

PPM Industries SpA
Via G.Terzi di S. Agata 23
24030 Brembate Sopra
(BG) Italy
T +39 035 332476
F +39 035 332475
contact@ppmindustries.com
www.ppmindustries.com

Company Reg n. 02099620169
VAT n. IT02099620169
Registered office
REA Bergamo 262521
Export-Import BG 027301



Code of Ethics

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1 Introduction

PPM Industries SpA ("Company") has as its essential principle compliance with the laws and regulations in force in all the countries in which it carries out its production activity.

In order to recommend and promote this principle in the conduct of corporate affairs, the Company has decided to adopt a corporate Code of Ethics.

This Code of Ethics contains a series of "corporate ethics" principles aimed at regulating business activities through rules of conduct.

In general, the Code contains all the rights, duties and responsibilities of the Company towards "stakeholders" (employees, customers, subcontractors, suppliers, Public Administration, shareholders, financial market, etc.).

2 Scope of application of the Code of Ethics

The Code of Ethics applies to all levels of PPM Industries SpA and therefore the Company Bodies and their members, employees and collaborators are required to comply with the principles contained therein.

The Company requires all associated or investee companies and all those who in various capacities (customers, suppliers, subcontractors, service providers, consultants, etc.) collaborate with it in compliance with the rules of this Code of Ethics in their applicable parts. The Company declares itself free to not enter into or continue any relationship with anyone who proves to not share the content and spirit of the aforementioned Code of Ethics and violates its principles and rules of conduct.

3 Rules of Conduct

3.1 General principles of conduct in business management

The organs of the Company and their members, employees, collaborators, agents and in general third parties who operate on behalf of PPM Industries SpA are required to comply with the laws, the regulations, this Code of Ethics and the organizational and procedural rules adopted by the Society.

In no case can the violation of these principles be justified by the achievement of an interest of the Company.

3.2 Company activities and management of financial resources

All operations and transactions decided or implemented by the Company and by agents acting in the name and on behalf of the Company must comply with the law, professional correctness, the principles of transparency, verifiability, consistency and congruity, as well as duly authorized, documented and registered.

3.3 Conflict of interest

Situations in which the subjects involved may find themselves in a conflict of interest must be minimized.

A conflict of interest occurs when a director, an employee or a collaborator pursues an objective in contrast with that pursued by the Company or obtains, or attempts to obtain, a personal advantage in carrying out activities carried out in the interest of the Company. The Company's employees and collaborators, without prejudice to any legislative and contractual provisions, promptly communicate the aforementioned situations to their respective superiors.

3.4 Confidentiality

The Company protects the principle of confidentiality of information, data and news relating to the business and ensures that it is also respected and safeguarded by its employees and collaborators, in accordance with the laws in force in the country in which the Company operates.

The directors, employees and collaborators of the Company must comply with the utmost confidentiality, even outside of working hours, in order to safeguard the technical, financial, legal, administrative, commercial and personnel management know-how of the 'company.

3.5 Competition

The Company intends to protect the value of fair competition and therefore refrains from collusive, predatory or characterizing behaviors of the abuse of a dominant position.

3.6 Respect for the environment

The Company considers the environment a primary value and manages corporate activities in full compliance with current environmental legislation.

3.7 General principles of correct administration

The Company condemns any behavior aimed at altering the correctness and truthfulness of the data and information contained in the financial statements, reports or other corporate communications required by law for third parties.

Directors and employees must conduct correct and transparent conduct in relation to requests made by shareholders, the Board of Statutory Auditors, the Auditor and other corporate bodies in the exercise of their respective institutional functions.

It is forbidden to engage in any voluntary conduct by administrators aimed at causing an injury to the integrity of the corporate assets or damage to creditors.

It is forbidden to perform simulated or fraudulent acts aimed at influencing the will of the members of the shareholders' meeting to obtain the irregular formation of a majority and / or a resolution different from what would have occurred.

During audits and inspections by the competent public authorities, the corporate bodies and their members must maintain an attitude of maximum availability and collaboration without in any way obstructing the functions of the inspection and control bodies.

3.8 Relations with the Public Administration

The relationships between the members of the corporate bodies, employees and collaborators, on the one hand, and, on the other, the Italian or foreign Public Administration, must always be inspired by the principles of legality, loyalty, fairness and transparency.

With regard to representatives, officials or employees of the Public Administration, the search and establishment of personal relations of favor, influence, interference capable of influencing, directly or indirectly, the outcome of the relationship are prohibited; offers of goods or other utilities to representatives, officials or employees of public administrations are also prohibited, even through a third party, except in the case of gifts of moderate value and in accordance with the uses and as long as they cannot be understood as aimed at research of undue favors.

No form of gift is allowed which may even appear to be in excess of normal commercial or courtesy practices, or in any case aimed at acquiring favorable treatments in the conduct of any activity.

Members of corporate bodies, managers, employees and collaborators are prohibited:

- promise or grant money, advantages or other benefits, in order to obtain the release of concessions, licenses and authorizations from the Public Administration as well as tax, social security and / or assistance facilities;
- present untruthful declarations or put in place tricks and scams aimed at the undue achievement of contributions, disbursements, loans;
- prevent or obstruct the exercise of inspection functions by the Public Administration in order to avoid the application of a sanction or to negotiate the amount
- adopt fraudulent, deceptive or unfair behavior that could mislead the Public Administration at the head office and as a result of public evidence procedures;
- undertake (directly or indirectly) actions aimed at examining or proposing employment and / or commercial opportunities that could benefit representatives, employees or officials of the Public Administration.
- allocate for purposes other than those for which they were granted, contributions, concessions or loans obtained by the State or by a public body or by the European Community.

The Company cannot be represented in relations with the Public Administration by third parties when, based on the information available, a conflict of interest may arise.

3.9 Relations with Customers

The Company bases its activity on the criterion of quality, intended essentially as the goal of full customer satisfaction.

In relations with customers, the Company ensures fairness and clarity in commercial negotiations and in assuming contractual obligations, as well as faithful and diligent contractual fulfillment.

The formulation of the offers will be such as to allow compliance with adequate quality standards, adequate remuneration levels for employees and current safety measures.

The company resorts to litigation only when its legitimate claims do not find due satisfaction in the interlocutor.

In conducting any negotiation, situations in which the parties involved in the transactions are or may appear to be in conflict of interest must always be avoided.

3.10 Relations with Suppliers, Contractors and Subcontractors

In selecting and in relations with suppliers, contractors and subcontractors, the Company assesses the economic convenience, the technical and economic capacities and the overall reliability of its interlocutors.

In particular, the Company takes into account elements such as financial strength, design capabilities and resources, know-how and the adoption of specific corporate quality control systems.

The Company ensures that negotiations and contractual relationships with suppliers, contractors and subcontractors are based on the utmost correctness and seriousness and are conducted in compliance with current legislation.

Relations with suppliers, contractors and subcontractors, including financial and other accessory contracts, are governed by specific agreements, which are based on maximum clarity and comprehensibility and in order to avoid any abuse of economic dependence.

3.11 Relations with Employees

The Company recognizes the importance of human resources as the main success factor of every business in a framework of mutual loyalty and trust between employer and employees.

3.11.1 Evaluation and selection of personnel

The evaluation of the personnel to be hired is carried out on the basis of the correspondence of the candidates' profiles to the company needs.

The Company, within the limits of the information available, adopts appropriate measures to avoid favoritism, nepotism or forms of clientelism in the personnel selection and hiring phases.

The Company offers equal employment opportunities to all employees on the basis of specific professional qualifications and performance capabilities, without discrimination.

The staff is hired with an employment contract in the manner provided by the legislation and by the collective bargaining agreement in force and by the social security, tax and insurance legislation.

No irregular or "undeclared work" position is allowed.

At the establishment of the employment relationship, each employee / collaborator receives accurate information relating to:

- Characteristics of the function and tasks to be performed;
- Regulatory and remuneration elements, as regulated by the national collective bargaining agreement and / or by the provisions governing the employment relationship;
- Rules and procedures to be adapted in order to avoid behavior contrary to the law, including this ethical code.

3.11.2 Respect in relations between employees and the company

The relationships between the employees / collaborators of the company are based on values of civil coexistence and take place in respect of the rights and freedoms of people and the fundamental principles that affirm equal social dignity without discrimination for

reasons of nationality, language, gender, race, religious belief, political and trade union membership, physical or mental conditions.

3.11.3 Staff training

The Company favors the continuous improvement of the professionalism of its employees, also by carrying out training initiatives.

The company's human resources are an indispensable success factor. For this reason, the company protects and promotes the value of human resources and guarantees an adequate degree of professionalism in carrying out the tasks assigned to its employees / collaborators. The company makes suitable information and training tools available to all employees / collaborators, encourages participation in professional updating and development initiatives, organizes training courses also in order to maximize their satisfaction.

3.11.4 Respect for physical and moral integrity

The Company guarantees the physical and moral integrity of its collaborators, working conditions that respect individual dignity and safe and healthy work environments, in full compliance with current legislation on the prevention of accidents at work and worker protection.

The Company carries out its business on technical, organizational and economic conditions that allow adequate accident prevention and a healthy and safe work environment to be ensured.

The Company is committed to spreading and consolidating a culture of safety among all its collaborators, developing awareness of risks and promoting responsible behavior by all collaborators.

3.11.5 Loyalty

Employees / collaborators must act fairly, in compliance with the obligations underwritten in the employment contract and with the provisions of the Code of Ethics, ensuring high standards of the services rendered.

They must absolutely avoid behaviors that damage the corporate image, the corporate management, the relationship with the stakeholders.

3.11.6 Diligence

The employee / collaborator, within the scope of his role and responsibilities, is required to work diligently in order to preserve the company assets, tangible and intangible assets entrusted for the performance of his duties, using them in line with the objectives and the operational procedures prepared, sparingly and scrupulously and highlighting improper uses.

3.11.7 Protection and protection of confidentiality

Everyone must protect and safeguard the confidentiality of news concerning projects, initiatives, analyzes, evaluations and studies and in any case all that information learned in the performance of their work.

Said information must never be used for personal purposes to acquire advantages directly or indirectly or in favor of persons outside the company and any improper and unauthorized use must be avoided.

In particular, the employee / collaborator is required to know and implement the provisions of company policies regarding information security and to guarantee its integrity, confidentiality and availability.

Requests for information from public authorities or from the media must be immediately brought to the attention of the Company Management.

3.11.8 Treatment of personal data

The privacy of employees and collaborators is protected by adopting appropriate rules in relation to the type of information to be requested and by using specific methods of processing and storing personal data.

The processing of personal data of employees and collaborators is allowed only in compliance with current legislation and, in any case, by offering them the widest information and assistance.

3.11.9 Care in the use of company assets

Carelessness, voluntary damage, incorrect use of company assets always constitute an impediment to the normal performance of work activities, even when there are no criminally punishable circumstances or serious violations of the obligation of correctness and loyalty towards the company.

The company reserves the right to prevent distorted use of its assets and infrastructure through the use of appropriate control systems.

The use for personal use of materials or consumer goods owned by the company constitutes unlawful behavior and violation of the principles of this Code.

It is not allowed to ask employees and collaborators, as an act due to their supervisor, to behave contrary to the provisions of this Code of Ethics.

4 Relations with the Supervisory Authorities

In relations with the Supervisory Authorities, the Company is inspired by principles of integrity and professional correctness, avoiding influencing their decisions or requesting favorable treatment through the promise, offer or grant of compensation or other benefits.

The Company maintains relations with the aforementioned subjects based on full and effective collaboration, making available, promptly, any information requested by the same in carrying out the preliminary activities and complying with the provisions issued.

In order to ensure maximum transparency, the Company also undertakes to avoid taking any form of undue advantage from any personal or kinship relationships with officials of the Authorities.

5 Methods of Implementation and Control of Compliance with the Code of Ethics

Any employee or collaborator who becomes aware of violations or attempted violations, within the company, of this Code of Ethics, is required to report them to their hierarchical superior, if committed by other employees or collaborators, or, to the General Management if committed by their own hierarchical superiors.

The Company takes care of the maximum dissemination of the Code also externally, providing the necessary interpretative support of the provisions contained therein, in order to fully inform clients, suppliers, contractors, subcontractors and all other interlocutors, both private and institutional, about the values that it intends to promote and, in general, the company policy which it is inspired by.

With the aim of ensuring compliance with the rules of conduct identified in this Code of Ethics, the Company adopts an adequate sanctioning system.

All employees, directors, collaborators as well as all those who have contractual relations with the company, within the context of the relationships themselves, are subject to the disciplinary system referred to in this Code.

Any behavior that differs from the rules of the Code may have important consequences and, in the case of employees, determine the application of disciplinary sanctions up to, in the most serious cases, the termination of the employment relationship for just cause.

The violation of the Code of Ethics by a manager may justify the revocation of any powers of attorney possibly conferred on the manager himself, or, where possible, the assignment to a different position or, in the most serious cases, the dismissal.

The violation of the Code of Ethics by suppliers, contractors, subcontractors, external collaborators or partners may determine the termination of the contractual relationship, or the right of withdrawal from it.

This express termination clause must be included in every contract with the main suppliers. Where the Board of Directors identifies a violation of the rules of conduct contained in the Code of Ethics in the behavior of the President or the Directors, including the Delegates, it takes the most appropriate measures, including the modification or revocation of the proxies themselves and the convocation of the Assembly for the possible adoption, towards the aforementioned subjects, of the measures referred to in Articles 2383 and 2393 of the Italian Civil Code.

6 Validity of the Code of Ethics

This Code of Ethics applies from the day of its adoption.

This Code will be brought to the attention of the Company's employees and collaborators as well as the main suppliers, contractors and subcontractors.

Brembate Sopra, li 31/08/2022



Matteo Pellegrini
Chairman & CEO