



# CODE OF ETHICS AND PROFESSIONAL CONDUCT

Approved with the resolution of the Board of Directors dated 24th January 2020



 **Clementoni.**  
Every world you can imagine



My parents, **Mario and Matilde**, created a dream: building fun and “useful” toys for children and adults rooted in the belief that, as my father used to say, “Playing is a serious game. We should never stop playing, especially when we get older.”

It was a challenging and courageous entrepreneurial ambition, stemming from a bright idea and developed with energy, constant dedication and respect for the rules: these are the guidelines which – today like in the past – steer the daily operations of all people who work in the company with the goal of fostering the growth of this entrepreneurial reality which is as important for our family as it is for the community and our local territory.

Stimulating play is a precious art, to be “handled with care”, which requires a consistent behaviour that should be constantly geared towards integrity, credibility and respect.

To support these intentions, in this new version of our Code of Ethics we have decided to summarise those principles and priorities that make our activity unique and which must be taken as a reference point for all subject who, in varying degrees, collaborate with our company – be they employees, suppliers or third parties.

Results are as important as the way in which they are achieved: this is the principle inspiring this Code, every word of which underlines the commitment we must all make in this regard.

I invite all of you to actively participate in the ongoing growth process and to strengthen the trust that our customers and consumers place in us, so that we can continue exploring together with them, through our products, every world we can imagine.

**Giovanni Clementoni**  
CEO





**“Playing is a serious game.  
We should never stop playing, especially  
when we get older.”**

Mario Clementoni



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**Dai a tuo figlio  
tante vitamine:  
fallo giocare.**

**GLI EDUCATIONALS:  
VITAMINE PER IL CERVELLO.**

Cosa vuol dire giocare con il proprio bambino? Vuol dire aiutarlo a crescere, a svilupparsi. E farlo giocare con gli Educationals di Clementoni significa dargli vitamine per il cervello. Perché gli Educationals di Clementoni (e i giochi elettronici della Texas Instruments) sono giochi divertenti, che insegnano tante cose al bambino, lo aiutano a capire la realtà, a sviluppare la propria intelligenza. Dai a tuo figlio tante vitamine per il cervello: dagli gli Educationals di Clementoni. E gioca con lui: è importante, ed è il modo più bello di fare il genitore.



**Clementoni**  
gli Educationals siamo noi

**...e ora  
tutti vogliono giocare a  
PORTOBELLO  
il mercatino tv**

**divertente  
intelligente  
avvincente**



**C CLEMENTONI  
GIOCHI**

## PART 1 - INTRODUCTION

### 1. Foreword

In line with its vision – generating emotions for growing through play – Clementoni S.p.A. has been involved for over 50 years, together with the companies belonging to the Clementoni Group (hereinafter “Clementoni” or “the Group”) in devising, manufacturing, promoting and distributing educational games, puzzles, toys and products for infants. The company’s mission is to aid the growth of children and adults through continuously evolving play experiences, by opening up new horizons while respecting people and the environment. In this regard, the target group is “children” aged 0 to 99 years. Rooted in solid ground, Clementoni has decided to draw up a Code of Ethics and Professional Conduct (hereinafter “the Code”) which formally defines the guidelines and reference principles for conducting its activities, as well as the resulting duties and responsibilities bearing on the subjects who operate in the Group’s interest and/or with which the Group comes into contact in pursuing its business purpose.

### 2. Recipients

The Code is a document formally approved by the Board of Directors of Clementoni S.p.A. and all the recipients are required to observe its principles and rules. Moreover, the document accounts for the regulatory, social, economic and cultural aspects of the reference countries in which the company operates.

More specifically, the recipients of the Code (hereinafter “the Recipients”) include:

- company bodies and their members;
- the Group’s management, including the directors and managers of the company’s departments;
- employees;
- external collaborators;
- suppliers of goods and/or services;
- any other subject with which the Group’s companies interact in conducting the activities required for attaining the company’s objectives.



“Children put all their powers of concentration in play and retain in their memory whatever they take pleasure in. And play is their greatest pleasure.”

Mario Clementoni





## PART 2 - GUIDELINES AND ETHICAL PRINCIPLES

### A) GUIDELINES

#### 1. The integrity of the child and of the person

The Group regards the dignity of the child and of the person in general as an essential value. It promotes respect for psycho-physical, moral and cultural dignity, acknowledging fundamental rights (United Nations Universal Declaration of Human Rights, Paris, 1948; EU Charter of Fundamental Rights, Nice, 2000; United Nations Convention on the Rights of the Child, 1989) which it undertakes to respect and enforce, while treating as an absolute priority the protection of the life, health and safety of all subjects who come into contact with Clementoni and its products.

#### 2. Respect for the environment

The Group respects the environment as a primary asset and a resource to be protected, for the benefit of the community and the future generations. Clementoni undertakes to promote and foster a culture aimed at preventing risks for the environment, by rigorously observing the applicable regulations in this regard and carefully selecting its suppliers, while constantly seeking to find the right balance between its economic activities and their ecological impact and vigorously raising awareness on environmental issues among young people. These same goals are also pursued through its products.

#### 3. Fostering human resources

Clementoni is fully aware of the crucial role played by human resources in attaining the company objectives. As a result, it acknowledges the importance and value of its collaborators, a fundamental company asset and indispensable factor for the company's ongoing development, promotes their constant development and growth, also through training and update programmes, and adopts a working method based on team spirit.

#### 4. Innovation and expertise

Every day Clementoni faces the challenge of tackling change and quickly responding to the increasingly rapid evolution of the social, economic and technological contexts, by thinking and acting with passion and with a creative and professional flair, not only when inventing and manufacturing products, but during each phase of the company's life, in view of a continuous improvement rooted in competence. Because play is a serious thing for Clementoni.

## B) ETHICAL PRINCIPLES

### 1. Lawfulness

The Group regards respect for the rules as a fundamental value that underlies civil cohabitation and, for this reason, undertakes to act in full accordance with the laws in force in each country where it operates, and in compliance with the provisions of this Code and the company procedures.

Furthermore, the Group strives to promote and foster the respect for the law among the Recipients. Each Recipient is compelled to strictly comply with laws and regulations at all times, ensuring full observance of the regulatory framework. The belief of acting in the interest or to the advantage of Clementoni shall not justify under any circumstance the adoption of a behaviour that breaches the rules even to a small extent.

### 2. Integrity and fairness

Human relations are an essential part of the Clementoni business model. Each single action is inspired by the principles of moral integrity and the values of honesty, fairness and good faith.

### 3. Inclusion

Clementoni regards diversity as a source of inspiration, an authentic resource and an opportunity for growth. As a result, in conducting its activities Clementoni promotes inclusion and firmly rejects any form of discrimination and discrepancy in treatment based on age, sex, sexuality, health conditions, race, nationality, and political and religious opinions.

### 4. Quality and safety

The spirit of excellence is the cornerstone of the company policy and, in line with the expectations of customers and consumers and with market needs, the Group steers its research, development and commercialisation activities towards high quality standards, promoting any necessary improvement and ensuring the safety of products and the satisfaction of the people who place their trust in Clementoni.

The Recipients are required to strictly observe the applicable regulations with regard to product and toy safety, the relevant procedures adopted by the company and to promptly report to their manager or to the supervisory body any breaches and dangers to the products and deficiencies in risk assessment.

The Quality Policy and, broadly speaking, the entire Quality Management System adopted by the company has obtained the ISO 9001:2015 certification.

## **5. Diligence and responsibility**

The Group undertakes to carry out its activities and employ all the resources required for attaining its objectives with the necessary diligence. Each Recipient must perform his tasks with the utmost diligence, making the best use of time and the available tools and assuming the responsibilities related to the assigned duties.

## **6. Respect and loyal collaboration**

At Clementoni, collaboration between internal and external resources and with commercial partners is crucial to the successful outcome of business activities.

The Recipients are required to respect the work of colleagues and to collaborate with everyone whom they entertain professional relations with, creating a peaceful work environment while pursuing the company's success.

## **7. Transparency and traceability of operations**

Clementoni adopts clear and well-defined rules which identify the players and subjects in charge, provide objective evaluation and decision-making criteria, and describe how to record operations, while ensuring the traceability and verifiability of decision-making, authorisation and implementation processes.

The Recipients must guarantee that each activity carried out is adequately backed by supporting documentation so that its characteristics, purposes and the entire approval cycle can be properly assessed.

## **8. Protection of personal data**

The Group guarantees the confidentiality of personal data processed internally and their protection with suitable measures. Clementoni complies with the provisions of Regulation (EU) no. 679 of 27 April 2016 (General Data Protection Regulation) and guarantees to any subject the rights envisaged in the applicable national and international regulations.

The Recipients are compelled to fulfil the relevant obligations and to observe any agreements with the Group's companies concerning the protection of personal data, as well as the internal procedures adopted by Clementoni, by not communicating to third parties, disclosing or using company information and personal data held by Clementoni or the other companies of the Group, except when expressly envisaged and authorised.





## PART 3 - RULES OF CONDUCT

### A) GENERAL RULES

#### 1. Market and competition

Clementoni believes in free and loyal competition based on merit, capabilities, experience and efficiency. For this reason, the Group bases its activities on the principles of honesty and fairness, in full compliance with the relevant competition and anti-trust legislation.

In performing the activities falling under their competence, the Recipients are forbidden from:

- hindering, in any way, the legitimate undertaking of the entrepreneurial activities by competitors;
- disclosing news and information on the products and activities of a competitor that can damage the latter's reputation, even potentially;
- adopting any form of intimidatory or harassing conduct towards competitors;
- performing any activity that can be regarded as a form of competition which is not entirely fair and transparent.

#### 2. Company assets

The Recipients must operate diligently for safeguarding the company's resources which are the assets of the Group's companies (movable or immovable property, technological resources, know-how, etc.), avoiding the non-rational use of means and resources, as well as any improper use thereof which can be detrimental to or reduce efficiency, or which nonetheless run counter to the Group's interests.

Each Recipient must:

- implement the policy for safeguarding the company assets in order to prevent unauthorised access and uses, theft, damages and destruction or reduction of efficiency;
- avoid downloading, installing, duplicating or disclosing to third parties, without being entitled to do so, any software that is subject to licence.

In general, the Group's resources cannot be used for aims other than the company purposes, unless they are expressly authorised or in case the exceptions stated in the law apply (e.g. emergency situations, etc.). Each Recipient is responsible for the company assets entrusted to him and must promptly inform the persons directly in charge of any actual or potential detrimental events.

### **3. Company image and reputation**

The good reputation and image of Clementoni constitute essential resources for the Group and all Recipients are compelled to behave accordingly to protect them, by maintaining a respectable conduct in compliance with the standards applicable to companies of similar size and importance as the Group in their relations with colleagues, customers and third parties in general.

### **4. Confidentiality and intellectual property**

The Group requires all Recipients to act in accordance with the industrial and intellectual property rights of third parties and with the applicable international regulations protecting said rights. To this aim, the Recipients must abstain from:

- any whatsoever conduct that may qualify as an usurpation of industrial property rights, alteration or counterfeiting of distinctive marks of industrial products, or patents, drawings or industrial models, both national and foreign, and from importing, commercialising, using or putting into circulation industrial products with distinctive marks that have been counterfeited, altered or made with the usurpation of industrial property rights;
- unlawfully and/or improperly using, in the interest of the company or of third parties, intellectual works, or parts of the latter, that are protected by copyright laws.

All Recipients are required to safeguard, as a fundamental part of the company assets and a primary factor of value generation, any confidential information in their possession and any industrial property rights relative to ideas and products developed within the organisation.

### **5. Social commitment and territorial activities**

The Clementoni Group supports social commitment initiatives through sponsorship or by providing contributions to foundations, institutions or organisations that support initiatives and activities reflecting the Group's values and mission, or that support the territories in which Clementoni operates. Sponsorships and donations must be duly authorised and unambiguously identify the relevant counterparties and the purpose of the payment. The payments are made through procedures ensuring the traceability of the operation based on suitable documentation.



## 6. Conflicts of interest

The Recipients undertake to prevent potential conflicts of interest between personal or family economic activities and the company roles covered or the company bodies to which they belong.

The aforementioned Recipients must abstain from taking part in activities or decisions that may determine such a conflict and avoid any other case for which there may be serious grounds of expediency or in which their participation in the issue can generate distrust towards the Group's impartiality. All Recipients must timely inform their manager or the supervisory body of any conflicts of interest, either involving himself or of which they are aware, and provide any further information requested, so that the Group can promptly adopt all the appropriate mitigation measures.

## 7. Corruption and illegal payments

The Group does not tolerate any type of corruption and, in particular, the Recipients are forbidden from:

- providing or promising benefits in cash or in kind to people linked to the public administrations, customers, suppliers, actual or potential commercial partners, or to a third party connected to these through ties of kinship or relationship, or specified or appreciated by these, for promoting or favouring the Group's interests even through illegal pressure;
- hiring or promising to hire people connected through ties of kinship or relationship to subjects involved with the public administrations, customers, suppliers, actual or potential commercial partners, or nonetheless specified or appreciated by these, for promoting or favouring the Group's interests even through illegal pressure;
- granting benefits of any nature or making use of various forms of aid or contributions which, in the form of supply or consulting assignments, sponsorships or advertising in favour of people connected through ties of kinship or relationship to subjects involved with the public administrations, customers, suppliers, actual or potential commercial partners, or nonetheless specified or appreciated by these, pursue the same forbidden purposes mentioned above or can produce the same consequences;
- exerting undue pressure or interfering in any way with the action of a public officer or civil servant, Italian or foreign, in order to gain an advantage or in the interest of the Group.

Acts of commercial courtesy towards third parties and their reception are allowed, provided that they are of modest value and fall within the customs, while nonetheless exercising the utmost caution and acting in a manner and to an extent such as not to cast doubt upon the integrity and good reputation of Clementoni. Nevertheless, before taking action the Recipients can ask their manager or the supervisory body for support.

## 8. Money laundering

The Group observes the regulations on money laundering and financing of illegal activities. The Recipients are compelled to report potentially abnormal situations of which they are aware to facilitate the prevention and fight against money laundering activities. Moreover, they are compelled to:

- carefully verify the information of counterparties and avoid entertaining commercial or financial relations in case of doubts as to the possible commission of offences by them;
- make and accept payments in cash only if other methods are unavailable and always within the limits established by the law;
- collaborate with the competent authorities in preventing and combating activities related to money laundering.

## B) RELATIONSHIPS WITH CUSTOMERS AND CONSUMERS

Clementoni regards the satisfaction and protection of its customers and consumers as one of its main objectives and strives to respond to their needs in order to build solid and lasting relationships.

### 1. Commercial communications and advertising

Clementoni believes that correct communication and information on its products and their characteristics are absolutely necessary. The Recipients are always compelled to provide truthful, accurate and complete information, avoiding any misleading contents, so that whoever wishes to purchase a Clementoni product can do so in full awareness, while always taking into account the fact that commercial and promotional information and advertising messages relative to Clementoni products are aimed at a target public that also includes minors.

### 2. After-sales assistance

In order to provide a service that can respond to the requests and needs of customers and consumers, each Recipient must always strive to foster a relationship aimed at their satisfaction. To this aim, the Recipients are compelled to:

- adopt a polite, accommodating and courteous attitude;
- observe all the applicable procedures and adopt an appropriate conduct to provide an adequate information and support service so as to ensure maximum availability, the quickest possible response and the availability of multiple communication channels (telephone, mail, e-mail, Internet, fax);
- assume an attitude aimed at solving problems.

## C) RELATIONSHIPS WITH EMPLOYEES AND COLLABORATORS

Within the Group there is a constant desire and need for adopting a team-based approach, by tackling each problem from multiple angles and pooling all the resources, professional skills, personal experiences and the potential of youths, in full compliance with all the principles and values of the Code.

At the end of this section, employees and collaborators are regarded as all persons who have, in the forms envisaged by the law, an employment or collaboration relationship with the Group aimed at attaining the business purposes (e.g. managers, employees on a permanent, temporary or part-time contract, trainees, freelancers, occasional collaborators, etc.).

### 1. Personnel recruitment and management

Personnel is hired by matching the candidate's profile with the requirements suited to the company's needs. The search and selection procedure is therefore carried out solely on the basis of objective, fair and transparent criteria, guaranteeing equal opportunities and avoiding any form of favouritism, nepotism or patronage.

The candidate must provide all necessary and sufficient information to assess the aspects mentioned in the required professional and psycho-behavioural profile, while always respecting the candidate's strictly personal sphere.

The Group forbids any form of psychological, physical or sexual harassment towards candidates, employees and collaborators, including any form of intimidation or threat hindering the peaceful performance of a person's tasks, or the abuse of authority by hierarchical superiors.

Any person who believes to have suffered harassment or discrimination for any reason must report the circumstance to the supervisory body. Any form of retaliation towards an employee who reports harassment conduct is strictly forbidden.

### 2. Occupational integrity, health and safety

Clementoni undertakes to guarantee the rights of workers as set out in the Workers' Charter (Italian Law no. 300 of 20 May 1970) and to observe all the applicable regulations on occupational health and safety.

The Group undertakes to promote and foster a culture of safety, by raising awareness on the potential risks and the need to observe the applicable regulations and promoting responsible behaviour by all Recipients.

Clementoni undertakes to maintain a safe and healthy work environment by adopting all the necessary measures to prevent accidents and injuries during the assigned work tasks and activities.

In particular, Clementoni adopts systems to identify, prevent or respond to potential risks for the health and safety of people, in compliance with (Italian) Legislative Decree 81/2008 (Consolidated Law on Occupational Health and Safety). All Recipients are required to observe the obligations set out in the applicable regulations concerning occupational health and safety, as well as the instructions provided by the employer.

All managers, employees and collaborators of Clementoni must abstain from working under the influence of alcohol and drugs or other substances causing similar effects, and from using such substances while performing work activities.



Moreover, all Recipients must promptly report to the bodies specified in the company's Health and Safety System, in the manner defined in the relevant company procedures, any risks, dangers and accidents, regardless of their severity, as well as any breaches of the rules of conduct and the company procedures.

#### D) RELATIONSHIPS WITH SUPPLIERS

Relations with suppliers, including financial or consulting relationships, are inspired by the principles set out in this Code and are constantly and carefully monitored by the Group.

Clementoni guarantees to its suppliers that it fulfils the assumed obligations and protects and keeps confidential the professional know-how, while requiring its counterparties to adopt the same attitude with regard to the relationship.

The Group collaborates only with suppliers that operate in compliance with the applicable regulations and the provisions of this Code. Suppliers are informed that Clementoni has adopted the Form pursuant to Legislative Decree 231/2001 and this Code, the knowledge and observance of which constitute an express contractual obligation.

The Recipients involved in the purchasing and procurement of goods and services are responsible for subjecting suppliers to preventive checks and subsequent periodic monitoring to assess the compliance with the quality standards and the applicable regulations. If the above-mentioned checks have a negative outcome, the Group is entitled to interrupt the relationship or to select an alternative supplier.

#### E) RELATIONSHIPS WITH PUBLIC BODIES AND OFFICERS

Relationships with national, European and foreign public bodies, with any body, entity, institution or public authority or with the public administration, with the relative operators and, in general, with public officers and civil servants are based on the principles set out in this Code, and in particular on the principles of lawfulness, fairness and transparency, in addition to the specific procedures approved by the Group regarding this topic.

The management of relations between the Group and public bodies and their operators, including the undertaking of commitments, the issue of declarations, the sending of communications and the presentation of documents is reserved exclusively for the company functions assigned to this task and duly authorised.

Recipients involved in the request for and management of loans, contributions, grants or public funding in the interest of the Group are expressly forbidden from:

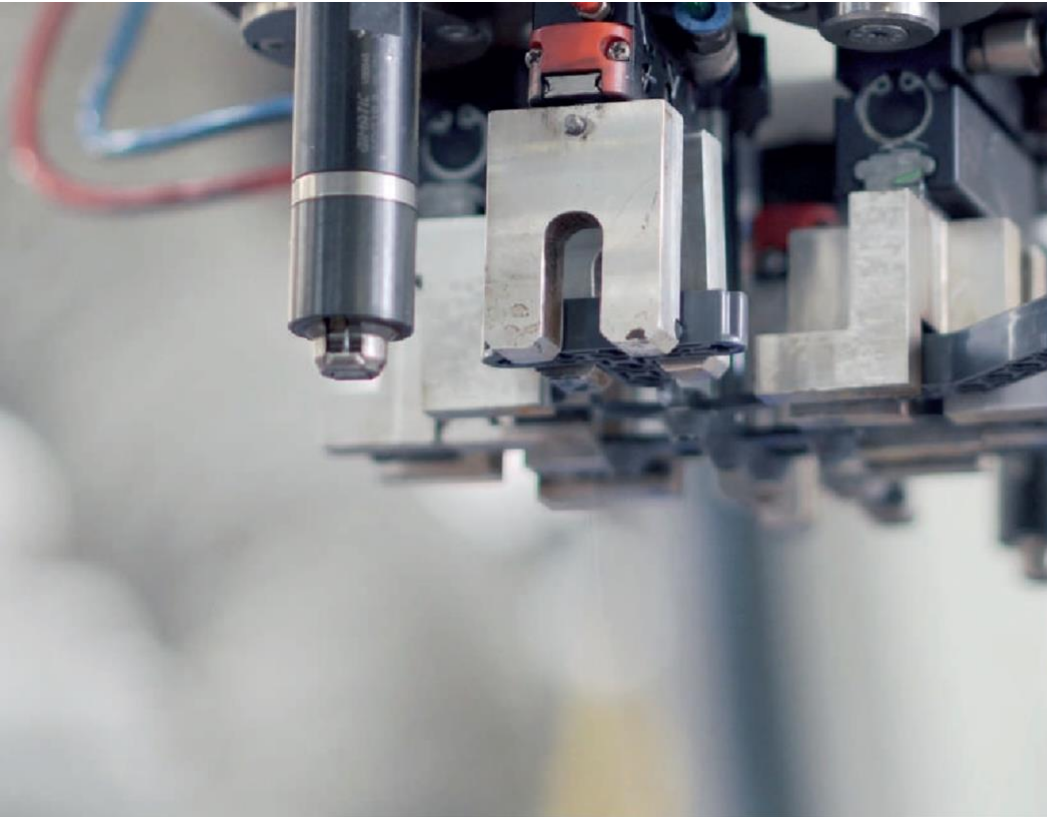
- issuing or submitting untruthful declarations, omitting required information or submitting false or altered documents (even in digital format) with the aim of obtaining undue contributions, loans or other public funds in the interest of the Group;
- allocating the sums received from public bodies in the form of contributions, loans or funding to finance purposes other than those for which they were intended.

The Recipients who, in the exercise of their functions, act legitimately in the name, on behalf or in the interest of the Group in relations with public bodies or with subjects connected to these public bodies must guarantee lawfulness and substantive fairness, but also ensure that their behaviour can in no way be misunderstood or perceived as ambiguous. To this aim, the Recipients are expressly forbidden from soliciting or obtaining confidential information that may jeopardise the integrity or reputation of the parties.

In order to ensure the compliance with the above prohibitions, the Recipients involved in relations with public bodies or with subjects connected to these public bodies have the duty and responsibility to verify in advance and with the due diligence that the information declared and certified in the name, on behalf or in the interest of the Group is truthful and complete and that the submitted documents are authentic.









## PART 4 - IMPLEMENTATION AND SANCTIONING MEASURES

### 1. Diffusion and knowledge of the Code

Clementoni undertakes to make this Code available and ensure its broadest distribution through suitable tools and appropriate communication activities, in order to ensure that all Recipients are familiar with it. In particular, the Code and all subsequent amendments or integrations are published on the Group's Internet website ([www.clementoni.com](http://www.clementoni.com)) and widely disseminated and shared within the company. Moreover, printed copies of the Code are available at the HR Department. Clementoni promotes awareness campaigns on the principles and rules of conduct contained in the Code through information and training activities and specific differentiated paths depending on the functions and activities carried out. Moreover, Clementoni ensures that the Group's external Recipients know and observe the Code by including in the contracts stipulated with agents, distributors, suppliers, consultants, collaborators and other commercial partners an appropriate clause to inform the counterparty of the adoption of the Code and bind the latter to observe the ethical principles and rules of conduct contained therein.

### 2. Application and interpretation

The Group undertakes to ensure the observance of the ethical principles and rules of behaviour and conduct contained in the Code by the Recipients, by promptly implementing the sanctioning measures envisaged in the Code itself in case of breaches or non-conforming behaviour. The belief of acting in the interest or to the advantage of the Company shall not justify under any circumstance the adoption of a behaviour that runs counter to the principles and rules of conduct stated in the Code.

In case of doubts regarding the application or interpretation of the Code's contents, or if there are any gaps or loopholes, the Recipients are required to report these circumstances to the supervisory body.

### 3. Reporting of breaches

Any Recipient who becomes aware of a behaviour that may constitute a breach of the principles and rules of behaviour and conduct must report the circumstance to the supervisory body, even anonymously.

The reports must be detailed and accurately describe circumstances concerning deeds that are verifiable and known directly, and must contain all the necessary information for identifying the perpetrators of the illegal conduct.

The person(s) submitting reports of breaches to the Code shall receive a strictly confidential treatment. The supervisory body will act in order to ensure that no retaliatory or unfair measures are taken towards the person(s) who submitted the report.

### 4. Communications to the supervisory body

Communications to the supervisory body can be submitted via e-mail to [odv231@clementoni.it](mailto:odv231@clementoni.it) or via postal mail to:

Supervisory Body  
Clementoni S.p.A.  
Zona Ind.le Fontenoce scn  
62019 Recanati (MC), Italy

## **5. Sanctioning measures**

In the event of ascertained breaches of the principles and rules of behaviour and conduct contained in this Code, in accordance with the adversarial principle, Clementoni will adopt sanctioning measures proportionate to the severity of the deeds, the intensity of malice and the degree of negligence and taking into account possible relapses, in compliance with the provisions of the sanctioning system envisaged in the Form pursuant to Legislative Decree 231/2001.

In case of breaches committed by external Recipients bound to the Group by contractual obligations (agents, collaborators, consultants, suppliers, commercial partners, etc.), the sanction will involve the immediate termination of the stipulated contract, by activating the express termination clause pursuant to Art. 1456 of the (Italian) Civil Code included for this purpose in the contracts stipulated by the Group.

The sanctioning measures will be applied by the HR Department, the BoD or the pro tempore legal representative or the person invested with the power of attorney for the Group, depending on whether the breach was committed, respectively, by managers or top executives or by external subjects.

## **6. Updates**

Clementoni will oversee the constant and timely updating of the Code, in line with the regulatory developments and the Group's organisational, company-related and financial changes, while duly informing all Recipients.



