

Sede Legale:

Via Savona, 97 20144 Milano (MI) - Italy

Sede Amministrativa:

Via Salvatore D'Acquisto, 8/14

22078 Turate (CO) - Italy

T +39 0331 311.399

F +39 0331 311.529

PEC: [beautynova@legalmail.it](mailto:beautynova@legalmail.it)

## Beautynova S.p.A. CODE OF ETHICS - 231/01

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## SECTION I

### GENERAL PRINCIPLES

#### 1. Preamble

In order to operate in accordance with ethical principles aimed at imbuing the performance of the company's (hereinafter referred to as the "Entity" and also the "Organisation") activities, the pursuit of the corporate purpose and its growth with respect for the Law, the organisation has adopted a Code of Ethics 231/01 aimed at defining a series of principles of "company deontology"- and rules of conduct that implement these principles- which it recognises as its own and which it demands compliance with by its corporate bodies, its employees and all those who cooperate and collaborate with it, in any capacity, in the conduct of its business activities and in the pursuit of its corporate purposes.

The Code of Ethics 231/01 therefore has a general scope and represents an instrument adopted autonomously by the Entity with respect to the Organisation, Management and Control Model (hereinafter also referred to as the "Model") pursuant to Legislative Decree no. 231/2001. However, in consideration of the fact that the Code of Ethics recalls principles of conduct that are also suitable for preventing the unlawful conduct referred to in the Legislative Decree no. 231/2001, this document acquires relevance for the purposes of the preventive control system referred to in the Model and therefore constitutes an integral part and essential element thereof.

Pursuant to this Code of Ethics, the Entity acts in strict compliance with the regulations in force, makes every effort, within its competence, to fight corruption, crime, terrorism and money laundering, and demands that the addressees of the Code operate with honesty and absolute legality, avoiding any unlawful behaviour even if motivated by the pursuit of the company's interest.

The contents of this document will be updated and developed in order to adapt them to the continuous transformation of the environment in which the Entity operates, integrating them from time to time with the principles required by the legal systems of all the countries in which the company is present.

Every Entity or legal entity must, in fact, base its activities, internal and external relations and its behaviour on the market on compliance with the law, fair competition, good faith and the values of integrity and loyalty, ensuring conditions of correctness and transparency in the conduct of business and corporate activities.

These elements constitute the fundamental and inalienable assets of an Entity, making it reliable, effective and efficient.

## 2. Relationship between Code of Ethics and Organisational Model 231/01

This Code of Ethics contains the principles of conduct and the basic ethical values that inspire the Entity in the pursuit of its objectives; these principles must be respected by all the Recipients as well as by those who, for any reason, interact with the Entity as they must be considered an essential element of the preventive control system.

The Code of Ethics is an official document of the Entity that contains:

- rights;
- duties;
- the Entity's responsibilities towards "stakeholders" (employees, suppliers, customers, P.A., etc.).

The Code of Ethics recommends, promotes or prohibits certain behaviours and imposes sanctions proportionate to the seriousness of the breach committed.

The Code of Ethics must also include principles to safeguard against the violation of accident prevention and environmental regulations.

The structure of this document imposes minimum contents in relation to:

### Malicious offences

1. the Entity has as an unavoidable principle the respect of laws and regulations and has the duty to:
  - a) make every employee/consultant/supplier/customer comply with laws and regulations;
  - b) promote the dissemination of knowledge of said laws and regulations
  - c) ensure an adequate training and awareness programme on the issues addressed by the Code of Ethics;
2. the Entity shall ensure that every operation and transaction is recorded, authorised, verifiable, legitimate, consistent and appropriate, and in particular
  - a) every operation must be properly recorded
  - b) every operation must be subject to a verification process concerning the decision-making and authorisation system;
  - c) every operation must be supported by documents;
3. the Entity, in its relations with the Public Administration (hereinafter also referred to as "P.A."), does not allow
  - a) unlawful payments and/or donations of benefits, both in Italy and abroad;
  - b) to favour offers of money or gifts to employees, at any level, of the P.A. or their relatives,

- unless they are gifts for use or of modest value;
- c) to depart from the principles of the self-regulation codes provided by the P.A;
- d) to accept objects, services, benefits of value in order to obtain more favourable treatment regardless of the relationship with the P.A;
- e) favoured, on the part of the P.A.'s staff, conduct that could improperly influence the P.A.'s decisions;
- f) represented, in relations with the P.A., by an external consultant or a "third party" when this could, even potentially, create a situation of "conflict of interest";
- g) undertaken actions aimed at examining or proposing employment and/or business opportunities for the benefit of the P.A. employee, in a personal capacity;
- h) proposed any corporate promotional initiative to the P.A. employee;
- i) soliciting or taking any action to gain access to information considered by the P.A. as confidential;
- j) hired a former employee of the P.A.

## Culpable offences

4. the Entity must, by means of the Code, make known the principles and criteria on the basis of which decisions of all types and levels are taken, providing
  - a) eliminating and/or mitigating all risks, including potential ones;
  - b) reassess and monitor all risks that cannot be eliminated;
  - c) introducing risk mitigation measures;
  - d) reducing risks at source;
  - e) undertaking initiatives that significantly lower the hazard ratio;
  - f) planning appropriate measures to improve safety levels with particular attention to so-called collective protection measures;
  - g) issue specific instructions to the addressees.

The Entity's Code of Ethics may also propose to crystallise and possibly implement

- a) the measures taken by the Entity aimed at eliminating/reducing the negative impact of its economic activity on the environment;
- b) the values of training and sharing of ethical principles among all persons operating in the enterprise;

- c) the disciplinary system and sanction mechanisms.

### 3. The purpose

The Entity, within the scope of its statutory activities, has decided to adopt, pursuant to Legislative Decree no. 231 (hereinafter also referred to as the 'Decree'), this Code of Ethics, which, together with the Organisation, Management and Control Model, sets out a set of preventive and disciplinary measures suitable for reducing the risk of offences being committed within the company organisation and defines the reference values of its business activity, which must guide the business choices of all Recipients, as identified below, both in Italy and abroad.

To this end, specific reference must be made within each contractual relationship to the contents of this Code of Ethics, together with the provisions of the Organisation, Management and Control Model adopted pursuant to Legislative Decree no. 231/2001, in order to induce contractual counterparties to comply with the provisions contained therein.

### 4. Addressees

The provisions of this Code of Ethics apply, without exception, to every member of the Entity and, therefore, to its corporate officers, employees, consultants, collaborators, customers, suppliers, partners and all those who, directly or indirectly, permanently or temporarily, operate with/for the Entity itself (hereinafter collectively referred to as: 'Addressees').

Each Addressee is called upon to comply with the contents of the Code of Ethics within the scope of their duties and responsibilities and any violation constitutes a disciplinary offence.

The Code of Ethics, as a manifesto of the company's values, prevails over any circular or procedure introduced, which is in conflict with it.

Each Addressee is required to be familiar with the contents of the Code of Ethics and, in case of doubts or perplexity as to its contents and provisions, is required to ask the Supervisory Body for information in order to fully understand its meaning.

The Managers of each Area or Process are required to check that the Addressees comply with the provisions set out in the Code of Ethics, whose correct implementation they must verify, as well as implement and promote the appropriate measures to avoid violations. Should the latter detect conduct in conflict with the dictates of this Code of Ethics, they are required to inform the Supervisory Board.

## 4.1 Employees

The organisation recognises the importance and value of its employees. They are fundamental and indispensable assets of the company. Indeed, the Entity is fully aware that it is only thanks to the dedication and professionalism of its staff that it is possible to achieve the objectives pursued and improve the results achieved. To this end, the Entity is committed to developing the skills and competences of each collaborator and employee.

The Entity expects its employees, at every level, to work together to maintain a climate of mutual respect for the dignity, honour and reputation of each individual. Each employee is obliged to fully comply with this Code of Ethics and is required to behave in a manner that respects the dignity, professionalism, health and safety of their colleagues; they must also pay attention to their personal appearance and clothing, both on-site and off-site, so that they are in keeping with and appropriate for the position held and the work commitments envisaged.

Personnel selection is carried out on the basis of the correspondence between the profiles of the candidates and the needs of Beautynova S.p.A., guaranteeing equal opportunities.

Recruitment takes place with a regular employment contract in full compliance with the law and/or the CCNL for the category, favouring the worker's integration into the work environment.

The organisation implements a human resources management and development system that allows it to offer all its employees, on equal terms, the same *opportunities* for improvement and professional growth. The essential prerequisite for the assignment of positions of responsibility within the corporate organisation, as well as for progressive professional and career growth, is the assessment of the skills expressed and the potential skills possessed in close and consistent correlation with corporate needs. The Entity encourages initiatives aimed at implementing working methods designed to achieve greater organisational well-being. The Entity requires that internal and external work relations do not give rise to harassment or attitudes in any way referable to *mobbing* practices, all of which are, without exception, prohibited.

In particular, and by way of example only, the following is prohibited

- the creation of an intimidating, hostile or isolating working environment towards individuals or groups of workers;
- unjustified interference with the performance of others' work;
- hindering the individual work prospects of others for mere reasons of personal competitiveness.



Moreover, any form of violence or harassment of a sexual nature, or referring to personal and cultural diversity, is prohibited. The following are considered as such

- subordinating any decision of relevance to the recipient's working life to the acceptance of sexual favours or to personal and cultural diversity;
- inducing one's collaborators to sexual favours through the influence of one's role
- proposing private interpersonal relationships, despite an express or reasonably obvious dislike;
- alluding to physical or mental disabilities and impairments or to forms of cultural, religious or sexual orientation diversity.

## ***4.2 Stakeholders***

Values are shared with suppliers, business and industrial partners so that relations are characterised by maximum transparency. In addition to proven professionalism, suppliers and partners are sought to share the principles that govern the organisation. Socially responsible behaviour and working practices are promoted and suppliers and partners are expected to operate in line with the same high standards of protection of human rights and the environment.

Fairness, integrity and equity underpin the commitment to contractual relations.

## ***4.3 Third parties***

The Organisation undertakes to seek in its suppliers and external collaborators professionalism, suitability and commitment to sharing the principles and contents of the Code of Ethics and promotes the building of lasting relations for the progressive improvement of performance in the protection and promotion of the principles and contents of this Code.

In relations of tender, procurement and, in general, supply of goods and/or services and external collaboration (including consultants, agents, etc.) the addressees of the Code of Ethics are obliged to:

- observe the internal procedures for the selection and management of relations with suppliers and external collaborators and not to preclude any person meeting the requirements from competing for the award of a supply contract with the Entity
- adopt exclusively objective evaluation criteria in the selection, in accordance with declared and transparent methods;

- obtain the cooperation of suppliers and external collaborators in constantly ensuring that the needs of customers/users and consumers are met to an extent that meets their legitimate expectations, in terms of quality, cost and delivery times
- observe the principles of transparency and completeness of information in correspondence with suppliers, guaranteeing clear, correct and complete information on contractual terms (in particular: required performance levels, payment times, etc.)
- not abusing its dominant position, if any, in order not to comply with previously agreed contractual "duties", especially where a reformulation/renegotiation of the supply contract is necessary (for example, by attempting to impose delays in payment or trying to lower prices, thereby causing damage to the supplier)
- not receiving money or other benefits or advantages from anyone other than the Entity for the performance or omission of an act of one's office, or for performing an act contrary to one's office;
- include in contracts the clause of knowledge of the Code of Ethics with the express assumption of the obligation to comply with the principles therein contained
- observe and require compliance with the contractual conditions;
- maintain a frank and open dialogue with suppliers and external collaborators in line with good business practice;
- promptly report possible violations of the Code of Ethics to one's superior and to the Supervisory Board.

The remuneration to be paid to the external collaborator must be exclusively commensurate with the service indicated in the contract and payments may in no way be made to a person other than the contracting party. A recipient who receives gifts, or any other form of benefit, not directly attributable to normal courteous relations, must refuse such gift or other form of benefit and inform his/her direct superior or the Supervisory Board in writing.

#### ***4.4 Harassment in the workplace***

The Entity- referring to Recommendation 92/131 EEC on the protection of the dignity of women and men at work, Law No. 4 of 15 January 2021 ratifying ILO Convention no. 190 of 21 June 2019 and to the indications of UNI/PdR 125:2022 on Gender Equality- requires the Recipients of this Code of Ethics to promote the prevention and counteract the implementation of any sexual and moral harassment, including in this the obligation to support, concretely, the person who wants to react to a sexual or

moral harassment, as well as to refrain from taking actions that may undermine the provision of an optimal working environment.

The organisation will adopt a "zero tolerance" policy towards any form of sexual or moral harassment, or discriminatory action derived from a person's sexual orientation.

In particular, sexual and moral harassment is defined below as:

- Sexual harassment

Any unwanted conduct of a sexual nature, or any other form of discrimination based on sex, that offends the dignity of women and men in the workplace, including physical, verbal or non-verbal conduct.

The following behaviour constitutes examples of sexual harassment

- implicit or explicit requests for offensive or unwelcome sexual conduct;
- telephone calls or any other form of communication (e.g. messaging, email, etc.), including written, aimed at accepting invitations aimed at a sexual approach or contact
- posting or displaying pornographic material in the work environment, including in electronic form;
- adoption of sexist criteria in any type of interpersonal relationship;
- promises, implicit or explicit, of benefits and privileges or career advancement in exchange for sexual services;
- threats or retaliation following the refusal of sexual services;
- unwanted and inappropriate physical contact;
- verbal appreciation of the body, or comments on sexuality or sexual orientation, deemed offensive.

- Moral harassment

Any hostile, physically or psychologically persecutory behaviour, protracted and systematic, liable to create an environment that is disrespectful, humiliating or harmful to a person's psychophysical integrity.

Discrimination on the grounds of gender, ethnicity, religious belief, as well as discrimination against a person with political opinions different from those of colleagues or hierarchically superior positions, also constitute moral harassment. The following conduct constitutes examples of moral harassment

- damage to a person's image and self-esteem such as intimidation, reproaches, slander, insults, dissemination of confidential information, insinuations of psychological or physical problems, devaluation of achievements, which induce the person to absent him/herself from work, because made weak and vulnerable
- damage to a person's professionalism such as threats of dismissal, forced resignation, unjustified transfers, impairment of career prospects, unjustified removal from assignments already

- entrusted, allocation of improper tasks, wage discrimination and any other action that generates demotivation or mistrust in the person himself, discouraging the continuation of his activity
- attempts at marginalisation and isolation, such as unwanted changes of duties or work colleagues with persecutory intent, limitations of the faculty of expression or excesses of control.

The Organisation is committed to protecting the psycho-physical integrity of workers, employees and collaborators, while respecting their personality; for this reason, it demands that no harassment, to be understood in the broadest sense as set out above, takes place in working relationships.

It should be noted that sexual or moral harassment, whether committed or attempted, as well as violations of this Code of Ethics, constitutes an infringement of the Principles on Human Rights, the Internal Code of Conduct and the Principles on *Diversity & Inclusion*, i.e. it may constitute criminal conduct.

Consequently, in cases of ascertained sexual or moral harassment, the Company may adopt the consequent measures provided for by the law, contractual regulations and the person held responsible may be liable to disciplinary measures, in compliance with the reference CCNL.

## SECTION II

### OUR VALUES

The identity of our mission, which is manifested through the definition of our tasks and the recipients of our work, is embodied in the application of fundamental values from which derive the behavioural guidelines and specific operating procedures that guide us in our daily operations.

The diversity of visions of life and the variety of opinions existing in our company are a sign of a plurality of humanity with which we are constantly in contact. This plurality is an asset to be shared by placing it at the service of the project.

Similarly, we believe that a common identity, made our own and shared by all, is necessary, as we all share the same values. For this reason, our relations with all our stakeholders are characterised by a sense of responsibility and awareness towards legality and the sharing of the following ethical values.

#### 1. Legality

Beautynova S.p.A. recognises, as an unavoidable principle, respect for the laws in force.

Addressees must be aware of all regulations concerning their actions within company activities.

In the event of doubts, the Entity shall inform the Addressees on how to proceed.

The Entity shall also ensure constant training and awareness of the Addressees with respect to the provisions of the Code of Ethics and the consequences of its application.

## **2. Integrity**

Objectives must be pursued with honesty, fairness and responsibility, in full and substantial compliance with the rules, professional ethics and the spirit of the agreements signed.

### **2.1 Fight against organised crime**

The Organisation firmly condemns any form of organised crime, including mafia-related crime, combating it- within the scope of its operations- with all the tools at its disposal.

The Addressees are therefore required to pay the utmost attention to the requirements of moral integrity and reliability, as well as to the requirements of legitimacy of the activities carried out by their partners, such as the insurance company, the *provider*, the administrative *service*, the consultants.

## **3. Transparency and competition**

Clarity and comprehensibility must be the basis of actions, communication and legal and interpersonal relations, to allow all stakeholders to make autonomous and conscious choices.

Beautynova S.p.A. upholds the principle of market economy; it undertakes to exercise fair competition and recognises the same right to other companies. Beautynova S.p.A. claims competition laws that aim to protect this principle. It independently establishes its own commercial policy and does not set any prices in agreement or collusion with competitors. The company establishes fair relations with its customers and suppliers, in compliance with the laws governing competition.

### **3.1 Accounting control and transparency**

The Company condemns any behaviour, by anyone carried out, aimed at altering the clarity, correctness and truthfulness of the data and information contained in the financial statements, reports or other corporate communications required by law, addressed to the shareholders of Beautynova S.p.A., the public and the bodies for control and supervision.

All persons called upon to draw up the aforementioned documents are required to verify, with due diligence, the correctness of the data and information received for the preparation of the aforementioned documents. All budget items, the determination and quantification of which presuppose discretionary evaluations by the Functions/Departments in charge, must be supported by appropriate documentation and by legitimate, shared and always sustainable choices.

It is forbidden to carry out any type of administrative operation likely to cause unfair damage to creditors. It is also forbidden to implement any act, simulated or fraudulent, aimed at influencing the will of the shareholders, in order to obtain a different resolution from the one that would have been adopted.

The Entity requires from Directors, Consultants and Employees a correct and transparent conduct aimed at providing truthful and correct information to satisfy any request formulated by the Shareholders' Meeting, the Board of Auditors, in the exercise of their respective institutional functions. The addressees must follow the same rules of conduct also during audits and inspections by the competent Public Authorities, thus maintaining an attitude of maximum helpfulness and cooperation towards the inspection and control bodies.

#### **4. Confidentiality and privacy**

The Addressees are required to strictly comply with the external regulatory provisions on Privacy (Legislative Decree no. 196/2003 and EU Regulation no. 2016/679).

Recipients must also ensure that the information acquired is used exclusively for the performance of the relevant activities, in full compliance with the procedures adopted in compliance with current data protection regulations.

#### **5. Fairness**

Recipients must eliminate all discrimination from their conduct, committing themselves to respect differences in gender, age, ethnicity, religion, political and trade union membership, sexual orientation, language or different abilities.

#### **6. Value of people**

Beautynova S.p.A. recognises the centrality of human resources and the importance of establishing and maintaining relations with them based on mutual trust. Therefore, the Company, in the management of work and collaboration relations, is inspired by respect for the rights of workers and the full valorisation of their contribution with a view to favouring their development and professional growth, guaranteeing minimum wages, reasonable working hours, and fighting child labour and the exploitation of workers.

In particular, personnel selection, remuneration, training and career advancement must be based on predetermined and objective criteria, inspired by fairness, impartiality and merit.

Recruitment is carried out in compliance with the law.

Each employee has the right to perform the duties for which he or she was hired, consistent also with the objectives to be achieved and with a view to enabling professional growth.

Every decision pertaining to the employment relationship must be adequately motivated and documented.

Beautynova S.p.A. promotes updating and training programmes aimed at enhancing specific professional skills and at preserving and enhancing the skills acquired during the course of the collaboration.

Beautynova S.p.A. also undertakes to consolidate and spread the culture of safety, developing risk awareness and promoting responsible behaviour by all Addressees, in order to preserve their health, safety and physical integrity.

The reward system is geared towards the recognition of merits and abilities, such as the achievement of objectives, respect for corporate values and rules, professionalism, responsibility, the ability to work in a team and the ability to suggest proposals for improvement and corporate growth.

## 7. Loyalty

The Organisation maintains a relationship of mutual trust and loyalty with each of the Addressees. All Addressees must consider compliance with the rules of the Code of Ethics as an essential part of their social obligations. The obligation of loyalty implies for each employee the prohibition to:

- taking on employment relationships with third parties, consultancy assignments or other responsibilities on behalf of third parties that are incompatible with the activity carried out for Beautynova S.p.A., without prior written authorisation, during the continuation of the contractual relationship
- carrying out activities in any way contrary to the interests of Beautynova S.p.A. or incompatible with official duties.

## 8. Protection of company assets

Each Addressee is directly and personally responsible for the protection and preservation of the assets, both physical and intangible, and of the resources, both tangible and intangible, entrusted to him/her to perform his/her duties, in compliance with company procedures.

Each Addressee is also responsible for using them in a manner consistent with the interests of Beautynova S.p.A..

Each Addressee is required to respect confidentiality with regard to the Entity's scientific, productive and commercial *know-how* and strategic choices, in order to protect industrial and intellectual property as well as the growth of the same. Each Addressee is therefore bound to the utmost confidentiality, undertaking not to disclose confidential information to unauthorised persons.

## 9. Diversity and inclusion

The Organisation is committed to diversity and inclusion at every level. People from all *backgrounds* are selected to be part of the team and everyone is encouraged to bring their best, authentic and original selves to the workplace.

## 10. Equal opportunities

No discrimination is tolerated at Beautynova S.p.A. on the basis of race, colour, national origin, gender, gender identity, sexual orientation, religion, disability, age, political opinion, pregnancy status, migrant status, ethnicity, caste, family or marital status or similar personal characteristics. The aim is for employment actions and decisions to be based exclusively on business considerations and to be oriented solely on the individual's ability to perform his or her job, not on his or her personal characteristics.

Discrimination, violent and intimidating behaviour and harassment of any kind shall not be tolerated. To this end, any employee who believes he or she has been subjected to unequal treatment may report the incident to the Supervisory Board, which, in full autonomy, will verify the actual violation of the provisions contained in this Code.

## 11. Fairness, Loyalty and Collaboration

Fairness represents a fundamental principle for all the Entity's activities and constitutes an indispensable element of corporate management.

The conduct of the Addressees in the performance of their activities must be based on criteria of fairness, cooperation and loyalty, allowing each one to perform their duties in an atmosphere of serenity and in the absence of conduct that takes on disparaging or de-qualifying values or that is likely to impede the performance of their activities. Everyone must be respected in the work they do.

[Società] requires that in internal and external working relations there is no harassment of any kind, such as, for example, the creation of a hostile working environment towards individual workers or groups of workers, unjustified interference with the work of others or the creation of obstacles and impediments to the professional prospects of others.

### 11.1 Customer relations

The company pursues its entrepreneurial success on the markets by offering quality products and services at competitive conditions and in compliance with the rules protecting fair competition.



It recognises that the appreciation of those who request products or services is of primary importance to the company's success. Beautynova S.p.A. is therefore committed to:

- supply, with efficiency and courtesy, within the limits of contractual provisions, high quality products that meet or exceed the customer's reasonable expectations
- provide accurate and exhaustive information on products and services so that the customer can make informed decisions
- be truthful in advertising or other communications.

## 12. Conflict of interest

No partner, employee, director or other Recipient, in the performance of their duties and at the various levels of responsibility, must take decisions or carry out activities in conflict, even potentially, with the interests of Beautynova S.p.A. or incompatible with the duties of office, or in violation of the ethical principles contained therein.

The Entity undertakes to put in place all necessary measures to prevent and avoid conflict of interest phenomena.

By conduct in conflict of interest is meant both that situation in which one of the aforementioned subjects pursues, for personal or third party purposes, objectives that are different from those they are required to realise in the fulfilment of the assignment received and of the agreed objectives, and the behaviour assumed by representatives of customers, suppliers, public institutions that act in contrast with the fiduciary duties linked to their position.

In carrying out their activities in favour of Beautynova S.p.A., all persons connected to it must avoid any situation, even potential, of conflict between personal activities and:

- relatives and near-relatives in a straight line up to the second degree;
- relatives and near-relatives in a collateral line up to the third degree of kinship
- cousins;
- spouse and/or cohabiting partner;
- persons with whom one has a relationship of habitual frequentation;
- persons or organisations with whom the employee or spouse has a pending lawsuit or serious enmity or credit or debt relationship;
- persons or organisations of which the employee is guardian, curator, attorney or agent;

- bodies, associations, including unrecognised ones, committees, companies or establishments of which the person is a director or manager
- other persons with whom there are serious reasons of convenience;
- any other person who performs activities in favour of the P.A. and who may, due to the duties of his office, have contacts with the Entity.

The Addressees, in the event of a conflict of interest, or situations that are even potentially so, must abstain from taking part, directly or indirectly, in any decision or deliberation relating to the matter to which the conflict relates, expressly declaring their situation to the Board of Directors, in accordance with the provisions set out in the internal procedures and practices.

In particular:

- all members, employees and collaborators of the Entity are required to give notice of any situation, action or transaction that is or may be in conflict with the interests of Beautynova S.p.A. Any activities carried out externally, in particular those with economic implications, must not interfere with the interests of the Entity, with the performance of the duties assigned, or lead to improper use of resources or influence deriving from the role held.

More specifically, by way of example but not limited to, situations in which conflicts of interest may arise are

- accepting donations of money, gifts, favours of any kind from persons, companies, bodies that have a business relationship with Beautynova S.p.A., including potential suppliers
- using one's own company position or the information acquired in the performance of one's work in such a way as to benefit one's own interests or those of a third party, in contrast with the interests of Beautynova S.p.A.;
- carrying out work activities of any kind (work services, intellectual services, coverage of corporate offices) with customers, suppliers, third parties, in contrast with the interests of Beautynova S.p.A.;
- concluding, finalising, initiating negotiations and/or contracts, in the name of and on behalf of Beautynova S.p.A., that have as counterparty family members, in the broadest meaning of the term, as defined above, or associates of the company referents, or companies or legal persons of which such person is the owner or in which he/she is in any case personally and economically interested

- having economic and financial interests, of their own or of family members, in the widest meaning of the term and as defined above, in the activities of suppliers, customers and competitors.

Before accepting any remunerated appointment of a professional, consultancy, management, administration or other assignment in favour of another person, the person connected to the Entity must notify his/her direct supervisor or inform the BoD for the relevant resolutions.

Employees and members of the internal corporate governance bodies (including non-employees) shall refrain from making decisions or performing activities inherent to their duties in situations of conflict, even potential, of interest with personal interests, those of family members and subjects or organisations as defined above.

The conflict may concern interests of any kind, including non-pecuniary interests, such as those arising from the intention to pander to particular professional categories.

As indicated above, if a conflict situation arises and declarations are made, it is necessary to inform the Board of Directors, being of a confidential nature, ensuring that they are used for internal purposes only.

In particular, the members of the corporate bodies who, in a given Beautynova S.p.A. operation, have private interests, either their own or of third parties, are obliged to promptly inform the Board of Directors, in accordance with the prescriptions of the internal procedures and practices. In any case, such persons are obliged to refrain from carrying out transactions in conflict of interest.

More in general, the information acquired in the performance of the assigned activities must remain strictly confidential and appropriately protected and cannot be used, communicated or divulged, either inside or outside Beautynova S.p.A., unless in compliance with the regulations in force and company procedures.

Any situation that may constitute or determine a conflict of interest must also be promptly communicated by each employee/collaborator to the Supervisory Body. The correspondence will be viewed exclusively by the Supervisory Body, which will be the guardian of the guarantee of anonymity of the report.

### 13. Responsibility in the use of resources

Everyone must cooperate, each for the activities within his or her competence, to the objective of responding, with concrete, rapid and economically sustainable solutions, to the challenge of combating climate change and optimising the use of natural resources.

For this reason, the Organisation is committed to contributing to the definition and achievement of company targets for plant efficiency and reduction of direct emissions, with a constant commitment to research and development. A sustainable working method is promoted that is based on the regenerative principles of the circular economy, to optimise the use of virgin resources and reduce waste, maximising the recovery and valorisation of waste, following an integrated management according to the principles of precaution, prevention, protection and continuous improvement.

### 14. Responsibility towards the community

The Organisation operates taking into account the needs of the community in which it carries out its activities and contributes to its economic, environmental, social, cultural and civil development.

### 15. Safety at work

Within the scope of its mission, aimed at respecting ethical principles and social responsibility towards the people with whom it collaborates and the community, Beautynova S.p.A. intends to devote its maximum commitment to the continuous improvement of its performance in the field of health and safety in the workplace. To this end, [Società] is committed to disseminating and consolidating a culture of safety, developing awareness of the risks and impacts generated by its activities by promoting responsible behaviour by all its collaborators.

The Entity is also committed to operating in compliance with all applicable legal requirements on safety as well as the principles voluntarily subscribed to, with respect to both workers and contractors and customers, safeguarding their health and safety.

In particular, the Organisation has adopted a safety system based on two principles

- organisational measures;
- technical measures.

#### Organisational measures

The Entity has correctly identified the Employer, as indicated in Article 2 letter *b*) of Legislative Decree 81/08, granting him appropriate organisational, decision-making, management and spending powers. It also favoured the creation of an organisational chart that is subject to the Employer. Among the organisational measures, particular emphasis is placed on the punctual information, education and

training process prepared in compliance with the provisions of the law and the State-Regions Agreement in favour of all workers.

As mentioned above, the Entity pays particular attention to the health and safety of third parties by adopting organisational measures to pre-qualify the technical and professional requirements of contractors, also hinging on an effective documentary system (e.g. DUVRI), capable of monitoring interference risks and the initiatives to be undertaken.

Other organisational measures include periodic meetings (*pursuant to* Article 35 of Legislative Decree 81/08), evacuation tests and health surveillance also with reference to the accident index and occupational disease.

### Technical measures

The above-mentioned organisational measures must be considered an effective glue with the technical measures, to be understood as the Entity's initiatives aimed at identifying any risk, even potential, and undertaking to eliminate it or, at least, reduce it "instrumental assessments".

Particular attention is given to the use of machinery and equipment, for which, in addition to specific risk assessments, the presence and updating of the Use and Maintenance Manual is required.

In general, the planning of each individual activity must aim to prevent and reduce the impact of possible injuries (including near misses), accidents, and occupational diseases, adopting the best available and economically sustainable techniques.

It is understood that the above-mentioned initiatives and all findings must be disseminated within the Entity by means of a clear, correct and timely flow of communications, which must also involve the Supervisory Board.

## **16. Environment**

Over the years, the Entity has committed itself- and continues to do so- to act ethically and correctly, going beyond the mere concept of compliance with the law and enriching the decision-making process with ethical, social and environmental principles.

For this reason, [Società] has adopted a corporate policy aimed at harmonising economic objectives with environmental ones, with a view to sustainability and reduced impact on environmental resources.

In fact, the Company concretely undertakes to contribute, where possible, to its own development in harmony with the reference territorial context, refraining from undertaking actions that may damage the environmental heritage.

The correct use of resources and the reduction of the impact of its activities on the environment is promoted, always taking into account the development of scientific research and best practices in this field.

The Recipients, in the performance of their duties, undertake to comply with current legislation on environmental protection and safeguard.

## **17. Prohibition of violations of the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001**

This Code of Ethics, while responding to the specific function of directing the business conduct of the Addressees towards high ethical standards, constitutes, at the same time, the first and fundamental component of the Organisation, Management and Control Model adopted by the Entity pursuant to Articles 6 and 7 of Legislative Decree No. 231/2001.

[Società] believes, therefore, that it must expressly prohibit any criminal conduct that may result in the criminal involvement of the Organisation pursuant to the Decree.

Any violation of the aforementioned prohibitions is absolutely contrary to the interests of the Organisation.

The Organisation must therefore

- avoid risks of offences being committed by preventing them, where avoidable, through the identification of specific protocols
- combat risks at source;
- firmly penalise violations.

## **18. Alcohol and Drugs**

The Entity is committed to creating and maintaining a healthy, safe and productive working environment.

The abuse (or misuse) of alcohol, drugs and other similar substances by its employees and/or collaborators adversely affects their duty of efficient work performance and can have serious detrimental consequences for themselves, the safety, efficiency and productivity of other employees and the Company.

Individuals who believe they are addicted to any substance are urged to seek medical advice and appropriate therapeutic treatment, without delay and before their condition may adversely affect their ability to work and endanger their own safety, that of their colleagues or third parties.

The consumption of alcoholic beverages, drugs or similar substances is prohibited during work.

It is also recommended that employees consistently avoid taking alcohol, drugs or similar substances outside the working  
outside of work if the effects of such consumption may persist during subsequent work.

## **19. *Whistleblowing* and prohibition of retaliation**

The Company actively promotes a culture of legality by setting up a whistleblowing system in line with the provisions of the Law. This system is intended as a guarantee of respect for the ethical and regulatory principles of Beautynova S.p.A..

Therefore, the Company invites any Director, Employee or Collaborator or, in any case, any subject functionally connected to Beautynova S.p.A., to report in a circumstantiated manner any unlawful conduct or violation indicated not only in the Law, but also in this Code of Ethics and in the Model of organisation, management and control, of which he/she has become aware by reason of his/her functions.

Whatever channel is used, the Entity undertakes to safeguard the confidentiality of the identity of the whistleblower and to ensure that the same is not subject to any form of retaliation, or undertakes to guarantee anonymity in the event that the Recipient identified by the Company to handle the reports, receives the report from unidentifiable persons, provided that such reports are punctual, precise, detailed and supported by explanatory documentation.

The Addressee shall assess all the reports received and take the consequent initiatives by talking, if necessary, with the author of the report and the person responsible for the alleged breach. Any consequent decision will be motivated; any measures will be applied in accordance with the provisions of the corporate Sanctions System.

## **RULES OF CONDUCT TOWARDS STAFF AND THIRD PARTIES**

### **1. Preface**

[Società]. considers human resources as one of the main strategic success factors and, therefore, favours the constant professional and personal growth of its employees and collaborators.

[Società] encourages cooperation and mutual collaboration between its employees in the awareness that the success of the Organisation is strongly linked to Team results.

All the Managers of each Company Area or Process Area, therefore, are required to organise periodic meetings, also on the occasion of important operational decisions, in which the involvement and active

participation of all the members of the various working groups and a multi-directional information flow is ensured.

## **2. Management of relations with personnel**

The personnel selection process must be based exclusively on the correspondence of the professional and aptitude characteristics of the candidates to the *job profile* sought. In selection interviews, therefore, the candidate may only be asked to provide information aimed at ascertaining the professional requirements and skills possessed. The objective of the selection process is to create value for [Società] and, therefore, no form of nepotism or favouritism is considered tolerable. Within the limits of the information available, Beautynova S.p.A. adopts, during the selection and recruitment process, appropriate measures to comply with the above principles, including appropriate privacy notices.

## **3. Staff training and assessment**

[Società] develops training plans for the professional growth of personnel through suitable organisational and training initiatives, with the exclusion of training courses imposed by law. Training activities are planned on the basis of each employee's career path and considering the Organisation's specific needs.

Where possible, the Organisation will prepare an analytical teaching programme for said training courses, providing the recipients with study materials and subjecting the same to a learning test, after issuing a certificate of attendance.

The Managers of each Business Area/Process shall encourage the participation of all Business Units' employees in training courses proposed by the Entity.

They periodically assess staff performance in order to identify any areas for improvement and adopt specific measures of intervention.

## **4. Prohibition of the exploitation of child labour**

The Company opposes all forms of exploitation of child labour, undertaking not to enter into contracts or, if necessary, to terminate them if it detects or becomes aware of a form of child labour. The Company undertakes to report to the competent authorities any forms of exploitation of which it becomes aware in the context of its business relations.

The purpose of this provision is to prevent the Company's products from being manufactured by people who are denied the opportunities to receive an education and to live a life appropriate to the rights of children, allowing them to grow and develop in a healthy manner.



With regard to child labour, the Company undertakes not to hire workers under 15 years of age, providing only the possibility- for persons between 16 and 18 years of age- to carry out internships in the company during a course of study, in order to obtain training credits functional to the attainment of a qualification (curricular), or upon completion of the training course, after graduation or graduation (extra-curricular).

## 5. Obligations of personnel

The staff of [Società] must act in accordance with fairness, loyalty and integrity in the performance of their duties, respecting the obligations arising from the contract signed, the regulations in force, the ethical principles of the Organisation and the rules that the Organisation may have formalised in specific policies and/or guidelines, operating instructions.

In particular, the staff belonging to the administrative-accounting structures must ensure compliance with the principles of accuracy, precision and transparency in carrying out the activities of accounting registration and the formation and drafting of the financial statements. Accounting entries must be made on the basis of adequate supporting documentation and must be documentable, reliable and verifiable at all times.

Employees of [Società] are required to avoid situations of conflict of interest, even if potential, from which they may gain an unfair advantage, or act to the detriment of the legitimate interests of stakeholders. In situations of conflict of interest, employees must inform their hierarchical manager without delay, who shall adopt the most appropriate measures to safeguard the interests of stakeholders and report the incident to the Supervisory Body of [Società]

Beautynova S.p.A. personnel are required to keep confidential any corporate information they come into possession of by reason of their activity or role. In internal and external relations sanctions the absolute prohibition, for any employee and collaborator, of improper and harassing conduct, by which is meant both the creation of a hostile and intimidating work environment, and explicit and implicit requests of a sexual nature.

## 6. Proper management of company assets and computer systems

The personnel of [Società] are required to correctly use the assets and equipment assigned for work purposes, avoiding abuse and/or improper use.

Beautynova S.p.A. personnel must scrupulously abide by company regulations and, therefore, comply with internal policies and the device regulations, ensuring compliance with the ethical principles set out in this code.

Among others, it is forbidden for any employee to grant the use of company assets assigned to third parties. It is also prohibited for any employee to use software not authorised by the Entity on the assets and equipment assigned to them for work purposes.

It is also forbidden for each employee to disclose and communicate personal access codes and passwords to the assets and equipment assigned to them for work purposes, as well as any other information, also relating to company *know-how*, unless expressly authorised, in compliance with the principle of loyalty imposed by the contract in force.

## 7. Customers

The Addressees, in managing relations with customers, always in compliance with the internal procedures, especially those laid down in the Organisation, Management and Control Model, must favour maximum customer satisfaction and must act in accordance with transparency and fairness, in compliance with the regulations in force, so that customers can make informed decisions.

Each Addressee must report to the Supervisory Body any customer behaviour that appears in contrast with the principles of this Code.

[Società] is committed to providing quality products and services to ensure maximum satisfaction and protection of its customers, implementing internal control systems to prevent the product or service supplied to the customer from differing in nature, origin, quality or quantity from that agreed.

## SECTION III

### EXTERNAL RELATIONS

#### 1. Relations with the Supervisory Authorities and Control Bodies

The Entity undertakes to fully and scrupulously comply with the rules dictated by the Supervisory Authorities and Control Bodies for compliance with the regulations in force, as well as to base its relations with the aforesaid Bodies on the utmost cooperation in full respect of their institutional role, undertaking to promptly implement their prescriptions.

#### 2. Relations with Parties, Trade Unions and Associations

Relations with political parties, trade unions and other interest-bearing associations shall be conducted by the Company Representatives authorised to do so or by the persons delegated by them, in compliance with the provisions of this Code, as well as with the articles of association and special laws, having particular regard to the principles of impartiality and independence. The Organisation does not make direct or indirect contributions to political parties, nor to their representatives or candidates, and refrains from any direct or indirect pressure to political representatives (e.g. by accepting recommendations for recruitment, consultancy contracts, etc.). Each employee must acknowledge that any form of involvement in political activities takes place on a personal basis, in his/her own time, at his/her own expense and in compliance with the laws in force. Moreover, the Organisation does not make contributions to organisations with which a conflict of interest may arise (such as trade unions, consumer protection or environmental associations). Forms of cooperation of a strictly institutional nature are possible when: the purpose can be traced back to the mission of Beautynova S.p.A. or can be referred to projects of public interest; the destination of the resources is clear and documented; there is an express authorisation from the relevant company functions.

#### 3. Relations with Public Institutions

Relations with Public Bodies and Organisations, necessary for the development of the corporate programmes of Beautynova S.p.A., are reserved exclusively for the corporate functions delegated to that scope, in compliance with the provisions of this Code of Ethics, as well as the articles of association and special laws. The Company promotes dialogue and cooperates actively and fully with public institutions and local authorities.

Relationships with public institutions- and, in general, with the Public Administration- aimed at achieving the overall interests of Beautynova S.p.A. and related to the implementation of its corporate programmes, must be characterised by fairness, transparency and traceability, in order to ensure clear conduct that cannot be interpreted by those involved, as ambiguous or contrary to current regulations. Such relations are reserved exclusively for the competent functions, in compliance with corporate protocols and procedures.

It is absolutely forbidden to offer, directly or through intermediaries, sums of money or other means of payment to public officials or persons in charge of a public service to influence them in the performance of their duties.

These requirements cannot be circumvented by resorting to different forms of contributions that, under the guise of sponsorships, appointments and consultancies, advertising, etc., have the same purposes as those prohibited above.

Gifts and acts of courtesy and hospitality towards representatives of the government, public authorities and local authorities as well as towards public officials and public employees are allowed when they are of modest value and in any case such as not to compromise the integrity or reputation of one of the parties and not to be interpreted, by an impartial observer, as aimed at acquiring improper advantages. In any case, this type of expenditure must be authorised by the persons indicated in the procedures and appropriately documented.

Likewise, each Code of Ethics Addressee may not receive gifts or favourable treatment, except within the limits of normal courtesy and provided they are of modest value. If he/she receives gifts beyond these limits, he/she must return them and immediately inform his/her direct superior and the Supervisory Board.

In order to prevent the commission of offences, it is strictly forbidden to mislead public administrations, by means of artifice or deception, in order to procure an unfair profit for the Entity, whether direct or indirect, consisting in obtaining or using contributions, financing or other disbursements, however denominated, granted by the State, a public body or EU institutions.

## SECTION IV

### VIOLATIONS OF THE CODE OF ETHICS

#### 1. Introduction

Any conduct contrary to the provisions of the Code of Ethics will be prosecuted and sanctioned, as in opposition to the principles that inspire [Società]. Violations of the provisions of the Code of Ethics constitute a breach of trust with the Entity and constitute a disciplinary offence: the application of disciplinary sanctions is irrespective of any criminal proceedings. The sanctions for breach of the Code of Ethics shall be commensurate with the type of breach and its consequences for the Entity and shall be adopted in compliance with the applicable legislation and the National Collective Agreements in force. With reference to the sanctions applicable to managers, employees and collaborators [Società], it should be noted that the commission or attempted commission of the offences provided for by Legislative Decree no. 231/2001 and involving serious violations of ethical principles constitutes a serious disciplinary offence. Regarding self-employed workers and third parties, violation of the provisions contained in this Code of Ethics may entail termination of the contract pursuant to Article 1453 of the Italian Civil Code.

#### 2. General principles of the Code of Ethics

By analogy with the provisions of art. 6, para. II, l. e) of the Decree, which states that: *'... in relation to the extent of the delegated powers and the risk of offences being committed, the models referred to in letter a), paragraph 1, must meet, ... **the need to introduce a disciplinary system capable of sanctioning non-compliance with the measures indicated in the model**'*, it is considered necessary to extend this provision to the Code of Ethics.

In fact, as for the Organisational Models, the adoption of an *ad hoc* disciplinary system is an essential and necessary requirement to make a Code of Ethics effective, since sanctions must be considered as a preventive element of the commission of disciplinary offences. In fact, it is not possible to envisage provisions lacking a sanctions system, since the absence of such a system, as for Organisational Models, would render the provisions contained in the Code of Ethics invalid.

The functions of the disciplinary system include those of

- make the Code of Ethics effective and effective
- support the control actions implemented by the Supervisory Board.

It must, however, be specified how the disciplinary system, in its structure, must

- apply to penalise the violator of the ethical principles contained in the Code;
- be drawn up in writing and adequately disclosed- as an essential part of the Code of Ethics;
- compatible with existing regulations and contractual agreements;
- characterised by appropriate and effective measures;
- by a range of sanctions, graduated according to the seriousness of the violations ascertained;
- by sanctions ranging from precautionary measures, in the case of more minor breaches, to measures capable of severing the relationship between the offender and the Entity, in the case of more serious breaches;
- to respect the constitutional principle (Constitutional Court sentence No. 220/1995) according to which the exercise of disciplinary power must always comply with the principle of proportionality, ensuring the involvement of the person concerned in compliance with the principle of cross-examination. For employees, these principles are referred to in Articles 2106 of the Civil Code and 7 of Law 300/70.

The disciplinary system applied for the Code of Ethics may also recognise reward mechanisms reserved for those who cooperate, for example, to make the implementation of the Model effective, or who report deviant individual conduct in compliance with the *whistleblowing* procedure and instructions. The application of the disciplinary system and of the relevant sanctions is independent of the conduct and outcome of the criminal proceedings that the judicial authorities may have initiated, in the event that the conduct to be censured also constitutes a relevant offence under Legislative Decree No. 231/2001.

In concrete terms, the disciplinary system, which is an integral part of the Code of Ethics [Società], is addressed to employees, managers, directors, auditors, consultants and collaborators who in various capacities provide services and performances in favour of the Entity, providing for appropriate disciplinary sanctions that comply with the above principles and which may also be pecuniary in nature. It should also be noted that the violation of the rules of conduct set out in the Code of Ethics, by employees of the Entity and/or its managers, constitutes a breach of the obligations arising from the employment relationship, *pursuant to* Articles 2104 and 2106 of the Italian Civil Code.

More specifically:

- Art. 2104- Diligence of the employee:

1. The employee must use the diligence required by the nature of the service due, the interest of the company and the higher interest of national production.
  2. He shall also observe the instructions for the execution and discipline of work given by the employer and the employer's employees on whom he is hierarchically dependent.
- Article 2106- Disciplinary sanctions:
    1. Failure to comply with the provisions contained in the two preceding articles may give rise to the application of disciplinary sanctions, depending on the seriousness of the offence and in accordance with the regulations in force.

### 3. Breach of the Code of Ethics

By way of example only, but by no means exhaustively, the following are some of the behaviours that may be subject to censure:

- engaging in actions or conduct, or omissions, that do not comply with the principles and rules set out in the Code of Ethics
- facilitating the incomplete and/or untruthful drafting of documents supporting the Code of Ethics
- facilitate the incomplete and/or untruthful drafting by third parties of documentation supporting the Code of Ethics;
- failing to draw up the documentation required by the Code of Ethics;
- violating or circumventing the control system provided for by the Code of Ethics;
- not observing and thus complying with the obligations to inform the Supervisory Body on issues and topics, included in the Code of Ethics, among others:
  - o in the sector of whistleblowing:
    - the implementation of actions or conduct in breach of the measures put in place to protect the so-called whistleblower;
    - the adoption of retaliatory or discriminatory acts, whether direct or indirect, against the whistleblower for reasons directly or indirectly connected to the whistleblowing;
    - the making, even in bad faith or with serious negligence, of reports that turn out to be unfounded.

In addition to the conduct summarised above, it is worth noting that the disciplinary system identifies breaches of the principles, conduct and checkpoints contained in the Code of Ethics, and identifies the sanctions provided for employees in accordance with the law and/or national collective bargaining agreements as set out below.

The disciplinary system is, in any case, binding for all employees and, pursuant to Article 7, paragraph 1 of Law no. 300/1970, must be available to all "by posting in an accessible place".

The Entity is prohibited from implementing any retaliatory or discriminatory act, whether direct or indirect, against whistleblowers.

The adoption and concrete application of discriminatory measures against whistleblowers may be reported both to the National Labour Inspectorate, for the measures falling within its competence, and, by the whistleblower, to the trade union organisation.

Retaliatory and/or discriminatory dismissal of the reporting person is null and void. Similarly, any change of job or any other retaliatory or discriminatory measure taken against the whistleblower himself/herself is null and void. It is the sole responsibility of the employer, in the event of disputes relating to the imposition of disciplinary sanctions, or to demotions, dismissals, transfers, or subordination of the whistleblower, following the submission of the report, to prove that such measures are based on reasons extraneous to the report itself.

Not only that, the application of disciplinary sanctions is irrespective of the outcome of any criminal proceedings, since the rules of conduct and internal procedures are binding on the Addressees, regardless of whether an offence has actually been committed as a consequence of the conduct.

#### 4. Disciplinary measures

- A. Disciplinary measures are inflicted in accordance with the provisions of Article 7 of Law no. 300/1970 known as the "Workers' Statute" and subsequent amendments and additions, as well as with the CCNL Chimica- Industria. **Non-managerial workers**

With reference to this category of workers, the conduct that constitutes a violation of the Model and the relevant sanctions are set out below:

- 1) a verbal warning shall be given to any worker who commits a minor non-compliance with the provisions of the internal procedures set out in the Model or adopts a slightly negligent conduct not in compliance with the requirements of the Model, or omits to report or tolerates minor irregularities in compliance with the Model committed by other internal workers;
- 2) a worker who commits a minor infringement of the internal procedures laid down by the Model (e.g. who fails to observe the prescribed procedures, omits to notify the Supervisory Board of prescribed information, omits to carry out checks, etc.), or, adopts, in the performance of activities in sensitive areas, a conduct that does not comply with the prescriptions of the Model, incurs the measure of written warning. In addition to this, offences punishable with a verbal



reprimand, when, due to objective circumstances, specific consequences or recidivism, they are of greater significance, failure to report or tolerance of non-serious irregularities in compliance with the Model committed by other workers;

- 3) incurs the measure of a fine, not exceeding the amount of 4 hours of the normal remuneration, the worker who is recidivist in violating the procedures provided for by the Model or in adopting, when carrying out activities in sensitive areas, a non-compliant behaviour with the prescriptions of the Model;
- 4) any worker who, in breach of the internal procedures laid down by the Model or in adopting, in the performance of activities in sensitive areas, a conduct that does not comply with the requirements of the Model, engages in acts contrary to the interests of the Model, or acts punishable with a written reprimand when, due to objective circumstances, specific consequences or recidivism, they are of a more serious nature, as well as in similar cases where the worker has repeatedly committed offences punishable with a written reprimand, shall incur suspension from service and from pay for a period not exceeding 8 days. In addition, there is also failure to report or tolerance of serious irregularities in compliance with the Model committed by other members of staff, or such as to expose the Entity to an objective situation of danger or to determine negative consequences for it;
- 5) the measure of dismissal for disciplinary reasons shall be applied to any worker who, while carrying out activities in sensitive areas, engages in any of the behaviours contemplated in Article 40 of the CCNL Chimica- Industria applied by the Company;
- 6) a worker who adopts, in the performance of activities in sensitive areas, a wilful conduct in violation of the provisions of the Model, such as to determine the concrete application against the Entity of the measures provided for in the Decree, incurs dismissal without notice.

The disciplinary procedure, preparatory to the application of the measures indicated above, finds its own discipline in the reference company procedure, which, in compliance with the CCNL (the Collective National Contract for Workers) in force, regulates it. While referring to the detailed rules set out in the aforementioned company procedure, it is specified, in general, that

- a) no disciplinary measure may be taken against the worker without first notifying him/her of the charge from the time when the person competent to issue the notice became aware of the fact; the notice must be made in writing and disciplinary measures may not be imposed before 5 days have elapsed, during which the worker may present his justifications
- b) for all disciplinary measures, the worker shall be notified in writing, with a specific indication of

the facts constituting the infringement; the disciplinary measure may not be issued until eight days have elapsed from the notification, during which the worker may present his justifications;

- c) If the measure is not communicated within eight days after the expiry of the time limit for submitting justifications, these shall be deemed to have been accepted.

## **B. Workers with managerial status**

With reference to this category of workers, the conduct constituting a breach of the Model and the relevant sanctions are set out below:

- 1) a verbal warning shall be given to any worker who commits a minor non-compliance with the provisions of the internal procedures laid down in the Model or who adopts a slightly negligent behaviour not in compliance with the requirements of the Model, or who omits to report or tolerates minor irregularities in compliance with the Model committed by other internal workers;
- 2) a worker who commits a minor infringement of the internal procedures laid down by the Model (e.g. who fails to observe the prescribed procedures, omits to notify the Supervisory Board of prescribed information, omits to carry out checks, etc.), or, adopts, in the performance of activities in sensitive areas, a conduct that does not comply with the prescriptions of the Model, incurs the measure of written warning. In addition to this, offences punishable with a verbal reprimand, when, due to objective circumstances, specific consequences or recidivism, they are of greater significance, failure to report or tolerance of non-serious irregularities in compliance with the Model committed by other workers;
- 3) a worker who is recidivist in violating the procedures laid down in the Model or in adopting, when carrying out activities in sensitive areas, a conduct that does not comply with the requirements of the Model, incurs a fine, not exceeding the amount of 4 hours of his normal remuneration;
- 4) any worker who, in breach of the internal procedures laid down by the Model or by adopting a conduct which does not comply with the provisions of the Model in the performance of activities in sensitive areas, engages in acts contrary to the interests of the Entity, or acts punishable with a written reprimand when, due to objective circumstances, specific consequences or recidivism, they are of a more serious nature, as well as in similar cases where the worker commits offences punishable with a written reprimand. In addition, there is the failure to report or tolerate serious irregularities in compliance with the Model committed by

other members of staff, or such as to expose the Entity to an objective situation of danger or to determine negative consequences for it;

- 5) the measure of dismissal for disciplinary reasons shall be applied to any worker who, while carrying out activities in sensitive areas, engages in any of the behaviours contemplated in Article 40 of the CCNL Chimica- Industria applied by the Company;
- 6) a worker who adopts, in the performance of activities in sensitive areas, a wilful conduct in violation of the provisions of the Model, such as to determine the concrete application against the Entity of the measures laid down in the Decree, shall incur dismissal without notice.

The disciplinary procedure, preparatory to the application of the measures indicated above, finds its own discipline in the reference company procedure, which, in compliance with the CCNL in force, regulates it. While referring to the detailed rules set out in the aforementioned company procedure, it is specified, in general, that

- a) no disciplinary measure may be taken against the worker without first notifying him of the charge from the time when the person competent to issue the notice became aware of the fact; the notice must be made in writing and disciplinary measures may not be imposed before eight days have elapsed, during which the worker may present his justifications
- b) for all disciplinary measures, the employee shall be notified in writing, with a specific indication of the facts constituting the infringement; the disciplinary measure may not be issued until eight days have elapsed since such notification, during which the employee may present his justifications;
- c) If the measure is not communicated within eight days after the expiry of the time limit for submitting justifications, these shall be deemed to have been accepted.

## C. Directors

With reference to this category, the conduct constituting a breach of the Code and the relevant sanctions are set out below:

- 1) formal written reprimand if a minor breach of the Code of Ethics has been committed, or if the measures to protect *whistleblowers* have been violated;
- 2) pecuniary sanction, taking into account the seriousness of the offence, equal to the amount of two to five times the emoluments calculated on a monthly basis if a breach, not minor, of the Code of Ethics has been committed, and violated certain measures put in place to protect *whistleblowers*;

- 3) revocation, in whole or in part, of any powers of attorney if a serious breach of the Code of Ethics has been committed and all the measures for the protection of *whistleblowers* have been violated;
- 4) revocation of the appointment by resolution of the Board and approved by the Shareholders' Meeting if a violation, maliciously, of the Code of Ethics has been committed, and unlawfully sanctioned a *whistleblower*.

## D. Board of Statutory Auditors and Auditing Firm

If the violation is committed by the Board of Statutory Auditors or the Auditing Firm, the Supervisory Board must immediately inform the Board of Directors by means of a written report.

The Board of Directors may, in accordance with the provisions of the Articles of Association, take the appropriate measures, including, for example, convening the Shareholders' Meeting, in order to adopt the most suitable measures provided by law.

The Board of Directors, in the event of violations such as to constitute just cause for revocation, proposes to the Shareholders' Meeting the adoption of the measures within its competence and takes the further steps provided by law.

This is without prejudice to compensation in the event of damage caused to Beautynova S.p.A.

## E. Third Party Recipients

Any behaviour adopted by Consultants, Collaborators or other third parties connected to Beautynova S.p.A. by a non-employee contractual relationship, in violation of the provisions of the Code of Ethics, may determine, in accordance with the provisions of the specific contractual clauses inserted in the letters of appointment or in their absence by the disciplinary system eventually adopted by Beautynova S.p.A., the termination of the contractual relationship, without prejudice to any claim for compensation if such behaviour causes damage to Beautynova S.p.A., even independently of the termination of the contractual relationship.

## 5. Sanctions connected to the *Whistleblowing* procedure

The sanctions indicated above and the processes for inflicting them must also apply, within the limits set out above and for the respective categories, with reference to failure to comply with the procedure and instructions aimed at regulating *whistleblowing*.

More specifically, the initiation of disciplinary proceedings will be imposed, as will possibly be the sanction to be imposed, whenever

- the whistleblower protection measures have been violated
- a report that has proved to be unfounded has been made with wilful misconduct or gross negligence.

The Supervisory Board shall immediately inform the Board of Directors, which shall adopt the most appropriate measures provided for by law.

This is without prejudice to compensation in the event of damage caused to the Entity.

## SECTION V

### PROCEDURES FOR IMPLEMENTING THE CODE OF ETHICS

#### 1. The Ethics Officer

The Supervisory Board may be the entity in charge of verifying the application and implementation of the Code of Ethics (Ethics Officer) and for this activity it reports directly to the Board of Directors of the Entity. The Ethics Officer, if he deems it appropriate, may report on his activities to the Board of Directors.

The Ethics Officer is assigned the following tasks

- to periodically verify the application of and compliance with the Code of Ethics through control activities, which consist in ascertaining and promoting the improvement of ethics within [Società] through the analysis and evaluation of the control processes of ethical risks
- undertake initiatives for the dissemination of the Code of Ethics
- propose amendments and additions to the Code of Ethics to the administrative body;
- receive reports of violations of the Code of Ethics and investigate them
- perform consultative functions with regard to the adoption of sanctioning measures;
- prepare an annual report on its activities to be submitted to the administrative body.

Within the scope of his activities, the Ethics Manager will be assisted by the necessary resources identified from time to time among the personnel of [Società]

All Addressees are required to collaborate with the Ethics Manager, both with reports and by supplying the company documentation necessary for the performance of activities falling within the competence of the same. In the event of any doubt as to the lawfulness of a certain behaviour, its ethical disvalue or its contrary to the Code of Ethics, the Addressee may contact the Ethics Manager.

## 2. Dissemination of the Code of Ethics

The Ethics Manager proceeds to disseminate the Code of Ethics to the Addressees in the following ways

- transmission- by e-mail and/or post and/or *hand* delivery - to employees and collaborators of the Entity (with an indication that the Code of Ethics is to be considered binding for all Addressees)
- publication on the website of
- organisation, every time it is deemed necessary and, in any case, at the first approval of an informative and training meeting, to which all employees and collaborators of the Entity, the administrative body and the Board of Auditors shall be invited, aimed at illustrating any ethically relevant news. Minutes will be taken of the meetings, indicating the persons attending and the topics discussed, together with a programme of the same and the issue of a certificate of attendance;
- information to external collaborators and suppliers on the existence of the Code of Ethics.