



# **Our Code of Conduct**



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# Intro



Dear Colleagues,

In recent years, Picanol Group has become an industrial group that is globally active in a variety of sectors.

Whilst we have grown and expanded into new businesses and regions, we have maintained an unwavering commitment to perform with integrity, which has and will remain at the center of our activities.

To further reinforce that commitment, a Code of Conduct has been drafted and will be incorporated into our organizational DNA. Fundamentally, the Code of Conduct sets out how we intend to maintain our compliance with the laws and regulations in all regions where our organization is operating. Compliance with the Code of Conduct is mandatory and we urge you to let the Code of Conduct guide your daily work activities and actions and place it at the heart of all our internal and external relationships.

As the Executive Committee, we will ensure and uphold that the Code of Conduct will remain the most critical of all our corporate and employee policies and practices.

This Code of Conduct applies to everyone in the Machines & Technologies segment. All references to Picanol Group activities in this Code apply, from here on, to the activities of Machines & Technologies. For the other activities of Picanol group (in particular activities that fall under Tessenderlo Group) please refer to the Tessenderlo Group Code of Conduct at [www.tessenderlo.com](http://www.tessenderlo.com).



**Luc Tack,**  
CEO



**Stefaan Haspeslagh,**  
Chairman of the Board of  
Directors

# Our values

## **1. Customer-focused**

I make every effort to meet the needs of our internal and external customers. I do this by listening carefully to our customers, understanding what they want and suggesting the most appropriate solution. In this way, I create the highest possible added value for the customer and contribute to the profitability of Picanol Group.

## **2. Reliable**

I do what I say and I say what I do. My first instinct is to be loyal and fair to my colleagues, our customers, and Picanol Group. I keep my promises.

## **3. Enthusiastic and engagement**

I am 100% committed to achieving the objectives of my department and of Picanol Group. Good teamwork is important to me. I engage fully with the success of my team by sharing my knowledge and experience.

## **4. Pragmatism**

I'm down-to-earth. I have a common sense attitude. I'm prudent.

## **5. Innovative search for solutions**

Standing still means going backwards. So I'm always looking for new solutions, in the form of methods, techniques and products, both through continuous improvement and significant breakthroughs. In this way, I guarantee our lead over the competition. I'm open to new ideas and constructive criticism. I see every problem as a challenge and an opportunity for further improvement.

# Business ethics

## Main principles

**All employees as well as all subsidiaries of Picanol Group (hereinafter referred to as the “Company”) around the globe must comply with the applicable laws and regulations of the countries in which they operate, and are expected and required to comply with the contents of the Picanol Group Code of Conduct.**

Picanol Group requires honesty and integrity from all employees in the application of the Code of Conduct and in all aspects of their business and expects the same of all their partners. Picanol Group complies with generally accepted international standards for business practices, which form the basis for its activities and relations everywhere in the world.

For those in a position of leadership and management at Picanol Group, this means, among other things, that they:

- show “zero tolerance” towards violations of local/ international laws and all infringements of the Code of Conduct, other Company rules and regulations.

- consistently ensure that all business transactions within Picanol Group are recorded correctly in line with the appropriate accounting principles.

**The protection and care of people and the environment represents a significant part of Picanol Group Company policy.**





A close-up photograph of a person's hand gently cupping a small, translucent globe of the Earth. The hand is positioned over a field of vibrant green grass. The background is softly blurred, showing more greenery and a hint of a bright, sunny day. The overall image conveys a sense of care, protection, and environmental stewardship.

## Safety, health & environment

Picanol Group is committed to protecting and improving the safety, health and general well-being of its employees, customers, suppliers and neighbors by preventing or limiting its activities and products from affecting people and the environment.

Picanol Group's Safety and Health Policy is integrated into all the business processes, operations and systems. The protection of employees, customers, suppliers, visitors and neighbors against unacceptable risks overrides economic considerations and may not be compromised. In the event of any doubts, the overriding principle of precaution must apply.

## Safety and health policy

**Picanol Group and all its subsidiaries embrace and comply with its legal, ethical and moral responsibilities, in terms of protecting the safety and health of employees, suppliers, customers and the people of the communities in which we operate. We will always conduct our business to the highest possible standards.**

Picanol Group's leadership, management and all employees will act at all times to safeguard the safety and health of all. No business goal, target or job is more important than the need to safeguard the safety and health of everyone.

To fulfill those responsibilities, Picanol Group will ensure that the appropriate resources are made available, together with the commitment to continuously improve safety and health performance. It is the role of every supervisor to determine, deploy and manage the required resources to meet the Picanol

Group responsibilities. All employees and others engaged by Picanol Group are expected at all times to comply fully with applicable regulations and local processes, determined necessary to protect safety and health.

Every accident and life-threatening incident will be thoroughly investigated, in order to determine and implement the improvement actions required to prevent any repeat event. All employees are expected to report all such events to local management, so that the appropriate procedures can be followed.





## People and working practices

Picanol Group worldwide ensures respect for all basic human rights.

Picanol Group does not tolerate any discrimination or harassment on the grounds of race, skin color, gender, religion, origin, civil status, family circumstances, feelings or sexual orientation, disability or age.

Picanol Group explicitly rejects the use of child labor both by the Company and its suppliers.



## Bribery and corruption

Picanol Group complies with the basic principles of the International Chamber of Commerce (ICC) Rules of Conduct to Combat Extortion and Bribery, 1999 revised edition, and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of 1997. No employee of Picanol Group may ever offer, provide or receive any financial or other inducements in order to obtain, retain or alter business contracts or for the purpose of influencing decisions.


## Insider trading

As a listed Belgian company, Picanol Group complies with various disclosure requirements. The relevant laws and regulations aimed at ensuring the integrity of the financial markets and public confidence in it are applicable in various countries. Picanol Group pursues a strict policy with respect to insider trading and has strict procedures for the dissemination of information that could affect the market value of its shares. For further details, the Picanol Group Policy “Insider Trading and Market Abuse” should be consulted. For any questions, you should contact Picanol Group’s Compliance Officer.



## Compliance with competition rules

Picanol Group respects the rules of open and fair competition in markets throughout the world. Employees of Picanol Group may not engage in unfair competition such as fixing prices, market agreements or any action that would hinder, restrict or detract from fair competition and would thus infringe antitrust legislation or similar laws that regulate competition in the countries in which we operate. For any questions, you should contact Picanol Group's Compliance Officer.



## Disclosure of business transactions

All business transactions entered into by Picanol Group are recorded in accordance with the *International Financial Reporting Standards* and applicable country specific legislation. Picanol Group does not allow inaccurate or fraudulent documentation or reporting. The “Picanol Group Accounting and Reporting Manual” must be followed and strictly observed at all times.

# Employee Conduct

## Compliance

**Each employee acknowledges the existence of this policy and will behave accordingly.**

Being an employee of Picanol Group means that he/she undertakes to respect the Code of Conduct and comply with the laws, rules and regulations of all jurisdictions that are applicable to Picanol Group.

### **Code of Conduct dilemma**

***I have been invited to give a lecture at a training event because of my expertise at Picanol Group. The event organizer proposes to pay me 500 EUR/USD for this lecture. May I accept?***

*Before proceeding the matter should be referred to and approved by the appropriate local supervisor.*

## Bribery

The employee shall not offer, give, solicit or accept any bribe, whether cash or other inducement, to or from any person or company, wherever they are situated and whether they are a public official or body, supplier or customer, in order to gain any commercial, contractual or regulatory advantage for Picanol Group, nor to gain any personal advantage, pecuniary or otherwise, for the employee or anyone connected with themselves.

The prevention, detection and reporting of bribery is the responsibility of all employees throughout Picanol Group. The employee must report any information which they would have evidence of or suspicion about in this respect.

## Business gifts & entertainment

This Code allows the following practices provided that they are lawful and customary in a particular market and that they are not excessive or out of proportion. All such practices must neither cause nor give the appearance of causing Picanol Group to grant or receive a favor in return.

### Code of Conduct dilemma

***Our service is in regular contact throughout the year with suppliers. Around the Christmas season, I have started to receive small gifts such as chocolates, a few bottles of wine or champagne. Am I entitled to accept these gifts?***

*If the business gift exceeds the equivalent of 50 EUR/USD it must always be reported to the appropriate local supervisor. As it might sometimes be considered offensive to refuse these gifts, you may accept them but if they exceed the equivalent of 50 EUR/USD they must be reported to the appropriate local supervisor.*

The giving or receiving of the following examples are considered acceptable:

- normal and appropriate hospitality;
- token gifts appropriate with respect to time and place (e.g. New Year, religious celebrations, festivals, etc.);
- business-related gifts provided that they are modest, both with respect to value and frequency, and provided that time and place are appropriate;
- use of any recognized “fast-track” travel/visa etc. process that is available to all on payment of a fee.



An employee who receives or gives a (business) gift or other benefit exceeding the equivalent of 50 EUR/USD must always report this to his/her immediate supervisor.

Inevitably, decisions as to what is acceptable may not always be easy. In case of doubt and before proceeding, the matter should be referred to and approved by your immediate supervisor.

### **Code of Conduct dilemma**

*During a recent business trip, I was given a present by officials of the other party. I felt it was not possible to refuse but I am now uncertain whether to keep the present because it looks expensive. What should I do?*

*You should report the receipt of the business gift to the appropriate supervisor.*



# Conflicts of interest

During the duration of his/her employment agreement with the Company, the employee is not allowed to be engaged in any other remunerated activity that could interfere with the proper execution of his/her employment agreement with the Company, lead to a conflict of interest with Picanol Group and/or damage Picanol Group's interests and/or image.

## Code of Conduct dilemma

***Do I have to report every business activity I undertake in addition to my job at Picanol Group?***

*Not necessarily, as long as your business activity doesn't compromise or prejudice the interests or reputation of Picanol Group you don't have to report it. Furthermore, if your business is not active in any of Picanol Group's operating segments you don't have to report it either. However, in order to be 100% sure you can opt to report every business activity to your supervisor.*

Specifically employees need to ensure that:

- they take care not to engage in a position with regard to Picanol Group which may compromise or prejudice the interests or the reputation of Picanol Group;
- they do not engage in any activity competing with or as a supplier to Picanol Group;
- they will not engage or be involved as a business manager, associate, director or significant shareholder in a company that is active in any of our operating segments as defined in "Definitions";
- they will not hold a financial interest, either directly or indirectly, in a company that is active in any of our operating segments as defined in "Definitions", including the financial interest as a creditor;
- they will not engage in a written or oral contractual relationship with a company that is active in any of our operating segments as defined in "Definitions", in the capacity of officer, agent, employee, independent consultant or representative;



- they will not supply services, irrespective of their nature, to a company that is active in any of our operating segments as defined in “Definitions”

Employees are encouraged to declare any position within local or national government (elected or unelected) they may hold. They shall never allow this position to conflict with their duties as an employee.

If there are any actual or possible conflicts of interest, an employee must disclose the existence and nature of his/her engagement or financial interest to his/her supervisor.



## Non-disclosure

During the period of the employment agreement, the employee will be exposed to and/or can generate confidential information including but not limited to confidential techniques, methods, styles, designs and design concepts, developments, customer lists, vendor lists, organization charts, employee data, contract factory lists, pricing information, manufacturing plans, business plans, marketing plans, sales information, methods of operation, knowledge and data relating to processes and products.

The employee undertakes not to disclose any confidential, non-public information, including but not limited to the information described here above, and will not, at any time, either directly or indirectly, use any confidential information for any purpose other than the benefit of Picanol Group without the prior written consent of a member of the Executive Committee.

Following termination of the employment agreement all such confidential information will remain the property of Picanol Group and will be returned by the employee to Picanol Group. Every former employee has a continuing liability to protect Picanol Group's confidential information and shall never copy, transmit, reproduce, summarize, quote, publish or make any commercial or other use whatsoever of such information, without the written consent of a member of the Executive Committee.

## Company property

Upon the first request by Picanol Group and upon termination of the employment agreement at the latest, the employee shall return immediately to the Company, without keeping any copy, photocopy or any other reproduction thereof, all documents, formulae, books, computer programs, letters, notes, agendas, reports, memos, client lists and all materials, as well as any objects belonging to the Company, which have been put at the

disposal of the employee for the execution of the employment agreement (including the keys to the office/entrance badge) or which he/she has developed himself/herself during the execution of the employment agreement using the resources of Picanol Group.

### **Code of Conduct dilemma**

***A colleague of mine has been taking home construction material procured by Picanol Group. What should I do?***

*Taking home construction material procured by Picanol Group is considered to be improper behavior and should therefore be reported to your immediate supervisor. Should there be personal unease at involving local Management then the matter can also be brought confidentially to the attention of the Compliance Officer.*

## **Non-solicitation**

During the duration of the employment agreement the employee will not assist either paid or unpaid, directly or indirectly, a third party in soliciting, recruiting or hiring any employee of Picanol Group who is a current employee of the Company.

# Violations of the Code of Conduct

**Picanol Group will ensure that the highest standards of behavior are observed by its employees, partners and stakeholders. Reporting known violations of the Code is mandatory. Not reporting known violations of the Code is unacceptable. Reporting suspected violations of the Code is encouraged. In all cases of doubt the designated procedure should be used.**

## Confidentiality

In either situation, all reporting and enquiries will be dealt with on a strictly confidential basis. The Picanol Group Compliance Officer is the only person who has access to the information received via the Code of Conduct email box.

Information, complaints or reports can be transmitted in the local language in all cases. Complaints do not have to be made anonymously as confidentiality is guaranteed.

## Operational measures

For all violations reported, an assessment will be made as to what next steps are required. The Company will always investigate any behavior that may violate the Code of Conduct. Investigations carried out under the Code of Conduct will be reported on an annual basis to the Audit Committee of Picanol Group's Board of Directors.

If possible and appropriate, the person who reported the violation will be kept informed of the progress. This is at the discretion of the supervisor leading the investigation or the Compliance Officer.

### Code of Conduct dilemma

***I witnessed a colleague violating the Code of Conduct.***

***What should I do?***

*You have an obligation to report the violation to your immediate supervisor. Should there be personal unease at involving local Management the matter can be confidentially brought to the attention of the Compliance Officer.*

## Corrective action

Failure to comply with the responsibilities established in this Code of Conduct may result in disciplinary action, including termination of employment as a last resort. All disciplinary action will be taken in compliance with local law and company-specific disciplinary procedures. Similar disciplinary action may also be imposed for conduct that is unethical or improper, even if the conduct is not specifically covered by this Code of Conduct.

# Definitions

## 1. Employee

For the purpose of this Code of Conduct, an employee shall be defined as every person working under an employment contract for and on behalf of Picanol Group as well as any associated person such as a temporary worker, trainee, management member or director of Picanol Group.

## 2. Conflicts of interest

Activities competing with the activities of Picanol Group.

## 3. Business activities

All business activities within the Picanol Group subsidiaries (Picanol, Proferro, PsiControl, and Melotte), both in Ypres and in China, Romania, and the Gravity Points worldwide.

For the other activities of the group (in particular, activities that fall under Tessenderlo Group) please refer to the Code of Conduct of Tessenderlo Group at [www.tessenderlo.com](http://www.tessenderlo.com).

# Who to contact?

For most violations it is appropriate to report them to your immediate supervisor. They have a duty and responsibility to pay attention and give a response to the information, complaint or report made. If insufficient attention or an inadequate response is forthcoming or if there is personal unease at involving local Senior Leadership, then the matter can be confidentially brought to the attention of the Compliance Officer at:

[codeofconduct@picanol.be](mailto:codeofconduct@picanol.be)