

CODE OF ETHICS

Approved by the Board of Directors on 24/06/2021

INDEX

Index..... 2

1. PREAMBLE 3

2. OBJECTIVES 3

3. MISSION AND ETHICAL VISION 3

4. SCOPE OF APPLICATION OF THE CODE OF ETHICS 4

5. GENERAL ETHICAL PRINCIPLES 5

5.1 Legality 5

5.2 Fairness and Integrity 5

5.3 Honesty 5

5.4 Transparency and completeness of information 5

5.5 Confidentiality of information 6

5.6 Value of the person 6

5.6.1 *Child labour* 6

5.6.2 *Forced and compulsory labour* 6

5.6.3 *Health and safety and working conditions* 6

5.6.4 *Freedom of association and the right to collective bargaining* 7

5.6.5 *Discrimination and harassment* 7

5.6.6 *Respect for the dignity of the person* 7

5.6.7 *Personnel management and evaluation* 7

5.6.8 *Formalisation of the employment relationship and remuneration* 7

5.7 Environmental sustainability 7

5.8 Efficiency and Spirit of Service 8

5.9 Name protection 8

6. ETHICAL PRINCIPLES IN CORPORATE GOVERNANCE 8

6.1 Board of Directors 8

6.2 Transparency of company accounts 8

6.3 Internal checks 9

7. ETHICAL PRINCIPLES IN RELATIONS WITH THIRD PARTIES AND THE PUBLIC ADMINISTRATION 9

7.1 Customers 9

7.2 Suppliers 9

7.3 Integrity and independence in dealing with customers and suppliers 10

7.4 Protection of ethical and environmental aspects in supplies 10

7.5 Community 11

7.6 Relations with political and trade union organisations 11

7.7 Relations with non-profit organisations 11

7.8 Relations with the media and diffusion of information 11

7.9 Public Administration 11

8. IMPLEMENTATION OF THE CODE OF ETHICS 12

8.1 Supervisory Board (ODV) 12

8.2 Communication and training 13

8.3 Reporting by interested parties 13

8.4 Violations of the Code of Ethics 13

8.5 Guidelines for the sanctions system 14

9. SANCTIONS SYSTEM 14

9.1 General principles 14

9.2 Disciplinary measures against employees 15

9.3 Measures against employees, business partners and suppliers 17

1. PREAMBLE

Cantine Riondo S.p.A. (hereinafter also referred to as "Cantine Riondo" or "the Company") carries out and manages its business in compliance with the principles and rules of conduct stated in this Code of Ethics and in strict compliance with the national and EU regulations in force.

Cantine Riondo considers the assumption of ethical-social-environmental responsibility in conducting its business and activities to be of the utmost importance. To this end, it encourages and supports the management of the Company in a manner that balances the legitimate interests of its stakeholders and, more generally, of the community in which it operates.

Cantine Riondo considers its stakeholders to be employees, collaborators, partners, directors, shareholders, customers, end consumers, suppliers, trade unions, the public administration, control and certification bodies, commercial partners, the general public and all parties involved, directly or indirectly, in the activities carried out by Cantine Riondo.

The Code of Ethics (hereinafter only the Code) is part of the provisions of Legislative Decree no. 231/2001, as well as of the "Guidelines for the preparation of organisational, management and control systems pursuant to Legislative Decree 231/2001" issued by Confindustria.

In this respect, reference is made to the Organisational System adopted by the Company, of which this Code is an integral part.

The Administrative Body is responsible for adopting, approving, and updating the Code of Ethics, and as regards the latter, for any intervention by the Supervisory Board pursuant to Legislative Decree 231/01.

2. OBJECTIVES

The purpose of this Code is to ensure that Cantine Riondo's ethical values are clearly defined and form the basic element of the company's culture and strategies, as well as the standard of conduct for all employees in all the activities and initiatives promoted.

The Code represents the self-regulatory tool needed to guide decision-making processes and behaviour, in line with the company's ethical principles.

3. MISSION AND ETHICAL VISION

Cantine Riondo's mission is to offer its customers and consumers wines from its own territories, promoting the work in the vineyards of the approximately 2000 members of Collis Veneto Wine Group Scac to which it belongs.

The fundamental principles that guide Cantine Riondo are:

- to produce and place safe, healthy products on the market that comply with the relevant legislation.
- to improve customer satisfaction through the clear identification of customer needs to be transformed into technical, hygienic requirements and precise commercial commitments.
- to fulfil the sales promises made by the sales network.
- to pursue the continuous improvement of processes and products, also through the involvement of suppliers, in order to guarantee full customer satisfaction, cost optimisation, personnel safety and the working environment.

- to invest in long-lasting and sincere relationships with all stakeholders, increasingly sharing ethical principles throughout the supply chain.
- to guarantee the safety of workers by following and updating its system according to the relevant regulations on prevention and protection of workers.
- to spread a sense of teamwork and a culture of safety among staff in order to increase the spirit of collaboration, accountability, professional growth, and the sharing of a common project aimed at preserving the authenticity and legality of the product.
- to promote awareness of environmental issues by participating in sustainability-related projects through the promotion of innovative and eco-sustainable strategies.
- to develop a policy of corporate communication to all those who have dealings with the company such that it reinforces the company's image.
- to promote research and development activities for new products, through a consultancy policy aimed at its customers, in order to diversify the commercial proposal by increasing the added value of the company.

Cantine Riondo Spa is guided by fundamental ethical principles in all its activities and promotes the values of quality of life while respecting the environment and people. For this reason, it has developed and applied a Corporate Social Responsibility System consistent with the SA8000 international standard with which it is certified.

4. SCOPE OF APPLICATION OF THE CODE OF ETHICS

Given that this Code contains all of Cantine Riondo's rights, duties, and responsibilities towards its stakeholders and all those who, directly or indirectly, permanently, or temporarily, establish relationships or relations with it, the following "Addressees" are required to comply with the Code:

- the representatives of the corporate bodies and all the members of the management body, who must ensure that all decisions and actions comply with the Code, spread knowledge of it and encourage its sharing by employees, collaborators and third parties working on behalf of the Company. Moreover, the directors and members of the management team constitute, through their behaviour, a role model for all staff.
- shareholders and employees, who are required to act in compliance with the Code and to report any breaches thereof to the Board of Directors and/or the Supervisory Board.
- suppliers of goods and services, who must be duly informed of the rules of conduct contained in the Code and whose conduct must be consistent with it throughout their contractual relationship with the Company.

5. GENERAL ETHICAL PRINCIPLES

5.1 Legality

The Addressees of this Code are required to strictly comply with the laws and, in general, with the regulations in force. Furthermore, they are required to comply with regulations and company procedures and instructions, as implementation of regulatory obligations.

5.2 Fairness and Integrity

Addressees are required to comply with the ethical, expert, and professional rules that apply to operations carried out on behalf of Cantine Riondo. Furthermore, they are required to comply with company regulations and procedures, as implementation of professional ethical obligations.

In the performance of their duties, all Addressees undertake to respect the rights of any person involved in their working and professional activities; this respect is also to be understood in terms of opportunities, privacy, and decorum.

In the conduct of any and all activities, situations that create arbitrary discrimination against personnel, as well as substantial conflicts of interest between each worker, manager or employee and the Company, must always be avoided.

5.3 Honesty

In carrying out their activities everyone is required to diligently comply with the rules in force, the Code, and internal regulations. Under no circumstances can the pursuit of Cantine Riondo's interest justify dishonest conduct.

It is strictly forbidden for anyone, in the performance of their duties, to give or promise money, gifts or other benefits, or to promise or guarantee advantages. Such conduct is prohibited whether it is carried out solely in one's own interest or in the interest or to the advantage of the Company.

Relationships with stakeholders must be based on fairness, cooperation, loyalty, and mutual respect. For this reason, any form of benefit or gift, whether received or offered, which may be intended to influence the independence of judgement and conduct of the parties involved is refused.

5.4 Transparency and completeness of information

Addressees are required to comply with transparency, understood as clarity, completeness, and relevance of information, avoiding misleading situations in transactions carried out on behalf of Cantine Riondo. They are also required to comply with company regulations, procedures, and instructions, as implementation of the principle of transparency.

Everyone is committed to providing clear, frequent, complete, and accurate information; in this sense, communication is adopted that is easy and immediately understood by the person to whom the information is addressed, in order to allow autonomous and informed decisions.

Furthermore, everyone undertakes to verify in advance that the information communicated externally and internally is clear, truthful, and complete, including in relation to economic, financial, and accounting data and the nature and quality of the product marketed.

Cantine Riondo recognises the fundamental value of providing correct information to shareholders, competent bodies and departments on significant facts relating to the management of the company and its accounts, and in no way justifies actions by its employees which prevent checks by the appropriate bodies or organisations.

5.5 Confidentiality of information

Cantine Riondo ensures and guarantees the confidentiality of the information in its possession, compliance with the legislation on personal data and refrains from seeking confidential data through illegal means.

All information available to the Company is treated with respect for the confidentiality and privacy of the persons concerned.

The Addressees shall ensure the utmost confidentiality of the information they become aware of during their activities on behalf of Cantine Riondo. They are required to process company data and information, or information relating to any stakeholders, exclusively within the scope and for the purposes of their own work activities and, in any case, not to disclose (communicate, disseminate, or publish in any way) sensitive information without the express consent of the parties concerned and confidential information without the authorisation of Cantine Riondo.

5.6 Value of the person

Cantine Riondo encourages the use of human resources with respect and appreciation of individual characteristics, protecting diversity and basing internal relations primarily on dialogue.

5.6.1 Child labour

Cantine Riondo does not use or support the use of child labour in any way.

5.6.2 Forced and compulsory labour

Cantine Riondo does not use or support the use of forced and compulsory labour, nor does it withhold original identity documents or any other document that forces the worker to remain in the company against his or her will. The Company does not require staff to pay "deposits" at the beginning of their employment.

The Company does not withhold any part of a staff member's wages, compensation benefits, property, or documents in order to force them to continue working for the organisation.

When hiring staff, absolutely no fees or costs associated with the hiring itself are charged to the employee.

The employee is free to leave the workplace without any constraints, by giving reasonable notice to the employer. Absolutely no support is given to human trafficking.

5.6.3 Health and safety and working conditions

Cantine Riondo promotes working conditions that protect people's psychological and physical integrity, providing workplaces that comply with current health and safety regulations. The employee or collaborator, however, shall comply with all laws on safety and environmental protection and follow the Company's policies where these impose stricter requirements than the legal standards.

Cantine Riondo promotes the professional growth of its employees, by means of appropriate tools, participation in events and work opportunities, as well as specific training plans.

5.6.4 Freedom of association and the right to collective bargaining

All staff have the right to form and organise trade unions, participate in trade unions of their choice and bargain collectively with the organisation.

The company does not hinder the possibility for workers to join a trade union in any way. In second-level bargaining, the Company requires the participation of trade union representatives from the territory, and they sign it.

5.6.5 Discrimination and harassment

Cantine Riondo does not discriminate in hiring, compensation, access to training, promotion, termination, or retirement on the basis of race, national, territorial, or social origin, caste, birth, religion, disability, gender, sexual orientation, family responsibilities, marital status, union membership, political opinion, age, or any other condition that could give rise to discrimination.

Under no circumstances does Cantine Riondo interfere with the exercise of staff's rights to follow their own political or religious beliefs, family commitments and responsibilities, sexual orientation, needs related to their national or social origin, race, disability, gender, union membership, etc.

5.6.6 Respect for the dignity of the person

Addressees shall respect the dignity and fundamental rights of persons, protecting their moral integrity and guaranteeing equal opportunities.

Discriminatory behaviour based on political and trade union opinions, religion, racial or ethnic origin, nationality, age, sex, sexual orientation, state of health, and generally any intimate characteristic of the human person, is not allowed in internal and external relations.

5.6.7 Personnel management and evaluation

Cantine Riondo rejects any form of discrimination against its employees or collaborators, favouring decision-making and evaluation processes based on commonly shared objective criteria.

Cantine Riondo monitors the working environment in order to prevent physical and verbal abuse and behaviour that is threatening, abusive, exploitative, or sexually coercive for all the company's workers, wherever they work.

5.6.8 Formalisation of the employment relationship and remuneration

Employment relationships are formalised by regular contracts.

Cantine Riondo Spa establishes working relationships regulated by the relevant national CCNL [National Collective Bargaining Agreement] of the sector, refusing any form of irregular work.

The Company is committed to ensuring that salaries and remuneration always meet at least the minimum levels required by law or the relevant collective agreement.

5.7 Environmental sustainability

Cantine Riondo has long linked its development to the concepts of sustainability, protection, and respect for the environment.

It is deeply committed to and respectful of the environment, managing its production activities in a respectful manner and complying with current legislation.

Cantine Riondo promotes virtuous behaviour that improves the environmental impact of the company's processes and products, both locally and globally.

The Company is committed to ensuring that the values of respect for the environment and sustainable development are a constant part of its activities, through continuous improvements to its plants and products, aimed at increasing energy efficiency, adopting medium- to long-term strategies to make Cantine Riondo increasingly sustainable and with less impact on the environment.

5.8 Efficiency and Spirit of Service

Everyone at Cantine Riondo, in the performance of their duties and functions, each for their own tasks, constantly considers the company mission to be their own.

This consideration shall always characterise the conduct of the Company, each director and employee.

5.9 Name protection

Directors, employees, internal and external collaborators must not commit any action that might undermine or compromise the values, image, and good name of Cantine Riondo.

6. ETHICAL PRINCIPLES IN CORPORATE GOVERNANCE

6.1 Board of Directors

The members of the Board of Directors shall be appointed through transparent procedures.

The Board of Directors shall act and decide with full knowledge of the facts. The decisions of the members of the Board of Directors must be autonomous, i.e., based on inner conviction and in pursuit of the Company's interest.

Independence of judgement is a requirement for the decisions of the Board of Directors and, therefore, the members must ensure maximum transparency in the management of operations in which they have a particular interest. In such circumstances, the law, regulations, and company procedures must be respected.

In particular, Board members are individually required to perform their duties with seriousness, professionalism, and presence, thus enabling the Company to derive a mutual benefit from their skills.

6.2 Transparency of company accounts

Cantine Riondo promotes the utmost transparency, reliability and integrity of the information concerning the company's accounts.

Every operation and transaction must be correctly recorded, authorised, verifiable, legitimate, consistent, and appropriate. It must be possible to verify the decision-making, authorisation, and implementation process at any time.

Adequate documentary support is required for each operation in order to be able to carry out checks that attest to the characteristics and reasons for the operation and identify who authorised, performed, recorded, and verified the operation.

Addressees who become aware of omissions, falsifications or negligence are required to report the facts to the Supervisory Board.

6.3 Internal checks

The Company has a system of internal checks that contributes to improving the efficiency and effectiveness of corporate processes, as well as to containing the risks of corporate operations, with respect to which the Addressees must be aware of its existence.

Within the scope of their functions, the Addressees are responsible for the definition, implementation and proper functioning of the controls relating to the operational areas or activities entrusted to them.

7. ETHICAL PRINCIPLES IN RELATIONS WITH THIRD PARTIES AND THE PUBLIC ADMINISTRATION

7.1 Customers

Cantine Riondo pursues its mission through the offer of quality products, at the right market conditions, and in compliance with all the rules protecting fair competition.

Employees, collaborators, and directors are obliged:

- to provide goods and services of a high quality, within the scope of the contractual provisions, in an efficient, courteous, and timely manner, so as to meet the customer's reasonable expectations and needs.
- to provide accurate and comprehensive information about the Company's products, where necessary and in the manner and form provided for by company policies, so that the customer can make informed decisions.
- to meet customers' expectations in terms of honesty, transparency and full compliance with the law and contractual agreements.
- to be truthful in commercial, advertising, or other communications.

7.2 Suppliers

Cantine Riondo recognises that a fair and transparent relationship with suppliers is an important aspect of its success.

Suppliers are chosen by the company according to highly selective criteria, based on verifiable parameters and objectives such as: quality, convenience, price, capacity, efficiency, ethics, compliance with the law and willingness to be involved in continuous improvement and innovation.

In the selection of suppliers, these are key requirements:

- the professionalism of the interlocutor.
- the availability, duly documented, of means, including financial means, organised structures, project capabilities and resources, know-how, etc.
- the existence and effective implementation of quality, safety, environmental and food hygiene management systems.
- the maintenance of safe and environmentally friendly practices.
- conduct that does not adversely affect the image and good name of the Company.

In relationships involving the supply of goods and services, Cantine Riondo:

- shall adopt the evaluation criteria set out in existing procedures in an objective and transparent manner when selecting the supplier.
- does not preclude any person meeting the requirements from competing for contracts, adopting objective and documentable criteria for the selection of candidates.
- complies with the conditions laid down in the contract.
- maintains a sincere and open dialogue with suppliers, and in line with good business practice.
- observes and expects compliance with all the obligations imposed by current legislation on health and safety at work, the environment, the handling/purchase/sale of products intended for human consumption, tax, and social security payments, within the framework of supply and procurement relations.

7.3 Integrity and independence in dealing with customers and suppliers

In business relations with customers and suppliers, donations, benefits (both direct and indirect), gifts, acts of courtesy and/or hospitality are prohibited, unless they are of a nature and value that does not compromise the image of the Company and cannot be interpreted as aimed at obtaining favourable treatment that is not determined by market rules.

In any case, any gifts, acts of courtesy and/or hospitality must follow the Company's internal procedures.

Any sponsorships, donations or charitable donations must be approved through the annual planning process and approved by the President and General Manager.

The entering into of a contract with a supplier and the management of the resulting relationship shall be guided by the principle of clarity, avoiding, as a rule, excessive mutual dependence.

In order to ensure maximum transparency and efficiency of the purchasing process, the Company prepares:

- an appropriate traceability of the choices made.
- the preservation of information as well as official and contractual documents for the periods established by the regulations in force.

7.4 Protection of ethical and environmental aspects in supplies

With a view to standardising the procurement of goods and services in accordance with the relevant ethical and environmental principles, Cantine Riondo may request social and/or environmental requirements from its suppliers, including the following and in particular the presence of:

- a Code of Ethics or the SA8000 Ethical Certification or, in the absence of this, the adherence to the ethical principles of the company.
- data on the health and safety system implemented or compliance with regulatory requirements.
- environmental performance data or compliance with regulatory requirements.

To this end, individual contracts may contain special clauses and adequate checks will be carried out on the declarations and documentation submitted by suppliers.

7.5 Community

Cantine Riondo, aware of its own nature, considers dialogue with stakeholders to be of strategic importance for the proper development of its business and, where possible, establishes a stable channel for dialogue with the associations representing the stakeholders concerned, in order to cooperate in accordance with mutual interests.

7.6 Relations with political and trade union organisations

When making contributions to parties, movements, committees and political and trade union organisations, their representatives, and candidates, Cantine Riondo adopts procedures and forms that are documented, traceable and compliant with current legislation.

Any such contributions are, however, free from any direct or indirect interest in obtaining favourable treatment or benefits, or in disturbing free competition. Under no circumstances may such contributions be made on a reciprocal basis, thus excluding any form of political exchange.

7.7 Relations with non-profit organisations

Cantine Riondo also strives to create value in the local area by supporting social, cultural, and environmental initiatives aimed at promoting and supporting people, improving the quality of life and environmental sustainability.

7.8 Relations with the media and diffusion of information

Relations with the press, communication, and information media and, more generally, with external interlocutors are maintained only by those persons expressly delegated to this function, in compliance with the procedures and policies adopted by the Company.

External communications are based on the principles of truthfulness, fairness, transparency, and prudence, and are aimed at promoting awareness of the Company's policies, programmes, and projects.

Employees, contractors, and directors may not provide information externally, nor undertake to provide it, without the express authorisation of the General Manager.

7.9 Public Administration

Cantine Riondo's dealings with public officials or public service appointees, the judiciary, public supervisory authorities and other independent authorities, as well as with private partners who are concessionaires of a public service, must be undertaken and managed in absolute and strict compliance with the laws and regulations in force, with the principles set out in this Code of Ethics and in the protocols laid down in the 231/01 Organisational System, so as not to compromise the integrity and reputation of either party.

The undertaking of commitments with the Public Administration and Public Institutions is reserved exclusively for the appointed and authorised functions; such commitments shall be performed in due compliance with the rules and principles of the Code of Ethics and in full observance of the internal protocols set out in the 231/01 Organisational System.

Cantine Riondo prohibits employees, collaborators, directors or representatives and, more generally, all those who work in its interest, or in the name of and on behalf of the company, from accepting, promising or offering, even indirectly, money, gifts, goods, undue services or favours (also in terms of employment opportunities) in connection with relations with public officials, persons in charge of a Public Service or employees in general of the Public Administration or other Public Institutions, or private parties, in order to influence their decisions, with a view to more favourable treatment or undue services or for any other purpose.

All relations with the Public Administration shall be exclusively related to forms of communication aimed at explaining the Company's activities or responding to requests or acts of an inspection nature, or even to make known the position of the same on aspects relating to the development of its business.

Accordingly, Cantine Riondo:

- represents its interests and positions in a transparent, rigorous, and consistent manner, avoiding collusive attitudes.
- counteracts and avoids falsification and/or alteration of accounts or documentary data in order to obtain undue advantages or any other benefit.
- performs a thorough check of the data contained in the declarations to public bodies.

In any case, employees, collaborators, and directors undertake to report to the Supervisory Board any news of conduct contrary to the principles set out above of which they become aware, even if carried out by competitors.

8. IMPLEMENTATION OF THE CODE OF ETHICS

Cantine Riondo promotes a culture at all levels characterised by an awareness of the existence of checks and a mentality predisposed to internal or third-party monitoring of company activities and staff behaviour.

The attitude towards checks must be positive, because of the contribution they make to improving management effectiveness and efficiency.

Internal checks mean all the tools necessary or useful to direct, manage and check the company's activities with the aim of ensuring compliance with laws and procedures, protecting the company's assets and the health/safety of its people, efficiently managing activities, and providing accurate and complete accounting and financial data, ensuring the quality and authenticity of the food product.

Responsibility for the effectiveness of the internal auditing system is shared and common to every level of the organisational structure. Consequently, everyone is responsible for the definition and proper functioning of the audit system, within the scope of their functions.

8.1 Supervisory Board (ODV)

A Supervisory Board has been set up and is entrusted with the following tasks regarding the implementation of the Code of Ethics:

- to monitor the application of the Code by the Addressees, through the application of specific compliance programmes, internal audit plans and by receiving any reports provided by internal and external stakeholders.
- to forward to the company management and administrative bodies the request for the application of any sanctions for violations of the Code.
- to report periodically to the Board of Directors on the results of the activities carried out, pointing out any significant violations of the Code.
- to advise on the revision of the most relevant policies and procedures, in order to ensure their consistency with the Code.
- to provide, where necessary, for the proposed periodic review of the Code.

8.2 Communication and training

The Code of Ethics is brought to the attention of all Addressees, both internal and external, by placing it on the company website.

In order to ensure that the Code is correctly understood, Cantine Riondo prepares and implements, also on the basis of any indications from the Supervisory Board, a periodic communication/training plan designed to promote awareness of the principles and ethical standards contained in the Code.

Training initiatives are differentiated according to the role and responsibility of employees.

8.3 Reporting by interested parties

Cantine Riondo shall establish a channel of communication through which interested parties may address their reports on the Code or any violations thereof directly to the Supervisory Board.

Therefore, all interested parties may freely report to the ODV any violation or suspected violation of the Code, through one of the following channels:

- Personal contact with one of the members and possible joint drafting of a document addressed to the Supervisory Board.
- Communication via email to the following mailbox: odv@cantineriondo.com
- Written submissions, including anonymous submissions where appropriate, in a sealed envelope, sent to one of the following addresses:
 - ODV 231 c/o Cantine Riondo S.p.a., Via Cappuccini n. 6 – 37032 Monteforte D’Alpone (VR),
 - Avvocato Lorenzo Pilon, Presidente ODV 231 Cantine Riondo S.p.A., Via G.B. Belzoni n. 112 - 35121 Padova,
 - Dott. Paolo Chignola, Componente ODV 231 Cantine Riondo S.p.A., Viale del Lavoro n. 43 - 37036 San Martino Buon Albergo (VR).

The Supervisory Board shall analyse the report, listening to the author and/or the person responsible for the alleged violation if necessary.

The ODV acts in such a way as to guarantee whistle-blowers against any type of retaliation, understood as an act that may give rise even to the mere suspicion of being a form of discrimination or penalisation.

The identity of the whistle-blower is kept confidential, without prejudice to legal obligations.

8.4 Violations of the Code of Ethics

In the event of an ascertained violation of the Code, the Supervisory Board will report it and request the application of any sanctions to the Administrative Body.

If the violation involves one or more members of the Board of Directors or the Chairman, the Supervisory Board shall report the notification and the proposal for disciplinary sanction directly to the Board of Directors, as a collegial body, and to the Board of Auditors. The active corporate bodies shall make the decisions and approve the consequent measures, including sanctions, in accordance with the legislation in force, ensure their implementation and report on the outcome to the Supervisory Board.

If the Supervisory Board's report is not followed up or, even if it is followed up, the sanction is not imposed, the Management Body must provide adequate reasons to the Supervisory Board itself and to the Board of Auditors.

8.5 Guidelines for the sanctions system

Violation of the principles laid down in the Code of Ethics, in the Disciplinary Code and in the procedures provided for by internal protocols, as per System 231/01, compromises the relationship of trust between the Company and its directors, employees, consultants, collaborators in various capacities, customers, suppliers, commercial and financial partners.

Such violations will therefore be pursued by Cantine Riondo incisively, promptly, and immediately, through the measures provided for in this Code, in the Disciplinary Code and in the 231/01 System, in an appropriate and proportionate manner, regardless of the possible criminal relevance of such conduct and the institution of criminal proceedings in cases where they may constitute a crime.

The effects of violating the Code of Ethics, the Disciplinary Code and the internal protocols referred to in the 231/01 System must be taken seriously by all Addressees. To this end, the Company shall distribute the Code of Ethics, the Disciplinary Code, and the internal protocols of reference for the type of relationship and shall provide information both on the sanctions provided for in the event of violation and on the methods and procedures for imposing them.

9. SANCTIONS SYSTEM

9.1 General principles

Article 6(2)(e) of the Decree establishes that a disciplinary system suitable for sanctioning violations must be introduced because this, commensurate with the type of offence and to be applied in the event of violation of the provisions of the System, makes the supervisory and preventive action entrusted to the Supervisory Board effective and is intended to ensure the effectiveness of the System itself.

The disciplinary system has also been drawn up on the basis of the following principles:

- differentiation based on the Addressees of the System.
- identification of the disciplinary sanctions to be adopted against the addressees in compliance with the provisions laid down in the CCNL and the applicable legislative provisions.
- identification of procedures for ascertaining violations, infringements, evasions, imperfect, or partial applications, as well as a specific procedure for imposing the applicable sanctions, identifying the person responsible for imposing them and, in general, for supervising the observance, application and updating of the disciplinary system.

In particular, the disciplinary system is aimed at:

- all those who hold, even de facto, representative, administrative or managerial positions (including any liquidators) of Riondo or one of its organisational units with financial and managerial autonomy.
- persons subject to the direction or supervision of one of the above-mentioned persons and, in general, to all employees as well as to all those who operate within Riondo in any capacity and at various levels of responsibility, contributing, through their actions, to the performance of the overall business activity, including collaborators, business partners, suppliers.

This disciplinary system is divided into specific sections, each referring to a category of addressees, taking into account the legal status of the different persons.

The Supervisory Board is entrusted with the task of monitoring compliance and the correct application of the disciplinary system and its effectiveness, as well as suggesting to the General Manager of Riondo and to the Board of Directors any updates, amendments and/or implementations it may deem necessary for the better effectiveness of the disciplinary system itself.

The application of disciplinary sanctions is irrespective of the outcome of any criminal proceedings, since the rules of conduct imposed by the System are assumed by the company in full autonomy, irrespective of the criminal offence that such conduct may constitute.

The Supervisory Board may propose the adoption of disciplinary measures to the General Manager of Riondo, commensurate with the extent and seriousness of the violations ascertained.

9.2 Disciplinary measures against employees

Conduct by employees in breach of the individual rules of conduct set out in this System shall constitute disciplinary offences.

The sanctions that can be imposed on employees fall within those provided for in the CCNL applied in the company, in compliance with the procedures provided for in Article 7 of Law no. 300 of 30 May 1970 (the so-called Workers' Statute) and any special regulations applicable.

In particular and depending on the seriousness of the breach, the sanctions imposed may be those provided for in the CCNL for the Food Industry and in the National Labour Contract for Industry Managers.

The sanctions will be imposed, in compliance with the procedures provided for by the applicable CCNL, by the General Manager, on his own initiative or on the proposal of the Supervisory Board.

With regard to the protection of health and safety in the workplace, the application of disciplinary sanctions may be proposed by the RSPP [person in charge for health and safety] and/or the Employer.

The disciplinary measures listed below, which may be imposed on non-managerial staff, are those provided for in the disciplinary apparatus of the CCNL and any amendments and renewals of that contract and shall be adopted taking into account:

- the intentionality of the conduct and the degree of negligence, carelessness, or inexperience with regard also to the foreseeability of the event.
- the worker's overall conduct, with particular regard to whether or not the worker has a disciplinary record to the extent permitted by law.
- the employee's duties.
- the functional position of the persons involved in the facts constituting the failure.
- other special circumstances surrounding the disciplinary violation.

All the provisions of Article 7 of Law 300/1970 in relation to the presentation of disciplinary codes, and in particular the obligation to notify the employee in advance of the charge, also in order to allow the employee to prepare a suitable defence and to provide any justifications, as well as for the purposes of the relevance of recidivism, remain valid and are hereby referred to.

Therefore, the disciplinary measures that may be imposed on the said workers, in compliance with the provisions of article 7 of the Workers' Statute (Law no. 300 of 20 May 1970) and any special applicable regulations, are those provided for by the disciplinary system of the CCNL Food Industry, and specifically:

1. verbal reprimand: this applies in the event of minor non-compliance with the principles and rules of conduct laid down in the Organisational System and/or the Code of Ethics, or in breach of internal procedures or rules.
2. written reprimand: this applies in the event of a repeat offence as referred to in point 1 above.
3. a fine not exceeding the amount in hours provided for by the CCNL in force: this applies in the event of non-compliance with the principles and rules of conduct provided for by the Organizational System and/or the Code of Ethics or, in the event of violation of procedures and internal rules, to an extent that can be considered, even if not minor, not serious, such behaviour being related to negligent non-compliance with the rules and/or procedures and/or directives and instructions given by management or superiors;
4. suspension from pay and service for a maximum of days not exceeding that provided for by the CCNL in force: this applies in the event of non-compliance with the principles and rules of conduct laid down in the Organizational System and/or Code of Ethics or, in the event of violation of internal procedures and rules, to an extent that can be considered serious, even if dependent on recidivism in any disciplinary offence sanctioned with a fine.
5. disciplinary dismissal without notices and with the other conditions of reason and law: this applies in the event of conduct characterised by significant non-compliance with the requirements and/or procedures and/or internal rules established by the Organisational System and/or the Code of Ethics, even if it is only likely to constitute one of the offences or administrative offences sanctioned by the Decree or, in the event of recidivism in any disciplinary offence sanctioned with suspension.

In the event of non-compliance with the principles and rules of conduct provided for by the Organisational System and the Code of Ethics on the part of the managers, or in the event of violation of the procedures and internal rules provided for and/or referred to, or in the event of adoption, within the Sensitive Activities, of a conduct which does not comply with or is not appropriate to the aforementioned requirements, the most appropriate measures will be applied against the managers in accordance with the provisions of the National Labour Contract for Industry Managers. The failure of management to supervise the proper application of the rules and procedures laid down in the Organisational System and the Code of Ethics by hierarchically subordinate workers also constitutes an offence, as does the direct violation of the same, or more generally conduct, in the performance of activities related to their duties, which does not conform to that reasonably expected of a manager, in relation to the role held and the degree of autonomy recognised.

The General Manager must promptly notify the Supervisory Board of any sanction issued, accompanying it with a brief indication of the breach detected, the reasons for the sanction applied and the criteria followed in determining it.

This disciplinary system is constantly monitored by the Supervisory Board and the General Manager. The Organisational System and the Code of Ethics are considered binding for all addressees. Therefore, these documents and their possible subsequent updates are made known by the Company to the addressees by means of an internal circular in accordance with Article 7 of the Workers' Statute, highlighting in particular the sanctions linked to the violations.

9.3 Measures against employees, business partners and suppliers

Any conduct by collaborators, business partners or suppliers that is in contrast with the lines of conduct indicated in this System and that entails the risk of committing an Offence may result, in accordance with the provisions of the specific contractual clauses included in the letters of appointment or in the partnership agreements, in the termination of the contractual relationship, without prejudice to the claim for compensation if such conduct causes damage to Riondo, as in the case of application by the Judge of the measures provided for by the Decree.