



# CODE OF ETHICS AND CONDUCT

(Drawn up in accordance with art. 54, para. 5, of Legislative Decree no. 165/2001 and Legislative Decree of no. 231 of 8 June 2001, pursuant to the ANAC's (National Anti-corruption Authority) Resolution NO. 75 of 24 October 2013)

**APPROVED BY THE COMPANY'S BOARD OF DIRECTORS  
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## 1. INTRODUCTION

Miko S.r.l. wishes to be one of the market leaders in providing non-woven microfibre fabric in the automotive upholstery sectors.

In pursuing this business objective, the Company complies with all the legal provisions, in particular, all the regulations relating to environmental protection and health and safety in the workplace.

Miko S.r.l. recognises the importance of moral and social responsibility when conducting its business activities and is committed to protecting the legitimate interests of its stakeholders (shareholders, administrators, employees, contractors, customers, suppliers and business partners).

Miko S.r.l. therefore wishes to carry out its business by developing a business model based on knowledge and innovation. A sustainable business model, which is more efficient from the point of view of resources, more eco-friendly, more secure, and more competitive, a business model which promotes social and territorial cohesion.

Miko S.r.l. considers its corporate vision to be “the Company's assets” and fosters the following values:

- Respect for human rights
- Promoting work, employment and good working conditions;
- Environmental protection and the efficient use of natural resources;
- Fighting corruption;
- Protecting consumers;
- Contributing to society;
- Good tax governance.

This requires all employees and contractors of Miko s.r.l. to comply with the current legislation issued by the Italian Government, the European Community, and any other national and international authority that has the power to impose mandatory regulations, as well as procedures, company circulars and this document.

Members of the B.O.D. are also required to refer to the principles of the Code when setting new objectives, proposing new investments and carrying out new projects bearing in mind, in any activity and decision, that the sector in which our Company operates continues to experience significant changes and that we are constantly faced with choices of a moral, social and legal nature.

This is also why we have drawn up this Code of Ethics and it is essential that all our employees comply with it for the sake of our company's efficiency, integrity and reputation.

The Code of Ethics represents an important stage in the organisation and management system which we have developed pursuant to Legislative Decree 231/01.

The Code of Ethics is shared with all members of staff of Miko s.r.l. and anyone the Company intends to have dealings with.

## 2. COMPANY MISSION

Our human resources are fundamental to the company's existence, development and success. The professionalism and dedication of our employees play a vital role in enabling the company to achieve its objectives.

The Company is committed to developing the skills, talent and potential of our employees so that they can fulfil their potential and achieve their goals.

Miko s.r.l. provides equal opportunities to all its employees on the basis of their individual professional qualifications and performance; our HR Department will select, recruit and manage employees based on criteria of competence and merit, without any discrimination on the grounds of race, religious and/or political beliefs, gender, age, ethnicity, disability, in accordance with the applicable laws and regulations.

The department will also ensure that the working environment is not only adequate from the point of view of health and safety but is also a place that is free of discrimination where everyone is treated with respect, taking into account their personal moral values, and preventing bullying and harassment as well as undue distress.

Equally, employees must abide by the code of conduct set out in the collective agreement currently in force, and must never be under the influence of alcohol, drugs (except those prescribed for medical reasons) or other narcotic substances while on company premises.

Senior management, management and departmental managers must set a good example to all employees, demonstrating high standards of behaviour while performing their duties, promoting a spirit of collaboration, trust, mutual respect, unity and team spirit at all times in order to maintain and improve the corporate culture, as well as the company's image and reputation.

In the event that employees become aware of any unlawful or unethical act, they must immediately notify the relevant authority.

The main objectives for Miko S.r.l. are to create an excellent corporate culture in order to fully motivate its employees, to organise the company so that it operates efficiently, to take collective pride in our major achievements, to succeed in achieving our objectives by providing staff training, including on environmental issues and accident prevention as well

as to help employees understand the importance of their role in achieving the desired quality standards and personal development goals.

Management strongly believes that it is essential that all its employees are involved in implementing and maintain the model.

### 3. THE CODE OF ETHICS

Business ethics are a key factor in the Company's success and credibility among its customers / users, suppliers and, in general, within the internal economic context in which it operates.

With a view to turning these ethical values into a competitive advantage, MIKO SRL has decided to adopt this Code of Ethics and Conduct (hereinafter “Code of Ethics” or also “Code”) setting out in one document the principles of fairness, loyalty, integrity and transparency in our conduct and in the way we operate and conduct business relationships both within the Company and with third parties.

The creation of a Code of Ethics is the responsibility of the Company's Board of Directors which works alongside the supervisory board appointed pursuant to Legislative Decree 231/2001 (hereinafter “Supervisory Board”), and the person responsible for Corruption Prevention and Transparency, appointed in accordance with Law no. 190/2012 and pursuant to Legislative Decree no. 33/2013 et seq., for all aspects within its remit.

This Document, setting out the code of conduct in MIKO SRL, has been drawn up to take account of the nature of the Agency itself, with regard to the Code developed by trade associations.

The code may be reviewed or updated if there are changes to the legislation or in the light of our experience.

### 4. RECIPIENTS AND SCOPE OF APPLICATION

“Recipients” of the Code of Ethics are all those who work for the Company: Administrators, Managers, Workers, the Board of Statutory Auditors and the Supervisory Board, as well as external contractors who contribute to achieving the Company's objectives.

They all need to familiarise themselves with the Code of Ethics, contribute to its implementation and help communicate the principles it contains, ensuring that all those with whom they have a business relationship comply with it (customers/users, suppliers, consultants, etc.).

The rules contained in the Code of Ethics are in addition to those that Recipients are required to abide by under the applicable civil and criminal laws in Italy and the obligations imposed by collective labour agreements. The Recipients of the Code of Ethics who are in breach of these rules undermine the relationship of trust enjoyed by the Company and shall incur the fines provided for in this Document.

The ethical obligations provided for in this Code shall also apply to all contractors and consultants irrespective of the type of contract or work, as well as to contractors who work for the providers of all types of goods and services who carry out work for MIKO SRL.

The Company is keen to ensure that the Code is circulated to all concerned and that everyone has a clear understanding of its contents, by providing the appropriate means for its implementation.

## **5. FUNDAMENTAL PRINCIPLES**

MIKO SRL conducts its business based on the principles and values indicated below.

### **5.1. Compliance with the applicable legislation**

MIKO SRL operates in compliance with the applicable legislation based on the management principles of fairness and transparency, and enjoys a relationship of mutual trust with everyone it deals with. The Company requires from all its Administrators, Directors, Workers, external Contractors and anyone who represents the Company in whatever capacity, to comply with the legislation, the company's principles and current procedures.

### **5.2. Diligence and accuracy in carrying out business activities**

We believe it is fundamental for the Company to provide excellent service to anyone we deal with while we conduct our business, and therefore we welcome any requests or suggestions that may help improve the quality of the services we provide.

For this reason, the Company's employees and contractors must carry out their work with the utmost diligence, accuracy and professionalism.

### **5.3. Protecting and promoting the company's assets and resources**

The Company is committed to developing all its human resources in order to achieve its business objectives and to do this it undertakes to develop its employees in order to enhance its human resource assets and to increase the competitiveness of the skills they possess.

#### **5.4. Environmental protection**

The Company believes it is important to improve and protect our environment as a collective resource. This is why we promote initiatives that are intended to improve the way we use our natural resources while reducing waste.

#### **5.5. Honesty and fairness**

The Company believes that honesty and fairness must underpin all the company's activities, initiatives, financial statements and communications. Recognising that these values are fundamental to the management of the company's business, MIKO SRL believes in particular that no one should derive any benefit, either personal or in favour of the Company, nor should they abuse their position in order to make a profit. The relationships with stakeholders are therefore characterized by conduct based on propriety, cooperation, loyalty and fairness.

#### **5.6. Confidentiality of information**

Carrying out the company's business activities involves acquiring, storing, processing, sending and circulating documents, reports, data and written information, by email or verbally, both internally or externally.

Information and data regarded as sensitive will only be processed for the purpose of conducting the company's business and according to internal procedures which ensure full confidentiality and compliance with legal requirements.

#### **5.7. Providing clear, complete information to customers**

The Company is committed to ensuring that customers receive complete, accurate and clear information at all times so that, when entering into a business relationship with the company, they are able to make independent decisions and are fully aware of the business interests involved, any alternatives available and the relevant implications. When entering into a contractual relationship, MIKO SRL shall provide the contractor with clear and easy-to-understand information about the conduct expected of it in every eventuality.

#### **5.8. Providing clear, complete information to the relevant bodies**

The Company recognizes the importance of providing accurate information regarding key aspects of the company's accounts and management to the relevant bodies. MIKO SRL operates according to principles of transparency, propriety and mutual respect towards the authorities that carry out inspections and controls and will ensure that any queries are answered fully and in a spirit of collaboration.



## 5.9. Wellbeing and protection of individuals

The Company is committed to safeguarding the wellbeing of all its staff by ensuring they are treated with dignity and respect at work and, for this reason, it will protect workers from psychological abuse by condemning any form of discrimination, bullying or harassment towards individuals, their beliefs and orientations. Any form of sexual harassment is prohibited and any behavior or comment that may violate a person's dignity must be avoided.

## 5.10. Health & safety in the workplace and compliance with the regulations of the CCNL

The health and safety of our employees in the workplace is of utmost importance and the company undertakes to constantly maintain and monitor its health and safety standards.

Therefore, the company pursues a policy of workplace health and safety by ensuring that the work environment is suitable, that staff understand and are involved in the process of identifying and assessing risks, that the existing machinery and equipment is technologically up to date, that any third-party contractors of whatever type are aware of the policy and are supervised when they are on the company's premises.

The Company is guided by the applicable legislation regarding health and safety in the workplace as well as the terms and conditions of collective labor agreements. To achieve this goal, MIKO SRL is committed to sharing and promoting a culture of health and safety by raising awareness of health and safety risks and encouraging responsible behavior among all their employees.

In particular, the company adopts preventative measures to ensure the health and safety of our staff. For this reason, the company, taking into account the ever-changing nature of the business and consequently the new risks that are emerging, makes the necessary technical and organizational adjustments, by:

- introducing a risk management and health and safety management system;
- constantly assessing how best to mitigate risks and deal with any critical issues affecting the company's processes and human resources;
- adopting the best technology;
- monitoring and updating working methods;
- providing training and information campaigns

### **5.11. Community relations**

The Company is aware of the potential impact of its activities on the overall well-being of the wider community and operates a strict programme of self-monitoring regarding compliance with its Code of Ethics.

### **5.12. Institutional relations**

In all of our relationships with institutions, including international ones, it is essential that in our dealings with them we take into account the legislative and administrative provisions that the company is bound by and respond to informal requests or in any case keep them informed about any matters relating to the company. For this reason, we undertake to establish, without discriminating, sound communication channels with all international, EU and Italian stakeholders.

In order to ensure the maximum transparency in our relationships, our dealings with institutional stakeholders will only be through individuals who have been specifically authorized to represent the company by management.

### **5.13. Donations and sponsorships**

The company may only accept requests for donations from approved and officially recognized charitable institutions, which contribute highly to our cultural heritage and which in any case involve the wider community.

We are only prepared to sponsor events that are of a high standard and reflect well on the company. These should focus on social issues, the environment, sport, entertainment and art. In any case, in choosing which requests to agree to, the company should carefully consider whether there are any personal or corporate conflicts of interest.

### **5.14. Respecting the principle of fair competition**

The company is committed to the principle of fair competition, refraining from collusive or predatory behaviour or abusing a reason, dominant position and undertakes to report any practices intended to reduce free market competition to the relevant authorities through the appropriate channels.

### **5.15. Quality of services and products**

The company undertakes to meet the needs of consumers and to protect them by responding to the feedback they provide in order to improve the quality of our products and services, and to this end its research, development and marketing are focused on achieving high quality standards for its services.

## 5.16. Risk Awareness

The company undertakes to raise awareness among its employees and contractor of the risks inherent in their day-to-day activities.

This awareness must be apparent in the way each person behaves. There needs to be a general understanding of how the company's control system can protect staff from these risks.

## 5.17. Our image

The company's image and reputation are assets that need to be safeguarded and developed by communicating, sharing and adhering to the ethical principles set out in the Code.

MIKO SRL staff members, contractors and consultants must refrain from any behaviour that could damage the image of the company.

# 6. STANDARDS OF BEHAVIOUR

The company requires all staff and all those who have dealings with the company, irrespective of their function, to behave according to the values and principles contained in this Code of Ethics.

## 6.1 Adhering to the Code of Ethics

The company wishes to draw the attention of all its employees, contractors and other people that work with it, irrespective of their function, to the standards contained in the Code of Ethics and the rules governing the activities they perform according to their role, which have been drawn up in accordance with the regulatory provisions or internal procedures and regulations.

Everybody mentioned above must expressly accept the terms of the Code of Ethics when they join the company or begin working for the company as contractors or when they first receive a copy of the Code and specifically:

- They must refrain from behaving in a way that contravenes the standards contained in the Code;
- They must contact their line manager or company representative if they require further clarification about how these standards should be applied;
- They should immediately inform their line manager or company representative of any potential breaches or requests which would be in breach of these standards, including those reported by others;
- They must assist the relevant department in order to confirm these potential breaches;

- They must tell third parties with whom they come into contact in the course of their work about the existence of the Code and about the commitments and obligations it imposes on individuals outside the company;
- They must respect the obligations that apply directly to their work;
- They must take steps to deal with the matter internally or, if within their remit, externally in the event that a third party fails to comply with the requirement to adhere to the standards set out in the Code.

## 6.2 Management of the company's financial and business documents

The company requires its staff to adhere to the applicable legislation and that when drafting company documents to ensure that they are entirely accurate and complete, in particular with reference to the company's financial and business documents. Each business transaction must be accurately recorded and documented in a proper manner so as to ensure that the process of decision-making, authorisation, and execution as well as the rationale behind this process can be traced. Each transaction must be accompanied by the relevant supporting documents. This will ensure that accounting information can be easily checked and traced, that each financial transaction can be effectively traced and that the various levels of responsibility can be identified. The Company strictly prohibits false accounting, fraudulent activity, hiding, omitting, deleting or destroying accounting records or documents, and requires its staff not to obstruct the auditing process.

## 6.3 Managing and taking care of company property

All MIKO SRL employees and contractors must take all the necessary steps to protect the company's property, acting responsibly and according to the operating procedures regarding the use of the company's machinery and equipment, including by documenting their use of it where required. All staff are responsible for any of the company's property they have been provided with and must immediately inform the relevant member of staff should anything happen that could harm the Company or damage its property. More specifically, they must:

- a) avoid any improper use of machinery or equipment they have been provided with, which may result in unnecessary expenditure, damage it or render it less inefficient or produce any other consequence that is not in the interest of the Company;
- b) avoid using the machinery or equipment owned by the Company for purposes other than work, nor may they allow any machinery or equipment to be used by third parties unless authorised to do so by the board or by the relevant Departmental Managers;

- c) duly adopt and implement the company's policy, regulations and internal procedures so as not to compromise the security of the company's IT systems, equipment or devices;
- d) always comply with the safety regulations provided for by law and by internal procedures so as to prevent any potential harm to goods, persons or to the environment;
- e) immediately notify the relevant departments should anything out of the ordinary occur in order to minimise as far as possible the risk of theft, damage or other threat to any property or resources that they have been provided with or that are in the workplace.

#### 6.4 Staff recruitment

Those involved in the staff recruitment process will assess candidates based on whether their profile corresponds to what will be expected of them based on the company's requirements and in line with the equal opportunities policy; the information solicited from candidates must only be used in order to assess the aspects relating to candidates' professional qualifications and interpersonal skills while respecting their private lives and their personal opinions. During the selection and recruitment process, appropriate steps should be taken, based on the information available, to avoid any forms of favoritism, nepotism, or cronyism.

#### 6.5 Employment relationship.

In accordance with the provisions set out in the “*Staff recruitment and appointment*” Procedure, under 2.1.1. and included in the Organization and Management Model pursuant to Legislative Decree 231/01, staff will be appointed under a standard contract of employment and no other type of unregulated work will be permitted; when joining the company each employee shall receive accurate, clear information relating to:

- the type of role and duties he/she shall carry out;
- regulatory and remunerative details, as governed by the applicable labor agreement;
- standards and procedures to follow in order to avoid the health and safety risks associated with the type of work carried out;
- a summary of the company's Code of Ethics.

#### 6.6 Protected groups

If, in future, the company is required to recruit workers from protected groups, this would be handled in accordance with the following regulations for this eventuality:

- a) by declaring that we have selected the required number of candidates from the list established by the relevant employment agency;
- b) evidence has been provided that the disability is not incompatible with the role in question.

## 6.7 Staff management

The way staff are managed must adhere to the following principles:

- a) the company must avoid all types of discrimination with regard to employees and to the way in which it manages and develops them; the decisions around staff recruitment are based on the extent to which a candidate's profile makes him/her a good fit for the role, and/or considerations of merit;
- b) a candidate's suitability for a role or position is based on his/her qualifications and skills;
- c) the assessment of candidates should be thorough and involve managers, HR personnel and, whenever possible, those who already know the candidate in a professional capacity;
- d) based on the information available and in order to ensure data privacy, the HR Department is committed to avoiding all types of nepotism;
- e) managers must make full use of all of the professional resources available to them in the company and take all the necessary steps to facilitate the development and growth of their staff and to this end it is particularly important that managers give feedback to an employee about his/her strengths and weaknesses so that the latter strives to develop his/her skills through a dedicated training programme;
- f) the company will provide all of its employees with the necessary information and training in order to develop the specific skills required;
- g) every manager is responsible for ensuring that the employee works efficiently by ensuring that he/she performs his/her role effectively within the context of his/her objectives;
- h) a manager would be abusing his/her position within the hierarchy of the organization if he/she asked an employee to provide a personal favor or to act in such a way as to breach the current Code of Ethics;
- i) employees are entitled to have a say in how their work is organized, including the expectation that they will take part in discussions and decisions relating to the objectives of the business and each employee should take part in these in a spirit of collaboration and independent judgement;
- j) the manager should arrive at a decision after hearing different points of view, provided that they are compatible with the requirements of the business; the employee must help to implement the decisions taken.

## 6.8 Privacy policy

In addition to that which is contained in the relevant legislation, any information acquired while performing one's duties at work is to be considered confidential, and disclosing or using it may risk harming the company or third parties and/or the employee should not gain financially from doing so.

Confidential information, relating to business know-how or data belonging to MIKO SRL, shareholders or third parties that the company has dealings with must not be used, disclosed or shared without prior authorization from the relevant data controller.

In accordance with the confidentiality clause, employees, contractors and anyone who has dealings with MIKO SRL must protect all the information relating to the company's technology, finances, legal matters, administration, staff management and business activities and in general all the information acquired while carrying out their duties and acknowledge that it is the property of MIKO SRL.

The information, knowledge, and data acquired or processed by employees during the course of their work activities or in the performance of their roles belong to the Company and may not be shared or disclosed without specific prior authorization by their direct line manager.

MIKO SRL shall guarantee that the information and data acquired and used by staff and contractors while performing their work activities and in the event that it is included in the relevant databases shall be processed according to and within the limits set out in the company's procedures and in accordance with the national and EU legislation on privacy and personal data protection.

MIKO SRL undertakes to protect any information or data relating to its employees and to third parties, processed or acquired through the working relationship with them and to prevent any potentially improper use.

The privacy of all those who have dealings with MIKO SRL in whatever capacity shall be protected by adopting the standards that specify which information the company requires from data subjects and the ways in which the data is processed and stored, with the exception of any survey on the opinions, preferences, personal tastes and the private lives of employees. With the exception of the circumstances provided for by the law, these standards state that it is not permitted to send/disclose any personal data without the prior consent of the data subject and set out the circumstances in which the data controller must check compliance with data protection laws; when processing sensitive data, pursuant to Regulation (EU) 679/2016 (GDPR), the company has put in place all the necessary precautionary measures and complies with the legal requirements.



## 6.9 Conflict of interest and the requirement to abstain

In general, a conflict of interest occurs when a relationship between an employee or contractor and a third party could be detrimental to the interests of the company or in breach of the relevant legislation.

Specifically, by conflict of interest we mean circumstances, including those potentially occurring, in which there is a conflict between the interests of the company and the personal interests of the employee, of the spouse or cohabitant, of relatives, of second-degree relatives, or of persons with whom the employee has a close relationship or of individuals or organisations with whom the employee or his/her spouse is litigating or on very bad terms or to whom he/she owes money or from whom money is owed, or of individuals or organisations of which the employee is a guardian, administrator or representative, or of bodies, associations including unofficial ones, committees, companies or establishments of which he/she is a director, manager or executive.

The conflict may involve interests of any type, including non-financial ones, such as those resulting from the desire to exert pressure on politicians, trade unions or on their superiors.

### Independent decision-making

The employee will abstain from taking any decisions or carrying out any activity relating to their role when there is or may be a conflict of interest by immediately notifying, in confidence, his/her line manager or the Board of Directors and the Transparency Manager.

### Collective decision-making

When employees are required to participate in the decision-making process or in activities where there is a conflict of interest, they must promptly inform their line manager or the Board of Directors, who will decide whether they should abstain. The rules on abstaining indicated above also apply when there are strong motives for acting in self-interest.

Employees are required to provide information about the activities they carry out outside working hours, in the event that they might seem to be in conflict with the interests of the company.



## 6.10 Relationships with the Public Administration

When dealing with the public administration, the company operates in full and strict compliance with the law, the current regulations, the principles set out in the Code of Ethics and the company's protocols on conduct with the aim of protecting the integrity and reputation of both parties. MIKO SRL will work alongside public officials or those responsible for public services (those that operate on behalf of the central or local public administration, legal entities, European institutions, international public organization or organizations of any other country), the judiciary, public supervisory authorities or other independent authorities, and will provide the required information in a transparent and comprehensive manner.

The Company will not allow its employees, contractors or representatives and generally anyone working in the interest, in the name of or on behalf of the company to have any relationships with public officials or those responsible for public services or employees of the public administration or other public institutions that could influence any of their decisions with a view to receiving favorable treatment for the company. Any employee who is aware of or directly receives any requests for money or offers of money or any type of favor (including gifts or freebies of significant value) made by or in favor of anyone working on behalf of the company in dealings with public officials, or with those responsible for public services or employees of the public administration (both national and international) or other public institutions, or with private individuals (both national and international), shall immediately inform the Supervisory Board, which will take the appropriate measures. Any dealings with national or international institutions must be in the context of providing details of the work of MIKO SRL, in order to respond to any requests or inspection documents (requests, clarifications), or in any case to disclose the company's position on relevant matters. For this reason, the Company represents its interests and position in a clear, precise and consistent manner, preventing collusive behavior or offences such as falsifying or altering the accounts or documented records in order to obtain an unfair advantage or benefit.

With regard to any public funds received, MIKO SRL ensures that these are not intended for purposes other than those for which they were obtained.

## 6.11 Customers relations

The Company undertakes to ensure the continuity, security and quality of the services it provides by taking into account the needs of its customers. All our relationships with our customers are based on the principles of transparency, fairness and propriety. Furthermore, the Company is committed to:

- providing a friendly, reliable and polite service in a spirit of collaboration and professionalism;

- guaranteeing quality services / products based on predefined standards and to regularly monitoring the quality attained;
- responding to feedback and complaints from customers and consumer rights associations, communicating effectively and promptly, ensuring that customers are kept informed by acknowledging receipt of their communications and letting them know the amount of time required to respond to their query which, in any case, must not be long.

## 6.12 Relationships with Suppliers

Choosing Suppliers and agreeing the terms and conditions of purchase must be based on objective parameters such as quality, convenience, price, competence and efficiency. Staff who are responsible for finding new suppliers must take into account the following prerequisites:

- evidence of compliance with tax obligations, in the case of procurement contracts and building work;
- holding the valid licences required to practise the profession;
- the professionalism of the potential supplier;
- documented evidence that they have the wherewithal, including the financial wherewithal, organizational systems, competence and resources for the project, expertise, etc.;
- having systems for quality, health & safety, and environmental standards and implementing them

Entering into a contract with a Supplier and managing the relationship with said Supplier should be based on transparency, making sure that the neither party becomes too dependent on the other.

MIKO S.r.l. encourages all measures intended to achieve the supplier's compliance with the provisions contained in Legislative Decree 231/01, regarding it as a *Legality Rating* and a positive assessment factor when selecting a contractor,

MIKO S.r.l. knows the importance of the role that suppliers of raw materials and products have in this area. Therefore, as well as adhering to the procedures indicated by ISO international standards, by obtaining the necessary certifications the company intends to take every possible measure in order to ensure the highest quality standards for its products, processes and services.

MIKO S.r.l. cares about its suppliers and considers them to be a key part of the company's value chain, therefore, it has a moral responsibility for making sure, if required, that they are fully supported and able to maintain the highest quality standards at all times.

MIKO S.r.l. requires that its suppliers adhere to the strictest standards, and offers them the necessary support with a view to working in a genuine partnership in order to continually improve the customer/supplier relationship.

With this in mind, MIKO S.r.l. requires that its suppliers adhere to the ethical principles and values which define our company ethos, namely:

- to abide by the national standards of the country in which they are based, and to abide by Italian and EU regulations. MIKO S.r.l. is prepared to discuss with the supplier and explain any specific regulation in force in Italy which they may not be aware of in order to ensure that all the legal requirements regarding health and safety are strictly followed;
- to maintain the highest standards also with regard to:
  - health and safety in the workplace, by adopting all the measures prescribed by the law, including any precautions which are not mandatory but are guided by common sense in relation to work-related safety.
  - a healthy and clean work environment, by following the procedures on sanitising rooms and equipment, by taking a stock of goods and products, by moving goods and products carefully, without interrupting the cold chain (where required).
  - environmental protection and sustainability (including by having an effective system of waste disposal, in particular with regard to hazardous/toxic waste);
  - preventing discrimination at work (whether it is based on race, gender, sexual orientation, etc.)
  - the protection of the rights of workers and trade unions, in particular by discouraging any form of “piecework”;
  - accounting and administrative transparency and propriety;
- discouraging programmes which involve child exploitation, by carefully carrying out all the necessary checks regarding all their suppliers;
- discouraging or condemning any form of corruption, including incentives in cash or non-cash incentives of equivalent value intended for obtaining illicit profits or exerting pressure on public, political or governmental authorities, or those responsible for public services.
- taking adequate precautions to protect trade secrets and the integrity of production processes;
- maintaining high standards of transparency with the general public and with supervisory authorities in relation to any information of public interest. Also, ensuring that no false or misleading information about our products or services is included in our advertising material;
- Implementing all the directives relating to the processing of sensitive data, to protect the privacy of customers as well as of employees and contractors;
- avoiding any unfair business practices with trading partners or end consumers.

With regard to the suppliers of raw materials and/or finished or semi-finished products intended for sale, that is all the materials used in production and marketing, the following obligations also apply:

- a commitment to maintaining strict control of the entire production cycle, ensuring the highest quality standards in the manufacturing processes;
- a commitment to carefully checking that all the standards listed in this code of ethics have been adhered to, including with regard to the raw materials purchased by third parties;
- a commitment to providing quality certificates for each batch of products/materials and any other document required to ensure accurate and complete traceability of the products themselves;

MIKO S.r.l. acknowledges the importance of the role that its suppliers play in their social and economic context, particularly as income generators for the families of employees and small shareholders, as well as how important the companies themselves are for the companies that in turn supply them with raw materials.

Failure to comply with the criteria indicated in this Code of Ethics - wholly or partially - will result, in the first instance, not in a sudden final termination of the supply contract, but, depending on the seriousness of the breach, in the provision, at one's own expense, of training and support to improve the supplier's existing procedures in order to prevent this from happening again. This support will be provided if expressly requested by the supplier.

MIKO S.r.l. therefore hereby informs its suppliers that in the event of a breach of the ethical principles contained in this document, the company shall apply the following procedure:

- promptly taking every measure to protect public health and safety, including by temporarily suspending all or part of the supplies, without this constituting a breach of contract on the part of MIKO S.r.l.
- informing the supplier in writing about the measure taken to temporarily suspend supplies, explaining the reasons behind this;
- sending its inspectors to the supplier's head office/facilities - accompanied, if required, by independent supervisors - in order to ascertain the cause of the problem in situ and understand any objections the supplier may have;
- drawing up a detailed report, providing practical advice to improve the situation and effectively resolve the issue and/or address any objections the supplier may have, for the benefit not only of MIKO S.r.l. and its customers but also the suppliers themselves and their business relationships in general.

### **6.13 Relationships with trade unions**

The Company recognizes that the commitment of its staff plays an extremely important role in enabling the company to achieve its objectives. One of the areas the Company is committed to is the improvement of staff employment agreements, along with the necessary organizational flexibility, as well as to provide timely and clear information about the company's performance and growth strategy. This is why MIKO SRL defends and supports the principle that staff should be free to join the trade unions.

### **6.14 Economic relationships with political parties and associations**

With regard to any type of donation to political parties, institutions or associations or to their representatives or candidates and with reference to the sponsorship of conferences and events solely intended to promote a political agenda, the Company believes that, in order to avoid any penalties being incurred, these should be done in ways, at times, in the manner and within the budgets provided for in Decree no. 149 of 28 December 2013 subsequently amended by law no. 13 of 21 February 2014. The Company abstains from any direct or indirect pressure to political exponents. The Company shall not make any donations to organisations where there may be a conflict of interest. However, it will still be possible to work with these organisations, including through a financial involvement, on specific projects provided that:

- they are connected with the company's business purpose;
- there is clear documentary evidence showing what the donations are intended for;
- express permission has been given by the company staff who are responsible for managing these relationships.

### **6.15 Gifts, freebies, benefits and similar**

Employees should not request or elicit any gift or other type of benefit for themselves or for others.

Employees should not accept any gift or other type of benefit for themselves or others unless it is of modest value and used in the usual relationships of courtesy or in the context of international best practice. In any case, regardless of the circumstance when this is an offence, employees should not ask for any gift or other type of benefit for themselves or others, even when it is of modest value in exchange for some work being carried out or having been carried out

by persons that may benefit from decisions or activities relating to the office, nor by persons

Employees should not accept any gift or other type of benefit for themselves or others, either directly or indirectly, from one or their subordinates, unless it is of modest value. Employees should not offer any gift or other type of benefit to one of their subordinates, unless it is of modest value.

With regard to this last point, by gifts or other types of benefit of modest value we mean those whose overall value does not exceed around 150 euros, including if this takes the form of a discount.

In order to protect the reputation and neutrality of MIKO SRL, the departmental manager will ensure that this point is correctly applied.

Participation in work-related events, conferences, conventions, commercial presentations or training courses must be authorised by an employee's superior.

Company employees and other people working for the company who receive gifts, freebies or other benefits other than those which are permitted must inform their line manager who, in turn, must inform the Board of Directors or the Supervisory Board.

## **7 IMPLEMENTATION OF THE CODE OF ETHICS**

In order to put into practice the measures stipulated in the Code of Ethics, MIKO SRL has adopted a control system which operates on various levels.

### **7.1 Internal control system (first-level control)**

The internal control system, which provides a “first-level” control, includes all those tools which are useful and necessary for directing, managing and checking the company's activities in order to ensure compliance with the law and the company's procedures, to protect the assets of the company and the health and safety of employees, to efficiently manage work processes and to provide accurate and comprehensive accounting and financial information. As these controls are designed to improve the company's efficiency, they should be regarded positively and constructively.

It is company policy to make everyone aware of the existence and of the benefit of these controls. The internal control system as a whole must ensure:

- compliance with current legislation, our procedures, the Code of Ethics and the Model;



- adherence to the company's strategies and policies;
- protection of the company's tangible and intangible assets;
- that the company is run efficiently and effectively;
- that the company's financial, accounting and management information (both internal and external) is reliable;
- that the social responsibility policies adopted are effective.

Responsibility for creating an efficient internal control system is shared at all levels of the organization. Therefore, all employees are responsible, within their remit, for ensuring that the control system operates effectively.

## 7.2 Supervisory Board (second-level control)

Pursuant to Legislative Decree 231/01, the Supervisory Board (hereinafter SB) has been created in order to oversee the application of and compliance with the Organizational Model of the Code of Ethics, with the role of encouraging suggestions for adding to or modifying the contents of these documents as well as of those connected to them, as and when required.

The role of the Supervisory Board is to provide a second-level control, with a particular emphasis on:

**monitoring** the application of the Code of Ethics by those people involved and to gather any feedback provided from people from both inside and outside the company;

**sending** regular reports to management and to the Board of Statutory Auditors on the work it has undertaken and bringing any significant breaches of the Code to their attention;

**expressing** an opinion on whether to update any of the most important policies and procedures, in order to ensure that the Code of Ethics is consistent.

**periodically** or when deemed necessary, recommend a review of the Code of Ethics.

The SB therefore shall undertake to update the Code of Ethics in order to bring it in line with the changing legislation and to reflect the way that society is changing. Furthermore, it shall contribute to the improvement of the Model in the event that its implementation fails to prevent any of the offences referred to in Legislative Decree 231/2001, suggesting updates based also on any recommendations provided by the various stakeholders previously mentioned.

In order to carry out its supervisory activity and ensure that the model is effectively implemented and remains fit for purpose, the SB is authorised to access all the company's information and therefore can view the company's documents and data. Furthermore, in compliance with the privacy policy and with the rights of individuals, it has also set up communication channels through which anyone who

becomes aware of any wrongdoing can report it to their Line Manager or to the SB directly, anonymously if they so wish.

### 7.3 Circulating the Code of Ethics

The Code of Ethics is shared with all stakeholders, inside or outside the company, using the appropriate channels of communication. To ensure that the Code of Ethics is clearly understood, Management shall, while taking into account any recommendations made by the SB, organize an information campaign and regular training program in order to make people aware of the principles and ethical standards contained in the Code.

These training initiatives will differ depending on the roles and responsibilities of the employees and contractors concerned.

### 7.4 Whistleblowing and dealing with breaches of the Code of Ethics

In order to fully understand the Code of Ethics and to ensure that they interpret it correctly, staff should refer to their direct line managers as well as to the Supervisory Board responsible for compliance with the Code and the Organizational and Management Model.

Reports should be submitted, in writing, to:

- a) the following *email* address which can only be accessed by members of the Supervisory Board ([odv@dinamicamiko.it](mailto:odv@dinamicamiko.it));
- b) or in a sealed envelope addressed to the Supervisory Board of MIKO SRL at the Head Offices in Gorizia (GO), via Ressel no. 3 and referring to any breach or suspected breach of the Model or of this Code of Ethics

Anyone concerned can report a breach or suspected breach of the Code of Ethics to the SB via the above addresses, which the Company has created specifically for this purpose. Anyone reporting a breach is protected by the SB so as to prevent them from being subjected to any form of retaliation or from being discriminated against or penalized in any way.

The identity of the whistleblower will also be kept strictly confidential, with the exception of any legal obligations. The SB shall check all the reports received and, if necessary, request assistance from company staff in order to check any company documents or data required.

In the event that it is confirmed that a breach of the Code has been committed, the SB shall send the report to Management detailing all the relevant information in evidence of the breach and to determine its seriousness. The penalty imposed for any wrongdoing by an employee of the company shall be based on the criteria and methods described in the disciplinary procedure approved by the BOD. In the event that the breach has been committed by a member of the Statutory Auditors, the SB shall notify the Board of Directors. If, on the other hand, the breach has been committed by the latter, the SB must report this to the Board of Statutory Auditors.



In this delicate area and in light of the provisions set out since Law no. 179/2017 came into effect (regarding *whistleblowing* which was added to art. 6 of Legislative Decree 231/01) MIKO SRL has introduced a special Procedure called ***“Protection of employees or contractors who report any wrongdoings pursuant to law 179 of 30.11.2017 “Whistleblowing, by taking into account:***

- the individuals involved;
- the subject of the report;
- the content of the report;
- anonymous reports;
- the recipients of the reports;
- the means of submitting the report;
- the responsibilities and powers of those receiving the report;
- protection of whistleblowers;
- protection of the individual accused of any wrongdoing;
- penalties imposed on employees/managers
- penalties imposed on third parties.

This procedure seeks to provide protection for employees who report breaches or unlawful activities they have become aware of in their work-related activities, ensuring that the employees themselves do not become victims of retaliation due to their reporting (such as dismissal, demotion, transfer to other offices) or be subjected to other measures that have a negative effect on their work status.

The new procedure places a particular emphasis on the important obligation not, under any circumstances, to disclose the identity of the whistleblower who shall remain anonymous as follows:

- in the event of a criminal trial, in accordance with the terms and conditions of art. 329 of the penal code (the obligation of secrecy);
- in an accounting procedure, the whistleblower’s identity shall only be disclosed after the end of the investigation phase;
- in an administrative procedure, the whistleblower’s identity must not be disclosed without consent.

## 7.5 Implementation of the Disciplinary Procedure

Compliance with the rules of the Code of Ethics is an essential part of an employee's contractual obligations pursuant to and in accordance with art. 2104, 2105, and 2106 of the Civil Code.

Bearing in mind that the Code also applies to those in a business relationship with the Company, the Code shall be considered as an integral part of the contract with all external partners and shall be terminated in the event that the Company becomes aware of any breaches of the principles contained in the Code itself.

Any breach of the principles set out in the Code of Ethics or of the procedures provided for in the Model undermine the relationship of trust that exists between MIKO SRL and its Administrators, Workers, Consultants, Contractors of any type, Customers and Suppliers. Any breach shall be handled promptly and efficiently, by imposing the penalties referred to in the Disciplinary Procedure which is an integral part of the organizational Model, according to the principles of fairness and proportionality, regardless of whether this behavior may be considered unlawful, and of whether criminal proceedings are initiated in the event that they are considered a criminal offence. The consequences of breaching the Code of Ethics and the organizational Model should be carefully considered by all those who have dealings with the Company in whatever capacity.

For this reason, the Company shall ensure that everybody is made aware of the Code of Ethics and what penalties they may incur in the event of a breach and how these penalties are imposed.

## 7.6 Interpretation of the Code of Ethics

Employees and contractors of the Company are encouraged to refer to the Supervisory Board directly whenever they need further explanations or clarifications on the interpretation of the rules of the Code of Ethics.

## 7.7 Adoption and efficacy

MIKO S.r.l. undertakes to circulate this Code of Ethics throughout the organization, department by department, and share its principles with all employees and external contractors, ensuring that the principles therein become part of the company's shared culture and by making the reading of this Code part of all regular training and development programs.

MIKO S.r.l. will also carefully examine any relevant suggestions from its business partners in order to improve the Code of Ethics year on year.

This Code of Ethics was adopted by resolution of the Board of Directors 7<sup>th</sup> July 2021.

Any change and/or addition to the code must be approved by the Board of Directors and promptly circulated to all recipients.