



CODE OF ETHICS

**Approved by resolution
of the Board of Directors on July 2, 2021**



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1. INTRODUCTION

Pedon was founded in 1984 with the commitment to propose a model of nutrition that combines well-being, taste, and respect for the environment, a vision rooted in the founding family's culture. Thanks to the knowledge of raw materials it gained over the years and its organizational and technological development, Pedon is recognized as an innovative company offering consumers new product solutions that aspires to introduce legumes, cereals, and seeds into everyday life.

The values which have always guided Pedon – the ability to dream, creativity, tenacity, generosity – are accompanied by the ethical principles of loyalty, transparency, fairness, and integrity in the belief that ethics in business management must be pursued together with its market success.

Its guiding principles and the respective rules of conduct are summarized in this Code of Ethics, which is the set of fundamental guidelines that must inspire our activities and guide the behavior of our employees, collaborators, Directors, and Statutory Auditors for the Company's to operate correctly for reliability, and its image.

This document is provided and disseminated to stakeholders with a view to total transparency and in the spirit of partnership.

2. MISSION

Our mission is embodied in the following commitments:

1. Improve eating habits by raising awareness of the importance of introducing cereals, legumes, and seeds into one's diet with increasing frequency.

- **Education.** Promote, from childhood, the flexitarian culture, i.e., a dietary approach with no dogmatic rules but with a prevalent consumption of plant foods;
- **Smart Innovation.** Make our products increasingly usable through new and relevant service components;

2. Become a promoter of sustainable agriculture and the evolution thereof.



- **Certified Quality.** Ensure the best quality of raw materials employing product and system certifications;

3. Have a positive social and environmental impact to leave a better world to future generations.

- **Environment.** Minimize the environmental impact of business processes, from the origin of the material to the final product, paying particular attention to emissions, energy savings, and the materials used.
- **People.** Improve the well-being of direct and indirect collaborators by creating a stimulating environment that respects all diversity and knows how to enhance everyone's talent.
- **Community.** Promote the community's social and economic development.

3. ADDRESSEES OF THE CODE OF ETHICS

The Addressees of the Code of Ethics (hereafter, also the "**Addressees**") are:

- The Board of Directors;
- The Board of Statutory Auditors / The Independent Auditors;
- employees with a permanent or fixed-term employment contract;
- external collaborators;
- other third parties with whom PEDON maintains contractual relationships in pursuit of the Company's objectives, involving the provision of services, including temporary services, or the performance of activities for and on behalf of the Company, to establish a fiduciary relationship with the latter.

With regard to the Addressees, the Company's - top managers¹ undertake to:

- implement adequate training and awareness programs regarding the contents of the Code;
- ensure the timely dissemination, by delivering a copy of the Code to all personnel, providing proof of prior knowledge, with the corresponding certification of the

¹ This expression refers to the Board of Directors and the Company's Functional Managers.



receipt and the simultaneous commitment to comply with it, including by publishing it on the company website and intranet;

- periodically verify compliance with and observance of the Code;
- ensure the periodic review and updating thereof to adapt the Code to any changes in PEDON's organizational or management structure, to the evolution of civil sensitivity, and environmental and regulatory conditions;
- to adopt suitable prevention tools, the implementation of appropriate sanctioning measures, and the timely application thereof in case of proven violation of the Code.

Finally, Company employees – being that the Code of Ethics is an essential part of the employment relationship – undertake to act and behave in line with this document, to report any violations as soon as they learn of them, to cooperate in compliance with the internal procedures, and be prepared to implement the Code.

4. GENERAL PRINCIPLES

Lawfulness

In carrying out its activities, PEDON acts in compliance with the laws and regulations in force in the territories in which it operates, the Code of Ethics, and internal company regulations.

Confidentiality

The Company's collaborators undertake to treat any information acquired in carrying out their work as confidential and, therefore, not to disclose it, except within the limits of use of such information to perform their activity. PEDON also requires that the information obtained not be used for one's own interests to draw undue advantage therefrom in ways contrary to the law or harm the Company's rights, assets, and objectives.

Safety, occupational health, and working conditions

PEDON undertakes to act scrupulously in compliance with current regulations on safety and industrial hygiene and encourage the enforcement thereof within the Company; it also undertakes to disseminate and consolidate the culture of safety, developing greater awareness of risks and promoting responsible conduct by all employees.

The Company constantly monitors its premises and the respective installations it owns or rents or has at its disposal in any capacity whatsoever, even above and beyond its legal



obligations, and prevent risks considered imminent, to guarantee the highest possible safety and industrial hygiene levels.

PEDON's collaborators shall guarantee the utmost cooperation and accessibility vis-à-vis the Prevention and Protection Service Manager (RSPP) and anyone who conducts inspections and audits on behalf of any competent public body.

Should the Company's collaborators encounter any discrepancies or irregularities in such matters, they shall immediately inform the employer or, if envisaged, the employer delegated pursuant to Article 16 of Italian Legislative Decree no. 81/2008, as well as the RSPP.

Social responsibility

The Company is committed to socially responsible procurement practices in observance of the law and based on conduct generally deemed as ethical.

Environmental protection and sustainable development

PEDON pursues its objectives, always taking due account of the environmental impact entailed in any strategic choice.

The Company undertakes to comply with current regulations, apply the best available technologies, promote and plan the development of its activities aimed at optimizing the use of natural resources, preserving the environment, including for future generations, and supporting initiatives for widespread environmental protection.

PEDON's commitment and attention to environmental matters are expressed through:

- reducing energy consumption via the rational and increasingly efficient use of energy;
- reducing water consumption;
- reducing all forms of waste of resources by prioritizing prevention and recovery actions;
- continuously interacting with the territory aimed at achieving more significant synergies in the energy and environmental sector;
- environmental awareness and training activities for the Company's employees.

Individual work and teamwork



Work must be organized based on relationships of trust and collaboration, with due respect for company directives and relationships among colleagues. Group work shall be promoted and encouraged. However, personal interests must not take precedence over company goals.

Honesty and fairness

PEDON establishes relationships with stakeholders in compliance with the rules of fairness, loyalty, collaboration, and mutual respect. Under no circumstances may the pursuit of the Company's interest justify dishonest conduct. The Company's collaborators must not accept gratuities, gifts, and benefits or be influenced by any kind of pressure that directs their behavior towards outside interests.

Transparency

The Company's collaborators are required to provide transparent, accurate, complete, and comprehensible information so that, in setting up relations with PEDON, stakeholders² can make autonomous and informed decisions about the interests concerned, alternatives, and the relevant consequences. In particular, in preparing any contracts, PEDON shall take care to specify to the contracting party clearly and understandably the conduct to be maintained under all circumstances.

Respect for human dignity and equal opportunity

The Company respects the fundamental rights of individuals by protecting their moral integrity and guaranteeing equal opportunities.

In internal and external relations, discriminatory conduct based on race, religious belief, age, state of health, political and trade union opinions, nationality, sexual orientation, and any personal characteristic of the human person is not allowed.

PEDON believes that diversity is an opportunity for innovation and development through dialogue and the exchange of ideas, opinions, and experiences.

PEDON also provides working conditions that respect the behavioral conventions of good manners. It also takes action to ensure that intimidation, bullying, stalking, or mobbing does not occur in the work environment.

²"Stakeholders" signifies all parties (persons, organizations, groups of people) who have an interest - of any kind - in the Company.



5. CRITERIA OF CONDUCT

5.1 CRITERIA OF CONDUCT IN RELATIONS WITH SHAREHOLDERS AND FOR ACCOUNTING MATTERS

Interviews

If any person outside the Company should ask, directly or indirectly or through other persons, questions regarding PEDON, it is advisable to refrain from answering them unless you are authorized to do so. Interviews requested of the Company must be approved by the Board of Directors, or by a specially delegated person, before being communicated externally. Strict compliance with these provisions is essential, being that an inappropriate or inaccurate response or denial or disavowal of information could have adverse effects on the Company.

Anti-money laundering

PEDON ensures its economic and financial activity does not become an instrument to encourage, even potentially, illegal activities and criminal and terrorist organizations.

The Company continually enforces national and international anti-money laundering regulations, therefore endeavoring to verify with the utmost diligence the information available regarding commercial counterparties, suppliers, partners, and consultants, to ascertain the respectability thereof and the legitimacy of their activity before establishing business relationships therewith.

PEDON also verifies that the transactions to which it is a party do not present, even if only potentially, the risk of facilitating the receipt, replacement, or use of money or assets deriving from criminal activities.

The respectability of counterparties

Before establishing business relationships or entering into agreements with non-occasional suppliers, the Addressees must ensure that the latter enjoy a reputable reputation, are engaged only in lawful activities and are inspired by ethical principles comparable to those of PEDON.

The transparency of accounting records



Accounting transparency is based on the accuracy, truth, and completeness of the background information for the relevant accounting records. Each member of a corporate body of management or each employee must collaborate within the scope of their responsibilities so that the operational transactions are reported correctly and promptly in the accounting records.

Every operation or transaction shall be authorized, verifiable, lawful, consistent and reasonable, and be correctly and promptly identified and recorded in the Company's accounting system based on the criteria set forth by the law and based on applicable accounting standards.

It is forbidden to engage in behavior that could compromise the transparency and traceability of the financial statement disclosures.

Appropriate corroborating documentation of the activity carried out is kept on file for each transaction to allow:

- easy and timely record keeping;
- the prompt determination of its underlying characteristics and motivations;
- the identification of the different levels of responsibility and the division and segregation of duties;
- the accurate reconstruction of the transaction, including to reduce the probability of errors, whether material or interpretative.

Employees and collaborators – the latter to the extent they are commissioned to do so – who become aware of omissions, falsifications, or neglect in the accounting or documentation on which the accounting records are based, are required to communicate the facts to the next higher body or to the body to which they belong.

If the report fails to produce results, or if the employee or collaborator feels uncomfortable contacting their direct superior to make the report, the employee or collaborator reports it to the Supervisory Body (hereafter, also "**SB**").

Consultants shall file the report directly to the SB.

Financial reports (understood as income and equity statements and communications)



PEDON is responsible for complying with all regulations regarding the drafting of financial reports. All Addressees involved in drafting financial statements must operate in such a way that no untruthfulness occurs that could distort the correct representation of reality in the context of the Company's financial relations to ensure high quality in the disclosure of financial information, any untruthful conduct by the Addressees engaged in preparing the Company's financial reports, any real or apparent conflict of interest involving said persons, and any non-compliance with ethical rules applicable to such personnel, must be reported to the Supervisory Body, or one's superior.

Internal controls

At all levels, the Company promotes the adoption of a mindset oriented towards sound economic criteria.

A positive attitude towards controls contributes significantly to improving corporate efficiency.

Internal controls signify all the instruments PEDON has adopted to guide, manage and verify the Company's activities to ensure compliance with the laws and company procedures, protect corporate assets, efficiently managing activities, and providing accurate and complete accounting and financial data.

Each level of the organizational structure is tasked with contributing to the realization of an effective and efficient internal control system. For this reason, therefore, all employees, within the scope of the functions performed and their respective duties, are responsible for the proper functioning of the internal control system. PEDON provides the corporate bodies with authority to conduct controls and the SB free access to the data, documentation, and information useful for them to carry out their activity.

The Addressees are required to collaborate to their utmost with those having the authority to conduct controls; activities that hinder the control function carried out by institutional control bodies are prohibited.

The accuracy and retention of company documentation

Each Addressee must document and report all information relating to company management truthfully and accurately. This rule applies, *inter alia*, to information concerning recruitment applications and information concerning time-worked reports, entertainment expenses, production data, sales and commercial and/or marketing activities. The falsification or alteration of said documents, or the conscious approval of false documentation, entails major liability for the person(s) concerned.



The company documentation must accurately reflect the management of PEDON's transactions and be drafted following the criteria established by law and applicable and generally accepted accounting principles. It is forbidden to deliberately hide or conceal the true nature of any business transaction recorded in the accounting books and/or omit to report it; the likewise applies to any other Company documentation able to influence the presentation of the Company's financial situation.

In want of appropriate corroborating documentation and formal authorization, no employee or collaborator may effect payments in the interest and on behalf of the Company.

It is strictly forbidden to set up and/or hold hidden funds and reserves.

PEDON promotes the start of training and updating programs to inform the Addressees regarding the rules (including provisions of the law regarding the retention of documents and mandatory books, regulations, internal requirements, and trade-association regulations) that govern the formation and management of accounting documentation.

Addressees must ensure that Company information is used appropriately.

Documents that are no longer need to be retained under the Company's retention rules must be destroyed or permanently disposed of.

Addressees must contact their superiors or the SB regarding the documentation-retention practices for their sector.

The persons indicated above must be contacted immediately should one become aware of or receive communication of the existence of a notification of indictment.

All documents that may relate to the notification of indictment or other documents notified during or subsequent to the course of the investigation must be retained without considering the rules relating to the retention of documentation. Any question regarding a document's relevance to a pending or concluded criminal proceeding must be addressed to the people indicated above.

5.2 CRITERIA OF CONDUCT IN RELATIONS BETWEEN EMPLOYEES AND THE COMPANY

Confidential information



In fulfilling their obligations to PEDON, all Addressees must safeguard the Company's confidential information and use it only within and in the Company's sole interest. The term "**confidential information**" indicates information relating to the PEDON'S current or planned activities which have not been rendered public and which, if used or rendered public without prior authorization, might bring economic benefits to third parties with unjust harm to the Company.

Confidential information may consist of but is not limited to trade secrets and know-how, inventions, marketing or sales programs and strategies, customer and supplier information, pricing and purchasing strategies, financial data, manufacturing processes and techniques, computer software, data, formulas, compositions, techniques, service, and new product protocols. Confidential information is also to be considered that information originating from third parties and entrusted to the Company.

All confidential information is the property of PEDON (and/or those granting the use of intellectual property) and must not be used except in pursuit of the social interest.

In particular, Addressees who possess or have access to confidential information must:

- avoid disclosing such information to people outside the Company. For this reason, they must refrain from discussing said topics with family members and with people with whom they engage in business or social relations, in public places, including taxis, elevators, and restaurants;
- refrain from using the information for their benefit or the benefit of people outside of PEDON;
- ensure that such information is marked "**confidential**," "**restricted**," or bears some similar notation;
- ensure that confidential information is accessible only with a password; alternatively, it must be retained in a secure location, and in any case, must remain under the close supervision of the People responsible when used;
- refrain from disclosing confidential information to other Addressees unless essential for the pursuit of corporate purposes.

The obligation to treat all information confidentially does not cease with the termination of employment with PEDON. Even after the termination of the employment relationship, communicating confidential information to a new employer or others is forbidden.



The obligation to consign all documents and other materials containing confidential information regarding the Company to your direct superior ensues upon the termination of employment. Failure to comply with this confidentiality obligation is a source of major liability for the defaulting party. In addition to protecting its own confidential information, PEDON is committed to respecting the confidential information of others. Should Addressees become unduly aware of confidential information or disclosure by persons bound to secrecy, they are obliged to contact the SB.

Recruiting and placing people

On the one hand, recruitment answers the need to acquire skills and professionalism not present in the Company from the market, and on the other, the need to employ young people to invest in to ensure the Company's growth and development.

The search and selection of personnel to be hired are carried out in compliance with the current privacy regulations, based strictly on criteria of objectivity and transparency, ensuring equal opportunities and avoiding any favoritism.

All personnel are hired under a regular employment contract in compliance with applicable legislation in the location hired; any form of unlawful employment is expressly forbidden and not tolerated.

At the time of hiring, and during the first period of employment in the Company, each employee receives precise information with particular reference to the rules that govern their employment relationship, the accident prevention rules and procedures relating to occupational safety and health, company policies, and the rules of this Code to ensure immediate knowledge and promote faster integration into the Company's life and culture.

The use of alcohol and drugs

The Addressees shall personally contribute to promoting and maintaining a climate of mutual respect in the workplace.

Being found or being under the influence of alcohol, drugs, or substances that induce similar effects while performing work and in the workplace shall be considered conduct consciously jeopardizing said atmosphere of mutual respect.

The Protection of Privacy

PEDON is aware of the central importance privacy has in all aspects of business activity.



For this reason, it undertakes – applying the principle of accountability to its utmost – to implement and keep up to date all measures necessary to comply with EU Regulation 2016/679 (GDPR), as well as Italian Legislative Decree 196/2003, as adapted by Italian Legislative Decree 101/2018.

In general, personal data:

- are processed lawfully, correctly, and transparently with regard to the data subject;
- are collected for specified, explicit, and legitimate purposes and not subsequently processed in a way incompatible with said purpose;
- are adequate, relevant, and limited to that necessary in relation to the purposes for which they are processed;
- are accurate and, where necessary, kept up to date; all reasonable measures must be taken to promptly delete or rectify inaccurate data with respect to the purposes for which they are processed;
- are retained in a manner which permits the identification of data subjects for no longer than necessary for processing purposes;
- are processed in a way that ensures appropriate security of the personal data, including the protection, by appropriate technical and organizational measures, against unauthorized or unlawful processing and accidental loss, destruction, or damage.

It is forbidden to collect or process sensitive data of the data subjects except in the exceptional cases provided for by law (for example, to fulfill the data controller's obligations or protect the rights of the data subjects in the performance of their work).

Should any activities arise that are deemed to be out of compliance with the Privacy regulations or relevant policies adopted by the Company, or that do not comply with the security standards, they must be immediately reported to one's direct superior, the data processor, or the Supervisory Body.

Professional consulting and services

Consultants and temporary outside workers and suppliers are required to observe the same standards of conduct as Company employees when conducting business with or on behalf of the Company.

No employee is authorized, including indirectly through third parties, to do anything not allowed by the social policy.



Persons acting for and/or on behalf of PEDON are required to maintain and safeguard the Company's image of seriousness, respectability, and fairness.

The use of the PEDON name and prestige is strictly forbidden for former service providers and consultants subsequent to termination of employment with the Company.

Business integrity is a standard key factor for selecting and maintaining relationships with parties who represent the Company.

Computers and means of communications

Each Addressee is required to take the measures necessary to ensure the security of their computer and password.

The following rules must be followed when using passwords:

- ensure that an obvious password is not chosen; for example, don't use your first or last name;
- ensure your password is changed at least once every six months;
- do not give your password to anyone inside and outside PEDON or document it, making it accessible to others.

A password must protect all sensitive, confidential or restricted electronic information. If for any reason, you believe that your password or the security of the Company's computer or means of communications, including computers, voicemail, or email, is at risk, you must immediately change your password and report the incident to your direct superior.

The Company's resources must not be used for illegal purposes, to cause disruption, or be used in a way offensive to others. When sending an email or other recorded messages, it would be advisable not to send comments, use language, images, or other types of recordings that could be embarrassing if read by third parties. Remember that "**private**" emails can be easily forwarded to a vast audience, and once sent, they cannot be retracted. The use of company-owned computers and means of communication to send emails or access the Internet affects the Company's image. The use of such means must not reflect negatively upon PEDON and must in no way damage its image. Computers and means of communication shall be used in keeping with company policies, privacy rules, copyrights, trademarks, trade secrets, and other intellectual property considerations.

The use and protection of company assets



Each employee must work diligently to protect company assets through responsible behavior and in line with the operating procedures set up to regulate their use, carefully documenting its use.

In particular, each Company collaborator must:

- sparingly use the assets entrusted thereto;
- avoid the improper use of company assets that may cause damage or reduce efficiency, or that is in any case contrary to PEDON's interest;
- obtain the authorizations necessary in case an asset is used for something other than business purposes.

All measures necessary must be taken against theft, damage, and the misuse of corporate assets.

Conflicts of interest

The Addressees of the Code must ensure that every decision is made in the interest of PEDON. Therefore, they must avoid conflicts of interest between economic, personal, or family activities and their assigned duties in the Company, which may affect their independence of judgment and choice.

Should one of the Addressees encounter a situation that, even potentially, may constitute or result in a conflict of interest, they must promptly report it to their superior or the SB.

A timely and complete report thereof must at first be submitted to the relevant person in case of a potential conflict of interest.

With particular reference to employees, it should be noted that no employee shall take advantage of any opportunity that may arise from information in their possession or position at PEDON and shall not engage in any activity that competes with the Company.

A list of situations that may result in a conflict of interest may include but is not limited to:

- having economic and financial interests, including through family members, with suppliers, customers, or competitors;
- accepting gifts, money, gratuities, or favors of any kind from people, companies, or entities that are or intend to enter into business relations with the Company;
- using one's position in the Company or the information acquired in one's work so that a conflict between one's interests and those of the Company could be created.



5.3 CRITERIA OF CONDUCT IN RELATIONS WITH THE COMMUNITY

Relations with Judicial Authorities

In the event of participation in judicial proceedings (administrative, civil, or criminal), the Company undertakes to comply with the law and the rules of this Code of Ethics.

It is forbidden, in particular, for the corporate bodies and all those who represent PEDON in court to promise or give money or other benefits to magistrates, judges, clerks, and witnesses to condition the outcome of the trial in a manner favorable to the Company.

Relations with the Public Administration

The relations between PEDON and the Public Administration, public officials, persons in charge of public services, or public agents must be inspired by the strictest compliance with the applicable laws and regulations and may in no way compromise the Company's integrity and image.

The assumption of commitments and the management of any kind relations with the Public Administration, public officials, or persons in charge of public service are reserved exclusively to the Company's functions to entrusted with said duties and authorized personnel.

Any gift or promise of money or other benefit made for illegal purposes or gain advantages is expressly prohibited.

This line of conduct applies not only to direct payments and/or promises but also to indirect ones, made in any form, including through consultants or third parties. Should any doubt exist, the Addressee must contact the SB.

Gifts and benefits

Any form of gift that might merely be construed as exceeding normal business or courtesy practices or otherwise intended to obtain favorable treatment in the conduct of any activity related to PEDON is expressly prohibited.

In particular, any form of gift to public officials or members of their families is prohibited.



This rule of conduct regards both the gifts promised and offered, as well as those received. It should be noted that a gift is any type of benefit (discounts in excess of the commercial practice followed by the Company, promise of a job offer, etc.).

In any case, the Company refrains from practices not permitted by law, by commercial practices, or by the ethical codes of the companies or entities with which it has relations.

The gifts offered – except those of modest value – must be managed and authorized under company processes and duly documented.

Grants and sponsored travel

If, during the course of its business, PEDON promotes itself and products or undertakes to promote the development of the sector it operates in by awarding grants, sponsoring events, or organizing trips for current or potential customers, assuming the related costs and expenses, such costs and expenses must be examined in advance to determine whether they comply with this Code, the Decree, the other laws in force, and the policies adopted by the Company in this regard. Any doubts in this regard must be submitted to the Supervisory Board or the Board of Directors for initial review.

Entertainment expenses

The expenses incurred, such as meals, travel expenses, and entertainment offered to third parties, shall be of modest value and for justified commercial reasons. All expenses shall be incurred following the laws in force and the policies adopted by the Company in this regard.

5.4 RULES OF CONDUCT IN RELATIONS WITH SUPPLIERS AND CONSULTANTS

PEDON is committed to seeking professionalism and commitment to the sharing of the principles and contents of the Code from its suppliers and qualified external collaborators and promotes the establishment of lasting relationships for the continuous improvement in performance in protecting and promoting the principles and contents of the Code.

In its procurement, supply of goods, and external collaboration relationships (including consultants, agents, etc.), the Addressees are obliged to:

- obtain the collaboration of suppliers and external collaborators to constantly ensure the satisfaction of customers' and consumers' needs to an extent commensurate with their legitimate expectations in terms of quality, cost and delivery times;



- observe internal procedures for the selection and management of relationships with suppliers and external collaborators and not preclude any person in possession of the requirements necessary to compete in a supply contract c/o the Company;
- only adopt exclusively objective evaluation criteria in accordance with stated and transparent procedures in the selection;
- observe and request compliance with the contractual conditions;
- maintain a frank and open dialogue with suppliers and external collaborators in line with good business practices;
- promptly report any violations of the Code to their superior and the SB.

The remuneration to be paid shall be commensurate solely with the service indicated in the contract, and payments may in no way be made to any party other than the contracting party, nor to a third country other than that of the parties in which the contract is performed.

Each supplier and consultant shall be paid via bank check, bank receipt, or bank transfer to a bank account registered in the contractor's name.

6. METHOD FOR IMPLEMENTING THE CODE OF ETHICS

The code's effectiveness in relations with third parties

Anyone, even if acting in the name and/or on behalf of PEDON, who comes into contact with third parties with whom the Company intends to enter into legal relationships or is required to have an institutional, social, political relationship, or any other nature, is obliged to:

- inform said parties of the commitments and obligations imposed by the Code;
- require compliance with the obligations relating to their activity;
- adopt internal initiatives to ensure compliance with the Code, in case of refusal on the part of third parties to comply with the Code or in case of failure or partial performance of the commitment undertaken to comply with the provisions contained therein.

The contractual value of the Code

The Code, considered in its entirety and together with all the specific implementation procedures approved by PEDON, must be regarded as an essential part of the employment contracts in place and yet to be stipulated, under Article 2104 of the Italian Civil Code.



The violation of said provisions shall therefore constitute a disciplinary offense and, as such, may be prosecuted and sanctioned by the Company to the intents and purposes of Article 7 of Italian Law 300/1970; this offense may entail, among other things, compensation for damages caused to the Company.

As for collaborators, consultants, contractors, and other third parties, the undersigning into or, in any case, the adherence to the provisions and principles provided for by the Code, represent a *sine qua non* condition for the stipulation of any kind of agreement between the Company and said subjects; therefore, the provisions approved, made known and accepted are an essential part of the agreements themselves. In light of the above, any violations by third parties of specific provisions of the Code entitle the Company to terminate the contractual relationships in place with said parties and may also be construed *ex-ante* as grounds for express termination of the contract under Article 1456 of the Italian Civil Code.

PEDON entrusts the Supervisory Body to act as "**Guarantor**" of the Code.

This function performs the following tasks:

- it establishes, in agreement with the Board of Directors, criteria, practices or procedures aimed at complying with the Code;
- it prepares employee communication and training programs aimed at disseminating knowledge and understanding of the Code within the Company;
- it verifies the actual implementation of the Code;
- it examines reports of possible violations of the Code;
- it communicates, to the Board of Directors, the results of any investigations carried out concerning breaches of the Code, to adopt any sanctioning measures and in any case perform if requested, an advisory function during the disciplinary procedure;
- it submits useful initiatives for the further dissemination and updating of the Code to the Board of Directors;
- it implements and maintains an adequate flow of information between the subjects appointed for various reasons in compliance with the Organizational Model.

Common commitments

It is the company policy of PEDON to comply with the laws and rules applicable in its sector of affiliation. No action that violates laws and regulations shall be taken on behalf of the Company. Each Addressee must adopt the legal and ethical principles that apply to Company activities, and, in case of doubt regarding the adequacy of the proposed conduct, the SB must be consulted for an opinion regarding the compliance of its actions with the rules set out in this Code.



PEDON is committed to acting with integrity and managing its activities in line with the ethical standards set out in this document. Each person must undertake to interact correctly with customers, suppliers, competitors, and colleagues. No attempt should be made to acquire superior employment positions through manipulation, concealment, or abuse of privileged information, or otherwise misrepresenting material facts. Each person's attitude must be fair to all others.

This Code contains the rules on both personal and professional conduct so that adherence to this Code in no way constitutes the stipulation of an employment contract or a guarantee of permanent employment.

The rules of conduct for top management

The Board of Directors and the Company's Functional Managers must comply with this Code and harmonize their activities with the **values of honesty, loyalty, fairness, and integrity**, consciously sharing the Company's mission.

The Board of Directors is responsible for implementing the principles in the Code of Ethics, strengthening the trust and cohesiveness towards which the Company's operations are directed.

Functional manager obligations

Each of the Company's Functional Managers is obliged to:

- with their own behavior, be an example for their subordinates;
- ensure the compliance of the latter with the Code;
- endeavor to ensure employees understand that compliance with the Code of Ethics is an essential and substantial part of their work performance;
- promptly inform the Supervisory Board of any reports of violations or requests for clarification made by employees;
- prevent any form of retaliation within their Functions, to the detriment of workers or collaborators who have collaborated in the observance or actual implementation of the Code.

Employee obligations



Each employee must know the provisions in the Code of Ethics and laws of reference that govern the activity carried out within the scope of their function.

Employees are also obliged to:

- comply with the Code and refrain from conduct contrary to these provisions and rules;
- contact their direct superiors or the SB for any clarifications necessary regarding the methods of application of the Code or the reference regulations in case of doubt;
- promptly report any information regarding possible violations of the Code to their direct superiors, unless the irregularities observed involve the officeholder his or herself; in this case, the information must be reported to people over and above the **"direct superior"** concerned;
- collaborate with the Company in investigations aimed at verifying, and if necessary, sanctioning any violations.

The employee is not allowed to conduct investigations into alleged unlawful conduct personally and is only required to disclose information in their possession regarding such conduct to their superiors.

"Direct superior" signifies the person formally superior in the hierarchy, responsible in that they are in charge of or otherwise entitled to supervise and/or control the activity.

Reporting a violation and requesting advice

The Addressees of the provisions contained in the Code of Ethics are required to report any behavior that, even if only potentially, is contrary to the Code's provisions to the SB or their direct superiors. No one may be subject to retaliation for reporting a well-founded suspicion of a violation of these rules.

If in carrying out the Company's business, doubts arise regarding the compliance of a type of conduct with the Code or with other ethical-behavioral policies adopted by the Company, the Addressees are required to contact the SB or their superior. Everyone is individually responsible for enforcing these rules.

All Addressees of the Code of Ethics may report in writing, through protected channels of information, any violation or suspected violation of the Code in the manner envisaged in the whistleblowing procedure: the SB, in guaranteeing anonymity to the person who made



the report, shall evaluate from time to time the expediency of initiating an investigation procedure in consideration of the actual circumstances.

Whistleblower protection

Should individuals who discover any violation of this Code prefer to keep their identity confidential, they may report the matter to the SB by creating a special email address that does not contain any reference to the physical person, following the provisions envisaged in the whistleblowing procedure.

The data necessary for managing the procedures that may (if necessary) be undertaken subsequent to the violation of the rules set forth in this Code or the Organization, Management and Control Model shall be minimized in relation to the preceding purpose and handled in compliance with privacy regulations.

Engaging in retaliatory or discriminatory acts against those who make the reports, including those related to employment, such as the imposition of unjust sanctions, disqualifications, or dismissals, is forbidden.

The whistleblower or trade union organization thereby indicated may report the adoption of discriminatory measures against the reporting individuals to the National Labour Inspectorate.

Nevertheless, anyone deliberately making unfounded reports shall be punished.

Liability

The fundamental condition for working with the Company is to maintain conduct compliant with all legal requirements and fundamental principles included in this document. Failure to comply with these rules of conduct may legitimize the enforcement of disciplinary measures in the General Section, up to and including dismissal.

Upon notification of alleged violations, PEDON shall evaluate them based on the relevant parameters, represented by the seriousness of the action and the circumstances that led to the breach thereof or the company procedures; the Company must consider the employee's seniority in the Company and their behavior and contribution. Disciplinary measures may include temporary suspension of pay, suspension from service, or dismissal.

Moreover, should PEDON suffer a financial loss due to the violation of the rules cited in this Code, it shall sue the person responsible for compensation for damages.



PEDON shall cooperate with the competent authorities whenever laws are violated and, where it deems it appropriate, will directly report the violations in question to said authorities.

Investigations of violations

All violations shall be investigated immediately and treated with the utmost confidentiality; in particular, concerning employees, investigations shall be carried out following the whistleblowing procedure and law and collective bargaining provisions regarding disciplinary proceedings (see the relevant paragraph of this Code).

It is forbidden for the person who reported the violation to conduct preliminary investigations on their own. Investigations of alleged violations may entail complex legal issues; acting on one's own initiative can, therefore, compromise the genuineness of the inquiry and have negative consequences for the employee and Company.

All reports of any violations of this Code, or refusal to apply it or other policies regarding ethical behavior adopted by the Company must be communicated to one's direct superiors.

Should the Board of Directors desire to derogate from the rules of this Code for justified reasons, it must first request authorization from the SB.

Immediately after the approval of the derogation by the SB, the Company shall publicly communicate the reasons for this derogation.

Enforcement of the Code and disciplinary consequences

Any violations of the Code of Ethics could have severe repercussions upon the Company.

Given that this Code is not merely a statement of moral principles that inspire the Company's activities, but also a specific tool for adapting to the requirements of Italian Legislative Decree no. 231/2001, it follows that the criteria the Board of Directors adopted to authorize the derogations to said Code must be stringent, after having verified, each time, that said derogations do not nullify the principles of the Decree or the effective operation of the Code and, more generally, of the Model: the derogations must, in any case, be disclosed immediately. Therefore, each employee must promptly inform their superior or SB of any activity they are aware of that does or may constitute a violation of the rules of conduct or values set out herein.



Violations of the rules of conduct of this Code of Ethics by employees may result in the enforcement of disciplinary sanctions, under the rules of law, of the National Collective Bargaining Agreement (hereafter, the "NCBA") and the Code itself.

Once a possible violation of this Code or other policies adopted by the Company has been observed, the Company shall initiate disciplinary proceedings against the employee in the manner and terms pursuant to Article 7 of Italian Law 300/70 and the NCBA.

In particular, disciplinary violations of the provisions of the National Collective Bargaining Agreement and any company regulations and the Code of Ethics may be punished, taking into account the seriousness of the deficiencies, as described in the specific paragraph of the Organizational Model.

Without prejudice to the paragraph relating to the "Contractual value of the Code," the execution, or, in any case, the adherence to the provisions, or some thereof, and to the principles envisaged by this Code, by third parties outside the Company, with whom the Company has collaboration or professional consulting relationships or commercial partnerships represent a *sine qua non* condition for the conclusion of any type of agreement between the Company and said parties. The specific provisions contained in the Code, executed by said parties or, in any case, also thereby approved for facts pursuant to the previous paragraph, constitute an essential and substantial part of the contracts thereby stipulated with the Company.

Any violations by third parties of specific provisions of the Code legitimize the interruption by the Company of the existing contractual relationships said parties and can also be construed *ex-ante* as causes of express termination of the contract under Article 1456 of the Italian Civil Code.

For any further information

For further information on these or other related topics, PEDON invites the Addressees to contact the SB (odv@pedongroup.com).

The workers must be made knowledgeable of rules relative to the sanctions and infringements for which each said sanction may be applied and the procedures for disputing them via posting in a place accessible to all.

The disciplinary rules must enforce what has been established in the relevant collective agreements.

