

# **Code of Ethics**

of

# **Gruppo DP S.p.A.**

Via Trento, 43/3 16145 Genova Italy

**(Approved by the Board of Directors on November 21, 2019)**

## INTRODUCTION

### **1. The Company and its mission**

Established in 1973, Gruppo DP has since the early 1980s specialised in the manufacture and marketing of synthetic monofilaments for sport and professional fishing.

From the beginning, the Company mission has been to select monofilaments and fibres of the highest quality and technological specialisation, offering products for any specific technical application.

Thanks to a close and lasting partnership with the major manufacturers of nylons and fluorocarbons in the fishing line business, the turnover has gradually developed on a global level, building a complex distribution network that allows us to be present today in about 80 countries, with an extremely broad and diversified range of products.

Currently, the core business is focused on the following main strategic areas:

- Sale of finished products with owners' trademarks, made for the professional or amateur consumer;
- Marketing of fibres and monofilaments in industrial packaging, intended for subsequent processing by manufacturers;
- Manufacture of finished products with third-party brands, according to customers' specifications, to be distributed by the latter's sales networks.

In the early 2000s the business, for decades focused on fibres and monofilaments for sport and commercial fishing, has been extended to the field of synthetic fibres for gardening and agricultural uses.

Gruppo DP aims at providing products and services geared to high standards of quality and safety, applying in the conduct of its business principles of efficacy and effectiveness.

The Company believes that the continuous improvement of its organisation and human and technical resources, of the quality of relations with customers and other persons with whom it deals, as well as of its management of all business procedures, is a fundamental objective to be constantly pursued.

### **2. Importance of the business ethics approach**

Gruppo DP is aware of the importance of adopting a Code of Ethics.

Indeed the Company believes that in contributing through its own work, marked by a sense of responsibility and moral integrity, to the process of development of the economy and civil society, it cannot possibly disregard in the pursuit of its corporate mission an absolute respect of the laws and public regulations and of the principles of fairness, transparency, rectitude, honesty, integrity and good faith.

Gruppo DP holds that reputation and credibility are fundamental corporate assets. In this respect it works to maintain and develop positive ethical relations with its stakeholders: customers and public authorities, employees, trade union representatives and associates, shareholders and those who make investments connected with the Company's business, its suppliers and other partners.

Therefore, the conduct of Company business must be guided by ethical principles, as unethical conduct compromises the relations of trust between a company and its stakeholders, fostering negative attitudes and bringing on a climate of hostility towards the firm.

### **3. Aim of the Code of Ethics**

The Company believes in the value of work and considers legality, rectitude and transparency in action to be indispensable conditions for achieving its business objectives.

The Company has analysed the rules and principles of ethics and conduct which must define internal relations with personnel, external relations with others and which, more generally, characterise the Company's way of doing business, and deems it fitting to make them known.

**These principles are contained herein, and the Company requires compliance therewith by all persons working for it, who are bound to apply the present Code of Ethics.**

The Code of Ethics has the aim of guiding the management of the Company in line with criteria of maximum abidance by laws and regulations and of directing it to observance of the ethical principles contained herein.

### **4. Scope of application of the Code of Ethics**

The Code of Ethics applies to and directs the conduct of all persons of the Company; the principles and rules contained herein supplement the legal, regulatory, statutory and contractual provisions governing the function of the corporate bodies and the rights and duties of persons to whom it is addressed.

It is binding for the conduct of the directors, employees and associates of the Company, in both internal and external scope, who are required to cause the aforesaid provisions to be respected within the framework of their functions.

The Company moreover undertakes to favour the diffusion and cognisance of the Code among all those with whom it maintains business relations, informing third parties as to the content of the Code's provisions in order to demand respect of its choices and conduct.

The present Code of Ethics is a dynamic model and subject, therefore, to changes and additions in order to improve it and, over time, keep it in accordance with corporate and social changes.

The Company therefore undertakes to make periodic verifications of the present model so as to assess its currentness and make any changes and additions aimed at its enrichment.

## **5. General Principles**

This Code of Ethics sets forth the general principles underlying the business of the Company, whose operations, conduct and relations, both internal and external, are inspired hereby.

In no circumstances is the adoption of conduct contrary to that set forth in this Code of Ethics to be allowed, nor shall a need to act in the interests of the Company justify such violation.

All stakeholders have the duty to apply the rules and principles contained in the present Code of Ethics, addressing themselves to their superiors in the event of need of clarifications on the mode of application hereof.

They must also promptly report to their superiors any information concerning possible violations of the rules and principles of the Code, in collaboration with the departments or authorities responsible for inquiring into possible violations.

The Company protects those persons who shall have made such reports against any form of retaliation and shall keep their identity confidential, unless required by law to do otherwise.

**The general principles of the Code of Ethics of Gruppo DP are summarised as follows:**

### **Honesty and legality**

Gruppo DP requires that in carrying out their respective activities the persons to whom this Code of Ethics shall be addressed abide by the principles of honesty and legality. These persons shall therefore operate in the most absolute respect of laws, regulations, bylaws and internal procedures. Requests aimed at inducing directors, employees or external associates to act against the law or the present Code of Ethics shall not be tolerated and shall be sanctioned.

### **Respect of the person**

Gruppo DP recognises the centrality of the person as a fundamental element of the development and success of any enterprise and undertakes to respect the physical and moral rights and integrity of the persons with whom it deals. The centrality of the person is expressed, in particular, through the Company's development of its collaborators (whether employees or linked to it through other work relations), attention to the needs and demands of customers, protection of and transparency towards the shareholder, rectitude and transparency in negotiating with suppliers and public authorities.

### **Harassment**

The term harassment covers any unwanted conduct towards another person with the purpose or effect of creating an intimidating, hostile or offensive situation for that person. Gruppo DP strongly condemns such conduct and shall adopt strict measures against those responsible.

### **Fairness and impartiality**

Gruppo DP, in all of its actions inside or outside the firm, avoids any discrimination based on the age, sex, health status, race, nationality, political opinion or religion of the persons with whom it deals.

### **Transparency, completeness and truth of information**

The Directors, employees and external collaborators of the Company undertake to provide information corresponding to the truth, complete, correct, adequate and prompt, both outside (public authorities, market, users) and inside the Company. Information shall be rendered in a clear and simple manner, usually provided through written communication.

### **Quality of operations**

Gruppo DP pursues quality in its corporate organisation and in its products and services. Its work is geared to satisfaction of the customer, considered to be the asset that guarantees the very existence of the Company. To this end, the directors, employees and associates of the Company take into account customer requests with a view to furthering improvement of the quality of marketing and services.

### **Documenting of operations and transactions**

Every operation and transaction of the Company must be properly recorded, authorised, verifiable, legitimate, consistent and appropriate. Gruppo DP observes the rules of correct, complete and transparent accountancy for its actions, in line with the criteria set forth by legislative provisions and accountancy standards. In accountancy for actions concerning the Company's administration, the employees and associates are required to adhere scrupulously to the applicable regulations and internal procedures in such a way that each operation shall not only be correctly registered, but also authorised, verifiable and legitimate.

### **Protection of Privacy**

Gruppo DP protects the confidentiality of such data, information and notices in its possession as relate to its activities, in compliance with the law. The Company ensures that the principle of confidentiality shall be respected and safeguarded by directors, employees and associates, who are prohibited from using confidential information for purposes not related to the

exercise of their function. Any information or document concerning corporate organisation and activities, know-how, products and services, customers, suppliers and personnel must be treated as “confidential”.

#### **Criteria of conduct towards personnel and external collaborators**

Gruppo DP protects equal opportunities in its selection and development of personnel including as through non-discriminatory assessments of professional profile and psychological aptitude verification, and in its respect for the candidate’s private life and opinions. The directors and the managers of organisational structures are bound to ensure, in the administration of labour relations, respect for equal opportunities, and to guarantee the absence of discrimination in the workplace. Each manager is expected to enhance the work of collaborators on the basis of merit, competence and professionalism, requiring performance consistent with tasks assigned. Gruppo DP encourages the involvement of employees and external collaborators, making them participants in seeking and attaining the Company’s goals. Any request made of subordinates for personal favours by virtue of power of role, or any other conduct amounting to violation of the present Code of Ethics, shall constitute wrongful use of superior position.

#### **Safety criteria**

Gruppo DP considers the health and safety of workers at the workplace to be of primary importance. This attitude stands within the Company’s policy of constant attention to its human resources who are hosted in work environments designed to encourage communication and operativeness, in full respect of the laws and regulations on safety and hygiene in the workplace. For this purpose Gruppo DP is assisted by professionals with specific expertise in the field of safety and environmental hygiene. The presence of a Corporate Physician, of internal organisational support and of external specialists enables the Company to address any specific issues with a view to prevention of accidents and to respect of the relevant laws and regulations. The Company undertakes to diffuse and consolidate a culture of safety, developing risk awareness and promoting responsible behaviour on the part of all of its personnel and external collaborators. Moreover, Gruppo DP adopts all safety measures required by technological and methodological evolution so as to ensure a safe and healthful working environment:

- It has developed, and regularly updates, a document for assessing the risks specific to each operating unit.
- It is committed to eliminating risks and, where elimination is not possible, shall strive to reduce risks and keep them under control, as permitted by acquired knowledge and technological progress.
- It is committed to respect the principles of ergonomics and safety in the organisation of work, the design of workplaces, the choice of equipment and the establishment of work methods.
- It has in place a programme of health surveillance for workers subject to specific risks.
- It has in place a programme of training and information for SPP members within the Company and for all its employees.
- It has drafted work safety procedures and emergency procedures which have been distributed to all workers concerned thereby. Training sessions on these subjects are periodically renewed.
- It promotes the participation and consultation of workers and/or their representatives in safety matters.
- It holds periodic meetings on safety in addition to the annual meeting, at which the former are scheduled, and takes into account the state of actions deemed necessary to ensure the improvement of safety levels over time.
- It implements a programme of regular maintenance and checks on work equipment, PPE and installations.

All personnel must respect the laws and internal procedures concerning risk prevention and protection of health and safety and promptly report any deficiencies or non-compliance with applicable rules.

Every employee and external collaborator shall act in order to protect the resources and property of the Company, avoiding incorrect use thereof liable to cause damage or reduce efficiency or otherwise contrary to the interests of the Company. It is the responsibility of collaborators not only to protect such property but also to prevent fraudulent use or misuse thereof.

#### **Environmental protection**

Gruppo DP considers the safeguarding of the environment as essential for quality of life and sustainable development and is committed to managing the impact that its business has, on the environment of the local and global community to which it belongs, in a responsible and ethical manner. Gruppo DP wishes to reconcile the company objectives of economic growth and value creation with the respect for and protection of the environment and natural resources. This commitment primarily takes the form of their compliance with applicable legislation and established company procedures. Moreover, Gruppo DP, in due consideration of the company’s own size and the characteristics of the markets in which it operates, shall act to achieve continuous improvement in accordance with the following principles:

- To promote a mindset within the company aimed at implementing correct forms of behaviour regarding environmental protection;
- To use systems, equipment, vehicles and materials whose features comply with current environmental legislation;
- To refuse to waste resources;
- To steadily improve the efficient use of natural resources (for example, energy, water, paper, fuel);
- To purchase (where possible and with equivalent functionality) equipment, work tools and consumer goods characterised by a lower environmental impact;
- To progressively minimise the generation of waste, also by promoting separate collection, recycling and recovery activities;
- To raise awareness regarding the environmental implications related to logistics and mobility;
- To reduce the impact of business travel on the environment, by promoting the increased use of mass transportation systems and/or transport systems with a lower environmental impact and, when possible, the use of virtual communication tools;
- To progressively integrate environmental considerations into the development of products to be introduced to the market, with a view to reduce the environmental impact caused by the product throughout its lifecycle, including the potential for recycling/reuse at the end of their useful life;
- To choose suppliers based on an assessment of their regard for the environment.

#### **Computer Security**

Gruppo DP places a high value on computer security as the basis for the security of all internal and external procedures managed through the information technology (IT) system. Each employee shall use and look after the property put at his or

her disposal exclusively for work purposes, no different or illicit use of Company property being permitted. It is in any case expressly prohibited to make use thereof for purposes extraneous to Company business. Each employee is directly and personally responsible for the protection and legitimate use of the property and resources entrusted to him or her for the performance of functions assigned. The Company, in accordance with applicable laws, adopts the necessary measures in order to prevent the inappropriate use of said property and resources. With regard to the use of IT systems, each employee is responsible for the security of the systems used, and is subject to applicable legal regulations and to the conditions of licence agreements. The provisions of relevant civil and penal law remaining applicable, within the scope of improper use of Company property and resources are the use of a network connection for purposes other than those inherent in the work relationship and the deliberate gaining of access to or the recording, sending or publishing of:

- pornographic images or texts either of sexually explicit content or involving sexual exploitation;
- material that promotes violence, hatred, terrorism or intolerance towards others;
- material of a harassing, offensive or obscene character.

Each employee is also required to supply the necessary efforts in order to prevent the possible commission of offences through the use of IT devices. The Chief Information Officer (CIO) is the person to be consulted and heeded for the implementation and management of the IT system, and is also responsible for issuing access credentials.

#### **Criteria of conduct in doing business**

The conduct of the directors and that of each employee and external collaborator of the Company shall adhere to the principles of legality, fairness, rectitude, transparency and professionalism. Such persons are required, in dealings with third parties, to maintain ethical, law-abiding conduct, respecting the principles of the present Code and of the internal regulations and characterised by the utmost rectitude and integrity. Employees and associates shall refrain from conduct and statements which might damage the image of the Company or otherwise cause it harm. In business relationships and in trade and promotional relations any fraudulent practices or conduct, bribery, favouritism and, more generally, any conduct contrary to law, regulations, internal procedures and the guidelines of the present Code of Ethics are prohibited. Such conduct is prohibited and shall be sanctioned regardless of whether it is realised or attempted, directly or through third parties, to obtain personal advantage for others or for the Company itself. Such giving and receiving of any gratuity by the directors, employees or external collaborators as may merely be liable to be construed as exceeding normal commercial practice or courtesy, or aimed at obtaining favourable treatment for themselves or in the conduct of any activity connected to the Company, are not permitted. In particular, any form of gratuity to civil servants or public service providers, Italian or foreign, or to family members of the same, which might influence their independence of judgment or lead to securing for themselves, for others or for the Company whatsoever advantage, is forbidden. This principle applies not only to gifts promised or offered, but also those promised by or received from third parties. The conduct of the Company in the stages of procurement of goods and services is guided by the search for maximum competitive advantage and by fairness and impartiality of judgment. The criteria for selection of suppliers are based on the assessment of the levels of quality and economy of services, technical and professional suitability, respect for the environment and social engagement, in accordance with the internal rules determined by relevant regulations. In order to promote the adaptation to these standards of the services offered by suppliers, the company shall not take undue advantage of its bargaining power to impose vexing or overly burdensome conditions. In the choice of suppliers, undue pressures aimed at favouring one supplier to the detriment of another, and which might undermine the trust and confidence that the market places in the Company with regard to transparency and rigour in its application of the law and internal regulations, are not permitted or accepted. Benefits or promises of favours by the directors, employees or external collaborators of the Company to third parties aimed at obtaining an interest or benefit for themselves, for others or for the Company are also not allowed.

#### **Principles of conduct in relations with suppliers based in developing countries**

In full respect of the aforesaid criteria for the conduct of business, in its management of relations with suppliers based in developing countries Gruppo DP intends to "export its ethics", primarily promoting relations with entrepreneurial concerns that share similar principles, fostering development thereof through honest price negotiations and stability of the business relationship in the long run. The persons in charge of the selection of such suppliers and the management of relations therewith must:

- favour, where possible, relations with firms that share similar ethical principles;
- verify, to such extent as possible, whether suppliers ensure within their structures full respect of human rights;
- verify, to such extent as possible, whether suppliers ensure a sufficient level of safety and hygiene in the workplace, and that they do not implement discriminatory policies regarding personnel or exploit child labour.

#### **Fight against corruption**

Gruppo DP does not accept, and condemns without any exceptions, any incident of active and passive corruption. Corruption is prohibited by law throughout the world and hinders economic and social development as well as fair and legitimate competition between companies. It is therefore strictly forbidden for Directors, Employees and Collaborators – under any circumstance – to offer, give, solicit or receive bribes or any other form of corruption (direct and indirect). This prohibition is applicable throughout the world, without any exceptions deriving from local habits or practices. Failure to comply with anti-corruption laws may result in substantial criminal penalties for those responsible. If a corruption incident occurs, Gruppo DP shall adopt the most severe disciplinary measures permitted under current legislation, reserving the right to further protection in civil and criminal matters.

#### **Criteria of conduct in relations with institutions and public authorities**

In the Company's relations with institutions and public authorities those in charge thereof must always be guided by the principles of legality and fairness, and are bound to practise maximum transparency, clarity and rectitude so as not to induce institutional personnel with whom relations are maintained on various accounts to make partial, false, ambiguous or misleading interpretations. Benefits or promises of favours offered by directors, employees or external associates of the Company to public officials or civil servants (such as representatives of public authorities or local entities), in order to obtain an interest or benefit for themselves, for others or for the Company are not allowed. Courteous and cordial conduct becoming the practices of the normal handling of business and relations must be consistent with the principles as per the present Code of Ethics.

#### **Funding of political parties and organisations with conflicts of interest**

Gruppo DP does not fund political parties or organisations, their representatives or candidates, in Italy or abroad, and does not accept any type of pressure, direct or indirect, from political figures. Gruppo DP does not normally make contributions to organisations or entities with whom there may be a conflict of interest; however, in some situations, collaboration, even on financial terms, is acceptable on specific projects, provided that the destination of the resources is clear and documented.

#### **6. Diffusion of the Code of Ethics**

Gruppo DP shall attend to maximum diffusion of the Code of Ethics, also outside the Company, providing support for such interpretation of the provisions contained herein as may be needed. This Code is brought to the attention of all internal and external stakeholders through appropriate communication actions in order to promote the diffusion, knowledge and in-depth understanding hereof. Such actions are also designed fully to inform customers, suppliers, contractors and all other interlocutors, both private and institutional, about the values which the Company intends to promote and, in general, the policy from which it draws inspiration. The Code is published on the website of the Company. A paper copy is also distributed to Directors and Employees and to External Collaborators dealing regularly with the Company.

#### **7. Disciplinary measures consequent to violations**

The provisions of the present code are an integral part of the contractual obligations assumed by the personnel as well as by those having business relations with Gruppo DP. Violation of the principles and conduct as described in the Code of ethics undermines the relationship of trust between the Company and the authors of such violation, whether directors, employees, consultants, collaborators, customers or suppliers.

Violations shall be dealt with by Gruppo DP as follows:

- with regard to employees, through appropriate disciplinary measures, independently of any criminal aspect of their conduct and of initiation of criminal proceedings in cases where such conduct constitutes an offence. In particular, sanctions shall conform to the rules and logic of the work contract applied. Disciplinary actions shall range from warning or reprimand to suspension without pay, and, in the gravest cases, to dismissal. Before disciplinary action is taken the person concerned shall be able to explain his or her conduct.
- with regard to consultants, collaborators, customers and suppliers specific arrangements for the termination of contractual relations shall be made.

The foregoing is without prejudice to claims for compensation for any loss which Gruppo DP should suffer as a result of violation by such persons or entities as mentioned above of the provisions contained in the Code of Ethics.

#### **8. Monitoring and updating of the Code of Ethics**

The present Code will be subject to annual verification by the Board of Directors, following consultation with the Board of Auditors, which may submit proposals with regard hereto to the Board of Directors.