



SUPPLIER CODE OF CONDUCT

SUSTAINABLE PROCUREMENT POLICY

P.E. Labellers S.p.A.

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1 PRESENTATION OF THE COMPANY

P.E. Labellers S.p.A. is a world leader in the design and manufacture of automatic and fully modular labelling machines. P.E. Labellers is an Italian company that proudly ensures 100% Made in Italy production. Its registered, operations and management offices are located in Porto Mantovano (MN), with another 13 local units also situated within the province of Mantua. P.E. Labellers serves a global market, with a strong presence in Europe (52%), South America (20%) and Asia (18%). Since 2017, P.E. Labellers has been part of the US multinational ProMach Group, a world leader in the packaging industry. In 2020 5 operating companies merged into P.E. Labellers, now representing 5 divisions – TRCG, CRM, Mondial and Packlab, which deal with the production of machine components. P.E. Labellers owns a 99% majority stake in PE Latina LTDA, based in São Paulo, Brazil, responsible for the production and marketing of labelling machines in the Brazilian domestic market. With almost fifty years of experience, P.E. Labellers has revolutionised the labelling industry by adapting its solutions to meet the evolving production needs of companies and the increasingly stringent quality standards imposed by the market.

2 SCOPE

This Supplier Code of Conduct aims to establish the ethical, social and environmental standards for which we expect compliance by our suppliers in their cooperation with PE Labellers SPA. Inspired by the principles of international guidelines, including the United Nations Guiding Principles on Business and Human Rights and ILO standards, the Code aims to ensure ethical and sustainable behaviour throughout the value chain, protecting human rights, environmental sustainability and business integrity.

The code aims to promote ethical and responsible behaviour, ensuring that all activities are carried out in compliance with the principles of sustainability, human rights and integrity.

The Company firmly believes that sustainable procurement is an effective means to promote responsible values and practices throughout the value chain.

Every action, project, initiative and decision is based on: strict compliance with the law, worker protection, environmental protection, safeguarding the interests of shareholders, employees, customers, business and financial partners and local communities, thus creating value for all stakeholders.

3 RECIPIENTS AND SCOPE OF APPLICATION

The Code of Conduct applies to all suppliers of PE Labellers S.p.A., including their employees, subcontractors and other representatives involved in the supply chain. This includes all vendors who produce, trade, sell and/or provide goods or services that are part of the P.E. Labellers supply chain, where such vendors have a direct commercial relationship with the Company.

Each supplier is required to formally adopt this Code of Ethics by undersigning (e.g. signature), ensuring compliance with the principles specified not only at company level, but also when having relationships with any subcontractors. In some cases, it will be required to provide documentation certifying the adoption of the Code also by subcontractors involved in the supply chain.



The categories of suppliers to whom the Code is addressed include those who offer goods and finished products, services, and consultancy. All are required to comply with the technical specifications defined during the negotiation phase, as well as the contribution and tax compliance of the personnel employed.

4 PRINCIPLES

4.1 Integrity and Transparency

All suppliers shall conduct their business in an ethical and transparent manner. This includes:

4.1.1 Commitment to Transparency and Honesty

Suppliers shall maintain the highest standards of integrity and transparency in all their operations. It is imperative that all transactions and communications are clear, honest and free from any form of corruption, fraud or deceptive practices. The giving or acceptance of gifts and presents that may influence business decisions is prohibited. Any potential conflict of interest shall be immediately reported and resolved. Supplier selection and contract management shall be conducted fairly and without any conflicts of interest. Suppliers must avoid unfair business practices, complying with fair competition rules and antitrust laws.

4.1.2 Compliance with Laws and Regulations

Suppliers shall comply with all applicable laws and regulations in their sectors of activity. This includes, but is not limited to, anti-corruption regulations, tax regulations and labour laws. Compliance with local and international regulations is essential to maintain the trust and reputation of the company.

4.1.3 Anti-Corruption Policies

Any form of corruption is prohibited, including but not limited to bribes or improper benefits. Suppliers must implement policies and procedures to prevent and fight corruption, ensuring that all business practices are conducted in an ethical and legal manner.

4.2 Labour and Human Rights

P.E. Labellers believes it is essential to always act in ways that ensure the protection and promotion of human rights also in its collaborations, considering counterparties as professionals and first and foremost as human beings. Suppliers must respect fundamental human and labour rights. This includes:

4.2.1 Labour Rights and Working Conditions

Suppliers must ensure safe, healthy working conditions that respect fundamental human rights. It is essential that workers' rights are protected, including the right to fair pay, reasonable working hours and a work environment free from discrimination and harassment, promoting diversity and inclusion.

4.2.2 Prohibition of Forced and Child Labour

The use of forced, compulsory or child labour is strictly prohibited. Suppliers must ensure that their personnel work voluntarily and that there are no exploitative or coercive practices. Workers must be able to leave work with adequate notice and without any penalty being applied to them.



4.2.3 Safety and Health in the Workplace

It is the responsibility of suppliers to maintain high standards of safety and health in the workplace. Adequate measures must be implemented to prevent accidents and occupational diseases, ensuring a safe and healthy working environment. In this respect, we suggest that you refer to your Organisation, Management and Control Model, specifying that you expect equally high standards from suppliers. Continuous training is encouraged to improve safety and well-being skills at work. Furthermore, given the growing importance of privacy and data security issues, suppliers should implement practices that ensure the protection of personal and corporate data, protecting them from unauthorised access or improper use.

4.2.4 Freedom of Association

It is the responsibility of suppliers to respect the right of employees to freely join trade unions and bargain collectively.

4.2.5 Equity and Non-Discrimination

All suppliers must ensure fair treatment for all employees according to the principles of dignity and respect, without discrimination based on race, gender, religion, age, sexual orientation, disability or any other protected characteristic. The promotion of diversity is encouraged as an integral part of creating an inclusive and respectful environment.

4.3 Care for the Environment and Communities

Suppliers must commit to reducing the environmental impact of their operations and to contributing positively to local communities. This includes:

4.3.1 Environmental Management

Suppliers must adopt responsible and sustainable environmental practices. This includes managing environmental impacts through efficient management of resources, minimising waste and emissions, and complying with applicable environmental regulations, with a particular focus on water conservation. The company encourages the use of sustainable technologies and materials and the promotion of circular economy practices.

It is essential that suppliers invest in innovative technologies and processes that promote environmental sustainability, reducing waste and emissions, complying with applicable regulations and ensuring, where applicable, compliance with requirements relating to the use of hazardous materials and substances, in order to actively reduce their ecological footprint. It is essential to guarantee transparency in communicating environmental impacts and progress made in terms of sustainability, to ensure responsible collaboration and oriented towards continuous improvement.

4.3.2 Social Responsibility and Involvement in the Community

Suppliers are encouraged to contribute positively to the communities in which they operate, supporting local initiatives and promoting community well-being. This may include supporting social projects, hiring local personnel and promoting development opportunities for local communities.

Suppliers should actively engage in initiatives that support the economic and social development of communities, such as training and skills development programmes, corporate social responsibility (CSR) projects and collaborations with local non-governmental organisations (NGOs). It is essential that suppliers respect the rights of local populations, and promote social inclusion and diversity. Transparency in operations and continuous dialogue



with stakeholders are essential to build trust and ensure that business activities have a positive and lasting impact on society.

4.3.3 Reduction of Environmental Impact

Suppliers must commit to reducing their overall environmental impact, adopting practices that minimise energy and resource consumption and optimise the use of materials. Production and logistics processes that comply with sustainability and waste reduction criteria must be promoted.

Transparency and reporting of actions taken and results achieved in terms of reducing environmental impact are crucial to ensure a responsible and sustainable collaboration with PE Labellers.

4.3.4 Product Health and Safety

It is essential that suppliers ensure that the products supplied comply with all applicable health and safety standards. Each product or service must comply with current regulations to ensure that it does not pose a risk to the health and safety of consumers or users. Suppliers must implement quality control policies that minimise the risks associated with their products, promoting continuous improvement of product safety.

4.4 Intellectual Property

It is essential that suppliers ensure respect for the intellectual property of P.E. Labellers and third parties, ensuring that no infringement of patents, trademarks, copyright or trade secrets occurs during the supply of goods or services. In addition, suppliers must take appropriate measures to protect the privacy and security of data, both personal and corporate, ensuring compliance with applicable data protection regulations and implementing adequate security measures to prevent loss, unauthorised access or unauthorised disclosure.

5 POSSIBLE VIOLATIONS AND CORRECTIVE ACTION PLANS

If the Company, through document requests and/or Audits, finds any non-compliance and/or violations of the Supplier Code of Conduct, it may request the Supplier to plan and implement the necessary corrective actions ("Corrective Action Plan"). Such actions must include not only compliance with P.E. Labellers standards, but also compliance with other legislative/regulatory references in force in the countries where the supplier/subcontractors operate, where applicable. This principle ensures that the entire supply chain operates in full compliance with local and international regulations.

5.1 Reporting Violations

Suppliers must promptly report any violation or potential violation of the Code of Conduct to Pe Labellers. Reports can be made through the designated communication channels, ensuring confidentiality and protection from retaliation for those who report in good faith. It is also the responsibility of suppliers to ensure that all business practices comply not only with local regulations, but also with the laws and regulations applicable in the countries in which they operate, including subcontractors, thus ensuring a global approach to regulatory compliance.

5.2 Investigations



PE Labellers will investigate thoroughly all reports of violations. Suppliers are expected to cooperate fully during the investigation process, providing all necessary information and access to relevant documents.

5.3 Corrective Action Plans

In the event that a violation is identified, PE Labellers will work with the supplier to develop and implement a corrective action plan. This plan must include specific measures to address the identified violations and prevent their recurrence in the future. Corrective action plans will be monitored to ensure the effectiveness of the measures taken and compliance with the standards of the Code of Conduct.

5.4 Consequences of Violations

If a supplier fails to adequately implement the corrective action plan or continues to violate the Code of Conduct, PE Labellers reserves the right to take further measures, which may include:

- Temporary suspension of business relations.
- Termination of the contract and business relationship.
- Reporting to the relevant authorities, if necessary.

5.5 Communication and Transparency

Suppliers are encouraged to maintain open and transparent communication with [Company Name] regarding challenges and progress in compliance with the Code of Conduct. Transparency in the process of managing violations and commitment to resolving them are essential to maintaining a relationship of trust and collaboration. Through these processes, PE Labellers aims to foster a culture of accountability, integrity and continuous improvement within its supply chain.

5.6 Update and Continuous Improvement

Company procedures are updated regularly to reflect lessons learned from violations and corrective actions. This includes:

- Process review: Improvements to supplier selection and monitoring processes based on accumulated experience.
- Updating guidelines: Modifying guidelines and evaluation criteria to incorporate best practices and new industry standards.

PE Labellers ensures that all employees involved in supplier management are informed of changes and how to handle violations. This includes:

- Continuous training: Training programmes to update personnel on new procedures and policies.
- Internal communication: Informing employees of violations and corrective actions taken, promoting a culture of integrity and continuous improvement.



SUSTAINABLE PROCUREMENT POLICY

1. Introduction and Purpose

This Sustainable Procurement Policy defines the principles and commitments through which **P.E. Labellers S.p.A.**, a leader in the design and manufacture of automatic labelling machines, aims to promote an ethical, responsible, and sustainable supply chain model, integrating environmental, social, and economic aspects into its purchasing decisions.

Through this policy, the Company is committed to building long-lasting and transparent relationships with its suppliers, based on shared values of quality, safety, respect for people, environmental protection, and responsible innovation.

Sustainable procurement is an integral part of P.E. Labellers' development strategy and contributes to achieving the continuous improvement objectives set out in the Integrated Management System, in line with current regulations and the principles of Corporate Social Responsibility.

2. Field of Application

This Policy applies to all procurement activities involving goods, materials, components, services, and subcontracting used in the production and organizational processes of P.E. Labellers. It is addressed to all suppliers, partners, and external collaborators operating in the name of or on behalf of the Company, regardless of their size or geographical location.

P.E. Labellers is committed to promoting sustainable practices throughout the entire value chain, encouraging suppliers to share the same principles and to progressively develop management systems focused on sustainability.

3. Principles of Sustainable Procurement

P.E. Labellers bases its purchasing policy on the following fundamental principles:

3.1. Integrity, Legality, and Transparency

All procurement activities are conducted in full compliance with applicable laws, regulations, and the Company's ethical principles. The Company requires its suppliers to ensure transparent business practices, free from corruption, conflicts of interest, or anti-competitive behavior.

3.2. Protection of Human Rights and Working Conditions

P.E. Labellers recognizes and promotes the respect of fundamental human rights in accordance with international ILO conventions. It is committed to selecting suppliers who ensure:

- Safe and dignified working conditions;
- Prohibition of child labor and forced labor;
- Equal opportunities and non-discrimination;
- Respect for contracts and freedom of association.

3.3 Occupational Health and Safety

In line with its **ISO 45001** certified system, the Company considers the protection of workers' health and safety an essential requirement when selecting and evaluating suppliers.

Companies that implement preventive procedures and risk monitoring tools are given priority.

3.4 Environmental Protection and Efficient Use of Resources

P.E. Labellers promotes practices to reduce environmental impact across the entire supply chain, favoring suppliers who:

- Implement documented environmental management systems or eco-friendly policies;
- Use recyclable or low-environmental-impact materials;
- Reduce energy and water consumption in their production processes;
- Properly manage waste, packaging, and hazardous substances.

Particular attention is given to reducing the weight and material consumption in labelling machines, in line with the Company's ecodesign strategies and product life cycle analysis.

3.5 Ethics in the Supply Chain

P.E. Labellers requires its suppliers to adhere to principles of integrity, fairness, and transparency.

Any behavior that could undermine fair competition or cause harm to customers, partners, or other market participants is strictly prohibited.

3.6 Promotion of Gender Equality and Diversity

In line with its **UNI/PdR 125** certification process, the Company values equal treatment and equal opportunities in supplier relationships, promoting collaboration with companies that share these principles.

4. Supplier Evaluation and Development

The selection and qualification of suppliers are carried out using criteria that consider not only economic and technical aspects but also environmental, social, and ethical factors.

The main evaluation criteria include:

- Legal compliance and adherence to environmental and safety requirements;
- Efficient use of resources and waste management;
- Reduction of CO₂ emissions and direct environmental impacts;
- Presence of certified management systems (ISO 9001, ISO 14001, ISO 45001);
- Commitment to sustainability and social responsibility.

Strategic suppliers are periodically monitored through ESG questionnaires or specific audits.

P.E. Labellers supports its partners in the continuous improvement process, promoting the sharing of best practices and operational tools for the sustainable development of the supply chain.

5. Review and Improvement

The Sustainable Procurement Policy is reviewed annually by the General Management and the HSE department to verify its effectiveness and alignment with company objectives, regulatory developments, and market requirements.

Any updates are communicated to all suppliers and made available through the Company's official channels.

6. Engagement and Communication

This Policy is communicated to all suppliers and published on the Company website to ensure its full dissemination and understanding.

Management is committed to promoting discussions and training sessions with supply chain partners in order to develop a shared culture of sustainability and ethics in procurement.

The Management