

# COMPANY CODE OF ETHICS

Rev.01 of 23-07-2018

Adaptation to IATF 16949: 2015

## Assumption and Introduction

The activity of Mollificio Lombardo (ML) is made possible by the work of the internal staff and the companies that supply them with goods and services.

The awareness of these relationships and the consequent responsibilities, as well as the protection of customers and their needs, are part of ML's corporate culture, which intends in this Code of Ethical Self-regulation (Code) to summarize the fundamental principles and rules of behavior that the Directors, the Executives, the Employees as well as the suppliers of ML are required to comply in carrying out the company's business activities and in carrying out their respective performances as well as in internal and external relations.

## Effectiveness of the Code

- ✓ Compliance with the Code is an essential part of the employment contract for employees in accordance with art. 2104 of the Civil Code, constituting the principles and contents of the Code expressing the duties of diligence, loyalty and good faith in the execution of the work performance that contribute to the correct fulfillment of it.
- ✓ To this end, each employee signs a declaration of receipt of a copy of the Code and of a commitment to comply with what is stated in it. A similar declaration is signed on the occasion of each modification of the Code.
- ✓ Compliance with the Code is also required by suppliers who have access to the ML computer network for any reason, confirming in writing that they have received a copy of the Code and its subsequent amendments, with a commitment to comply with them.

- ✓ The Code is brought to the attention of the other suppliers, consultants, and third parties involved in ML's activities, with an invitation to respect their principles and criteria of conduct.

### **General principles**

- ✓ ML proposes to carry out its activities according to the principles of sustainable development, which satisfy the needs of present generations without compromising the possibility of future ones to satisfy theirs. ML especially pursues economic efficiency without undermining social development and the environment.
- ✓ ML promotes and defends the inviolable rights of man, repudiating in external and internal relations any discrimination based on sex, ethnicity, language, religious belief, political affiliation, sexuality and other personal and social conditions.
- ✓ ML acts in strict compliance with the national and international laws applicable in Italy and in any other country in which it operates and is aware that the adoption and compliance with ethical principles is an essential element of the prevention of offenses in general and of the crimes responsibility of legal entities pursuant to Legislative Decree 8 June 2001 n.231.

To this end, the behavioral rules provided for in the Code constitute the basic reference to which the recipients must comply with in the performance of the sensitive corporate activities referred to in the aforementioned decree and in relations with the interlocutors.

- ✓ ML also observes the principles of integrity and transparency and performs transactions that are correctly authorized, verifiable, consistent and congruous.
- ✓ ML strongly refuses corruption as a way of conducting business. No one can promise or deliver money or other benefits for undue performance and no one can request or receive money or other benefits to perform undue performance.
- ✓ ML recognizes that correct competition is fundamental for the development of business activity and therefore under no circumstances creates acts and behaviors contrary to free and fair competition.

- ✓ The belief of acting for the benefit or in the interest of ML can not in any way justify the adoption of conduct in contrast with the guiding principles of the Code.

## **Relations with customers**

The organization does not discriminate between customers without objective reasons and imprints their relations with them to availability, professionalism and honesty, as well as to the general principles of this Code: human rights, financial integrity, protection of intellectual property, fair competition.

Considering customer satisfaction an essential element of the correct relationship thereof, ML prepares procedures and tools to verify and assess the level of such satisfaction and to be in a position to take prompt action to recover the aforementioned level quickly and effectively. . ML gives a clear answer to customer comments, requests and complaints.

The organization adopts all necessary measures to ensure compliance of the processing of customer data to the provisions of the law ensuring the confidentiality of such data according to the specific indications of the customers themselves. In any case, it uses information learned only in close connection and dependence on commercial relations, with the exclusion of any insider trading behavior.

Similarly, it ensures and maintains the confidentiality of any technical or commercial information learned in the course of relations with the customer.

The organization pursues technological innovation of its business to anticipate market demands and meet customer needs; to this end, it devotes adequate resources to the study and development of new techniques and solutions; It also takes care of the continuous training of its personnel in order to have a staff of the most innovative solutions and operating techniques, as well as being able to apply them correctly.

The organization guarantees the safety of the products it supplies to its customers, ensuring the scrupulous observance of all the regulations and the carrying out of adequate control procedures.

It refrains from any deceptive, aggressive or improper practice in advertising and commercial communications with customers, which will be characterized by clarity and completeness of information about the activity and services offered.

Carefully assess the feasibility of requests from customers, with regard to regulatory, technical and economic conditions, under no circumstances assuming contractual commitments that can put it in a position to apply savings on the quality of the service or the safety of products and services.

In compliance with the Privacy and in order to maintain the highest confidentiality of the intellectual property of customers, the disclosure by any means, especially through social networks, of any information inherent to the ML business activity is strictly forbidden. This information includes drawings, components, equipment, production processes, financial situations, prices, prototypes or machinery in general.

Any information request regarding the Company from individuals or external bodies must be forwarded to the General Management in order to obtain an answer.

### **Relations with suppliers**

ML is based on the quality of the goods and services offered, their cost, the technical, economic reliability of the supplier and the punctuality of deliveries, recognizing on such bases the conformity of treatment to present and future suppliers. In particular, the selection of suppliers is based on the specific nature of those whose services relate to the quality of the processing processes.

It undertakes to preserve the health and safety of suppliers and their employees and collaborators who occasionally operate in the internal spaces of the organization in accordance with current legislation, inviting the compliance by suppliers of workers' rights and the protection against child labor in every circumstance.

It adopts specific procedures for the transparent and impartial evaluation of the reliability and competence of each supplier, the convenience of its offer and assistance warranty and timeliness of services.

The organization is based on honesty and loyalty concerning relationships with suppliers.

### **Relations with employees**

Mollificio Lombardo employees are all those who have a working relationship aimed at the pursuit of the social object.

ML rejects discrimination between employees based on sex, ethnicity, religious belief, political affiliation, sexuality and social and personal conditions. In particular, it encourages and promotes equal opportunities for women and men. Personnel selection is carried out in compliance with the principle of non-discrimination, in accordance with the real and specific business needs and on the basis of the professional requisites required by the assignment.

Promotes a work environment where the dignity of each individual is guaranteed and the relationships between people take place on a basis of respect, honesty, fairness and collaboration. Specifically, it does not perform acts and behaviors not provided by the applicable collective and individual agreements, respecting the personal dignity of employees and collaborators in exercising authority and hierarchy and avoiding any form of abuse.

It enhances the skills, potential and commitment of everyone, evaluating them in a homogeneous way also at the end of the organization of work.

It complies with all applicable legal, regulatory and technical regulations regarding the protection of workers' health and safety and adopts adequate control systems, in implementation of the general principles of risk elimination; assessment of non-avoidable risks; adoption of source protection measures; choice of jobs and equipment; prevention planning for the creation of a coherent complex that integrates the technique, the organization of work, working conditions, social relations and the influence of factors in the work environment; giving priority to collective protection measures; of providing adequate instructions and information to personnel.

The organization's Quality Management System is certified according to UNI EN ISO 9001: 2015 and IATF 16949: 2016 by the Certificator ICIM s.p.a..

In the processing of personal data of its employees, strictly adheres to the provisions of the law, being in any case excluded any investigation of ideas, preferences, personal tastes and private life thereof.

The gifts from customers and suppliers and their acceptance by administrators and employees of the organization are only allowed when they are symbolic in nature and can not therefore even abstractly motivate favorable treatment. The General Management reserves the right to analyze particular cases and if it deems it necessary to fix the destination or the method of distribution among all personnel.

Administrators and employees, as well as consultants and suppliers who have access to the ML computer network for any reason, ensure and protect the confidentiality of news and information constituting company assets or activities related to the activity in compliance with the provisions of law, regulations and internal procedures.

Directors and employees perform their respective services with diligence, efficiency, honesty and correctness, using at best the time and tools at their disposal and assuming the related responsibilities. In particular, they do not use personal information, assets or equipment at their disposal in the performance of their function, tasks or assignments.

### **Relations with institutions and the community**

ML maintains relations with local, national, EU and international public institutions and with public officials or public service representatives, in full compliance with current legislation and based on loyalty, correctness and transparency.

The organization may adhere to requests for contributions limited to requests from non-profit organizations and associations, which have cultural, sporting or beneficial value and which involve a significant number of citizens.

In the selection of proposals, he pays particular attention to situations of conflict of personal or company interest.

## **Relations with the environment**

ML is inspired, in its activity, to protect and protect the environment, respecting the Community and national legislation on the protection of the environment and regularly checking the impact of the activity on the environment in order to make it possible and timely the actions necessary to remedy any negative effects and correct operational deviations.

In particular, compliance with the principles of the implementation of production processes is proposed with criteria aimed at preventing pollution and reducing the environmental impact as well as the adoption of the best criteria for environmental and quality management.

## **Employee reports (whistle-blowing)**

ML invites employees and members of corporate bodies to report any suspicion of fraud, unlawful or irregular conduct and / or of any type of serious danger or risk that may involve or harm employees, consultants, customers, suppliers, stakeholders, the public or the same reputation as the company, and of which they became aware during the working activity in accordance with the predicted whistle-blowing activity taken from the IATF 16949: 2016 standard (exemplary, but not exhaustively, dangers in the workplace , environmental damage, illicit financial operations, threats to health, suspicion of corruption or bribery).

The organization specifies that any detailed report made within the company, provided that it is not anonymous, will be given adequate consideration, ensuring the confidentiality of the identity of the reporting party, without prejudice to the legal obligations regarding the objection of anonymity and confidentiality; a circumstantial report in good faith will not have negative effects on the reportant.

The good-faith presenter of a detailed and reasonable report will be protected by retaliation or otherwise by the persons involved in the events referred to in the report.

## **Implementation of the Code**

The Code and its possible future changes are adopted by ML through a resolution of the Board of Directors.

The implementation of the Code and the care of its updating are delegated, considering the size of the Organization, at least during the first application of the Code to the Managing Director, which for this purpose acts as the Ethics Committee. If reports or other relevant facts directly concern the Chief Executive Officer, the related preliminary investigation and final assessment will be delegated exclusively to the Board of Directors, to which the report and other circumstances involving the position of the administrative body must be immediately communicated.

ML adopts appropriate initiatives to spread the knowledge of the Code to all its directors, managers, employees, consultants, suppliers and stakeholders in general. In particular, the Code is delivered to employees, continuous consultants and whoever has access to the ML computer network for any reason whatsoever, and is brought to the attention of other consultants and suppliers upon the establishment of contractual relations.

The Code is available in electronic format on the website at: [www.mollificio.lombardo.molle.com](http://www.mollificio.lombardo.molle.com) .

ML ensures adequate communication channels to receive reports of any violations or observations on the application of the Code. In particular, such reports may be made:

- ✓ by e-mail to [molle@molle.com](mailto:molle@molle.com) with indication in the subject of "Reserved for the Ethics Committee"
- ✓ by ordinary mail at the address Mollificio Lombardo S.p.A., via Conte Morlani, 13 24040 Carvico (Bg), with an indication "Reserved to the Ethical Committee" on the external envelope.

The identity of the complainant is kept confidential as the treatment of the report, without prejudice to legal obligations.

Upon completion of the appropriate investigations, the Ethics Committee assesses the conduct in ascertained violation of the principles and norms implemented in the Code that may motivate the application of disciplinary sanctions in internal relations or the application of mechanisms of contractual termination in external relations, except for the right of ML for recourse to legal actions and compensation for damages. Clearly unfounded and instrumental reports will also be subject to sanctions.