

(Translation from the Italian original which remains the definitive version)

# **OROFIN S.P.A.**

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## **ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL AS PER LEGISLATIVE DECREE NO. 231/2001**

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### **ANNEX 1 – CODE OF CONDUCT**

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*Adopted by the Board of Directors on 11st June 2019*

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## 1 INTRODUCTION

The “**Code of Conduct**” (the “Code”), on the one hand, sets out the general principles to which the Addressees (as defined later on) shall adhere to in their relations with Orofin S.p.A. or other Esselunga Group companies and, on the other, establishes specific behavioural rules that are binding for the Addressees, above and beyond legislation and regardless thereof.

The guiding principle of Orofin and Esselunga Group is observing the law and ruling regulations. This Code is an essential part of the preventive control system adopted by Orofin and Esselunga Group companies in order to prevent crimes that could be committed in performing their activities, specifically the predicate crimes set out in Legislative decree no. 231/2001, related to the administrative responsibility of legal persons (the “Decree”).

## 2 ADDRESSEES OF THE CODE

The Code is binding and applies to directors and members of other company bodies of Orofin, wherever they may operate and to directors and employees of the Esselunga Group, in addition to contractors and external consultants who work in the name and/or on behalf of Orofin or Esselunga Group companies, regardless of the legal qualification of their relationship with the Companies, suppliers and anyone else who does business or has relations with the mentioned Companies (the “Addressees”).

Orofin and the Esselunga Group will distribute this Code to the Addressees identified above, requesting their commitment to respecting and implementing the principles set out therein. The Group also undertakes not to enter into or continue any relations with Addressees who show that they do not agree with the content and spirit of this Code.

## 3 APPLICATION OF THE CODE

Complying with the rules of this Code is a vital component in relations with the Addressees. They are also obliged to comply therewith under the specific contractual clauses. Non-compliance with the Code could constitute non-fulfilment of contractual obligations with the Addressee and could lead to the termination of the contract on grounds attributable to their conduct, without prejudice to the Company’s and Esselunga Group’s right in such case to compensation for any damage incurred due to such non-fulfilment.

## 4 BASIC ETHICAL PRINCIPLES UNDERLYING ESSELUNGA GROUP ACTIVITIES

The Addressees are obliged to behave in compliance with the basic ethical principles that underlie all activities of Orofin and Esselunga Group, i.e., diligence, honesty, transparency, expertise, compliance with the law, good faith, maximum fairness and integrity.

In pursuing its goals, Orofin and the Esselunga Group abide by the following general principles:

- as active and responsible parts of the communities where they operate, they undertake to comply with, and make others comply with the ruling laws in the countries where they operate in addition to generally-accepted correct business practices: transparency, fairness and loyalty;
- they refrain from and condemn resorting to illegal or incorrect behaviour (towards the community, the public authorities, customers, workers and competitors) to reach financial goals; achieving such goals shall be exclusively due to the Group's excellent performance in terms of quality and affordability of its products and services, based on professionalism, experience, customer care and innovation.

## **5 GENERAL OBLIGATIONS OF THE ADDRESSEES OF THE CODE**

In any business relationship and especially when their actions are referable to Orofin and Esselunga Group and can have an effect on the Group, the Addressees of the Code are obliged to behave correctly, impartially, loyally and transparently, and to be aware of and act in compliance with the laws and ruling regulations.

## **6 BEHAVIOUR IN BUSINESS AND RELATIONS WITH THIRD PARTIES**

In carrying out any kind of activity, the Addressees shall always avoid situations where the parties involved in the transactions (including consultants and third parties engaged by the Esselunga Group) have, or could have, a conflict of interest with the Esselunga Group. Conflicts of interest can include, but are not limited to, the following:

- personal economic and financial ties to Orofin or Esselunga Group suppliers or competitors;
- performing work (not related to engagements assigned by Orofin or another Esselunga Group company) of any kind for Orofin and Esselunga Group suppliers or competitors;
- accepting money or favours from people or companies that carry out, or intend to carry out, business with Orofin and the Esselunga Group.

Anyone who finds themselves with a conflict of interest is obliged to immediately inform the Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors, or for companies of Esselunga Group, to the relevant department manager.

In relations with suppliers of goods and services, it is necessary to:

- check in advance all information available about every possible supplier (including financial data and information related to their reputation) and avoid starting or

having business relations with suppliers with known or suspected involvement in illegal activities;

- choose suppliers on the basis of objective criteria, such as the price and quality of the goods and services offered and the competence and efficiency of the company.

Furthermore, the Addressees shall act honestly in managing money, credit cards, valuables, goods or other benefits received from third parties. Every anomaly - including requests from third parties that are not part of customary business practice - or suspected irregularity shall be promptly communicated to the Chairman of the Board of Directors or, for Esselunga Group employees, to their own superior. In relations with suppliers, customers and third parties in general, it is forbidden to offer or promise money or other benefits, in any shape or form, to promote or favour the interests of the Company and/or to obtain undue advantages (by means of example but not limited to, obtaining confidential information, discounted supplies, false statements and/or certifications, etc.).

In relations with competitors or third parties in general, it is also forbidden to commit acts in breach of the principles of loyalty, fairness, transparency and legality, in order to promote or favour the interests of the Group and/or obtain undue advantages.

## **7 RELATIONS WITH THE MARKET**

Each transaction on the market should be fully transparent, supplying all the information needed so that investors can make informed decisions.

Communications to the market are, therefore, characterized by complying with regulations as well as by a clear, complete and correct language, even to prevent the commission of market abuses (insider trading and market manipulation).

Privileged information can only be disclosed by specific appointed persons, in accordance with procedures adopted by the Company. Esselunga Group adopts any appropriate measure to protect privileged information, in such a way as to prevent the access or handling of such information by any unauthorized persons or otherwise in any undue manner.

All Recipients are required, while performing the tasks entrusted to them, to properly manage privileged information such as to know and comply with company procedures referring to market abuse. For this reason, Recipients shall adopt careful and responsible behavior managing confidential business information, with particular attention to those that may cause a significant change in the price of listed or unlisted financial instruments or may provide false and misleading information regarding them.

Recipients are expressly forbidden to:

- purchase, sale or carry out other transactions on financial instruments directly or indirectly, on their own or on behalf of third parties, by using privileged information;

- recommend or encourage others to carry out the said operations, on the basis of privileged information;
- disclose privileged information outside their normal work activities.

## 8 RELATIONS WITH PUBLIC ADMINISTRATION

It is necessary to avoid any kind of behaviour that could apply illicit pressure or, in any case, improperly influence the activities and independence of judgement and decisions of third parties, as well as any kind of conduct aimed at acquiring preferential treatment in carrying out any kind of activity that can be linked to Orofin or the Esselunga Group with the purpose of obtaining an advantage or interest for the Companies mentioned, or that, in any case, pursues goals prohibited by the law or this Code.

Certain types of conduct accepted in customary business practice could be considered unacceptable and even in violation of legislation or regulations if they involve the state, public administration or public bodies (in general, the “PA”), and therefore with managers, officials or employees of the PA, or with parties who hold the same positions in other countries (in general, the “PA officials”), including through intermediaries or trustees.

It is not permitted to offer, directly or indirectly, money, gifts or rewards to PA officials or to their relations, either Italian or in other countries, unless in cases of business courtesy or gifts of a moderate value and, in any case, in compliance with the law. It is not permitted to offer or accept any object, service, supply or favour of value in order to obtain a more preferential treatment with regard to any relations held with the PA. Gifts offered or received, which are not part of normal customs, must be suitably documented. Specifically, during business negotiations, requests or trading relations with the PA, the following actions shall not be carried out, even indirectly:

- proposing work and/or business opportunities that could personally benefit PA employees;
- requesting or obtaining confidential information that could compromise the integrity or reputation of one or both parties.

When participating in public bids for tender and, in general, in all relations with the PA, judicial authorities or supervisory authorities, it is always necessary to operate in compliance with the law and the correct business practice and to act in a collaborative manner in order to avoid hampering or delaying the performance of relevant functions, including in cases of any inspections and investigations. It is also necessary to submit the due communications and any documents required by such authorities in the most complete, truthful and timely manner possible.

Any public funding, grants or favourable loans received shall always be used in compliance with the purposes for which they were granted.

These principles and directives also apply to any consultants and third parties Orofin and the Esselunga Group avail of in their relations with the PA.

## **9 ACCOUNTING AND DOCUMENTATION**

All operations and transactions carried out or put in place to the benefit of Orofin and the Esselunga Group or in their interest, including through other parties, shall be:

- distinguished by the utmost fairness from the point of view of the management, completeness and transparency of information, legitimacy with regard to form and substance and the clarity and truthfulness in disclosures in accordance with ruling legislation; specifically, financial statements, reports and other company communications provided for by the law shall be clear and shall correctly, completely and truthfully present the financial position and results of operations of Orofin and the Esselunga Group companies;
- authorised, verifiable, coherent and consistent;
- managed in a manner that ensures a suitable level of segregation of duties; therefore, every process shall be carried out with the joint support of various company departments;
- correctly recorded and supported by adequate documentation; all internal documentation shall be kept accurately, completely and in a timely manner, so that any checks that may be required can be carried out at any time in relation to operations and transactions.

## **10 FUNCTIONING OF COMPANY BODIES**

The company bodies shall comply with the principles of legality, fairness and transparency in performing their duties.

## **11 SAFEGUARDING THE INDUSTRY, BUSINESS, AND INDUSTRIAL AND INTELLECTUAL PROPERTY RIGHTS**

Orofin and the Esselunga Group undertake to safeguard their own industrial property rights (trademarks, patents, distinctive marks, industrial models, intellectual property, etc.) and intellectual property rights, along with those of others.

## **12 ACCESS, USE AND CONFIDENTIALITY OF DATA, INFORMATION, DOCUMENTS AND SYSTEMS**

The Addressees shall respect the confidentiality, integrity and truthfulness, in form and content, of every and any piece of data, information, document and system, both IT and other, public or private, to whomever it may belong. Therefore, in accessing and using such data, information, documents and systems, the Addressees shall strictly follow any instructions received in any form, including tacitly or implicitly, from the owner of the related rights.

The Addressees shall also refrain from disclosing any confidential news or information related to company activities or using it for their own benefit or the profit of third parties.

### **13 RESPECTING PEOPLE AND THEIR BASIC RIGHTS**

Orofin, the Esselunga Group and the Addressees undertake to respect basic human rights and the dignity of all people. Specifically, they undertake to prevent any form of exploitation of minors or situations of necessity, physical or psychological disability of workers, forced labour or conditions of slavery or servitude.

The Esselunga Group shall refrain from employing non-national workers without residency permits or with revoked, cancelled or expired permits that are not under renewal.

The Esselunga Group requires its suppliers, and third parties in general, to respect the above principles.

The Esselunga Group recognises the fundamental role of human resources. It is certain that one of the key success factors for every company is the professional contribution of its personnel in a context of loyalty and mutual trust.

The Esselunga Group monitors occupational health and safety and considers it fundamental to respect the rights of its workers in carrying out business activities. Managing labour relationships is aimed at ensuring equal opportunities and promoting professional growth for everyone.

### **14 SAFEGUARDING THE HEALTH AND SAFETY OF WORKERS AND THE ENVIRONMENT**

As part of its mission, the Esselunga Group aims to respect ethical principles and social responsibility towards the people it works with and the community. It dedicates maximum effort towards ongoing improvement of its performance with regards to the environment and health and safety in the workplace.

To this aim, the Esselunga Group undertakes to spread and reinforce an attitude of safeguarding and respecting the environment, developing awareness of the risks and general impacts of its activities, while promoting responsible behaviour among all its collaborators.

The Esselunga Group adopts a safety and environmental management system, under which it undertakes to:

- operate in compliance with all applicable legal regulations related to safety and the environment, in addition to principles it voluntarily adheres to, in relation to both employees and customers;

- safeguard the health and safety of its employees and people who come to its shops, assessing the risks related to its activities and adopting suitable measures of prevention, protection and control, making sure they are updated periodically;
- consider the environment and sustainable development as strategic factors to be preserved in performing and developing its activities;
- ensure improvement in its performance with regard to safety and the environment, defining suitable performance indicators aimed at achieving company objectives, also considering aspects related to the environment and health and safety in the workplace in every action and decision taken;
- plan, and subsequently implement, its working activities with criteria that are capable of preventing and reducing the impact on the environment and possible injuries, accidents, occupational diseases, adopting the best techniques available that are economically sustainable;
- bring attention to the importance of the involvement and collaboration of all employees in achieving a management system that is efficiently implemented, emphasizing that such responsibility involves everyone, each to the extent of their own abilities and expertise;
- improve internal and external communication processes aimed at boosting the efficiency of the management system, including through ongoing training, information and consultation of managerial personnel, employees and third party companies so that they are in the best condition to carry out the duties assigned to them in utmost safety while respecting the environment;
- periodically re-examine its statements, ensuring the availability of suitable human, instrumental and financial resources required to maintain and improve the management system and improve processes, products and services with regard to safeguarding health and safety and the environment.

The Addressees undertake, to the extent of their duties, to ensure full compliance with this Code, the Model and any other internal regulations set to ensure a safe, secure and sustainable work environment.