



CODE OF ETHICS

DRAWN UP PURSUANT TO AND IN ACCORDANCE WITH ARTICLE 6
OF [ITALIAN] LEGISLATIVE DECREE NO. 231 DATED 8 JUNE, 2001

1. Introduction

This document, known as the "Code of Ethics" (hereinafter referred to as the "Code"), which has been approved by the Board of Directors, as well as providing the general ethical principles which all employees are required to observe, also describes the rights, duties and responsibilities that BROVEDANI GROUP S.p.A. and its subsidiary companies BROVEDANI SPA, BROVEDANI SLOVAKIA SRO, BROVEDANI REME MEXICO S.A. DE CV (hereinafter referred to as BROVEDANI) expressly recognize in all dealings with the subjects with which the Company operates – directors, employees, collaborators, external consultants, suppliers and clients, and any other subject considered as being a stakeholder – guaranteeing the prevention of any breaches of the law, criminal offences or other irregularities in connection with the management of the Company, in every sense and every circumstance.

Thus those recipients of the Code employed by companies associated with the Group, as well as all those who work on behalf of the Group, whether in Italy or in any of the countries in which the Group operates, must act in accordance with the ethical principles of conduct contained therein in all day-to-day dealings with third parties and with each other.

The principal ethical values upon which this Code is based have been conceived and developed over the Company's long history, with special focus on a philosophy known as the Brovedani Spirit, which comprises a balanced approach to the **development of the Company's operations in conjunction with the professional growth of all its employees**, as will be described in greater detail below. It is a set of work and company ethics which offers a balanced interpretation of the **statutory ends which characterize the Company's *raison d'être*** and helps to promote the **development and social cohesion of the region** in which the Company operates.

The Code may be downloaded from the Group's website (www.brovedanigroup.com) by all its employees and collaborators.

The Code will be revised as and when necessary by the Board of Directors.

Revisions are prepared on the basis of contributions by employees and collaborators, drawing on their work experience in other companies and also on their direct experience in the application of the Code within the Company.



First and foremost, Brovedani takes into consideration the human factor and the value of its workforce: the Company promotes the growth of its employees in personal terms and also as regards the value and professional competence of each of them, since these factors are vital to the success of the Company and are a guarantee of full compliance with all current legislation governing health and safety in the workplace and the protection of privacy.

This Code encapsulates the basic guidelines upon which the activities of BROVEDANI are based, and is intended to serve as a guide for the conduct of its employees and all third-parties, especially as regards **ensuring that the Company complies in every way with the norms referred herein**, and to form the basis for the correct operation, reliability and image of BROVEDANI.

By way of example:

- in setting the Company's targets, the Board of Directors takes into consideration the principles and values of the Code;
- the Company's management ensures the concrete application of the principles and values of the Code, assuming their responsibility towards employees and third parties, thus strengthening trust, cohesion and group spirit;
- all employees and collaborators work and conduct themselves in a manner that is in line with the principles, values and commitments contained in the Code;

The focus on a work and corporate ethic, as described in the preceding sections, is an indispensable ingredient of BROVEDANI's reliability in all its dealings with its shareholders, clients, and more in general with the wider business context in which the Company operates. The adoption of a number of specific principles of conduct which the company observes in its dealings with the market, with third parties and with the public administration underlines BROVEDANI's commitment to the prevention of the crimes specified in [Italian] Legislative Decree no. 231 dated 8 June, 2001 and subsequent amendments and additions, which regulates the administrative responsibilities of companies.

2. Principles, values and reference models

In its business dealings, BROVEDANI adheres to the principles of impartiality, fairness and transparency. This Code expresses the overall line of conduct which makes it possible to enact its guiding principles in every aspect of its operations, whether carried out in Italy or abroad.

2.1. Correctness and transparency

BROVEDANI undertakes to assure the maximum fairness and transparency in all dealings with the Public Administration, its central and branch units, and with all third parties, such as users and suppliers.



2.2. Impartiality

BROVEDANI undertakes to avoid acting in such a way as to favour any interest group or individual, and also to avoid any form of discrimination against any person based on age, state of health, gender, religion, race or cultural/political opinions.

2.3. Confidentiality

BROVEDANI undertakes to guarantee the confidentiality of the data and information contained in its information system, including personal and corporate data, for processing as part of its business operations. The Company also undertakes to guarantee full and timely compliance with the security measures for protection against any form of intrusion.

BROVEDANI undertakes to make it possible for any of its employees to report information concerning illicit activities carried out by other employees, using tools and procedures which guarantee anonymity while at the same time allow for immediate and effective intervention by the Company's Management.

3.4. Value of human resources

BROVEDANI undertakes to respect and grow the value of its human resources, also by means of constant improvement of their technical and professional skills.

BROVEDANI recognizes that the presence within the Company of motivated and competent personnel is an essential factor in ensuring competitiveness and customer satisfaction.

The principles contained in the Code confirm the importance of respect for the individual and fair treatment of all employees, without any form of discrimination.

3.5. Cost-effectiveness and efficiency

BROVEDANI undertakes to ensure that the management of the Company will be cost-effective and efficient, in order to provide its customers with solutions and services with an excellent cost/quality ratio and guarantee customer satisfaction.

3.6. Technological excellence and innovation

BROVEDANI undertakes to implement constant improvements to meet the latest developments in production technology, in order to guarantee that the products and services supplied are of the highest possible quality. The Company also undertakes to identify the best opportunities in the national and international markets and to respond with innovative solutions and services.

BROVEDANI's activities are at all times based on the Company's full and total compliance with current [Italian] legislation, the norms and regulations of the European Union and of those countries in which the



Company operates, and also as laid down by this Code and the Company's internal procedures. Under no circumstances shall the pursuit of the Company's business interests justify any breach of said norms and regulations.

3.7 Business ethics

BROVEDANI considers that respect for the ethical principles which the Company has set for itself and for the consequent regulations, as well as complete transparency in all its business dealings, are of fundamental importance not only in providing a competitive advantage but also in achieving its business objectives, which are centred on creating the maximum value for its Shareholders, for the Company's employees, for the customers and for the entire local community.

Thus BROVEDANI strives to promote the creation of a workplace permeated by a strong sense of moral integrity, in the conviction that this can contribute substantially to the effectiveness of the Company's policies and systems of control and influencing behavioural aspects that might not be detected by even the most sophisticated control systems

4. Adoption of the Code, scope of application and recipients

BROVEDANI applies this Code, which expresses the set of ethical concepts which are used to implement the main principles of every aspect of the Company's activities.

Without prejudice to the Company's respect for specific religious, cultural and social requirements of every order, the Code is valid both in Italy and abroad, subject to adaptation where necessary or appropriate to meet the requirements of the various countries in which BROVEDANI operates, today or in the future.

In the event that even one of the provisions of the Code should be found to be in conflict with any of the provisions of the Company's current internal regulations or procedures, the terms of the Code shall prevail.

This Code addresses the Company's corporate bodies and their members, its employees, temporary workers, consultants and collaborators of any type, as well as agents, representatives and any other subject who might act in the name of and on behalf of BROVEDANI, hereinafter referred to as "Recipients of the Code". The "Recipients of the Code" shall be required to read and understand its content and to respect the terms of the Code, which shall be placed at their disposal in the manner described in a later section.

5. Company management and financial statements

In drawing up its financial statements and any other type of accounting document required by law, BROVEDANI observes all current legislation and regulations and adopts the latest accounting principles and



practices.

The balance sheet and financial statements provide a faithful representation of the company's management situation (economic, equity and financial) in a clear, accurate and faithful manner.

The Company's administrative and book-keeping systems make it possible to reconstruct the various events in its management and faithfully represent its operations, at the same time helping to identify the motivation for each and the various levels of responsibility.

Any incorrect entries in the Company's accounts and in its administrative management are considered as being a breach of the Code and therefore illegal; all employees are legally responsible for omissions which might result in:

- the recording of false transactions;
- failure to record operations without adequate documentation;
- recording of operations which are not as shown in the supporting documentation.

5.1. Internal controls

BROVEDANI uses a wide range of tools which are necessary in order to address, manage and verify its operational activities in such a way as to ensure full compliance with all public legislation and the Company's internal procedures, to protect the Company's assets, to efficiently oversee its activities and to provide accurate and complete financial and accounting information.

The Company's internal control procedures may be subdivided into two different categories:

- "line controls", which are carried out by the individual operational units on their own processes;
- "internal auditing", by means of systematic sampling and monitoring of the line control procedures.

As a consequence, the internal control procedures:

1. ascertain the adequacy of the various production processes in terms of effectiveness, adequacy, coherence, efficiency and cost;
2. verify that the conduct of the employees is in compliance with the norms and with the Company's directives and policies;
3. establish rigorous procedures designed to guarantee that the actions of the Company are the result of careful economic evaluation;
4. guarantee the reliability and accuracy of the book-keeping entries and the safeguarding of the Company's assets;
5. provide clear, comprehensible and accurate documentation as requested by the supervisory and control authorities.



6. Relations with the shareholders

BROVEDANI's corporate purpose is to create value for its shareholders, and the management of the Company is based not only on the principles and values described in this document but also on the principle of maximum transparency.

To this end, the Company provides its shareholders with adequate, prompt and complete information concerning the salient aspects of its management.

7. Relations with employees

7.1. Personnel selection

The Company selects its personnel in an objective manner that is based on their skills and professional expertise, guaranteeing equal opportunities, avoiding any form of favouritism, and with the aim of ensuring that the Company is staffed by the most highly-skilled employees on the market.

7.2. Management and development of personnel

BROVEDANI adopts an integrated system for the management and development of its human resources, guaranteeing to its employees equal opportunities and professional development on the basis of the merits of each. As an integral part of its general policies, the Company encourages the maximization of the potential, capacity and skills of each employee, to this end organizing a series of training programmes.

BROVEDANI takes every reasonable measure in order to prevent any form of harassment – whether physical, psychological or sexual – of any of its employees, defined in legal terms as mobbing, straining and stalking.

7.3. Health and Safety

BROVEDANI focuses very closely on creating and managing its plants and workplaces which are adequate from the point of view of the health and safety of the employees, and in full compliance with national and international directives governing health and safety. Smoking is prohibited in all BROVEDANI's workplaces.

7.4. Safeguarding of privacy

BROVEDANI acts in compliance with the provisions governing the confidentiality of personal data contained in the Data Protection Code drawn up in accordance with [Italian] Legislative Decree no. 196 dated 30 June, 2003 and subsequent amendments and additions.



In reference to these provisions and to the processing of the personal data of its employees, BROVEDANI informs every employee of the nature of the personal data processed by the Company, the method of processing and the means of communication, and adopts the appropriate measures designed to guarantee confidentiality.

7.5. Diligence and good faith

Each employee and/or collaborator must act diligently and in good faith in carrying out their assigned work activities, comply with all the obligations undertaken in their contract, and strive to achieve the Company's objectives.

The employees must also know and comply with the content of this Code, basing their conduct on the principles of respect, cooperation and reciprocal collaboration. In particular, as concerns its collaborators, BROVEDANI shall provide them with a copy of this Code; the collaborators shall sign a declaration of acknowledgment, undertaking to refrain from any conduct that might be in breach of the principles contained therein.

BROVEDANI includes specific termination clauses, applicable in the event of serious breach of the terms of this Code, in the respective contracts. Employees of BROVEDANI, irrespective of their function and/or level of responsibility, must be aware of and act in full compliance with the Company's internal procedures, especially those concerning the protection of the environment, health and safety, and the protection of privacy.

Furthermore, the employees shall draw up reports describing their working activities in a timely and accurate manner, taking into consideration that this information is provided to the clients and forms the basis for all legally-required actions.

7.6. Conflict of interest

Each employee and/or collaborator must carry out their assigned work activities exclusively in the interest of BROVEDANI, avoiding any situation of conflict between their personal economic activities – including those of their family members – and their assigned work activities/company functions, if such situation of conflict should negatively affect the activities of BROVEDANI or the Company's image, or result in illicit advantage for the employee and/or collaborator.

By way of non-exhaustive example, these situations might include the following:

- accepting money, gifts or favours of any nature from persons, companies or organizations engaging in business dealings or negotiations with BROVEDANI;
- using their position within the Company or the information acquired during the course of their work activities to further their personal interests;
- entering into, concluding or initiating negotiations and/or contracts, in the name of and on behalf



of BROVEDANI, if these should be agreed with the employee's family members or business partners, or with companies or legal entities owned by the same or in which they might have any interest.

Prior to accepting a paid consultancy, management, administrative or other position with another entity, or if a situation of conflict of interest as described above should occur, each employee shall be required to so inform the Company.

7.7. Confidentiality

All employees and collaborators shall be required to treat as highly confidential all information, documents, surveys, initiatives, projects, contracts and plans which might come to their attention during the course of their working activities, especially as regards those which might in any way compromise the image and/or interests of the clients and of BROVEDANI.

Information regarding the Group may be requested from Public Authorities, or from third parties subject to specific agreements concerning its use.

BROVEDANI has implemented adequate measures designed to protect the information processed and to ensure that such information is not accessible to unauthorized persons.

All information, especially information received in relation to activities conducted on behalf of clients, shall be considered confidential and may not be divulged to third parties, nor used to obtain direct or indirect personal advantages.

All situations which might be construed as representing a conflict of interest must be immediately reported in writing to the employee's Supervisor, especially those of a financial and/or commercial nature, which might compromise an impartial and objective judgement.

The confidentiality undertakings shall remain in force and shall be complied with even after the termination of the work relationship.

7.8. Protection of the Company's assets

Each employee and collaborator shall be required to act with diligence in protecting the Company's assets from improper or inappropriate utilization.

More specifically, as regards all IT applications, and in consideration of the IT system used by BROVEDANI, each employee shall be required scrupulously to observe the terms of the Company's security policies in order to avoid compromising the operation and security of its IT systems.

Each employee and collaborator shall also be required to:

- refrain from making unauthorized copies of software programmes licensed for use by the Company



or by third parties;

- ensure compliance with the Company's security norms in all activities carried out by collaborators or third party companies working under contract to BROVEDANI;
- utilize the Company's e-mail and internet tools only for the designated purposes and, in all cases, to refrain from sending e-mail messages that are offensive or threatening or damaging to the image of the Company or of third parties;
- refrain from using the internet to visit sites with paedo-pornographic or illegal content or content which is not connected with the work activities.

8. Dealings with the Public Administration

BROVEDANI's dealings with the Public Administration, public officials or persons performing public services must be carried out in full compliance with current legislation and all applicable norms, and must not compromise the integrity or reputation of BROVEDANI in any way,

The signing of undertakings and the management of relations of any nature with the Public Administration, public officials or persons performing public services must be carried out exclusively by the company departments so designated and by authorized employees.

In all dealings between BROVEDANI and the Public Administration, public officials or persons performing public services, the recipients of this Code shall be required:

1. to refrain from offering – whether personally or through an intermediary – money or other favours, which might comprise offers of employment or commercial opportunities, to any public official, or their family members or to persons in any way connected with the same;
2. to refrain from accepting or offering any personal relationships involving favour, influence or interference such as to directly or indirectly influence the result of the relationship.

9. Relations with Judicial, Supervisory or Peace-Keeping Authorities

BROVEDANI acts at all times in compliance with the law and, to the extent of the Company's competence and scope, in such a way as to contribute to the correct administration of the justice system (whose activities in ascertaining the truth may not be hindered).

In conducting its business activities, BROVEDANI operates in a correct and legal manner, collaborating with the Judicial Authorities, Peace-Keeping Authorities and any Public Official authorized to act in a supervisory capacity.

BROVEDANI requires that the recipients of this Code show the utmost willingness and collaboration in dealings with any person designated to carry out controls and inspections on behalf of INPS [*Italian Pension*



Institute], the Ministry of Health and Welfare and any other office of the Public Administration.

In the event that any judicial proceedings, inquiry or inspection by the Public Administration should be planned or expected, then employees shall not destroy or alter any registrations, reports, accounting entries or any other document, nor shall mislead or make false statements to the competent Authorities.

No employee shall attempt to induce any other employee to provide false or misleading information to the competent Authorities. No employee may undertake business activities, nor confer professional appointments, nor give or promise gifts, money or other advantages to those designated to carry out checks or inspections or to members of the competent Judicial Authorities.

Employees who, in relation to events connected with their work activities, are involved in person with inquiries or inspections or who receive subpoenas, and/or those who receive notification of other judicial provisions, shall inform the Company's Supervisory Organ.

10. Relations with Clients

The primary aim of BROVEDANI is to meet the requirements of its contractual partners in full, with the purpose of creating a solid relationship based on the values of fairness, honesty, efficiency and professional competence.

In this context, BROVEDANI assures its clients that their orders will be fulfilled in the best possible manner, and is constantly focused on proposing the most advanced and innovative solutions as part of the Company's approach based on integration, effectiveness and cost-efficiency.

All contracts signed with clients, all correspondence sent to the same, including advertising material, shall be based on the principles of simplicity, clarity and completeness, and the Company shall not use any form of misleading and/or improper business practice.

11. Dealings with suppliers

11.1. Selection of suppliers

BROVEDANI undertakes as follows:

- to guarantee that all potential suppliers offering similar conditions shall enjoy equal opportunities when bidding for supply contracts;
- to request potential suppliers to provide assurances confirming that their resources, including



financial resources, organizational structure, capacity, know-how, quality systems and procedures, are adequate to meet the requirements of BROVEDANI, and also to demonstrate the legality of their business activities.

In order to guarantee integrity and independence in its dealings with suppliers, BROVEDANI assures the maximum transparency and efficiency in the purchasing process, in particular:

- by the separation – where possible in physical terms – of the company locations/ departments requesting the supply of the goods/services and the department stipulating the relative contract;
- by adopting procedures designed adequately to document the relative decisions (so-called "traceability of the phases of the purchasing process");
- by conserving information and documentation relative to the supplier.

BROVEDANI also ensures that the various departments and all employees:

- refrain from inducing suppliers to enter into disadvantageous contracts with the purpose of obtaining advantages at a later date;
- initiate activities involving a cost to the Company only after stipulating the relative contract or subject to prior written acceptance of early fulfilment;
- do not receive gifts or benefits of any nature that are not directly ascribable to normal business courtesy.

In addition, and in order to ensure that contracts are entered into in a correct manner, BROVEDANI undertakes to:

- guarantee the maximum transparency of the operations concluded;
- guarantee impartiality at every stage of the process;
- maintain the confidentiality of all sensitive information;
- promptly report any potential or actual conflict of interest.

11.2. Code of conduct in dealings with suppliers during the execution of the contract

BROVEDANI requires its departments and employees to:

- comply scrupulously with the Company's internal procedures relative to the handling of relations with its suppliers;
- in all supply relationships, comply with and require compliance with applicable legislation and the terms and conditions of the contract.

11.3. Protection of ethical aspects of the supply process



BROVEDANI makes this Code available to its suppliers, requiring them to sign a declaration of awareness of its content and undertaking to refrain from breaching its principles in any manner. BROVEDANI's supply contracts include express termination clauses which may be applied in the event of any serious breach of the principles of this Code.

11.4. Appointment of professional consultants

In appointing professional consultants, BROVEDANI undertakes to adopt the principles of professional competence, cost-effectiveness, transparency and correct conduct, and also to evaluate the moral and professional integrity of the consultants to be appointed.

More specifically, all fees and/or monies paid for any reason to the recipients of professional appointments must always be adequately documented and appropriate to the activities provided, taking into consideration current market conditions.

11.5 Respect for fundamental human rights (ILO convention)

Each element of BROVEDANI's supply chain shall be required to act in compliance with the following Standards governing human rights and ethical and social responsibility, at the same time observing the fundamental norms set forth in the ILO (International Labour Organization) convention, defining the minimum requisites for BROVEDANI's suppliers. The current version is a fundamental and integral part of any work contract signed with Brovedani and of every "protocol".

In order to establish a correct professional relationship, both parties involved in any operation (i.e. BROVEDANI and its suppliers) undertake to observe the highest standards concerning basic human rights and ethical principles, and also to act in full compliance with the legal norms prevailing in the countries involved, though on condition that these are in alignment with the principles set forth in this Code. The terms of reference are the labour norms of the International Labour Organization (ILO), which are considered to be the minimum standards.

ILO Convention – Articles 29 and 109 – Prohibition of Forced Labour

Forced labour shall under no circumstances, in no manner and in no case be tolerated. Goods produced using forced labour shall not be accepted by BROVEDANI and its suppliers. The place of work must be occupied on a voluntary basis, thus also precluding work carried out by detainees.

ILO Convention – Articles 87 and 98: Freedom of association and Collective bargaining

Every worker shall enjoy the right to establish a representative body or to become a member of a trade union organization. Workers must be free to sign up to collective labour agreements between employees' organizations and workers' organizations. Workers' representatives may not be subjected to discrimination.

ILO Convention – Articles 100 and 111: Discrimination

Workers may under no circumstances, in no manner and in no case be subjected to any form of



discrimination on the basis of their gender, race, ethnic or social background, religious or political beliefs. Workers' salaries must be equivalent for male and female employees.

ILO Convention – Articles 138 and 182: Child labour

Under no circumstances, in no manner and in no case shall child labour be accepted. The minimum age for employees and workers is as laid down by local legislation. In any case, the minimum age for employees and workers is 15 years. Exceptions may be permitted exclusively in the case of youth training programmes. The health, development and school attendance of the workers must under no circumstances be affected.

ILO Convention – Article 131: Minimum wages

Wages must be sufficient to cover the basic necessities of the workers and their families, taking into account the local living conditions, as also laid down in the Constitution of the Republic of Italy.

ILO Convention – Article: 155: Health and safety in the workplace

Health and safety must at all times be guaranteed as required by the legislation and customs of the countries in which BROVEDANI operates. Collaborators, too, must be adequately protected. Measures designed to prevent accidents and injuries in the workplace, too, must be implemented. The risk of work-related accidents and illnesses must be reduced to a minimum, also with the application of the latest technological and scientific research and of the most appropriate norms. The criteria listed above must be observed in each production site, and must be certified by internationally-recognized bodies. These measures must be in place prior to the commencement of the business relationship and continue without interruption for the entire duration of the contract.

BROVEDANI reserves the right to conduct audits without prior notice or to assign certified bodies to do so.

Failure to comply fully with the code of ethics may result in the termination of the consultancy or work agreement.

12. Gifts to clients, suppliers and collaborators

All business dealings with clients, suppliers and collaborators must not involve donations, benefits (whether direct or indirect), gifts, acts of courtesy or hospitality, unless these are of a nature and value that do not compromise the image of the company and cannot be interpreted as being intended to obtain favourable treatment which goes beyond normal market rules.

13. Relations with the institutions and the mass media

In all its relations with the institutions, BROVEDANI undertakes:

- to establish permanent channels of communication with all local, community and international interlocutors;



- to pursue its own interests in a manner that is transparent, rigorous and coherent.

Relations between BROVEDANI and the mass media are managed by specifically designated personnel and must be handled according to the Company's communication policies and tools.

Any employee of BROVEDANI who might receive a request from any press or communication organization for an interview or statement concerning BROVEDANI shall be required to inform the Company's management in advance and discuss the appropriateness and content of said interview or communication.

14. Economic relations with political parties, trade union organizations and associations

BROVEDANI does not make contributions of any nature, whether directly or indirectly, to political parties, movements, political or trade union committees and organizations, stakeholder associations, nor to their representatives or candidates, whether in Italy or abroad, with the exception of contributions payable as required by specific regulations.

In addition, BROVEDANI refrains from placing any form of direct or indirect pressure upon political figures, nor accepts any suggestions relative to the hiring of employees, consultancy contracts or similar.

The "Recipients of this Code" may not conduct political activities on the premises of BROVEDANI, nor utilize BROVEDANI's assets or equipment for said purpose. The Recipients shall also acknowledge that any political opinions which they might express to third parties are strictly personal and as such do not represent the opinions of BROVEDANI.

15. Contributions and sponsorship

BROVEDANI may accept requests for contributions though solely those received from no-profit bodies or associations or those supporting cultural values or charities. The Company may sponsor bodies operating in the areas of social welfare, environmental protection, amateur sports, art and the performing arts.

16. Supervisory body

In order to bring its organizational model into line with the requirements of [Italian] Legislative Decree no. 231/2001, BROVEDANI has designated and assigned an organ responsible for the implementation of the principles contained in this Code. This "Supervisory Body" shall be tasked with the following:

- to verify that the control activities assigned to the operational personnel are in line with organizational model, that they are effectively carried out and that any anomalies or non-



- compliance are reported in a timely manner;
- to monitor the application of and compliance with the Code of Ethics and to promote initiatives designed to increase the awareness and comprehension of the Code;
 - to verify that the criteria and methods utilized to process the accounting entries and the related data are in compliance with generally-accepted principles and to standards of best practice, and that the relative administrative processes and systems of control are efficient and effective;
 - to ensure that the appropriate information flows are directed in a constant manner to the Company's administrative organs;
 - to process and monitor the implementation of the supervision programme, in line with the principles contained in the organizational model, in each sector of the Company's activities;
 - to request specific checks in the event of reports of non-compliance or the commission of the offences subject to the specified preventive measures;
 - to identify, map and classify the areas of risk within the Company by means of a constant risk assessment procedure;
 - to collaborate in the drawing-up and reviewing of the internal regulations as concerns the prevention of risks and the continuous improvement of ethical conduct within the Company;
 - to update the organizational model to meet any changes in the law, organizational modifications and any changes in the Company's activities;
 - to report to the appropriate persons the advisability of initiating disciplinary measures against persons acting in breach of the Company's procedures or of the reference principles of the organizational model;
 - to promote and oversee initiatives designed to increase awareness of the organizational model, the training of the Company's personnel and their awareness of the need to comply with the principles contained in the model.

The "Recipients of this Code" shall be required to collaborate with the Supervisory Body in carrying out their assigned activities, and shall give the Body free access to all documentation that is considered useful.

17. Communication and training

This Code shall be brought to the knowledge of all internal and external subjects who are involved in the Company's mission by means of specific channels of communication.

In order to ensure that the Code is fully and correctly understood by all collaborators, the Company department responsible for human resources will take the measures necessary to ensure that the principles and ethical norms are made known.



18. Reporting

The "Recipients of this Code" may at any time report any breach of the Code to the Supervisory Body. The Supervisory Body shall then evaluate the report in a timely manner, if appropriate interviewing the person filing the report, the person alleged to have committed the breach and any other person who might potentially be involved. The Supervisory Body undertakes to guarantee the confidentiality of the identity of the person filing the report, except as otherwise required by current legislation.

19. Disciplinary measures

The Supervisory Body shall verify and examine any breaches of the provisions of this Code.

The Supervisory Body shall forward the results of its inquiry to the Chairman of the Board of Directors of BROVEDANI.

The procedures for hearing alleged breaches of this Code and for applying the consequent penalties shall take place in full compliance with the provisions of Article 7 of Law no. 300 dated 20 May, 1970 and with the terms of the labour contracts and agreements, where applicable, concerning counterclaims and the right of the accused to enter a defence.

The disciplinary procedure shall be supervised by the Human Resources department.

20. Penalties

The Company shall, in relation to the gravity of the breach committed by the defendant, adopt the appropriate disciplinary measures, independently of any criminal action that might be brought by the Judiciary Authorities. More specifically, any breach of this Code, committed by employees and/or managers, shall result in the adoption of disciplinary measures proportional to the serious or repeated nature of the breach or the degree of culpability, as laid down in Article 7 of Law no. 300 dated 20 May, 1970 and the provisions of the applicable labour agreements.

The provisions of this Code shall also be applicable to temporary workers, who shall be required to comply with its provisions. Any breach of the Code shall be punished by the disciplinary measures adopted by the respective employer companies, which shall be required to comply with the content of the Code on the basis of their specific contractual agreement with BROVEDANI.

As regards the Company's Management and the Auditors, any breach of the norms contained in this Code may result in the adoption, by the Board of Directors or the Board of Statutory Auditors respectively, of



disciplinary measures proportional to the serious or repeated nature of the breach or the degree of culpability, up to the proposal to the Board of Directors calling for the revocation of their appointment for just cause. In the latter case, BROVEDANI shall enjoy the right to claim compensation for any damages caused by said breach. As concerns suppliers, collaborators and external consultants, the breach of the provisions of this Code shall be punished by the termination of their ongoing contract, without prejudice to the right of BROVEDANI to claim compensation for any damages resulting from said breach.

Company departments responsible for the management of the Organization, Management and Control Model referred to in this Code of Ethics:

- Company management
- Human Resources department
- President of the Supervisory Body



The specific procedure for the reporting of illicit actions may be found on page 32 of this document

Policy for quality, environmental protection and health and safety in the workplace

Brovedani is committed to providing its clients with solutions whose high level of precision creates added value and responding promptly to the needs of the client while complying fully with all legal, regulatory, group and environmental requirements.

One of our main objectives is to reduce to a minimum the defect rate, the impact on the environment and accidents in the workplace. To this end, all our staff are fully trained and highly skilled.

Brovedani

We focus very closely on effective risk management as regards the quality of the product, the safeguarding of the environment and health and safety in the workplace, by implementing a system based on the continuous improvement of the production processes, taking into account the life cycle of the product and its sustainability and encouraging the development of a culture of prevention and protection at every level within the Group.



Whistleblowing Procedure

Introduction

Whistleblowing is an effective instrument that can be used by those who wish to report conduct observed in the workplace which is presumed to be intentionally harmful. Such conduct can be reported using the appropriate form (see "Procedure" below). In order to facilitate the whistleblowing system, the personal data and confidentiality of the person filing the report are safeguarded by the terms set forth in paragraph 2.3 of the company's Code of Ethics, as described in [Italian] Legislative Decree no. 231/2002 "Organizational Management and Control Model".

N.B.: All employees are required to act in good faith as specified in paragraph 6.5 of the Code of Ethics.

Purpose

This procedure is important in that it brings to the knowledge of the company any illicit and/or illegal conduct which might:

- have a negative effect on the economic performance and/or efficiency of the company (see paragraph 2.5 of the Code of Ethics) and thus may have a negative effect on the procedures within the company's production activities or its human resources.
- be seen to compromise impartiality (see paragraph 2.2 of the Code of Ethics), i.e. any form of discrimination in terms of age, state of health, religion, gender, cultural or political opinions.
- compromise the safety of the company's employees, machinery or property (see paragraph 6.3 of the Code of Ethics)

How to file a report

All profiles and professional persons who in some manner collaborate with the company, whether as employees or independent consultants. Employees may



compile the report form either on the company's premises or, if preferred, the form may be compiled at their home.

How is the whistleblower protected?

Brovedani undertakes to maintain the confidentiality of the information received. To this end, the company will take all necessary action against any person who might retaliate (or threaten to do so) against the whistleblower.

What safeguards are in place to protect the person being reported?

No disciplinary action will be taken against the person reported in relation solely to the report itself. Action may be taken only if the report is ascertained as being founded.

Definition of an illicit action

An illicit action is considered as any improper behaviour and/or transgression which is voluntary and is such as to represent a risk for health, safety or productivity, as well as any other violation including so-called "predicate offences" as described in the Organizational Management and Control Model, with special reference to the violation of a person's dignity:

- failure to comply with technical instructions for production and control (e.g. requirements, regulations, methods of implementation etc.);
- failure to comply with the process parameters (e.g. pressing force, temperature of washing tanks, traceability etc.);
- failure to comply with the processes for the prevention and detection of errors;
- failure to carry out the necessary maintenance on each piece of machinery, equipment and plant;
- failure to respond to the alarm systems which signal the need for replacement or routine/special maintenance of tooling due to wear or damage;
- failure to comply with the criteria for identification and labelling as set forth in the regulations;
- failure to comply with the regulations for the disposal of components which have fallen to the floor or into a machine;



- failure to comply with the regulations specifying that only materials which are fit for purpose may be made available for selection and machining;
- failure to show respect toward persons as such or to ensure the safety of both persons and the machine;
- Etc.

How will management act on receipt of the report?

The recipient of the report (President of the Supervisory Board) will carry out an initial assessment of the admissibility of the report; if the report is assessed as being founded, the question will be passed on to the company's General Management. Thereafter, an internal investigation will be carried out, though maintaining the confidentiality of the identity of the person filing the report. The appropriate response will be determined and, if appropriate, any disciplinary action will be enacted and posted on the notice board.

Procedure

Each member of the staff may find report forms near the red container used to collect the reports. These containers may be found near the refreshments area in Br01, in the production area at the entrance to Br02 and near the stairs leading to the refectory Br05. Any member of staff may pick up a form and compile it (at home if preferred).

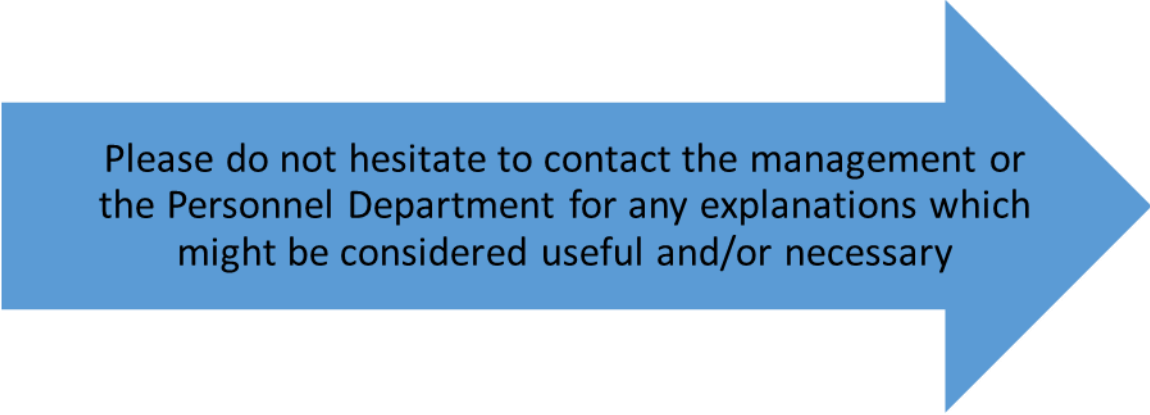
The following data should be provided:

1. date of the illicit or illegal action
2. time of the illicit or illegal action
3. place of the illicit or illegal action
4. description of the illicit or illegal action, beginning from the 10 possible improper actions included in the definition of illegal or "illicit" actions;
5. any documentation demonstrating the validity of the report, such as an indication of a specific register or an e-mail or other telematic data.

Please be reminded that the report must refer to conduct which is presumed to be intentional and to cause harm or damage **primarily** to the dignity of a person, or to



their health and safety or to the productivity and efficiency of the production machinery.



Please do not hesitate to contact the management or the Personnel Department for any explanations which might be considered useful and/or necessary



DATE OF ILLICIT ACTION	dd/mm/yyyy
TIME OF ILLICIT ACTION	hh:mm
PLACE IN WHICH ILLICIT ACTION TOOK PLACE	BR01 BR02 BR05 external to the company premises
DESCRIPTION OF ILLICIT ACTION (Please use capital letters)	
DOCUMENTS DEMONSTRATING THE ILLICIT ACTION (IF ANY) (Please use capital letters)	