

Code of Ethics and Conduct

Approved by the Board of Directors of Lillo S.p.A. on June 30, 2025

LILLO S.p.A.

> “I remain convinced that the true challenge of building the future lies in upholding the core values which we have always believed in."
>
> Cav. Patrizio Podini

In conducting its business activities, Lillo Group has always been guided by the principle of Ethics, which it considers a strategic driver for entrepreneurial success. For over a century and across four generations, the Podini family has consistently distinguished itself through reliability, integrity and transparency — qualities that have enabled it to establish and strengthen its standing within the Italian entrepreneurial community. The Group has now deemed it appropriate and necessary to adopt a Code of Ethics and Conduct to provide guidance to all of its components: LILLO S.p.A. is the Podini family’s holding company (see detailed information on shareholders below) and acts as both an operating and a financial holding company.

Group structure

- Lillo S.p.A. is the Podini family’s holding company (see the organizational chart below for detailed information on shareholders) and acts as both an operating and a financial holding company.
- The Group’s main operating Companies are MD S.p.A. and DEDA Group S.p.A., which account for most of the Group’s revenue, exceeding €4 billion in 2024. The Group expects revenue to grow to approximately €4.4 billion in 2025.
- The Group also has a large real estate portfolio distributed among five Group Companies, with a value of about €1 billion.
- As of 2025, the Parent Company has been directly managing financial activities, both in terms of treasury management and new financing.

2 The Group structure is as follows:



100%	100%	100%	100%	50%	100%	25%
Lograd S.r.l.	**MDImmobiliare S.p.A.**	**Sequenza S.p.A.**	**Deda Group S.p.A.**	**Immobili Commerciali S.p.A.**	**MD S.p.A.**	**C.D.P. S.p.A.**

Shareholders	
Patrizio Podini	0.006%
Marco Podini	13.999%
Maria Luisa Podini	13.999%

Bare ownership holders	
Margherita De Rivo	8.999%
Massimo De Rivo	8.999%
Marianna De Rivo	8.999%
Matteo De Rivo	8.999%
Tommaso Podini	11.999%
Alice Nya Podini	11.999%
Manu Sol Podini	11.999%

A leading player in the Italian food-market retail, the company operates approximately 800 MD-branded directly operated and franchised stores throughout Italy.
Italy's third-largest discount chain, the company operates throughout the country through its MD-branded directly operated and franchised stores.

A company specializing in logistics services, freight transportation for third parties and activities involving the handling, loading, unloading, warehousing, storage and packaging of goods.

A company specializing in the purchase, sale, exchange, construction, renovation, restoration, maintenance and leasing of residential, industrial and commercial properties, as well as land.

A company specializing in real estate construction and development and in the purchase, sale and exchange of land and buildings, as well as in the production and sale of energy from renewable sources.

Deda Group controls various specialized Companies that provide their Customers with products (software and digital platforms), services, and vertical and cross-cutting advisory/consulting expertise and technological capabilities (development and implementation). The Group operates in the private sector, the financial market and the public sector, focusing on the following strategic areas: Fashion, Public Services, ERP & Digital, Finance, Cloud & Cybersecurity, AI & Data.
Dedagroup operates throughout Italy and includes foreign Companies operating in various countries such as the USA, the UK, Tunisia, Mexico and the United Arab Emirates.

Article 1

Purpose of the Group's Code of Ethics and Conduct

This Code of Ethics and Conduct brings together in a single document the values, principles and rules of conduct that guide all the Companies within Lillo Group. This document serves as an essential "values-based" compass, guiding both internal and external activities and interactions.

These values are fundamental for building strong and lasting relationships with suppliers, partners, Customers, local areas and communities, as well as with all those working with and for the Group.

The primary objective is to promote an inclusive and respectful work environment in which every individual feels valued and an integral part of the organization. To this end, sustainable initiatives are implemented to protect the environment and foster the wellbeing of communities.

It is essential to prevent improper or unlawful conduct and protect the Group's reputation among all stakeholders — a commitment that must be pursued consistently.

For the Group companies that have adopted it, this Code constitutes an integral part of the Organization, Management and Control Model pursuant to Italian Legislative Decree No. 231/2001.

This Code should therefore be regarded as a dynamic tool, subject to subsequent amendments and additions to reflect internal and external changes within each company belonging to the Group. The purpose is to ensure full alignment between the "guiding values" adopted and the conduct and work practices implemented.

Article 2

Recipients

The principles, values and rules contained in this Code apply to all those who, in any capacity, operate "for" and "with" the Group (hereinafter "Recipients"), such as, by way of example only, members of Corporate Bodies (who exercise powers of representation, administration, Management and control), employees, collaborators, suppliers of goods, service providers, and Customers.

Each Recipient is required to read and acknowledge the content of this Code, understand its meaning and, where necessary, seek clarification thereon.

Article 3

Approval, dissemination and implementation of the Code of Ethics and Conduct and amendments thereto

This document has been approved by the Board of Directors of Lillo S.p.A., in its capacity as the Parent Company, and has been endorsed and adopted by each Group Company through resolution by its Management Body.

Each company is committed to ensuring high moral, social and business standards in its dealings with all parties involved in its activities. Similarly, and in the spirit of mutual commitment, this Code sets forth the expectations that all Group Companies have of Recipients (directors, managers, employees and third parties with whom the Companies collaborate). To this end, each Group company undertakes to guarantee that Recipients clearly understand the Code of Ethics and Conduct through specific communication initiatives, as well as by implementing a periodic training plan on these topics.

The Code will be made available to every new hire in electronic format and will be accessible on the website. All Recipients are required to formally confirm receipt of the Code and commit to complying with its provisions.

Once Recipients have been informed of this Code, they shall be held personally responsible for its proper implementation. Accordingly, they may not justify any failure to comply with it on the grounds of lack of knowledge of the Code or of instructions contrary to its provisions received from any hierarchical level. Any conflicting instructions provided by the internal organizational hierarchy shall always be subject to compliance with the guidelines set forth in this Code.

Each Department/Function is responsible for ensuring that third-party suppliers of goods and service providers with whom it collaborates comply with the principles of this Code. The body responsible for overseeing the application of this Code to all Recipients is the management body of each Company, in collaboration with the 231 Supervisory Body, where appointed, which is also responsible for updating the Code to reflect regulatory developments, any changes to the Company's organizational and management structure, and economic, financial, and commercial developments in the Company's activities.
Any amendment to this Code must follow the same procedures used for its initial approval by the Governance bodies, which shall be responsible for carrying out periodic reviews and updates of the document.

Article 4

Violations of the Code of Ethics and Conduct

Anyone who breaches the provisions of this Code shall be subject to a disciplinary investigation by the employer, in accordance with the Italian Civil Code and/or the National Collective Bargaining Agreement (CCNL), and may be subject to disciplinary penalties.
For Group companies that have adopted the 231 Organization Model, any violation of the Code of Ethics and Conduct shall result in the application of the disciplinary penalties provided for in the Disciplinary System, attached to the General Section of the Model.

In the event of a violation of the principles and provisions set forth in this Code by other Recipients, such as Customers, suppliers/providers and partners, the agreed contractual clauses and the remedies provided by law shall apply. All stakeholders who have relationships with Group Companies — including employees, collaborators, suppliers/providers, Customers and other third parties — are encouraged to actively contribute to safeguarding corporate integrity.

Anyone who becomes aware of unlawful conduct or violations of this Code of Ethics and Conduct or the adopted Organization, Management and Control Model, is required to report them — based on specific and substantiated evidence — through the official whistleblowing channels, where available, provided by the individual Group Companies and specified on their respective corporate websites.
In the absence of such channels, reports may be made through alternative procedures established internally, which in any case shall ensure that the reports are handled by the competent bodies, in compliance with applicable laws.

In all cases, except where otherwise required by law, the confidentiality of the whistleblower's identity is guaranteed, and protection against any form of retaliation is ensured.
In the event of a violation of the whistleblower protection measures, or in case of reports made maliciously or with gross negligence that prove to be unfounded, each Company shall apply the disciplinary penalties provided for in its own disciplinary system.

Reports submitted in good faith shall never result in adverse consequences for the whistleblower, even if they turn out to be unfounded.
Conversely, reports made in bad faith shall be subject to disciplinary penalties in accordance with applicable regulations and the Disciplinary Systems in force.

Article 5

Penalty system and right to defense

Any violation of the provisions contained in this Code by employees shall be addressed promptly and without delay through appropriate disciplinary measures, proportionate to the seriousness or recurrence of the breach or to the degree of fault, in accordance with the provisions of the applicable employment contracts. This shall apply regardless of whether the conduct in question may have criminal implications and/or whether criminal proceedings are initiated where such conduct constitutes a criminal offense.

For minor breaches, the first step in the disciplinary procedure is a verbal warning, followed, in the event of recurrence, by a written warning issued by the Human Resources Department. With regard to top management personnel (directors, managers and any special attorneys-in-fact), any violation of the provisions of this Code may result in the application of measures proportionate to the seriousness or recurrence of the breach or to the degree of fault, up to and including removal from office for just cause.

The assessment of the violation and the definition of any penalties to be applied to the aforementioned top management personnel are a responsibility of the Board of Directors, excluding any members who may be involved. Specific penalties have also been established in the event of violations of whistleblower protection measures, as well as for all individuals who, intentionally or with gross negligence, submit reports that subsequently prove to be unfounded.
In any event, the bodies responsible for applying disciplinary penalties shall ensure that the person concerned receives adequate, prompt and confidential notification of the violations identified and is granted a reasonable period of time — no less than 15 days — to present his or her observations and defense and request a hearing.

It should be noted that any violation may result in serious financial damage to the Group Companies, as a consequence of the possible application of the penalties provided for by Italian Legislative Decree No. 231/01. Compliance with the principles set forth in this Code is an essential requirement of the contractual obligations of all Group employees, pursuant to Articles 2104 and 2105 of the Italian Civil Code. Any violation of the ethical standards set forth in this document constitutes a breach of the core obligations under the employment relationship and may give rise to legal consequences. Notwithstanding the foregoing, in addition to the application of disciplinary penalties, the Group Companies reserve the right to take any further action necessary to protect their interests, including potential termination of employment and claims for compensation for damages suffered as a result of the misconduct.

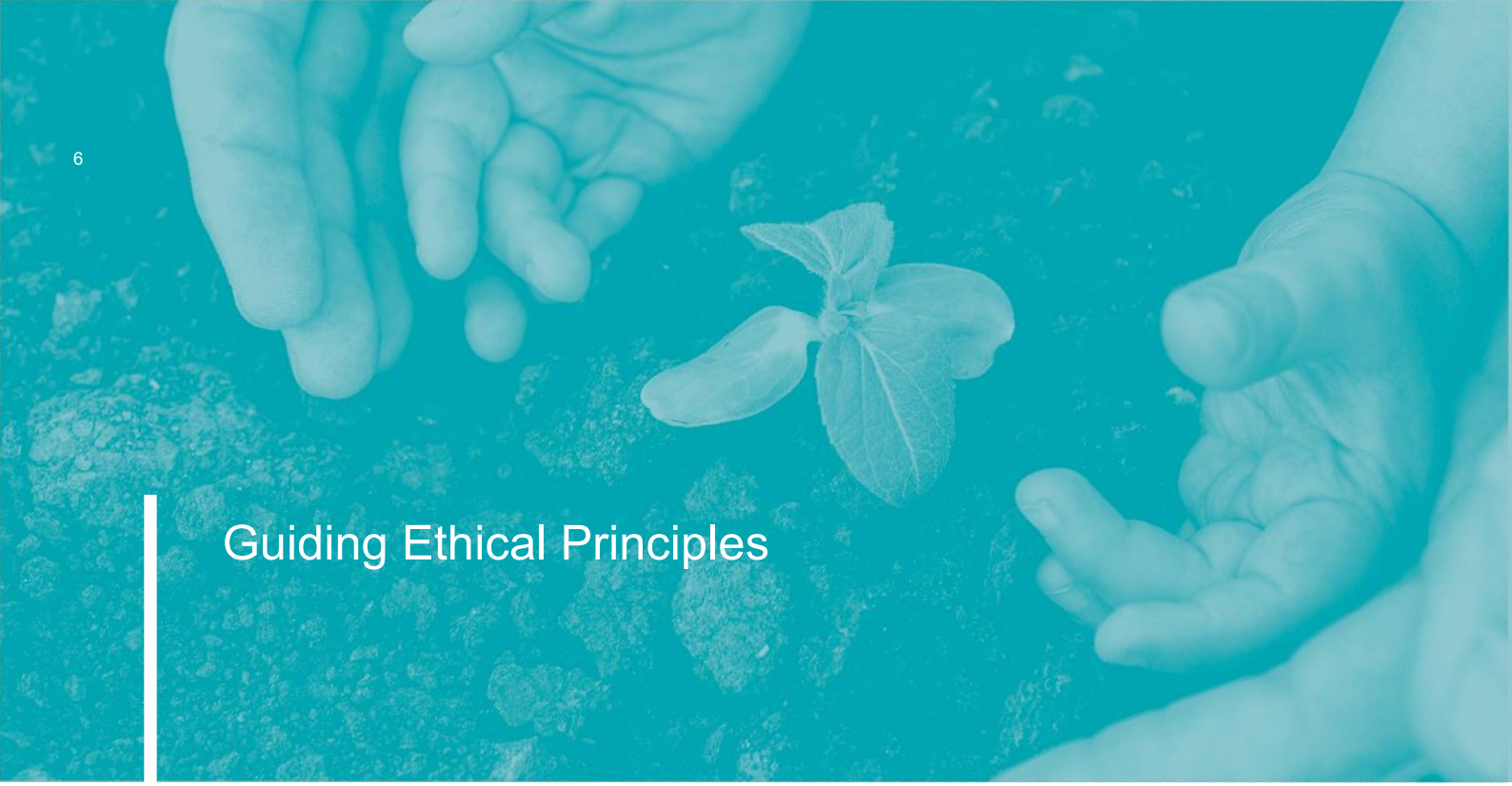
Article 6

Supervisory Bodies

The Group Companies that have adopted or will adopt their own Organization, Management and Control Model, pursuant to Article 6, paragraph 1(b), of Italian Legislative Decree No. 231/2001, shall appoint a Supervisory Body, an internal body responsible for monitoring the implementation of and compliance with the Code of Ethics and Conduct and the Organization, Management and Control Model.

In accordance with the provisions of Italian Legislative Decree No. 231/01, the Supervisory Body of each Company is responsible for:

- continuously monitoring the application of this Code of Ethics and Conduct;
- reporting any violation of this Code of Ethics and Conduct and Italian Legislative Decree No. 231/01;
- proposing amendments and additions to this Code to the Parent Company's management body;
- receiving and assessing reports of violations of this Code, initiating the necessary investigations;
- ascertaining any violation of this Code;
- supporting Recipients in interpreting and implementing this Code.
- Developing training programs for Recipients, aimed at ensuring a better understanding of the contents of this Code of Ethics and Conduct and the consequences of any violations.



Guiding Ethical Principles

Article 7

Customer centricity and protection

Industry experience and customer satisfaction are the core principles upon which the Group has built its organization and its commitment to the continuous improvement of its performance. Customer trust in and appreciation of the Group Companies — particularly Companies such as MD — and their products are therefore of utmost importance for the Group's success and its growth within the market.

Every day, the Group upholds its commitment to customers by placing on the market only quality products and services that have undergone rigorous controls to ensure the authenticity of food products and the safety of non-food products.

Article 8

Honesty and fairness

Each activity, action and conduct carried out in the interest and/or for the benefit of the Group and its individual Companies shall be guided by the principles of honesty, transparency and fairness. Recipients shall not use the Group to obtain private or personal advantages, nor shall they exploit their position to gain financial or other benefits, whether in internal or external relationships, including those of a personal nature.

All collaborators are required to maintain a proper, honest and loyal behavior, both in the performance of their duties and in their relationships with other members of the Company. It is essential to avoid unlawful or illegitimate conduct, as well as conflicts of interest, that could result in an undue benefit for the person in question or for third parties. Under no circumstances may the Company's interests or benefits justify dishonest conduct. When drafting any contract with third parties, each Company undertakes to include clear and transparent terms and conditions, in accordance with the principle of equality between the parties.

Article 9

Fair competition

Each Group Company is committed to upholding the value of fair competition by condemning any collusive or unfair conduct or abuse of a dominant position. The principle of fair and loyal competition within the market is therefore recognized as being of primary importance.

In compliance with national and EU antitrust regulations, as well as the directives and guidelines of the Italian National Competition Authority, each Company undertakes not to engage in conduct or enter into agreements with other companies or entities that may adversely impact competition among market operators.

Article 10

Regulatory compliance

Each Group Company recognizes compliance with the legislation in force in the sector in which it operates as a non-negotiable principle. In the performance of their duties, all collaborators are required to comply with the law and adhere to high ethical standards of conduct. All personnel are required to carry out their activities in full compliance with constitutional principles, laws, regulations, business customs and practices and, in general, all applicable national and international laws and regulations.

All Recipients of this Code, and in particular the Heads of the corporate Departments and Functions, are responsible not only for knowing, but also for complying with the laws applicable to the performance of activities within their purview, bearing in mind that, under no circumstances, may the pursuit of a corporate interest justify the violation of laws or any of the other provisions listed above.

Article 11

Transparency in business conduct

Each operation and/or transaction undertaken by the Group Companies must be lawful, authorized, consistent, appropriate, documented, recorded and verifiable at all times. In this regard, in the performance of its activities, each Company undertakes, both internally and externally, to comply with the following guidelines:

- providing information, communications and instructions that are precise, clear, truthful and accurate from an economic, financial, legal, ethical or social perspective, so as to enable its stakeholders to make informed decisions regarding their relationships with the Company;
- ensuring the traceability of each individual business transaction by adopting procedures that guarantee the proper recording and reporting and due retention of the relevant documentation;
- ensuring that business activities are based on a clear principle of accountability for the processes carried out;
- ensuring that all contracts with third parties contain clauses that are always understandable, clear and fair.



People

Article 12

Work environment

The Group is committed to ensuring that all employees are always treated with respect and dignity, and prohibits any conduct that may lead to corporal punishment, intimidation or harassment of any kind. No form of discrimination based on race, gender, age, language, color, nationality, religion, disability, sexual orientation, political opinions, social status or trade union membership is tolerated or permitted in working activities or interpersonal relationships.

The Group guarantees its employees the right to decent working conditions in healthy and safe environments, protecting them from psychological violence or workplace bullying. It firmly opposes any form of harassment and any behavior or conduct that may undermine personal dignity, beliefs or inclinations.
Any conduct, including gestures, language or physical contact, intended to hurt, offend, threaten or exploit others is not tolerated. The use of illegal drugs, alcohol or other similar substances in the workplace is strictly prohibited. The possession of pornographic or child pornographic material on company computers or in any other company-related premises is strictly prohibited.

Article 13

Respect for human rights

The Group considers respect for human rights to be an essential foundation of a responsible and sustainable business model and promotes their respect throughout its value chain.
Recipients are required to act in accordance with the principles set out in the United Nations Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the Convention on the Rights of the Child, and any other applicable local, national, EU and international conventions, laws and/or regulations.

Furthermore, the Group endorses the ten Principles of the United Nations Global Compact, which promote the creation of a sustainable global economy and the sharing of its benefits, and undertakes to actively contribute to the achievement of the 17 Sustainable Development Goals (SDGs) established by the United Nations.

Article 14

Respect for the organizational hierarchy

Each Group company adheres to and promotes the principle that every individual, based on their position within the organizational structure and in accordance with the authorities and powers of attorney delegated to them, is accountable and responsible for his or her own actions and omissions. Accordingly, all individuals holding management and representative roles within the Company, including at Department or Function level, shall provide guidance, coordination and oversight over the activities of those reporting to them and/or working under their coordination, and shall be accountable for their actions before the organization and, where applicable, before the law.

Article 15

Recruitment and equal opportunities

Lillo Group has entered into collective bargaining agreements, ensuring equal opportunities and a merit-based approach in the selection and recruitment process. Employment is based on regular employment contracts, providing decent remuneration. As part of this corporate culture, each Company undertakes to share with its personnel the challenges associated with the specific nature of work dynamics, also with a view to opportunities for development, and encourages forms of collaboration and mentoring between more experienced employees and new hires.

The Group is committed to preventing favoritism and discrimination, exercising hierarchical authority while respecting workers' rights and promoting an environment that values talent and skills. It firmly rejects undeclared, child and forced labor, while complying with regulations on working hours and leave entitlements. Employees are required to act professionally, condemning all forms of violence and exploitation and promoting a culture of equal opportunities.

Article 16

Diversity and inclusion

The Group recognizes the importance of every single individual within the organization and does not tolerate any form of discrimination based on age, ethnicity, geographic origin, political or union opinions, sexual orientation, gender identity, or physical or mental disabilities. The Group Companies are committed on a daily basis to creating a healthy and inclusive work environment, in which each individual feels an integral part of the Company's vision and actively contributes to achieving common goals.

Each Company promotes collaboration and knowledge sharing among its employees, both within the same corporate Function and across different Functions. This aims to create a harmonious and stimulating work environment based on trust and mutual respect, balancing the achievement of both corporate and personal goals.

Article 17

Combating exploitation and “undeclared” work

The Group firmly opposes any form of child and forced labor, condemning practices and treatment that undermine human dignity. Any form of slavery, human trafficking, servitude and forced labor is strictly prohibited and will not be tolerated.

Furthermore, the Group neither tolerates nor supports any form of undeclared work, including the recruitment of individuals residing illegally in Italy, whether they are persons without a residence permit or individuals whose permits have expired or have been revoked. The Group is committed to ensuring constant monitoring to verify that all personnel from third countries maintain a lawful residence status.

Article 18

Work environment

The Group is committed to ensuring that all employees are always treated with respect and dignity, and firmly prohibits any conduct that may lead to corporal punishment, intimidation or harassment of any kind.

No form of discrimination based on race, gender, age, language, color, nationality, religion, disability, sexual orientation, political opinions, social status or trade union membership is tolerated or permitted in the performance of activities or in working relationships.

Lillo Group guarantees its employees the right to decent working conditions in healthy and safe environments, protecting them from psychological violence or workplace bullying and combating any form of harassment and conduct or behavior that may undermine dignity, beliefs and personal inclinations.

Any conduct, including gestures, language or physical contact, intended to hurt, offend, threaten or exploit others is not tolerated. The use of illegal drugs, alcohol or other substances with similar effects in the workplace is strictly prohibited. The possession of pornographic or child pornographic material on the Company's computers or any other company-related premises is strictly prohibited.

Article 19

Conflicts of interest

All Recipients of this Code shall avoid any potential conflict of interest that, within the scope of their organizational duties, may compromise their ability to make impartial decisions in the best interests of their Company and in full compliance with the provisions of this Code.
This applies in particular to personal, financial or family interests that may influence the independence of individuals responsible, in whole or in part, for decision-making.

Any circumstances that may result in a potential conflict of interest, even if unintentional, shall be promptly reported by the employee to his or her hierarchical superior, who, depending on the significance of the conflict of interest, may report it to the Supervisory Body, where appointed.

In general, a conflict of interest arises when a person entrusted with pursuing the Company’s interests (such as a director, employee, collaborator, etc.) has one or more personal interests that conflict with those of the Company, making it impossible for that person to act in a way that simultaneously serves both his or her personal interests and those of the Company.

By way of example, the following may give rise to conflicts of interest:

- performing any type of work activities for suppliers of goods or services, competitors or affiliated Customers;
- economic and financial interests held by a collaborator and/or his or her family in the activities of suppliers and/or competitors;
- accepting money, favors or benefits from individuals or companies that have or intend to establish business relationships with the relevant Company.

Article 20

Protection of personal data

The Group recognizes the protection of personal data as an essential principle for safeguarding the dignity, freedoms and fundamental rights of individuals. All processing activities are based on the principles of lawfulness, fairness, transparency and accountability.

Protection of collaborators' data
Employees' personal data are processed exclusively for purposes related to legal obligations, employment-related matters, and health and safety regulations. Such processing activities are carried out by authorized personnel, in accordance with the principles of data minimization and proportionality. It is prohibited to use remote control or monitoring tools that conflict with the provisions of Italian Law No. 300/1970 ("Workers' Statute") and national collective bargaining agreements.

Responsible use of innovative technologies
The Group carefully evaluates the adoption of new technologies, including systems based on artificial intelligence (AI), in order to prevent any form of processing that may have discriminatory or harmful effects on individuals. The adoption of such tools is carried out in accordance with ethical principles, ensuring fairness, transparency and the protection of individuals' privacy.

Protection of Customer and third-party data
Personal data related to Customers, suppliers and other third parties, which are processed for the provision of services, are protected by appropriate technical and organizational security measures, based on the highest industry standards and formalized in contractual agreements.

The Group adopts internal policies governing the proper use of IT tools, including software licenses and open-source solutions, to prevent unauthorized access and ensure the integrity and confidentiality of information.
All Recipients of this Code of Ethics and Conduct are expressly prohibited from collecting or investigating the personal opinions, preferences or other aspects of the private lives of employees and stakeholders, thus fully respecting individual dignity.

Article 21

Use of company assets and confidentiality of information

21.1
Protection of company assets

Each collaborator is responsible for the proper management and protection of company assets, whether tangible, intangible or digital. Company resources shall be used exclusively for work-related purposes, in compliance with the principles of fairness, efficiency and cost-effectiveness.

It is prohibited to use company assets, tools or materials for personal purposes or in a manner contrary to the Group's interests. Personnel are required to diligently safeguard the assets entrusted to them and promptly report any misuse, damage or anomalies.
The know-how, intellectual property rights, technologies and solutions developed or held by the Group constitute strategic assets that must be protected with the utmost care.

21.2
Protection of information and intellectual property, and technology compliance

The Group recognizes the confidentiality, integrity and availability of information as fundamental principles for protecting corporate assets and building relationships of trust with its stakeholders. All collaborators are required to process company, personal or third-party data and information in compliance with applicable laws, internal policies and the principles of fairness, accountability and confidentiality.
Information obtained in the performance of work activities shall be used exclusively for professional purposes and shall not be communicated, disclosed or used for personal or improper purposes. The confidentiality obligation shall survive termination of the employment relationship.

The Group has implemented a cybersecurity and physical security system designed to ensure the protection of digital and information assets. In this regard, it is committed to:

- implementing appropriate technical and organizational measures to safeguard the confidentiality, integrity and availability of processed data;
- preventing conduct that may introduce vulnerabilities, facilitate unauthorized access or compromise system security;
- ensuring compliance with regulations on copyright, intellectual property rights, artificial intelligence and digital resilience;
- actively collaborating with the competent Authorities by sharing relevant information and documentation.

In compliance with copyright and intellectual property laws, the Group is committed to:

- providing transparent information about any third-party software components integrated into its products, both in technical documentation and promotional communications;
- not using any third-party copyright-protected content in its manuals or informational materials, unless prior agreement has been reached or the requirements provided for by law are met;
- ensuring full compliance with the laws governing the sale and distribution of software and the protection of copyrights, patents, and licenses.

Particular attention is paid to the use of emerging technologies, including generative artificial intelligence, to ensure that data protection, respect for intellectual property and compliance with applicable regulations are guaranteed at all times.

Article 22

Compliance with established procedures and practices and implementation of internal controls

The Group promotes the implementation of formalized operational procedures and practices based on the principles of this Code of Ethics and Conduct and consistent with its organizational structure, business processes and the current system of delegations of authority and powers of attorney. These tools are designed to clearly define the roles, responsibilities and activities carried out by each Function, in compliance with the principles of transparency, efficiency and accountability.

Operational procedures and practices are developed in accordance not only with the internal context, but also with ***standard reference systems***, in particular ***internationally recognized industry technical standards***, such as ***ISO*** standards. This ensures alignment with governance, security, internal control, and risk management best practices, including in response to contractual, regulatory and compliance requirements set by public entities and financial institutions.

The Group implements IT systems for managing and storing information to support its business activities, accessible exclusively through ***personalized and traceable user accounts***. Such systems are designed in accordance with the IT principles of ***"least privilege"*** and ***"segregation of duties"***, ensuring that each collaborator has access only to the information and features strictly necessary for performing his or her duties.

These principles contribute to strengthening process security, preventing conflicts of interest and fostering a culture of widespread internal control. The traceability of operations also enables the accurate reconstruction of the activities performed, ensuring transparency, verifiability and accountability.

Each collaborator is required to comply with the Company's procedures and to actively contribute to maintaining a compliant, secure and reliable operational environment.



Safety, Environment and Sustainability

Article 23

Occupational health and safety

The Group undertakes to ensure the health and safety of all stakeholders by adopting high standards for risk prevention and management. It recognizes and upholds the fundamental principles for the protection of workers, ensuring compliance with both international and national regulations.
These activities are based on hazard identification, risk assessment and control measures, fostering active employee involvement in prevention and environmental protection, as well as in the protection of their own safety and that of their colleagues.

The Group requires that third parties also comply with safety regulations and promotes this Code of Ethics and Conduct consistently with the integrated management system.

Article 24

Environmental protection

The Group is actively committed to environmental protection, recognizing environmental responsibility as a key element of its business model. The Group undertakes to prevent and mitigate the environmental impacts arising from its production cycle and value chain.
All Recipients are required to comply with both national and international environmental regulations and standards with a view to protecting the environment, using natural resources more sustainably and taking measures to prevent, reduce and mitigate any form of environmental pollution.

Article 25

Sustainable product innovation

All Group Companies are constantly engaged in the research and development of sustainable solutions, creating a portfolio of products and services that meets the highest quality and safety standards.
Each Group Company places particular importance on the continuous improvement of its products and services, actively working to offer innovative and accessible solutions. The focus is on sustainability, with the goal of reducing environmental impact and waste generation.



Relationships with Third Parties

Article 26

External communications

Lillo Group Companies' relations with the media and information providers (newspapers, magazines, cinema, radio and television) are managed exclusively by the Companies' Departments/Functions specifically responsible for such activities, in compliance with established internal procedures.

Information shall be transparent, truthful, and accurate; it shall also be consistent with corporate policies and strategies and communicated in a manner that does not give rise to misunderstandings or ambiguity.
Furthermore, each Lillo Group Company ensures the truthfulness and completeness of the information disclosed on its websites and through any other communication channels, as well as the transparency of commercial information on its online sales channels.

Employees and collaborators are prohibited from engaging in relations with the media unless they have received prior authorization. Should it become necessary, in the Company's interest, for collaborators other than the relevant Department/Function to give interviews or issue statements, the person concerned must request authorization from the Company's Governance Function, stating the reasons for such request.
Collaborators are required to refrain from any conduct or statements that could, in any way, damage the Company's image or interests and shall not, under any circumstances, offer presents or advantages intended to influence the professional activities of media representatives in order to obtain an unfair advantage for any Lillo Group Company.

Article 27

Relations with competitors

Each Group Company complies with all competition laws and regulations and rejects any form of unfair competition. The company intends to maintain and further develop its market position based on a genuine competitive advantage over competitors, by offering high quality services and products at competitive conditions, including through promotional activities aimed at fostering a proper understanding of their characteristics.

All Recipients of this Code shall refrain from any unfair practices or statements that may discredit competitors.

Article 28

Fight against corruption

Lillo Group does not tolerate any form of corruption and bribery, whether involving public or private parties.

All Recipients are prohibited from receiving benefits of any kind that may be, or appear to be, intended to influence their independence of judgment and impartiality. Furthermore, Recipients shall not solicit or accept, for themselves or for others, any gift or other things of value from parties having any interest in the activities of the Group and/or its Companies or seeking to establish a relationship with the Group, except for presents of nominal value.

Should Recipients be subject to undue pressure or receive presents, benefits or other things of value exceeding nominal value, they shall promptly notify the Governance bodies and refuse/return any such items received. It is strictly prohibited to accept, for oneself or for others, any present in the form of cash or any other payment instrument equivalent to cash.

Article 29

Prevention of money laundering

The utmost transparency is ensured in all transactions and relationships, in full compliance with anti-money laundering regulations. Lillo Group rejects any conduct aimed at using, substituting, transferring or otherwise concealing sums of money known or suspected to be of illicit origin, whether from within or outside the Group.

Article 30

Management of relationships with suppliers and contractors

Relationships with suppliers and contractors are managed in accordance with the principles of loyalty, honesty, fairness, impartiality, transparency, good faith and free competition, ensuring that the procurement process complies with the Company's practices and procedures.

Supplier selection is based on an evaluation of technical, environmental and legal requirements, as well as quality criteria.

In particular, suppliers shall be selected based on comparative evaluation criteria aimed at identifying the most suitable supplier, taking into account the quality of the product or service rather than the lowest price or the most favorable offer. The personnel of Group Companies are required to act in accordance with the principles of impartiality and independence in their relationships with suppliers and contractors.

Article 31

Relations with Public Administrations

In any type of relationship — whether direct or indirect — with parties identified as Public Officials, Persons in charge of public services or other institutional representatives, it is essential to act with fairness, integrity, transparency and accountability.

Employees, collaborators and any third party involved in managing relationships with the Public Administration on behalf of Lillo Group shall act in a clear and transparent manner, avoiding actions that may compromise the integrity and impartiality of the Public Administration. This is particularly important to prevent any attempt to obtain undue advantages, whether for oneself or for the organization.

The Group undertakes to deal with the Public Administration exclusively through duly authorized and delegated individuals, ensuring that no conflicts of interest arise.

Furthermore, representatives, employees and collaborators are strictly prohibited from offering or providing, either directly or through intermediaries, money or gifts of any kind or value, with the intent to reward or influence public officials, persons in charge of public services or other employees of the Public Administration (or other public institutions) and their family members in connection with the performance of their official duties or to induce them to act in violation of their duties.

Article 32

Gratuities, benefits and sponsorships

All Recipients of this Code shall refuse, for themselves or for others, benefits of any kind, gifts or things of value that may be, or appear to be, intended to influence their independence of judgment and impartiality. This applies in particular to parties having any interest in the Company's activities or seeking to establish a business relationship with it.

Even where offering gifts or presents is customary as a gesture of courtesy, such presents must be of an appropriate nature and must never be interpreted as a request for preferential treatment in return (such as repeated gratuities over time). It is strictly prohibited to accept cash or cash equivalents from third parties, regardless of the amount.
In any event, it is permitted to give or receive presents of nominal value (i.e., any type of present such as books, planners, pens, calendars, etc.) or business-related gratuities (e.g., sample products for collaborators engaged in the selection of products for distribution), provided in accordance with commonly accepted practices and in a manner that does not compromise the integrity or reputation of either party and cannot be interpreted by an impartial observer as intended to secure an improper advantage.

Any collaborator who receives gratuities, preferential treatment or forms of hospitality that do not meet the conditions described above is required to inform his or her hierarchical superior (Head of the relevant Department/Function/General Manager).

All forms of donations or charitable gifts (e.g., products, obsolete equipment) made by the Company to non-profit organizations, recognized associations or foundations providing assistance, charity or social development support must be reviewed, documented, and pre-approved by the Company's Governance bodies.

When sponsoring social and cultural initiatives through monetary donations/contributions, payments must be traceable, made using instruments that ensure transparency (e.g., bank transfer) and accompanied by appropriate supporting documentation attesting to the intended use of the funds and their consistency with the entity's institutional objectives.



Management of Financial Flows, Corporate Reporting, and Tax and Fiscal Compliance

Article 33

Corporate reporting and financial statements

The Lillo Group Companies strictly adhere to accounting principles and civil law requirements to provide an accurate representation of their financial and economic position. Each transaction is documented to facilitate auditing and reconstruction, while also ensuring transparency, truthfulness and traceability in the management of corporate obligations. It is strictly prohibited to obstruct audits or provide false information in financial statements or disclosures. Furthermore, it is not permitted to approve the distribution of unrealized profits, artificially increase share capital or violate laws intended to protect creditors.

Article 34

Tax compliance

The Lillo Group Companies are committed to fully and transparently complying with all tax obligations under current legislation, cooperating with Tax Authorities when necessary. Tax returns and the payment of taxes are not only legal obligations, but also a fundamental element of corporate social responsibility. Therefore, any violation of tax laws — to which each Company is subject under the applicable tax regime — is contrary to the Company's interests.

Article 35

Compliance with customs obligations

Each Lillo Group Company that deals with Customs Authorities undertakes to fulfill all tax and customs obligations imposed to it under current legislation in a complete and transparent manner and to cooperate, where required, with the Tax Authorities and the Customs Agency.
Tax returns and the payment of taxes are not only legally mandatory, but also a fundamental element of the Company's social responsibility.
For the same reasons, each Company engaged in import and export activities shall comply with all national and international regulations governing the import and export of goods.
Therefore, any criminal violation of tax and customs regulations is absolutely contrary to the company interests, as the Companies are aware that complying with tax and customs obligations is first a foremost a corporate social responsibility, in addition to being a legal requirement.



Rules of Conduct

Obligations of the management bodies and personnel of each Lillo Group Company

All Directors, Executives and Area Managers Department Heads of the Company are required to:

- serve as a positive example for their collaborators through their actions;
- ensure that all personnel reporting to them comply with this Code;
- ensure that personnel understand that compliance with the Code's provisions is essential to quality work performance;
- promptly report to their hierarchical superior any information they have directly obtained or received from employees regarding possible violations of the Code's provisions;
- promptly implement appropriate corrective measures when the situation so requires;
- prevent any form of retaliation against their subordinates for having complied with this Code or for having reported possible violations.

All personnel (including executives) are required to:

- diligently comply with the provisions of this Code, refraining from conduct contrary to its provisions;
- contact their hierarchical superiors if they need clarifications on the interpretation and implementation of the provisions contained in this Code;
- promptly report to the 231 Supervisory Body, where appointed, via the dedicated email address, any information received regarding possible violations of this Code and any request they receive to violate this Code;
- fully cooperate to investigate possible violations.

All personnel are required to read and acknowledge the rules contained in this Code and the relevant internal and external regulations governing the activities carried out within their respective Function.

How to manage relationships with the Public Administration

In order to manage relationships with the Public Administration in accordance with corporate ethics and legal requirements, the following is strictly prohibited:

- offering preferential treatments, exerting pressure or providing other forms of privileges by persons who, in the name and on behalf of the Group Companies, manage relations with the Public Administration, in order to unlawfully induce Persons in charge of public services to adopt positions or make decisions favorable to the Group Companies and the Group as a whole, in a manner that is contrary to their official duties and/or the exercise of their functions;
- making cash payments — either on one's own initiative or following a solicitation — to Public Officials and/or Persons in charge of public services;
- offering, accepting or promising gifts, gratuities or any other free benefit beyond what is provided for by customary business practices (i.e., any type of present other than those of nominal value, such as books, planners, pens, calendars, etc.) or otherwise intended to secure preferential treatment in the performance of any business activity. In particular, representatives of the Public Administration or their family members must not be offered, either directly or indirectly, any gifts, presents or free benefits that may, in any way, be perceived as being connected with their relationship with Group Companies and intended to influence their independence of judgment or induce them to secure any advantage for the Company. Without prejudice to the foregoing, prior approval from the Head of the relevant Department/Function must always be obtained before offering, promising or authorizing any type of present or gratuity to a public officer;
- granting advantages of any kind (promises of employment, consulting engagements, business opportunities, etc.) to representatives of the Public Administration or to their relatives, friends or business partners;
- making false statements or providing altered or counterfeit documents to public entities, particularly for the purpose of obtaining authorizations, concessions, government or public grants;
- soliciting or obtaining confidential information that may compromise the integrity and reputation of either party;
- in the context of judicial proceedings involving Group Companies or one of their employees, making payments or providing compensation, in any form, offered, promised or made directly or through a natural person or legal entity to favor or damage a party in a civil, criminal or administrative proceeding, induce any person, through violence or threats or by offering or promising money or other things of value, not to make statements or making false statements to judicial authorities, or assist a person in evading judicial authorities' investigations or in eluding their search efforts.

Conversely, all Recipients of this Code of Ethics and Conduct are strictly required to actively cooperate with all Public Officials or Persons in charge of public services in the event of inspections, audits, investigations or legal proceedings.

How to manage relationships with business partners

The Group prohibits Recipients from providing services or paying compensation of any kind to contractual partners or external collaborators, unless such actions are justified by the nature of the business relationship.
Agreements with partners and engagement of external collaborators shall be formalized in writing, specifying the agreed financial terms.

It is also prohibited to enter into contracts, commercial agreements and partnerships with individuals or entities affiliated with criminal organizations or involved in illegal activities.
In this regard, in line with the principles outlined above, Recipients of this Code are required to:

- commit to ensuring that the products offered provide high-quality standards that meet the needs of all Customers of the Group Companies (genuine food products and safe non-food products);
- strictly comply with the law, regulations and the principles set forth in this Code, paying the utmost attention to customer needs;

- provide accurate and comprehensive information about products and services so that customers can make informed decisions;
- advertise and promote the products offered by Group Companies in a transparent and truthful manner;
- enter into contracts with customers that are clear, easy to understand and compliant with applicable regulations and any guidelines issued by the Public Administration, with no clauses that may undermine the principle of equality between the parties or unfairly favor the Group Companies to the detriment of the customer;
- promptly notify Customers of any changes or modifications regarding the sale of the product and/or the provision of the service;
- ensure the prohibition of any type of unlawful act or misconduct from which Group Companies may directly or indirectly benefit, thereby causing harm or disadvantage to the customer;
- promptly report to their hierarchical superior any facts or information that may indicate that their colleagues or other Recipients of this Code are managing Customers in a manner that is not compliant with the principles set forth herein.

How to manage relationships with suppliers

Relationships with suppliers must be based on the principles of lawfulness, transparency, impartiality and accountability, in full compliance with the principles of this Code of Ethics and Conduct.
In particular:

- Group companies that use suppliers of products for market distribution shall select only those suppliers that guarantee compliance with the principles of quality, authenticity, product safety, occupational health and safety prevention and environmental protection;
- top managers and all collaborators are expressly prohibited from requesting or accepting, as well as offering or promising, money, gifts exceeding nominal value, preferential treatment or other personal benefits, even if intended to facilitate or optimize the business relationship;
- it is prohibited to establish, on behalf of the company, direct or indirect relationships with parties suspected of belonging to criminal organizations or otherwise operating outside the law;
- conduct that may facilitate money laundering, receipt of stolen property, use of property of illicit origin or self-laundering is prohibited.

In order to protect its reputation and values, the Group does not engage in relationships with parties that do not intend to operate in strict compliance with applicable laws or refuse to adhere to the principles of this Code of Ethics and Conduct. To this end, before establishing a supplier relationship, the supplier is required to formally adopt the Group's Code of Ethics and Conduct and undertake to comply with its principles, even in the selection of any sub-suppliers.

Upon termination of the relationship and, in any event, prior to payment of the relevant invoices, the competent Functions shall verify the quality, adequacy and timeliness of the services received, as well as compliance with all contractual obligations.

In its relationships with Customers and suppliers, Lillo Group recognizes and acknowledges any Code of Ethics adopted by its stakeholders, undertaking to comply with it to the extent that its provisions do not conflict with the principles of this Code. With a view to mutual fairness and transparency, all negotiations shall be based on the principle of good faith. In this regard, stakeholders are required to report in advance any provisions of this Code that they believe may conflict with their own Organization, Management and Control Model, in order to agree on shared safeguard measure, in accordance with the principles of fairness, lawfulness and transparency.

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How to manage the accounting system

Lillo Group has implemented an accounting system that complies with the rules of accurate, complete and transparent reporting and with the criteria set forth by law and by Italian and international accounting standards. All employees of each Group Company shall ensure at all times and under all circumstances:

- the truthfulness, completeness and timeliness of accounting information;
- the accurate book-keeping and traceability of each transaction;
- that each operation or transaction is authorized by the individuals who have the relevant powers and responsibilities in force from time to time, and is verifiable, lawful, consistent and appropriate;
- that each accounting entry accurately reflects the information resulting from the supporting documentation.

Each collaborator is responsible for ensuring that documentation is easily traceable and organized according to logical criteria.

The company implements controls to prevent the creation of false, incomplete or misleading records that may lead to the allocation of secret or unrecorded funds, the deposit of funds into personal accounts or the issuance of invoices for fictitious services to be used to fund public or private bribery.
The management body is expressly prohibited from:

- representing, in financial statements, corporate records and communications addressed to shareholders and/or third parties, material facts that are untrue,
- omitting information required by law regarding the Company's operating, capital or financial position, in such a way as to mislead the Recipients or cause financial damage to shareholders and corporate creditors.

The administrative and accounting system and the specific operational procedures make it possible to accurately record and reconstruct management and accounting events, including for the purpose of identifying their rationale and the related responsibilities. Any collaborator who becomes aware of omissions, falsifications or irregularities in the accounting records or in the documentation supporting accounting entries is required to report such matters to his or her hierarchical superior.

LILLO S.p.A.

Registered office in:
Industrial Development Area, Warehouse No. 18 - 81030 Gricignano di Aversa (Caserta, Italy)
Tax code No. 06744850634 - VAT code No. 02322740610
Share capital €100,000,000.00 fully paid up

Administrative office in:
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Parent Company's tax code and Company
Register No. 06744850634
REA (Economic and Administrative Index) No. 144144