



SOCIAL RESPONSIBILITY CODE OF CONDUCT POLICY

03	Add chapters 4.4-4.5-4.6	22/05/2024	Luca Guidi		BoD
02	Complaint mechanism update, environmental impact, human rights	26/05/2023	Massimo Conte	Luca Guidi	BoD
01	Introduction of new concepts in Business Principles, Human Rights and Business Practices	15/03/2020	Luca Guidi		BoD
00	First Edition	20/01/2020	Luca Guidi		
Edition Nr°	Description	Date	Written by	Verified by	Approved by



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1. Forward

PEI code of Conduct is the corporate policy and general reference document on ethical issues and for appropriate business practices.

The Code of Conduct formalizes the principles that PEI shall commit in relation to employees, business partners and other associates.

2. PEI Code of Conduct Scope of application

PEI Code of Conduct has been adopted to underscore the principles by which PEI conducts its relations with employees, business partners and other associates.

3. Business Principles

3.1. Legal Compliance.

In every country in which it operates, PEI shall abide by the laws and regulations of that country.

3.2. Relation with Business Partners

PEI's business relationships must be based on commercial integrity. PEI must not offer prizes or benefits in violation of applicable laws or reasonable and generally accepted business practices by Clients, potential Clients, authorities, governmental agencies and that could be interpreted as an attempt to unduly influence a commercial, professional or administrative relationship.

Likewise, it is totally forbidden to use a personal relationship for the purpose of unduly influencing an authority or public official.

It is also forbidden to offer, promise or deliver something of value, but also to request, accept or receive it as consideration for the execution or non-execution of any action for the benefit or advantage of third parties

3.3. Fair competition and anti-trust

PEI defends fair competition in the market and opposes any behaviour tending to restrict competition in any form.

PEI doesn't allow his own employees to enter into any anti-competitive agreements and any understanding with competitors. Agreements with other companies, for example suppliers, customers and distributors, may also be subject to antitrust restrictions, in case the business partner has a strong market position.



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3.4. Export controls and economic sanctions

PEI operates only within the confinement of transactions recognized as permitted by national or international export control regulations: in particular PEI undertakes not to produce and export restricted goods (as "dual use" goods, goods that can be used for the death penalty, military goods, weapons covered by the T.U.L.P.S. in force, firearms, etc.), substances that reduce the ozone layer and products containing the same, fluorinated gases, flora or fauna or goods obtained using species of protected fauna and flora, skins and furs of dogs and cats, and products obtained with them, goods subject to control/authorization of cultural heritage, narcotic or psychotropic substances pursuant to current national and community provisions, hazardous chemicals, waste, drug precursors and not to export in embargoed or blacklisted countries.

3.5. Fight against organized crime

PEI firmly condemns and fights with all the tools at its disposal any form of organized crime, even of mafia nature.

Particular effort will be made by the Company in verifying the due requisites of integrity and reliability of the commercial counterparts (for example, suppliers, consultants, contractors, organized members of the sales and assistance network, customers).

No commercial relationship will be undertaken or continued with commercial counterparts whose membership or contiguity to criminal organizations is even only suspected, or who are suspected of facilitating the activity of criminal organizations in any form, even occasionally.

3.6. Accounting and Reporting

All financial transactions by PEI must be reported in accordance with generally accepted accounting practices, and accounting records must show the nature of all transactions in a correct and non-misleading manner. PEI will provide disclosure that is open, truthful, relevant, comprehensible and timely.

3.7. Privacy

Pei currently operates in compliance with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, (General Data Protection Regulation, also known as "GDPR"), as well as with Legislative Decree 196/2003, as reformed by Legislative Decree 101/2018.

In carrying out its business activity, PEI collects a significant amount of personal data and confidential information

PEI adopts the necessary security measures to guarantee the privacy and security of the data in its possession. The measures adopted concern the following area: protection of areas and premises relevant to their custody and accessibility, electronic tools management (data backup, antivirus, updating the operating system and software used, uninterruptible power supply, firewall and anti-intrusion systems, electronic tools maintenance management).



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Furthermore, an identification and authentication system is guaranteed for each of the persons in charge who processes personal data; written instructions are given to the appointees, aimed at checking and custody, for the entire cycle necessary for carrying out the processing operations, deeds and documents containing personal data both electronic and written form. Persons admitted, for whatever reason, after office closing time, in the places containing sensitive or judicial data archives are traced by documented information.

3.8. Disclosure of information

PEI guarantees the confidentiality of the data, documents and information regarding business negotiations, procedures, transactions and contracts. Each Employee is required to safeguard the private and confidential nature of the information acquired as part of his/her work duties, and sign a confidential agreement in which is specified that he can't disclose and or allow viewing to third parties of data information concerning prototypes, artefacts, projects that he became aware of in the job activities and he undertakes not to disclose in any way data, information, news, materials and avoiding anything that will allow others to benefit from them.

3.9. Intellectual property and counterfeit parts.

PEI works diligently to protect the company's intellectual property. During the development of new solutions and in any case before a product is launched on the market, PEI carries out the anteriority examination relating to any existing patents that may anticipate the inventive step, thus avoiding the risk of counterfeiting. Where the research shows actual innovation, PEI proceeds with the filing of one or more patents, identifying the geographical area in which to file the patent case by case. These activities protect the customer from counterfeit parts.

3.10. Fight against smuggling

PEI strongly condemns any form of smuggling and forbids conducting business with subjects implicated in any way in smuggling events or who, in any case, do not comply with the relevant regulatory provisions. Any relations with the Customs Agency must be based on principles of correctness, maximum collaboration and transparency

3.11. Conflicts of Interest

PEI Employees shall conduct their private and other external activities and financial interests in a manner that does not conflict or appear to conflict with the interests of PEI. Should such a conflict of interest arise, it must be reported immediately by the person subject to the conflict to his/her immediate supervisor.



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3.12. Complaints mechanism

PEI has set up a procedure (see procedure "*SATISFACTION AND SOCIAL RESPONSIBILITY REPORTING*") which defines the methods for managing reports relating to:

- compliance with the code of conduct
- improve the organization's social performance
- discrepancies with the procedures or policies adopted.

It is possible to raise business ethics concerns anonymously, confidentially, and without retaliation

In addition, reports via e-mail can be sent to:

rs@peimobility.com

The report should contain the following elements:

1. Department to which the report refers to;
2. Date / period to which the report refers to;
3. Indications of the main persons involved;
4. Description of the facts;
5. Data about the informer (voluntary information);
6. Any document to be attached that can be useful for the report.

3.13. Remedy

PEI provides or cooperates in remediation through legitimate processes when business activities cause or contribute to adverse environmental or social impacts

3.14. No retaliation

PEI avoids any form of threat, intimidation, physical assault or legal attack against interested parties, including those exercising their legal rights of freedom of expression, association, demonstration and peaceful protest against their business activities

3.15. Political Involvement

PEI observes neutrality with regard to political parties and candidates. Neither the name nor the assets of PEI shall be used to promote the interests of political parties or candidates.

4. Environmental Principles

4.1. Resource Efficiency



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PEI's products and processes are to be designed in such a way that energy, raw materials and chemicals products are used efficiently, and waste and residual products are minimized during the production processes as well as over the products' life cycles.

4.2. Precautionary Principle

PEI supports the precautionary principle by avoiding materials and methods posing environmental and health risks, when suitable alternatives are available.

4.3. Environmental Impact

PEI undertakes to comply with all applicable laws and regulations regarding environmental protection and pollution prevention in force in the country in which it carries out its business. PEI undertakes to reduce its environmental impacts, relating to products, processes and also to the supply chain: resource efficiency, referred to in paragraph 4.1, is associated with the wish to reduce emissions into the atmosphere, the emission of gas refrigerants (and, overall, the corporate carbon footprint), and to pay attention to the supply chain, to ensure a sustainable supply. As evidence of these commitments, an environmental policy (ENV-001) was issued and disclosed, in which these principles are declared

4.4. Biodiversity, land use and deforestation

PEI will be active to the maintenance of ecosystems so that flora and fauna are not lost and natural 's habitats do not suffer irreparable damage. As part of the European Union's Green Deal plans to protect ecosystems and biodiversity, the European Commission has proposed a new law to halt deforestation and minimize the EU's impact on forests worldwide. The proposed law will require companies that sell commodities linked to deforestation and forest degradation (e.g. leather) to ensure they are 'deforestation-free' before placing them on the European market or exporting them from the EU.

4.5. Land rights and forced eviction

PEI avoids forced eviction and deprivation of land, forest and water in the acquisition, development or other use of land, forest and water.

4.6. Decarbonisation

PEI undertake to contribute to the reduce of GHG (GreenHouse Gas) emissions from a company's value chain

5. Human Rights and Workplace Practices

5.1. Human Rights



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Within its sphere of influence, PEI supports and respects the protection of internationally proclaimed human rights and ensures that it is not complicit in human rights abuses.

5.2. Non-Discrimination

PEI hires and treats its employees in a manner that does not discriminate with regards to gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social or ethnic origin.

Medical testing or physical examination of any worker or potential worker for the purpose of discrimination are not be permitted in any situation.

5.3. Child labour/young workers and forced labour

PEI does not tolerate any form of forced, compulsory or child labour. The minimum employment age is the age of completion of compulsory school as per local labour laws.

5.4. Work Environment

PEI provides to all its employees the conditions necessary for a safe and healthy working environment. Attention to the health and safety of its workers, subcontractors and all personnel who work on PEI sites is a company priority and an essential requirement. The commitment to.

- take all necessary actions to minimize risks and avoid injuries, work-related illnesses or accidents that can compromise people's safety, also promoting awareness and information activities for employees, collaborators and suppliers
- design, manage and maintain structures, plants and vehicles in a safe manner

is documented within the health and safety policy (HSP-001).

5.5. Wages and social security benefits

PEI guarantees the recognition of the classification and salary established by the applied National National Collective Labor Agreements; remuneration is therefore adequate to cover basic needs and allow for a decent standard of living for workers and their families, which includes compliance with minimum wages, overtime pay, sick leave and social security benefits.

5.6. Working hours

The management of working hours is according to the applicable National Collective Labor Agreements, 250 hours of overtime per year are not exceeded for each worker, and even in the case of work on a public holiday, 1 day of weekly rest is guaranteed.



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5.7. Ethical hiring

PEI undertakes not to deceive or defraud prospective workers as to the nature of the work, not to require workers to pay recruitment fees and/or to confiscate, destroy, conceal and/or deny access to passports and other Government issued identities of workers. Upon initiation of employment, workers must receive a written contract or notice of employment in a language they understand, clearly and truthfully stating their rights and responsibilities.

5.8. Freedom of association and right to community

PEI guarantees the right of all workers to form and join trade unions and to bargain collectively. Freedom of association and the right to collective bargaining are respected at all sites under PEI's influence. Workers' representatives are not subject to discrimination and have access to all workplaces necessary to carry out their representative functions (see also chapter 5.2 "Non-Discrimination").

5.9. Mutual respect

PEI promotes firmly and encourages mutual respect among colleagues and between its companies and business partners; PEI strongly fights against intimidating, offensive or hostile work environment.

5.10. Harassment

PEI ensures that there is no harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment.

5.11. Diversity, equity, inclusion and women's rights

PEI encourages a supportive and inclusive culture and respect for equal opportunity at all levels of the workforce and management, including boards of directors, regardless of gender, marital status, gender identity and affective-sexual orientation, health status, religious faith, political and trade union opinions, ethnic origin, nationality, age and condition of diversely abilities. The company is against any unfairness that jeopardizes the right to equal salary between men and women for equal work performed. The right to equal opportunities is also respected during hiring or resignation and in the event of promotion and training.

5.12. Private or public security forces

PEI does not use private or public security forces to protect the business project if the use of such forces could lead to human rights violations



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6. Responsible supply chain management

Responsible sourcing of raw materials and minerals

PEI sources responsibly for the raw materials it uses, developing a management system that promotes supply chain traceability and transparency, and implements due diligence measures, in accordance with OSCE guidelines on due diligence, to a responsible supply chain of raw materials and minerals from conflict-affected and high-risk areas. The commitment to responsible procurement of raw materials and minerals used, maintaining traceability and transparency on the supply chain, is also described in the Environmental Policy (ENV-001).

7. Responsibility of managers and Employees

It is the responsibility of PEI managers to communicate and demonstrate the content as well as the spirit of this document within the organization, and to encourage employees to reveal behaviour that may be non-compliant with these principles.

Explicit or implicit approval of questionable actions will not be tolerated.

Reports of violations of this code can be done anonymously and confidentially to the general management. Persons reporting violations in good faith will not be subject to retaliation.

This Code of Conduct will be promptly and consistently enforced. Failure to comply with its provisions can result in disciplinary action.

Giorgio Tabellini

(Chairman)