

[CELLULARLINE GROUP]



CODE OF ETHICS
PERTINENT TO THE
ORGANISATION, MANAGEMENT AND CONTROL MODEL
PURSUANT TO LEGISLATIVE DECREE NO. 231/2001
OF
CELLULARLINE S.p.A.
Approved on 3 March 2017

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INTRODUCTION

The business purpose of Cellularline S.p.A., (hereinafter, for the sake of brevity, “**Cellularline**” or the “**Company**” or the “**Entity**”) includes the following activities, in Italy and abroad:

- a) the import, export, distribution, lease/rent and direct or indirect sale, both wholesale and retail, of electronic, electromechanical, electroacoustic, audiovisual devices and accessories in general, and of other related, pertinent material; the carrying out of the Company’s business purpose also contemplates the possibility of the direct management or franchising, directly or via third parties, of stores, sales points, retail warehouses, installation facilities.
- b) the acquisition – as a secondary activity – of equity investments in companies or businesses that carry out activities that come within the scope of the Company’s business purpose, or that are in some way connected, complementary or similar to it;
- c) the control, coordination and strategic, technical, administrative and financial support of entities or companies it has a direct or indirect stake in.

Specifically, the Company is the owner of, amongst others, the **commercial brand Cellularline**, the brand of a company that projects, designs and sells, in Italy and abroad, accessories for smartphones, tablets, wearables and other multimedia devices, and which has gradually established itself as market leader of the sector in Italy and one of the three top players at European level.

The Code of Ethics of Cellularline

This Code of Ethics (hereinafter also the “Code”), approved by the Board of Directors with the resolution of 3 March 2017, is one of the fundamental protocols of the Organisation, Management and Control Model (“**Model**”) the Company has equipped itself with, pursuant to and in accordance with Legislative Decree no. 231/2001 (“**Decree**”).

The Code of Ethics is a benchmark that seeks to guarantee the highest standard of ethics in the carrying out of the corporate activities on the part of all those operating on behalf of and in the interest of the Company.

The instructions contained in the Code of Ethics should be interpreted in the wider context of safeguarding the inviolable human rights regarding labour, safety and fighting and repudiating all kinds of criminal phenomena, and of safeguarding the environment, sustainable development and social and corporate responsibility, which are the values the Company is inspired by and adheres to.

In order to guarantee observance of the rules and principles set forth in the Code of Ethics, a Supervisory Body (hereinafter also “**SB**” or “**Body**”) has been set up, which, pursuant to the Decree, is also called upon to efficiently verify and monitor the effective implementation of the Code of Ethics.

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As described in more detail in the document entitled "**Statute of the Supervisory Body**", in order to guarantee effective observance of the measures set forth in the Code, the SB, where appropriate, may propose the application of sanctions.

Any Staff member who fails to observe the Code of Ethics may be subject to the sanctions provided for in the Disciplinary System, and where deemed necessary, the matter may be handed over to the authorities responsible for dealing with the unlawful action committed.

This Code is composed of four sections:

- i) the first indicates the Recipients of the aforementioned Code;
- ii) the second indicates the general ethical principles that apply to the benchmark values underlying the Company's activities;
- iii) the third indicates the rules governing conduct established for the Recipients;
- iv) the fourth governs the communication, formation and implementation of the Code of Ethics, as well as the pertinent monitoring and control activities.

By means of a resolution of the Board of Directors, the Code of Ethics may be modified or added to, also based on the suggestions and indications received from the Supervisory Body.

I) THE RECIPIENTS

With the aim of providing ethical guidelines for the activity carried out by Cellularline, this Code is binding upon all the directors, statutory auditors and other subjects who work for the audit company whose services are used by the Company (hereinafter indicated, respectively, as "**Directors**", "**Statutory Auditors**" and "**Auditor**"), its employees, including managers (hereinafter jointly referred to as "**Personnel**"), with no exceptions, and for all those who, although external to the Company, work directly or indirectly for the Company, or promote its products (e.g. agents, collaborators of any kind, consultants, suppliers, trading partners or distributors, hereinafter referred to as "**Third-Party Recipients**") (all the subjects indicated in the paragraph will be generally described below as "**Recipients**", or "**Recipient**" if singular).

All the Recipients must therefore observe, and, as far as they are responsible, ensure observance of the principles set forth in the Code of Ethics, which also applies to the activities carried out by the Company abroad. Under no circumstances shall claiming to act in the interest of Cellularline justify the adoption of behaviours in contrast with those set forth in this document.

Observance of the regulations set forth in the Code must, in particular, be considered an essential part of the contractual obligations of the employees vis-à-vis the Company, pursuant to and in accordance with art. 2104 *et seq.* of the Italian Civil Code.

A breach of the regulations set forth in the Code of Ethics damages the relationship of trust established with the Company and may lead to disciplinary action and the payment of compensation for the damage caused, without prejudice, for employees, to compliance with the procedures set forth in art. 7 of Law no. 300 of 20

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May 1970 (known as the Workers' Statute), of the collective labour agreements and any corporate regulations adopted by the Company.

II) THE ETHICAL PRINCIPLES

Defined below are the ethical principles that must be observed by all the Recipients. It must be emphasised that on no account may the conviction of acting to the advantage of the Company justify behaviours in contrast with the principles of this Code, which have precedential value in all circumstances.

II.1. Responsibility and observance of the law

The essential principle Cellularline abides by is observance of the laws, rules and regulations in force in Italy and in all the countries it operates in, and of the democratic order constituted therein.

II.2. Honourability and absence of conflict of interests

The principle of honourability implies respect for the rights of all the subjects involved in the activity of the Company.

Specifically, the Recipients must act in an honourable way, so as to avoid situations involving a conflict of interests, i.e., in general, all those situations in which the pursuit of their own interests is in contrast with the interests and the mission of the Company. It is also important to avoid situations from which an employee, a director or other Recipients may obtain an undue advantage and/or profit, as a result of opportunities learned of during and as a result of the carrying out of his/her activity.

II.3. Impartiality and equality

Cellularline rejects and repudiates all and any principles of discrimination based on the gender, nationality, religion, personal and political opinions, age, health and economic situation of the subjects with whom it engages, including suppliers.

Any resources who believe they have been discriminated against may report the matter to the Supervisory Body, which will verify whether a breach of the Code of Ethics has effectively taken place.

II.4. Honesty

Recipients must be aware of the ethical significance of their actions and must not pursue personal or corporate gain in breach of the laws in force or the regulations set forth in this Code.

In drawing up commercial agreements with clients, it is important to ensure that the clauses are drafted clearly and comprehensibly and that equality is maintained between the parties.

II.5. Rejection of violence

Cellularline condemns all forms of violence or threats aimed at obtaining behaviours that are contrary to the law, or to any principles or rules of behaviours contemplated in this Code of Ethics.

II.6. Transparency

The principle of transparency is founded on the truth, accuracy and completeness of information both inside and outside the Company.

Out of respect for the principle of transparency, all operations or transactions must be properly recorded, authorised, verifiable, lawful, consistent and congruous.

All actions and operations must be adequately recorded and it must be possible to verify the decision-making and authorisation process and how the transactions and operations are carried out.

For every operation, there must be adequate documentary support, so that checks may be carried out at any time attesting the characteristics of the operation and the reason for it, and identifying who authorised, carried out, recorded and verified the operation.

The Company adopts objective and transparent criteria when choosing its suppliers. This choice, in compliance with the regulations in force and with internal procedures, must be made on the basis of objective considerations regarding competitiveness, quality and the technical and economic conditions offered.

II.7. Efficiency

In all working activities, company resources must be used and managed as cost-effectively and efficiently as possible, always ensuring that the highest quality standards are met.

Cellularline also undertakes to safeguard and protect the company's assets and resources and to manage its equity and capital by adopting all the necessary cautionary measures.

II.8. Fair competition

Cellularline's corporate actions are based on competition inspired by the principles of honourability, fairness and transparency vis-à-vis the operators present on the market.

The Company undertakes never to damage the image of competitors and their products.

II.9. Safeguarding of privacy

Cellularline undertakes to safeguard the privacy of Recipients, in observance of the regulations in force, with a view to avoiding the transmission or dissemination of personal data without the consent of the interested parties.

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The acquisition, processing and storing of personal data are conceived in such a way as to ensure they cannot be obtained by unauthorised persons and/or entities.

II.10. Spirit of service

Within the scope of their competencies and responsibilities, Recipients must behave in such a way as to pursue the corporate mission, aimed at providing a service of high social value and use for the community, which must be offered the highest quality standards.

II.11. The Value of People

People are acknowledged as a fundamental, essential factor for company growth.

Cellularline safeguards professional growth and development with a view to boosting the range and depth of skills possessed, in compliance with the regulations in force governing the rights of the individual, with particular regard to the moral and physical integrity of Staff.

The Company undertakes not to encourage any form of clientelism and nepotism.

Staff are recruited exclusively on the basis of regular employment contracts and no irregular forms of employment are tolerated. New employees must be informed of all the aspects regarding the working relationship.

Salary increases or other incentives and access to roles and positions of greater responsibility are linked – as well as to the regulations established by law and by the pertinent collective labour agreement – to the individual performance of employees, and to their ability to demonstrate their organisational skills through behaviours conforming to the ethical principles followed by the Company and set forth in this Code.

II.12. Relations with the community and protection of the environment

Cellularline acknowledges the fundamental importance of protecting the environment in order to ensure consistent, balanced growth.

Therefore, the Company undertakes to safeguard the environment and to contribute to the sustainable development of the areas it operates in, also by using the finest technologies available and constantly monitoring company processes, as well as identifying industrial solutions with the lowest possible environmental impact.

All Cellularline's activities must be carried out in such a way as to comply with environmental regulations. Seeking an advantage for the company can never be a justification for a breach or potential breach, intentional or through negligence, of environmental regulations.

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II.13. Dealings with the Public Administration and the fight against corruption.

Cellularline seeks to guarantee maximum integrity and honourability in its dealings with public institutions and thus with the Public Administration, in order to ensure maximum clarity in its institutional relations.

In its relations with Public Officers and with individuals who are politically exposed or with their families or “individuals closely connected” with them, or as defined in Legislative Decree no. 231/07, Staff must behave honourably and with the maximum integrity, and must avoid even giving the impression that they might wish to improperly influence their decisions or request favourable treatment.

It is severely forbidden to make unlawful payments in dealings with the Institutions or with Public Officers, and with their family members or persons closely connected to them. All the Recipients of the Code of Ethics must abstain from making payments of any amount in order to obtain unlawful benefits when representing the Company vis-à-vis the Public Administration.

The Company expressly forbids any behaviour that may give rise, even partially, to corruption, favouritisms, collusive behaviour, direct and/or indirect requests, including promising personal advantages for any subject belonging to the Public Administration.

II.14. Dealings with associations, trade union organisations and political parties

Cellularline does not make direct or indirect contributions towards financing political parties, committees and political and trade union organisations, or to their representatives or candidates.

Furthermore, the Company does not fund associations or sponsor events or congresses whose aim is to spread political propaganda.

The Company may, in contrast, make contributions or donations to subjects with social, moral, scientific and cultural aims.

II.15. Dealings with international operators

Cellularline undertakes to guarantee that all its dealings, including those of a commercial nature, with subjects operating at international level are carried out in full compliance with the laws and regulations in force, with the aim of preventing the risk of cross-border offences being committed.

To this end, the Company undertakes to adopt all the cautionary measures necessary to verify the reliability of international operators, as well as the lawful origin of the capital and resources used by said operators within the scope of their dealings with the Company.

As far as possible, Cellularline also undertakes to collaborate, in a proper and transparent manner, with any Authority, including those abroad, that may request information or carry out investigations concerning the relations entertained between the Company and international operators.

II.16. Opposition to all forms of terrorism

Cellularline firmly opposes all forms of terrorism and, within the scope of its activities, intends to adopt

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appropriate measures to prevent any risk of involvement in acts of terrorism, thus contributing to the strengthening of democracy and peace among peoples.

To this end, the Company undertakes not to establish any working or commercial relationship with subjects, be they legal or physical persons, involved in acts of terrorism, and not to finance or in any way facilitate any such activities.

II.17. Protection of individuals

Cellularline acknowledges the need to safeguard individual liberty in all its forms, and opposes all manifestations of violence, especially those aimed at limiting personal freedom, as well as all forms of child pornography and/or prostitution.

Within the scope of its activity and among the Recipients, the Company undertakes to promote the sharing of such principles.

II.18. Protection of health and safety in the workplace

Cellularline does its utmost to guarantee health and safety in the workplace.

To this end, the Company adopts the most appropriate measures to avoid the risks connected with the carrying out of its business activity, and, where this is not possible, to adequately assess the risks that exist, with the aim of combatting them directly at the source and ensuring they are removed, or, if they cannot be eliminated, ensuring they can be dealt with.

Within the framework of its activity, Cellularline undertakes to facilitate the task of workers as far as possible, including how working positions are conceived and how working equipment and working and production methods are chosen, in particular in order to limit monotonous, repetitive work and to reduce the effects of such tasks on workers' health.

These principles are followed by Cellularline so that the necessary measures can be identified and adopted to safeguard workers' health and safety. Such measures include activities to prevent professional risks, as well as information and training activities and preparing the necessary organisation and resources.

Recipients must comply with these principles, especially when decisions must be taken or choices made, and when such decisions or choices must be implemented thereafter.

II.19. Guaranteeing transparency in commercial transactions (anti-money laundering)

The Company seeks to guarantee maximum transparency in commercial transactions, deploying the most appropriate instruments to combat money laundering and the receiving of stolen goods.

The principles of honourability, transparency and good faith must be followed in dealings with all contracting partners, even if they belong to the same Group.

II.20. Opposition to criminal organisations

The Company opposes all forms of criminal organisation, both national and cross-border. The Entity adopts the appropriate measures to prevent the risk of the Company or its employees being involved in any way in dealings or activities of any nature with such organisations.

To this end, the Company does not enter into any kind of working or commercial relationship or collaboration

with subjects – be they legal or physical persons – directly or indirectly involved in criminal organisations, or connected by means of family and/or other relationships with exponents of known criminal organisations, nor does it finance or in any way facilitate any activities that may be connected to such organisations.

II. 21. Protection of industrial and intellectual property rights

Cellularline complies with the regulations governing the protection of trademarks, patents and other distinguishing marks, as well as authorship rights.

Specifically, the Company does not permit the use of intellectual property without the authentic S.I.A.E. (Italian Authors' and Publishers' Society) mark, or with altered or counterfeit marks; it prohibits the reproduction of computer programs and the content of data banks, and the appropriation and distribution, in any form, of protected intellectual property, also by revealing the content of such intellectual property before it has been made public.

The Company does not permit the use, in any way and for any purpose, of products with counterfeit trademarks or signs, or the manufacture, sale or any commercial activity regarding products patented by third parties and to which the Company does not hold any rights.

II.22. Collaboration with the Authorities in the event of investigations

The Company acknowledges the value of the legal and administrative authorities, and seeks to guarantee maximum integrity and honourability in its dealings with the competent Authorities.

To this end, it prohibits any action designed to or liable to interfere with investigations or inspections conducted by the competent Authorities, and specifically, any behaviour aimed at obstructing the pursuit of truth, also by inducing persons summoned by the legal Authorities not to make declarations or to make false declarations.

The Company undertakes to adopt all the measures necessary to provide any collaboration requested by the Authorities, within the limits of compliance with the regulations in force.

II.23. Proper use of IT instruments

The Company seeks to use IT and electronic instruments in such a way as to guarantee the integrity and authenticity of the data processed, in order to protect the interests of the company and of third parties, with particular reference to the Authorities and public Institutions.

To this end, it adopts appropriate measures to ensure that access to electronic and IT data occurs in full compliance with the regulations in force and with respect for the privacy of the subjects involved, and in such a way as to ensure information remains confidential and is processed by subjects specifically authorised for said purpose, preventing any undue interference.

II.24. Fighting forms of corruption in dealings between private subjects

Cellularline considers it fundamental and essential for dealings with private subjects (suppliers, competitors, consultants, commercial partners, etc.) to be founded upon maximum fairness and loyalty, integrity, honourability and good faith.

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To this end, also with regard to dealings with private subjects, the Company prohibits corruption, favouritisms, collusive behaviour and direct or indirect pressure aimed at obtaining undue benefits or advantages.

Specifically, the Company forbids the concession or the promise of any personal advantage to representatives of third-party companies from which Cellularline obtains an undue advantage to the detriment of said third-party companies.

The Company's interests may not in any event be pursued to the detriment of free and fair competition on markets.

II. 25. Safeguarding the capital of the Company and its creditors

One of the key ethical aspects underlying Cellularline's actions is its observance of principles of behaviour aimed at safeguarding the company's capital, protecting creditors and third parties that establish relations with the Company, and, in general, the transparency and honourability of the Company's economic and financial activities. The Company therefore intends to guarantee the transmission and observance of rules of conduct designed to safeguard the aforementioned values, also with a view to preventing the commission of the corporate offences contemplated in the Decree.

II. 26 Control and transparency with regard to accounting

Recipients undertake to ensure that acts regarding the management of the company are represented accurately and truthfully in the Company accounts.

The accounting documentation must correspond to the principles set forth above and must be easily traceable, and set out in accordance with logical criteria.

In all cases, payments made by the company must always correspond accurately and exclusively to the service provided and in compliance with the terms set forth in the pertinent contract, and may not be made to any subject other than the other party to the contract.

The use of company funds for illegal or improper purposes is strictly forbidden. No payments of any kind must be made to any subject unless they are based on duly authorised corporate transactions, and no unlawful forms of remuneration may be paid.

The Company may grant contributions or sponsorship to private subjects and public entities in the non-profit sector, especially for social and cultural purposes, in compliance with regulations governing accounting, financial statements and taxation. The procedures for this must be absolutely transparent, with particular reference to the criteria adopted and the consistency of the sums granted.

II.27. Quality of Services and Products

Cellularline seeks to satisfy and protect its customers, by paying attention to requests liable to help improve the quality of its products and services.

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With this in mind, the aim of Cellularline's research and development and marketing activities is to ensure its products and services are of the highest quality.

II.28. Dealings with Suppliers

Cellularline selects its suppliers and makes decisions regarding the conditions for the purchase of goods and services on the basis of clear, transparent procedures inspired by objective, impartial, equitable criteria.

When evaluating offers, the Company favours suppliers that undertake to comply with the regulations in force regarding safety in the workplace, the safeguarding and protection of the environment and the safeguarding of confidentiality, as well as the regulations set forth in this Code of Ethics.

The Company undertakes to build business relationships with suppliers able to guarantee the utmost honourability and transparency.

III) RULES OF CONDUCT

III.1. Principles and rules of conduct for members of the corporate bodies

The corporate bodies are aware that it is their responsibility not only to comply with the law, the regulations in force and the articles of association, but also to observe the measures set forth in the Model and in the Code of Ethics that forms part of it.

Members of the bodies are required to:

- behave autonomously, independently and honourably towards the public institutions, private subjects (including the company's creditors), economic associations and political forces, as well as towards all national and international operators;
- behave with a sense of integrity, loyalty and responsibility towards the Company;
- guarantee assiduous, informed participation in meetings and activities of the corporate bodies;
- ensure the company mission is shared and accompanied by a critical spirit, in order to make a significant personal contribution;
- carefully consider conflicts of interests or incompatibility of functions, abstaining from taking action in situations where a conflict of interest is present regarding their particular area of activity;
- not to hinder in any way the control and/or review/audit activities carried out by shareholders, by the other corporate bodies, including the Supervisory Body, or by the audit firm;
- to treat any information they come into contact with in the course of their duties confidentially, avoiding using their position to obtain any kind of direct or indirect personal advantage. All communication activities addressed outside of the Company must comply with the law and the rules of conduct, and must be aimed at protecting price-sensitive information and information covered by industrial secrecy;
- to comply, as far as required by their position and responsibilities, with the rules of behaviour established for Staff.

III.2. Principles and rules of conduct for Staff and for subjects carrying out activities in the interests of Cellularline

Company Staff and other subjects who carry out activities in the interests of Cellularline must ensure that their behaviour – with regard both to in-company relations and to dealings with persons and bodies outside the Company – is compliant with the regulations and in particular, with the principles set forth in the Model and in this Code of Ethics.

With reference to the Model, it is necessary to:

- a) avoid adopting, causing or contributing to the adoption of behaviours liable to constitute or lead to any of the offences mentioned in the Decree;
- b) collaborate with the SB during its activities of verification and surveillance, providing the information and data requested by the SB;
- c) guarantee the communication provided for in this Code with the SB;
- d) notify the SB of any failures or breaches of the Model and/or the Code of Ethics, in compliance with the provisions of para. 3, Section IV of this Code.

Staff and subjects carrying out activities in the interests of Cellularline may, at any time, contact the Supervisory Body, orally or in writing, also to request clarification and/or information regarding, for example:

- how to interpret the Code of Ethics and/or the other protocols related with the Model;
- the lawfulness of a particular specific behaviour or action, and whether such behaviour is appropriate to or compliant with the Model or the Code of Ethics.

In addition to the general points above, the Staff and subjects who carry out activities in the interests of Cellularline must also observe the principles and rules of behaviour indicated below, regarding both questions of particular significance from an ethical point of view and specific sectors of company activity.

III.2.1. Conflict of interests

The Staff and subjects who carry out activities in the interests of Cellularline must avoid carrying out or facilitating operations that constitute an actual or potential conflict of interests with the Company, as well as activities liable to interfere with the ability to make unbiased decisions in the best interests of the Company and in full compliance with the rules set forth in this Code.

Specifically, the Staff and subjects who carry out activities in the interests of Cellularline must not have financial interests in a supplier, competitor or client, and may not carry out any working activity from which a conflict of interests is liable to derive.

If they find themselves in a situation where there is an actual or potential conflict of interests, Staff and subjects who carry out activities in the interests of the Company must notify said circumstance to their superior and to the SB, abstaining from carrying out any operations.

III.2.2. Dealings with the Public Authorities

All dealings with subjects that may be described as Public Officers or persons in charge of providing a Public Service must be conducted in full observance of the laws and the regulations in force, as well as with the Model and the Code of Ethics, in order to ensure the Company's operations are entirely legitimate and lawful. Within the limits indicated below, Cellularline forbids Staff and subjects who carry out activities in the interests of the Company from directly or indirectly accepting, offering or promising money, gifts, goods, services or favours (also in terms of employment opportunities or through activities, including commercial activities, directly or indirectly connected with the employee) connected with relations entertained with Public Officers or persons in charge of providing a Public Service, in order to influence their decisions, to obtain more favourable treatment, undue services, or for any other purpose, including the carrying out of acts in the course of their duties.

In particular, the following behaviours are expressly forbidden:

- offering gifts or other donations that may constitute forms of payment to officers or employees of the P.A., to politically exposed persons, their family members or other individuals known to be closely associated with them;
- directly or indirectly make or offer payments and material benefits of any amount to public officers or persons in charge of providing a public service, to politically exposed persons, their family members or other individuals known to be closely associated with them, in order to influence or reward an act on their part and/or a failure to act on their part and/or an act not consistent with their position or role;
- accept and satisfy requests for money, favours and advantages from subjects – physical or legal persons – that intend to enter into a business relationship with the Entity, or from any subject belonging to the P.A. or from politically exposed persons, their family members or other individuals known to be closely associated with them.

Acts of courtesy, gifts and the like are permitted only if they are clearly of modest value, or not liable to impact the integrity or the reputation of one of the parties, or in any case not liable to be interpreted by an impartial observer as seeking to improperly obtain an advantage.

Without prejudice to all the obligations imposed by the regulations in force, the Recipients of this Code must abstain, during business negotiations, requests or commercial relations with the Institutions, with Public Officers, with politically exposed persons, their family members or other individuals known to be closely associated with them, from the following:

- offering, or in any way providing, accepting or encouraging gifts, favours or commercial practices or behaviours that are not characterised by absolute transparency, honourability and fairness, or that are in any way contrary to the regulations in force;
- examine or propose employment and/or business opportunities that may be to the personal advantage to employees of the Institutions or Public Officers;

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- request or obtain confidential information liable to damage the integrity or reputation of both parties, or that constitute a breach of the public, transparent procedures activated when entertaining relations with the P.A.

When connected with the aforementioned relations, any requests for or offers of money, gifts (with the exception of those of modest value, i.e. those that may habitually be offered in the pertinent circumstances) or favours of any kind, made or received by Staff and by subjects who carry out activities in the interests of Cellularline, must be swiftly notified to superiors and to the Supervisory Body.

In the event of investigations, inspections or requests on the part of the Public Authorities, Staff and subjects who carry out activities in the interests of Cellularline must guarantee due collaboration.

III.2.3. Dealings with customers and suppliers

The staff and subjects who carry out activities in the interests of Cellularline must ensure their dealings with customers (e.g. wholesalers, entities and institutions) are characterised by the utmost honourability and transparency, in compliance with the laws and regulations in force, the Model and the Code of Ethics, as well as with internal procedures and in particular those regarding dealings with customers, purchasing and selection of suppliers.

The rules of behaviour indicated above are valid, and as such must be observed, also with regard to dealings with international operators.

Suppliers will be selected also in consideration of their ability to guarantee:

- observance of the Code of Ethics;
- the implementation of adequate corporate quality systems, where provided for;
- the availability of suitable resources and organisational structures;
- observance of labour regulations, including those governing the employment of minors and children, workers' health and safety, trade union rights or the right to be represented by an association.
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III.2.4. Websites

With regard to the websites prepared by the Company and by any company licensed to sell or in relation to distribution agreements, aimed at the public and Italian operators, they must not only comply with the requirements provided for by the pertinent regulations and laws, but must also undertake to clearly identify the sponsor, the source of all the information that appears on the website, the recipients of said information and the objectives of the website.

III.2.5. Obligation of ongoing training

In carrying out their activities on behalf of the Company or with regard to its products, Staff and subjects who act in the interests of Cellularline must always maintain a high level of professionalism.

In addition, Staff must undergo constant professional training in relation to their specific skills area.

III.2.6. Confidentiality

The Staff and the subjects carrying out activities in the interests of Cellularline must exercise absolute confidentiality, also subsequent to the termination or conclusion of their working relationship, with regard to data and information they come into contact with, ensuring it is not transmitted or used for speculative purposes, either on their own part or on the part of third parties. Confidential information may be transmitted, within the Company, only to those that effectively require such information for work reasons.

III.2.7. Diligence in the use of Company property

Staff must protect and safeguard the valuables and property of the Company entrusted to them, and must contribute to safeguarding the assets of the Company, avoiding situations that may have a negative impact on the integrity and security of said assets.

In all cases, Staff must avoid using resources, property or materials of Cellularline for their own advantage or for improper purposes.

III.2.8. Financial statements and other corporate documents

The Staff and the subjects carrying out activities in the interests of Cellularline must devote particular attention to the drafting of the financial statements and other corporate documents.

For this purpose, and also in compliance with the pertinent international regulations and the principles set forth in the Confindustria Guidelines, the following must be guaranteed:

- adequate collaboration with the company departments entrusted with drafting the corporate documents;
- complete, clear, accurate data and information;
- observance of the principles governing the compilation of accounting documents.

All the operations carried out must be inspired by the following principles:

- proper governance;
- complete, transparent information;
- substantial and formal lawfulness;
- clear, authentic accounts in accordance with the regulations in force and internal procedures.

The Company demands that all entries in the financial statements – for example payables, stocks, equity investments and charges - must unconditionally comply with all the regulations in force concerning the formation and evaluation of the financial statements. The Company thus prevents the creation of false, incomplete or misleading records, and takes care to avoid the creation of secret or unregistered funds, or

funds deposited in personal accounts, or the issue of invoices for non-existent operations.

The documents attesting the keeping of accounting records must allow a clear reconstruction of accounting operations so that any error can be identified.

Internal company procedures govern all financial operations and transactions, including the reimbursement of expenses to employees and/or external collaborators of various kinds and/or professionals. With regard to the financial resources employed or to be employed, these procedures must make it possible to ensure said transactions and operations are lawful, authorised, coherent and consistent, and that they have been correctly registered and verified.

III.2.9. Health and safety in the workplace

With regard to health and safety in the workplace, the Company Staff must, in particular:

- a) take care of their own health and safety and that of the other people in the workplace that may be affected by their actions or failure to act, in accordance with the training and instructions received and resources provided by the employer;
- b) contribute, together with the employer, the management and the persons in charge, to comply with the obligations established with regard to health and safety in the workplace;
- c) observe the instructions given by the employer, the managers and the persons in charge, in order to guarantee collective and individual protection;
- d) correctly use working equipment, hazardous substances and preparations and means of transport, as well as safety devices;
- e) appropriately use the protection equipment provided;
- f) immediately inform the employer, manager or person in charge of any faults in the resources and devices indicated at letters d) and e), and of any danger of which they may become aware, taking direct action, in the event of an emergency, within the limits of their skills and possibilities, and without prejudice to the obligation stated at letter g) below, to eliminate or limit situations of serious, immediate danger, informing the workers' safety representative;
- g) not remove or make changes to safety, signalling and control equipment, unless authorised to do so;
- h) take care of the individual protection equipment provided, without making any changes thereto on their own initiative, and notifying any defects or faults to the employer, manager or person in charge;
- i) not, on their own initiative, carry out any operations or manoeuvres they have not been entrusted with, or that are liable to place their own safety or that of others at risk;
- j) take part in training programmes organised by the employer;
- k) undergo the health checks provided for by the regulations in force or ordered by the doctor responsible.

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III.2.10. Anti-money laundering/handling of stolen goods

The Staff and subjects who work for any company licensed to sell or in relation to a distribution agreement must adopt all the measures and take all the appropriate precautions to guarantee transparency and honourability with regard to commercial transactions.

Specifically, compulsory measures include the following:

- tasks entrusted to any service companies and/or physical persons taking care of the economic/financial interests of the Company must be set out in writing, with an indication of the contents and the economic conditions agreed upon.
- the competent departments must exercise control over the regular settlement of payments to all parties, also by checking that the subject an order is made out to is effectively the subject who collects payment for the order.
- control must be exercised over the financial flows regarding dealings (intra-group payments/operations) with Group companies;
- the minimum requisites must be scrupulously complied with and requested for the purpose of selecting the subjects offering the goods and/or services the Company intends to purchase;
- criteria must be established for evaluating offers;
- with reference to the commercial/professional reliability of suppliers and partners, all the necessary information must be requested and obtained;
- in the event agreements/joint ventures are entered into for the purpose of making investments, maximum transparency must be guaranteed.

III.2.11. Use of IT systems

In carrying out their professional activities, Staff and subjects who carry out activities in the interests of Cellularline (or promote its products), must use IT and electronic tools and services in strict compliance with the pertinent regulations in force (especially with regard to IT crime, IT security, personal data protection and copyrights) and with internal procedures.

Specifically, it is forbidden for Staff to:

- unlawfully access IT or electronic systems;
- possess or transmit access codes for IT or electronic systems without authorisation;
- transmit or transfer IT equipment, devices or programs designed to cause damage or interruptions to an IT or electronic system;

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- intercept, impede or unlawfully interrupt IT or electronic communications;
- cause damage to information, data and IT programs and IT or electronic systems.

Staff and subjects who carry out activities in the interests of Cellularline cannot upload unauthorised or loaned software to company systems and are forbidden to make unauthorised copies of licensed programs for their own use, or for the use of the company or third parties.

Staff and subjects who carry out activities in the interests of Cellularline must use the computers and the IT tools provided by the Company for company purposes only; the Company therefore reserves the right to verify the content of said computers and the proper use of the IT tools, in compliance with company procedures.

Staff and subjects who carry out activities in the interests of Cellularline (or promote its products) must also use the e-mail account provided by the Company for professional reasons, and must not use language that is inappropriate or not in keeping with the style of the Company.

III.2.12. Respect for the environment

In carrying out their duties for the Company, Staff must consider that the need to protect the environment must always take precedence over any economic considerations.

In addition, Staff must:

- contribute, as far as they are responsible, to comply with the obligations provided for to protect the environment;
- always carefully consider the effects of their actions with regard to possible damage to the environment;
- in keeping with their training and experience and with the instructions and resources provided by the employer, refrain from reckless behaviour liable to cause damage to the environment;
- abstain from carrying out operations or manoeuvres on their own initiative that are not part of their duties or that may be likely to cause damage to the environment;
- adopt the measure provided for by the procedures aimed at limiting the production and harmful nature of waste;
- guarantee the protection of the soil and subsoil, the preservation of the land and the protection of surface water, sea water and groundwater;
- take all the established precautions necessary to cut air pollution to a minimum and to keep emissions below the limits set by the law;
- comply with the procedures aimed at preventing environmental emergencies, in order to limit the damage should such emergencies occur.

III.2.13. Dealings with private subjects

Staff are strictly forbidden from engaging in any form of instigation, promise, dation or offer of any money or other direct or indirect benefits of any kind to private subjects (subjects, customers, commercial partners,

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consultants, etc.) to carry out (or fail to carry out) actions in the course of their duties in breach of their professional or loyalty obligations, for the purpose of obtaining an advantage of any kind for the Company and/or for themselves and/or for third parties, whether said actions are actually carried out or not.

Likewise, it is forbidden to accept money or other benefits, of a financial or any other nature, for the Company and/or for themselves and/or for third parties with the intention to influence the carrying out of an action as part of their duties.

Gifts of a modest value may be offered/acceptance in compliance with company procedures.

III.2. 14. Safeguarding the capital of the Company and its creditors

In compliance with the Italian regulations observed by the Company, the Corporate Bodies, Management, Employees and external Collaborators must:

- maintain an honourable, transparent and collaborative conduct, in compliance with laws, regulations and internal procedures, in all activities carried out to draft the financial statements and other corporate communications provided for by law and aimed at shareholders or the public, in order to provide truthful, correct information on the economic, equity and financial situation of the Company;
- strictly observe the regulations established by law to protect the integrity and existence of the company's capital (e.g. mergers, spin-offs, acquisitions of companies, distribution of profits and reserves) and always act in compliance with the company's internal procedures, which are founded on said regulations, in order not to damage the guarantees of creditors or third parties' general;
- carry out any liquidation operations of the Company in such a way as to put the interests of the Company's creditors first; it is therefore forbidden to take company assets from creditors by distributing them among shareholders before payment has been made to the creditors so entitled, or to set aside the sums necessary to pay them.

In addition, Cellularline guarantees the regular functioning of its corporate bodies, ensuring and facilitating all the forms of control over company management provided for by the law, as well as the proper and unrestricted adoption of the decisions taken by the shareholders' meeting; the Company therefore imposes strict compliance with its internal procedures established for this purpose and/or the adoption of behaviours consistent with said principles.

Specifically, with reference to the drafting of the financial statements, Cellularline considers that truthful, accurate, transparent accounting, financial statements, reports and other corporate communications provided for by the law and aimed at shareholders or the public are essential to conducting business appropriately and guaranteeing fair competition. This requires the validity, accuracy and completeness of basic information to be examined carefully before it is recorded in the accounts.

Consequently, it is not permitted to conceal information, or to present economic, equity or financial data in an incomplete or misleading way on the part of the management or of subjects under their direction and control. Therefore, all collaborators, both internal and external, employed in producing, processing or recording such information are responsible for the transparency of the Company's accounts and financial

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statements. All operations of significance for the Company's economic and financial situation or assets and liabilities must be adequately recorded, and all records must be supported by the pertinent documentation, so that checks may be carried out at any time to demonstrate the characteristics of and reasons for said operations and to identify who they were authorised, carried out, recorded and verified by.

For each operation, adequate supporting documentation of the activity carried out is filed, so as to allow for:

- simple recording in the accountings;
- the identification of the various levels of responsibility;
- an accurate reconstruction of the operation, also in order to limit the possibility of errors of interpretation.

The Company demands dedication from Staff to ensure that the actions and operations carried out in the course of their activity can be shown correctly in the accounts in a timely manner.

Each transaction recorded must reflect exactly what is contained in the supporting documentation.

Any instances of negligence, omission or falsification employees come to know of must be promptly notified to the SB.

III.3. Principles and rules of conduct for Third-Party Recipients

As well as to the members of the Corporate Bodies and the Staff, this Code of Ethics also applies to Third-Party Recipients, i.e. subjects, external to the Company, that operate, directly or indirectly, on behalf of Cellularline (including, but not limited to, agents, collaborators of any kind, consultants, suppliers, commercial partners and distributors).

Third-Party Recipients are therefore obliged to comply with the measures set forth in the Model and in this Code, and specifically – within the limits of their tasks and responsibilities – with the reference ethical principles (cf. Section II) and the rules of conduct established for the Staff of the Company (cf. Sect. III, para. 2).

In the event of failure to undertake to comply with the regulations contained in this Code of Ethics, the Company will not conclude and/or continue any dealing with Third-Party Recipients. To this end, letters of appointment and/or negotiating agreements must contain specific clauses designed to confirm the obligation of the part of Third-Party Recipients to comply in full with this Code, and in the event of a breach thereof, to instruct said Third-Party Recipients to comply with the Model, to apply a penalty or to terminate the contractual relationship.

For contractual relationships already in existence when the Code of Ethics comes into force, the Company will have the Third-Party recipient sign a specific supplementary agreement with the content indicated above.

III.4. Obligations of notification to the Supervisory Body

Recipients must provide timely notification to the Supervisory Body in the event they become aware of a breach, or a potential breach, within the context of the Company's activities, of rules, laws or regulations, of the Model, the Code of Ethics and internal procedures.

In all cases, the SB must be immediately informed of any information:

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- I. that may be related to breaches, even potential breaches, of the Model, including but not limited to:
 - a) any orders received from a superior and considered to be in contrast with the law, internal regulations, or the Model;
 - b) any requests for or offers of money, gifts (exceeding modest value) or other benefits from, or destined for, public officers or persons in charge of a public service, and/or private subjects;
 - c) any significant departures from the budget, or anomalies with regard to spending that emerge following the analysis report carried out by the Management Control body;
 - d) any proceedings and/or communications received from the criminal investigation police or any other authority indicating that investigations are under way directly or indirectly regarding the Company, its employees or the members of the corporate bodies;
 - e) requests for legal assistance presented by employees pursuant to the national collective labour agreement, in the event of criminal action being brought against them regarding activities carried out in the interest of Cellularline;
 - f) information regarding disciplinary proceedings under way and any sanctions applied, or the reason for the case being dismissed;
 - g) any notification that has not been responded to in a timely manner by the competent departments, concerning shortcomings or inadequacies with regard to workplaces, or to working equipment or protection devices provided by the Company, or any other situation that may present a danger connected with health and safety in the workplace;
 - h) any injuries or illnesses resulting in inability to attend to ordinary duties for a period of at least forty days;
 - i) any breach or potential breach of environmental regulations or of the specific procedures regarding the environment established by the Company;
 - j) any communication from the Board of Auditors regarding aspects that might indicate a lack of internal controls;
 - k) information regarding the existence of an actual or potential conflict of interests with the Company.
- II. regarding the activity of the Company that may be of importance with regard to the carrying out on the part of the SB of the duties assigned to it, including, but not limited to:
 - a) information regarding changes to the current organisational aspects or company procedures and updates to the system of powers and proxies;

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- b) decisions regarding requests for granting and use of public funding;
- c) periodic reports on health and safety in the workplace;
- d) the yearly financial reports, notes to the reports and the assets and liabilities of the Company;
- e) the reports on inspections carried out by the control bodies;
- f) the outcomes of all Internal Audits.

The SB, in the course of its control activities, must ensure that the subjects involved are not subject to retaliation or discrimination and are not penalised in any way. Confidentiality must therefore be guaranteed for subjects who notify any of the above, without prejudice to any legal obligations.

In order to facilitate notifications to the SB on the part of subjects who may become aware of breaches, or potential breaches, of the Model, the Company must activate the appropriate communication channels for this purpose, and specifically, a specific e-mail address: **organismodivigilanza@cellularline.com**. Notifications may also be sent in writing, also anonymously, to: **Supervisory Body c/o Cellularline S.p.A., Via Lambrakis no. 1/A, 42122 Reggio Emilia**.

In all cases, the SB will take care to ensure that the person sending the notification, if actually or potentially identified, is not subject to reprisal or discrimination or penalised in any way, guaranteeing confidentiality (without prejudice to any legal obligations that require otherwise).

IV) COMMUNICATION AND DISTRIBUTION OF THE CODE OF ETHICS. IMPLEMENTATION AND VERIFICATION OF OBSERVANCE OF THE CODE.

IV. 1. Communication and Distribution of the Code of Ethics:

The Company undertakes to guarantee the Code of Ethics is regularly distributed inside and outside of the Company.

With particular reference to the Corporate Bodies and the Staff, Cellularline guarantees:

- the distribution of the Code of Ethics to all members of the Corporate Bodies and all the Staff;
- the posting of the Code in a place accessible to all on the company premises;
- help with the interpretation of the measures contained in the Code and any clarification required;
- the devising of systems to verify the effective observance of the Code of Ethics.

The SB, which is responsible for verifying the effective implementation of the Model, organises and monitors training on the principles of the Code of Ethics, structured differently and differentiated depending on the position held and the responsibilities assigned to the resources concerned. Training will be more intense and aspects will be studied in greater depth by subjects defined as "high-level" in the Decree, and for those operating in the so-called "risk areas", pursuant to the Model.

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With particular reference to Third-Party Recipients and any other subjects the Company engages with, the Company shall also:

- inform said subjects regarding the commitments and obligations opposed by the Code of Ethics, by providing them with a copy of the Code;
- distribute the Code using the Company's IT systems;
- demand that said Third-Party Recipients observe the Code of Ethics;
- require the signing of clauses and/or statements contained in and/or attached to the pertinent contracts, in order, on the one hand, to formalise the commitment to comply with Legislative Decree no. 231/2001, the Model and the Code of Ethics and, on the other, to regulate the sanctions of a contractual nature that will be applied as result of a breach of said commitment. The Company will undertake to defining and constantly improving such clauses.

Any doubt regarding the application of this Code must be promptly discussed with the SB.

IV.2. Duties of the Supervisory Body

The verification of the implementation of and compliance with the Model and the Code of Ethics is entrusted to the Supervisory Body.

Without prejudice to the provisions set forth in the Statute of the Supervisory Body, the duties of the Body include the following:

- verification of compliance with the Model and the Code of Ethics, with a view to limiting the risk of the offences contemplated in the Decree being committed;
- making its own observations regarding both the issues of an ethical nature that might emerge within the framework of company decisions and presumed breaches of the Model or the Code of Ethics it comes to know of;
- providing the parties concerned with all the clarifications and explanations they require, also with reference to specific behaviours or to the correct interpretation of the provisions contained in the Model or the Code of Ethics;
- monitoring the updating of the Code of Ethics, also by proposing adjustments and/or updates;
- promoting and monitoring the implementation, on the part of the Company, of communication and training activities connected with the Model, and in particular with the Code of Ethics;
- notify the competent corporate bodies of any breach of the Model or the Code of Ethics.

IV.3. Breaches of the Code of Ethics and pertinent sanctions

With regard to the classification of breaches of the Model, also in relation to the Code of Ethics and to the sanctions applicable and the procedure for disputing breaches and applying sanctions, please refer to the Disciplinary System adopted by Cellularline, which is an integral part of the Model.