

ORGANISATION, MANAGEMENT AND CONTROL MODEL UNDER THE TERMS OF LD No. 231/2001

GENERAL PART IMPLEMENTING REGULATIONS *CODE OF ETHICS*

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REVISION	DATE OF REVISION	NOTES
00	07/11/2022	FIRST ISSUE
01	31/01/2024	Update following LD 24/2023 on whistleblowing

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THE CODE OF ETHICS OF ALPE-ADRIA TEXTIL SRL

ALPE-ADRIA TEXTIL SRL conducts its business in accordance with the principles and rules of conduct set out in this Code of Ethics (hereinafter also referred to as the "Code").

ALPE-ADRIA TEXTIL SRL recognises the importance of ethical-social responsibility and environmental protection in conducting the company's business and activities to be integrated with the cooperative's principles of mutuality. To this end, it promotes a management of the company oriented towards balancing the legitimate interests of its stakeholders and the community in which it operates, i.e. pursuing the objectives of creating new job opportunities for its members, guaranteeing them the best economic, social, and professional conditions on the one hand, and paying attention to the expectations of other stakeholders, such as the market, public authorities, and the community on the other.

The Code is therefore oriented towards an ideal of cooperation and respect for all interests of the parties involved. The stakeholders of ALPE-ADRIA TEXTIL SRL are the human resources (employees and collaborators), users/customers, members, suppliers, the public administration, the community and, in a broader sense, all those involved, directly and/or indirectly, in the company's activities.

1. DRAFTING AND APPROVAL OF THE CODE OF ETHICS

ALPE-ADRIA TEXTIL SRL has long taken care, and with particular attention, of enhancing and safeguarding the ethical profiles of its company activities, having identified the concept of "ethicality" as the central value of its culture and behaviour.

In this context, the company has been particularly active in ensuring adequate training of employees, focused on sharing its culture of commitment, fairness, and respect for rules.

To this end, the company has drawn up its own Code of Ethics, aiming to identify and define, in a clear and exhaustive manner, the set of values, fundamental principles, and rules of conduct that constitute the inalienable prerequisite for the correct performance of company activities.

2. PURPOSE AND STRUCTURE OF THE CODE OF ETHICS THE ADDRESSEES OF THE CODE OF ETHICS

The Code of Ethics of ALPE-ADRIA TEXTIL SRL indicates the general principles and rules of conduct to which the company recognises positive ethical value and with which all addressees must comply. These are all directors, its employees (hereinafter, for the sake of brevity, jointly referred to as "Personnel"), as well as all those who, although external to the company, work, directly or indirectly, for ALPE-ADRIA TEXTIL SRL. (e.g. attorneys, agents, collaborators in any capacity, consultants, suppliers, business partners, hereinafter referred to as "Third Addressees").

Addressees are required to observe and, to the extent of their competence, enforce the principles contained in the Model and/or in the Code of Ethics that forms part of it. These principles are binding on all of them and also apply to the company's activities abroad.

The set of rules contained in the Code of Ethics, moreover, by conforming company conduct to exceptionally high ethical standards oriented towards the utmost fairness and transparency, guarantees the possibility of safeguarding stakeholders' interests, as well as preserving the Company's image and reputation, while ensuring an ethical approach to the market, with regard both to activities carried out within Italy and to those regarding international relations.

The Code of Ethics is subdivided as follows:

- an introductory part, in which the Addressees are also indicated;
- the ethical principles of reference, i.e. the values to which ALPE-ADRIA TEXTIL SRL gives relevance in its business activities and that must be respected by all Addressees;
- the rules and principles of conduct laid down with regard to each category of Addressee;
- the way in which the SB implements and monitors compliance with the Code of Ethics.

The following is a summary of the principles, rules of conduct, compulsory communication, methods of implementation and control of compliance with the Code of Ethics. For the complete regulation of these aspects, reference must be made to the Code of Ethics in its entirety, which is an integral part of the Model.

3. GENERAL PRINCIPLES GOVERNING THE COMPANY'S ACTIVITIES

The first section of the Code of Ethics identifies the general principles governing the activities of ALPE-ADRIA TEXTIL.

In fact, the company has felt the need to arrive at an exhaustive and explicit formalisation of the principles to which it recognises a positive, primary, and absolute ethical value. These principles represent the fundamental values to which those bound by the Code of Ethics must adhere in pursuing the company mission and, in general, in conducting social activities.

In particular, the fundamental ethical principles adopted by ALPE-ADRIA TEXTIL cover the values and areas of activity listed below:

- responsibility and respect for the law;
- fairness;
- impartiality;
- honesty;
- integrity;
- transparency;
- efficiency;
- fair competition;
- the protection of privacy;
- the value of human resources;
- relations with public institutions and local authorities;
- relations with the community and environmental protection;
- relations with associations, trade unions and political parties;
- the repudiation of all forms of terrorism;
- the protection of the individual personality;
- the protection of health and safety at work;
- repudiation of criminal organisations;
- the protection of industrial and intellectual property rights;
- cooperation with the authorities in the event of investigations;
- the correct use of IT systems;
- relations with private individuals and repudiation of corruption;
- the protection of share capital and creditors;
- accounting control and transparency;
- anti-money laundering;
- internal control.

4. PRINCIPLES AND RULES OF CONDUCT

ALPE-ADRIA TEXTIL SRL has reserved a special section of the Code of Ethics for the rules and principles of conduct that must be observed in the company's activities, indicating the rules and principles of conduct to be followed for each category of Addressee.

4.1. Principles and Rules of Conduct for Members of Company Bodies

Because of their fundamental role, members of company bodies, even if they are not employees of the company, are required to comply with the provisions of the Model and the Code of Ethics that form part of it.

In particular, in carrying out their activities, they must behave autonomously, independently, and fairly in relations with any interlocutor, whether public or private.

Similarly, they must behave responsibly and loyally towards the company and refrain from acts in the presence of a conflict of interest. Moreover, they must make confidential use of the information that comes to their knowledge because of their office.

4.2. Principles and Rules of Conduct for Personnel

Personnel must base their conduct, both in their internal relations and those with the company's external parties, on the regulations in force, the principles expressed in the Code of Ethics and the rules of conduct expressly indicated, in compliance with the Model and the company procedures in force.

As a general rule, the staff of ALPE-ADRIA TEXTIL SRL must avoid committing, causing, or collaborating in the commission of any conduct capable, even potentially, of fostering any of the offences referred to in the Decree, as well as collaborating with the Supervisory Body during the

verification and supervisory activities carried out by the latter, providing the information, data, and news requested by it.

The transmission to the SB of the communications indicated therein is also required, among which reporting any violations of the Model and/or the Code of Ethics is of particular importance.

The section on Personnel also illustrates the rules and principles of conduct established regarding particular issues and specific sectors of corporate life, the salient features of which are set out below.

4.3. Conflict of interest

Personnel must avoid carrying out or facilitating transactions involving an actual or potential conflict of interest with the company, as well as activities that may interfere with their ability to make impartial decisions in the company's best interests and in full compliance with the rules of this Code.

In particular, Personnel must not have financial interests in a supplier, competitor, or customer, and may not perform work activities that may lead to a conflict of interest.

If they find themselves in a conflict of interest, even if only potential, Personnel must communicate this circumstance to their hierarchical superior and refrain from carrying out any operation.

4.4. Relations with Public Authorities

All relations with persons qualifying as Public Officials or Persons in Charge of a Public Service and, in any case, all relations with "politically exposed persons" or their relatives or "persons closely related" to them, as defined by LD 231/2007, must be conducted in full compliance with the laws and regulations in force, as well as with the Model and the Code of Ethics, to ensure the legitimacy, transparency, and integrity of the company's operations.

To the Personnel of ALPE-ADRIA TEXTIL SRL is forbidden to accept, offer or promise, even indirectly, money, gifts, goods, services, benefits or favours (also in terms of employment opportunities or by means of activities, also commercial, directly or indirectly ascribable to the employee) in connection with relations with Public Officials, Persons in Charge of a Public Service or with "politically exposed persons" or with their relatives or with "persons closely related" to them, as defined by the LD 231/2007, to influence their decisions, with a view to more favourable treatment or undue benefits or for any other purpose, including the performance of acts of their office.

Gifts and acts of courtesy towards Public Officials, Persons in Charge of a Public Service or public employees are only permitted when, being of modest value, they in no way compromise the integrity and independence of the parties and cannot be interpreted as a means of obtaining improper advantages.

In the event of investigations, inspections, or requests by public authorities, the Personnel are required to provide due cooperation.

4.5. Relations with customers and suppliers

The Personnel of ALPE-ADRIA TEXTIL SRL shall base their relations with customers and suppliers on the utmost fairness and transparency, taking into primary consideration the provisions of the law governing the performance of the activity as well as the specific ethical principles on which the company's activity is based.

4.6. Congresses, conventions, and meetings

The rules and principles relating to conferences, congresses, courses, meetings, visits to the company's premises, and sponsorships have, as their primary purpose, the aim of ensuring the absolute legitimacy of the company's actions and the utmost transparency in its relations with its customers and suppliers, as well as with external parties.

4.7. Participation in tenders

With regard to tenders in which the company participates, it is mandatory to act in accordance with the principles of fairness, transparency, and good faith.

To this end, the Board of Directors of ALPE-ADRIA TEXTIL SRL shall:

- assess, at the tender examination stage, the appropriateness and executability of the services required;
- provide all data, information, and news requested during the selection of participants and instrumental to the awarding of the tender;
- in the case of public tenders, maintain clear and correct relations with the public officials in charge, avoiding any behaviour likely to compromise the freedom of judgment of the competent officials.
- In addition, in the event of the tender being awarded, relations with the contracting authority must:
 - o ensure the conduct of negotiation and business relations in a clear and correct manner;
 - o ensure the diligent fulfilment of contractual obligations.

4.8. Compulsory updating

When carrying out activities on behalf of ALPE-ADRIA TEXTIL SRL, employees must maintain a high degree of professionalism at all times.

In addition, all employees are required to keep up to date in relation to their specific field of competence.

4.9. Confidentiality

The personnel of ALPE-ADRIA TEXTIL SRL shall treat with absolute confidentiality, even after the termination of employment, any data, news, and information they come into possession of in the course of their functions, avoiding their dissemination or use for their own or third parties' speculative purposes. Information of a confidential nature may only be disclosed within the company to those who have a real need to know it for business reasons.

4.10. Diligence in the use of company assets

The employees of ALPE-ADRIA TEXTIL SRL shall protect and guard the values and assets of the company entrusted to them and contribute to the protection of the company's assets in general, avoiding situations that may negatively affect the integrity and safety of such assets.

In any case, workers must avoid using resources, goods, or materials belonging to the company for their own benefit or for improper purposes.

4.11. Financial statements and other company documents

ALPE-ADRIA TEXTIL SRL pays particular attention to preparing its financial statements and other corporate documents.

In this regard, it guarantees:

- adequate cooperation with the corporate functions responsible for the preparation of corporate documents;
- the completeness, clarity and accuracy of the data and information provided;
- compliance with the principles of drafting accounting documents.

4.12. Occupational Health and Safety and the Environment

ALPE-ADRIA TEXTIL SRL places among its primary values policies for the safety of workers and the protection of the environment. The aim is to minimise the risk of operational accidents and occupational injuries.

In any case, workers must comply with the provisions of LD 81/2008 and Consolidating Act 152/2006. Each employee is obliged to inform the Employer, the Manager, or the Person in charge without delay of any anomalies and irregularities encountered in the field of safety and hygiene at work.

4.13. Combating money laundering, self-laundering and stolen goods handling

To ensure the transparency and fairness of business transactions, Personnel shall adopt the appropriate instruments and precautions. In particular, the company requires to:

- draw up in writing, with an indication of the contents and the agreed economic conditions, the assignments given to any service companies and/or natural persons who look after the company's economic/financial interests;
- ensure, by the competent functions, the control of the regularity of payments to all counterparties, as well as to verify the coincidence between the person to whom the order is addressed and the person who collects the relevant sums;
- diligently comply with the minimum requirements set and required for the selection of the parties bidding for the goods and/or services that the company intends to purchase;
- set the criteria for evaluating offers on the basis of the commercial and professional reliability of suppliers and partners and to request and obtain all necessary information;
- ensure maximum transparency when concluding investment agreements.

4.14. Use of IT systems

When carrying out their professional activities, employees are required to use computer or telematic tools and services in full compliance with the relevant regulations in force (and in particular with regard to computer crimes, computer security, privacy, and copyright) as well as with internal procedures.

Workers are prohibited from loading borrowed or unauthorised software onto company systems and from making unauthorised copies of licensed programs for personal, corporate, or third-party use. Computers and computer tools made available by the company must be used solely for corporate purposes; consequently, the company reserves the right to check that the contents of computers and the correct use of computer tools comply with corporate procedures.

Workers are also forbidden to send threatening and insulting email messages and use linguistic expressions that do not conform to the company's style or, in any case, inappropriate language.

4.15. Bribery between private individuals

Workers are prohibited from instigating, promising, giving, offering money or other benefits, direct or indirect, of any kind whatsoever to a private party (suppliers, customers, agencies, business partners, consultants, etc.) for the purpose of performing (or even omitting) an act of their office, in breach of their professional and loyalty obligations, to receive an advantage of any kind whatsoever for the company and/or themselves and/or third parties; this is irrespective of whether the act is subsequently performed.

Likewise, it is forbidden to accept money or other benefits, whether financial or of any other nature, for the company, oneself, and/or third parties if such conduct is intended to influence the performance of an act of one's office.

Gifts of modest value may be given/accepted, provided they comply with legal provisions and company procedures, and only where the conduct is not intended to influence the recipient.

5. PRINCIPLES AND RULES OF CONDUCT FOR THIRD ADDRESSEES

The Code of Ethics also applies to Third Addressees, i.e. persons external to the company, who operate, directly or indirectly, to achieve the latter's objectives (by way of example but not limited to, collaborators in any capacity, consultants, suppliers, business partners).

These subjects are obliged to comply with the provisions of this Code of Ethics within the limits of their respective competencies and responsibilities. This Code of Ethics is an integral part of the Management and Control Model drawn up pursuant to LD 231/01.

To this end, contract templates/letters of assignment and/or negotiation agreements are to include special clauses differentiated according to whether the third party acts in the name of and/or on behalf of ALPE-ADRIA TEXTIL SRL. (e.g., collaborators, etc.) concerning cases in which the third party does not act in the name and/or on behalf of the company (e.g., suppliers of goods and/or services), as better detailed in the Disciplinary System.

Without the aforementioned clauses being signed, the Company shall not conclude and/or continue any relationship with the third party.

6. COMPULSORY REPORTING TO THE SUPERVISORY BOARD

The addressees of the Code of Ethics must fulfil precise information obligations towards the SB, with particular reference to possible violations of laws or regulations, the Model, the Code of Ethics, internal procedures, and in accordance with the procedure laid down for the application of LD 24/2023, i.e. the reports referable to the application of whistleblowing regulations.

Communications to the SB may be made either by email or in writing.

In any case, the SB shall ensure that the person making the report, if identified or identifiable, is not subjected to retaliation, discrimination or, in any case, penalisation, thus ensuring his or her confidentiality (unless otherwise provided for by law).

7. MODALITIES FOR IMPLEMENTING AND MONITORING COMPLIANCE WITH THE CODE OF ETHICS

Control over the implementation of and compliance with the Model and the Code of Ethics, in relation to the principles and rules relating to the risk and instrumental areas set out in the Special Sections, is entrusted to the SB, which is also required, among other things, to:

- monitor compliance with the Model and the Code of Ethics in relation to the principles and rules relating to the risk and instrumental areas set out in the Special Sections of the Model to reduce the danger of the offences provided for in the Decree being committed;
- formulate its observations on ethical issues that may arise in the context of corporate decisions, as well as on alleged violations of the Model or the Code of Ethics, in relation to the principles and rules relating to the areas at risk and instrumental as set out in the Special Sections, of which it becomes aware;
- provide interested parties with all the clarifications and explanations also requested with reference to specific conduct or the correct interpretation of the provisions of the Model or the Code of Ethics in relation to the principles and rules relating to the risk and instrumental areas referred to in the Special Sections;
- monitor the updating of the Model and the Code of Ethics in relation to the principles and rules relating to the risk and instrumental areas referred to in the Special Sections, also through its own proposals for adjustment and/or updating;
- promote and monitor the company's implementation of communication and training activities on the Model and, in particular, on the Code of Ethics;
- report to the competent company bodies any violations of the Model or the Code of Ethics in relation to the principles and rules relating to the risk and instrumental areas set out in the Special Sections; verify the effectiveness of any sanctions imposed in the event of reported significant violations of the Model and/or the Code of Ethics.

Upon receiving the report of the violation, the Board of Directors (as indicated in the Disciplinary System) shall decide on the possible adoption and/or amendment of the sanctions, activating the corporate functions responsible from time to time for their actual application.

In any case, the stages of notification of the violation, as well as those of determining and applying the sanctions, are carried out in compliance with the laws and regulations in force, as well as with the provisions of collective bargaining and company regulations, where existing and applicable.