



IL BORRO

TOSCANA

CODE OF ETHICS

*Approved by the Il Borro Board of Directors
on 20/07/2023*

LETTER FROM THE CHAIRMAN

At Il Borro, we look to the future with renewed hope and awareness, with the commitment and the desire to do ever more and ever better. Our company and our industry can and should be a stimulus for change, innovation and the generation of positive value.

Each of our activities is complementary to the others; our projects are constantly inspired by a circular perspective, whether in the wine or the hospitality sector, and we pay great attention and dedication to our vineyards, crops and livestock, to production, and to enhancing Tuscany and its points of excellence.

Ours is a land that affords great emotions, colours, perfumes, and products that are always genuine and of the highest quality in every season. To this land we must be constantly grateful, and we must take care of it with love and attention, protecting its fragilities and supporting its strengths.

With the onset of increasingly difficult climate conditions and worrying forecasts for the health of our planet, it is our priority to actively contribute to reversing this course by ensuring that sustainability lies at the heart of our company philosophy at all times.

It is a question of building together, actively and with an enthusiasm, that energy and that sense of belonging that all those who work with us show us on a daily basis.

I am particularly proud of the people who work at Il Borro, who have been able to face great challenges with passion and dedication, also those caused by the global context. 2023 has been a difficult year, due to the ongoing war in Ukraine and inflation. The last two years have posed just one of the many challenges that we have had to and have been able to face with a positive attitude, emerging from

them ever stronger and more mature.

It is precisely in this spirit of working towards a vision, with dedication and altruism, so as to become an inspiration and a point of reference for future generations that we proudly present Il Borro's new Code of Ethics.

The principles and guidelines contained in this document inspire the work of our company and our relations with all those with whom we come into contact, in the belief that the best business and behavioural models are those guided by an ethical and responsible conduct.

At Il Borro, ethics are central to defining and promoting business objectives, and are one of the key levers for planning future activities, in order to continue to grow while engaging in value creation and creating positive change for the benefit of future generations.

Ferruccio Ferragamo

CONTENTS

1.0 Il Borro and its commitment

2.0 General principles

3.0 Introduction

4.0 Recipients

5.0 Stakeholder relations

5.1 Rules of conduct in dealings with suppliers

5.2 Rules of conduct in dealings with customers

5.3 Rules of conduct in managing Human Resources

5.4 Rules of conduct in dealings with the Public Administration

5.5 Rules of conduct in dealing with partners

5.6 Rules of conduct in dealings with the media

6.0 Accounting transparency, internal controls, anti-money laundering

7.0 Intellectual and industrial property

8.0 Confidential information

9.0 Personal data protection

10.0 Vigilance

1.0 IL BORRO AND ITS COMMITMENT

Il Borro owes its name to its position on a rocky spur partly surrounded by a deep trench dug over millennia by the river of the same name: indeed, the term “borro” can mean either a ravine or a trench or a stream with a deep bed.

Il Borro is a Relais & Chateaux residence in the heart of Tuscany, surrounded by 1,100 hectares of land split into 85 hectares of vineyards, 33 of olive groves, 272 of forage and arable land, 1 of organic horticulture, and the remaining land dedicated to forestry. Here, the company produces wines, vegetables and food products following the rhythms of nature and respecting its needs.

Il Borro is located in the Valdarno valley, near Arezzo, between the Pratomagno hills to the north and the Chianti hills to the south. It once belonged to Duke Amedeo of Aosta, from whom Ferruccio Ferragamo bought it 30 years ago, then embarking on a respectful restoration of the history and landscape of the medieval village and historical residence, which was damaged during the second World War, and of its farmhouses, ruins, woods, meadows, olive groves and vineyards.

Il Borro comprises a combination of different yet complementary activities, ranging from agriculture to viticulture, from wineries to art and crafts, from hospitality to catering and sports activities, which, like the instruments of an orchestra, blend together to create a perfect symphony.

Ours is a state-of-the-art farm, entirely organic since 2015, which has made sustainability the cornerstone of its philosophy. Organic farming, energy self-sufficiency, the concept of a circular and transversal economy, are and remain at the heart of our activities. Our team effort starts with the little things and, with an all-round approach, aims for a global outcome.





The result is tangible and certainly much appreciated by our guests. In all our activities, we only consume the energy we produce, we reuse resources without waste, we consume local products, and we value local traditions. Our constant effort in this direction certainly involves a significant commitment on the part of Il Borro, but we are driven by our motivation to do ever more and ever better. Ours is a dynamic company that places great importance on family values and traditions and where integrity, loyalty and dedication are demonstrated daily by those who work with us. These are the essential ingredients for the success of any project.

In this context, great attention is paid to the issue of food waste: our menus are designed to allow every part of the animals and vegetables to be used, thereby reducing waste as much as possible.

Over the years, in addition to organic farming, we have developed a series of actions aimed at promoting environmental sustainability, such as the use of renewable energy sources, the construction of energyefficient structures, water reuse systems, and agricultural practices that respect the natural rhythms of the land.

WE ARE AWARE OF BEING GUESTS ON THIS LAND, AND THAT WE MUST TAKE CARE OF IT FOR THOSE WHO WILL COME AFTER US.

This is an ongoing act of faith, as Ferruccio Ferragamo likes to say; one that helps us to look after Il Borro day after day, preserving its beauty and integrity. It is a task of conservation, which we at Il Borro continue to carry out with unswerving passion, in the knowledge that such “treasures” should be protected and safeguarded for future generations.

2.0 INTRODUCTION

The principles and values that characterise Il Borro's culture and business model have been summarised naturally in this Code of Ethics (hereinafter also referred to as the "Code"). Alongside safeguarding fundamental human values and respecting the general principles of legality, honesty, integrity, transparency, impartiality, fairness, diligence, professionalism, efficiency and good faith, the Code of Ethics puts the spotlight on the welfare of the people who work and collaborate with the Company and the latter's responsibility towards its local territory.

This Code of Ethics is inspired by an ideal of cooperation among people, respecting the role of each, and serves as a guide to making decisions and taking actions that are consistent with a culture of responsibility, legality and transparency and with the creation of long-term value for all our stakeholders, thus contributing to sustainable development.



3.0 GENERAL PRINCIPLES

Below are the principles and values that our various stakeholders need to regard as fundamental in order to guarantee the proper functioning, reliability and reputation of the Company.

- **LEGALITY**

Il Borro promotes a culture of legality – no unlawful conduct, whether carried out in the interest or for the benefit of the company, shall be considered in line with company policy – and of control, which governs all the decision-making and operational phases of the business. The achievement of these goals are reflected in a coherent system of principles, of organisational, managerial and control practices, and of measures aimed at ensuring that our business activities observe and comply with applicable laws and regulations, as well as with this Code of Ethics; such rules are applied with common sense, integrity and fairness.

- **DIGNITY AND WELL-BEING OF PEOPLE**

Il Borro promotes respect for the physical and cultural integrity of people and for the way this is expressed in relations with others, always ensuring working conditions that fully respect the dignity of the human being. We are committed to safeguarding the health and safety of our employees, suppliers, customers, visitors, consultants, and anyone else who comes into contact with Il Borro in the countries and places where it operates. The Company is also careful to ensure that all those who operate in its name and/or on its behalf carry out their activities in compliance with the aforementioned principles.





Il Borro also promotes the ongoing training of its employees on health and safety standards, on behaviours ensuring such safety, on mandatory legislation in general, and on sustainability issues.

Moreover, it ensures that working environments not only comply with regulatory health and safety standards, but also offer a high level of comfort. In general, the Company promotes the well-being and respect of its people, ensuring a good work-life balance.

- **CONFIDENTIALITY & TRANSPARENCY**

Il Borro does its utmost to guarantee the confidentiality of information and the privacy of everyone, as well as the protection of the personal data of those who form a part of it and of those who come into contact with it in the course of their activities, in compliance with current legislation.

- **WE SUPPORT THE CREATION OF AN ETHICAL WORK ENVIRONMENT**

Il Borro protects and enhances human resources with the aim of improving and increasing their professional skills, and always with the intention of creating an innovative dimension geared towards the well-being of the people who work and collaborate with the company.

Respect, equality and the promotion of merit are fundamental values at Il Borro, where every employee or collaborator represents a “thinking soul” who provides and shares his or her human, creative and experiential qualities based on a sense of collective responsibility.

We consider plurality and diversity as sources of enrichment and resources for human development.

We respect and value the unique contribution that each individual can make to our company, striving to create an inclusive work environment that respects the dignity of each individual, taking into account the contribution of each and recognising the strength of their differences.

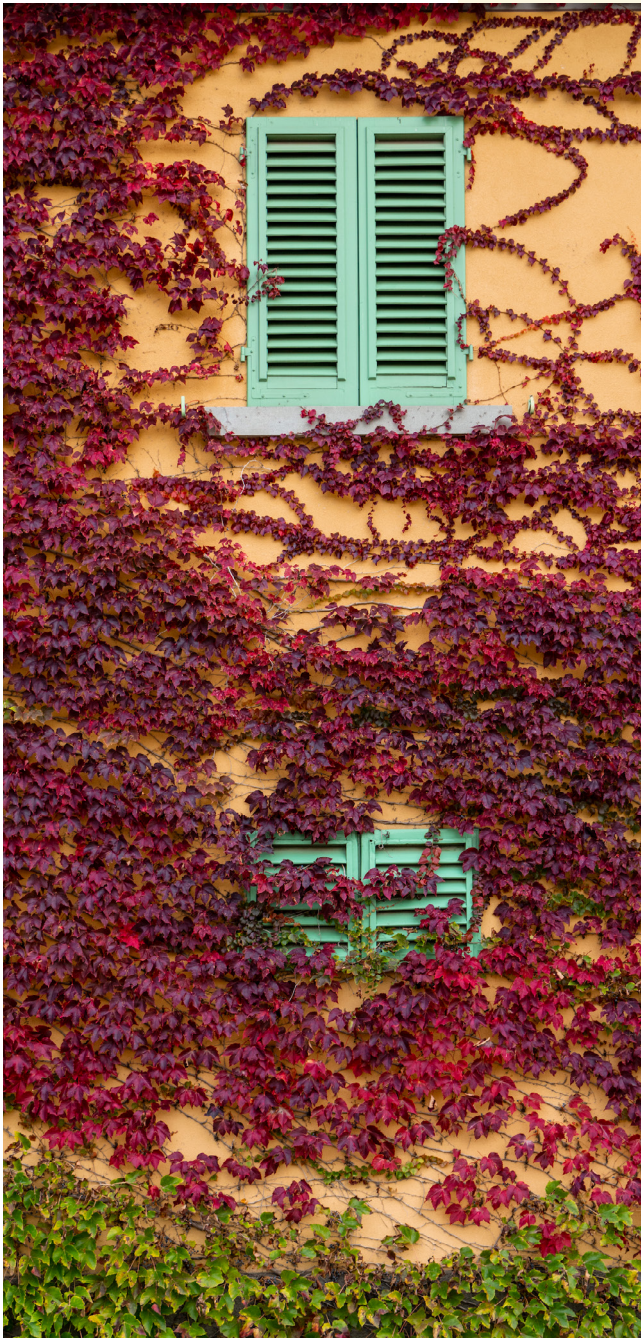
- **HONESTY AND FAIRNESS**

Relations with stakeholders are based on criteria of fairness, integrity, impartiality, professionalism, collaboration, loyalty, transparency and mutual respect.

- **ENVIRONMENTAL PROTECTION**

Il Borro helps to protect the environment by planning its activities in such a way as to balance economic initiatives with essential environmental requirements, in accordance with applicable national and international regulations.





Wherever we operate, we are committed to acting sustainably, minimising environmental impacts and optimising the use of energy and natural resources. In conducting our business, we use resources responsibly so as not to compromise the needs of future generations, but rather create value for our stakeholders and the community.

Il Borro operates taking into account the needs of the community and the territories in which it carries out its activities and contributes to promoting quality of life and economic, social, cultural and civil development by offering constant support to cultural activities and local associations.

- **PROMOTING FAIR COMPETITION**

Il Borro operates on the national and international market in full compliance with national and EU antitrust regulations and comparable international rules protecting competition and the free market. It cooperates with the relevant authorities, never withholding, hiding or delaying any information required by antitrust authorities during inspections and actively cooperating during investigations.

4.0 RECIPIENTS

The Code of Ethics is addressed to members of the corporate, administrative and control bodies and to the employees of Il Borro. It also addresses any third parties who collaborate or work for, on behalf of or in the interest of the Company. The Code, therefore, applies to all of us - its Recipients - wherever we operate and in whatever way we contribute to creating value for the company. Understanding, adopting and disseminating the Code of Ethics not only reinforces the values inherent in our principles, commitments and behaviours, but also helps guide our strategic mission. We take responsibility for being fully familiar with and observing the principles and contents of the Code of Ethics and of the procedural and organisational processes in which they are expressed and which govern our activities.

Il Borro is committed to giving substance to the principles and contents of the Code, always setting an example and taking its responsibilities seriously, both internally and externally, thereby strengthening a sense of trust, cohesion and team spirit. In no way may the belief of acting for the benefit of or in the interest of Il Borro justify, even in part, the adoption of behaviour contrary to the principles and contents of the Code of Ethics.



5.0 RELAZIONI CON GLI STAKEHOLDER

The term stakeholder refers to those parties directly or indirectly involved in Il Borro's activity having some interest in the decisions, strategic initiatives, activities and actions of the Company.

Fairness in relations with these parties is an essential goal of Il Borro, as a categorical imperative of the Code and as a condition for fostering, among other things, the loyalty and trust of customers, and the reliability of suppliers, consultants, agents and brokers. Ethical behaviour towards stakeholders also involves continuously improving relations with the people who lend their time, energy and resources to the company, and developing a virtuous dialogue with local communities and institutions. In line with this basic principle, the management of relations with the Public Administration and, in general, with the authorities, is based on transparency and fairness, as is the management of information provided to the media. In terms of its commitment to the people who work for Il Borro, the company pursues conduct aimed at safeguarding the privacy and confidentiality of individuals and at protecting their personal data in accordance with current applicable legislation. For this reason, the conduct of all Recipients towards stakeholders should observe and be consistent with the principles of this Code.





• *5.1 Rules of conduct in dealings with suppliers*

Il Borro undertakes to carefully select its suppliers and external collaborators and to define the conditions for purchasing goods or services from them, assessing their professionalism and suitability and drawing on the principles of the Code, such as objectivity, competence, cost-effectiveness, transparency, fairness, quality and attitude to the protection of the planet and its resources. We also strive to ensure that our suppliers and external collaborators act professionally and fully share the principles and contents of the Code.

We promote the building of stable and lasting relationships with a view to continuously improving the quality of work, while respecting the core values and principles of the Code.

Purchasing processes shall comply with principles and laws protecting competition, ensuring the utmost transparency and efficiency of the processes themselves, and shall be fair and impartial to the qualifying supplier.

Bribery, unlawful favours, collusion, demanding benefits, providing tangible and intangible advantages and other benefits aimed at influencing and/or compensating representatives of institutions or employees of Il Borro are banned and will be prosecuted.

In procuring raw materials, processing services and finished products, Il Borro shall submit to its suppliers a “**Supplier Code of Conduct**” to be signed for acceptance.

- *5.2 Rules of conduct in dealings with customers*

Il Borro's relations with customers are also based on principles of transparency, reliability, fairness, integrity, professionalism, legality, impartiality and quality.

- *5.3 Rules of conduct in managing Human Resources*

Il Borro recognises the central role of human resources in achieving the company's goals and, consequently, adopts selection, training and work procedures and methods based on respect for human values, autonomy and responsibility of employees, promoting their participation in and compliance with the company's objectives, in accordance with the values of this Code.

- *5.4 Rules of conduct in dealings with the Public Administration*

The term Public Administration refers to private or public entities, Italian or foreign, performing public or public service roles; in particular, public officials are those who, in any form and in any capacity, represent the Public Administration of one of the countries in which the Company operates: public officials or persons in charge of public services, employees of a public or government-controlled entity, also of a commercial nature, international public organisations, political parties or party officials, or candidates for public office.

Relations with the public Administration are marked by the utmost transparency, clarity, impartiality and fairness, in order not to generate partial, untrue, ambiguous or misleading interpretations by the public institutional entities with which the Company deals.

In particular, relations with the Public Administration are maintained respecting the roles and functions assigned by law, with a view to ensuring utmost collaboration with public administrations in Italy and abroad.





Relations with officials of public institutions shall be limited to those corporate functions which are properly mandated and duly authorised, in accordance with the strictest laws and regulations, and shall be conducted in such a way as to protect the integrity and reputation of the Company.

- *5.5 Rules of conduct in dealing with partners*
Il Borro's relations with its partners are governed by the principles of this Code, namely legality, fairness, impartiality, integrity, transparency and timeliness in the sharing of information. In general, the Company shares with its partners a value system that places the human being at the centre of the business project.

- *5.6 Rules of conduct in dealings with the media*
Relations between Il Borro and the mass media are generally handled by mandated and duly authorised business areas, and are maintained in compliance with Il Borro's communication policy. The Recipients may not, therefore, provide information to representatives of the mass media without the authorisation of these authorised business areas; external communications shall be disseminated through the authorised business areas in accordance with the company's internal procedures, so that information and communications relating to the company and aimed externally are always accurate, truthful, complete, transparent and duly disseminated.

- *5.7 Business assets and instruments*

Il Borro provides its employees with the assets and business tools necessary to carry out their activities and recommends that they be used in an informed and responsible manner, and always in compliance with internal procedures and rules of conduct, thus avoiding any misuse and any behaviour that is not in accordance with applicable laws and internal procedures and rules, and which could harm employees and the Company or jeopardise their safety and reputation. To this end, Il Borro shall promote the dissemination of rules of conduct in accordance with the law and its procedures, as well as specific staff training, in particular on the use of IT tools and the company network, in order to ensure the cyber security of its systems.

Il Borro requires its employees to guard carefully and responsibly the tools and resources, both tangible and intangible, that the Company makes available to them for the performance of their work.



6.0 ACCOUNTING TRANSPARENCY, INTERNAL CONTROLS, ANTI-MONEY LAUNDERING

Il Borro guarantees its partners transparency of action and the right to be informed, not only in the cases set forth by current legislation, but in any circumstance deemed of interest.

Il Borro complies with applicable laws and regulations and adopts applicable accounting practices and principles, basing its dealings with stakeholders on the principle of utmost transparency. All operations and transactions shall be duly and promptly recorded in the company's accounting system according to the criteria specified by law and applicable accounting principles; all operations and transactions shall be authorised, tracked, verifiable, legitimate, consistent and appropriate.

All financial transactions and cash movements carried out in the interest of the Company shall be performed by authorised persons and shall be properly justified, tracked and documented.

Il Borro complies with all applicable national and international rules and regulations on fighting money laundering and organised crime, to this end making sure that its operations are free from the risk of using money, goods or other benefits deriving from illegal or criminal activities.



7.0 INTELLECTUAL AND INDUSTRIAL PROPERTY

Il Borro fully observes and complies with the rules, regulations and conventions on intellectual and industrial property rights, ensuring the utmost protection of its assets consisting of patents, registered trademarks, distinctive signs, logos and, in general, any material covered by copyright and industrial knowhow, and any other confidential, secret and/or strategic information for the Company.

Il Borro is committed to protecting its image and, in particular: it does not allow the use of its distinctive signs by unauthorised third parties; it constantly checks that, in general, no use is made of materials and goods identified by the Company's brand or logo that is contrary to or non-compliant with Il Borro's image; it carefully protects intellectual property by ensuring it is disseminated only to authorised parties, also by signing special confidentiality agreements or specific contractual clauses aimed at protecting such assets.



8.0 CONFIDENTIAL INFORMATION

Il Borro's activities require the acquisition, storage, processing, communication and dissemination of data, documents and information relating to negotiations, transactions and contracts.

The Company is committed to protecting Confidential Information and requires each Recipient to protect the privacy and secrecy of any Confidential Information learned, acquired or processed in the course of or in connection with the performance of its business activities, on the understanding that this may not be used, disclosed or disseminated to any third party.



9.0 PERSONAL DATA PROTECTION

Each Recipient shall carefully and scrupulously comply with current legislation on the protection of personal data. In particular, they shall:

- only acquire and process data necessary and directly related to their role and the specific activities carried out;
- store such data properly, in such a way as to prevent access by third parties;
- communicate and process data in accordance with the law and with the Company's procedures and rules of conduct.

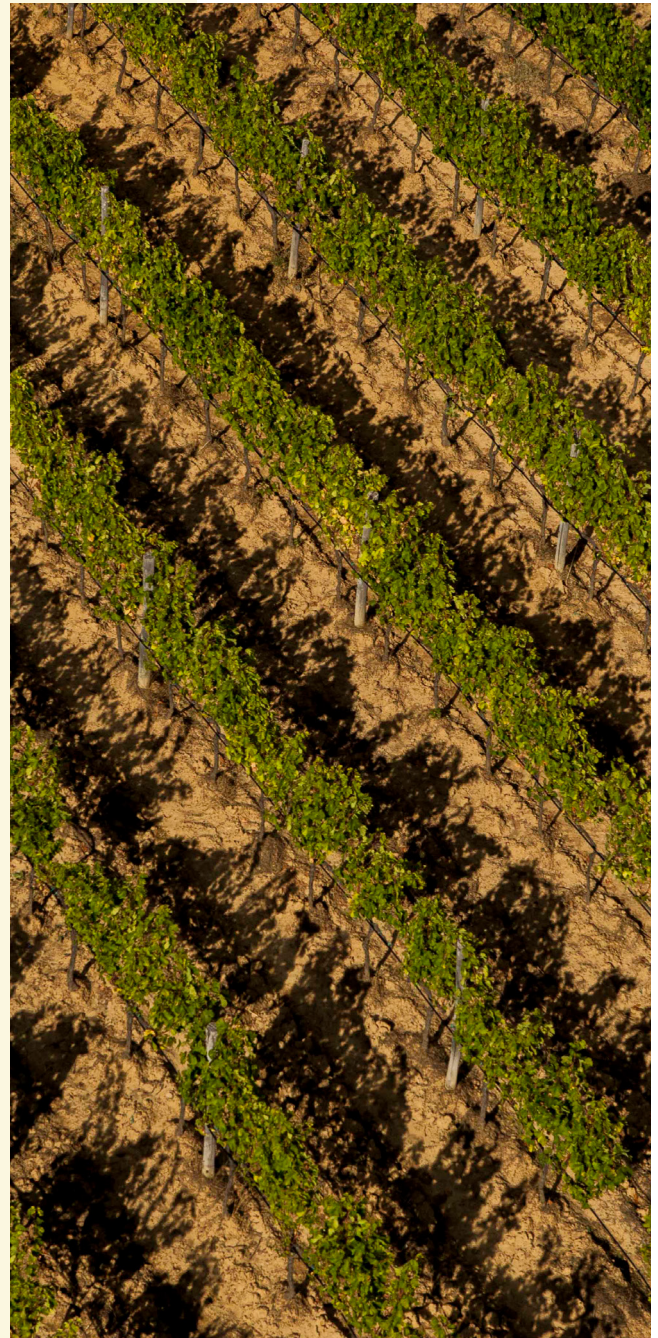
Il Borro complies with current legislation on the protection of personal data, thereby processing and protecting information and personal data relating to Recipients with every appropriate measure in accordance with same. Il Borro guarantees the correct management of any data processing carried out and, in general, the protection of personal data: to this end, it has adopted its procedures as required by Regulation (EU) No 2016/679, adopting an internal privacy management system and implementing specific privacy procedures also with a view to assessing and managing related risks.



10.0 VIGILANCE

It is the responsibility of all Recipients to apply the provisions of the Code of Ethics while performing their work and to verify their application within the framework of the controls falling within their purview.

Il Borro's Management undertakes to allow workers to submit reports or make suggestion at the following link <https://areariservata.mygovernance.it/#!/WB/Il-Borro>, with a view to fighting potential violations of the Code of Ethics and more generally of all mandatory rules.





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