

Code of Ethics

We empower organizations
based on interconnections
and trust.



Lamberti
Designing new values in chemistry

Lamberti Group

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by the Board of Directors
on 12th September 2019

Contents



Introduction

- 5 Recipients and scope



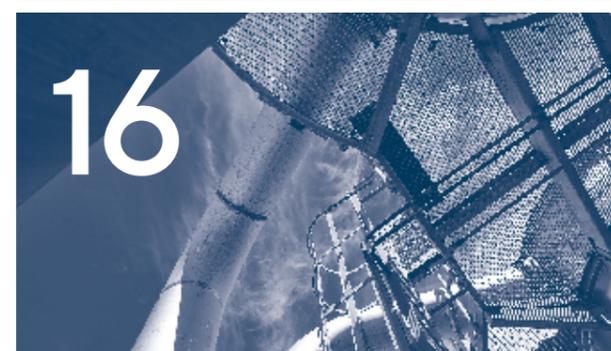
Charter of Ethics

- 7 The five values of Lamberti
- 7 Vision
- 7 Mission



Rules of Conduct

- 9 Shareholders
- 9 Collaborators of the Lamberti Group
- 12 Partnership relations
- 13 Financial institutes
- 13 Public administration
- 14 Competitors
- 14 Community



Implementation, Control and Monitoring Procedures

Introduction

The group of companies that includes Lamberti S.p.A. and its subsidiaries (hereinafter also “Lamberti” or “Group”) is an international entity operating in a variety of institutional, economic, political, social and cultural contexts in continuous, rapid evolution.

This Code of Ethics (hereinafter also “Code”) aims to provide a summary of the rules of conduct on which the Group has always based its activities with a view to disseminating the values and rules of behaviour to which the Group aspires.

Therefore, the purpose of adopting this Code is to meet the needs and expectations of all those with whom the Group has dealings inside and outside the Group. In this regard it is emphasised that in no way may the pursuit of the Company’s interest disregard compliance with the regulations in force and the content of the Code.

The Code of Ethics is subdivided into three sections:

1. Charter of Ethics: formalises the values, Vision and Mission which constitute the foundations of the Group culture;
2. Rules of Conduct: highlight the areas of responsibility and the conduct to adopt in order to ensure compliance with the Group’s style;
3. Implementation, control and updating: identifies those in charge of implementing the Code of Ethics and explains how to apply the defined values and standards of conduct so that they are established as everyday practice.

Recipients and Scope

Regardless of the cultural, social and economic diversity of the countries in which the Group operates, the Code applies to all the companies in the Lamberti Group in Italy and abroad, and is therefore binding for the conduct of all collaborators.

For each company of the Group, the collaborators are the members of the Board of Directors, the employees (managers, white and bluecollar workers) and all those who, for various reasons, act in the name and on behalf of and in the interest and to the benefit of the Lamberti Group, regardless of the legal form of the relationships (e.g. project workers, temporary workers, trainees).

Charter of ethics

Our values



The individual, winning spirit, integrity

Believing in and recognising the value of each individual, by establishing relations based on mutual respect and honourable behaviour.

Developing the potential, professionalism and skills of each person.

Boosting the individual's sense of pride in belonging to a winning international group.

Building an organisation capable of attracting and retaining talented resources; using rewarding systems that promote growth, the sharing of skills, continuous improvements, delegating and group work.



Innovation and creativity

Promoting excellence by adopting product technologies and applications that are original, proprietary and capable of generating value.

Supporting initiatives and projects geared to favouring innovation of the company products and processes in synergy with all the partners: customers, suppliers and other third parties that collaborate with the Company.



Working together

Working "together" and striving to understand one another's requirements and needs fully, in order to make the most of all the opportunities for growth. Developing, with interdepartmental work groups, a relationship of contiguity and efficiency, working towards the achievement of shared objectives, with an approach oriented to results and a global vision.



Sustainable industrial development

Planning, running and developing industrial activities geared to developing technologies, processes and products while ensuring people's safety, safeguarding the environment and protecting the community.



Economic stability and independence

Creating value and maintaining the conditions for ensuring the longterm development of the Company, by guaranteeing economic stability and financial autonomy.

Vision

We want to be a Company that expresses, through our people, values of innovation distinguished by the ability to integrate chemistry and industrial effectiveness.

We aim to do so by continuously comparing our research and the market to find a wide range of satisfactory solutions to everchanging complex problems, in coherence with the requirements of sustainable development.

Mission

We want to be renowned as a global leader in the field of certain chemical specialities used in high potential industrial sectors, to facilitate their production processes or improve their finished products. In doing so, we want to establish partnerships with the most important customers in the market and, where possible or appropriate, also with our suppliers. We strive to combine the domain of the technologies we practise with the correct level of service aiming to satisfy the interests of the shareholders, staff, customers and suppliers also by setting up stable organisations in the various geographical areas of interest, with full respect for the environment and the local communities.

Rules of conduct

Shareholders

Business sustainability

Within the Lamberti Group the business risk is protected by a policy focusing on safeguarding the solidity of the Group in the medium to long term, simultaneously promoting its competitive edge and the protection of the ecosystem.

Corporate Governance

Lamberti upholds high standards of good corporate governance designed to protect its value and reputation, in the interest of its directors and all stakeholders.

Transparency and fairness of infra-group operations

The Company guarantees all the shareholders of the Group fairness, clarity and equal access to information, to prevent the improper use of the same. Lamberti performs infragroup operations at a fair market value, complying with the criteria of substantial and procedural fairness with a view to ensuring a transparent, objective evaluation. Therefore, the payments due for exchanges of goods and/or services between companies in the Group are defined in line with market conditions and must always be justifiable.

Collaborators

Representation and collaboration

The collaborators of Lamberti must act with professional decorum and diligence, to protect the reputation of the Group, establishing relations based on mutual trust and collaboration with all those with whom they come into contact, both within and outside the Group.

All collaborators must guarantee, when performing their daily activities, compliance with the high behavioural standards in place, promoting the reliability, efficiency and excellence that distinguish the style of the Group.

Honest, transparent conduct

The collaborators must carry out their business in full compliance with the undertakings, procedures, regulations and laws in force, sharing the mission of the Lamberti Group.

The belief that a collaborator is acting for the benefit of Lamberti shall never, in any way, justify behaviour that goes against the principles enforced by this Code of Ethics. Indeed, compliance with the same on the part of all stakeholders is of crucial importance in ensuring the smooth running and prestige of the Group.

Conflict of interests

A conflict of interests occurs when a collaborator of Lamberti use their position for personal gain or when their personal interests enter into conflict with those of the Group.

Therefore, each collaborator must refrain from making any investments, undertaking any interests or involvements in matters that interfere or can interfere with their ability to impartially evaluate or make decisions on behalf of Lamberti.

The collaborators must report all situations in which their personal interests could come into conflict with the interest of the Group.

For example, conflicts of interests can include:

- accepting money, favours or benefits from persons and/ or companies that intend to establish economic agreements with Lamberti;
- performing working activities of any kind, for customers, suppliers and competitors that could compromise the work performed for Lamberti;
- making or urging the making of decisions when exercising their role within the Company, with the intent to gain an advantage for a family member.

Information processing

Transparency and accuracy of information:

the collaborators must ensure that the documentation and information provided when performing their assigned tasks are truthful, transparent, accurate and complete. The Company condemns any behaviour geared towards altering the accuracy and truthfulness of the data and information contained in the financial statements, reports and the other corporate communications envisaged by law and performed for the public, the supervisory Authorities, the Board of Auditors and any external auditors.

Confidentiality of the information:

the collaborators, in strict compliance with the laws in force, must guarantee the utmost confidentiality with regard to key and confidential information and to the intellectual property of the Group.

The Company guarantees that the confidential information will be managed correctly and requires its collaborators to keep all confidential information regarding the Company or third parties strictly private.

Personal data protection:

the Company protects the personal data of collaborators and third parties acquired while carrying out its business. Lamberti processes these data in compliance with the laws in force and its moral duty to protect people.

Traceability and fairness of operations

All operations and transactions, in the widest sense of the term, must be authorised and registered in compliance with the principles of honesty and impartiality.

All the collaborators of Lamberti are required to operate with due diligence and ensure that the activities performed are supported by documentary and digital evidence, also with a view to ensuring the congruity and legitimacy of the operation, and to identify those who authorised, performed, registered and checked the same.

The Lamberti Group promotes the principle of ensuring honest business practices with a view to prohibiting, also with the collaboration of any third parties, behaviour that could favour money-lau-

ndering, or the receiving and use of goods or benefits acquired illegally both in Italy and abroad. To this end, the collaborators of Lamberti involved in the performance of sensitive processes must adhere to behavioural standards in line with the rules set forth by the Group.

Gratuities and benefits

It is prohibited to offer or receive money, gifts or benefits to/from third parties (Public Administration, customers, suppliers, ...)= also through intermediaries, with the purpose of obtaining favourable treatments of any kind, and in relation to the performance of business that might affect the counterpart's independence of judgement, ensuring an interest and/or advantage for the Group.

Acts of business courtesy, such as free goods and forms of hospitality are allowed, provided that they are authorised in advance in writing by the competent office, if they are of a reasonable value and in any case do not compromise the honesty or reputation of one of the parties.

Use of the company assets

The people of Lamberti must exercise diligence when operating to protect the (tangible and intangible) corporate assets, using them appropriately and behaving in such a way as to prevent their improper use by third parties.

The IT working tools must be used in compliance with the "Code of ethics for the use of Internet services" and the "NETIQUETTE regulations" adopted by the Group.

Collaboration with the supervisory bodies

The relationships established by the member companies of the Lamberti Group with external auditing firms, company bodies and supervisory authorities are founded on the values of loyalty, compliance with the law and mutual collaboration in order to ensure the correct and full performance of the monitoring and auditing activities.

Integrity and physical and moral protection of people

The member companies of the Group promote the dissemination of a culture of safety based on information and awareness, by disclosing details of the kind of risks present and encouraging responsible behaviour on the part of all the collaborators, with a view preserving, above all with preventative actions, their health and safety, and that of any contractors and subcontractors who may happen to operate in the Lamberti sites

For this purpose, the Company performs technical and organisational interventions regarding:

- a continuous risk assessment designed to prevent any risks and/or avoid/tackle them at source;
- the implementation of the best technologies capable of preventing the occurrence of risks to workers' health and safety;
- the controlling and updating of the working methods;
- the introduction of training and communication initiatives.

The people of Lamberti must strictly comply with the rules and duties deriving from the reference legislation in force regarding safety and the environmental, as well as with all the measures envisaged by the company procedures and regulations.

Therefore, the Lamberti guarantees a working environment that is compliant with the health and safety laws in force, by monitoring, managing and preventing the risks related to the performance of the working activity. Additionally, it undertakes to maintain a serene, stimulating and pro-positive working environment, safeguarding the right to working conditions which respect its workers' personal dignity.

Assigning value to people

The Group opposes all discriminatory behaviours and those intended to harm people, their beliefs and tendencies, with reference in particular to physical and mental disabilities and impairments or different

forms of diversity based on their culture, religion or sexuality.

The Group implements appropriate measures in the selection, hiring and internal development phases to guarantee all the people of Lamberti a fair treatment based on criteria of merit and with no discrimination whatsoever. Specifically, the Group promotes terms and conditions of staff employment which do not discriminate between people for reasons of race, ethnic origin, nationality or religion and strives to provide a workplace free from harassment. This not only includes sexual harassment but also harassment based on any one of the characteristics listed above.

The Group shall not tolerate any form of unlawful, child, forced or obliged labour. It prohibits and strives to counteract sexual harassment, behaviours and words that could offend or embarrass the individual, and the use, even temporary, of alcohol or drugs on the part of individuals when performing the working activity and operating in the workplace.

The Company also prohibits the acquisition, dissemination and use of pornography and child pornography committed using the company resources. Each collaborator must carry out their activities in a responsible, honest, diligent way, in line with the policies, procedures and rules of the company and must strive personally to ensure that the working environment constantly respects the sensitivity, dignity and reputation of each one.

Planning the corporate objectives

Lamberti strives to ensure that the set general and individual annual objectives focus on a possible, specific, practical, measurable result that can be achieved within the envisaged time period for its accomplishment.

Partnership relations

Representation

The Lamberti Group develops partnership relations with counterparts that have a consolidated reputation and experience, based these relations on compliance with the principles set forth hereto. In order to protect the Group's style, within the scope of the defined contractual relationships, the partners must act with strict professionalism and in compliance with the laws in force.

Honest, transparent and collaborative conduct

The partners must act fairly, in compliance with their commitments, promoting full and active collaboration with the Lamberti Group. Therefore, whatever the nature and duration of the working contract, the relations must be based on the utmost transparency and efficiency, ensuring the traceability and trackability of the activities performed.

The Lamberti Group undertakes to maintain full confidentiality regarding information about the partners and only to use the above-mentioned information for strictly professional reasons and in any case upon receipt of written authorisation.

Under no circumstances can the pursuit of the group's interest be allowed to prevail over the compliance with the laws and the contents of this Code, under penalty of termination of the ongoing contract in question.

Customers

Quality and innovation

The Lamberti Group assures the customer that the tasks assigned to the same will be carried out as effectively as possible and is constantly oriented to proposing increasingly advanced and innovative solutions in a perspective of integration, quality, effectiveness, efficiency and economic value.

Fairness of the negotiations and contracts

Fully meeting the requirements of its customers is a priority objective of the Lamberti Group, also with a view to creating a solid relationship inspired by the general values of fairness, honesty, efficiency and professionalism.

The contracts established with the customers and in general all communications addressed to the same, are based on criteria of simplicity, clarity and completeness, preventing any recourse to deceptive practices. Should unexpected events occur, the Group undertakes not to exploit situations of dependency or weakness on the part of the counterpart.

Suppliers of goods and services

Objective evaluation

The supplier selection process is based on objective, grounded criteria founded on the principles of fairness, cheapness, quality, innovation, collaboration and ethics.

Fairness of the negotiations and contracts

The Lamberti Group establishes its contracts with suppliers in a fair, complete and transparent manner, attempting to foresee the circumstances that could have a significant affect on the established relationship.

The establishment of a contract with a supplier must always be based on relationships of extreme clarity, refraining, if possible, from undertaking contractual restrictions that create forms of dependency on the contracting supplier. Should unexpected events occur, the Group undertakes not to exploit such situations of dependency or weakness on the part of the counterpart and expects its suppliers to act in the same way.

The need to pursue the utmost competitive edge for the Group must ensure that the Group and its suppliers adopt operating solutions in line with the legislation in force and, more generally, with the principles of protection of the individual, the worker, health and safety and the environment, by favouring

sustainable development.

Additionally, the Group condemns all types of discrimination and refuses to use child labour under any circumstances. These principles are the subject of specific focus during the supplier selection process.

The individual suppliers, when establishing contracts, declare that they share the principles upheld by this Code and that they undertake to comply with them.

The breach of the principles of legality, fairness, transparency, confidentiality and respect for the dignity of the individual constitutes a breach of contract, and will lead to the suspension of the contract in force.

Financial Institutes

The financiers are the organisations that provide financial support for the investment decisions made by Lamberti.

Transparency of the informative note

Lamberti shall ensure that all information requested by financing organisations is truthful and provided promptly, so that their decision regarding investment can be founded on the truthful representation of the Group's assets, economic and financial situations.

Compliance with the undertakings

In relation to the funding received, Lamberti strictly complies with the commitments made to the financing organisations, promptly complying with the set due dates.

Public administration

The term "Public Administration" refers to all parties that carry out a "public function" or a "public service", with whom the Lamberti Group interacts in all the countries in which it operates.

Fairness of the relations

The parties appointed as representatives in dealings with the Public Administrations and the foreign officers, or those belonging to international organisations must act in the strictest compliance with the applicable legal provisions, as well as with the principles of fairness, transparency and legality, without compromising the integrity and reputation of the Lamberti Group in any way.

Corruptive practices, unlawful favours, collusive behaviours and requesting personal benefits for the Group and others are all strictly prohibited. The company functions appointed and authorised to manage the relations with representatives of the Public Administration are solely responsible for doing the same.

In their relations with the Public Administration, the Recipients must not inappropriately influence the decisions of the interested administrations and above all, those of the public officials responsible for negotiating and deciding on behalf of the same.

The Group shall collaborate actively with the Judicial Authority, the police forces and any Public Officials during the performance of inspections, checks, investigations or legal proceedings. In this sense, it is strictly prohibited for the members of the Companies of the Group to promise gifts, money or other benefits to the same, or to those who effectively carry out the above-mentioned inspections and checks, in order to compromise their impartial judgement in favour of the Company's interest.

Gratuities and benefits

The member of the Board of Directors, the employees and all those who, for various reasons, act on behalf of Lamberti cannot offer money, gifts, or benefits of any kind to representatives of the Public Administration in Italy or abroad, or to their family members, when they could generate an interest or advantage for the Group.

Acts of business courtesy, such as free goods and forms of hospitality are allowed, provided that they are authorised in advance in writing by the competent office, if they are of a reasonable value and in any case do not compromise the honesty or reputation of one of the parties.

Former employees of the Public Administration or their family members, can only be employed subject to their careful assessment by the competent functions.

Contributions and subsidies

The Lamberti Group condemns any behaviour geared to obtaining from the Public Administration (European Community, State, Local Authorities), any type of contribution, funding or other payment of this type by issuing false statements and/or documents or by omitting to submit information in an attempt to mislead the paying organisation. The Company also guarantees that the subsidies and funding received shall be used for the purposes for which they were requested and granted.

Competitors

The Lamberti Group adopts a sales policy designed to favour its competitive edge within the market, operating in compliance with the laws and regulations in force regarding competition and prohibiting the adoption of methods entailing unfair competition. The Group opposes all forms of agreements or behaviour that could potentially be unlawful or collusive.

Community

Mass media

The communication of data or information about the Lamberti Group aimed at the mass media can only be disseminated by the company functions delegated and authorised to do so. Therefore, all other persons are prohibited from disseminating news about the Group without prior authorisation. In any case, the communication of data and information to parties outside the Group is based on compliance with the right to be informed and must therefore be truthful, complete and unbiased. No pressure, in any form, can be exerted on the media in order to obtain preferential treatment from the same, or the use of deceptive advertising tools.

Non-profit organizations

The Group promotes “non-profit” activities as proof of its commitment to satisfying the interests of the communities in which it operates deserving praise from an ethical, legal and social perspective. Donations to charitable organisations and institutions can only be made if their purpose is to procure social benefits and to bear witness to the social and civil responsibility of the Lamberti Group. Any such donations must be made in compliance with the provisions of the laws in force and accompanied by sufficient, truthful supporting documents. The Company shall not pay contributions to organisations with which a conflict of interest can be implied (for example, trade unions).

Environment and safety

The Lamberti Group has always pursued the goal of developing its own industrial production, adopting the most fitting measures to preserve the environment for the benefit of the community and future generations; in particular, through the certified environmental management system. Lamberti participates in Responsible Care, the voluntary programme of the global chemical industry based on the implementation of the principles and behaviours designed to ensure the health and safety of workers and the protection of the environment.



Implementation, Control and Monitoring Procedures

Surveillance Board

The organisation appointed to supervise the application of the Code is the Supervisory Body (hereinafter also "SB"), where appointed, in conformity with the Model of organisation, management and control for the prevention of the crimes listed in Legislative Decree 231/2001 any associated laws.

The Supervisory Body coordinates its activities with the bodies and departments charged with correctly implementing and carrying out satisfactory control and monitoring activities on the contents of the Code of Ethics.

Duties of the recipients

The recipients of this Code must comply and ensure others comply with the contents of this Code, with no exceptions or distinctions whatsoever, in Italy or abroad. In no way can acting for the benefit of the Group justify any party from behaving in contrast to the principles and rules of conduct envisaged herein.

All recipients must operate in such a way that ensures the satisfactory application of these regulations both within the Group and in general, by all its stakeholders. The company bodies and managers also have the duty to lead by example, ensuring that their daily behaviour is coherent with the rules of the Code.

The recipients must cooperate with the Supervisory Board in performing the assigned activities, ensuring free access is available for all the documentation that may be considered useful.

Whistleblowing

Lamberti promotes the adoption of tools designed to prevent, discover and communicate unlawful conduct and/or in any case behaviours carried out in breach of the ethical principles adopted by the Company.

For this reason, the Company encouraged its legal representatives, directors, managers and employees to report any breaches that may come to their knowledge.

The recipients of this Code must report, preferably in a non-anonymous form:

- unlawful behaviours comprising one or more types of the crime for which the organisation can be considered liable, pursuant to Legislative Decree 231/01;
- behaviours which, despite not constituting any type of crime, were performed by contravening rules of ethics and conduct, procedures, protocols and provisions contained within the Model of Organisation, Management and control of the Code of Ethics.

To enable these reports to be submitted, a whistleblowing system has been set up, which protects the whistleblower's identity and their right to confidentiality, also by introducing specific penalties applied in case of acts of retaliation and discrimination to the detriment of the whistleblower.

The reports can be sent by email to the address OdV@lamberti.com or to whistleblowing@lamberti.com or by ordinary post to the address via Marsala, 38/D, 21013 Gallarate (VA).

Communication and training

This Code is brought to the knowledge of all the recipients by way of specific communication activities.

The Supervisory Body, with a view to consolidating the sharing of the Code of Ethics, interacts with the competent functions, promoting adequate training courses that fully clarify all aspects related to the use of the Code of Ethics.

Disciplinary provisions

The Supervisory Body is responsible for verifying and identifying any breaches of the duties envisaged herein.

Since the compliance with the contents of this Code must be deemed an essential part of the contractual obligations undertaken by Lamberti pursuant to and by effect of the laws in force (art. 2104 of the Civil Code “diligence on the part of the worker”), in case of breach of the rules of the Code, the competent functions invested with disciplinary power, will apply the disciplinary procedures.

- for employees and managers, reference shall be made to the existing applicable penalty system envisaged by the national collective labour agreements of the chemical sector, including dismissal;
- for the company bodies, all suitable provisions set forth by the law can be applied, including the termination of office;
- for all those who, for various reasons, act in the name and on behalf of the Lamberti Group and in its interest or to its benefit, regardless of the legal definition of the relationship, the penalties will be defined in relation to the gravity of the breach, including the request for compensation or the termination of the contract in force.





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