BONAVERI CODE OF ETHICS

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CHAPTER ONE

THE ELEMENTS AND GENERAL PRINCIPLES

INSPIRING THIS CODE OF ETHICS

INTRODUCTION. SCOPE

The present Ethical Code of Conduct (hereinafter "Code") is an official document of BONAVERI Srl as well as adopted by its subsidiaries (hereinafter collectively, the "Group" or "BONAVERI"). This document contains all the principles that the Group complies with the conduct of their own business, the operation of their activities and management of relations with those acting on its behalf or carries out its activities and manages relations with those parties who operate on its behalf for any reason whatsoever.

This Code ratifies ethical principles and rules of conduct, also for the purpose of reasonably preventing the offences and crimes indicated in Italian Legislative Decree 231/2001 (hereinafter referred to as the “Decree”), which provides rules and regulations governing the administrative liability of legal persons, companies and associations, including those without legal status, and aims to recommend and promote appropriate behaviours and prohibiting certain behaviours, also well than expected in terms of regulation by law. This Code should indeed be considered essential and indispensable for the application of the model of organization, management and control ("Model") adopted by BONAVERI and by the Group of companies, also pursuant to and for the purposes of the Decree.

For these purposes, the Code is addressed and diffused for the members of the governing bodies, managers, employees, co-workers (including external agents, attorneys, brokers, consultants, etc.) (hereinafter "Recipients"), which, in any capacity, act in the name and/or on behalf of the Group, as well as for partner entities (such as suppliers, subcontractors accountants, etc.) and aims to inspire company activities to be carried out to the highest standards of quality and fairness. The Group, in pursuing the objectives set out in the Code, do not engage in or continue any relations with any natural or legal person proves not agree with its contents and spirit or acting in violation of the principles contained therein.

The Code is approved by each Group company, it is valid throughout Italy and abroad and is used consistently with the different political, cultural, social, economic and trade where the Group operates, in observance and compliance with applicable regulations locally.

The Code is a document that has been requested and approved by the Governing Body and top management of the BONAVERI Parent Company and is intended to exert its effect, after formal adoption, on each company within the Group.

THE FUNDAMENTAL VALUES OF THE BONAVERI GROUP

The Code shows the reference core values that should guide the conduct of all the Recipients of the Group, in order to ensure fairness in the conduct of business and corporate activities, protection of assets, reliability and image and reputation of BONAVERI.

For these purposes, the Group has decided to adopt and implement a clear and detailed system of business organization - Corporate Governance - that conforms (i) as provided by the laws and regulations applicable in Italy, and (ii) the countries in which it operates or intends to operate.

The system of conduct and corporate governance of the BONAVERI Group is guided by the following principles, deemed fundamental and essential for achieving the ethical goals to be realised:

- control of business risks;

- development of corporate assets;

- professional development of workers employed at the Group's companies;

- transparency in relation with customers, third parties and Public Administrative offices;

- pursuit of its mission in full respect of the laws in force, the rules of the Code and the rules established by the adoption of the Model;

- valuation and confirmation of the good name of the Group companies.

To achieve its objectives, the BONAVERI Group set out to identify and specify with precision and determination the business principles which it aspires to comply:

ETHICAL & MORAL PRINCIPLES

1. **Justice, integrity and equality**: the Group operates in the absolute and obsequious compliance with applicable laws, regulations, rules and internal procedures and outlined within this Code.

In no event shall the pursuit of the Group to be brought to justify or justify conduct contrary to the principles of justice and equality. For this reason, the entire Group and its executive and managerial bodies shall seek, within its organization, to facilitate and stimulate the proper dissemination and knowledge of the law, this Code and procedures aimed at preventing violation of legal precepts. Beyond that, the Group wishes to facilitate the dissemination of any rule or lawful conduct and put in place to protect the integrity of persons and principles of coexistence between individuals;

1. **respect for people and equal opportunities:** the Group respects the fundamental rights of people and guarantees everyone equal opportunities; to this end, the Group is committed to ensuring within the companies that are part of dedicated high employment rates for young people and not more than women, and is committed, where possible, to take on all their workers with permanent contracts;
2. **loyalty and good faith:** the relations between the companies and the respective governing bodies of the Group with the Recipients and third parties in general, must be based on good faith and reliability, and to the preservation of agreements, promises, pacts, enhancement of the company's assets and the pursuit of behaviour in good faith in every decision;
3. **Integrity**: in relations with the Recipients and with any third party, the Group is committed and strives to maintain upmost transparent and precise behaviour starting from the implementation and improvement of its methods of external communication, thus avoiding to exemplify misleading, incorrect and inaccurate communication. Moreover, avoiding in any case, behaviour designed to take undue advantage from positions of disadvantage of third parties who might be misled;
4. **enhancement and development of human resources:** the BONAVERI Group has among its objectives the care of human resources as well as the protection and promotion the value, in order and with the precise aim to improve and increase the wealth and competitiveness of the skills possessed by each Recipient acting on behalf of the Group companies;
5. **confidentiality**: the confidentiality of information is of central importance for the BONAVERI Group that guarantees the protection and refrain from collecting and using sensitive or private information, with the natural exception of those cases where expressed and informed consent has been proved by the holders of data and in each case in accordance with the applicable rules of law;

ETHICS & ECONOMIC PRINCIPLES

1. **relations with Public Authorities**: the relations between BONAVERI Group and Public Authorities and Public Administration (P.A.) are and will always be based on the utmost fairness, transparency, good faith and collaboration, in full compliance with legal regulations;
2. **transparency**: the information being disseminated by BONAVERI must be complete, transparent, coherent, and accurate. Moreover, the dissemination methods are called to respect the principles of equal and simultaneous access to the same by the public;
3. **Impartiality**: in any kind of relationship with the Recipients, with their stakeholders as well as with third parties, the Group avoids and attempts to prevent discrimination of any kind such as, for example, based on age, sex and sexual orientation, health status, race, nationality, political opinion and religious beliefs, social status and any such personal discrimination;
4. **Conflict of interest**: the Group strives by all means and with the highest reliability to avoid, where possible, to incur in situations of conflict of interest. Any decision taken by Recipients is distinct and separate in the interest of the Group companies;

ETHICAL & SOCIAL PRINCIPLES

1. **Safety and protection of persons and protection of health and workplace safety:** the Group has among its prominent objectives the physical and moral integrity of the Recipient and is committed, and promotes the necessary activities to ensure hygiene and health safety in the workplace, respecting and implementing all systems that guarantee full respect for the health, physical integrity and the rights of workers and the full compliance with current legislation on safety, hygiene and health at work. Compliance with the regulations for the protection of workers and protection of their rights is one of the basic principles for the Group, which disseminates effective compliance in all countries in which the Group operates, demanding that their suppliers or employees respect them and ensure them to their employees. Without adequate safeguards with regard to compliance with this principle and regulations in workplace safety, no collaboration nor business partnership with any company of the Group will be accepted or will be allowed to continue.
2. **Environmental Protection**: the Group promotes the respect and protection of the environment. Moreover, the Group is actively engaged to ensure full compliance with current environmental legislation in the performance of corporate activities; to fulfil its commitments, the Group is involved in financing the research activities aimed at the implementation and execution of new biodegradable materials with a very low environmental impact, thus safeguarding the health of the environment in which it operates and those of the people who work and live in the area. Moreover, the Group promotes and uses environmentally friendly sources of renewable energy with the specific objective of reducing pollution emissions, and to move towards autonomy and energy conservation. To achieve this ethical-social principle, the Group is engaged in constant awareness-raising, in-house as well as addressing its collaborators, consultants and suppliers. The Group mandates within their corporate structure, the principles and rules set out therein, and shall ensure, to the extent consented by current standards, to adopt policies that respect and are deemed effective in terms of environmental awareness and tracking of products and raw materials used; an essential condition to undertake any kind of cooperation with any company belonging to the Group.
3. **Copyright and intellectual property protection**: the BONAVERI Group is aware of the personal initiative and inventiveness that it takes for the creation of any work or product, as well as industrial work with artistic value, as it is an expression of the creator’s feelings or vision. The Group is also aware that the protection of the rights which derive from such creations is an essential element for the honest conduct of a company or group of companies, and behaviour necessary for entrepreneurship and protection of craft and, more broadly, the "Made in Italy" reputation. Therefore, the Group is committed to absolute respect and the protection of copyright, invention and intellectual property rights, in requiring Recipients and any third party acting in the interest of the BONAVERI Group, the full devotion of the same principles referred to therein;
4. **Community and Society**: the BONAVERI Group is aware of the importance of their work, always mindful and paying the utmost attention to all the activities that contribute to economic growth and social well-being of the communities in which it operates. To this end, the BONAVERI Group is involved in activities for the dissemination and sharing of their artistic and industrial knowledge, by promoting and participating in events dedicated to the territory to which it belongs and, more generally, to young talents and their professional and personal growth.

RECIPIENTS

This Code is intended for Recipients who are required to abide by the principles enshrined in it and that, therefore, have to carry out their everyday business conduct to respect these rules of conduct, in their own interest, and the other Recipients of the BONAVERI Group. Compliance with the Code is an essential part of the contractual obligations by the Recipients. The code is set up as a guarantee, safety measure and regard, for the protection of the assets and reputation of all companies of the BONAVERI Group that are aware of the role and importance of the instrument of which it has decided to adopt, in particular:

1. recognizing the legal significance and binding force to the ethical principles and standards and principles of conduct established by the Code;
2. not intending to establish business relationships with anyone who does not share, or refuses to comply with, the principles laid out in the Code;
3. asking those who, for various reasons, have relations with BONAVERI and its Group of companies to comply with these principles, and will work to ensure the effectiveness and efficiency of the Code, applying equally to all categories of recipients;
4. promoting the dissemination of the Code throughout the Group and to the Recipients as well as providing an adequate and appropriate training support and information to Recipients;
5. guaranteeing privacy to the Recipients who report violations in implementing the Code and providing safeguards against any form of retaliation.

CHAPTER TWO

PRINCIPLES ON PROTECTION OF THE DIGNITY, HEALTH, SAFETY AND

HUMAN RESOURCES

management of human resources

BONAVERI Group is fully aware that human resources are indispensable for the existence and success of the enterprise. Employee allegiance and professionalism are all-important values and the consideration, respect, dedication and quality training of employees are conditions for the achievement of BONAVERI and its overall corporate objectives.

To this end, BONAVERI is committed to continuing the implementation the management and organization of all training policies, internal and external, which are suitable for securing and developing the skills and competencies of each employee. By following this method, the talent and creativity of the individual can express in the performance of their activities and, therefore, in the pursuit of a wider interest; not only for BONAVERI as a group, but all those who work for or promote it.

For this purpose, BONAVERI and the Group companies are engaged:

1. to promote and give effect to any intervention that would ensure the adequacy of the workplace environment in terms of personal health and safety to the extent of ensuring that all and any unlawful attempts to prejudice, condition or cause unease are prevented and guaranteeing that each individual is treated with respect;
2. to promote the development of skills and professional capabilities so that each individual feels fulfilled in achieving personally objectives as well as group objectives;
3. in judging corporate goals corresponding to the actual possibilities of each individual, aimed at the gradual achievement of real, specific and concrete aims compatible with the estimated time to achieve them;
4. in firmly committing to offer all employees the same employment opportunities, ensuring all opportunities for professional growth based on objective criteria and merit, based on loyalty and mutual respect, without discrimination.

For the commitments aforementioned, and to avert any injury to the principles of transparency and non-discrimination that inspired BONAVERI, and the Group, all profiles with managerial and organizational tasks are helped and supported to enable them to:

* pursue training for skill upgrading and equip them with the necessary professional expertise to ensure that the choices made have been an expression of the application of criteria of merit, competence and ability, always tied to the professional preparation of the employee/co-worker, in all decisions affecting them;
* dedicate part of their activities to create an ideal working environment where personal characteristics cannot give rise to discrimination or being treated differently.

For this purpose, BONAVERI specifies that all Recipients are required, with the same vigour and attention, to regard their work performance with diligence, competence and loyalty in carrying out their relevant activities, protecting the company and its assets while consistently maintaining appropriate behaviour, in line with the procedures and internal directives. Moreover, Recipients are required to refrain from engaging in inappropriate and menacing behaviour, as well as from promoting, or otherwise taking part in initiatives that pose a conflict of interest with the Group, on behalf of third parties, or other Recipients.

INTEGRITY, SAFETY AND HEALTH

BONAVERI and the Group companies, takes into great consideration the protection of fundamental values for the care of the organization, in particular:

1. the suitability of working conditions, premises, machinery and work equipment;
2. employees’ psychophysical integrity;
3. the safety of all existing business activities and those planned in the future;
4. the full compliance with current legislation on prevention and protection in the workplace, as important aspects of their business.

For these purposes, all corporate bodies are firmly committed to ensuring the compliance with current legislation on safety, hygiene and health of workers as it is considered a priority in order to avoid all:

1. risks for workers to be avoided, as far as possible and guaranteed by the development of improved techniques, also by choosing the most suitable and least dangerous materials, machinery and procedures to mitigate the risks at source;
2. unavoidable risks are correctly assessed and suitably mitigated through appropriate collective and personal safety measures;

And in order to provide employees with the proper knowledge of its prerogatives, BONAVERI and its Group of companies shall ensure that:

1. Information and training of employees and other recipients to be widespread, updated and with specific reference to the task;
2. to ensure the consultation of employees in health and safety in the workplace;
3. to cope quickly and effectively to any need or non-compliance on security that may emerge in the course of work or in the course of controls and inspections;
4. the organization of work and the same operational aspects are carried out in order to safeguard the health of workers, third parties and the community in which the Group operates.

To achieve the purposes set out above, the Group allocates organizational, equipment and economic resources in order to ensure full compliance with the safety requirements and the continuous improvement of the health and safety of workers in the workplace and of the relevant prevention measures.

In light of this commitment, and to ensure the proper continuance, employees and other interested recipients of the Group, each within its respective jurisdiction, are required to ensure full compliance with the law, the principles of this Code and procedures business and any other internal provision established for the protection of safety, health and hygiene in the workplace.

CHAPTER 3

PRINCIPLES ON GENERAL BUSINESS MANAGEMENT

GENERAL BUSINESS MANAGEMENT

The governing and decision-making bodies of BONAVERI and its Group of companies, and Recipients of this Code of Ethics, which operate directly or indirectly in the interest of BONAVERI, are required to comply, in the conduct of any business or interest with an ethical and respectful behaviour, to the laws, based on transparency, clarity, fairness and efficiency. Moreover, Recipients are to comply with the Group's business policies, and never carry out acts contrary to the law, the current regulations or company procedures adopted with reference to the individual functions assigned.

Equally, in the context of goods and services, as well as for external consultation, it is essential to act in accordance with the principles of fairness, cost-effectiveness, quality and legality and act according to circumstances with professional diligence and reasonable care, avoiding any attempt to improperly influence the decisions of suppliers and, in the case of relations with the public administration, of public officials/public service officers dealing and making decisions on behalf of the Italian or foreign public administrators foreign, to follow any business negotiations, application or contact with the Italian and/or foreign public administrators.

In particular, to all recipients without distinction, the following actions are prohibited:

* 1. to propose, in any way, employment opportunities and/or commercial opportunities that could benefit public officials and/or public service trustees on a personal basis;
  2. solicit or obtain confidential information that may compromise the integrity or reputation of both parties;
  3. take any other measure intended to induce public officials and/or foreign public service trustees to do or omit to do anything in violation of laws in which they are subjected to;
  4. the offering of money, gifts or benefits of any kind to customers, suppliers and third parties in general, in the aim to obtain real or apparent advantages of any kind (such as promises of economic advantages, favours, recommendations, promises of job offers, and any proposal of a similar nature).

In any case, acts of commercial courtesy must never be performed in circumstances which may be construed such as to give rise to suspicions or allegations and in any case be confused with conflicting behaviour with the guiding principles of this Code.

No exceptions to this rule are countenanced, not even in those countries where the offer of valuable gifts to commercial partners is considered part of normal practice.

CONFLICT OF INTEREST

The respect of common objective is pursued by all Recipients that are required, without exception, to avoid situations and/or activities that may lead to conflicts of interest with those of BONAVERI or the companies belonging to the Group or which could, however, interfere with their judgment, preventing them to make impartial decisions, in safeguarding the best interest of the Group itself and of all those who for BONAVERI and the Group carries out its work.

For this purpose, other situations and/or activities taken into consideration are those concerning spouses not legally separated, children, parents, relatives, cohabitants of the Recipient, as well as middlemen, fiduciary persons or companies controlled by the aforementioned persons.

If Recipients or the other persons listed in the preceding paragraph, find themselves in a situation of conflict with BONAVERI and the Group companies’ interests, even just potentially, by way of example but not limited thereto:

1. economic and personal financial interests with suppliers, competitors or customers of the Group;
2. carrying out work activities (not related tasks assigned within the Group), of any type, from suppliers, competitors or customers of the Group;
3. accepting money or favours from persons or companies that have or intend to have business relationship with the Group;

Furthermore, it is an absolute requirement that Recipients involved are obliged to promptly communicate to the CEO or to their direct superior and, pending the analysis of the specific situation, refrain from any activity related to the source of the conflict situation.

In order to avoid conflict situations, it is expected that the Group companies not be represented in relations with the Administration, whether Italian or foreign, by third parties whenever there is even a possibility of any conflict of interest.

Third parties operating on behalf of the Group are obliged to refrain from relations with the Administration, whether Italian or foreign, in any other case in which serious grounds regarding improper advantage exist.

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CONSTRUCTIVE USE OF TIME AND COMPANY ASSETS

In order to encourage the best possible development of employment within company premises, each Recipient must act diligently to safeguard assets, maintaining appropriate behaviours and attitudes that are respectful and responsible, in accordance with the operating procedures laid down for operation of the same and with the principle of quiet and polite coexistence.

With regard to Recipients:

* they may not perform activities during their working hours that are not consistent with their organisational tasks and responsibilities;
* they are directly and personally responsible for the protection and preservation of the tangible and intangible assets and of the resources, be they human, tangible, or intangible, entrusted to them for the performance of their tasks, as well as for use of the same in an appropriate manner consistent with the corporate interest;
* they may not utilise corporate assets such as, premises, equipment and confidential information of Group companies, for any type of personal use and interest.

CHAPTER 4

PRINCIPLES ON INFORMATION MANAGEMENT AND ACCOUNTING

CORPORATE MANAGEMENT

BONAVERI and its Group companies conduct their activities in full and unconditional respect for people and the principles of loyalty and good faith, and therefore are firm in condemning, without exception, any behaviour intended to cause, encourage, facilitate or induce the Recipients, each for their skills and part of their duties, breach of one or more of the following principles and rules of conduct:

1. maximum collaboration, transparency, fairness and efficiency in relations with independent auditors, Statutory Auditors, on the occasion of membership requests, as well as in relations with the Public Supervisory Authorities;
2. diligence, skill, fairness and accuracy in the preparation and verification of data and information to be implemented and transposed in the preparation of financial statements, reports or other corporate communications required by law or directed to the public or to the regulating bodies;
3. prohibition of undermining the integrity of the company assets in any form and by any means; under this aspect, it is forbidden, outside of cases or in ways other than those expressly permitted by law, to any Recipient to:

(i) refund contributions in any way whatsoever or to release the shareholder from the obligation to execute the same;

(ii) distribute profits not effectively attained or by law allocated to a reserve, that is, reserves not distributable by law;

(iii) purchase or subscribe share or stock of BONAVERI or of parent companies;

(iv) reduce the share capital, mergers or demergers in violation of rules established to protect creditors;

(v) fictitiously form or increase the share capital;

(vi) satisfy, in the case of liquidation, the shareholder claims in detriment of creditors;

1. It is prohibited of any action, fictitious or fraudulent, aimed at influencing the will of the shareholders' meeting in order to obtain the irregular formation of a majority and/or a different resolution;
2. It is prohibit to spread false information both internally and externally of the Group, concerning BONAVERI and/or its subsidiaries and/or affiliates, Recipients and third parties in general that they operate within the Group.

ACCOUNTING RECORDS

BONAVERI and its Group of companies clearly condemn any behaviour intended to alter the corporate and accounting information and data that are notified inside and outside the Group, to the Supervisory Authorities or to stakeholders. The Group, through the Recipients, each in relation to their duties, ensures methodical, clear and accurate book-keeping entries.

Therefore, the continued commitment is expressed and realized in the active will of BONAVERI that, with its activity and investment in business organization:

* ensures a transparent and timely information to all competent bodies and divisions involved, and the correct cooperation between said bodies and business divisions;
* guarantees the truthfulness, authenticity, accuracy and originality of the documentation and information provided in the performance of financial reporting activities or other corporate communications required by law and addressed to shareholders, the public and to the supervisory bodies;
* encourages the conduct of inspections specified by the competent organs and divisions;
* ensures all transactions or operations are duly authorised and adequately documented and that the documentation is kept in such a way as to allow at any time the due accounting entry, identification of the different levels of responsibility as well as the precise reconstruction of the transaction or operation;
* ensures corporate and extraordinary transactions and operations of the of the BONAVERI Group are duly justified, also for the purposes of monitoring and preventing the possibility of transfers of funds being connected with unlawful activities, such as the support of terrorist or subversive groups or associations from which the BONAVERI Group stands strongly against and dissociates itself from any such activities.

INTERNAL CONTROLS

All Recipients who hold managerial positions within their divisions, are called to participate in the implementation of an effective corporate control system to ensure the correctness of data and legality of each transaction and to involve their subordinates.

In the same way, all employees, to the extent of their competence, are obliged to contribute to the proper functioning of the internal control system and to report immediately any failure or discrepancy they encounter.

RELATIONS WITH EXTERNAL COLLABORATORS

Without any exception, Recipients are required to comply with the principles and rules of conduct contained in this Code that is transmitted to all new interlocutors, before the start of each collaboration, which declares the objective of making compliance mandatory, through suitable contract clauses.

RELATIONS WITH COMPETITORS

BONAVERI and it Group of companies inspire their total operations in accordance with the principles of fairness, honesty and good faith, and firmly believe in the respect of fair commercial competition with respect to any company or entity competitor. With this being said, it focuses its activities on the quality and success of the products, also conducted through strict protection of business equipment and intangible assets, through the development of know-how, the monitoring of the integrity of the company’s rights, the enhancement of the human capital and industrial resources which to draw and aim to constantly protect and improve.

OFFENCES OF CONSPIRACY, DRUG TRAFFICKING, MONEY LAUNDERING, POSSESSION OF STOLEN GOODS, COUNTERFITTING OF BANKNOTES AND COINS, FINANCIAL FRAUD, PUBLIC CREDIT CARDS, REVENUE STAMPS, SECURITIES SAVINGS AND PAPER WATERMARKED

BONAVERI and its Group companies condemns any behaviour by any persons who hold an executive or a subordinate position, who may even only indirectly facilitate the perpetration of offences such as criminal association or conspiracy, by way of example only, the association also in organized crimes, activities involving the purpose of illicit trafficking of narcotic drugs and psychotropic substances, money laundering, possession of stolen goods and in any case the use of goods, money or other illicit substances in violation of the law, by implementing all the methods and systems of preventive control that fall within their departments.

Prior controls are therefore ordered in order to prohibit Recipients from the following:

- accept or receive (or simply promises to receive or accept) payment in cash or other valuables;

- run the risk, due to failure to obtain due information, of being implicated in affairs relating to the laundering of money coming from unlawful or criminal activities;

- Falsify and / or put in circulation (through purchasing and/or selling) banknotes, coins, credit cards, stamps and watermarked paper.

Recipients who realize they made or were involved in any illegal or criminal activity, or who receive false or stolen banknotes or coins, or any other asset of the illicit nature, must inform their supervisor and the Chief Executive Officer, permitting them to take the appropriate actions.

COMPUTER CRIMES AND ILLICIT DATA

The Group censures any conduct that may even indirectly facilitate the perpetration of offences that consist of malicious hacking, unauthorised possession and distribution of codes of access to computer or telematics systems, unlawful interception, obstruction or interruption of computer or telematics communications, damage to computer or telematics systems, damage to information, data, computer programs also used by the State or by other public agency/body or of public purpose. To this end, BONAVERI, and subsidiaries of the Group, are committed to enable all modes of preventive and subsequent controls needed in compliance with the principles of the legislation on Privacy, in Italy or abroad, and the rules of good faith in commercial transactions (limited powers of access to computer systems, allocation of special access codes, role separation, traceability of operations, monitoring, etc.).

Under no circumstances are Recipients to:

- enter or remain illegally in a protected computer or telecommunications system protected, install equipment designed to intercept fraudulent computer or electronic communications protected by security measures;

- obtain, reproduce or distribute illegally any means of access (password and authorization systems) to computer or telecommunications systems protected by security measures;

- damage information, data or programs used by the State or other public body.

Any Recipient who becomes aware of misconduct must promptly inform his or her department manager and the CEO.

CHAPTER 5

PRINCIPLES ON TERRORIST OFFENCES AND SUBVERSION OF DEMOCRATIC RULE AND REGARDING PROTECTION OF PERSONAL RIGHTS AND STATUS

ACTIVITIES FOR THE PURPOSE OF TERRORISM AND SUBVERSION OF DEMOCRATIC RULE

BONAVERI, and its Group of companies, firmly condemns without exception, in all cases use of its resources for the financing and execution of any activity intended to achieve terrorist objectives or subversion of the democratic rule.

PROTECTION OF PERSONAL RIGHTS AND STATUS

BONAVERI and its Group of companies acknowledges the importance of protecting people and their individuality, in accordance with applicable regulations in the countries where it operates and as such strongly condemns any behaviour which may result in crimes against the individual and their personal rights. Moreover, it is committed to adopting the most suitable measures to prevent the perpetration of such offences in order to prevent the commission of such offenses. To this end, it is expressly forbidden to engage in behaviour aimed at the commission of violence or sexual harassment; conduct or comments that may disrupt the person's sensitivity and well-being should be avoided at all times.

In light of the above, BONAVERI and its Group of companies, condemns all forms of exploitation of persons and in particular child labour, and it is also careful in evaluating any cooperation or trade agreements with entities or persons, natural or legal, who operate in geographical areas considered to be “at risk of exploitation".

COMPLIANCE WITH INTERNATIONAL LABOUR STANDARDS

BONAVERI and its Group of companies, meets the highest standards and principles relating to the fundamental rights of workers and respects the right to freedom of association and the right to collective bargaining, freedom in the choice of employment, the exclusion of all forms of child labour within the production sites, the exclusion of all forms of discrimination, violence or abuse in the workplace, the definition of minimum standards for health and safety at work, the definition of the relationship between employer and employees based on contracts recognized by various national laws and, where possible, on terms that provide for stable and full-time employment.

CHAPTER 6

PRINCIPLES ON THE TREATMENT OF CONFIDENTIAL INFORMATION,

PRICE-SENSITIVE INFORMATION AND RELATIONS WITH SUPERVISORY

AUTHORITIES AND MARKET MANAGEMENT COMPANIES

CORPORATE COMMUNICATIONS AND INFORMATION

BONAVERI and its Group of companies encourage as much as possible Recipients to participate in the company and in exercising their rights within the Group itself, offering them, in compliance with regulations on Privacy in Italy and abroad, complete and transparent reports to determine in an informed manner, making use also of the investment of the company's stakeholders and, in general, the conscious use of resources.

Thus, BONAVERI continually strives to:

1. implement a corporate policy based on fairness, transparency and authenticity of its accounting and financial procedure that is capable of providing, forecasts of appreciable economic performance in the long term;
2. disseminate and promote awareness of company policies, programs, activities and projects undertaken;
3. disseminate notices and communications that are true, clear, complete, transparent, prompt and prepared in accordance with criteria for homogeneity and, in any case, in conformity with current applicable legislation and in compliance with the rules and procedures of correct professional conduct;
4. ensure compliance with the established procedure for internal management and external disclosure of documents and information pertaining to BONAVERI and its Group of companies, with particular reference to the Confidential and Personal Information or otherwise.

CONFIDENTIAL AND PRICE SENSITIVE INFORMATION

All Recipients and, more generally, all those who, in various capacities and assigned reasons, having access to Confidential and Inside Information relating to BONAVERI and its Group of companies and on the Group's financial instruments, confidential or otherwise unavailable or not disseminated to the public, are obliged to:

1. enforce any corporate procedure adopted by BONAVERI and by its Group of companies, which concern the regulation of procedures for proper dissemination of news and confidential and price sensitive information;
2. under no circumstances, communicate the Confidential and Privileged Information outside in the absence of any expressed authorization;
3. refrain from exploiting Confidential or Price Sensitive information in order to make or suggest investments in the Group or in any case to directly gain or have third parties gain any type of benefit, be it direct or indirect, immediate or future, economic or otherwise.

For explicit and demonstrative purposes, precise reference is made to Art. 181 TUF according to which, Inside information is defined as relating to the following cases: changes in company control or in control agreements, changes in management, transactions that involve capital or the issue of debt instruments or warrants to purchase or subscribe to securities, mergers, splits, spin-offs, decisions regarding buy-back programmes or transactions on other financial instruments, purchase or sale of shareholdings or other significant assets or business sectors, date of payment and total amount of the dividend, significant legal disputes, liability for significant product defectiveness or for environmental damage, significant changes in the value of the assets, changes of auditors, or any other information related to the auditing activity, changes in expected profits or losses, reduction in the value of immovable assets, physical destruction of uninsured goods, entry into (or abandonment of) areas of business.

Finally, "Confidential Information" should be considered as any news item related to BONAVERI and its Group of companies, which deems confidential in nature and that, if disclosed in an unauthorized manner, even when involuntarily or without intent, may cause damage to BONAVERI or to its Group of companies, as well as create groundless and false expectations.

Moreover, by way of example but not limited to, "Confidential Information" also implies those relating to: models, drawings, sketches and studies of the articles marketed and/or products with trademarks belonging directly or indirectly to BONAVERI and its Group of companies, including projects work, creative projects or inventions/patents, business plans, management, business and strategic, data related to the know-how and technological processes, financial transactions, operating strategies, investment and disinvestment strategies, operating results, employee data and lists customers and employees, information about current and future activities, including news not yet spread even when subject to the next disclosure announcements.

RELATIONS WITH REGULATORY AUTHORITIES AND SUPERVISORY AGENCIES

BONAVERI and its Group of companies are committed to fully and scrupulously complying with the requirements and the requests (also for inspection purposes) of the Supervisory Authorities and the Market Management Companies and for this purpose, also to ensure maximum cooperation and transparency, has adopted relevant company directives. At the time of audits and inspections by the Supervisory Authorities and the Market Management Company, Recipients, when called to intervene or be present for verification and inspection, are required to provide their availability and convey a cooperative attitude with the inspection and control bodies. Moreover, it is strictly forbidden to engage in conduct that could hinder, in any way, the supervisory authorities.

CHAPTER 7

RELATIONS WITH THIRD PARTIES

RELATIONS WITH POLITICAL AND TRADE-UNION ORGANISATIONS

Any form of involvement of Recipients in political activities shall take place on their personal basis, in their own free time, at their own expense, and in compliance with the laws in force.

BONAVERI, and its Group of companies do not make direct or indirect political contributions to any movement, party, committee or political and union organizations, or to their representatives or beneficiaries.

Relations with the Public Administration

In maintaining relations with the Public Administration and public bodies, BONAVERI and its Group of companies shall observe the following principles:

1. conduct must be based on the utmost transparency, clarity, correctness and impartiality, which must be such as not to cause any public institutional party with which relations are maintained for various reasons to make partial, spurious, ambiguous or misleading interpretations;
2. no direct or indirect contributions must be made in any form whatsoever, or funds and financing allocated to the support of public subjects, with exception of instances contemplated by current laws and regulations;
3. It condemns any conduct that the Recipients can be put in place and that configures promised or offered directly or indirectly, money or other benefits to public officials and / or agents of Public Italian or foreign service, from which it can achieve, for the same group, an interest or advantage;
4. prohibits the promise and / or offer of any object, service, value performance for a more favourable treatment in relation to any dealings with P.A., Italian or foreign;
5. any behaviour by Recipients is censured that consists of promises or offers of money or other benefits made directly or indirectly to Public Officials and/or Public Service Employees, whether Italian or foreign, from whom an interest or benefit for the actual Group could be obtained;
6. prohibits the offer of any object, service, benefit or favour to Public Officials/Public Servant, Italian or foreign, or their relatives up to the second degree, directly or through a third party, except in the case of gifts or other benefits of modest value and, in any case, within the legitimate uses or customs;
7. no working relations may be established with Administration employees or the recruitment of former employees of the Administration, whether Italian or foreign, or their relatives up to the 2nd degree of relationship, who are taking part or have taken part personally and actively in business negotiations or endorsed requests made by the Group companies to the Italian or foreign Administration;
8. prohibits he allocation of grants, subsidies or loans obtained from the State or other public body or by the European Community of any amount, for purposes other than those for which they were awarded;
9. condemns any behaviour aimed at achieving, from the State, the European Community or other public bodies, any type of contribution, financing, loan or other disbursement of the same type, by means of declarations and/or forged or falsified documents, or for through omitted information or, more generally, by means of trickery or deception, including those made via computer or telecommunications system, designed to mislead the service provider.

RELATIONS WITH OTHER AUTHORITIES OR INSTITUTIONS

BONAVERI, and its Group of companies, in maintaining institutional relationships, undertake the following responsibilities:

1. setting up, without any kind of discrimination, permanent channels of communication

with all institutional correspondents or contact persons at a regional, state and community level;

1. representing the interests and positions of the Group in a transparent, precise, coherent and correct way, avoiding collusive attitudes;
2. operating in a legal and strict manner, collaborating with the judicial authorities, the police and any public official and/or public service Distributor who has powers of inspection and conduct investigations against him.

No Recipient shall engage in economic activities, grant professional assignments, give or promise gifts, money or other advantages to those who carry out checks and inspections, or are part of Judicial bodies.

RELATIONS WITH MEDIA

BONAVERI and its Group of companies holds its relationship with the press, media and external stakeholders in high esteem and respect. Relations with the press, the media and, more generally, with outside correspondents shall be managed solely by the persons expressly delegated to do so and in compliance with the specific procedures and instructions imparted by the BONAVERI executive management team.

If not specifically delegated, all other Recipients must refrain from sharing any kind of information related to BONAVERI and its Group of companies, to the press and the mass media in general, nor have any type of contact with the same for the purpose of circulating corporate news, making sure that any request received in that sense is transferred to the division responsible for such matters.

Any type of participation, in the name and/or on behalf of, or otherwise representing BONAVERI and its Group of companies, at conferences, public events, committees and associations of any type must be properly authorized and formalized in writing, in accordance with company procedures.

RELATIONS WITH SUPPLIERS

Supplier selection and the elaboration of the terms of purchase of goods and services for the BONAVERI Group of companies is based on the values and criteria of competitiveness, objectivity, correctness, impartiality, equitable price, and quality of the goods and/or service, with careful evaluation of the assurances of assistance and of the general scope of offers. Procurement procedures must be based on the maximum competitive advantage for the BONAVERI Group and on fairness and impartiality towards all suppliers possessing the necessary requisites.

Therefore, those Recipients responsible for purchasing goods and services on behalf of BONAVERI must:

1. guarantee that every operation is legal, authorized, consistent, reasonable, documented, recorded and traceable at all times;
2. assess the quality, convenience, profitableness and conformity of the supplies to company requirements in compliance with the principles of correctness and transparency;
3. take into due consideration the professionalism, efficiency and general reliability of the suppliers;
4. verify that the suppliers being recruited have the financial means as well as organisational structures, capabilities, know-how, quality systems and adequate resources for the requirements and of course reflect the image of BONAVERI and its Group of companies;
5. provide a signed declaration in contract form with suppliers whereby they acknowledge and accept the terms of the Code.

Recipients are forbidden to entertain business relations with suppliers of which is known or suspected involvement in illegal activities and these relations must be based on absolute compliance with legal requirements, avoiding, where possible, taking contractual obligations that involve forms of dependence on the contracting supplier.

In relations with suppliers, the Recipients must not offer or accept gifts or other form of benefits and / or benefits that could be interpreted as a means of obtaining favourable treatment for any activity connected to BONAVERI and its Group of companies, and are not attributable to normal trade or courtesy relations.

CUSTOMER RELATIONS

Full customer satisfaction is a primary target for BONAVERI and its Group of companies, to be achieved through reliable, correct behaviour aimed at guaranteeing high quality products and services.

BONAVERI establishes agreements and relations with customers in a correct, complete and transparent way in compliance with the law (also with regard to laws governing money laundering, personal data protection, transparency and illegal rate of interest), with the legislation, the Code and with internal procedures.

Moreover, whenever unexpected events or situations occur, the Group fulfils customer expectations, performing agreements with fairness and without exploiting any conditions of weakness or ignorance when unexpected events arise.

Recipients are forbidden to have business relations with customers or prospective customers who are known to be or suspected of being involved in illegal activities. In assessing customers, their capacity to meet their payment obligations must be taken into consideration. In relations with customers, Recipients must not offer or accept gifts or any other form of benefits or utilities that could be interpreted as a means for obtaining favourable treatment for any activity connected with BONAVERI and its Group of companies and that are not attributable to normal commercial relations or courtesy relationships.

CHAPTER 8

THE EFFECTIVENESS OF THE CODE OF ETHICS AND ITS IMPLEMENTATION

Employees and Recipients must consider compliance with the rules of the Code to be an essential part of their contractual obligations pursuant to Sections 2104 and 2105 of the Italian Civil Code and the national collective labour contract currently in force, with reference to the Group companies having their registered office in Italy, and pursuant to corresponding laws applicable to Group companies having their registered office abroad. Infringement thereof will therefore constitute a breach of the primary obligations of the employment relationship or a disciplinary offence with all the legal consequences that this implies and could place the employment relationship itself at risk as well as lead to liability for any related damages incurred.

Breach of the principles stated in the Code could lead to application of the penalties or sanctions contained in the corporate disciplinary system forming part of the “Organisational, operational and control model” provided by Italian Legislative Decree 231/01 if adopted by the involved Group company.

Anyone who becomes aware of violations of the principles or standards of this Code are required to report them promptly to their direct manager and the CEO. It must be considered an explicit violation of the Code also any form of retaliation against persons who in good faith reported possible events or circumstances in the Code violations.

This Code, pursuant to current legislation, will be:

* adopted by its subsidiaries and/or associates of BONAVERI and the companies belonging to the Group;
* disclosed and transmitted by any means deemed appropriate (even by e-mail and/or fax and/or mail and/or hand delivery) to Recipients, to the members of the governing bodies and to the external auditors of the Group's accounts, the External Consultants and any third party that operates in various capacities in the interest or benefit of BONAVERI and its Group of companies, which sign an appropriate declaration for receipt; any update and modification of the Code will be promptly made known to all Recipients;
* published in a dedicated section on the company website, where the it is freely accessible by the public;
* made available in hardcopy from the Human Resources Department.

In addition to the above listed points, it will be standard to always include specific clauses in all contracts stipulated by BONAVERI and its Group of companies:

1. to inform third parties of the existence of the Code;
2. to oblige them to adapt to the values and the rules set forth therein;
3. to provide for the possibility of termination for breach of contract in case of violations of the rules of the particular gravity of the Code, without prejudice to compensation for further damages.

Any updates, changes or additions to this Code must be approved by the BONAVERI Srl Board of Directors and, consequently, shall be deemed adopted by all the companies within the Group and all individual Recipients.