



## **SELECTA S.P.A.**

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VIA DEL SAPERE No. 1

45030 - OCCHIOBELLO (RO)

# **SELECTA S.p.A. CODE OF ETHICS**

Approved of by the Board of Directors on 18<sup>th</sup> April 2019



## Summary

PREAMBLE .....	3
1. CORPORATE VALUES AND ETHICAL PRINCIPLES.....	4
1.1. LEGALITY .....	4
1.2. LOYALTY .....	4
1.3. RELIABILITY .....	4
1.4. FAIRNESS AND PROTECTION OF COMPETITION .....	5
1.5. RESPECT AND PROTECTION OF THE PERSON .....	5
1.6. SUSTAINABILITY .....	5
1.7. IMPARTIALITY .....	5
1.8. PROTECTION OF HEALTH AND THE ENVIRONMENT .....	6
1.9. CONFIDENTIALITY .....	6
1.10. PROFESSIONALISM .....	6
2. SCOPE OF THE CODE OF ETHICS .....	7
3. RELATIONSHIPS WITH STAKEHOLDERS.....	7
4. RULES OF CONDUCT TOWARDS SUPPLIERS .....	8
5. RULES OF CONDUCT TOWARDS CUSTOMERS .....	9
6. RULES OF CONDUCT FOR HUMAN RESOURCES MANAGEMENT .....	10
7. RULES OF CONDUCT TOWARDS THE PUBLIC ADMINISTRATION.....	11
8. CONTRIBUTIONS AND SPONSORSHIPS.....	11
9. CONFLICTS OF INTEREST.....	12
10. RELATIONS WITH THE MEDIA.....	13
11. TRANSPARENCY IN ACCOUNTING, INTERNAL CONTROLS AND MONEY LAUNDERING .....	13
12. ACCOUNTING RECORDS AND BALANCE SHEET DRAFTING.....	13
13. INTERNAL CONTROLS .....	14
14. MONEY LAUNDERING AND RECEIVING AND HANDLING STOLEN GOODS.....	14
15. WORKPLACE SAFETY AND HYGIENE .....	15
16. USE OF CORPORATE FACILITIES AND EQUIPMENT.....	15
17. CONFIDENTIAL INFORMATION AND PROTECTION OF PRIVACY.....	15
18. CODE VIOLATION .....	16
19. COMPANY ROLES WITH REGARD TO THE CODE OF ETHICS .....	17
20. REPORTING .....	17



## **PREAMBLE**

**SELECTA S.p.A.** (henceforth, also “**Selecta**” or the “**Company**”) is a corporation operating in the field of wholesale food distribution. Through vigilant research and selection, Selecta is able to offer its customers a range of products of the utmost quality, both within an international context and connected to the rich heritage of Italian agribusiness. Since first commencing operations in 1985, the Company has considered the quality, safety and wholesomeness of its products to be essential requirements for its business.

With the approval of this Code of Ethics (hereinafter, also the “**Code**”), Selecta intends to formalise the ethical commitments and responsibilities undertaken within the context of its commercial and corporate activities.

More precisely, the Company has sought to provide an instrument aimed at preventing illicit or even unethical conduct by all those operating in the name and on behalf of Selecta. Indeed, the Company intends to clearly and explicitly present the behavioural standards and the ethical responsibilities both in internal and external corporate relationships.



## **1. CORPORATE VALUES AND ETHICAL PRINCIPLES**

Selecta is entirely convinced that its reputation and integrity represent fundamental values, especially in view of the activities typically carried out by the Company, which must always be aimed at improving quality and sustainability.

For these reasons, herein are some of the basic principles that form the basis of all daily activities and to which reference should be made by the various persons (Stakeholders) involved in order to favour Selecta's proper functioning, reliability and reputation.

### **1.1. LEGALITY**

The Company operates in compliance with laws, rules and regulations in force in Italy and in the territories in which they operate, along with the Code of Ethics (hereinafter, also the "**Code**") and internal procedures, with a commitment to apply such with integrity, virtue and equity. Recipients are required to observe and respect the rules of the legal regulations under which they operate and must refrain from committing any infringement.

### **1.2. LOYALTY**

Selecta and its employees strive to ensure comprehensive compliance with the contractual obligations and commitments entered into with third parties, be they private or public. Without prejudice to the foregoing, regardless of the contractual obligations entered into and thus legally binding, relations with external entities must always be characterised by the utmost integrity, fairness and good faith.

### **1.3. RELIABILITY**

The Company aims for the absolute satisfaction, respect and protection of the customer. Selecta thus undertakes to implement investments focused on ensuring the continuous improvement of quality standards for the products and services offered. To this end, the Company has been



awarded the UNI EN ISO 22000:2005 certification and is constantly striving to improve, having the objective of satisfying the certified standards relative to the fundamental activities forming its core business.

#### **1.4. FAIRNESS AND PROTECTION OF COMPETITION**

Whilst believing that free competition and the principle of market economy constitute key elements for the constant improvement of the qualitative standards for the services and products offered, Selecta is also convinced that competition should take place according to specific rules of fairness and thus undertakes to avoid conduct that - even if within the bounds of legality - may still be considered as improper or unfair apropos competitor companies.

#### **1.5. RESPECT AND PROTECTION OF THE PERSON**

The Company undertakes to promote respect for the physical, cultural and moral integrity of the individual, whilst favouring social relations between individuals. The Company ensures working conditions that respect individual dignity and safe working environments, whilst protecting and promoting the value of human resources, in order to improve and increase the wealth of capacities possessed by each collaborator. To this end, Selecta is committed to preventing any form of discrimination or exclusion, including with regard to age, culture, ethnicity, nationality, religious belief, race, political standing, marital status, pregnancy, gender, sexual orientation, gender identity and/or gender expression, genetic information, health or disability.

#### **1.6. SUSTAINABILITY**

The Company directs its decisions in such a way as to ensure the containment or reduction of environmental impact in compliance with current legislation and with a mind to the advancement of research and development within the sector of reference.

#### **1.7. IMPARTIALITY**

In order to ensure the Company's steadiness and growth, Selecta believes that employee relationships must always be characterised by the utmost fairness and correctness. In this regard, the Company is committed to preventing abusive and offensive conduct impacting upon the



dignity of persons within the Company and more generally in the interpersonal relationships between employees. To this end, Selecta promotes a personnel management policy that fully complies with the principles of equal opportunities and concerns, as the sole criterion for the evaluation and management of employees, their actual professional and human capacities.

### **1.8. PROTECTION OF HEALTH AND THE ENVIRONMENT**

Ever sensitive to environmental issues, the Company is committed to the strictest observance of the regulations in force, in order to avoid any risk to the environment and the health of the people in the planning of its activities.

In this regard, both in the selection of raw materials and the distribution of products, Selecta strives to fully respect “*food sovereignty*”,<sup>1</sup> aware that ethical and social responsibilities also extend to the communities in which the raw materials are produced.

### **1.9. CONFIDENTIALITY**

The Company undertakes to adequately protect the records and information acquired in relation both to employees and third parties. Selecta thus adheres to all national and EU legal provisions for the prevention of unlawful processing or the illegal distribution of personal data gathered and processed in exercising corporate activities.

### **1.10. PROFESSIONALISM**

Each recipient of the Code is to conduct their activities with the necessary professionalism in line with the nature of the tasks and functions carried out, with the utmost commitment to achieving the assigned objectives and completing further study and refresher courses with due diligence.

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<sup>1</sup> Food sovereignty is intended as being the right of the population, communities and countries to define their own agricultural, labour, fishing, food and land policies that are suited to each unique reality from an ecological, social, economic and cultural perspective. This includes the basic right to and production of foodstuff, meaning that everyone has the right to food that is healthy and nutritious and culturally-appropriate in regards to the resources available for producing such and the ability to support themselves and their society.

## **2. SCOPE OF THE CODE OF ETHICS**

This Code applies to all corporate activities. The Code of Ethics is intended for the directors, auditors, managers, employees, external collaborators and all those operating generally in the name or on behalf of or for the benefit or in the interest of Selecta (hereinafter, also the “**Recipients**”).

All such persons, without distinction or exception, are required to be aware of the contents of this Code and must be committed to observing and ensuring compliance thereto in the context of their duties, roles and responsibilities.

In no way shall the conviction of acting for or in the interests of the Company justify behaviour contrary to the principles and rules of conduct set out in this document.

Any Recipient who becomes aware of the actual or potential violation of one or more of the provisions contained within this Code by anyone acting in the interest of Selecta must immediately inform the Company, also by means of the notification corporate procedure implemented.

The Code also applies to activities performed by the Company abroad, whilst taking into account existing differences in the regulatory, social, economic and cultural facets.

The Code must be brought to the attention of third parties who receive assignment by Selecta or who have stable or temporary relations with the Company.

## **3. RELATIONSHIPS WITH STAKEHOLDERS**

Dealings with the parties involved (hereinafter, also the “**Stakeholders**”) at all levels, must be based on the criteria and conduct of correctness, collaboration, integrity and respect. To this end, the Stakeholders are considered as being those who are directly or indirectly involved in the Company’s business, having some interest in relation to the decisions, strategic initiatives and possible actions carried out by Selecta.

As such, Stakeholders are considered as being - by way of mere example - employees, customers, agents, business brokers, collaborators of any nature, vendors, municipal institutions, provincial



and national professional associations, environmental associations and anyone who is affected by the activities of the Company generally, both at a national and international level.

Fairness in the relationships with such parties is one of Selecta's essential objectives, representing an imperative and fundamental aspect of the Code, along with the conditions for being able to sustain - amongst other things - the loyalty and trust of our customers, the reliability of our suppliers, agents and business brokers, the development of honest dialogue with the community and local institutions, along with the management of relations with the Public Administration based on the criteria of transparency, correctness and legality.

For this reason, the behaviour of all Recipients of the Code towards Stakeholders must be coherent and consistent with the principles of the Code.

#### **4. RULES OF CONDUCT TOWARDS SUPPLIERS**

The Company is committed to entering into partnerships with suppliers and external collaborators with appropriate levels of professionalism and the full sharing of the principles and contents of the Code. To this end, Selecta promotes the establishment of long-lasting relationships to ensure the progressive improvement of the protection and promotion of the principles and that contained within the Code.

The process for selecting suppliers is based on objective evaluations, according to the principles of transparency, impartiality, fairness, quality, cost effectiveness, continuity, integrity, timeliness and ethics, along with the enhancement of the territory, where possible, in strict observance of applicable EU, national and corporate regulations. All professional and commercial contributions must be based on commitment and professional scrupulousness, whilst always being aligned with the level of professionalism and responsibility that characterises Selecta, with due attention paid in pursuit of the respect and reputation of the same.

For such purposes, any instances of corruption, unlawful favours, collusion, solicitation of benefits, payment of material and intangible benefits, along with other advantages aimed at influencing or compensating representatives of institutions and/or Company employees are banned and shall be prosecuted.



To this end, the managers and employees responsible for the business operations involved in these processes must:

- offer equal opportunities to applicants in possession of the necessary prerequisites when it comes to partaking in selection processes;
- via appropriate documentation, substantiate the existence of the means (including financial), organisational structures, technical skills and experience, with quality systems and resources in line with Selecta's needs and image;
- verify compliance with labour legislation, including child labour and worker health and safety;
- confirm there is no involvement in matters of terrorism, with regards to natural or legal persons.

All those who work in the name and/or on behalf of the Company must:

- adhere to the entire contractual documentation submitted by Selecta, including the obligation to comply with the Code and the rules of conduct that the Company has drafted and issued, which also sets out the specific penalties for any violation thereof;
- support the objective of paying attention to the needs of the territory, local communities and customers guiding Selecta's activities. The implementation of activities on the part of those operating in the name and/or on behalf of the Company, called upon to carry out their activities autonomously, must be respectful of the procedures in ensuring workplace health and safety.

## **5. RULES OF CONDUCT TOWARDS CUSTOMERS**

Recipients of the Code must:

- comply with the laws and regulations concerning professional conduct;
- scrupulously observe the provisions of this Code and the internal procedures regarding the management of customer relations;



- provide accurate and comprehensive product and service information so that customers may make decisions in complete awareness;
- supply - with efficiency and courtesy, within the limits of contractual provisions - high-quality products that satisfy the reasonable expectations of the customer;
- offer clients any information on contractual terms and conditions, so as to ensure that they are fully informed upon entering into any agreement, also in regards to changes in the economic conditions and outcome of verifications requested by the customer;
- adopt, in any case, behaviour that is characterised by willingness, respect and courtesy, in line with Selecta's standards;
- avoid offering any kind of funds during regular meetings with chefs, committing as such to respect the corporate policies and principles contained in the Code.

## **6. RULES OF CONDUCT FOR HUMAN RESOURCES MANAGEMENT**

A central role in the achievement of the corporate mission is undoubtedly held by the development of human resources. To this end, the Company adopts procedures and methods in the selection, training and work based on the respect of human values, autonomy and responsibility of workers. Selecta offers the same opportunities to every worker so that all may enjoy fair treatment based on merit and professionalism.

The Company promotes a work structure that is consistently forged on:

- respect, including in the selection of personnel, of the personality and dignity of each individual, whilst preventing the formation of uncomfortable, hostile or intimidating situations at all times;
- preventing discrimination and abuse of any nature;
- enhancing the innovative and entrepreneurial spirit, in respect of the parameters of everyone's responsibilities;



- the definition of roles, responsibilities, delegations and the availability of appropriate information to enable each member of the organisation to make decisions in Selecta's best interests.

## **7. RULES OF CONDUCT TOWARDS THE PUBLIC ADMINISTRATION**

The Company and Recipients relationships with the Public Administration are to be maintained by each director and employee, regardless of their position or job or - whereby appropriate - by each associate, in compliance with current legislation and on the basis of the general principles of fairness and integrity. In particular, relations shall be maintained with due respect for the roles and functions legally assigned and in a spirit of absolute cooperation with the national administrations, be they in Italy or abroad. To this end, it is prohibited to offer - directly or through intermediaries - sums of money or other means of payment to public officials or public service appointees, in order to influence their actions in carrying out assigned duties. Such requirements may not be circumvented by using differing forms of imbursement which - in the form of sponsorship, assignments and consultations, advertising, and so on - serve the same purpose as those prohibited above. Acts of kindness, such as gifts and forms of hospitality towards representatives of the Public Administration or towards public officials are permitted only whereby they are of modest value and such as to be able to be considered standard in terms of recurrence, such as not to compromise the integrity nor to influence the independent judgement of the recipient. In any case, such expenditure must always be authorised in accordance with the specific corporate procedures and adequately documented. In the same way, all managers, employees and anyone acting in the name and/or on behalf of Selecta are not to receive gifts or favourable treatment, if not within the limits of normal acts of kindness and provided that, also in this case, they are of modest value. This rule, both in regards to promised, offered or received gifts, also applies in countries where offering high-value gifts is customary.

## **8. CONTRIBUTIONS AND SPONSORSHIPS**

The Company may adhere to requests for contributions and sponsorships, paying the utmost attention so as to avoid any possible conflict of interest arising on a personal or corporate level. In relation to the provision of grants, this may occur within the limits of requests from entities and



associations that are openly non-profit and with regular statutes and acts of incorporation, with respect to initiatives of cultural, social or charitable significance and, in any case, involving a considerable number of citizens. Contributions must be paid in accordance with the laws in force and be duly registered.

Selecta also grants sponsorship to culinary schools, restaurant associations or similar organisations for the organisation of gastronomic events. Such sponsorships must be governed by a written contract so as to clearly set out the conditions defined between the parties. More generally, sponsorships can cover social, environmental, cultural, sports, entertainment and arts causes, intended only for initiatives and events offering guarantees of quality. In the case whereby the sponsorships or contributions relate to public entities, the amounts must be of a value and be provided in accordance with the rules of conduct concerning relations with the Public Administration.

## **9. CONFLICTS OF INTEREST**

The Company, in respect of the values of honesty and fairness, undertakes to enact all necessary measures to prevent and avoid conflicts of interest. All business activities are aimed at satisfying Selecta's best interests. Therefore, any situations of conflict arising between personal interests and those of Company must be avoided or communicated in advance to the relevant control body identified by the internal procedures.

By way of not-exhaustive example, the following situations may be considered as being conflicts of interest:

- having economic or financial interests - including through family members, suppliers, customers or competitors;
- using one's position or information acquired throughout one's position in Selecta, for personal benefit or for the advantage of third parties contrary to the interests of the Company;
- performing work activities of any kind (provision of labour or intellectual undertakings) with customers, suppliers, competitors and/or third parties in conflict with Selecta's interests;



- entering into or initiating negotiations and/or contracts – in the name and on behalf of the Company – with counterparties consisting of relatives or partners, or with legal entities of which the Recipient is the owner or is otherwise an interested party;
- accepting and/or offering money, gifts or favours from individuals or entities with whom there is the intention to enter into business relations concerning Selecta.

## **10. RELATIONS WITH THE MEDIA**

Relations between the Company and the mass media are reserved exclusively to those holding delegated corporate positions and responsibilities, and must be maintained in compliance with Selecta's defined communications policy. Hence, Recipients cannot directly provide information to mass media representatives without the express permission of the relevant managers. In any case, all information and communications relating to the Company that is destined to external recipients must be accurate, truthful, complete, transparent and homogeneous.

## **11. TRANSPARENCY IN ACCOUNTING, INTERNAL CONTROLS AND MONEY LAUNDERING**

Selecta ensures its shareholders the utmost transparency in its operations and the right to be promptly informed, in addition to the circumstances set forth under the law, on any circumstance deemed of interest.

## **12. ACCOUNTING RECORDS AND BALANCE SHEET DRAFTING**

Every operation or transaction must be correctly and promptly recorded in the Company's accounting systems according to the criteria set out under the law and on the basis of applicable accounting principles. In order for the accounts to meet the requirements of truthfulness, completeness and transparency in regards to the registered data, adequate and complete supporting documentation on the activity carried out must be stored in the Company's files. Each employee is bound to contribute to ensuring that the managerial data is correctly and promptly represented in the accounts on the basis of information that is true, accurate, complete and verifiable. Every operation and transaction must be properly registered, authorised, verifiable,



legitimate, consistent and reasonable. It is the duty of each employee to ensure that the supporting documentation is easily traceable and structured in line with the criteria of logic. No false or artificial accounting entries may be listed in Selecta's books for any reason. No employee may engage in activities that result in such an offence, even whereby at the behest of a superior. No-one is to make any type of payment in the interest of the Company without adequate supporting documentation. Recipients who become aware of any omissions, falsifications or oversight in the accounting records or supporting documents are to promptly report such to their superiors.

### **13. INTERNAL CONTROLS**

The functionality and efficiency of a complex structure requires proper operation thereof across all levels. In order to ensure such operation, a system of internal controls has been enacted, aimed at monitoring and guiding Selecta's organisation. 'Internal controls' mean all instruments necessary or useful to direct, verify and pursue corporate activities, in order to ensure compliance with laws and Company procedures, protect corporate assets, effectively manage Company activities and provide clear information that is true and correct on Selecta's patrimonial, economic and financial status as well as identify and prevent any risks that the Company may face. Selecta is responsible for the dissemination - across all corporate levels - of an internal culture characterised by an awareness of the existence of checks and balances aimed towards exercising the control itself.

### **14. MONEY LAUNDERING AND RECEIVING AND HANDLING STOLEN GOODS**

Within the Company, any transaction - be it at a national or international level - entailing the slightest possibility of Selecta being involved in receiving and handling stolen goods or in money laundering and the utilisation of money, goods and other benefits of illicit origin is strictly forbidden.

The establishment of business relationships with customers, suppliers and partners must encompass attentive verification of the reputation and ethical values of the counterparty, which permit the exclusion - with reasonable certainty - of risks of any national or international breach of anti-money laundering regulations on the part of those working to the advantage or in the interest of the Company, amongst other things. Selecta undertakes to comply with all national and international rules and regulations on money laundering.



## **15. WORKPLACE SAFETY AND HYGIENE**

The Company promotes and disseminates a culture of safety, developing awareness of the risks and encouraging responsible behaviour by employees and collaborators. Also guaranteed are safe and healthy working environments and conditions, in complete compliance with the applicable legislation and according to the standards necessary for the regular performance of activities.

All employees and collaborators are required to scrupulously comply with the obligations and rules deriving from the said legislation and all health and safety measures set out in the internal procedures and regulations.

## **16. USE OF CORPORATE FACILITIES AND EQUIPMENT**

Selecta's business assets, in particular, the plants and equipment located in the workplace are to be used for operational reasons, in accordance with the regulations in force and in line with corporate procedures. Under no circumstances may Company assets and, in particular, computing and internet resources be utilised for purposes contrary to the mandatory rules of the law and public order or morality, nor to commit or induce the commission of criminal offences or for racial hatred, the glorification of violence and the violation of human rights.

No recipient is permitted to make audio-visual, electronic, paper or photographic recordings or reproductions of corporate documentation, except whereby such activities form part of the regular performance of the tasks entrusted to them.

## **17. CONFIDENTIAL INFORMATION AND PROTECTION OF PRIVACY**

The Company's activities consistently require the processing, communication and dissemination of data, documents and information related to negotiations, transactions and contracts. Selecta's databases may also contain personal data protected by regulations on Privacy, data which is not to be disclosed externally, and data whose dissemination could cause reputational damage to the Company. Each Recipient is thus required to protect the privacy and confidentiality of the information of which they become aware by reason of their professional role and according to internal and formalised roles. All information and data acquired or processed by the recipients as



part of their duties is not to be utilised, communicated or disclosed. In accordance with national, EU and Company regulations, each Recipient must:

- acquire and process only the necessary data directly related to their role and in line with the pre-established purposes directly concerned;
- store such data in a way that prevents third parties from discerning its content without there being a specific purpose;
- communicate and disseminate data within the framework of the procedures set forth by Selecta or with the consent of the person or office to whom it is delegated;
- determine the confidential and private nature of the information in accordance with the requirements of the procedures established by the Company.

Selecta in turn undertakes to protect the information and data relative to its Recipients and third parties, and to avoid any improper use thereof.

## **18. CODE VIOLATION**

The Code of Ethics is to be considered as an integral part of the contractual obligations set out for employees and according to Article 2104 of the Italian Civil Code. Failure to comply with the standards set out within the Code also constitutes a breach of workers' obligation to complete with due diligence all the tasks and duties entrusted to them, as envisaged by the applicable collective labour agreement. Sanctions shall be imposed in accordance with the provisions of existing norms on the regulation of the employment relationship. As for the collaborators and consultants performing activities within the Company, adherence to the provisions and principles set out in the Code represent an indispensable and essential condition for entering into any kind of contract between the Company and such persons.

As regards the breaches by Selecta's business partners or external consultants, serious cases may result in the termination of the business relationship, as set out within the specific terms of the Contract.



## 19. COMPANY ROLES WITH REGARD TO THE CODE OF ETHICS

Selecta undertakes to:

- promote awareness of the Code of Ethics amongst all employees;
- ensure all Recipients comply with the Code;
- encourage the utmost dissemination of the Code amongst the Company's Stakeholders, particularly with the commercial and financial partners, consultants, collaborators of any nature, customers and suppliers;
- update the Code whenever internal and external changes in Selecta render this necessary or appropriate;
- ensure a differentiated training programme and ongoing awareness-raising regarding issues concerning the Code;
- ensure that no-one suffers retaliation of any nature for having submitted, in good faith, reports of possible violations of the Code by ensuring the Whistleblower's right to confidentiality, without prejudice to legal obligations and provisions.

## 20. REPORTING

The Company shall establish appropriate communication channels through which the interested parties may address their reporting regarding the application or violations of the Code. In any case, all interested parties may anonymously provide notification in writing regarding any violation or suspected violation of the Code, directly informing the Reports Manager as an independent person appointed by Selecta.

Pursuant to Law no. 179 of 2017 regarding *“Provisions for the protection of persons sending communications of crimes or irregularities of which they have become aware within the ambit of an employment relationship in the public or private sector”*, the Company shall ensure that the steps, undertaken as part of any whistleblowing operations - from the Recipients' receipt of the same through to the analysis and handling of the reporting - respect the confidentiality of the



Whistleblower and their protection from possible retaliatory and/or discriminatory actions as a consequence of the reportage actions.

In order to facilitate timely compliance with the provisions of this paragraph, Selecta has adopted special procedures aimed at properly regulating the submission of any reports. To this end, an email inbox has been set up, with the address [violazioniselecta@gmail.com](mailto:violazioniselecta@gmail.com), which is directly and exclusively managed by the Reports Manager. The same can also be sent by letter to the following address: Selecta S.p.A., Via del Sapere no. 1, 45030 - Occhiobello (RO), to the kind attention of the Reports Manager or be filed in the appropriate space made available by the Company, in a sealed envelope, marked as "CONFIDENTIAL", also to the kind attention of the Reports Manager.