

CODE OF BUSINESS ETHICS

Table of Contents

1.0	INTRODUCTION	3
1.1	The Company Mission	3
1.2	Addressees and purpose of the Code of Business Ethics	3
2.0	GENERAL ETHICAL PRINCIPLES	4
2.1	Fundamental principles	4
2.2	Community and environmental protection	4
3.0	THE CORPORATE GOVERNANCE SYSTEM	5
3.1	Corporate Governance	5
3.2	Duties of the Directors	5
4.0	RELATIONS WITH PERSONNEL AND COLLABORATORS	5
4.1	Valuing the person	5
4.2	Personnel recruitment	5
4.3	Duties of personnel	5
4.4	Prohibition of personal advantages and inappropriate gifts	6
4.5	Protection of the Company's assets	6
4.6	Occupational safety	6
5.0	CUSTOMER RELATIONS	6
5.1	Value of the Customer	6
6.0	RELATIONS WITH SUPPLIERS AND THIRD-PARTY ORGANISATIONS	6
6.1	Relations with suppliers	6
6.2	Relations with third-party organisations	7
6.3	Relations with the media	7
7.0	THE CONTROL SYSTEM AND THE SANCTIONS SYSTEM	7
7.1	The internal control system	7
7.2	The sanctions system	7

1.0 INTRODUCTION

1.1 The Company Mission

The mission of Filtes International srl (hereinafter also Filtes or the Company) is to guarantee the correct supply of technical yarns and the products and services of its sales programme by operating in compliance with the commitments undertaken in contracts, with international technical specifications or those of its customers and, in general terms, with the regulations of the laws in force.

To achieve these objectives, the Company undertakes to organise its activities according to criteria of efficiency and competence, obliging itself to achieve economic-financial equilibrium of management by providing its services to the best of its organisational capacity.

1.2 Addressees and purpose of the Code of Business Ethics

The Code of Business Ethics identifies the rights, duties and responsibilities of Filtes towards all those who have significant relations with the Company (shareholders, directors, auditors, employees, collaborators, lenders, customers, suppliers, Public Administration and any other stakeholders) and sets out the system of ethical values by which the Company is inspired.

Filtes has chosen to equip itself with an ethical guideline to create the conditions for a socially responsible attitude and to establish a pact of trust between the Company and the community, highlighting its desire to contribute to the socio-economic development of the territory in favour of its citizens, in compliance with the law and the principles of loyalty and fairness. The Code of Ethics guides the Company's actions by supporting and promoting certain behaviours and prohibiting others.

It applies to all those, identified as "Addressees", who for various reasons have professional relations with Filtes, such as:

- shareholders
- directors
- executives and managers
- employees
- collaborators
- customers
- suppliers

Every Addressee must be familiar with the rules of the Code of Ethics and for this reason, Filtes undertakes to promote and publicise the Code of Ethics as much as possible by:

- posting it on Company notice boards;
- distribution to all members of corporate bodies and all personnel;
- making it available to third-party Addressees through publication on the Company's website and in other forms that will be deemed appropriate.

2.0 GENERAL ETHICAL PRINCIPLES

2.1 Fundamental principles

In the pursuit of the Company's mission, the conduct of all Addressees of this Code of Ethics must be inspired by the following principles:

- **Loyalty and legality.**

Loyal commitment to the achievement of the Company's objectives in the awareness, for each Addressee, of their duties and role is considered essential. The Company's essential principle is respect for laws and regulations in force. The Addressees of the Code of Ethics are therefore obliged to comply with the laws in force and the pursuit or realisation of Carrara Spa's interests in violation of the law is not permitted under any circumstances.

- **Fairness and transparency.**

The principle of fairness together with the principle of transparency, which is based on the truthfulness, accuracy and completeness of the information addressed inside and outside the Company, implies respect for the rights of all persons involved in working and professional activities at the Company. This also implies avoiding any possible conflict of interest between employees and the Company.

- **Spirit of collaboration and non-discrimination**

The principle of the spirit of collaboration implies that the commitment of each Addressee is always oriented towards respecting the work of others without adopting discriminatory attitudes and sharing efforts with other Addressees to achieve the Company's mission.

- **Confidentiality**

Recipients are required not to use information acquired in the course of their work for purposes unrelated to the exercise of that activity and in any case to always act in compliance with the confidentiality obligations assumed at the start of their collaboration with the Company.

- **Competition**

Filtes intends to develop the value of competition by adopting principles of fairness and loyal competition with all operators in the market.

2.2 Community and environmental protection

The Company is committed to promoting and disseminating a culture of safety, developing risk management awareness, promoting responsible behaviour and preserving the health and safety of all employees and collaborators, especially through preventive actions. All employees and collaborators are required to scrupulously respect the rules and obligations deriving from the reference legislation on health and safety, as well as to comply with all measures required by internal procedures and regulations.

Filtes guarantees a working environment that is suitable from the point of view of the safety and health of its employees, taking all necessary measures to eliminate any situation of danger within or on the company's premises from which damage may arise for its employees or third parties who have access to the work environment.

Filtes is aware of its responsibilities in the field of respect for and protection of the environment and the impact of its activities on economic and social development and on the quality of life of the community and the local area. For this reason, the Company adopts every safeguard to scrupulously respect the environmental laws and regulations defined by current legislation.

3.0 THE CORPORATE GOVERNANCE SYSTEM

3.1 Corporate Governance

The corporate governance system is an expression of the Company's sensitivity towards values of transparency and personal and professional integrity in the performance of its various activities. This system is inspired by management procedures and oriented towards ensuring the achievement of the Company's objectives.

3.2 Duties of the Directors

Decisions made by Directors must pursue the interests of the Company. Directors are required to comply with current legislation and the principles contained in the Code of Ethics. Directors must act in full agreement with the corporate values and fulfil their official duties by maintaining full internal and external confidentiality on the acts they have taken and in general on the corporate documents of which they have become aware for any reason. All communication activities must comply with the law and practices of conduct and be aimed at safeguarding sensitive information and trade secrets. The same principles must be followed by the Statutory Auditors who exercise their control functions autonomously and independently. Directors must fulfil the duties imposed on them by law and by the articles of association with the diligence required by the nature of their office and their specific skills. Directors must ensure that the organisational, administrative and accounting structure is appropriate to the nature, size and needs of the Company.

4.0 RELATIONS WITH PERSONNEL AND COLLABORATORS

4.1 Valuing the person

Filtes promotes, valorises and protects human resources, which constitute the Company's assets, placing at the centre the person who, by entering into a shared pact with his or her colleagues and the Company, intends to pursue the Company's mission while improving and enhancing his or her own and others' skills. The Company wants to be a workplace for its employees free of discrimination or harassment, which will not be tolerated, nor will conduct that creates a hostile atmosphere in the workplace. Under no circumstances may employees be asked to perform services that are contrary to the dignity of the person or that constitute an unacceptable risk to health and safety. In the management of hierarchical relations, Company representatives (Employees, Managers, Directors) undertake to ensure that authority is exercised fairly and correctly, avoiding any abuse.

4.2 Personnel recruitment

The assessment and selection of personnel are carried out according to fairness and transparency, respecting equal opportunities in order to match the needs of Filtes, with the professional profiles, ambitions and expectations of the candidates. Filtes undertakes to adopt all useful measures to avoid any form of favouritism in the personnel recruitment process, using objective and meritocratic criteria, respecting the dignity of candidates as well as in the interest of the good performance of the Company.

4.3 Duties of personnel

Personnel are required to be familiar with this Code of Ethics and to undertake to comply with its rules and principles, as well as with other Company regulations and procedures. Personnel must comply with the law and regulate their conduct towards other Addressees based on the principles of integrity, fairness, transparency, collaboration and loyalty. Personnel is bound to confidentiality in handling Company information.

4.4 Prohibition of personal advantages and inappropriate gifts

It is prohibited to receive undue and/or personal advantages as a result of one's role in the Company. It is not permitted to offer, promise or give, or to solicit or accept, money, gifts, entertainment, privileges, gratuities, benefits or other items for the purpose of directly or indirectly influencing business decisions or that may otherwise appear inappropriate or that are against the law.

4.5 Protection of the Company's assets

The Addressees shall perform their duties taking care of the Company's assets. The Addressees are required to correctly apply the provisions received for the protection of the instrumental assets entrusted to them. In relation to the use of Company computer tools, Addressees are required to contribute to the Company's computer security.

4.6 Occupational safety

Filtes is committed to offering its personnel a working environment that is healthy, safe and respectful of workers' dignity. Safety in the workplace is ensured both by strictly implementing the provisions envisaged by Italian law (D.lgs 81/08) in force and by actively promoting a culture of safety through specific training programmes. Personnel training represents a central element of the management system adopted. Filtes protects the health of its workers, also guaranteeing compliance with hygiene and health prevention regulations.

5.0 CUSTOMER RELATIONS

5.1 Value of the Customer

Customers represent a corporate asset for Filtes and relations with them must be based on maximum collaboration, transparency, correctness and good faith. Filtes undertakes to inform customers in a complete and timely manner of the characteristics, functions and costs of the products and services offered, committing itself to comply with all provisions regarding the protection of privacy by not communicating or disclosing sensitive data, without prejudice to legal obligations. Filtes provides its Addressees with suitable communication tools through which they may interact with the Company in order to forward requests, seek clarification or make complaints. Information disseminated to Stakeholders is complete and accurate so that they may make correct and informed decisions. Filtes's advertising promotion respects ethical values.

6.0 RELATIONS WITH SUPPLIERS AND THIRD-PARTY ORGANISATIONS

6.1 Relations with suppliers

The processes for selecting and choosing suppliers are based on principles of legality, correctness and transparency, as well as convenience and reliability. The Company adopts its own procedures for the qualification of suppliers. The Company also arranges appropriate checks at the supplier's premises to check whether it has a Code of Ethics to which it adheres in conducting its business. The Company's suppliers are required to comply with this Code of Ethics. Violation of the principles of legality, fairness, transparency, confidentiality and respect for the dignity of the individual are just causes for terminating relations with suppliers. Should Company employees receive proposals of benefits from a supplier to favour its business, they must immediately suspend the relationship and report the fact to their supervisors.

6.2 Relations with third-party organisations

Filtes does not favour or discriminate against any political organisation or trade union. The Company refrains from making any undue contribution in any form to parties, trade unions or other social formations, except for specific exceptions and in any case always within the limits of what is permitted by current regulations. The Addressees are bound to abstain from any direct, indirect or boastful pressure towards politicians or trade union representatives.

6.3 Relations with the media

Relations with the media are reserved exclusively for the persons in charge of the corporate functions delegated to that end. Employees may not provide information concerning the company's activities unless authorised by the competent company function.

7.0 THE CONTROL SYSTEM AND THE SANCTIONS SYSTEM

7.1 The internal control system

Compliance with the prescriptions of this Code is entrusted to the supervision of each Addressee within their respective roles and functions within the Company. All Addressees are invited to report any facts and circumstances potentially in contrast with the principles and prescriptions of this Code to their direct superiors. The *management* of Filtes and the appointed bodies will take all necessary measures to identify and put an end to violations, and may resort to any disciplinary measure in compliance with the law and workers' rights.

7.2 The sanctions system

The internal control system intends to counter the risks arising from the violation of the Code of Ethics, internal procedures and current State laws by the Addressees. Infringements committed by Addressees will be pursued by Filtes in an incisive and timely manner by adopting appropriate and proportionate disciplinary measures as provided for by the CCNL (National Collective Labour Agreement) for the category and by the Civil and Criminal Code. In the event of violations, Filtes reserves the right to take any action it deems appropriate to claim compensation for damages suffered as a result of the violations identified.

Code of Ethics – 11/2020 edition approved by the Board of Directors of Filtes International srl