



CODE OF ETHICS

OF THE

CONSORTIUM OF PARMA HAM

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CONSORTIUM OF PARMA HAM

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INTRODUCTION

The Consortium of Parma Ham (hereinafter, for simplicity, also “Consortium”) is a voluntary consortium, pursuant to Art. 2602 and following of the Civil Code.

The headquarters of the Consortium are located in Parma, in via Largo Calamandrei, 1/A.

The Consortium of Parma Ham was established in 1963 to protect and promote Parma Ham around the world and offer consumers guarantees on the quality of the product. Since then it has been involved in numerous activities, first among them the protection of the product, of the designation “Prosciutto di Parma” and of the brand (the Ducal Crown), currently registered in about 90 countries, as well as the promotion of the product in Italy and around the world.

The Consortium is a non-profit association: for this reason, any profits earned in the performance of its functions must be allocated to investments or corporate purpose initiatives.

It now consists of 140 companies, all of them located in the area of production, which continue to use and safeguard the traditional processing method, following the same production specifications recognized by the European Union.

As provided by the Statute and in compliance with national and European regulations, the Consortium has as its object:

- a) the protection of the designation of origin "Prosciutto di Parma";
- b) the supervision of the production, processing and sale of Parma Ham, pursuant to current laws;
- c) the protection and promotion of “Parma Ham” production;
- d) the promotion and dissemination of knowledge about the Protected Designation of Origin “Parma Ham” and the trademarks connected to it, thus safeguarding the interests of this designation;
- e) the dissemination of knowledge and promotion of consumption of “Parma Ham” in Italy and abroad, as well as the development and support of all initiatives, including advertising, promotions, public and commercial relations, aimed at highlighting and enhancing the image and reputation of Parma Ham;
- f) assistance to producers with a view to facilitating and improving the production and sale of Parma Ham in Italy and abroad;
- g) the power to request competent authorities to implement binding standards in order to regulate supply pursuant to current applicable EU legislation.



The Consortium has deemed the adoption of the [Model](#) pursuant to Articles 6 and 7 of Legislative Decree 231/01 to be essential and necessary to the pursuit of corporate purpose.

The Consortium believes that the adoption of the Model and Code of Ethics is evidence of its commitment to ensure that its business is carried out in full compliance with all laws and ethical principles.

This Code of Ethics summarizes - in a simple but comprehensive manner - the values aimed at ensuring the good functioning and reliability of the Consortium and protecting its reputation with consumers and, more generally, with the community, as well as with the persons involved in the business of the Consortium, such as, for example, [employees](#), [collaborators](#), [suppliers](#) and Consortium members.

ART. 1

SCOPE OF APPLICATION OF THE CODE

This Code of Ethics applies to members of the Consortium bodies, senior managers, employees and collaborators of the Consortium of Parma Ham (that is to say, the so-called Recipients) with the objective of providing a synthetic tool for fostering the understanding of the conduct to be adapted and to be avoided in the performance of business.

The Consortium promotes knowledge of the [Code](#) by the Recipients, including through specific training and awareness activities relating to the Model, and by everyone with whom the Consortium has relationships through publication on its website.

The Recipients undertake to communicate the values and principles contained in the Code to anyone involved in the performance of business activities and to ensure, as far as they can, that they are followed.

Consequently, the Recipients are prohibited from engaging in conduct that is in breach of the values, principles and rules of this Code.

The Consortium monitors compliance with the Code by preparing appropriate information, prevention and control tools and taking corrective actions when necessary. Recipients may communicate reports relating to compliance with the Code or the Model directly to the [Supervisory Body](#).



Conduct that is contrary to the letter and spirit of the Code may be sanctioned, as provided for by the Model, according to applicable legislative and (individual and collective) contractual provisions.

ART. 2 CORE

VALUES

The mission of the Consortium of Parma Ham is set forth by Articles 4 and 5 of its Statute and focuses on the protection and promotion of Parma Ham around the world, guaranteeing to consumers a high-quality product that is made according to the oldest traditions and represents the indissoluble bond with the area of origin.

These are the four core values of the Consortium of Parma Ham:

a) Protecting

Protecting means both defining the rules of production and defending the value of the name “Prosciutto di Parma” and of the brand (the Ducal Crown).

b) Promoting

Promoting means disseminating the knowledge of Parma Ham around the world and ensuring its uniqueness: a universally recognized product of excellence.

c) Quality

Parma Ham is a quality product which has been protected by Italian laws since 1990 and recognized as a PDO - Protected Designation of Origin - by the European Union since 1996. The production process is governed by strict Specifications that ensure excellent quality to consumers. To uphold this promise, the Consortium of Parma Ham is constantly committed to performing with professionalism and passion the role entrusted to it by Consortium members in order to promote Parma Ham and the historic Ducal Crown around the world.

d) Territory

Between Parma Ham and its territory there is a precious bond that has strengthened over time: an extremely limited and rich area, ideal for a natural maturation process that makes Parma Ham one of the most iconic, as well as best known and most appreciated, Made in Italy products around the world.

The Consortium, aware and grateful for this role, is committed to always acting to safeguard and promote its local area, and to keep doing everything it can to reduce its own environmental impact.



ART. 3

PRINCIPLES OF CONDUCT

Consortium activities must be carried out in full compliance with law provisions and with the legitimate interests of the employees, Consortium members, Public Administration and the community.

Each activity must be performed in accordance to the principles of correctness, integrity and legitimacy both from a formal and, above all, a substantive point of view.

To this end, the Consortium of Parma Ham abides by the following general principles and expects all Recipients of this Code to follow them:

a) Compliance with regulations

All actions carried out by the Recipients of this Code must be legitimate and compliant with laws, regulations and procedures, as well as with the provisions of the 231 Model adopted by the Consortium.

b) Segregation of powers and compliance with powers of attorney

Each sensitive corporate process must abide by the principle of segregation of duties, according to which no employee can control an entire corporate process, so that “the one who does” cannot be the same person as “the one who supervises”.

The principle of segregation of roles must be understood in combination with the principle of compliance with powers of attorney, according to which all actions must be carried out only by those who have been given the necessary powers.

c) Accountability

Each operation, transaction and action must refer to a person or organizational unit that is responsible for it and, as far as possible, must be documented and traceable.

d) Reliability

Each operation involving a financial commitment by the Consortium must be traceable, verifiable and documented. Cash transactions must be limited to what is strictly necessary.

e) Transparency

First of all, it must be possible to trace, analyse and objectively verify every transaction, and to promptly identify the persons and company duties involved. In particular, the principle of transparency implies that all operations relating to atypical or unusual activities or services must be specifically and clearly accounted for and communicated to the Supervisory Body.



The principle of transparency applies particularly to accounting records by Employees involved in accounting duties, whether or not they work in the administrative offices.

Accounting transparency is based on truthfulness, clarity and completeness of basic information of all accounting records. Every employee, therefore, is obliged to collaborate in order to promptly provide an accurate representation of management activities in accounting.

Should employees and/or collaborators of the Consortium become aware of omissions, falsification, careless errors in accounting or in the documentation on which the accounting records are based, they shall promptly inform their immediate superior and/or the Supervisory Body.

f) Confidentiality

Sharing information is an essential element for optimal process performance and corporate development. It must, however, comply with privacy legislation and with the confidentiality of proprietary information, intended as data, information, studies, and know-how owned by the Consortium.

The Consortium code requires the confidential treatment of all information used in the performance of company activities, and to this end has chosen to be fully compliant with current legislation, including by relying on leading specialized consultants.

To this end, without prejudice to the more general prohibition to disclose information relating to the company's organization or to make use of it in a way that is prejudicial to said organization, Recipients shall:

- acquire and treat only data which is needed for the purposes of, and in direct connection with, their duties, and which they are duly authorized to access;
- store data in such a way as to prevent unauthorized persons from gaining knowledge of it;
- verify that there are no absolute or relative restrictions on the disclosure of information regarding third parties connected to the Consortium in any capacity and, if necessary, obtain their consent.

All employees and collaborators are also obliged to refrain, outside the Consortium, from negative comments about business activities and the results achieved or set by the company, and from any other comments that may disclose strategic information, or in any case information that is of relevance to the business of the Consortium and/or confidential.



Finally, all employees and collaborators shall ensure the confidentiality required by circumstances of all information obtained in the course of business activities.

g) Protection of Health and Safety in the workplace

The Consortium provides a work environment that safeguards the health and safety of its staff and establishes a culture of safety based on prevention, raising awareness of risks and promoting responsible behaviour on the part of all.

Adequate information and training are provided in order to ensure compliance with regulations and internal procedures, including through the provision of specific training, and all Recipients are required to promptly report any shortcomings or breach of the applicable regulations.

The aim of the Consortium is to protect human resources, always looking for the necessary synergies both internally and with suppliers and companies involved in the business of the Consortium, with a view also to constantly improving the management of Occupational Health and Safety.

h) Protection of the environment and territory

The Consortium identifies the protection of the environment and territory as a primary value, from the management of everyday activities to operational choices.

Energy saving, waste management and the correct reuse of recyclable products are the focus of information and training initiatives, whose aims include the effective use of the resources made available by the Consortium for this purpose.

ART. 4

RULES OF CONDUCT

Building on the general principles of conduct (see Art. 3) and the compliance with its values (see Art. 2), the Consortium of Parma Ham adopts this Code and intends to ensure that Recipients comply with the following rules of conduct. These rules serve as a starting point for the conduct set forth in Model 231: they are binding and their infringement can result in disciplinary sanctions, as provided for by the law and by the collective agreement.

a) Obligations and prohibitions for the members of the corporate bodies and for senior managers

Members of the corporate bodies and senior managers of the Consortium shall:



- refrain from conduct contrary to the Code;
- contact the Supervisory Body for any clarification on how to apply the Code;
- promptly report to the Supervisory Body any violation of the Code detected directly and any request to violate the Code;
- collaborate in the verification of possible violations of the Code and, more generally, in all the activities of the Supervisory Body;
- behave in a way that provides an example to follow for all colleagues working in any capacity in the Consortium;
- guide their employees towards compliance with the Code and invite suggestions on the application of its rules;
- take steps to ensure that employees and collaborators understand the value of complying with the Code as an essential part of the quality of work performance;
- promptly report to the Supervisory Body any findings and/or directly acquired information about possible violations of the Code;
- within the limits of powers granted to them and when deemed necessary, take corrective measures to stop the violations of this Code and/or of Model 231;
- prevent, including through involvement of the authorities, retaliation against individuals who have reported violations of the code.

b) Obligations and prohibitions for employees, collaborators and any other person involved in the Consortium business activities

All Recipients, in addition to being obliged to know the rules of the Code and of the Model which govern the business within the scope of their role, shall:

- refrain from conduct contrary to the Code;
- contact their immediate superior or the Supervisory Body for any clarification on how to apply the Code;
- promptly report to their immediate superior or to the head of the department in question and to the Supervisory Body any violation of the Code detected directly and any request to violate the Code, as provided by Article 6 of the General Part of the Model in relation to detailed reports of unlawful behaviour;
- collaborate in the verification of possible violations of the Code and, more generally, in all the activities of the Supervisory Body.

c) Obligations and prohibitions regarding anti-corruption

In order to reduce as much as possible the commission of acts of [corruption](#), as already stated in the principles of general conduct, every business operation and transaction must be properly documented, recorded,



authorized, verifiable, legitimate, and consistent with the objectives of the Consortium.

To this end, the Recipients of the Code and of the Model shall conduct themselves with integrity in the performance of Consortium business and in relations with the Public Administration, regardless of market competitiveness and the importance of the deal in question.

It is expressly forbidden to offer money or gifts to senior managers, officers or Public Administration employees or to their relatives, whether Italian or from other countries, with the exception of gifts of modest value and in accordance with business practices, as also specified in the Model.

Corrupt practices, illegal favours and collusive conduct that can result in the commission of crimes are prohibited and may constitute a breach of the primary obligations of the employment or collaboration relationship or a disciplinary offence, with all the consequences provided for by law and by applicable contractual provisions.

When representing the Consortium, or performing business activities, it is forbidden to directly or indirectly give or promise gifts, payments, materials benefits or other advantages to clients, suppliers, public officials or third parties in general.

Acts of business courtesy, such as, for example, gifts or forms of hospitality, are allowed insofar as they are modest in value and in any case not such as to compromise the integrity or reputation of either party and not liable to be interpreted, by an impartial observer, as meant to gain advantages in an improper way. In any event this type of expense must always be authorized through the approval process indicated in the Model and be adequately documented.

With particular reference to the request for public funding, preferential tax or social security treatment, as well as any other kind of benefits that require specific arrangements, the Consortium - and anyone acting in its name and on its behalf - is committed to acting with truthfulness, fairness and transparency, and in full compliance with current legislation.

Similarly, in the event of the benefit being granted, the Consortium shall only use the funds received for their specific, authorized purpose. Therefore, should anyone learn of a different use of the funds received, they must report it directly to the Supervisory Body.

d) Obligations and prohibitions regarding third parties

The Recipients, in their relations with third parties, each within their remit, shall:



- keep them adequately informed about commitments and obligations required by the Code;
- require compliance with the principles of the Code which directly pertain to the business carried out by the third parties;
- take the necessary internal and, if within one's remit, external measures in case of non-compliance with such principles by third parties.

e) Obligations and prohibitions regarding the management of relationships with Consortium members

Recipients - in particular, the members of corporate bodies and senior managers - shall behave towards members of the Consortium in a fair, transparent and law-abiding manner, pursuing the interests of the latter in compliance with all regulations protecting loyal competition.

They shall also refrain from engaging in any behaviour aimed at unlawfully influencing the vote of members in shareholders' meetings, in compliance with provisions contained in the law and in the Model.

f) Obligations and prohibitions regarding the management of relationships with suppliers

Recipients shall check that the Consortium constantly complies with the obligations set out in the contracts with its own suppliers.

As to the conduct of suppliers, in the event of Recipients becoming aware of unlawful actions, they shall promptly inform the Supervisory Body, which will take all appropriate measures available to the Consortium, in order to safeguard its reputation and protect those persons who could be harmed by this behaviour.

As for procurement relationships, Recipients shall:

- comply with all internal regulations and procedures, as well as with the provisions of the Model, for the selection and management of relations with suppliers,
- not exclude any supplier, able to meet the specified requirements, from entering into contract with the Consortium, always adopting equitable, transparent and objective selection criteria;
- make a choice of suppliers based on the needs of the Consortium and the reliability of the counterparties, with the objective of obtaining the best possible contractual conditions, in compliance with quality and business fairness requirements;
- communicate honestly and clearly with the suppliers, in line with good practices in this area;
- inform the Supervisory Body and/or its President of behaviour by suppliers that is contrary to the Code and Model regulations;



- inform the Supervisory Body and/or its President of any failure on the part of the Consortium to meet contractual obligations imposed by the suppliers.

g) Obligations and prohibitions regarding the management of relationships with public institutions, public officials and persons in charge of a public service

In their relations with public institutions and their officers and staff, with public officials and persons in charge of a public service, with whom the Consortium deals in the performance of its business, Recipients shall behave in a fair and transparent manner, in full compliance with the relevant legislation and the provisions of this Code and of the Model.

Corrupt practices, illegal favours, collusive conduct, and solicitations - directly and/or through third parties - of illegal actions to obtain advantages for oneself or for the Consortium are prohibited and may be sanctioned according to the provisions of the Code itself and of the Model, as well as to applicable laws and/or contractual provisions.

h) Obligations and prohibitions regarding the management of political and trade union organizations

The Consortium does not make direct or indirect contributions to parties, movements, committees and political and trade union organizations, to their representatives and candidates, outside of the scope allowed by current legislation and in compliance with the principle of transparency.

In any event this type of expense must be authorized in advance by the Board of Directors and be adequately documented.

i) Obligations and prohibitions regarding the management of relationships with mass media, research institutes, universities, trade associations and other similar bodies

Information communicated to the outside world and directly or indirectly concerning the Consortium must be complete, truthful and transparent.

Relations with mass media, research institutes, universities, trade associations and other similar bodies are strictly limited to the specific corporate duties and responsibilities delegated to them.

Recipients shall offer no payments, gratuities, gifts or other advantages, in any manner or form whatsoever, aimed at influencing the professional business of bodies and associations referred to in this section, or which can be interpreted as such by an impartial third-party observer.



j) Obligations and prohibitions regarding Health and Safety in the Workplace

In order to ensure the effective implementation of the principle of health and safety in the workplace and carefully monitor the evolution of applicable binding legislation and changes in the organizational structure, the Consortium has provided for:

- ongoing analysis of the risk and of the resources to be protected and related documentation within the Risk Assessment Document (DVR);
- safety procedures, operating instructions, and staff training programmes;
- the application of Occupational Health and Safety laws to its own organizational and functional structure, with the purpose of systematically reducing the risk for staff of accidents and occupational diseases;
- the obligation to report accidents and near-miss accidents to the Supervisory Body.

Conversely, in order to implement effectively the measures set out by the Consortium, all Recipients shall:

- comply with the provisions and instructions given for the purpose of collective and individual protection;
- use appropriately the assigned equipment, means of transport and safety devices;
- promptly report any malfunction of the means of transport, devices and equipment as well as any other hazardous conditions of which they become aware, in order to repair the safety system as quickly as possible;
- not remove or modify safety, signalling or control devices without authorization;
- not carry out on their own initiative operations outside their competence or which may compromise their own safety or that of other workers, except in cases of extreme necessity and urgency;
- undergo the medical examinations and health checks required by current legislation;

k) Obligations and prohibitions regarding the protection of the environment and territory

In order to ensure the effective implementation of the protection of the environment and territory, all Recipients, within the scope of their duties and function, shall:

- comply with, and have others comply with, the provisions and instructions issued by the Consortium regarding current environmental regulations;



- use the spaces allocated for the collection and management of waste and materials to be disposed of;
- report any behaviour that may compromise compliance with the provisions issued by the Consortium on environmental matters.

ART. 5

SUPERVISORY BODY

The Consortium of Parma Ham has set up an internal Supervisory Body, entrusted with the following duties, which can also be performed with the help of independent experts:

- monitoring compliance with and adequacy of this Code, examining reports of possible violations and conduct the checks deemed necessary;
- disseminating and verifying knowledge of Code, by promoting communication programmes and activities aimed at a better understanding of the Code;
- proposing the issue of operating procedures or additions and changes to existing ones, with the objective of reducing the risk of violations of the Code;
- investigating reports of potential or actual violations of this Code and reporting their results to the Board or other competent bodies, depending on the case, for the adoption of possible sanctioning provisions;
- on the basis of the above supervisory and investigative activities, recommending - if needed - to the President of the Board of Directors the necessary or appropriate initiatives for updating or amending this Code;
- reporting annually to the Board of Directors on the state of compliance with and adequacy of this Code.

The Supervisory Body is appointed by the Board of Directors, which defines its composition in accordance with the [Decree](#), its term in office and remuneration.

Without prejudice to compliance with current regulations or collective bargaining and without prejudice to legal obligations, the Supervisory Body is entitled to receive reports of potential or actual violations of this Code and/or of the Model (so-called whistleblowing - ref. Art. 6, paragraph 2 bis of Legislative Decree 231/01).



The Body shall act in such a way as to ensure that whistleblowers are protected against any form of direct or indirect retaliation, discrimination or disciplinary action for having reported the information, and that the whistleblower's identity is kept secret in dealing with the disclosure, except for legal obligations or for the protection of the rights of the Consortium or persons wrongly and/or maliciously accused.

Direct or indirect retaliatory or discriminatory acts against the whistleblower, for reasons connected, directly or indirectly, to the disclosure, are expressly forbidden, as is making, through malice or negligence, disclosures which prove to be unfounded.

The methods for managing and recording disclosures of possible violations of this Code are provided for and governed by the Regulations of the Supervisory Body.

In order to make it possible for the Body to perform its investigative activities, each employee and collaborator of this Code has an obligation to cooperate, which includes: answering questions, providing truthful, complete and accurate information, keeping the pertinent documents and evidence, abstaining from interfering in any way with ongoing investigations and maintaining the utmost confidentiality, unless otherwise specified.

The Consortium also recognizes that there can be circumstances where the whistleblower prefers to remain anonymous and, therefore, it undertakes to make anonymous reporting channels available to employees, as required by best practices in whistleblowing management.

In any event, by encouraging disclosures in a non-anonymous form, the Consortium undertakes to keep secret the identity of the whistleblower, of the alleged offender, and of any third parties or witnesses involved in the incident.

ART. 6

DISCIPLINARY

SYSTEM

The principles and contents of the Code specify the obligations of diligence, loyalty and impartiality which characterize the correct work performance, behaviours and conduct that Employees are expected to engage in towards the Consortium.



Therefore, compliance with the rules of this Code is to be considered an essential part of the Employees' contractual obligations pursuant to and for the purposes of Art. 2104 of the Civil Code.

In particular, violation of the rules of the Code may constitute, depending on the seriousness of the offence:

- a disciplinary offence;
- breach of the primary obligations of the employment relationship, with all consequences provided for by law and by the applicable collective agreement.

In very serious cases, the Consortium reserves the right to make a claim for damages caused by the offence.

Non-compliance with the provisions of this Code by consultants, external collaborators in general, suppliers of goods or services, will be sanctioned on the basis of clauses contained in the respective contractual agreements.

In particular, any non-compliance, even partial ones, of the behavioural principles set forth in this Code and in the Model will be assessed in order to protect the rights and interests of the Parties, while taking into account the purpose of the Contract.

For further details on the disciplinary system adopted by the Consortium, please see the section dedicated to it in the General Part of Model 231.

Consorzio del Prosciutto di Parma

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GLOSSARY

“Code”	The present Code of Ethics adopted by the Consortium, as added to, updated or amended from time to time and integral part of the Organization, Management and Control Model pursuant to Legislative Decree 231/01.
“Collaborators”	Individuals who have relationships of collaboration with the Consortium involving the performance of mainly personal, coordinated and continuous work but not as subordinates (such as, by way of example only and not in any limitative sense, communication agencies).
“Corruption”	In a general sense, the conduct of an individual who, in exchange for money or other undue benefits and/or advantages, for him/herself or for others, acts against his/her own duties and obligations and/or in any case in violation of the laws of the legal system they belong to.
“Decree”	Legislative Decree no 231 of 8 June 2001 and subsequent amendments and additions on the administrative responsibility of legal entities.
“Recipients”	Members of corporate bodies, senior managers, employees and collaborators of the Consortium of Parma Ham.
“Employees”	Individuals in an employment relationship with the Consortium (including senior managers).
“Suppliers”	Individuals who have signed a contract with the Consortium for the performance of works or for the supply of goods and services in favour of the same.
“Model”	The Organization, Management and Control Model pursuant to Legislative Decree no. 231 of 8 June 2001 and adopted by the Consortium in its latest revision.
“Supervisory Body”	A central component of the Organization Model 231, it is a corporate body, on the level of the Board of Directors, entrusted with supervising and controlling compliance with, and the effective implementation of, the Model, and to recommend amendments and updates.