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# **CODE of ETHICS**

## **Ilpea Group**

Approved by Board on February 28<sup>th</sup> 2020



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## SCOPE OF THE CODE of ETHICS

The entire INDUSTRIE ILPEA GROUP (hereinafter “Ilpea” or the “Group”) operates in more than 30 plants in 5 continents all over the world.

This Code of Ethics (hereinafter the “Code”):

1. Sets out the values and the principles of behavior guiding the Group’s conduct;
2. States the Group’s commitments and expectations towards all the stakeholders;
3. Provides guidance for employees and for everyone who works on the Group’s behalf.
4. Explains the role of the “Integrity Committee”;
5. Provides guidelines in case of questions and concerns.

The Code of Ethics is a common reference document for all Group’s managers and employees around the world.

This is a reference document for all the different stakeholders as well: customers, suppliers, contractors and business partners, also pursuant to legal and contractual provisions governing the relationship with Ilpea.

## 1. GENERAL PRINCIPLES AND RELATIONS WITH STAKEHOLDERS

### 1.1 *Law and regulations*

Compliance with the law, regulations, rules statutory provisions is a full commitment and duty of all Ilpea's People, and characterizes the conduct of its entire Organization.

### 1.2 *Fairness and transparency*

Ilpea's business and corporate activities are carried out in a transparent, honest and fair way. Ilpea pursues its business success on markets by offering quality products and services under competitive conditions, while respecting the rules protecting fair competition.

### 1.3 *Corruption, bribery and business ethics*

Ilpea does not tolerate corruption, bribery or unethical business practices in any form. All Ilpea companies and their employees, shall refrain from offering, giving, demanding or receiving bribes or any other improper benefits. In conducting its activities Ilpea stands up for the protection and promotion of human rights, principles of equality, solidarity, repudiation of war, protection of civil and political, social, economic and cultural rights.

### 1.4 *Products quality*

Ilpea undertakes to respect the right of consumers to receive products safe for their health and physical integrity and to get complete information on the products offered to them. Procedures and production processes are managed in compliance with international rules ISO 9001:2015 e IATF 16949:2016.

### 1.5 *Health and safety at workplace and Environment*

Ilpea's activities shall be carried out in compliance with applicable health and safety, environmental, international standards, law and regulations, administrative practices and national policies of the Countries where it operates.

Ilpea's people shall, within their own responsibilities, actively operate in the process of risk prevention protecting the health and safety of themselves, their colleagues and third parties.

### **1.6 *Transparency and accounting records***

Accounting transparency is grounded on the use of true, accurate and complete information which form the basis for the entries in the books of accounts.

Management and employees shall cooperate in order to have operational events properly and timely registered in the books of accounts.

It is forbidden to behave in a way that may adversely affect transparency and traceability of the information within financial statements.

### **1.7 *Confidentiality and Privacy***

Without prejudice to the transparency of the activities carried out and to the information obligations imposed by the provisions in force, Ilpea and Ilpea's people shall ensure the confidentiality required by the circumstances for each piece of news they have got to know of because of their working function.

Any information, knowledge and data acquired or processed during one's work, belongs to Ilpea and may not be used, communicated or disclosed without specific authorization in compliance with specific procedures.

Ilpea guarantees that processing of personal data within its companies respects fundamental rights as well as the dignity of the parties concerned, as contemplated by the legal provisions in force.

Personal data must be processed in a lawful and fair way and, in any case, the data collected and stored is only that which is necessary for certain, explicit and lawful purposes.

Data shall be stored for a period of time no longer than necessary for the purposes of collection.

Ilpea undertakes moreover to adopt suitable preventive safety measures for all databases storing and keeping personal data, in order to avoid any risks of destruction and losses or of unauthorized access or unhallowed processing.

## **2. RELATIONS WITH INSTITUTIONS, ASSOCIATION AND LOCAL COMMUNITIES**

### **2.1 *Authorities and Public Institutions***

Ilpea, Ilpea's People, as well as external collaborators whose actions may somehow be referred to Ilpea, must have behaviours towards the Public Administration characterized by fairness, transparency and traceability.

These relations have to be exclusively dealt with by individuals specifically appointed to do so, in compliance with approved plans and procedures.

It is forbidden to make, induce or encourage false statements to Authorities.

### **2.2 *Political organizations and Trade Union***

Ilpea does not make any direct or indirect contributions in whatever form to political parties, movements, committees, political organizations and trade unions, nor to their representatives and candidates.

### **2.3 *Local Communities***

Ilpea is committed to actively contribute to promoting the quality of life and the socioeconomic development of the communities where it operates and to the development of their human resources and capabilities, while conducting its business activities according to standards that are compatible with fair commercial practices.

### **3. RELATION WITH SUPPLIERS AND CUSTOMER**

#### **3.1 Suppliers**

Ilpea undertakes to look for suppliers and external collaborators with suitable professionalism and committed to sharing the principles and contents of the Code.

In relationships regarding the supply of goods and/or services and of external collaborations (including consultants, agents, etc.), Ilpea will adopt appropriate and objective selection methods, based on established and transparent criteria.

The remuneration to be paid shall be exclusively proportionate to the services to be rendered and described in the contract and payments shall not be allowed to any party different from the contract party nor in a third country different from the one of the parties or where the contract has to be performed.

Suppliers will ensure that the sourcing of materials in products, parts or components supplied to Ilpea does not directly or indirectly contribute to human right abuses in conflict-affected and high-risk areas and terrorism.

#### **3.2 Customers**

Ilpea pursues its business success on markets by offering quality products and services under competitive conditions while respecting the rules protecting fair competition.



## 4. RELATION WITH EMPLOYEES

### 4.1 *Development and protection of Human Resources*

People are fundamental for Ilpea.

Professionalism and commitment of management and employees is strategic to achieve Ilpea's goals.

Ilpea is committed to developing the abilities and skills of management and employees by creating appropriate working conditions that encourage the development of personality and professionalism.

Ilpea undertakes to fully comply with applicable legal and contractual provisions, and to offer equal opportunities to all its employees, making sure that each of them receives a fair statutory and wage treatment exclusively based on merit and expertise, without discrimination of any kind.

Competent departments shall:

- 1) adopt in any situation criteria of merit and ability (and anyhow strictly professional) in all decisions concerning human resources;
- 2) select, hire, train, compensate and manage human resources without discrimination of any kind;
- 3) create a working environment which allows the serenity of all Ilpea's People where personal characteristics or beliefs do not give rise to any discrimination.

### 4.2 *Harassment or mobbing at workplace*

Ilpea refuses and bans any form of harassment or mobbing in personal working relationships either inside or outside the Group.

Such behaviours are all forbidden, without exceptions.

Any form of violence or harassment, either sexual or based on personal and cultural diversity, is forbidden.

## 5. DIFFUSION OF THE CODE OF ETHICS

The Code is made available to Ilpea's People and is also available on the internet website. Ilpea promotes the provision of every possible instrument for understanding and clarifying the interpretation and implementation of the Code.

### 5.1. *Obligation to know the Code*

Each of Ilpea's People is expected to know the principles and contents of the Code and shall:

1. refrain from all conduct contrary to such principles, contents and procedures;
2. carefully select, as long as within their field of competence, their collaborators, and have them fully comply with the Code;
3. require any third parties having relations with Ilpea to confirm that they know the Code;
4. immediately report to their superiors or the body they belong and/or to OdV in Italy, any remarks or information supplied by Stakeholders concerning a possible violation or any request to violate the Code;
5. cooperate with the OdV in Italy and with the relevant departments according to the applicable specific procedures in ascertaining any violations;
6. adopt prompt corrective measures whenever necessary, and in any case prevent any type of retaliation.

Ilpea's People are not allowed to conduct any personal investigations, nor to exchange information, except to their superiors.

As set in the Whistleblowing Procedure, any matter concerning the Code of Ethics may be addressed to the O.d.V. (Italian "Organismo di Vigilanza" or Supervisory Body) at the email address [odv@ilpea.com](mailto:odv@ilpea.com), and will be treated in compliance with the Whistleblowing Procedure (available on Ilpea's internet website and Ilpea intranet).

### 5.2. *Value of the Code*

Respect of the Code's rules is an essential part of the contractual obligations of all Ilpea's People pursuant to and in accordance with applicable law.

Any violation of the Code's principles and contents may be considered as a violation of primary obligations under labor relations or of the rules of discipline and can entail the consequences provided for by law, including termination of the work contract and compensation for damages arising out of any violation.