



# CODE OF ETHICS AND CONDUCT



## MISSION

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Promote a collaborative and integrative business environment, focused on customer preference and continuous improvement resulting in maximized returns for our stakeholders.

## VISION

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To be the best and most sustainable mold maker in the world.

## VALUES

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Dedication, commitment, passion, integrity, respect towards our customers, employees and society.



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# **1. THE CODE OF ETHICS AND CONDUCT**



# THE CODE OF ETHICS AND CONDUCT

The Code of Ethics and Conduct of Simoldes Tools arises from the need to provide clear guidelines and principles that should govern the day-to-day professional activity of all those involved.

In the situation in which we find ourselves, the challenge is no longer just to survive and grow in the market, but to grow in a sustainable way, becoming aware of the impacts caused by the activity we develop, taking responsibility for the footprint we leave and using the resources we have to make an economic, social and environmental contribution to society and the world in which we live.

This Code should be the pillar of our attitudes with regard to our internal and external relations so that the Group is perceived as an ethical and responsible company; it establishes the company's commitments in the field of fair business practices, and should therefore be a referential document for internal use and in the relationship with Clients and Suppliers.

Simoldes Tools is committed to promoting collective interest, to directing employees towards a strategic and organizational objective and sharing successes, rewarding collective and individual results and empowering dedicated professionals in order to achieve business stability and sustainability, success and satisfaction for all and to be a reference at an international level.

The provisions of this Manual are mandatory for all employees. Managers are responsible for ensuring that the Code and the procedures set out herein are implemented at all levels of the companies. A copy will be given to each new employee and will be available online, to be consulted by the entire Simoldes Tools universe.

The Board of Directors approves this document and guarantees its integral application, and therefore promulgates it.

Oliveira de Azeméis, November 30<sup>th</sup> 2021

António da Silva Rodrigues



# THE CODE OF ETHICS AND CONDUCT

## WHAT IS THE COMPANY CODE OF ETHICS AND CONDUCT?

The Business Code of Ethics and Conduct is the document that integrates a set of principles that govern the activity of the Simoldes Tools companies and a set of rules of an ethical and deontological nature to be observed by the members of the Board of Directors and by all employees..

## TO WHOM IS IT ADDRESSED?

The Code is aimed at all members of the Administration and all employees of Simoldes Tools companies, service providers and all those who represent the companies, in their relations with Customers, Suppliers and Partners, as well as any entities that establish relations with Simoldes Tools.

## HOW IS THE CODE OF CONDUCT MADE PUBLIC?

This Code is available to all employees and Partners and is published on the internal network. When formalizing the employment contract/provision of services, each employee/Partner receives the Code of Ethics and Conduct. Any questions related to the interpretation or application of this Code should be reported to the Ethics Committee, via the Human Resources Department.

## FOR WHAT PURPOSE WAS IT CREATED?

The Code was created with the fundamental objective of:

- Share the principles that guide Simoldes' activity and the rules of ethical and deontological nature that should guide the behavior of all its employee(s) and Partners.
- Promoting and encouraging the adoption of the principles of action and behavioral rules defined in this Code, in the relations of the Employee(s) among themselves and with Simoldes, Shareholders, Customers, Suppliers and Public Authorities.
- Consolidating the institutional image of Simoldes that must be characterized by excellence, exigency, responsibility and rigor.

## TO WHOM SHOULD I TURN IF IN DOUBT ABOUT ANY BEHAVIOUR?

Any employee or partner may appeal to the Ethics Committee to obtain clarification on any conduct or contract that he/she is about to undertake, and about which there are still doubts concerning ethical or deontological aspects.

Any employee or partner who has evidence of any irregularity committed by another employee or

partner must refer the matter to the Ethics Committee.

Any communication should be addressed to the Ethics Committee, via the Human Resources Department using the available means of communication.

When reporting alleged irregularities, the employee or partner should indicate whether they wish their

identity to remain confidential, which Simoldes will respect; in any case, the reported matter will always be treated with appropriate confidentiality.

If the Ethics Committee considers that there are facts constituting an irregularity which have been reported to it or are of its own knowledge, it will take the measures it deems appropriate.



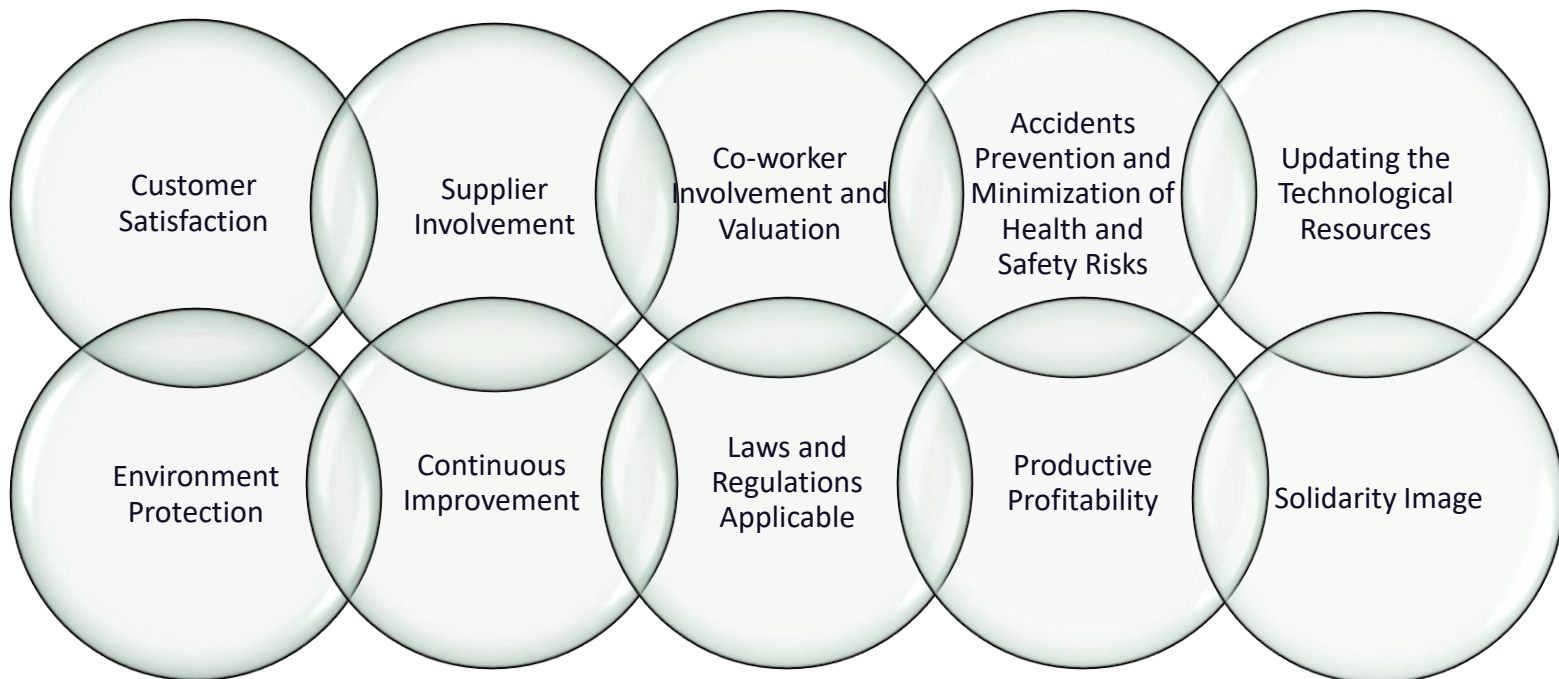
## **2. SIMOLDES TOOLS OPERATING PRINCIPLES**



# SIMOLDES TOOLS OPERATING PRINCIPLES

Simoldes Tools is currently considered the largest manufacturer of moulds in Europe. Throughout half a century of existence the Group has contributed in a significant way to the current positioning of the sector, globalizing its market, strengthening and dignifying the image of Portuguese industry at an international level through technological development, correct production planning and quality control, investment in professional training and growing external demand.

In order to ensure our existence and long-term success, the Group's efforts aim for excellence, emphasizing the values and policy of the company, which are based on the strategic guidelines of the Board of Directors.



With these guidelines Simoldes Tools intends to affirm itself as a socially responsible organization, guided by a strong ethical sense that should be reflected in a policy of sustainable growth and exemplary conduct by its managers, employees and, more ambitiously, customers, suppliers and the community in general.

## THE UNITED NATIONS GLOBAL PACT

Simoldes Tools seeks to follow, by adapting to our production reality, the principles evident in the United Nations Global Pact, "an initiative designed for companies committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. In this way, corporations, as major players in globalization, can help ensure that market organizations, trade, technology and finance progress in ways that benefit economies and societies everywhere. "

### HUMAN RIGHTS

#### **Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights.**

Simoldes Tools undertakes to comply with the law, to take into consideration the concerns of consumers, to treat its employees with dignity, to be a model for the community in which it operates and to respect the Fundamental Human Rights. The business world has the potential to impact - positively and negatively - virtually all human rights. The company provides safe working conditions, allows freedom of association, ensures that there is no discrimination in the workplace, does not use forced labor or child labor, actively contributes to improving the livelihoods of local communities and, essentially, offers jobs with decent and dignified conditions, improving the quality of life of its employees and their families, treating all employees with respect and consideration for their human condition.

#### **Principle 2 - Make sure that they are not complicit in human rights abuses.**

Compliance with the Human Rights policy helps the company to reduce the risk of being implicated in Human Rights violations by demonstrating that all possible measures have been taken to avoid involvement. Simoldes Tools companies respect international guidelines and standards governing the use of force. If it is necessary to provide financial or material support to security forces, clear safeguards are established to ensure that these are not used to violate human rights and to make clear that the company will not tolerate any breach of international human rights law. Systematic and ongoing human rights violations are condemned privately and publicly. Greater awareness of known human rights issues is also promoted within the company's sphere of influence.

### WORK

**Principle 3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

Simoldes Tools values freedom of expression. The strategic focus for the coming years focuses on the search for a fruitful working environment, where communication between employees and with their superiors is considered the competitive advantage it has the potential to be. The companies have maintained over the years a conciliatory relationship with the local trade unions and recognize the right of the employees to unionization and collective organization of the workforce, taking into account the legislation in force. All employees have the possibility to form or join a trade union of their choice without risk of intimidation or reprisals, in accordance with national legislation. The company does not interfere with the activities of employee representatives, while they carry out their duties in ways that are not detrimental to the regular activities of the company. Collection of union dues on company premises, posting of union information, and distribution of union documents are permitted as evidence of good relations between management and workers.

**Principle 4: The elimination of all forms of forced and compulsory labor.**

Simoldes Tools ensures freedom of choice in employment and eliminates all forms of forced or

compulsory labor. Forced labor is not only a violation of fundamental human rights, it also deprives societies of the opportunity to develop skills and human resources, and to educate children for the labor markets of tomorrow. Thus, the debilitating consequences of forced labor are not only felt by individuals, but also by society and the economy in general. By retarding the proper development of human resources, forced labor reduces the level of productivity and results in less secure investments causing slower economic growth. The loss of income due to the interruption of regular work or income-generating activities reduces the lifetime earnings of potential heads of households and is therefore likely to lead to the loss of food, shelter and health care for entire families. Forced labor situations are usually characterized by lack of consent to work and the threat of a sanction (the means of keeping someone in bonded labor). The company adopts clear practices not to use, be complicit in, or benefit from forced labor and to ensure that all company employees have a full understanding of what forced labor is. All employees have employment contracts informing the terms and conditions of service, the voluntary nature of employment, the freedom to leave (including appropriate procedures) and any sanctions that may be associated with leaving or terminating employment. Large-scale development operations are not based on forced labor at any stage; supply and subcontracting chains are closely monitored.



## **Principle 5 - the effective abolition of child labor**

Simoldes Tools complies with national legislation and regulations governing child labor, namely the recommendations contained in the United Nations (UN) Convention on the Rights of the Child and the conventions of the International Labor Organization (ILO). Suppliers are advised not to employ children under the age of 16 and to comply with the requirements of the above Conventions regarding the health, safety and morals of young people between the ages of 15 and 18. Nevertheless, it is the Group's policy not to employ on a temporary or permanent basis, young people under the age of 18.

## **Principle 6 - The elimination of discrimination in employment and occupation.**

Simoldes Tools companies guarantee a career and recruitment policy free from discrimination on the basis of age, gender, race, nationality, physical or mental disability, sexual, political or religious orientation or union membership. Differential treatment of employees because of characteristics not attributable to their merit or job requirements is strictly forbidden. Any activities that make the workplace a hostile environment, including practices of moral and/or sexual harassment, are discouraged and, in certain cases, punishable by disciplinary proceedings or legal sanctions. The non-discrimination policy also applies to remuneration, working and rest hours, holidays, maternity leave,

job stability, assignment of tasks, performance evaluation, among others.

## **ENVIRONMENT**

## **Principle 7 - Companies should support a preventive approach on environmental challenges.**

The key element of a preventive approach, from a business perspective, is to accept the notion that it is more cost-effective to take prompt action to ensure that irreversible environmental damage does not occur. The development of a code of conduct or practice for environmental processes confirms the company's commitment to taking care of health and the environment.

## **Principle 8 - Develop initiatives to promote greater environmental responsibility.**

It is our responsibility to ensure that activities in our own backyard do not cause damage to our neighbors' environment. Society also expects companies to be good neighbors and increasingly there is a clear need for more environmentally sustainable practices. Simoldes Tools has developed a set of economic, environmental and social targets and indicators, establishing a sustainable development plan, considering the long-term consequences and following the principles of the NP

EN ISO 14001 standard. Employees are, among other practices, encouraged to reduce waste and reduce the use of polluting products, conserve natural resources and recycle materials at all stages of the production process.

**Principle 9 - Encourage the development and diffusion of environmentally sustainable technologies.**

The implementation of environmentally friendly technologies is a concern for Simoldes Tools, with the objective of using cleaner and more efficient materials in search of long-term economic and environmental benefits.

## **FIGHT AGAINST CORRUPTION**

**Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery.**

Corruption can take many forms, varying in degree and ranging from the use of influence to institutionalized bribery. It is the abuse of power for private gain including not only financial gain but also non-financial advantage. Companies may not, under any circumstances, directly or indirectly, offer, promise, give, request or accept any bribe or undue advantage. They should also promote awareness of the company's policy regarding corruption and make use of reasonably designed financial and accounting procedures to ensure and maintain accurate and transparent records, books of accounts and others.



### **3. RULES OF CONDUCT**



# RULES OF CONDUCT

## FAIR BUSINESS PRACTICES

The company and its partners must comply with all applicable laws and regulations notably related to fair competition. Any written or oral understandings, agreements, plans, arrangements or schemes between competitors involving prices, territories, market shares and/or customers are prohibited.

## PROFESSIONALISM

- ✓ Act in a responsible and rigorous manner and seek to improve and update knowledge, with the aim of continuously improving professional skills.
- ✓ To apply the most appropriate knowledge and techniques and the necessary effort to accomplish the tasks entrusted to each collaborator.
- ✓ Contribute to the success of Simoldes Tools in a consistent, creative, committed and persistent manner
- ✓ Safeguarding the good image, credibility and prestige of Simoldes Tools in all situations.
- ✓ Act in accordance with the law in force and the applicable regulations.

## USE OF FUNDS, SERVICES AND GOODS

- ✓ All financial and accounting records of companies must be made with clarity and accuracy and in compliance with all principles, laws, rules and regulations of accounting standards.

- ✓ Misuse of company funds, services and assets, including in the form of bribes, gratuities or other illegal payments, whether in cash or other benefits, is strictly prohibited.
- ✓ Payments or provision of services or goods to political parties, elected officials or candidates are also discouraged. The same applies to government or administrative agencies, as these may be considered attempts to influence state decisions in favor of the company.
- ✓ Employees should also take responsibility for the zealous and prudent use of the equipment and goods made available, avoiding waste or use for personal gain. The employee is expected to protect, as far as possible, the company's property, avoiding loss, damage, theft, improper use, diversion or destruction. In the event of witnessing any of these situations, the employee must immediately inform his or her superior.
- ✓ All goods, materials and equipment must be used in accordance with the rules defined by the company and their use by third parties is forbidden. The employee is responsible for protecting all passwords of his/her knowledge.

## **RELATIONSHIP WITH SUPPLIERS AND CUSTOMERS**

- ✓ The choice of suppliers should be made following fair, impartial and transparent criteria, based on their quality, performance and costs. It is the negotiator's duty to try to obtain the best possible conditions, without any favoritism or discriminatory criteria.
- ✓ Employees must refuse any gratuity, payment, favor or gift in any form, particularly cash, from customers or suppliers. When presented with a gift, employees must politely decline or promptly return it. When it is considered discourteous to refuse or return the gift, it is imperative that the superior is informed. He or she must decide on the appropriate handling of the gift.
- ✓ The sponsorship of suppliers or clients, with the intention of obtaining some commercial or financial counterpart, is not recommended.
- ✓ No employee may invest directly or indirectly in a supplier, a family of suppliers or subsidiaries, or grant loans to them, except as required by law.

## **CONFLICT OF INTERESTS**

- ✓ Employees may not use their relationship with the company to obtain advantages for themselves or persons related to them. In order to ensure impartial, objective and transparent performance, situations in which there is a conflict of interest

must be identified and employees must abstain from intervening in decision-making processes that involve organizations with which they have collaborated, or that are constituted by people with whom they have ties of kinship, affinity or friendship. All employees must inform their superiors of any activities that may converge with the company's activity.

## **CONFIDENTIALITY**

- ✓ The organization shall comply with all laws and regulations concerning the protection, use and confidentiality of personal data. Information concerning employees, such as remuneration, performance evaluations or any other constituent part of individual files, should be handled only by authorized personnel and should not be disclosed to third parties, except in special cases authorized by the laws in force.
- ✓ The same applies to information that is the company's intellectual property. Employees are bound by the duty of confidentiality and must under all circumstances keep this information confidential and not manipulate it or disclose it to third parties.
- ✓ Commercial, financial, technical, technological, database or other information regarding customers, suppliers or employees may not be disclosed without the express authorization of the designated entities.

## GDPR

✓ Processing employees' personal data in accordance with the applicable labor and data protection or information security regulations, namely the Labor Code, the General Data Protection Regulation and the Personal Data Protection Act, and in accordance with the terms of the employment contracts established.

✓ General personal data processing operations are carried out in accordance with the personal data protection policy available for consultation on [www.simoldestools.com](http://www.simoldestools.com) and on the internal network. Contact data protection officer: [protecaodedados@simoldes.com](mailto:protecaodedados@simoldes.com)





## 4. ETHICS COMMITTEE

# ETHICS COMMITTEE

The composition of the Ethics Committee is as follows:

**Luis Filipe Tavares**

CFO – Simoldes Tools

**José Velhas**

Industrial Management – Simoldes Tools

**Susana Pinho**

Quality Management – Simoldes Tools

**Paulo Bastos**

Human Resources Management – Simoldes Tools

**Ana Azevedo**

In order to guarantee the highest levels of good business practices, the Board of Directors of

Simoldes Tools has nominated an Ethics Committee, which safeguards and monitors the implementation of Simoldes Tools' Code of Conduct.

This committee is also responsible for updating the same Code whenever it is deemed necessary, after consulting with the management board of Simoldes Tools and subject to the approval of any alterations by the Board of Directors of Simoldes Tools.

The Ethics Committee is responsible for clarifying all doubts that may be raised regarding this Code and to investigate all complaints. They have the responsibility to initiate and supervise the investigation of alleged irregularities and must ensure that all disciplinary measures are taken.

In order to respond to all possible questions that may arise in relation to the ethical conduct of Simoldes Tools (e.g. situations of human rights violations), an e-mail address has been created to which all employees can resort: [Ethics.Committee@simoldes.pt](mailto:Ethics.Committee@simoldes.pt).

The management of this mailbox is carried out by a member who does not belong to the Ethics Committee, in order to safeguard that the process is fair and impartial. Full discretion in approach and response is safeguarded as well as protection for whistleblowers and possible witnesses.