



# **SUPPLIER CODE OF CONDUCT**

**MG Lavorazione Materie Plastiche S.p.A.**





# Supplier Code Of Conduct

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# Supplier Code Of Conduct

## INTRODUCTION

M.G. Plastic Processing S.p.A. (hereinafter referred to as M.G.) seeks to establish business relationships with its suppliers and business partners based on transparency, fairness, regulatory compliance, and ethical negotiation. Maintaining transparent and lasting relationships with suppliers and business partners, ensuring quality, safety, and environmental respect, and complying with current regulations are objectives that M.G. intends to pursue. Therefore, in connection with the Ethical Code, M.G. has defined a Supplier Code of Conduct to regulate relationships throughout its supply chain.

## PART I SCOPE OF APPLICATION AND RECIPIENTS

The Supplier Code of Conduct defines the behavioral standards that must be followed by suppliers (of raw materials and/or services), consultants, professionals, and commercial agents. Suppliers are required to comply with the provisions of this document and apply this Supplier Code of Conduct to their employees, agents, subcontractors, suppliers, and sub-suppliers, to the extent that they are involved in the supply of goods and/or services to M.G.

The Supplier Code of Conduct is an official document of the Company, and adherence to the principles contained there is an integral part of the contractual obligations that the Recipients must comply with. Therefore, the Suppliers' compliance with the principles in this document is an essential requirement for establishing a business relationship with M.G. Failure to comply, even partially, with the conduct rules outlined below may result in the termination of the existing relationship.

## PART II GENERAL PRINCIPLES IN SUPPLIER CONTRACTING

M.G. has implemented supplier selection processes based on a goal of competitive comparison (in terms of quality, safety, environmental protection, professional ethics, legal compliance, price, and performance and support guarantees) in order to avoid any form of favoritism or discrimination and to verify compliance with the requirements set forth in M.G.'s Ethical Code and this document. Business relationships with Suppliers are conducted with mutual respect for the following principles:

- compliance with laws;
- impartiality;
- cost-effectiveness;
- transparency;
- loyalty;
- professional integrity.

Therefore, any relationships that may generate personal benefits, conflicts of interest, or harm to the Suppliers must be avoided.

M.G. values the implementation of ethical standards of conduct by its Suppliers and business partners, as well as the attainment of quality management system certifications, environmental management system certifications, social certifications, and certifications related to workplace health and safety.

M.G. ensures the proper fulfillment of Suppliers' obligations through specific selection, approval, and monitoring processes, with the ability to request supporting documentation and conduct audits if necessary.

## PART III WORKING CONDITIONS AND HUMAN RIGHTS

Suppliers commit to complying with applicable international, national, and local labor regulations (including collective agreements) and upholding the fundamental rights of their employees, including:



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## 1. Employment Relationship

Suppliers undertake to formalize written employment contracts with their employees, specifying the terms of employment, salary, and benefits. They shall not establish employment relationships to evade their obligations regarding labor and social security regulations.

Compensation shall not be lower than the legal minimum or, where applicable, the minimum established by sector-specific agreements. Suppliers' employees must be informed of their employment and economic conditions before hiring and throughout the employment relationship.

Working hours must comply with national laws or, where they provide greater protection, sector regulations, including overtime hours and their remuneration.

Furthermore, Suppliers commit not to employ workers without valid residence permits and to refrain from using forced labor or labor performed under conditions of slavery or servitude.

## 2. Child Labor

Suppliers commit to preventing child exploitation. For this reason, they will not employ individuals below the minimum legal working age as established by applicable laws.

## 3. Forced Labor

Suppliers oppose to forced, coerced labor or labor performed under conditions of slavery or servitude. Suppliers' employees must be free to terminate their employment contract with appropriate notice.

## 4. Non-Discrimination and Equal Opportunities

Suppliers reject any form of discrimination based on political and trade union opinions, religion, racial or ethnic origins, nationality, age, gender, sexual orientation, health status, marital status, disability, physical appearance, socio-economic condition, or any other individual characteristic of a person.

Suppliers and business partners also adopt appropriate measures to prevent and address any form of discrimination and to ensure equal opportunities.

## 5. Right to Free Association of Employees

Suppliers recognize their employees' right to form, join, or refrain from joining trade unions or any other form of association and collective representation, as well as to engage in collective bargaining, in accordance with national, international, regional, and local laws and regulations.

Suppliers ensure that employees have the right to freely discuss working conditions and share concerns with management without fear of punishment, retaliation, or discrimination.

## 6. Respect for Personal Dignity and Privacy;

Suppliers commit to protecting the privacy and opinions of each of their employees and, more broadly, of all individuals interacting with the company.

## 7. Prohibition of Drug Use and Alcohol Consumption During Work;

Suppliers' employees must refrain from performing any work for M.G. while under the influence of alcohol, drugs, or substances with similar effects. They are also prohibited from consuming such substances during their work activities for M.G.

## 8. Health and Safety in the Workplace;

Suppliers must conduct their activities in a way that protects the health, safety, and well-being of individuals, ensuring compliance with national, international, regional, and local laws and regulations, as well as all commitments made to third parties.

Suppliers must adopt appropriate measures to identify, assess, and manage health and safety risks to prevent workplace accidents and occupational illnesses. They are required to provide their workforce—including employees, temporary workers, interns, and others—with a safe and healthy working environment. This must include, at a minimum, access to potable water, adequate lighting, temperature control, ventilation, sanitary facilities, and, if applicable, safe and sanitary housing accommodations.



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## **PART IV ENVIRONMENT, SUSTAINABILITY, AND RAW MATERIAL SUPPLY**

Suppliers commit to complying with applicable environmental protection regulations in the countries where they operate to preserve the quality of the land and ecosystem and promote better use of natural resources. For this reason, Suppliers must take the necessary measures to ensure compliance with applicable environmental regulations.

### **1. Biodiversity and Conservation of Natural Resources**

Suppliers must actively contribute to the protection and conservation of the natural ecosystems where they operate and to biodiversity, in order to prevent the excessive exploitation of natural resources. Therefore, Suppliers are required to identify, track, and monitor the use of natural resources (such as raw materials, freshwater, fossil and renewable fuels, etc.).

### **2. Circular Economy and Recycling**

Suppliers are required to develop processes and products/services designed to optimize resource use by progressively replacing non-renewable resources with renewable or recycled ones, aiming to prevent waste generation. M.G. positively values the use and development of renewable and recycled raw materials by Suppliers.

### **3. Waste Management**

Suppliers must adopt appropriate and effective measures to responsibly manage the waste they produce, with particular attention to hazardous waste, in compliance with applicable regulations.

### **4. Emissions, Air, and Subsoil Quality**

M.G. requires its Suppliers to adopt appropriate and effective measures to limit emissions and minimize their impact on air quality, in compliance with applicable regulations. Additionally, Suppliers must take the necessary measures to preserve soil quality and minimize their environmental impact on it as much as possible.

### **5. Water Resource Conservation**

M.G. considers water a vital resource and therefore requires Suppliers to preserve and manage water resources responsibly, optimize their use, and set targets to reduce consumption in compliance with applicable regulations. Suppliers are encouraged to implement solutions for wastewater reuse, including dedicated treatment processes.

### **6. Hazardous Materials and Chemicals**

Suppliers must establish and implement appropriate and effective measures to manage chemicals throughout the supply chain, ensuring compliance with applicable regulations.

### **7. Packaging and Raw Materials**

The raw materials used by Suppliers must meet quality, safety, environmental protection, and sustainability requirements. Suppliers must take appropriate and effective measures to minimize the environmental impact of packaging.



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## PART V PROFESSIONAL ETHICS

### 1. Compliance with Legal Provisions

Suppliers are required to comply with the laws and regulations in force in all the countries where they operate. Under no circumstances will M.G. tolerate conduct that contradicts legal provisions.

If any provisions in this document conflict with the national laws in the Supplier's country, the national laws will prevail.

Suppliers must act with fairness, honesty, transparency, and responsibility in all business activities and in their relationships with business partners.

Suppliers must not engage in or be involved in activities that involve the purchase, receipt, concealment, laundering, or use in economic or financial activities of money, goods, or other assets derived from criminal activities in any form or manner.

Additionally, Suppliers must not be directly or indirectly involved in any form of financing of terrorist organizations.

### 2. Relations with Public Administration

In dealings with Public Administration and Institutions, whether national or foreign, Suppliers must act in compliance with applicable regulations and corporate procedures, ensuring fairness and integrity. They must not improperly influence decisions to obtain preferential treatment, nor accept unlawful requests or any other form of undue influence from public officials.

### 3. Prohibition of Corruption and Fraud

M.G. strictly prohibits any form of corruption, including in dealings with private entities. Suppliers commit not to allow or engage in any form of corruption, including payments or other personal benefits offered to M.G. executives, employees, representatives, or other parties to improperly influence business decisions.

Suppliers must neither engage in nor tolerate any form of fraud, embezzlement, extortion, illicit payments, or any other illegal conduct.

### 4. Transparency of Financial Information

Suppliers commit to disclosing information related to their activities, structures, financial situation, and performance in a transparent manner and in compliance with applicable legal requirements.

### 5. Intellectual Property

M.G. respects the intellectual property rights of others and does not engage in unauthorized use of such rights. Therefore, it requires Suppliers to comply with applicable laws on intellectual property rights.

Suppliers commit to protecting both their own and others' industrial property rights (including trademarks, patents, distinctive signs, industrial designs, models, and copyrighted works). It is strictly prohibited to counterfeit or alter national or foreign trademarks, distinctive signs, industrial products, patents, designs, or models. Likewise, Suppliers must not use, introduce into the market, hold for sale, sell, distribute, manufacture, or otherwise utilize counterfeit or altered goods that infringe upon industrial property rights.

To this end, Suppliers are required to establish and follow corporate procedures and protocols to safeguard intellectual property rights and strictly adhere to them.

### 6. Competition and Trade

Suppliers must operate in compliance with national, international, regional, and/or local laws and regulations to protect and promote the principle of free competition among businesses. Therefore, suppliers must not engage in practices or enter into agreements with competitors, suppliers, customers, or other third parties aimed at limiting or potentially limiting free and fair competition.

Furthermore, suppliers commit to complying with the rules and regulations governing the import, export, re-export, transfer, retransfer, and use of certain products, as well as adhering to embargoes, sanctions, and other restrictive trade measures involving individuals, entities, and countries.



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## 7. Data Protection

The Supplier commits to processing personal data belonging to M.G.'s representatives and any personal data provided by M.G. in compliance with applicable regulations. To ensure the security of the processed data, Suppliers must implement appropriate organizational and technical security measures to protect the confidentiality, availability, and integrity of such personal data. Suppliers are required to promptly report, within the legally prescribed terms, any potential data security breach that may result in the accidental or unlawful destruction, loss, alteration, unauthorized disclosure, or access to personal data transmitted, stored, or otherwise provided by M.G.

## 8. Confidentiality

Suppliers must adopt appropriate and suitable measures to safeguard M.G.'s confidential information obtained during the business relationship, in accordance with national and international laws and regulations. Suppliers may not disclose to third parties any information obtained from M.G., or of which they become aware during the business relationship, unless explicitly approved by M.G.

## 9. Conflict of Interest

Suppliers must report in writing to M.G. any conflict situation (e.g., a conflict of interest may arise from a friendship or family relationship with an M.G. employee) involving an employee, director, representative, or commercial agent of M.G.

## 10. Management and Conduct of Operations

Suppliers are required to adopt an adequate internal governance and compliance system to ensure adherence to national, international, regional, and/or local laws and regulations. Suppliers must obtain the necessary permits and licenses to conduct their business, where required by national, international, regional, and/or local laws and regulations.

Suppliers must ensure that every operation and transaction is properly recorded, traceable, authorized, verifiable, legitimate, consistent, and appropriate. All actions and operations must be adequately documented to allow for the verification of the decision-making, authorization, and execution processes.

# PART VI ENFORCEMENT AND REPORTING

## 1. Obligation of Acceptance

The Supplier Code of Conduct is an integral part of all contracts entered into by M.G. with its Suppliers. Compliance with the principles outlined in this Supplier Code of Conduct is an essential requirement for establishing a business relationship with M.G. Any failure, even partial, to adhere to the principles set forth in this Code of Conduct will result in the termination of the existing relationship.

The Supplier Code of Conduct must be formally accepted by the owner, legal representative, or an employee of the Supplier with the appropriate internal authorizations. Violations of the provisions contained in this Supplier Code of Conduct may, in cases of greater severity, lead to the termination of the contractual relationship.

## 2. Application of the Supplier Code of Conduct and Equivalence with Other Codes

Suppliers are required to apply this Supplier Code of Conduct to their employees, agents, subcontractors, suppliers, and sub-suppliers, to the extent that they are involved in the provision of goods and/or services to M.G. If Suppliers have adopted their own Code of Ethics, whose ethical and conduct principles align with those outlined in this document, compliance with the Supplier Code of Conduct will be considered fulfilled through the application of the Supplier's own Code of Ethics.



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## **3. Duty to Report and Reporting Methods**

Suppliers are obligated to report any violations of the Supplier Code of Conduct. In particular, they must report any attempts made by another supplier or entity to disrupt the proper conduct of the selection process and/or contract execution, as well as any unusual requests or demands made by individuals associated with M.G. or by anyone who could influence decisions related to contract negotiation and execution.

Reports can also be submitted via the dedicated form in the "whistleblowing" section of the website <http://www.mg-spa.com> or through specifically designated communication channels.

## **PART VII APPROVAL AND AMENDMENTS**

This Code of Conduct is approved by the Board of Directors at M.G.

Additionally, the Code of Conduct is subject to periodic review by the same Board. Any modifications and/or additions to this Code must be made using the same procedures as those adopted for its initial approval.