

# CODE OF ETHICS

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## **WHEREAS**

Valdo Spumanti, which includes Valdo USA Inc. and Valdo Europe, is one of the major global players in the sparkling wine industry.

Valdo is characterised by a strong and dynamic international presence and is active in over 50 countries, with leadership in the Italian and German markets and leading positions in the United Kingdom, USA, Switzerland, Austria, Russia and in various other markets, boasting a rich and articulated product portfolio in two important sectors: Quality Prosecco and Sparkling Wines.

Valdo, in compliance with domestic and international best practices of corporate governance, bases the development of its activities on principles of transparency and fairness, pursuing the objectives of creating value for its Quotaholders and maximum success of its products in compliance with ethical principles and values and general standards of fairness and diligence.

This Code of Ethics, approved by the Board of Directors of Valdo Spumanti, is implemented by all Group Companies, Italian and abroad.

## **PURPOSE**

Therefore, this Code has the purpose of ethically guiding the actions of Valdo and its provisions are binding, without exception, for the conduct of all persons that are part of the company structure of the same and, therefore, in particular, directors, managers, employees, contractors, customers, suppliers and anyone who established, directly or indirectly, ongoing or temporarily, a relationship with Valdo.

Compliance with the rules of the Code must be considered an essential part of the contractual obligations for employees of the Company, pursuant to and in accordance with Articles 2104, 2105 and 2106 of the Italian Civil Code (Diligence of the employee, Duty of loyalty and Disciplinary sanctions). The serious and persistent breach of the provisions of this Code damages the relationship of trust established with the Company and can result in disciplinary actions and compensation for damages, without prejudice to, for employees, compliance with the procedures envisaged by art.7 of Italian Law 300/1970 (Workers' Statute), collective bargaining agreements and disciplinary codes adopted by Valdo.

## **SYSTEM OF CORPORATE GOVERNANCE**

The corporate governance system adopted by Valdo Spumanti is in compliance with current laws and is aimed at ensuring the maximum and a more balanced collaboration among its members of management, specialisation and control.

This system is aimed at ensuring responsible business management that is transparent towards the public and market, with an outlook towards the creation of value for the Quotaholders and pursuit of sustainable development goals in favour of the community and environment in which Valdo operates.

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The members of the company bodies align their activities with the principles of fairness and integrity, refraining from acting in situations of conflict of interest with the activities performed by the Company.

Consistent and informed participation in company activities is required from the members; they are required to keep the information acquired for business purposes confidential and cannot use their position to obtain personal, directly or indirectly, advantages; all communication activities must comply with the laws and behavioural practices and must be aimed at protecting corporate know-how.

The members of Valdo's bodies are required to comply with current laws and principles contained herein. The loyalty and confidentiality requirements bind these parties even after terminating the relationship with the Company.

The Company has adopted a system of assigning powers and tasks in line with its organisational structure and that envisages, in explicit and specific terms, the assigning of tasks to persons with suitable skills and competence.

## **PARTICULARS**

This Code of Ethics consists of two parts: the **General Ethical Standards**, that originate from the **Fundamental Goals** of our Company, set also in the **Quality Policy**, and the **Stakeholders** with which the Company wishes to share the described principles.

## **GENERAL ETHICAL PRINCIPLES**

### **1. Compliance with the law**

The Company operates in full compliance with the laws of its country, Europe and all countries where it exports or where it is present, and, therefore, any conduct prohibited by law is not accepted by the Company even if an advantage can be obtained from it.

### **2. Transparency and fairness**

The Company makes decisions and adopts fair and transparent behaviours. It makes clear and precise commitments, always in writing where required by law.

### **3. Legality of the resources**

The Company operates exclusively with legitimate resources, and adopts behaviours that comply with the law with Public Administrations, Public Officials, or anyone who interfaces with it. Corruption is prohibited, in particular it is prohibited to receive, demand, pay and offer, directly or indirectly, payments, gifts,

economic advantages or other benefits from or in favour of a public or private entity exceeding the limit of reasonable courtesy and that, in any case, are susceptible to being interpreted as aimed at unduly influencing relations between the Company and third parties.

#### **4. Respect for the rights of others**

The Company respects the rights of others, avoiding fraudulent, corruptive or harassing behaviour towards anyone; in particular it respects workers' rights and all regulatory provisions relevant to labour contracts, in compliance with the provisions of the Workers' Statute and domestic, European and/or higher level provisions, including ILO Conventions.

In particular, the Company guarantees within its structure:

- the exclusion of child labour
- protection of the freedom of association in trade unions and freedom of religion for its' employees
- exclusion of forced and slave labour.

#### **5. Conflict of interest**

Private conflicts of interest, that may arise within the Company, must be avoided and, when in doubt, it is advisable to discuss the matters with management.

#### **6. Environmental protection and safety**

The company places the protection of the environment as a point of constant attention in planning and carrying out production activities. It guarantees a safe working environment, able to protect the physical and mental health of workers, in compliance with applicable legal regulations.

The Company also undertakes to constantly improve working conditions, in order to guarantee optimal hygiene and safety conditions, as well as to establish positive relationships that allow open discussions.

### **RELATIONS WITH STAKEHOLDERS**

#### **A) Quotaholders**

The Company, aware of the important role of the Quotaholders, undertakes to:

- **Ensure the fair and informed participation of the Quotaholders:** Valdo undertakes to supply Quotaholders with accurate, true and timely information.

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- **Create value for the Quotaholders:** the Company undertakes to promote the creation of medium-long-term value, through a socially and ethically responsible management of the business areas in which it operates, with a continuous commitment to ensuring a high level of management efficiency, safe and efficient use of capital, the protection of corporate assets.
- **Ensure the correct use of available information:** Valdo undertakes so that directors, employees and contractors that have access to confidential or important information relevant to the activities of the same do not use or disclose them internally or outside of the corporate structure.

## B) Employees

### Rights

- **Contracts:** Employment relationships are regularly constituted, in compliance with the law, guaranteeing all of the rights that the law guarantees to workers. In particular, workers are guaranteed the payment of an adequate salary and the fulfilment of all of the social security contributions that the law imposes on employers.
- **Recruitment of employees:** Recruitment of employees is carried out based on the principles of impartiality and equal opportunity, avoiding all forms of discrimination that is not justified by the needs relevant to the tasks to be assigned to the worker.
- **Meritocracy:** The Company rewards the commitment and skills of those working in its interest. The management of employment relationships takes place pursuant to the criteria of merit and equality, aligning itself with mutual fairness and loyalty.
- **Training:** Complete and continuous training of workers in relation to the tasks assigned to the same is guaranteed, paying particular attention to those workers who may have particular training needs (by way of example but not limited to, for reasons of language or culture, disability, etc.); the professional growth of its employees is one of the elements considered important for the future development of the Company.
- **Discrimination:** Workers cannot be discriminated against due to sex, age, religion and political opinions, ethnicity or for any other reason that is unjustifiably discriminatory. The work environment must be peaceful, avoiding any form of physical or mental harassment to the detriment of workers. Employees who believe they have suffered discrimination can report the incident to their manager who will proceed to ascertain the breach of the Code of Ethics. Discrepancies that can be justified on objective criteria are not considered discriminations.
- **Data Protection:** Employees' data is protected in compliance with the provisions of the law.

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- **Freedom of Association:** Relations with union representatives are considered fundamental and must be based on mutual collaboration and in compliance with specific responsibilities.

## Duties

- **Compliance with the law and internal rules:** All employees, at any level, must comply with the law, Code of Ethics and Company Regulations (for example, Valdo Employee Manual, Corporate regulations for using the Information System, Company Car Policy, etc.). The company emphasises that it is forbidden to provide service under the influence of alcohol, drugs or substances that have similar effects on the psyche or body. It is also forbidden to smoke inside the company premises, and it is recommended to respect others avoiding second-hand smoke even where smoking is permitted.
- **Accounting entries and records:** Those who are entrusted with the task of keeping the accounting records are required to perform each entry in an accurate, complete, truthful and transparent manner and to allow all verifications by personnel, including external ones, responsible this purpose.

The accounting entries must be based on exact and verifiable information and must fully comply with accounting procedures. All entries must allow for the reconstruction of the relevant transaction and must be accompanied by adequate documentation.

All actions relevant to Valdo's activity must result from appropriate entries that allow for verifications and checks on the decision, authorisation and performance process.

Anyone who becomes aware of any omissions, errors or falsifications is required to inform the manager

- **Training:** Employees are required to attentively take part in the training, information and awareness initiatives offered by the Company at all levels.
- **Compliance with safety regulations:** Compliance with instructions given is necessary in order to protect your own and your colleagues health, using any PPE provided and bearing in mind training and the applicable provisions of the law. All workers are also required to report, without delay and fear, all breaches of the requirements relevant to workplace safety to the internal prevention and protection service manager and the workers' health and safety representative, or their manager.
- **Compliance with environmental regulations:** with a view to a continuously increasing attention to the reduction of waste and consumption, everyone is required to behave with diligence and care for the environment, encouraging separated waste collection, energy savings, saving water resources, etc.

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- **Relations with colleagues:** In relations with colleagues, the worker is required to behave fairly, loyally and collaboratively, refraining from all types of discrimination and/or harassment, encouraging and spreading group work
- **Respect for the work environment and company assets:** each employee is required to keep his/her own office in order and contribute to the cleaning of the common areas, reporting any situations that can be improved. The employee is also required to take care of any Company assets assigned to the same for the performance of his/her activities, pursuant to the prudent man rule.
- **Use of IT systems:** As regards the use of IT systems, each employee is responsible for the security of the systems used and is subject to current regulations and license agreements.

Without prejudice to the provisions of civil and criminal law, the use of network connections for purposes other than those relevant to the employment relationship or to send offensive messages that can damage the reputation of Valdo falls within the improper use of company assets and resources.

All employees are also required to be very careful in order to prevent the possible commission of crimes through the use of IT instruments.
- **Gifts, bonuses and other benefits:** Employees cannot request, for themselves or others, gifts or other benefits, nor can they accept the latter, except for those of modest value or in compliance with normal commercial and courtesy practices, by anyone who has benefited or can benefit from Company activities.

Employees cannot offer gifts or other benefits to parties from which they can acquire favourable treatment while carrying out any activity related to the Company. Unlawful benefits cannot be attributed to public or private customers or suppliers.

Gifts and benefits offered, but not accepted, that exceed a modest value, must be reported to allow an adequate evaluation by the department manager. This rule does not allow for exceptions, not even in those Countries where offering gifts of value or other benefits is customary.
- **Confidentiality and information management:** All employees are required to keep confidential all information acquired while performing their job in compliance with the applicable laws and regulations. The employee is required to abide by the confidentiality requirement even subsequent to the termination of the employment relationship, ensuring compliance with the fulfilments envisaged by current data protection laws; he/she must attentively keep the documents given to him/her.

**Contractor requirements**

The above provisions are extended to all contractors, consultants, agents of the company.

**C) Relations with the Public Administration**

It is mandatory that relations with public officials or civil servants or those appointed for public service are fair and transparent, avoiding all forms of collusion or deception. It is strictly prohibited to offer or promise, in any form, including indirectly, cash, gifts, goods or services in general any favour or benefit to public officials, persons appointed for public service and any other person operating on behalf of the Public Administration, except for gifts of moderate value and customary in the sector. Any requests, direct or indirect, even if only inappropriate, by public officials or persons appointed for public service must be reported to superiors, management or audit bodies.

**D) Relations with Competitors**

The Company complies with competitor's rules, rejects unfair practices and any and all dishonesty, adopting production and trade policies that respect the wine industry, supply chain and competitors; it also recognises industrial property and copyright rights of its competitors and their secrets as inviolable, avoiding all initiatives aimed at breaching the aforementioned and, particularly, inducing betrayal by employees/contractors.

**E) Relations with Suppliers**

Suppliers are selected for their capacity and those who guarantee high standards of reliability are favoured. Any harassing and, in any case, behaviour aimed a discriminating due to sex, age, religion or political opinions and for any other reason that is unjustifiably discriminatory must be avoided when managing relations with suppliers.

**F) Relations with Customers and Consumers**

The fundamental assets of the Company are represented by its Customers and Consumers. Valdo considers it a priority to maintain high quality standards that, over time, have ensured the success of its products. Paying the utmost attention to the satisfaction of consumers, Valdo is committed to ensuring that products are constantly satisfying customers and are safe and reliable from all viewpoints, while respecting the traditions of which they are the expression.

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Valdo complies with consumer protection regulations and undertakes not to carry out any unfair commercial practices. In particular, it adopts a labelling system for all of its products able to provide its customers and consumers with transparent information in compliance with the law.

### **1.F) Responsible alcohol consumption**

Valdo has always been committed to developing its business responsibly and with particular attention to its consumers as well as its employees and external contractors.

Therefore, all Recipients of this Code of Ethics undertake to promote, even outside of the Company, examples of responsible consumption.

Most consumers use Valdo's products in a responsible and balanced manner and the Company promotes the consumption of alcohol in moderation, condemning any form of abuse that may cause health problems or socially reprehensible behaviour.

The marketing of Valdo products has always been aimed at an adult audience and encourages responsible consumption of the same. Particular attention is geared towards 'drinking and driving', in this regard the Company emphasises the importance of respecting the limits imposed by the law.

### **G) Relations with Certifying bodies**

Relations with certifying bodies are based on the principles of loyalty, fairness and collaboration. The Company provides all the documentation necessary to the certifying bodies in order to allow access to the facilities during check-ups, and also facilitates all other necessary activities for certification purposes (such as, for example, the hearing of employees). It is prohibited to intentionally give false or partial information or to perform any activity planned in order to mislead the certifying bodies.

### **H) Relations with the Environment and the Community**

The company supports policies aimed at reducing pollution, promotes forms of efficiency and energy savings, respects the surrounding landscape. The use of chemical and biological products that may be harmful to the environment must be carried out in compliance with the provisions of the law and in such a way as to minimise the risks for the surrounding ecosystem. Waste must be collected in compliance with industry regulations and stored for disposal in such a way as not to contaminate the environment. The Company supports, through reliable institutions, public or private, non-profit charitable activities, as well as research and/or training activities on subjects of interest to the wine industry. Relations with political organisations or parties must be characterised by absolute transparency. Membership or any type of support for organisations that are subversive, racist or against public order are prohibited.

### **I) Relations with the Media**

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The Company supports initiatives for the conscious consumption of alcoholic beverages and does not promote or adhere to advertising that may violate the protection of consumers and in particular of the sensitive categories. In the case of events regarding the quality and/or safety of the products, the Company requires the supply of clear and concise information, promoting, where necessary, communication initiatives that facilitate the withdrawal of products from the market.

All images or communications addressed to the general public meet the requirements of courtesy and respect for the sensitivity of the people to whom it is addressed, in line with the Company's history.

### **TRAINING AND IMPROVEMENT OF THE CODE OF ETHICS**

The Company assigns to the Code of Ethics the task of describing the way in which it wants to work and to relate to all parties that in different ways participate in its economic initiative.

The Company promotes the dissemination of the Code to the Recipients according to the following procedures:

- posting to company registers;
- distribution of the Code to all department managers;
- publication on the corporate website and intranet.

All recipients of the Code of Ethics have the duty to report breaches to their superiors. The Company will undertake to protect the confidentiality of the report with a view to improvement. The breaches will result in disciplinary sanctions in compliance with the provisions of the applicable Collective Bargaining Agreement or changes/ terminations of a contract or supply contract.

The Code of Ethics is a matter of specific and repeated training in favour of the recipients, which requires an active and constant contribution to make the provisions increasingly complete and efficient. The Company undertakes to oversee the periodic updating of this document and to carry out continuous training.

The Chairman  
Mr. Pierluigi Bolla