



— Code of Ethics —

Gruppo  Banco Desio

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1. CORE VALUES AND PRINCIPLES

In order to define clearly and transparently the set of values that inspire them to promote the creation of long-term value for their stakeholders, Banco di Desio e della Brianza SpA and the other companies belonging to the Banco Desio Group hereby establish, with this Code of Ethics, a reference model of behaviour to guide the professional involvement of each Group employee (including those in positions of responsibility, such as directors, statutory auditors and members of senior management), as well as external collaborators and others who have business relationships with the Group. **This Code of Ethics is therefore to be understood also as a Code of Conduct.**

The Group is aware that the sustainable success of a company is embodied in the creation of long-term value for the shareholders, taking into account - in the definition of its strategy, declination of policies and daily management behaviour - the interests of all the other stakeholders and the impacts that its work may have at an environmental and social level, and not just economically. The Group therefore recognises the importance of ethical and social responsibility in the conduct of its activities and undertakes to respect all those (individuals, groups, organisations, etc.) whose interests are influenced by the Group's activities, whether directly or indirectly (including the management control and coordination activities of the Parent Company, in accordance with both the Italian Civil Code and other applicable regulations). At the same time, it requires all employees, collaborators and persons having business relations with the Group to comply with the rules and recommendations established in this Code of Ethics and company regulations, including the organisational model adopted to implement the provisions of Legislative Decree 231/2001 on the administrative liability of companies and entities ("Model 231"). The behaviour of each person belonging to the Group in relations with any internal or external interlocutor is based on the principles of:

- **professionalism**
- **transparency**
- **diligence**
- **honesty**
- **fairness**
- **confidentiality**
- **impartiality**

The Group requires its commercial partners to take a commitment to share these principles in order to avoid improper commercial conduct or violations of the Group's ethical values. The principle of reciprocity, the cornerstone of relationships with all business partners, means that all relationships are based on mutual benefits.

Each operation and transaction must be carried out correctly and implemented within the scope of the powers assigned to the person concerned; they also have to be

verifiable, legitimate and consistent with the partner's official activities. Any situation that could lead to a conflict of interests, even if only in appearance (including between Group companies) and that could interfere with the ability to make impartial decisions, must be avoided. Any illegal conduct aimed at obtaining undue profits for the Group and, even more so, the subsequent reinvestment of such proceeds in other activities is also prohibited. The Corporate Bodies of the Group are kept informed about compliance with this Code of Ethics also by reports on violations of the rules governing banking activities, as required by Model 231, among other things.

The Group adopts an internal "whistleblowing" system for reporting such violations, governed by specific Regulations, in order to identify and repress, as quickly as possible with the support and collaboration of all staff, any irregularities involving non-compliance with internal and external regulations during the course of their work.

In implementing the internal system for reporting violations, the Group guarantees the rights of the individual, with particular regard to the fundamental right to the protection of personal data, of both the person reporting and the person being reported, as well as the protection of the person reporting against any possible discrimination as a result of the report.

The following situations are dealt with through specific internal reporting channels, which are dedicated to such cases, as described in the paragraph 12 below: i) violations of this Code of Ethics (unless they also refer to violations of the rules governing banking activities, to be reported through the whistleblowing system); ii) malfunctioning of the organisational structure or internal control system¹; iii) employment demands.

Any behaviour that is inconsistent with this Code of Ethics by parties interested in carrying out the various activities (even if to facilitate other companies belonging to the Group) is to be considered in violation of this Code of Ethics and is therefore punishable (please refer to paragraph 13. Interventions in case of non-compliance).

2. MISSION AND RELATIONSHIP WITH STAKEHOLDERS

The Group remains faithful to its vocation of:

- deep territorial roots;
- an agile and efficient structure to guarantee quality services and highly competitive costs;
- constant dialogue with a clientèle made up principally of small and medium-sized enterprises, artisans, professionals and households;
- an ability to select and provide tailor-made services to customers that we know so well that we can anticipate their needs, both in financing their activities and in asset management.

¹When reporting any malfunctioning, one can also make useful suggestions for updating/improving processes.

We believe in open dialogue with trade associations to contribute to innovation and sustainable development of business activity.

We are committed to constant dialogue with the institutions and companies in the service sector in order to cooperate according to their respective prerogatives, while avoiding situations of conflict of interest.

We recognise the role of stakeholders in the development of a company that is fairer and more attentive to social and environmental issues, supporting and promoting activities and initiatives of social utility to help the local community. Moreover, we pay particular attention to initiatives designed to enhance the social, cultural and entrepreneurial fabric.

Traditionally, we support the needs and requirements, not only material, expressed by the local area, in implementation of the guidelines laid down in a specific Group policy, also through donations and sponsorships that are assessed according to the relevance of the proposed initiatives in relation to the needs and requirements they intend to satisfy and in line with the Group's core values.

We are also committed to enhancing and protecting historical, artistic and cultural heritage, also so that it can be enjoyed by the general public.

3. SOCIAL RESPONSIBILITY

3.1. Human rights and workers' rights

In carrying on the Group's business, we pursue the protection of human rights according to the principles stated in the Universal Declaration of Human Rights of 1948 and recognise the principles established by the Conventions of the International Labour Organization with particular reference to (i) the right of association and collective bargaining, (ii) the prohibition of child and forced labour, (iii) the protection of equality and non-discrimination at work, and (iv) the right to the protection of personal data of individuals.

We recognise the centrality of human resources and the importance of establishing and maintaining relationships with them based on fairness and mutual trust. For these reasons, we are committed to developing the aptitudes and potential of each employee and collaborator in carrying out their activities, so that the abilities and legitimate aspirations are fully realised in the achievement of the company's objectives.

We pursue the enhancement of human capital through the attraction, development and retention of talents.

We guarantee working conditions that respect individual dignity, ensure high standards of protection of health and safety in the workplace, increasing awareness of risks and promoting responsible behaviour and adopt specific prevention and protection programs, making all company levels responsible, in order to protect the health and psychological and physical well-being of our collaborators.

We safeguard the right and freedom of association and collective bargaining, reject any form of child labour or forced labour, and any type of harassment, prevarication, threats or intimidation in the workplace.

We intend to raise awareness on these issues with customers, suppliers and commercial partners, as well as in relations with our collaborators, promoting initiatives that best respond to the dissemination of practices aimed at respecting these internationally recognised rights, particularly avoiding relationships with subjects who may be implicated in violations of these rights in light of the information available their reputation.

3.2. Diversity and equal opportunities

We guarantee respect for diversity and, at every stage of each employee's working life, reject any form of inequity, favouritism, abuse or discrimination based on gender, sexual orientation and identity, age, marital status, ethnic or national origin, language, religion, different abilities, state of pregnancy, maternity or paternity, including adoptive ones, political opinions, union membership, personal beliefs.

In this context, diversity is considered an element to be valued as a source of professional and, more generally, cultural enrichment. We therefore believe in the importance of an inclusive culture by committing ourselves to preventing any form of inequity, favouritism, abuse or discrimination in the selection process, in the definition of remuneration, in training opportunities and professional growth, up to the end of the employment or collaboration relationship.

3.3. Confidential information relating to employees and collaborators

We treat confidential information on employees and collaborators in compliance with the applicable privacy legislation, with methods suitable for ensuring maximum transparency towards the parties directly involved and inaccessibility by third parties.

3.4. Commitment required of employees and collaborators

All Group employees and collaborators are asked to take a commitment to act loyally in order to comply with the obligations assumed with the employment contract and the provisions of this Code of Ethics, ensuring due performance and compliance with the commitments undertaken versus the Company for which they work. In particular, employees and collaborators must comply with the following rules:

- perform your work with professionalism, fairness, honesty and responsibility, in full and substantial compliance with the rules, professional ethics, current laws and in accordance with this Code of Ethics and internal regulations, including Model 231;

- refrain from engaging in acts of discrimination or harassment in any form, from inducing others to discriminate or harass or even to imagine an act of discrimination or harassment, to persecute a worker who has complained of an act of discrimination or harassment, to carry out other types of behaviour that could indirectly aggravate the effects of discrimination or harassment;
- avoid any situation that could lead to conflicts of interest or that could interfere with your ability to make impartial decisions;
- do not accept or solicit proxies or mandates on current accounts, deposits or other banking/financial relationships referring to third parties who are not related to you by some form of kinship;
- act yourself and ensure that your collaborators always work with the protection of their own health and safety and that of third parties as a primary consideration;
- protect fixed assets, intellectual property, trademarks and logos of the Group and those of third parties used by the Group, avoiding any behaviour or situations that could cause damage or violations of the law;
- comply with the principles of confidentiality in handling any information you may acquire in carrying out your activities, disclosing it only in strict compliance with company procedures and current legislation;
- make sure that your own financial situation could not have repercussions on the correct performance of your work;
- refuse any cash gift, regardless of the amount;
- refuse and avoid soliciting, for yourself or for others, any recommendations, favourable treatments, gifts or other benefits from those with whom you come into contact. If you receive gifts of any kind, more than of a symbolic nature², or gifts in cash, regardless of the amount, you must return what has been received and report the matter promptly to your superior or, if you are an external collaborator, to your company contact, who - after making the necessary assessments - should inform the Chief Auditing Officer;
- counteract any form of re-entry into the legal economy of income deriving from illegal activities;
- look after and update your skills and professionalism using the training tools made available by the Group, also making use of the experience and help of colleagues;
- keep up-to-date on the requirements of the Model 231 adopted by each Group Company and in the relevant legislation;
- take decisions based on the principles of sound and prudent management, carefully assessing potential risks, according to an integrated vision of all types of risk including reputational ones, monitoring them by means of specific policies and other mitigation measures;

² i.e. if the estimated value is more than Euro 100

- report promptly to the bodies or functions identified in the context of specific systems or procedures any instructions you may have received in contrast with the provisions of the law and regulations, employment contracts, internal regulations and this Code of Ethics;
- report promptly, among other things, with the methods provided for in Model 231, any violations, attempts to violate or fail to comply with correct application of the model.

4. CULTURE OF LEGALITY

As part of an approach based on the culture of legality in every corporate context, we fight, among other things, bribery and corruption, money laundering and the financing of terrorism and, in general, the crimes contemplated in the Model 231, in every form and manifestation, taking a commitment to operate in compliance with the highest standards of ethical and social responsibility in the conduct of our business, also with the aim of actively protecting the integrity of the economic and financial system and ensuring fair conduct on the part of our operators.

To this end, we oversee the Group's activities with an articulated system of rules, procedures and controls aimed at the prevention of crimes, maintaining an adequate internal control system in line with the requirements laid down in the relevant regulatory provisions. We also adopt a transparent and collaborative approach towards the competent Authorities in the context of one's role.

In this context, being aware that the first element for the development of an effective strategy to counter, in particular, phenomena such as corruption, money laundering and terrorist financing, is to have an in-depth knowledge of prevention tools, we consider it fundamental to "provide to collaborators specific classroom lessons or online courses ("e-learning") on the subject of fighting corruption, money laundering and terrorist financing and, in general, the crimes contemplated in the Model 231, as part of our training programmes.

5. ENVIRONMENTAL RESPONSIBILITY

WE recognise our direct and indirect environmental impacts, promoting a sustainable business through the adoption of policies and the implementation of initiatives aimed at limiting the impacts that are linked to the business, directing our decisions in order to better reconcile the business needs with environmental ones, having regard to the relevant legislation.

Also for this reason, we are committed to developing initiatives that best meet the need to limit our environmental impact by:

- rationalising the consumption of natural resources used in carrying on our business activities (e.g. paper);

- increasing use of energy produced from renewable sources and the use of innovative technologies and solutions with a lower environmental impact;
- investments to improve the energy efficiency of buildings and plant installations;
- responsible waste management using, where possible, environmentally friendly differentiation and disposal methods;
- monitoring the effects of the above initiatives and of environmental data with the aim of continually improving our behaviour with a view to protecting the environment.

We are also aware of the indirect impacts related to its operations, i.e. activities and behaviour that we do not directly control as they are performed by third parties with which we do business, such as customers and suppliers. With this in mind, we review our processes and behaviour in investment and lending decisions to help reduce the environmental impacts related to them and in the supply chain to condition the policies of suppliers with regard to environmental protection, as well as to human and workers' rights.

6. RESPONSIBLE INVESTMENT

We consider the integration of socio-environmental issues in the credit and investment process as a key element in the creation of economic and financial value and, at the same time, social and environmental benefits.

With this awareness, we intend to create value by basing our investment and lending decisions more and more on evaluation criteria that take into consideration not only the economic aspects of short-term profitability, but also environmental and social factors; in this sense, we undertake not to invest in or finance counterparties or activities considered to be seriously risky for the community.

We also undertake to consider the progressive development of investment opportunities managed according to social and environmental criteria that we intend to offer our own customers, with the aim of helping to create a virtuous circle of progressive awareness of increasingly sustainable economic models on the part of customers and suppliers.

7. RELATIONS WITH SHAREHOLDERS AND THE MARKET AND MANAGEMENT OF FINANCIAL AND SUSTAINABILITY INFORMATION

We are developing a dialogue with the market by adopting engagement policies that are complementary to those of institutional investors and asset managers. A key role in terms of coordination is attributed to the Chairman who, in agreement with the Chief Executive Officer, submits for the Board of Directors' approval a policy, known as the

"Engagement Policy", which establishes the rules for handling dialogue with the shareholders³. The Chairman ensures that the Board is adequately informed about the matters being discussed with the shareholders.

We pursue a policy of fair treatment for all shareholders by facilitating the exercise of the right to vote and to attend shareholders' meetings.

We encourage the completeness, transparency and equality of information to protect the interests of our shareholders, bondholders and other creditors, including potential creditors, to ensure that the decisions they make are based on an adequate level of awareness and widely shared.

To this end, we make full disclosure to the market of relevant, financial and sustainability information, with appropriate methods that favour its usability.

Anyone involved in preparing documents that present the Group's economic or financial situation, also for tax purposes, or which, in any case, concern facts that are relevant to the decisions mentioned previously, must comply with the regulatory principles and internal procedural rules concerning the communication and use of the information in question (as well as the formation of documents according to criteria of truthfulness and accuracy). The Group acts in compliance with the provisions of law and regulations aimed at protecting savings, also with reference to the activities of the "Financial Reporting Manager".

We observe the rules of conduct on Internal Dealing in order to improve transparency on financial transactions carried out by key persons (such as directors) who may - lawfully - buy and sell the Group's listed or widely-held financial instruments, having privileged knowledge of its economic and financial prospects.

8. EXTERNAL RELATIONS

8.1. Customers and Suppliers/Business Partners/Financial Counterparties

Relations with customers and suppliers, commercial partners and financial counterparties are handled according to the principles of maximum collaboration, availability and professionalism, respecting confidentiality and the protection of privacy in order to create the basis for a solid and lasting relationship of mutual trust; for this purpose, we collect detailed, up-to-date and accurate information on each customer, supplier and business partner.

All information acquired on or from counterparties is considered strictly confidential. Within the Group, this information will be used in full compliance with the provisions of European legislation on privacy, exclusively for contractual purposes and to increase

³ This Engagement Policy is being adopted as part of the implementation of the New Corporate Governance Code for Listed Companies.

the Group's stock of information in order to raise our knowledge of counterparties and satisfy their requests.

With the exception of lawful requests from competent Authorities, it is absolutely forbidden to communicate confidential information on counterparties to third parties of any kind, unless the counterparties have given prior authorisation.

8.1.1. Customers

We put customers at the centre of our activities. We know the environment in which they operate and we are committed to researching and proposing solutions that best meet customers' just needs, in any case, in compliance with the principle of legality.

- Our conduct with customers is based on principles of professionalism, transparency, diligence, honesty, fairness, confidentiality and impartiality, without prejudice of any kind, respecting the differences of every gender, age, race, religion, political party or trade union membership, different abilities. When initiating relationships with new customers and handling existing ones, in implementation of the said principle of legality, we assess in particular detail relationships with subjects who, in light of the information available on their subjective and reputational profile, are considered to be at greater risk of money laundering, corruption or the commission of other crimes envisaged in the Model 231.

In any case, it is forbidden:

- to have relationships or carry out transactions of any kind with persons or organisations which, in light of the information available on their subjective and reputational profile, may, even indirectly, contribute to violating or threatening the fundamental rights of the individual according to the principles stated in the Universal Declaration of Human Rights of 1948;
- to receive, transfer, use money or other benefits which, in light of the information available on their subjective and reputational profile, may derive from illegal activities;
- to wield undue influence, in any form, in particular on employees and collaborators of Group companies involved in handling relationships with customers, which could conflict with the aim of serving the best interests of the customers in the provision of products or services;
- for employees and collaborators of the Control Functions to have business relations with customers in any capacity.

Opening and maintaining relationships or carrying out transactions with persons holding political office at national or local level must be subjected to prior evaluation by the competent bodies and functions, in accordance with the provisions of current internal regulations.

8.1.2. Suppliers/Business Partners/Financial Counterparties

When establishing relations with Suppliers, Commercial Partners or Financial Counterparties and in managing existing ones, it is forbidden to entertain relations with counterparties which, in light of the information available on their reputational profile, may be involved in illegal activities.

The processes for identifying commercial partners or financial counterparties, as well as the processes for the purchase of goods and services in general, are based on a search for the maximum competitive advantage, the granting of equal opportunities, as well as loyalty and impartiality in the choice of counterparties. The choice of counterparties and determination of contractual conditions are based on objective parameters of a technical-economic nature. In particular, staff must not:

- receive any form of consideration or other benefit from anyone for the execution of an act relating to their office (even more so, any act that is contrary to their official duties);
- suffer to any form of conditioning by third parties outside the Group, or belonging to it but not authorised, for operations relating to their work.

Employees and collaborators of the Control Functions have to refrain from having business relations with suppliers in any capacity.

Moreover, anyone who directly or indirectly receive benefits or proposals of benefits, over an estimated value of Euro 100, or gifts in cash, regardless of the amount, must return them and report the matter promptly to their superior or, if an external collaborator, to their company contact, who - having made the necessary assessments - should inform the Chief Auditing Officer. Consultants, suppliers and in general all subjects with whom the Group has any form of contractually regulated collaboration, are informed of the contents of this Code of Ethics and are required to act in ways that comply with the principles set out in it. At the same time, we require such persons to comply with the rules and recommendations laid down in the Model 231 and in the Group's Guidelines on Corporate Social Responsibility.

To this end, there is a specific clause in the contract that obliges the counterparty (Suppliers, Commercial Partners or Financial Counterparties, both existing and potential) to comply with the contents of this Code of Ethics and Model 231; if the counterparty does not intend to accept this clause, it will have to submit its own Code of Ethics, Model 231 or Code of Conduct, if they have one, so that we can check whether they have formalised principles that are consistent with those of the Group. If the answer is negative, the Group Company cannot sign a contract or agreement with the counterparty.

- In particular, the Group requires its commercial partners: to comply with the principles of social responsibility referred to above in working relationships with its employees and sub-contractors and to adopt formal policies and/or certifications on health and safety in the workplace to guarantee the well-being of their human

resources, developing initiatives to creating positive impacts on their local communities;

- to recognise the importance of protecting human rights in business and the adoption of formal policies as a sign of a concrete commitment to eliminate child labour, forced labour and respect for the freedom of association, collective bargaining and non-discrimination;
- a concrete social commitment to activities that raise awareness and promote respect for these issues along their supply chain, developing initiatives designed to create positive impacts in their local communities;
- to comply with the principles contained in our Group policies, particularly with regard to anti-corruption and anti-money laundering;
- compliance with the relevant national and international environmental regulations and a concrete commitment to raise awareness of respect for the environment and the conservation of natural resources along their supply chain, adopting policies and implementing initiatives consistent with our own and designed to create positive impacts on their local communities.

8.2. Public Administrations and Public Officials

The Group's relationships with all institutions of the Public Administration, as well as the Supervisory Bodies referred to in the following paragraph, are based on principles of correctness and transparency, respecting the reciprocal roles, exclusively through forms of communication aimed at representing their own requests, to respond to requests or in any case to make known their position on issues relating to the institutions' areas of competence.

In fulfilling our obligations towards the Public Administration, including for example tax returns, we strictly adhere to the principles of transparency, truthfulness and completeness, in the belief that this is a fundamental contribution towards the community in which we operate, all the more reason when such obligations are also fulfilled towards the general public, as in the case of accounting and corporate documentation.

We actively collaborate in initiatives promoted by trade associations and bodies that represent the banking and financial system.

Initiating relationships and taking commitments with the Public Administration and with Public Sector Institutions is reserved for those corporate functions that are authorised to do so. They are required to perform their duties with integrity, independence and fairness.

Relations with the Tax Authorities are maintained according to principles of transparency and collaboration.

It is forbidden to have relations with the Public Administration, as with the Supervisory Bodies referred to in the following paragraph, representing the Group or on its behalf,

for reasons unrelated to professional ones and not attributable to the tasks assigned to you.

It is forbidden to promise or give payments or other benefits or to make gifts to Public Officials, or in general to managers, officers or employees of the Public Administration or their relatives, which could influence the independence of judgement or to seek any kind of advantage for the Group. Furthermore, anyone who receives benefits or proposed benefits directly or indirectly from the persons mentioned above must refuse them and promptly report the matter promptly to the 231 Supervisory Body.

When managing judicial or administrative proceedings, any type of conduct carried out directly or through another natural or legal person, with a view to favouring or damaging a party in a civil, criminal or administrative process (including arbitration procedures and out-of-court settlement of disputes in general) is forbidden.

8.3. Supervisory Bodies and Independent Auditors

Any action (even if it is meant to facilitate the Group) which is or may be an obstacle to the exercise of the control activities of the Supervisory Bodies and the Independent Auditors is illegal and is to be considered as committed to the detriment of the Group.

Relations with such Bodies and the Auditors must be based on principles of correctness and transparency, in compliance with our reciprocal roles, excluding any behaviour or attitude designed to influence their work improperly or unduly or which could even give such an appearance.

Without prejudice to the possibility for the Supervisory Bodies and the Independent Auditors to interact with the entire structure of the Group, for the purpose of representation, relations with them are reserved for specifically authorised corporate functions.

8.4. Political and Trade Union Organisations

In compliance with the specific regulations applicable in the circumstances, the Group does not make contributions, in any direct or indirect form, to political parties, movements, committees, associations or other bodies of a political or trade union nature, including their representatives or candidates.

8.5. The Financial Market

Relations with the Financial Market (including financial analysts, institutional investors, etc.), with particular reference to issuers of listed or widely-held financial products, are reserved for specific corporate functions.

Such relations are based on current best practice in the reference market and carried on in compliance with international and domestic regulations in force in the individual countries in which the Group operates, as well as with current internal regulations.

8.6. The Media

Relations with the Media in Italy and abroad are reserved for specific corporate functions. Any declaration made on behalf of the Group must be authorised in advance by the competent corporate functions.

Group communications to the outside world must be clear, truthful and compliant with company policies and programmes and made in compliance with company procedures.

8.7. The Competition

The Group recognises the competition as a stimulus to constant improvement of the quality of the products and services that we offer customers, basing our commercial activities on the principles of loyalty and fairness.

We believe in free and fair competition, refraining from any unfair or deceptive commercial practices which could represent forms of unfair competition, abuse of dominant position or anti-competitive agreements.

The Group requires its business partners to comply with applicable competition laws and to respect the principle of fair trading, acting in good faith, respecting reciprocity and maximising value, avoiding unfair conditions, hindering trade, passing on excessive risk and costs to other partners, mutually respecting trademarks and intellectual property rights.

9. GIFTS AND BENEFITS IN KIND

The Group condemns any behaviour on its behalf by the Corporate Bodies and their members, or by Group employees, or by third parties acting on behalf of the Group, consisting of giving, promising or offering, directly or indirectly, cash, services or other benefits to subjects with whom it has or intends to have relations of a commercial nature or to representatives of the Public Administration - except in the case of gifts or other benefits of modest amount and, in any case, considered legitimate uses, customs or activities - which could result in an undue or illegal interest or advantage for the Group.

It is also forbidden to circumvent these instructions by resorting to different forms of aid and contributions which pursue the same purposes as are prohibited above in the form of, for example, sponsorships, assignments, consultancy or advertising.

10. SEXUAL HARASSMENT

The Group condemns any undesired behaviour, also in verbal form, with a sexual connotation, which offends the dignity and freedom of the person who suffers it (man or woman), or which creates or is likely to create an intimidating, hostile or humiliating working climate (also if done by someone of the same sex).

Sexual harassment includes, but is not limited to, the following:

- implicit or explicit requests for sex, provocative or unseemly gestures or winking in a sexual way, unwanted or annoying voluntary physical contact, verbal appreciation of physical appearance;
- any promise or act, following a refusal to grant sex, implicit or explicit, such as threats, retaliation, ostracism, etc., which could affect the start, continuation or termination of employment;
- innuendo or comments about sexuality or sexual orientation that are harmful or offensive;
- posting or displaying pornographic material or material of a sexual nature or that is offensive to the dignity of the people in the premises where the work is carried on;
- letters, verbal expressions, e-mail messages, telephone messages, telephone calls, etc. that are derogatory and offensive, or taken as such, referring to sex or to the diversity of expression of sexuality.

Sexual harassment by people who exploit their position of power is aggravated when accompanied by threats or blackmail regarding their employment.

11. METHOD OF ADOPTION AND CIRCULATION OF THE CODE OF ETHICS

This Code of Ethics is adopted and updated with a resolution passed by the Board of Directors of each Group Company (subject to the favourable opinion of the Control, Risk and Sustainability Committee and the Board of Statutory Auditors, where appointed) and is circulated promptly to internal and external recipients in the same way as the Model 231⁴.

12. REPORTING VIOLATIONS OF THE CODE OF ETHICS

The reporting of violations of this Code of Ethics takes place through specific, autonomous and independent communication channels, which are separate from normal reporting lines.

⁴ As far as the vehicle company Desio OBG S.r.l. is concerned, its Code of Ethics only has to be approved by the Board of Directors in relation to the particular operations of that Company (which do not require the adoption of a Model 231).

Reports of violations of the Code are channelled through the so-called "Whistleblowing System" (which has specific regulations to which reference should be made), albeit with a specific marking that distinguishes them from reports of violations of the rules governing banking activities or violations of the Model 231 (violations that constitute the main subject of this System, as known by the relevant legal or regulatory provisions).

In dealing with reports of violations of any nature, the Group guarantees the rights of the individual, particularly the fundamental right to the protection of personal data, both of the person reporting and the person being reported, as well as the protection of the person reporting against any possible discrimination as a result of the report.

The Group does not allow anonymous reports as a normal means of reporting a violation.

13. ACTION TO BE TAKEN IN THE EVENT OF NON-COMPLIANCE WITH THE CODE OF ETHICS

Each Group Company, subject to the provisions of Legislative Decree 231/2001, adopts a Disciplinary System by resolution of its Board of Directors to be applied in the event of non-compliance with this Code of Ethics or violation of the Model 231.

13.1. Group employees

Compliance with the directives contained in this Code of Ethics is to be considered an essential part of the contractual obligations pursuant to articles 2104 and 2105 of the Italian Civil Code.

In compliance with the procedures established in art. 7 of the Workers' Statute, violations of the directives contained in this Code of Ethics may constitute a breach of the primary obligations of the employment relationship or a disciplinary offence with legal consequences in proportion to the seriousness of the infringement.

13.2. Senior Managers of the Group

Senior Managers are also required to comply with the directives contained in this Code of Ethics, following the principles of professionalism, fairness, honesty, loyalty, confidentiality and balance, as required by the position that they hold.

In particular, in accordance with the guidelines of the Supervisory Authorities, including European ones, the Board members of Group Companies:

- a. comply with the integrity requirements;
- b. have sufficient knowledge, skills and experience to perform the tasks assigned to them;

- c. act with honesty, integrity and independent judgement;
- d. devote sufficient time to their duties;
- e. limit the number of positions held simultaneously by reporting cases of incompatibility;

Board members of Group Companies must also have a good reputation and maintain the utmost confidentiality in handling the information acquired in the performance of their duties, also towards the shareholders who nominated them and any other stakeholders of whom they may be an expression.

Any actual or potential conflicts of interest at Board level of a Group Company have to be adequately communicated and managed correctly by the Board itself by adopting specific policies and other mitigation measures, as necessary. Board members must abstain from voting on matters in which they have a conflict of interest.

Board members of Group Companies have to provide the Boards with any information that may be of use in carrying out their assessments.

13.3. Group shareholders

The Group requires Significant Shareholders (natural and legal persons whose shareholding in a Group Company exceeds 5% of the voting rights) to undertake the following commitments, giving adequate disclosure:

- to adopt behaviour that complies with the principles laid down in this Code of Ethics, also with respect for the rules and recommendations specified:

- in the Model 231;
- in the Guidelines on Corporate Social Responsibility approved by the Company's Board of Directors,

and, if the Shareholder submits candidates as members of the Board of Directors and of the Board of Statutory Auditors to be submitted to the Shareholders' Meeting of the Company,

- to confirm that the said principles, rules and recommendations are taken into consideration, in particular, in the selection of candidates, where the Shareholder should orient the choice of candidate towards people who conduct themselves in their personal and professional career in ways that are consistent with these principles, rules and recommendations.

This last commitment is also required from Shareholders whose shareholding is less than 5% but who are in any case entitled to submit candidates.

Shareholders are to exercise an influence over the Company in accordance with the law related to the voting rights they are entitled to, giving adequate disclosure of any shareholders' agreement or other accord that might determine a different influence, as well as of any conflict of interest.

Shareholders who are aware of important information or, even more so, of privileged information relating to Group companies must maintain the utmost confidentiality in handling such information. In the case of legal persons, this obligation extends to all of their Board members.

13.4. Group Collaborators and Others

Compliance with the directives contained in this Code of Ethics must be considered an integral part of the contractual obligations assumed by non-subordinate collaborators or others that have business relations with the Group. Violations of the directives contained in this Code of Ethics may constitute non-fulfilment of contractual obligations with legal consequences proportional to the seriousness of the infringement.

In particular, the Group carries out an assessment of its commercial partners based on criteria of social and environmental responsibility, through internal monitoring and evaluation tools.

If the Group becomes aware of any circumstance, action or conduct that does not comply with this Code, it may request corrective measures and reserves the right to put an end to existing commercial relationships with the supplier and to undertake any further initiatives to protect its reputation.