants, contributions or preferential funding, or any such concessions called 'grants' from the state, a public body, or the European Union;
- using sums of money received by the government and presented in the form of grants, contributions or preferential funding for purposes other than those intended and authorised;
- tampering in any way with the operation of a computer or computerised system or illegally intervening with any procedures on data, information or programs contained in a computer or computerised system, or which pertain to it, to the detriment of the state or public body;

### On the criminal offence of 'private-to-private bribery'

All employees of DALTER ALIMENTARI S.p.A. are prohibited from:

- granting benefits to partners which cannot be justified within the framework of a partner-based relationship;
- granting payments to consultants and suppliers which cannot be justified with regard to the type of work to be carried out and the market price;
- distributing gifts and rewards or promising benefits which are deemed excessive by business practice standards;
- personally taking advantage of business opportunities which become known as the result of performing one's work duties;
- when in business relations with third parties, engaging in illegal or collusive practices and conduct, making illicit payments or attempts at bribery or favouritism for the purpose of gaining personal or professional advantages for oneself or for others;
- using recruitment or the pay scheme as a means of granting direct or indirect advantages and/or favouring candidates recommended by third parties;

- favouring one supplier over another during the supplier selection process, in such a way as to undermine the credibility and trust that the market places in the company with regard to transparency and its rigorous application of the law and company procedures.

*On crimes against public faith and against industry and trade*

All employees and partners of DALTER are expressly prohibited from, in any capacity:

- neglecting to apply DALTER's company procedures in force in this respect;
- using third-party trade secrets;
- engaging in conduct aimed at hindering the normal operation of the financial and business activities of companies in competition with the company;
- committing acts of fraud that are such as to cause customer diversion for a third party and damage to businesses in competition with the company;
- unlawfully reproducing, copying or altering trademarks, distinctive signs, patents, industrial drawings or models which belong to third parties;
- in industrial and/or business spheres, making use of trademarks, distinctive signs, patents, industrial drawings or models that have been forged by third parties;
- introducing industrial products with trademarks or distinctive signs that have been forged or altered by third parties into Italian territory for the purpose of doing business;
- delivering goods to the buyer which suggest *aliud pro alio*;
- selling or marketing food substances as authentic when these are non-authentic;
- selling or putting on the market industrial products with names, trademarks or distinctive signs from Italy or abroad for the purpose of misleading the buyer as to the origins, place of provenance or quality of these products;
- possessing, selling through a direct offer to consumers or putting on the market industrial products that have been manufactured by usurping industrial property rights or by violating the latter;
- forging, altering the geographical indication or name of the origins of agri-food products and then selling or putting them on the market or merely keeping hold of them for sale purposes;
- supplying misleading information on the characteristics of the food product.

As such, DALTER ALIMENTARI S.p.A. adheres to specific rules and procedures which provide for specific and material controls designed to reduce risk factors.

*On computer crime and the unlawful processing of data*

All employees and partners of DALTER ALIMENTARI S.p.A. shall under no circumstances carry out unlawful data processing or commit any kind of computer crime pursuant to the organisation and management model of DALTER ALIMENTARI S.p.A..

Computer systems must be used in full compliance with the legislation in force in this respect (and in particular, on computer crime, computer security, privacy and copyright) and with the existing internal procedures and regulations.

All individuals are nonetheless prohibited from accessing third-party computer or computerised systems and from breaching access limitations to these, without permission and in violation of the law.

All employees are required to make the necessary efforts in order to prevent crimes from being committed through the use of computer systems.

*On crimes against copyright*

All company representatives and employees of DALTER are expressly prohibited from:

- using company computer equipment for personal reasons;
- bringing private computer equipment onto company premises;

- installing external programs without prior consent from the chief information officer;
- installing storage or communication devices onto computers (writers, modems, USB drives) without prior written consent from the chief information officer;
- copying CDs or DVDs which are protected under copyright law;
- being in possession of storage media of non-original programs;
- downloading free software or shareware from websites without prior consent from the chief information officer;
- installing programs which do not come from a reliable source authorised by the company;
- illegally using computer passwords, access codes or similar information in order to engage in one of the above-mentioned conducts;
- illegally accessing and making copies of bank details;
- creating software programs in violation of third-party copyright.

*On anti-money laundering legislation*

All employees and partners of DALTER ALIMENTARI S.p.A. shall not under any circumstances receive stolen goods, engage in money laundering activities or make use of illegally sourced money, goods or benefits.

*On criminal offences for violating accident prevention regulations*

All company representatives and employees are prohibited from:

- neglecting to apply or not fully and correctly applying the regulations on accident prevention and workplace health and hygiene for the purpose of gaining any kind of benefit or reducing their workload, also in terms of time saving or cost reduction, for themselves or for the company;
- not promoting and fostering a culture based on the prevention of potential risks in the workplace;
- not behaving responsibly and respectfully in terms of the health and identity of others;
- altering or removing prevention safeguards;
- not cooperating in risk assessments;
- damaging goods which are used for internal services;
- not respecting instructions on safety operations.

*On criminal offences for persuading others to make or making a mendacious statement to the judicial authority.*

All company representatives and employees are prohibited from:

- carrying out corruptive practices in such a way as to persuade others to make a mendacious statement or to dissuade them from making a statement to the judicial authority;
- undermining, in any way whatsoever and by any means, the will of entities to respond to the judicial authority that are summoned to make a statement or to persuade them to avail themselves of their capacity to not respond;
- persuading entities in any way whatsoever that are summoned to make a statement before the judicial authority to make an untruthful statement;
- give, offer or promise money, gifts, rewards or other advantages to individuals summoned to make a statement before the judicial authority;
- engage in any conduct which, despite not tangibly incorporating the above-mentioned criminal activity, could, in theory, eventually become it;

All employees are required to make the necessary efforts in order to prevent such crimes from being committed.

*On environmental crime*

All company representatives and employees are prohibited from:

- neglecting to apply the procedures in place for waste disposal;

- allowing improper waste management;
- violating the requirements laid down by the Italian waste control and traceability system (SISTRI);
- exceeding the permitted values for emissions and air quality pursuant to sectoral legislation;
- using substances which damage the ozone layer;
- draining water in violation of the legal requirements, in violation of an authorisation, without authorisation or with a suspended or revoked authorisation;
- draining water in such a way as to violate discharge limits;

All employees are required to make the necessary efforts in order to prevent any crimes pursuant to the legislation on environmental crimes from being committed.

*On criminal offences relating to the use of foreign workers without a residence permit or with a permit that has expired.*

All company representatives and employees are prohibited from:

- neglecting to apply the procedures in place on hiring workers.

## **7. Implementation procedures**

### **7.1 Duties of the Supervisory Body in terms of implementing and monitoring the Code of Ethics**

With regard to the Code of Ethics, the following duties fall under the responsibility of the Supervisory Body:

- a) taking decisions with respect to violations of the Code;
- b) giving binding opinions on the revision of the most important policies and procedures, with the purpose of ensuring the consistency of the Code;
- c) periodically revising the Code;
- d) monitoring and updating the Code;
- e) checking that the Code of Ethics is applied and adhered to by ensuring and encouraging continuous improvement of ethics in the company through analysis and assessment of the control procedures for ethical risks;
- f) monitoring initiatives for cultivating awareness and understanding of the Code.

In particular, this includes:

- ✓ ensuring the development of communication activities and training on ethics;
- ✓ analysing the suggestions for revision of company policies and procedures that have a considerable impact on corporate ethics and devising possible solutions to be sent for consideration by the board of directors;
- ✓ receiving and assessing reports of violation of the Code.

### **7.2 Communication and training**

In order to ensure that the Code is understood correctly, also on the basis of recommendations of the Supervisory Body, senior management teams of DALTER shall prepare and create a training program aimed at promoting awareness of the principles and standards of ethics. Training initiatives will vary according to the role and responsibilities of employees.

### 7.3 Conflict with the Code of Ethics

In the event that even a single provision laid down under this Code were to come into conflict with the provisions provided for by internal regulations or procedures, the Code shall prevail over any of these provisions.

### 7.4 Amendments and additions to the Code of Ethics

Any amendment or addition that has been validated by the Supervisory Body must be approved, consulted with the auditor and board of directors, and be promptly distributed to employees of DALTER ALIMENTARI S.p.A..

## 8. Sanctions

Compliance with the Code shall be deemed an essential part of the contractual obligations assumed by employees, managers, partners, officers and entities which have business relations with the company.

Compliance with the Code of Ethics and Conduct by employees and managers is in addition to the obligation to comply with all general obligations of loyalty, propriety, execution of the employment agreement in accordance with good faith, and is also a requirement pursuant to Articles 2104 and 2105 of the Italian Civil Code.

Violation of the standards of the Code of Ethics and Conduct constitutes a breach of the obligations laid down by the employment relationship, in accordance with the procedures under Article 7 of the Italian Law No 300 of 30 May 1970 (Italian Workers' Statute) with every employment relationship entered into and may result in remedy for the damages arising from the violation itself.

As regards employees, officials and third-party entities, violation of the regulations of the Code of Ethics and Conduct constitutes a serious breach of the obligations under contract pursuant to Article 1453 of the Italian Civil Code, with all legal consequences including the termination of the agreement/and or the job post, and may result in remedy for damages incurred by the latter.

## 9. Your personal commitment

DALTER ALIMENTARI S.p.A. periodically asks employees to declare their commitment to adhere to the regulations contained in the Code of Ethics in accordance with the aforementioned system. All new employees are required to sign the declaration regarding their 'Personal commitment to integrity' herein below:

### *Personal commitment to integrity*

I, the undersigned, hereby confirm that having received the guide on the DALTER ALIMENTARI S.p.A. Code of Ethics, understand that all employees are required to abide by the regulations contained therein. Should I have any doubts or uncertainties with regard to any violation of an internal regulation of DALTER ALIMENTARI S.p.A., I shall refer to my functional manager, the administrative body, or directly to the Supervisory Body by means of the dedicated communication channels.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

This Code of Ethics shall enter into force on the date on which it is approved, formalised and passed by the board of directors by corporate resolution of 22 June 2016.