

BIFRANGI spa

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Code of Ethics

pursuant to Art. 6 of Legislative Decree 231/01

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1. GENERAL PROVISIONS

DEFINITION

A company's Code of Ethics can be defined as the company's Constitutional Charter, a charter of moral rights and duties that defines the ethical-social responsibility of each participant in the business organisation. It is a tool available to companies to prevent irresponsible or illegal behaviour on the part of those who work in the name and on behalf of the company, because it introduces a clear and explicit definition of the ethical and social responsibilities of its managers, executives, employees and often also suppliers, vis-à-vis the concerned stakeholders. It is considered the main tool for implementing an ethical behaviour within the company, also as way to preserve the reputation of the company, in order to engender trust in it.

1.1. GENERAL PRINCIPLES

Bifranghi s.p.a. conducts its business in compliance with EU, national and international regulations, rejecting any illegal practice and corruption.

No conduct put in place by the corporate governance bodies, as well as by Management, employees and business partners in executing any and all tasks entrusted, that is deemed to be in violation of current legislation, this Code of Ethics and/or internal regulations, can be considered justified.

In no way can the conviction of acting in the interest or to the advantage of Bifranghi s.p.a. justify behaviours that violate this Code of Ethics.

Any unlawful occur result in the application of penalties against the violators.

Bifranghi s.p.a. considers the performance of services by employees and business partners according to diligence, competence, professionalism and efficiency to be of fundamental importance, also in order to provide customers and interested parties with high-level services, such as to ensure consistent and continuous business.

Bifranghi s.p.a. considers the impartiality of treatment to be a fundamental value in the context of every relationship, both internal and external, and believes that any individual and his/her values and rights need to be protected.

Bifranghi s.p.a. considers its image and reputation to be values which, as a shared assets, must be safeguarded and nurtured also through the full dissemination and sharing of, and compliance with the ethical and behavioral principles contained in this Code of Ethics.

All those who act, operate and collaborate in any capacity with Bifranghi s.p.a. have the duty to behave in accordance with principles of absolute honesty, loyalty, good faith, correctness and diligence.

Bifranghi s.p.a. does not establish or continue business relationships with anyone who expressly refuses to comply with the principles of the Code of Ethics. Bifranghi s.p.a. is committed to:

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- ensuring the timely dissemination of its Code of Ethics, both by making it available to all, and by implementing adequate training programs;
- ensuring that all updates and changes are promptly brought to the attention of all Recipients of the Code of Ethics;
- adopting adequate procedures for reporting, investigating and dealing with any violations;
- ensuring that those who report violations of the Code of Ethics are not subject to any form of retaliation;
- periodically verifying compliance with and observance of the Code of Ethics;

The Code of Ethics constitutes an integral part of the employment relationship and embodies the essential content of the fiduciary bond between Bifrangì s.p.a. and Employees and Business Partners. All directors, employees and business partners undertake to:

- acting and behaving in accordance with the principles of the Code of Ethics;
- reporting all violations of the Code of Ethics, as soon as they become aware of them;
- cooperating in defining and complying with the internal procedures set up to implement the Code of Ethics;
- consulting one’s manager, or the bodies in charge, in relation to any portions of the Code of Ethics about which interpretation and guidance is required.

1.2. RECIPIENTS OF THE CODE OF ETHICS

The rules of the Code of Ethics apply without exception to the administrators and employees of Bifrangì s.p.a. and to all subjects who establish, for any reason, work and any collaborative relationships, cooperating in the conduct of its business and the pursuit of the corporate purposes. The principles of the Code of Ethics must inspire the members of the Board of Directors in any decision or action relating to company management; likewise the managers, in conducting their activities, must be inspired by the same principles, also in order to serve as reference model for employees and business partners.

1.3. OBLIGATIONS OF THE RECIPIENTS

All actions, operations and, in general, the behaviours of the “recipients” of this Code of Ethics in carrying out their work must be based on principles of honesty, correctness, integrity, transparency, legitimacy, clarity and mutual respect. All activities must be carried out with commitment and professional rigour.

Each “recipient” must provide professional contributions appropriate to the responsibilities assigned, and act in such a way as to protect the prestige and image of the Company.

All Executives must earn respect by adopting an exemplary personal behaviour, demonstrating efficiency, loyalty and competence; this goal is achieved through their position and training, by which goals can be set in a clear and ambitious way. Managers must grant their subordinates as much responsibility and freedom of action as possible, underlining at the same time that compliance with Company rules is required in all circumstances and at all times. All managers must be available to their employees who wish to bring concerns regarding company rules to their attention, ask questions or discuss professional or personal matters.

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In addition to fulfilling the general duties of loyalty, correctness and implementation of the employment contract in good faith, the employees of Bifrangi s.p.a. must refrain from carrying out activities in competition with the Company's, and must comply with company rules and the precepts of the Code of Ethics.

2. ETHICAL PRINCIPLES

In its relations with third parties, Bifrangi s.p.a. is inspired by principles of loyalty, correctness, transparency and efficiency. The employees of Bifrangi s.p.a. and external business partners must follow a correct behaviour in acting in the interest of the Company and in relations with the Public Administration, regardless of the competitiveness of the market and the importance of a given deal.

All practices of corruption, fraud, scam, illegitimate favours, collusion, solicitations (direct and/or through third parties) for personal and professional advantages for oneself or for others are explicitly prohibited.

Bifrangi s.p.a. undertakes to identify and define specific methods of transparent, documented and traceable management of incoming and outgoing financial resources, and that are suitable for preventing the commission of crimes.

2.1. STRATEGIC VALUE OF HUMAN RESOURCES

Human resources are the great assets of Bifrangi s.p.a. - Only with their full involvement at every level, in teamwork, and by protecting, sharing and promoting corporate objectives, can the Company grow and aim for the continuous improvement of its performance.

2.2. QUALITY OF PRODUCTS AND SERVICES

Bifrangi s.p.a. directs its business to the satisfaction and protection of its customers, ensuring that the products supplied and the services provided always match the best existing innovations and ensure the highest degree of effectiveness and quality.

2.3. PROFITABILITY

Profitability is a necessary value to ensure self-sufficiency, development and growth. This represents not only an indicator of the quality of the work performed and an index of customer satisfaction, but also the measure of the Company's ability to operate according to principles of efficiency and effectiveness. In any case, the value of profitability must in no way induce the corporate bodies, management, employees, external business and commercial partners to violate the ethical principles contained in the Code of Ethics in order to achieve positive economic results.

2.4. INTEGRITY

Integrity is an important element of the corporate assets and a strong guarantee of the Company's civil commitment towards its employees, as well as suppliers, customers and all its stakeholders in general. Respect for this principle is achieved by applying the law and complying with the rules of moral integrity in every sector of activity and under any every circumstance. Bifrangi s.p.a. does not tolerate violations of this principle and discourages all corruption practices in any way.

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2.5. CONFLICT OF INTEREST

The directors and all company personnel in the exercise of their functions - at the various levels of responsibility - must not take decisions or carry out activities in conflict with the interests of Bifranghi spa or incompatible with office duties. Situations that are in conflict with this rule must be immediately communicated to any managers or to the Supervisory Body.

2.6. IMPARTIALITY

In its relations with its stakeholders, Bifranghi s.p.a. avoids any discrimination based on age, sex, sexuality, health, race, nationality, political opinions and religious beliefs; moreover, it does not take into account recommendations or suggestions of external or internal origin and ensures impartiality and fairness, in compliance with the legal and contractual rules and the principles set out in this Code of Ethics. Any attempt to violate this rule must be communicated to the competent company bodies which, if necessary, will work with Management and the Supervisory Body, as warranted.

2.7. CONFIDENTIALITY AND PRIVACY PROTECTION

Confidentiality is one of the fundamental values to be complied with in concrete business operations, as it contributes to the reputation of Bifranghi s.p.a. itself.

All personnel and external business partners are required to comply with this principle even after the termination of the employment relationship. In particular, the corporate bodies, Management, employees and external business partners must guarantee the confidentiality of information, documents and data of which they may become aware during their work and which are considered to be property of Bifranghi s.p.a.; as such, information, document and data cannot be used, communicated or disseminated without specific authorisation.

The obligation of confidentiality concerning any privileged information also applies to the subjects with whom Bifranghi s.p.a. entertains contractual or other relationships, through specific contractual clauses, or the request to enter into confidentiality agreements. Bifranghi s.p.a. undertakes to protect the information relating to its employees and third parties, that is generated or acquired internally and in business relationships, and to avoid any improper use of such information. Without prejudice to the prohibition to disclose information relating to the Company's production organisation and methods, or to use such information in such a way as to be engender harm to the Company, each information "recipient" must:

- acquire and process only the data necessary for the performance of his/her/its functions;
- acquire and process the data only within specific procedures;
- store the data in order to prevent unauthorised parties from becoming aware of them;
- communicate the data in the context of pre-established procedures and/or upon the explicit authorisation of the competent functions and, in any case, after ascertaining that disclosure is allowed;
- associate the data in such a way that any person authorised to have access to them can easily gather information that is as precise, exhaustive and truthful as possible.

2.8. INDIVIDUAL RESPONSIBILITY

The quality and dynamism of Bifranghi s.p.a. are the result of the action of all its personnel.

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Everyone is responsible for the actions taken in carrying out their work. Furthermore, those who perform managerial functions are also responsible for supervising the activity carried out by personnel assigned to them.

2.9. TRANSPARENT ACCOUNTING

Bifranghi s.p.a. is aware of the importance of transparency, accuracy and completeness of accounting information, and endeavours to have a reliable administrative-accounting system for the representation of management facts and to provide the tools to identify, prevent and manage, to the extent possible, risks of a financial and operational nature, as well as fraud against Bifranghi s.p.a. The accounting records and the resulting documents must:

- be based on accurate, comprehensive and verifiable information;
- reflect the nature of the transaction to which they refer, in compliance with external constraints (legal provisions and accounting principles), as well as internal policies, plans, regulations and procedures;
- be accompanied by the relevant supporting documentation necessary to allow objective analysis and due diligence.

In accounting for facts relating to the management of the Company, employees and business partners are required to scrupulously comply with current legislation and internal procedures, so that each operation is not only correctly recorded but also authorised, verifiable and legitimate. The accounting records must make it possible to:

- produce accurate and timely economic, equity and financial statements;
- provide the tools to identify, prevent and manage, as far as possible, fraud and risks of a financial and operational nature;
- carry out controls that reasonably allow to guarantee the safeguarding of the value of the assets and the protection from losses.

All employees and collaborators must endeavour so that the management facts are correctly represented and the administrative-accounting system can achieve all the purposes described above. Adequate supporting documentation of any activity performed is kept in the records for each operation, in order to allow:

- easy accounting registration;
- the identification of the different levels of responsibility, i.e., who authorises, carries out, records and verifies an operation itself;
- accurate reconstruction of the transaction, also to reduce the probability of interpretative errors.

3. RULES AND STANDARDS OF ETHICAL BEHAVIOUR IN THE CONDUCT OF COMPANY ACTIVITIES

3.1. RELATIONS WITH SHAREHOLDERS

Bifranghi s.p.a. maintains a constant dialogue with shareholders, in compliance with their right to receive the necessary information for the purpose of making well-considered strategic and investment choices. In this regard, Bifranghi s.p.a. undertakes to:

- promptly inform shareholders of any action or decision that may have significant effects on their investment;
- ensure the shareholders the availability, in reasonable advance, of the documents prepared for the meeting;
- ensure the regular participation of the directors in meetings;
- guarantee the orderly and functional conduct of the Shareholders' Meetings, in compliance with the fundamental right of each shareholder to request clarifications on the various topics under discussion and express their opinion;
- ensure efficient departments that manage relations with shareholders.

3.2. RELATIONS WITH EXTERNAL BUSINESS PARTNERS

Bifranghi s.p.a. identifies and selects business partners and consultants with absolute impartiality, autonomy and independence of judgment. External business partners (consultants, professional firms, intermediaries, etc.) are required to comply with the principles set forth in this Code of Ethics. As it pertains to their duties, the directors and all employees of Bifranghi s.p.a. must:

- carefully evaluate the opportunity to rely upon external business partners;
- select only counterparties with adequate professional qualification and reputation;
- obtain from the external business partners the assurance that activities are carried out with an eye to the most convenient ratio in terms of level of performance, quality, cost and time;
- operate within the laws and regulations in force;

Any behaviour contrary to the principles expressed in the Code of Ethics are considered a serious breach of the duties of fairness and good faith in the execution of a contract, a reason for damage to the fiduciary relationship and just cause for termination of any contractual relationships.

3.3. RELATIONS WITH PARTNERS AND THIRD PARTIES

Bifranghi s.p.a. may undertake business initiatives jointly with other subjects within the limits of the provisions of the Articles of Association. It is the objective of Bifranghi s.p.a. to conduct business exclusively with customers, consultants and commercial counterparties of good reputation, who are engaged in lawful business activities and whose financial assets are of legitimate origin. The Company complies with the laws and regulations regarding export control and customs matters. In developing these initiatives, all directors, employees and business partners must:

- ensure that no business partner is given disproportionately favourable or unfavourable treatment in relation to his or her contribution;
- ensure the transparency of any agreements and avoid stipulating secret pacts or agreements that violate any relevant legislation in force;
- maintain frank, open and collaborative relationships with partners

3.4. RELATIONS WITH THE PUBLIC ADMINISTRATION AND PUBLIC OFFICIALS

In relations with the Public Administration and with bodies that conduct

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activities that are deemed to be of public utility or of public interest, or, in any case, relating to relationships of a public nature, Bifrangi s.p.a. adopts the most rigorous compliance with all applicable EU, national and corporate regulations, as well as with lawful commercial practices in the name of transparency, honesty and correctness. To this end, the Company complies with all applicable public procurement laws and regulations, including laws prohibiting any attempt to unduly influence government officials.

Relations with the Public Administration and public officials must be managed only by the departments and personnel specifically tasked in this regard.

No “recipient” must make undue pressure and/or promise or pay sums, promise or grant goods in kind or other benefits, even indirect, to public officials with the aim of promoting or advancing the interests of Bifrangi s.p.a.

No “recipient” can circumvent the aforementioned requirements by resorting to different forms of aid or contributions which, under the guise of sponsorships, assignments, consultancy, advertising, hiring, etc., have the same unlawful purposes discussed above. Gifts and favours to representatives of public institutions must be of modest value and proportionate to the case and, in any case, such that they cannot be interpreted as aimed at giving Bifrangi s.p.a. undue advantages.

Bifrangi s.p.a. cannot hire former employees of the Public Administration or their first- and second-degree relatives who have personally and actively participated in the business negotiations carried out with the same Public Administration in the two years prior to the time of hiring. Any employee or business partner who receives instructions to operate in violation of the terms set out above is required to immediately notify their managers or the Supervisory Body.

3.5. RELATIONS WITH POLITICAL REPRESENTATIVES AND TRADE UNION ORGANISATIONS, CONTRIBUTIONS, DONATIONS AND SPONSORSHIPS

Bifrangi s.p.a. does not make direct or indirect contributions to political parties, movements, committees and political and trade union organisations, or to their representatives, nor does it support them in any way, except in the forms and methods provided for by the regulations in force. As a socially responsible company, Bifrangi s.p.a. makes donations in cash or in kind to support educational and scientific, artistic and cultural, as well as social and humanitarian projects.

Relations with trade unions are based on principles of fairness and collaboration in the interest of the Company, its employees and the community at large.

Sponsorships for which Bifrangi s.p.a. receives advertising are not considered donations, nor are membership contributions to industrial associations or membership fees paid to organisations of interest for business activities. In any case, some donations are prohibited, such as those to individuals or for-profit organisations, paid into private accounts and to organisations whose principles are in contrast or incompatible with those of the Company, or which may damage its reputation. All donations must be transparent. Sponsorship means a contribution in cash or in kind by Bifrangi s.p.a. in favour of one or more events organised by third parties in exchange for the opportunity to give visibility to the Bifrangi brand and/or business in any form. All contributions made as sponsorships must be transparent, governed by a written agreement, must pursue legitimate commercial purposes and be adequate to the compensation offered by the counterpart. Contributions must

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not must be promised, offered or disbursed to ensure industrial advantages for the Company, or which, in any case, are in contrast with the principles set out in the Code of Ethics.

3.6. RELATIONS WITH CUSTOMERS

In carrying out its business and managing customer relations, Bifranghi s.p.a. scrupulously complies with the law, the principles of this Code of Ethics, existing contracts and internal procedures.

In particular, it is mandatory to:

- supply, with efficiency and courtesy, within the parameters of the contractual provisions, quality products;
- provide accurate, timely and exhaustive information about the services so that a customer can make informed decisions.

3.7. RELATIONS WITH SUPPLIERS

In relations for the supply of goods and the provision of services, the Company operates in compliance with the law, the principles of this Code of Ethics, existing contracts and company procedures. Employees responsible for relations with suppliers and service providers must proceed with their selection and the management of the applicable relations according to criteria of impartiality and fairness, avoiding situations of conflict of interest and reporting to the relevant functions the existence or onset thereof.

In contracts, procurement and supply of goods and/or services, the “recipients” of the rules of this Code of Ethics are required to:

- comply with the internal procedures for the selection and management of relations with suppliers;
- not preclude any supplier company in possession of the required requisites from competing for a supply, and adopt objective evaluation criteria in the selection;
- maintain an open dialogue with suppliers, in line with good business practices.

Bifranghi s.p.a. expects its suppliers to share Bifranghi values and comply with all applicable laws, and to act in compliance with the principles similarly adopted by Bifranghi s.p.a., assuming all relevant liability towards the subjects involved and the environment, in a manner that: prevents corruption, respects the fundamental human rights of its workers, complies with the laws on the prohibition of child labour, is responsible for and ensures the safety of business partners, and ensures environmental protection in compliance with applicable international regulations and standards.

3.8. RELATIONS WITH COMPETITORS

Bifranghi s.p.a. recognises the fundamental importance of a competitive market and strictly complies with the provisions of the law on competition, and refrains from engaging in misleading or any other behaviour that may engender any form of unfair competition.

3.9. RELATIONS WITH SUPERVISORY AND CONTROL PARTIES

Bifranghi s.p.a. establishes its relations with the subjects appointed to supervise and verify

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maximum collaboration, in full compliance with their role, undertaking to promptly implement their requirements after careful evaluation. When necessary, Bifranghi s.p.a. undertakes to provide all the information requested by the supervisory and control bodies, in a complete and timely manner. To this end, the Company prepares and implements the appropriate internal communication procedures for the dissemination of information.

4. WORK ETHICS, PROTECTION AND ENHANCEMENT OF EMPLOYEES

Bifranghi s.p.a. ensures the widest dissemination of the Code of Ethics to employees and business partners. It identifies and selects employees with absolute impartiality and independent judgment, in full compliance with current legislation and internal procedures.

Bifranghi s.p.a. requires its employees to know and comply with the provisions of the Code of Ethics and that, consistent with their individual skills and roles, that they share their knowledge among new employees, as well as any concerned third parties.

Employees must:

- refrain from conduct contrary to the rules of the Code of Ethics and demand compliance therewith;
- contact their supervisors if they require clarification on the methods of its implementation;
- promptly report to supervisors or, if necessary, to the Supervisory Body, any news regarding the possible violations of the rules of the Code of Ethics, as well as any request to violate the rules that are applicable to them;
- give their support to the departments in charge of investigating possible violations.

Any violation report that is unfounded and made in bad faith in order to cause damage to colleagues and/or business partners will be considered an infringement and punished as such.

The Company pays the utmost and constant attention to the enhancement of its human resources. The merit criteria, professional skills and abilities, honesty and correct behaviours are considered privileged foundations for career advancement. Employees are required to be respectful of colleagues, business and third parties and their rights, regardless of each party's hierarchical position within the Company.

Bifranghi s.p.a. recognises and respects the right of employees to participate in investments, business or other activities other than those carried out in the interest of the Company, provided that these are legal activities and compatible with the obligations assumed as employees.

4.1. PROTECTION OF THE EMPLOYEES' DIGNITY

Bifranghi s.p.a. recognises that human resources are an indispensable element for the existence, development and success of the Company, and that the motivation and professionalism of its staff are an essential factor for maintaining competitiveness and creating value for its shareholders.

Therefore, Bifranghi s.p.a. is committed to developing and enhancing the skills and potential of its employees, so that they find full realisation in the achievement of

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the corporate aims.

The Company offers equal job opportunities to all employees on the basis of specific professional qualifications and performance skills, without any discrimination regarding race, religious belief, sex, age and origin, in compliance with the laws and regulations in force.

Employees who believe that they have suffered discrimination can report any such incident to their manager, who will proceed to investigate the reported violation of the Code of Ethics.

Bifrangi s.p.a. reaffirms its commitment to preserving the moral and physical integrity of its employees, business partners and consultants.

The competent departments ensure that the working environment is adequate, as it pertains to personal safety and health and free of prejudices, and that each individual is treated with respect, without any intimidation, avoiding unlawful conditioning and undue inconvenience.

4.2. HEALTH AND SAFETY AT WORK

Bifrangi considers the environment and nature to be fundamental values and everyone's asset that which must be protected and defended. As part of its activities, the Company undertakes to contribute to the development and well-being of the communities in which it operates, pursuing objectives that ensure the safety and health of employees, external business partners, customers and communities affected by business activities, and to reduce any environmental impact.

Bifrangi s.p.a. undertakes to manage its activities in full compliance with current legislation on the environment, health and safety. Operational management must refer to advanced criteria of environmental protection and energy efficiency, pursuing the continuous improvement of health and safety conditions in the workplace.

Research and technological innovation must be dedicated, in particular, to the promotion of products and processes that are increasingly compatible with the environment, and characterised by increasing attention to the safety and health of operators.

Bifrangi s.p.a. is committed to spreading a culture of safety by developing risk awareness and promoting responsible behaviours on the part of employees and business partners. As part of their duties and functions, workers contribute to risk prevention, environmental protection and health and safety safeguard. The general measures for the protection of the health and safety of workers adopted by Bifrangi s.p.a. are:

- health and safety risk assessment;
- minimisation of risks and limitation to a minimum of the number of workers exposed to risk;
- prevention;
- compliance with the principles of ergonomics in the workplace;
- limited use of chemical, physical and biological agents in the workplace;
- hygiene measures and health control of workers on the basis of specific risks
- emergency measures to be implemented in the event of first aid, fire fighting, evacuation of workers and serious and immediate danger;

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- use of warning and safety signage;
- routine maintenance of environments, equipment, machines and systems;
- information, training and participation of workers or their representatives on matters relating to safety and health in the workplace;
- adequate instructions to workers.

4.3. SITUATIONS OF CONFLICT OF INTEREST, FAIR COMPETITION, ANTITRUST AND CORRUPTION-PREVENTION

All employees must ensure that every business decision is made in the interest of the Company; accordingly, they must avoid any situation of conflict of interest between personal or family economic activities and work duties.

If a manager, business partner or employee finds himself/herself in a situation that, even potentially, could constitute/lead to a conflict of interest, he/she is required to promptly report it to his/her supervisor, so that any follow-up can be defined. The Company's personnel cannot carry out activities for the benefit of a competitor of Bifranghi s.p.a., or engage in any competitive activity, whether it is merely collateral in nature. Occasional activities or sporadic engagements are not considered side activities.

The participation in the capital of third-party companies in competition with Bifranghi s.p.a. must be notified to Personnel Manager, if such participation is equal to or more than 5 % of the entire share capital of the competitor. Following the notification of participation in the share capital of another company, Bifranghi s.p.a. will have the right to adopt adequate measures to remove any potential conflict of interest.

Employees and business partners are required to comply with the legislation on fair competition. The following are considered some of the behaviours that may constitute a violation of antitrust legislation:

- talk to competitors about prices, production, capacity, sales, offers, profits, profit margins, costs, distribution methods or any other parameter that may determine or influence the competitive conduct of Bifranghi s.p.a. in order to induce the competitor to align itself with such conduct;
- enter into non-competition agreements, in order to limit negotiations with suppliers, to submit bogus offers in terms of tenders or to divide up customers, markets, territories or production programs;
- exert some influence on the resale prices applied to customers, or attempt to impose restrictions on the export/import of goods supplied by Bifranghi s.p.a.

Finally, Employees and business partners must not seek information on competitors by resorting to industrial espionage, corruption, theft or electronic wiretapping, or by deliberately disclosing false information about a competitor or its products/services.

Bifranghi s.p.a. competes fairly on the market by means of the quality and price of its products, not by offering undue advantages to third parties. Consequently, each employee or business partner must not offer, promise, grant or authorise, directly or indirectly, the donation of sums of money or anything else of value to employees and/or public officials, to influence an official act or to secure an advantage to Bifranghi s.p.a. Any offer,

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promise, concession or donation must be made in accordance with the applicable laws and the Bifrangi s.p.a. policy. Furthermore, any offer, promise or concession that can reasonably be understood as an attempt to influence/bribe an employee and/or public official for the granting of a business advantage for Bifrangi s.p.a. must not be accepted.

4.4. MATERIAL SOURCING FROM CONFLICT-FREE ZONES

Bifrangi s.p.a. requires its suppliers and/or business partners to procure raw materials from areas free from conflict. Bifrangi s.p.a. requires its suppliers to adopt, implement and share with its sub-contractors their positions and policies regarding conflict minerals. Bifrangi s.p.a. requires its suppliers to work with sub-contractors to trace the origin of conflict materials, at least to the foundries and encourage the use of standard reporting procedures (e.g., the EICC-GeSI Conflict Minerals Reporting Template).

Bifrangi s.p.a. reserves the right to request from its suppliers further evidence of their conflict minerals distribution chain, up to the extraction phase. The suppliers must maintain adequate data traceability and provide any information requested to Bifrangi s.p.a.

4.5. HARASSMENT IN THE WORKPLACE

Bifrangi s.p.a. requires any internal and external work relationships to be free from any form of harassment, to include:

- the creation of an intimidating, hostile or isolating work environment towards individuals or groups of workers;
- unjustified interference with the performance of other people's work;
- any obstacle to the individual job prospects of others for mere reasons of personal competitiveness.

The Company prevents, as far as possible, and persecutes any mobbing and personal harassment of any kind, to include sexual harassment.

4.6. ABUSE OF ALCOHOLIC OR DRUGS

Bifrangi s.p.a. requires that each employee personally contribute to maintaining the work environment respectful of the sensitivity of others. During any work activity and at the workplace, it is forbidden:

- to work under the effects of alcoholic substance abuse, narcotic substances or substances having a similar effect;
- consume or transfer alcoholic substances and/or drugs for any reason during work activities.

The Company undertakes to promote any social actions envisaged on the matter by the legislation in force.

4.7. SMOKING

In compliance with current legislation and corporate regulations, smoking at the workplace is forbidden and, pursuant to the applicable statutory provisions, the Company has appointed the persons responsible for the

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monitoring and request for the application of administrative sanctions.

4.8. USE OF CORPORATE ASSETS

It is the duty of each employee to safeguard the corporate assets with care and respect, avoiding improper use of the assets available to them for professional purposes. The use of the assets and resources owned by the Company and supplied to staff and business partners, other than for work purposes is not permitted. In no case, is it allowed to collect or transmit information that promotes/incites racial hatred, violence or other criminal acts, or contains material considered sexually offensive in the reference cultural environment.

Employees and business partners are not allowed, without prior authorisation, to assemble archives, databases, audio/video recordings, or any reproductions using Bifranghi s.p.a. equipment or facilities, except for purposes directly connected to the corporate activities.

4.9. GIFTS AND DONATIONS

It is forbidden to offer directly/indirectly money, gifts, benefits of any kind in a personal capacity to managers, officers or employees of suppliers, external business partners, public administration entities and public institutions, for the purpose of obtaining undue advantages.

Business courtesies, such as gifts or forms of hospitality, are allowed as long as they are of modest value and, in any case, such as not to compromise the integrity and reputation of one of the parties and not to influence the recipient's independent judgment. Likewise, business partners cannot receive gifts or special treatments, except within the limits of normal courtesy relations and provided they are of modest value. If an employee receives gifts beyond the aforementioned limits, he/she must immediately notify his/her supervisor, who will immediately return the gift and inform the donor of the principles of Bifranghi s.p.a. on the matter.

4.10 ANTI-MONEY LAUNDERING

Bifranghi s.p.a. and all its employees and business partners must never carry out or be involved in activities that involve the laundering of income from criminal activities in any form or manner. The Company and all its employees and business partners must check in advance the information available (including financial information) on commercial counterparties, suppliers and third parties in general, in order to ascertain their respectability and the legitimacy of their activity before establishing business relationships with them. They must also comply with all the provisions on accounting, recording and financial reporting applicable to cash flows and payments associated with other transactions and contracts. Bifranghi s.p.a. must always comply with the application of anti-money laundering regulations in any competent jurisdiction.

4.11 INFORMATION MANAGEMENT

Internal confidential or proprietary information of Bifranghi s.p.a. that has not been disclosed to the public must be kept confidential. Non-public information obtained from or relating to suppliers, customers, business partners or other interested parties must also be kept confidential in accordance with legal and contractual requirements.

The confidentiality obligation remains in force even after the termination of the contractual relationship, since the disclosure of confidential information, at any time, could damage the business, customers or counterparties of Bifranghi s.p.a.

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Bifrangì s.p.a. must implement processes and controls such as to guarantee the execution of transactions as authorised by Management. The Company must also prevent and identify any unauthorised use of its assets or those to which it has access. The accounting records of Bifrangì s.p.a. must be complete, accurate, reflect every transaction and comply with the applicable accounting standards and principles.

Access to the Internet company networks and the exchange of information through electronic IT tools are fundamental prerequisites for an effective performance of the work activities and for the success of the business as a whole. Such IT systems present risks for the protection of privacy and data security. The effective prevention of these risks is an important element of IT management, and of the tasks of Management and of the conduct of each employee.

The processing of personal data is permitted only to the extent that the collection, processing or use of data is necessary for predetermined, defined and legitimate purposes. Personal data must be stored securely and due precautions must be taken in their transmission. The highest standards of data quality and protection against unauthorised access must be guaranteed. The use of personal data must take place in absolute transparency towards the persons concerned, who have the right to verify the use and correctness of the information and, if necessary, block its use and request its cancellation.

All employees and business partners are required to comply with the law, as applicable, to protect the privacy of third parties.

5. IMPLEMENTATION AND CONTROL PROCEDURES

5.1. INTERNAL DUE DILIGENCE

All employees must be aware of the existence of control procedures and of the contribution they make to the achievement of corporate objectives and efficiency. Internal due diligence refers to all tools deemed to be necessary or useful for directing, managing and verifying the Company's activities, with the aim of ensuring compliance with laws and corporate procedures, protecting company assets, effectively managing activities and providing accurate and complete accounting and financial data.

The responsibility for creating an effective internal control system is shared at every operational level. Consequently, all the "recipients", within the scope of matters under their respective purview, are responsible for the correct functioning of the controls inherent in the operational areas under their responsibility.

Managers are required to participate in the corporate control system and to involve any of their personnel. Each operation and transition must be properly recorded, authorised, verifiable and legitimate.

5.2. SUPERVISORY BODY

Pursuant to Legislative Decree 231/01, the Company has established a Supervisory Body with control powers.

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The Supervisory Body is tasked with:

- monitoring compliance with the Code of Ethics, by promptly reporting any violations thereof to the Board of Directors;
- guaranteeing the maximum dissemination of the Code of Ethics by means of an adequate information and awareness plan;
- ensuring the updating of the Code of Ethics, in response to corporate needs and statutory and regulatory changes;
- conducting checks on any information of alleged violation of the rules of the Code of Ethics, evaluating the case and taking appropriate sanctioning measures;
- guaranteeing that no retaliation of any kind is suffered by those who notified a violation of the Code of Ethics.

All information and reports received by the Supervisory Body are considered confidential and cannot be disclosed, except in the cases provided for by current legislation.

6. RIGHT AND DUTY TO REPORT

Any employee, shareholder and/or business partner of Bifranghi s.p.a. who becomes aware of illegal circumstances or behaviours, which violate, or could violate, this Code of Ethics, must promptly contact Bifranghi s.p.a. by telephone or email:

Direct Telephone Line:

+39 0424 8381

+39 0424 83200

E-mail: info@bifranghi.it

7. ENTRY INTO FORCE

This Code of Ethics entered into force on 05/04/2018